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TOURAL

Multidimensional model of tourism verticals driving the sustainable balanced growth among rural & remote grids and urban clusters of rural regions, fostering macro-regional cooperation

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Design of the generic, modular business model for the development of Sustainable Smart UCCST destinations within the TOURAL framework. Includes a step-by-step methodological guide for pilot destinations, explaining how to design, structure and document their business model.
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Executive Summary

Deliverable D4.1 presents the design of a generic business model framework supporting the development of Sustainable Smart UCCST destinations within the TOURAL project. It translates the UCCST conceptual model into an operational pathway that enables pilot destinations to structure, assess and progressively strengthen their tourism systems in a coherent and economically viable way.

The business model is modular and adaptable. It recognises that not all pilot destinations implement all 4 UCCST tourism verticals. Instead of pre-defining a fixed formula as "sustainable", **the framework presented in this deliverable will allow each destination to select and combine verticals according to their assets, governance capacity and strategic ambition.**

The deliverable does not aim to provide abstract theoretical business terms. It functions as a structured guide for destination development which also uses the appropriate business terms when necessary (e.g. OPEX/CAPEX). It explains how to analyze markets, define the value propositions, organise the identified value chains, structure financial logic to support the plan and integrate sustainability into decision-making.

The document is designed to be used actively by pilot destinations for the next WP4 Taks and especially in relation with the Deliverable D4.2. It is a preparatory document that will prepare them to research, reflect, structure and justify their development choices before entering the co-design and individualisation phase of Task 4.2.

List of Symbols and Abbreviations

Abbreviation	Meaning
CCT	Cultural & Creative Tourism
CH	Cultural Heritage
CST	Cultural Science Tourism
KAC	Knowledge Awareness Centre
MDM	Multidimensional Model
MRC	Macro-Regional Cooperation
RRG	Rural and Remote Grids
SBG	Sustainable Balanced Growth
SLT	Silver Tourism
TV	Tourism Verticals
UCCST	UCNHT-CCT-CST-SLT
UCH	Underwater Cultural Heritage
UCNH	Underwater Cultural & Nature Heritage
UCNHT	Underwater Cultural & Nature Heritage Tourism
WP	Work Package

1. Introduction

1.1 Scope and objectives of the deliverable

Deliverable D4.1 presents the design of a generic and modular business model for Sustainable Smart UCCST destinations within the TOURAL project. It is developed in the context of *Task 4.1 "Design of TOURAL Business Model for Sustainable Smart UCCST Destinations"* and translates the UCCST conceptual framework into a coherent business logic supporting the development of Underwater Cultural & Nature Heritage Tourism (UCNHT), Cultural & Creative Tourism (CCT), Cultural Science Tourism (CST) and Silver Tourism (SLT).

Rural and remote areas face structural challenges such as economic dependence on traditional sectors, limited digital capacity, and difficulties in accessing funding. The objective of Deliverable D4.1 is to design a generic business model framework that enables TOURAL pilot destinations to later translate the UCCST concept into a structured development pathway. **Its purpose is to provide a common methodological backbone that supports pilot destinations in building economically viable and sustainability-driven tourism systems, regardless of their size, maturity or vertical specialization.** The framework presented here is not a rigid template to be copied. It is a structured business logic that helps destinations understand how tourism value is created, how it is delivered and coordinated, how it is financed, how sustainability is embedded, and how resilience can be strengthened.

The model is intentionally modular. Pilot destinations may focus on one or more tourism verticals depending on their territorial characteristics. The data from D2.7 (Living Labs results), D3.2 and the information collected for the Action Plans so far (D3.3 in progress). The framework supports both standalone development and cross-niche integration.

The deliverable describes a **structured and methodologically driven business model framework**, in line with Task 4.1 objectives, addressing market analysis, value propositions and unique selling points, sustainability and barriers, generic value chains and stakeholder roles, revenue and cost structures (CAPEX/OPEX) and performance. All elements will be clearly defined and explained with regard to their role and relevance for sustainable, resilient and smart destination development.

The development of Deliverable D4.1 builds directly on the outputs of *Task 2.3 (Stakeholder Engagement)* and *Deliverables D2.3 and D2.5,* which established the stakeholder ecosystem, co-creation processes and operational framework, as well as on *Task 3.1, Task 3.2 and Task T3.4, including Deliverables D3.1 and D3.2,* which defined the UCCST conceptual model, tourism verticals and pilot-specific optimisation directions, as well as the emerging tourism product suggestions from Action Plans (where available). These inputs provide the analytical and operational basis for structuring the UCCST business model.

Deliverable D4.1 constitutes the main output of Task 4.1 and serves as the input for Task 4.2, where the generic business model will be translated into pilot-specific business model individualisations, including co-design processes, tourism product definition and resilience assessment at destination level. Deliverable D4.1 thus will serve as a **common reference instrument**, establishing the basis for the co-

design, individualization and resiliency assessment of pilot-specific business models and tourism products to be developed in *Task 4.2*.
Targeted guidance addressed to pilot leaders will support the practical application of the generic model, providing step-by-step indications, data requirements and references to potential sources for market, cost and investment information.

1.2 Structure of the deliverable

Chapter 2: UCCST Business Model Foundations presents the conceptual and operational foundations of the TOURAL business model. It clarifies the UCCST tourism verticals (UCNHT, CCT, CST and SLT), explains the core principles of sustainable and smart destination development, and introduces the enabling conditions that shape business model feasibility and performance.
Chapter 3: Methodology and Pilot Step-by-Step Guide presents the structured approach used to design and apply the TOURAL business model framework. It explains how pilot destinations can progressively move from vertical selection and market understanding to financial structuring and consolidation of their business logic.
Chapter 4: Market Analysis Framework presents the the market analysis underpinning the UCCST business model and supports pilot destinations in understanding demand conditions, trends and positioning opportunities.
Chapter 5: Value Propositions and Unique Selling Points presents the framework for defining and articulating the concrete value offered by each destination. It explains how value propositions are structured, how cross-niche synergies may be developed, and how sustainability and operational enablers strengthen competitiveness.
Chapter 6: Sustainability, Barriers and Resilience presents the integration of environmental, social, cultural and economic sustainability within business model design. It analyses common implementation barriers and explains how mitigation strategies and resilience considerations should be embedded in destination planning.
Chapter 7: Value Chains and Stakeholder Ecosystem presents the structure of tourism value creation and delivery, identifying key actors, governance mechanisms and coordination requirements necessary for effective implementation of UCCST business model.
Chapter 8: Financial Model - Revenue Streams, CAPEX and OPEX Logic presents the economic structure of the business model. It explains investment needs, operational cost categories, revenue streams and financial feasibility considerations, providing practical guidance for pilot destinations to structure their economic assumptions.
Chapter 9: From Generic Model to Pilot Individualization presents the operational bridge between Deliverable D4.1 and Task 4.2. It explains how the generic framework is adapted to regional contexts and introduces the master template that supports pilot destinations in consolidating their individualized business models and preparing for co-design and resiliency assessment.

2. UCCST Business Model Foundations

2.1 Purpose of the TOURAL UCCST Business Model

Transforming a pilot site into a Sustainable Smart UCCST destination needs something more than developing thematic tourism products. It requires a structured understanding of how territorial assets are mobilized, how actors collaborate, how investments are prioritized and how long-term value is sustained. A business model can provide exactly this structure.

Within TOURAL, the business model cannot be targeted to just financial planning and raw entrepreneurship. It should, however, represent **the integrated business logic through which a destination will organize its cultural, natural and sometimes scientific resources into coherent tourism experiences that generate economic value while safeguarding environmental integrity, social cohesion and cultural authenticity.**

Without a well-structured approach of this kind, tourism development risks remaining fragmented, project-based or dependent on short-term funding. **A business model introduces strategic coherence**. It clarifies how value is created, who participates in its creation, how this value is delivered to visitors and how benefits are distributed within the destination stakeholders. In this sense, the business model becomes a central instrument of destination management and transformation.

The model aims to contribute to balanced growth across rural and remote grids and urban clusters, reducing asymmetries and strengthening interconnections within and between regions. In many cases, tourism concentrates on specific hotspots, creating seasonal peaks and spatial imbalances. **The UCCST approach promotes diversification, distribution of flows and activation of underutilized areas.** A business model designed within this framework must therefore consider not only product viability but also impact on the destination, community integration and rural–urban complementarities.

Since TOURAL operates within macro-regional contexts, including Adrion and Black Sea areas, the UCCST business model has a cooperation dimension that extends beyond local boundaries. Strategic positioning may benefit from the already identified complementarities with other TOURAL pilots and macro-regional networks during WP3. Therefore, a smart UCCST destination could be both locally grounded and regionally connected.

The TOURAL UCCST Business Model will provide an intentionally **modular framework** to support pilot destinations in designing viable, sustainable and smart tourism development strategies. Based on the results obtained from WP3, the model assumes that **not all pilot destinations implement all 4 UCCST tourism verticals**. Depending on local assets, development priorities and implementation capacity, **each pilot destination may focus on a single tourism vertical or combine multiple verticals to exploit cross-niche synergies.** For this reason, **the TOURAL business model is designed to be flexible, selective and scalable, allowing destinations to adopt only the components that are relevant to their specific context.**

Special Note for Pilot Destinations:
At this stage, the objective is not to define a complete or final business model, but to understand the distinct building "blocks" and the logic behind them. These foundations will be used later to structure and individualize pilot-specific business models in Task 4.2.

2.2 The UCCST Tourism Vertical Framework

The UCCST model structures tourism development around 4 thematic verticals: Underwater Cultural & Nature Heritage Tourism (UCNHT), Cultural & Creative Tourism (CCT), Cultural Science Tourism (CST) and Silver Tourism (SLT). **Each vertical activates different resources and responds to distinct visitor motivations**.

- **UCNHT** is based on **marine ecosystems, underwater cultural heritage and coastal landscapes.** It requires careful integration of conservation principles, regulatory frameworks and specialized services. **Its development depends on strong collaboration between tourism operators, heritage authorities and environmental institutions.**
- **CCT** mobilizes **local creativity, "living" heritage and cultural production**. It strengthens local participation and often contributes to year-round economic activity by supporting small-scale enterprises and creative networks. Business models in this vertical typically rely on local SMEs, cultural organizations and community actors. **Its core strength lies in authenticity and community engagement.**
- **CST** connects **tourism with scientific research and knowledge infrastructures**. It is particularly relevant for destinations with scientific infrastructures, research institutions or innovation ecosystems, and often combines tourism development with **knowledge transfer and awareness-raising objectives**. It transforms observatories, archaeological sites, or other research sites and spaces into educational and experiential tourism assets. **This vertical requires institutional cooperation and structured interpretation mechanisms**.
- **SLT** responds to demographic change and addresses the needs of older age groups and focuses on **wellbeing, accessibility, health-related services and slower-paced tourism experiences**. It promotes **inclusiveness, service quality and longer stays**.

Destinations may focus on one vertical or combine several through cross-niche integration. However, the UCCST model is not only thematic; it is territorial. It aims to contribute to **balanced growth** across rural and remote grids in connection with their urban clusters, reducing asymmetries and strengthening interconnections within and between regions. Balanced growth also contributes to resilience. When tourism demand and revenue streams are distributed across multiple verticals, destinations are less vulnerable to seasonal fluctuations or market shocks.

In TOURAL project, the tourism verticals have already been selected by the Pilot partners during the Living Labs process.

Special Note for Pilot Destinations:
The selection of tourism verticals should be based on realistic assessment of local assets, governance capacity and market positioning. Implementing fewer verticals in a coherent and feasible manner is preferable than pursuing all four verticals without sufficient capacity or resources.

2.3 Core Enablers of the TOURAL UCCST Business Model

While tourism verticals define thematic orientation, their success depends on structural conditions that enable effective implementation. Across all verticals, four operational enablers condition feasibility and performance:

- E1: Connectivity and accessibility;
- E2: Customer experience and service quality;
- E3: Stakeholder collaboration;
- E4: Technological integration.

These enablers were also identified and verified during the previous work on TOURAL WP3. They do not constitute products themselves, but they influence the effectiveness of every vertical. For example, weak accessibility limits market reach; limited collaboration constrains coordination; insufficient technological integration reduces visibility and monitoring capacity.

Strengthening these enablers is therefore part of destination development strategy. The TOURAL UCCST Business Model will be therefore guided by a set of cross-cutting principles emerging from the abovementioned enablers, that apply regardless of the selected tourism verticals.

2.3.1 Cross-Niche Synergies

Where appropriate, the model encourages the combination of tourism verticals in order to diversify tourism offers and revenue streams and create experiences and offers which enhance visitor experience. Cross-niche integration is considered an **opportunity rather than a requirement**.

2.3.2 Co-Creation and Stakeholder Engagement

UCCST business model is grounded in cooperation between public authorities, private actors, academia and civil society. Value creation is understood as a **shared process**, requiring coordination, trust and clearly defined roles among stakeholders.

2.3.3 Smart Seasonality

Rather than maximizing short-term visitor volumes, the model prioritizes balanced visitor flows, (extension of tourism activity beyond peak seasons (if possible) and most importantly, **long-term resilience of local tourism systems**.

2.3.4 Digitalization and Smart Tools

Digital technologies support the UCCST business model by **enhancing access, visibility, interpretation and storytelling**. Digital tools and platforms (as those to be developed under WP5 of TOURAL project) can support value delivery, booking systems and visitor engagement. Moreover, on policymaking level, the use of ICT tools can assist in data-driven planning, monitoring and decision-making.

These enablers do not represent business model components themselves, but they **condition the effectiveness and scalability** of UCCST business models at destination level.

Special Note for Pilot Destinations:
Identifying weaknesses in operational enablers does not imply that business development should be postponed. Instead, it highlights priority areas for investment, coordination or policy support that should be addressed alongside business model design.

2.4 From Concept to Development Pathway

The foundations presented so far establish the conceptual architecture of the TOURAL UCCST business model. Once the vertical logic, territorial dimension, core enablers and governance framework are understood, the next step is to translate them into structured action. The business model framework that is presented in this deliverable essentially provides an easy-to-follow “translation” for the pilot destinations. It will guide destinations through various stages: from market understanding to value definition, from barrier identification to governance structuring, and from strategic ambition to financial feasibility. In doing so, the business model will support pilot destinations in moving from conceptual alignment to operational development.

Special Note for Pilot Destinations:
Before proceeding to the methodological guidance in Chapter 3, it is important that pilot teams reach an understanding of the selected tourism verticals, the relevant enables, the suggestions resulting from the Optimized UCCST model, also taking into account key contextual constraints.

The TOURAL UCCST business model is structured around the integrated logic of value creation, value delivery and value capture, supported throughout by sustainability and resilience principles. The TOURAL UCCST Business Model logic is briefly presented in the table below.

1. Value Creation

The destination creates value by transforming territorial assets into meaningful tourism experiences through one or more UCCST verticals.

It includes:

- natural, cultural, scientific and community-based assets
- selected tourism verticals: UCNHT, CCT, CST, SLT
- enabling conditions: accessibility, service quality, collaboration, digitalisation

2. Value Delivery

The destination delivers value through coordinated value chains and governance structures that connect actors, services and visitor experience stages.

It includes:

- stakeholder ecosystem and governance arrangements
- value chains from promotion to post-visit engagement
- digital tools and smart services supporting access, interpretation and coordination

3. Value Capture

The destination captures value through diversified revenue mechanisms and financially realistic operating models.

It includes:

- direct revenues, indirect local benefits, public and hybrid funding
- CAPEX and OPEX requirements
- financial feasibility and long-term operational sustainability

4. Cross-Cutting Layer: Sustainability and Resilience

Sustainability and resilience shape the business model by ensuring that tourism growth remains environmentally responsible, socially embedded, culturally grounded and economically viable over time.

Table 1. TOURAL UCCST Business Model logic

3. Methodology and step-by-step Guide for Pilot Destinations

The methodology adopted for the design of the TOURAL UCCST Business Model follows a **structured, modular and evidence-based approach**, combining analytical inputs from previous project work with practical guidance tailored to the needs of pilot destinations. Once the conceptual foundations of the UCCST business model are understood, the next question becomes practical: **how can a pilot destination translate these principles into a coherent and feasible development pathway?**

The methodology presented in this chapter provides that structured pathway. It is not a rigid sequence to be followed mechanically, but a logical progression that helps destinations move from strategic reflection to operational structuring.

The development of a UCCST business model is not linear. It is iterative. Market understanding may reshape value propositions. Financial constraints may require adjustment of ambition levels. Stakeholder consultations may refine governance arrangements. For this reason, **the proposed methodology should be understood as a guided cycle rather than a one-time exercise**. The figure below illustrates how value is created, delivered and captured within the TOURAL UCCST framework, supported by sustainability and resilience as cross-cutting conditions.

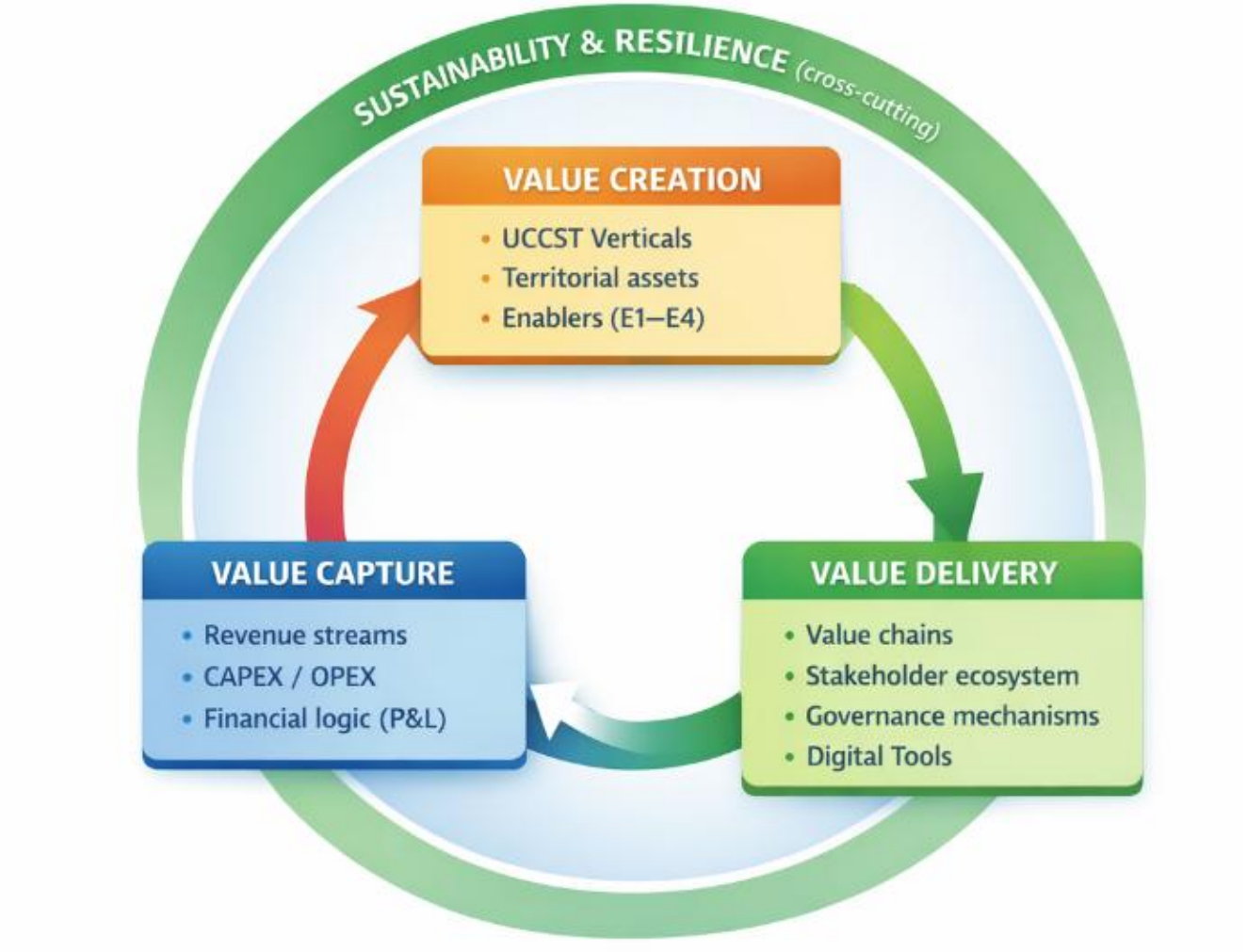

Figure 1. TOURAL UCCST Business Model Logic

The approach builds upon previous project work for Work Packages WP2 and WP3, including stakeholder mapping, Living Lab processes and outcomes, as well as the optimization analysis carried out. However, desk research and comparative analysis will be necessary in some stages (especially relevant to market analysis).

3.1 Overview of the Workflow

For clarity and practical implementation, the business model development process can be organised into a series of interconnected stages. The TOURAL business model methodology is organised as a **step-by-step workflow**, guiding pilot destinations from an initial strategic reflection to a structured business model narrative. Each step corresponds to one or more chapters of this deliverable and prepares the ground for the co-design and individualisation process in Task 4.2. Each stage builds on the previous one, but feedback between stages is expected and encouraged.

The workflow consists of the following steps:

1. Final selection of relevant tourism vertical(s) with corresponded tourism offerings/services
2. Market understanding, analysis and positioning
3. Definition of value propositions and unique selling points
4. Identification of sustainability challenges, barriers and risks
5. Design of value chains and governance/stakeholder arrangements
6. Structuring of revenue and cost logic
7. Consolidation into a coherent business model narrative

These stages are explained below, one by one.

3.1.1 Step 1 – Final selection of relevant tourism vertical(s) with corresponded tourism offerings/services

The first step in applying the TOURAL business model is the identification of the tourism verticals that are **realistically applicable** to each pilot destination. This decision should reflect the availability of assets, institutional capacity, stakeholder readiness and market positioning potential.

Pilot destinations may select:

- one tourism vertical (e.g. UCNHT only),
- two or three verticals,
- all four verticals, only if capacity and strategic relevance allow
- their corresponding offerings

Strategic orientation goes beyond thematic choice. It clarifies the ambition level of the destination, i.e. whether the focus is on consolidation of existing activities, moderate expansion or transformative development.

Some more concrete examples, could be:

- A coastal pilot already offering diving tourism may focus on consolidating UCNHT.
- A destination with a small museum and research center may expand toward CST.
- An island with ageing visitor demographics may strategically reposition toward SLT.

Early clarification of ambition helps avoid unrealistic financial assumptions or governance overload in later stages. Stakeholder engagement at this stage is essential to ensure alignment between public authorities, private operators and community actors.

Special Note for Pilot Destinations:

*At this stage, the focus should be on **feasibility and coherence** rather than completeness. Selecting fewer verticals with a clear development logic is preferable to adopting all four without sufficient implementation capacity.*

At this stage, the identified key actors involved in value creation and delivery should also be clarified once the tourism verticals are selected. This includes public authorities and destination management bodies, private tourism operators, local SMEs, cultural, scientific and educational institutions, civil society organizations and local community groups. For the TOURAL pilot sites, this work has already been completed during WP2 (stakeholders' mapping).

Before integrating the stakeholders into the model, the objective is to clarify:

- who contributes to which part of the tourism experience,
- which actors have decision-making power,
- where collaboration or coordination gaps exist.

Special Note for Pilot Destinations:
This mapping exercise should focus on actual roles and relationships, not formal organizational charts. Understanding who depends on whom is essential for later governance and financial structuring.

Component	Description
Tourism Vertical(s) and offerings	Indicate UCNHT, CCT, CST and/or SLT and corresponding offerings (products/services)
Implementation Type	Standalone or Cross-Niche Combination
Strategic Ambition Level	Consolidation / Expansion / Transformation
Strategic Justification	Why these vertical(s) and offerings are selected
Alignment with Local Assets	Key territorial strengths supporting selection
Main Development Objective	What the pilot aims to achieve
Relevant stakeholders	Who provides/contributes to the tourism experience directly?

Table 2. Vertical Selection & Strategic Positioning key considerations

3.1.2 Step 2 – Market Understanding, Analysis and Positioning

Once the strategic orientation is defined, the next step is to understand **the demand environment**. Market research and understanding is essential, as it ensures that **the business model responds to real visitors' needs** and competitive conditions rather than internal expectations.

This stage involves identifying the specific target segments in tourism, analyzing their trends and assessing competing destinations or substitute offers. The objective is not to produce complex market studies, but to feed positioning decisions and support realistic scale assumptions.

Market analysis aims to understand **who the destination is targeting**, **why visitors would choose it**, and **how it compares to alternatives**.

For each selected tourism vertical, the analysis should address:

- main demand trends and target segments,
- typical visitor profiles and motivations,

- competitive or comparable destinations,
- price levels and positioning.

The level of detail required is proportionate to available data and capacity.
This market data will help each destination to better understand the scenarios for the best market positioning. A clear positioning strategy strengthens differentiation and reduces vulnerability to market saturation.

For example, if a nearby destination is highly developed in a specific tourism segment, then the high competition in the same segment might be a barrier for a similar destination to enter the market. So, in case a nearby island attracts 80% of its visitors between July and August, a pilot destination may strategically position itself as an off-season alternative, especially for SLT or CST.

On the other hand, this could also be an opportunity to create a wider destination which can include both locations. Under the hypothesis of mutual long-term positioning towards the creation of a wider destination, this could serve as a positioning strategy. Under the same reasoning, with respect to the TOURAL pilot sites, the N. Sporades islands could potentially benefit from the creation of a unified tourism destination model, rather than operating independently.

Special Note for Pilot Destinations:
Market analysis does not require complex studies. Public statistics, destination reports, comparable case studies and online sources often provide sufficient evidence to understand the real market and its trends. Even indicative numbers (e.g., "mid-range pricing", "high-season concentration above 70%") are sufficient for positioning logic.

3.1.3 Step 3 – Definition of Value Propositions and Unique Selling Points

With market positioning clarified, pilot destinations should define the concrete value they intend to offer. A value proposition articulates the experience provided, the audience addressed and the distinctive elements that differentiate the destination.

The value proposition should clearly articulate:

- what experience is offered,
- which needs it addresses,
- what makes it distinctive,
- how it benefits both visitors and the local community.

At this stage, the destinations should translate thematic orientation into concrete, deliverable experiences (products or services). Unique Selling Points (USP) should emerge naturally from territorial assets, sustainability integration and cross-niche opportunities. They highlight the elements that differentiate the destination from competitors. Moreover, in some cases, shared ownership among the stakeholders might be necessary to be considered for ensuring feasibility. Overall, the model aims to increase visitor length of stay, reduce economic leakage, and strengthen local value chains.

Special Note for Pilot Destinations:
Value propositions should be realistic and feasible with existing or planned capacities. Overly broad or abstract propositions are difficult to operationalize and communicate.

3.1.4 Step 4 – Identification of Sustainability Challenges, Barriers and Risks

Strategic ambition must be assessed against real-world constraints. This stage identifies environmental, regulatory, financial and organizational barriers that may affect implementation. Rather than limiting development, in reality, barrier identification strengthens the business models, by encouraging realistic planning. Sustainability considerations might also be embedded here, ensuring that environmental protection, social inclusion and economic viability are integrated into decision-making.

Pilot destinations first need to identify:

- environmental, social, cultural and economic challenges,
- implementation barriers (e.g. regulatory, infrastructural, organisational),
- external risks (e.g. seasonality, access constraints, demographic change).

Sustainability considerations should be embedded here.

- Does increased visitation threaten marine ecosystems?
- Are local communities supportive?
- Does the model create long-term employment?

Then, for each challenge or barrier, potential mitigation measures should be outlined, and the planning should be created with them in mind. For example, if diving tourism cannot operate in winter months, alternative activities (CST workshops, cultural events) may compensate for seasonal decline.

Special Note for Pilot Destinations:
Identifying barriers is not an evaluation exercise (like previous WPs), but a planning tool. Transparent recognition of constraints strengthens the credibility and robustness of the business model.

3.1.5 Step 5 – Design of Value Chains and governance/stakeholder arrangements

Tourism experiences are delivered through networks of actors. This stage clarifies how value is created and coordinated across the destination ecosystem. **Value chain design describes how tourism experiences are delivered in practice, from preparation and promotion to on-site delivery**. Value chain design identifies key activities, responsible actors and coordination mechanisms. Governance arrangements could build upon stakeholder mapping, Living Lab processes and potentially other local tourism governance mechanisms, ensuring clarity of roles and shared accountability.

This step clarifies:

- key activities along the visitor journey,
- responsibilities of the different actors,
- coordination and governance mechanisms required.

Special Note for Pilot Destinations:
Clear governance arrangements are as important as strong market demand. Business models often fail due to unclear roles rather than lack of attractiveness.

3.1.6 Step 6 – Structuring Revenue and Cost Logic

After strategic and operational dimensions are clarified, the business model must be translated into financial logic. This stage identifies required investments (CAPEX), operational costs (OPEX) and potential revenue streams.

The financial component of the business model distinguishes between:

- **CAPEX** (investments in infrastructure, equipment, digital tools, heritage assets), and
- **OPEX** (operational costs related to staffing, maintenance, services, marketing).

- **Revenue streams** (direct visitor payments, or indirect revenues, public or hybrid funding mechanisms).

Special Note for Pilot Destinations:
Indicative ranges and transparent assumptions are sufficient at this stage. The objective is to demonstrate financial logic and feasibility, not to produce a detailed financial plan.

3.1.7 Step 7 – Consolidation into a Business Model narrative

The final stage integrates all previous steps into a **coherent business model narrative** explaining:

- the strategic rationale,
- the finally selected tourism verticals and offerings,
- the value creation logic,
- the financial and governance structure,
- the sustainability/resilience approach.

This consolidated narrative forms the basis for the pilot-specific individualization process under Task 4.2. It ensures that business model design is not fragmented across separate analyses but presented as an integrated development strategy.

Special Note for Pilot Destination:
The business model narrative should be understandable to non-technical stakeholders as well. Clarity and coherence are more important than technical/business detail.

To summarize this chapter, the table below describes the operational logic of the TOURAL business model development process. The table is designed so that each step has a concrete operational meaning.

Step	Purpose	Main Inputs	Expected Output
Step 1. Selection of Relevant Tourism Vertical(s) and Strategic Orientation	To define the thematic direction and ambition level of the destination business model based on realistic territorial potential.	Pilot-site asset base; results from stakeholder mapping and Living Labs under WP2; findings from D3.1 on pilot-site strengths and niche potential; findings from D3.2 on optimisation directions, barriers and enabler readiness; initial Action Plan orientations where available; destination-specific knowledge on governance capacity, infrastructure and tourism maturity.	A clearly justified selection of one or more UCCST verticals; identification of whether the model will be standalone or cross-niche; definition of the strategic ambition level (consolidation, expansion or transformation); initial statement of the main development objective; first identification of the core actors involved in value creation and delivery.
Step 2. Market Understanding, Analysis and Positioning	To assess whether the selected vertical(s) correspond to credible market opportunities and to identify the demand logic of the business model.	Selected vertical(s) and strategic orientation from Step 1; available tourism statistics; Eurostat, OECD, UN Tourism and national/regional tourism data; local and regional tourism reports; comparable destination examples; online platform observations (pricing, offer types, visitor reviews, booking patterns); indicative seasonality and visitor profile evidence.	A concise market profile per selected vertical; identification of the most relevant visitor segments; summary of key market trends and demand characteristics; indicative understanding of competing or comparable offers; preliminary positioning statement explaining how the destination could differentiate itself in the market.
Step 3. Definition of Value Propositions and Unique Selling Points	To translate the selected tourism vertical(s) and market insights into concrete tourism experiences that respond to real visitor motivations.	Outputs from Step 2 on target segments, demand trends and positioning; territorial assets and heritage/nature/science resources identified in Step 1; stakeholder capacities and local service base; relevant insights from D3.2 on enabling conditions; emerging tourism	A defined value proposition for each selected vertical or offering, including target segment, core experience, differentiation element and expected visitor value; identification of the key Unique Selling Points (USPs); indication of whether cross-niche combinations are relevant; first

		product directions from Action Plans where available.	clarification of the sustainability contribution and operational enablers required for delivery.
Step 4. Identification of Sustainability Challenges, Barriers and Risks	To test the realism of the emerging business model against structural constraints and sustainability conditions.	Outputs from Steps 1–3; D3.2 results on sustainability dimensions, barriers and mitigation prescriptions; Living Lab findings from WP2; local evidence on accessibility, seasonality, regulation, governance, environmental sensitivity, skills and service gaps; any pilot-specific constraints already identified in Action Plans or related project work.	A structured list of the main barriers affecting implementation; classification of barriers by type and impact level; explicit link between barriers and the four enablers (E1–E4); initial mitigation logic; clarification of the sustainability conditions under which the business model can operate credibly and responsibly.
Step 5. Design of Value Chains and Governance / Stakeholder Arrangements	To define how the tourism experience will actually be delivered across the destination system and which actors are responsible for each part of the process.	Outputs from Steps 1–4; stakeholder mapping and Living Lab results from WP2; selected value propositions and target segments; local knowledge on destination governance arrangements; existing service providers, institutions and intermediaries; barriers and enabler weaknesses that affect coordination and delivery.	A mapped destination value chain covering at least promotion, planning, access, experience delivery, support services and post-visit engagement; identification of the key actors involved at each stage; clarification of governance needs, coordination mechanisms and role distribution; first understanding of where value is created, delivered and potentially shared.
Step 6. Structuring Revenue and Cost Logic	To translate the strategic and operational model into basic financial logic and assess whether the proposed model is economically coherent.	Outputs from Steps 2–5; target segments and indicative pricing logic; value propositions and expected visitor behaviour; value chain structure and actor roles; D2.6 and D2.7 outputs on funding instruments and business planning support; available evidence on infrastructure needs, staffing, equipment, maintenance, service delivery, digital tools and marketing costs.	Identification of the main revenue streams (direct, indirect, public or hybrid); identification of the main CAPEX and OPEX categories; simple annual logic showing how the tourism offer may generate income and incur costs; first indication of whether the model is self-sustaining, partially subsidised or dependent on hybrid support; identification of any major funding gaps or investment priorities.
Step 7. Consolidation into a Business Model Narrative	To integrate all previous analytical and design elements into one coherent, destination-relevant business model logic that can be carried forward into Task 4.2.	Full outputs from Steps 1–6; strategic orientation, market positioning, value propositions, barriers, governance structure and financial logic; TOURAL project framework and requirements for pilot individualisation.	A consolidated business model narrative explaining: why this destination model is strategically relevant; which verticals and/or offerings are prioritised; who the target visitors are; how value is created, delivered and captured; how sustainability and resilience are embedded; and what elements need to be further refined in Task 4.2 through co-design and pilot-specific individualisation.

Table 3. Operational logic of the TOURAL business model development process

The following chapters provide dedicated presentation and analysis of the most critical steps of the Business Model creation process for tourism destinations.

Chapter 3 provides the methodological bridge between the generic business model presented in this deliverable and the **pilot-specific individualization** to be carried out in Task 4.2. The steps described here can be reused, refined and validated through co-design processes with local stakeholders, leading to tailored business models and tourism product definitions. In the TOURAL framework, business models are developed for specific tourism offerings derived from the selected verticals. The verticals provide the thematic orientation, while the business model applies to concrete experiences and products.

4. Market Analysis Framework

The global rural tourism market has experienced significant growth over recent years, with market size expected to increase from €90,7 billion in 2025 to €97,4 billion in 2026 at a CAGR (Compound Annual Growth Rate) of 7.4%[1]. By 2030, it is projected to reach €129,46 billion, maintaining the same growth rate. This expansion is driven by several structural factors including the growing demand for authentic local experiences, the rise of sustainable tourism practices, the expansion of nature-based and adventure tourism, and the increasing visibility of rural destinations through digital platforms and online travel marketplaces. These drivers reflect broader structural changes in tourism demand, including the shift toward experiential travel, sustainability, and decentralized tourism destinations.

Several global tourism trends support the relevance of these market segments. Tourism demand is increasingly influenced by the search for authentic and experience-based travel, growing awareness of environmental sustainability, and the desire to engage more deeply with local cultures and natural environments. According to the Booking.com Sustainable Travel Report 2024[2], approximately 75% of travelers seek authentic experiences that reflect local culture, while 76% express the intention to travel more sustainably in the future. These trends demonstrate a broader shift from mass tourism toward more experiential, responsible and culturally meaningful forms of travel. Furthermore, research by Expedia Group indicates that 90% of travelers consider sustainable travel options when planning their trips, highlighting the growing importance of environmentally responsible tourism[3]. This shift in consumer behavior has significantly contributed to the expansion of rural tourism, as rural destinations often offer nature-based, low-impact travel experiences that align closely with sustainability principles.

Moreover, digital transformation has significantly reduced barriers for small tourism providers to reach global markets. Platforms such as Airbnb, Booking.com and other online marketplaces enable rural accommodation providers and tourism operators to promote their services internationally. Social media, travel blogs and digital storytelling have also increased the visibility of previously lesser-known destinations, allowing smaller regions to compete in thematic and experience-based tourism markets.

In parallel, demographic changes are creating new tourism opportunities. The global population is ageing, and the number of travelers aged 55 and above is increasing steadily. These travelers often have greater flexibility in travel timing and frequently prefer longer stays and off-season travel periods. As a result, silver tourism can contribute to reducing seasonality and stabilising tourism flows throughout the year.

Generational differences also influence tourism demand. Younger travelers, particularly those belonging to Generation Z and Millennials, increasingly prioritize experiential spending and meaningful travel experiences. Research by McKinsey[4] indicates that more than half of Generation Z travelers prioritize spending on experiences rather than material goods. This behavior reinforces the demand for participatory tourism experiences such as creative workshops, cultural immersion activities and nature-based exploration.

[1] https://www.thebusinessresearchcompany.com/report/rural-tourism-global-market-report#:~:text=%E2%80%A2%20Rural%20Tourism%20market%20size,And%20Visibility%20For%20Rural%20Tourism

[2] https://news.booking.com/latest-bookingcom-sustainable-travel-data-reveals-ongoing-challenges-for-consumers--highlights-a-heightened-opportunity-for-cross-industry-collaboration/

[3] https://www.expediagroup.com/media/media-details/2022/New-Global-Research-from-Expedia-Group-Spotlights-Growing-Consumer-Interest-in-Sustainable-Tourism/default.aspx

[4] https://www.mckinsey.com/industries/travel/our-insights/the-evolving-role-of-experiences-in-travel

Nature-based and adventure tourism represent another rapidly growing segment of the global tourism market. The global adventure tourism market was valued at approximately USD 324.9 billion in 2022 and is projected to reach nearly USD 2 trillion by 2032[5], reflecting significant expansion in tourism activities connected with outdoor recreation, environmental awareness and physical wellbeing. Rural and coastal destinations are particularly well positioned to benefit from these trends due to their natural landscapes and biodiversity.

Cultural tourism also remains a major component of global travel demand. According to UNWTO[6], approximately 40% of international tourism trips are motivated by cultural experiences such as visiting heritage sites, participating in local traditions or exploring cultural landscapes. Furthermore, gastronomy plays a significant role in travel decisions, with food and culinary experiences accounting for roughly 25–30% of tourist spending at destinations[7].

Domestic tourism also represents a dominant component of tourism activity in many countries. Across OECD economies, domestic tourism accounts for approximately 75% of tourism consumption[8]. This highlights the importance of regional and national visitor markets, particularly for rural and coastal destinations that attract short leisure trips, weekend escapes and repeat visitation.

Taken together, these trends demonstrate that tourism demand is becoming increasingly diversified and experience-driven. The UCCST tourism verticals correspond closely with these evolving demand patterns, as they combine cultural heritage, environmental awareness, creative engagement, scientific learning and inclusive travel experiences.

The UCCST model focuses on tourism experiences that generate value through knowledge, authenticity, cultural engagement, environmental awareness, and accessible and inclusive services. These segments often attract visitors who seek meaningful and immersive experiences rather than standardized tourism products. As a result, they frequently generate higher visitor engagement, longer stays, and greater expenditure on specialised services such as guided experiences, workshops, educational programmes or thematic tours.

For instance, underwater cultural heritage experiences typically involve specialised diving services, interpretation of marine heritage and environmental awareness activities. Cultural and creative tourism relies on participatory experiences such as craft workshops, cultural festivals and gastronomy-based activities. Cultural science tourism connects tourism with research infrastructures, knowledge institutions and citizen science initiatives. Silver tourism addresses the travel preferences of older visitors who often value comfort, cultural enrichment, wellbeing and slower-paced experiences.

For the purposes of the TOURAL business model, market analysis therefore serves two main objectives. First, it provides an overview of the main tourism trends and market characteristics that support the development of UCCST-related tourism products. Second, it helps destinations understand how their own assets and capabilities may align with these broader demand patterns.

The following sections of this chapter examine the main components of market analysis and present the key market characteristics associated with each tourism vertical. This analysis provides a general understanding of

[5] https://www.untourism.int/nature-positive-travel-and-tourism

[6] https://www.e-unwto.org/doi/book/10.18111/9789284418978

[7] https://www.e-unwto.org/doi/pdf/10.18111/9789284414819

[8] https://www.oecd.org/en/about/directorates/centre-for-entrepreneurship-smes-regions-and-cities.html

the tourism markets relevant to the UCCST framework and offers a reference point for destinations when reflecting on their own tourism positioning.

While the analysis presented here draws on general tourism trends and available statistics, destinations may complement this information with local data, regional tourism reports and comparable destination examples in order to support their own business model development. Even indicative observations regarding visitor profiles, seasonal travel patterns or price levels can significantly strengthen the credibility of business model assumptions and contribute to more realistic development strategies.

4.1 Modular Market Analysis Approach per Tourism Vertical

The UCCST business model requires a more targeted analysis of the markets that correspond to each of its tourism verticals. Therefore, the TOURAL market analysis framework is modular. Pilot destinations apply it **only to the tourism verticals they have selected**, as defined in Chapter 3.

The modular approach reflects the diversity of tourism development pathways among the TOURAL pilot destinations. Not all destinations possess the same natural resources, cultural assets or institutional infrastructures. Some may have strong marine environments and underwater heritage suitable for UCNHT development, while others may rely more heavily on cultural landscapes, creative traditions or research infrastructures that support CCT or CST. Similarly, destinations with strong accessibility conditions, comfortable environments and established tourism services may find particular opportunities in the development of SLT.

A modular market analysis will allow the destinations to concentrate their efforts on understanding the specific demand conditions relevant to the tourism verticals they intend to develop. Rather than attempting to analyse all tourism markets simultaneously, destinations can focus on the specific visitor segments, travel motivations and competitive environments associated with the selected verticals. This approach increases analytical clarity and helps ensure that business model assumptions remain realistic and context-sensitive.

For each relevant tourism vertical, market analysis should aim to address a number of fundamental questions:

- What are the main market characteristics and trends?
- Who are the target visitor segments?
- What are current demand trends?
- What types of destinations or offers compete for the same demand?
- What is the approximate pricing landscape?
- What positioning opportunities exist for the pilot destination?

Therefore, the purpose of market analysis is to:

- identify **who the potential visitors are**,
- understand **why they would choose a UCCST destination**,
- assess **how the destination compares to alternatives**, and
- support realistic assumptions regarding scale, pricing and growth.

To provide a short example, if 75% of arrivals in a region occur in July–August, focusing only on summer sea tourism, seasonality is reinforced. However, if data show growth in senior travel during shoulder seasons (April–May and September–October), this may justify strategic development of SLT packages for a prolong of the season.

Special Note for Pilot Destination:
Market analysis should inform strategic decisions, not delay them. A "good enough" evidence base is sufficient to justify assumptions and guide business model design.

Answering these questions does not require extensive market studies or complex statistical modelling. In many cases, relevant insights can be obtained through a combination of publicly available statistics, tourism reports, academic studies, destination marketing materials and online travel platforms. Observing the types of experiences offered by comparable destinations, reviewing visitor feedback and analysing price levels for similar tourism products can also provide valuable information.

Within the UCCST framework, market analysis should also consider how tourism verticals may interact with one another. In many cases, the most attractive tourism offers emerge not from a single vertical but from the combination of several complementary experiences. For example, cultural and creative tourism activities may be combined with scientific interpretation programmes, while underwater heritage experiences may be complemented by environmental education initiatives or coastal cultural narratives. Similarly, silver tourism programmes often integrate cultural, nature-based and wellness-oriented experiences.

This cross-niche perspective reflects the broader ambition of the UCCST model, which seeks to connect cultural heritage, natural environments, scientific knowledge and inclusive tourism services into coherent destination experiences. Market analysis therefore plays an important role not only in understanding individual tourism segments but also in identifying opportunities for synergy between them.

The following sections examine the key components of market analysis and explore how they apply to each of the UCCST tourism verticals. By analysing market characteristics, visitor segments, competitive environments and positioning opportunities, destinations can gain a clearer understanding of how their tourism assets may be developed within evolving tourism markets.

4.2 Market Analysis Components

In order to understand the market potential of the UCCST tourism verticals, market analysis should examine several complementary dimensions. These dimensions help clarify how demand is structured, which visitor groups are most relevant, and how destinations can position their tourism offers within existing tourism markets. The purpose of this section is therefore to identify the key analytical components that allow a destination to understand the market environment in which its tourism products will operate. These components provide a structured way to examine tourism demand without requiring complex statistical modelling. Instead, they help connect broader tourism trends with the specific characteristics of the tourism verticals addressed in the UCCST framework.

Four main components are considered in the market analysis framework. For each selected tourism vertical, **pilot destinations are encouraged to address the following components:**

- **Market characteristics and trends**
- **Target visitor segments**
- **Competitive landscape**
- **Positioning opportunities**

Each component addresses a different aspect of tourism demand and contributes to a more complete understanding of the market conditions relevant to UCCST tourism development.

4.2.1 Market Characteristics and Trends

Market characteristics describe the general structure and evolution of tourism demand relevant to the tourism verticals addressed in the UCCST model. Understanding these trends is important because tourism markets are not static. Visitor expectations, travel behaviour and destination preferences evolve continuously in response to social, economic and technological changes.

Several structural trends currently shape tourism demand and provide favourable conditions for the development of UCCST-related tourism experiences.

One of the most significant trends is the growing demand for **experience-based tourism**. Increasingly, travellers seek experiences that allow them to interact with local culture, nature and knowledge systems rather than simply consume tourism services. This trend is reflected in the growing popularity of cultural workshops, guided interpretation experiences, nature exploration activities and community-based tourism initiatives.

A second important trend concerns the increasing relevance of **sustainable and responsible travel**. Environmental awareness has become a major factor influencing tourism decision-making. Travellers increasingly prefer destinations that demonstrate responsible management of natural resources, cultural heritage protection and sustainable tourism practices. According to recent tourism surveys, a large proportion of travellers express the intention to choose more environmentally responsible travel options, particularly when destinations clearly communicate their sustainability efforts.

Another significant trend relates to the expansion of **nature-based and outdoor tourism**. Following global disruptions to tourism mobility in recent years, travellers have shown increasing interest in destinations that offer access to natural landscapes, open environments and outdoor activities. Coastal areas, marine environments and rural landscapes are therefore becoming more attractive tourism settings, particularly when combined with educational or cultural interpretation.

Cultural tourism continues to represent one of the most important segments of global tourism. Cultural experiences such as visiting heritage sites, museums, historical landscapes, festivals and local traditions play a central role in travel decision-making. Cultural tourism also frequently overlaps with gastronomy tourism, as visitors often seek local culinary experiences as part of their cultural exploration.

A further structural trend concerns the rise of **digital tourism ecosystems**. Online travel platforms, digital storytelling and social media have significantly transformed the way destinations communicate their tourism offer and reach potential visitors. Smaller and previously less visible destinations now have greater opportunities to attract visitors through digital visibility and targeted storytelling.

Demographic changes also influence tourism demand. The ageing population in many parts of the world is creating new tourism markets, particularly in the segment of older travellers who possess both the time and financial resources to travel outside peak tourism seasons. This demographic shift reinforces the importance of tourism products that combine accessibility, comfort, cultural engagement and slower travel rhythms.

Finally, generational changes are also shaping tourism behaviour. Younger travellers increasingly prioritise experiences, learning opportunities and cultural engagement. Many travellers in younger age groups prefer activities that allow them to interact with local communities, participate in creative processes or engage with environmental initiatives.

Taken together, these trends demonstrate that tourism demand is moving toward more diversified and experience-oriented forms of travel. The tourism verticals addressed in the UCCST model correspond closely with these evolving demand patterns. Underwater heritage exploration, creative cultural participation, science-based tourism experiences and inclusive tourism for older travellers all respond to broader shifts in how travellers choose and experience destinations.

Understanding these trends allows destinations to better assess how their assets align with evolving tourism demand and how they may position their tourism offers in ways that respond to emerging visitor expectations.

4.2.2 Target Visitor Segments

Identifying relevant visitor segments is a central element of market analysis. Tourism demand is rarely homogeneous, and different groups of travellers may have distinct motivations, expectations and spending patterns. Understanding who the potential visitors are allows destinations to design tourism products that respond more closely to real demand.

Visitor segmentation can be approached through several complementary dimensions.
One important dimension concerns **geographic origin**. Visitors may come from local, national or international markets, and each of these groups often demonstrates different travel behaviour. Domestic travellers frequently engage in shorter trips and weekend visits, while international visitors may stay longer and seek more structured tourism experiences.

Another important dimension relates to **demographic characteristics**, including age groups, household composition and lifestyle preferences. For example, younger travellers may seek adventure and learning experiences, while families may prioritise educational and recreational activities. Older travellers may favour comfort, cultural enrichment and slower-paced itineraries.

A third dimension concerns the **organisation of travel**. Some visitors travel independently, organising their trips through digital platforms and individual bookings, while others participate in organised tours or group travel programmes. Educational travel groups, senior travel clubs and cultural associations often fall within the latter category.

Finally, visitor segmentation may also consider the **level of thematic interest or specialisation**. Some visitors travel specifically for certain experiences, such as diving enthusiasts, cultural heritage specialists or science-oriented visitors. Others may be general tourists who encounter thematic experiences as part of a broader tourism itinerary.

These segmentation dimensions are particularly relevant for the UCCST tourism verticals. Underwater heritage tourism often attracts specialised divers and marine enthusiasts, while cultural and creative tourism may attract visitors interested in artistic participation, local crafts and gastronomy. Cultural science tourism may attract students, educators and knowledge-oriented travelers, while silver tourism addresses the travel preferences of older visitors seeking accessible and enriching experiences.

Understanding these visitor segments allows destinations to tailor their tourism offers more effectively, adapt communication strategies and design services that correspond to visitor expectations. Moreover**, defining target segments helps clarify who the business model is designed for** and supports later decisions on value propositions, pricing and communication.

4.2.3 Competitive Landscape

Tourism destinations rarely operate in isolation. Visitors often compare several destinations before deciding where to travel, and tourism experiences frequently compete with alternative offers located in other regions or countries. For this reason, analysing the competitive landscape is an important element of market analysis.

Competition in tourism should be understood broadly. It includes not only destinations that offer similar tourism experiences but also destinations that attract similar visitor segments or respond to similar travel motivations. For example, coastal destinations offering marine exploration activities may compete with other diving destinations located in the same sea basin. Cultural heritage destinations may compete with other regions known for historical sites or cultural festivals. Science-oriented tourism experiences may compete with destinations that host observatories, archaeological sites or research infrastructures open to visitors.

Competition is understood broadly and includes both **direct competitors** and **functional alternatives**. It does not necessarily represent a negative factor. In many cases, comparable destinations may also serve as sources of inspiration or potential partners. Tourism routes, regional thematic networks and cross-destination collaborations may allow destinations to combine their strengths and attract broader visitor flows.
Analysing the competitive landscape therefore involves identifying destinations that offer similar experiences, examining how they present their tourism products and understanding how they position themselves within tourism markets. This may involve reviewing destination websites, tourism promotion platforms, event calendars, visitor reviews and tourism itineraries offered by tour operators.

Through this analysis, destinations can better understand what types of tourism experiences are already available and where opportunities for differentiation may exist.

4.2.4 Positioning Opportunities

The final component of market analysis concerns the identification of positioning opportunities. Positioning refers to the way a destination distinguishes itself within tourism markets and communicates the distinctive value of its tourism offer.

Positioning opportunities emerge when a destination compares its own assets with broader market trends and the tourism offers provided by competing destinations. This process helps identify how the destination can create distinctive experiences that respond to visitor expectations while building on local resources and capabilities.

Differentiation may take several forms. A destination may emphasise authenticity, highlighting local traditions, cultural landscapes or community-based tourism practices. It may focus on knowledge and interpretation, combining tourism with educational or scientific activities. Environmental responsibility may also become a defining element, particularly in destinations where natural ecosystems and biodiversity represent key tourism assets.

Another form of differentiation may involve combining several tourism verticals. For example, underwater heritage experiences may be complemented by cultural storytelling, marine ecology education or coastal gastronomy activities. Cultural tourism experiences may be combined with scientific interpretation programmes, workshops or heritage conservation initiatives.

Positioning opportunities are therefore closely linked to the distinctive characteristics of each destination. By identifying the elements that make a destination unique and aligning them with evolving tourism demand, destinations can create tourism offers that are both attractive to visitors and consistent with sustainable development principles.

Understanding positioning opportunities ultimately supports the design of tourism experiences that generate value not only through visitor numbers but through the quality, uniqueness and meaningfulness of the experiences offered.

4.3 Vertical-Specific Market Considerations

While the analytical structure remains consistent, each tourism vertical presents specific market considerations.

4.3.1 Underwater Cultural & Nature Heritage Tourism (UCNHT)

Underwater Cultural & Nature Heritage Tourism represents a specialised tourism niche positioned at the intersection of marine tourism, cultural heritage interpretation and nature-based tourism. Unlike general coastal tourism, UCNHT is built around access to underwater landscapes, marine biodiversity, submerged archaeological remains, shipwrecks or protected marine environments. This makes it a higher-value but more regulated market, where tourism demand is often driven by expertise, curiosity, exclusivity and educational value rather than by large visitor volumes alone. Its relevance is reinforced by the wider growth of nature-based and experience-driven tourism, as well as by the increasing emphasis placed on sustainability and conservation in travel choices[9].

From a demand perspective, UCNHT typically attracts a combination of specialised and general-interest audiences. Specialised visitors may include certified divers, underwater photographers, marine heritage enthusiasts and environmentally conscious travellers who specifically seek marine exploration experiences. General-interest audiences may also be reached when underwater heritage is interpreted through more accessible formats such as snorkelling trails, glass-bottom boat visits, underwater museums, surface interpretation centres or digital storytelling tools. This means that the market potential of UCNHT depends not only on the existence of marine assets, but also on the destination's ability to interpret them for different levels of visitor experience and physical access[10].

The market logic of UCNHT is shaped by three core factors: accessibility, regulation and partnerships. Accessibility includes both physical access to coastal or marine sites and operational access through diving infrastructure, transport connections, safety services and trained personnel. Regulation is particularly important, since underwater cultural heritage and sensitive marine ecosystems are often governed by environmental protection rules, archaeological legislation and safety standards. Partnerships are equally essential, because tourism development in this segment typically requires cooperation between tourism operators, diving centres, marine protected area authorities, environmental bodies, cultural heritage authorities and research institutions[11]. For this reason, the viability of UCNHT is often determined less by visitor demand alone and more by the destination's capacity to manage these interdependencies effectively.

From a business perspective, UCNHT tends to create value through specialised services, guided interpretation, limited-group experiences and premium positioning. It is therefore less suited to volume-based tourism models and more relevant for destinations that wish to combine marine heritage, environmental protection and distinctive visitor experiences into a high-value offer. This also means that the market analysis for UCNHT should pay particular attention to certification requirements, seasonality of marine conditions, competing diving destinations,

[9] https://www.untourism.int/nature-positive-travel-and-tourism

[10] https://www.cbi.eu/market-information/tourism/nature-tourism/market-potential

[11] https://www.untourism.int/news/a-united-vision-for-nature-nature-positive-report-marks-new-collaborative-era-in-travel-tourism

and the existence of complementary land-based experiences that can broaden appeal beyond highly specialised users.[12]

To summarise, UCNHT markets are typically characterised by specialised demand and niche audiences, strong links to research, conservation and regulation, as well as high sensitivity to environmental and safety standards. Market analysis of UCNHT should pay particular attention to accessibility, certification requirements and partnerships.

4.3.2 Cultural & Creative Tourism (CCT)

Cultural & Creative Tourism is one of the most dynamic and widely accessible tourism segments within the UCCST framework. It is rooted in local identity, traditions, creative expression and cultural participation, and it benefits from one of the strongest long-term demand trends in global tourism: the growing importance of culture, authenticity and immersive experiences in destination choice. UN Tourism has identified cultural tourism as one of the largest and fastest-developing tourism markets, with an estimated four out of ten tourists choosing destinations based on cultural offering. This provides a strong structural basis for CCT as a business model component[13], particularly in destinations with living traditions, local craftsmanship, gastronomy, festivals or strong community-based cultural expression.

The market for CCT attracts both domestic and international visitors. Domestic travelers often engage through short breaks, cultural weekends, festival attendance, gastronomy-based mobility or repeat visits linked to local traditions. International travelers are usually motivated by authentic cultural discovery, immersion in local lifestyles and participation in activities that go beyond passive sightseeing. At the same time, the market is increasingly influenced by the general shift toward experience-led travel. Travelers, especially younger and middle-aged groups, increasingly value active participation, local interaction and creative engagement, rather than simply observing cultural assets. This is particularly relevant for workshops, craft-based experiences, gastronomy routes, artist-led activities or local cultural production spaces.

A key market advantage of CCT is its flexibility. It can appeal to both general-interest audiences and more specialised visitors, and it can often be developed in smaller-scale and year-round formats. This makes it especially relevant for rural, remote and island destinations that seek to reduce seasonality and distribute tourism more evenly. Event calendars, festivals, thematic routes, food experiences and local creative ecosystems can all act as recurring demand generators. In many destinations, CCT also benefits from the broader rise of domestic tourism and short-stay mobility, as well as from the visibility generated by digital storytelling and social media.

From a business model perspective, CCT creates value through authenticity, participation and local distinctiveness. Its competitiveness depends less on scale and more on the ability to offer credible and engaging experiences linked to the destination's own cultural ecosystem. Market analysis in this segment should therefore consider cultural event attendance, repeat visitation patterns, local creative networks, gastronomy-based demand, and the strength of local identity as a differentiating factor[14]. Because many travelers now seek meaningful interaction with places and communities, CCT can provide both strong positioning potential and high local value retention when it is developed coherently and sustainably.

[12] https://transition-pathways.europa.eu/tourism/knowledge-documents/bookingcom-report-2024-sustainable-travel-trends

[13] https://www.e-unwto.org/doi/pdf/10.18111/9789284418978

[14] https://www.cbi.eu/sites/default/files/pdf/research/1033.pdf

To summarise, the CCT markets are experience-driven and locally rooted, attractive to culturally motivated and repeat visitors and suitable for year-round and small-scale development. Market analysis should consider creative networks, local event calendars and experiential differentiation.

4.3.3 Cultural Science Tourism (CST)

Cultural Science Tourism occupies a more specialised but increasingly relevant position within contemporary tourism markets. It combines scientific knowledge, cultural heritage, interpretation and educational travel, and responds to a growing demand for learning-oriented, intellectually engaging and participatory experiences. CST is particularly aligned with broader trends in educational tourism, citizen science, research mobility and science communication, all of which contribute to the emergence of travel experiences where visitors are motivated not only by leisure, but also by knowledge acquisition, discovery and active engagement.
This market is often associated with specific audience groups such as students, educators, researchers, science-interested travelers and institutionally organized groups. However, CST is not limited to academic visitors. Public science festivals, interpretation centers, observatories, archaeological laboratories, environmental monitoring initiatives and museum-based research communication increasingly make scientific and knowledge-based experiences accessible to broader visitor groups. In this sense, CST has the potential to serve both specialized and general-interest audiences, depending on how the destination structures its interpretation and access.

The strength of CST as a tourism market lies in its combination of credibility, depth and distinctiveness. Unlike generic tourism offers, science-related experiences often rely on institutional partnerships and on the existence of a knowledge infrastructure. Universities, museums, observatories, research centers, archaeological sites and science communication platforms may all function as anchors of tourism development in this segment. As a result, the market potential of CST often depends on the destination's capacity to transform research or knowledge assets into visitor experiences that remain both educational and accessible. This gives CST strong positioning potential, but it also means that business models in this segment must rely on cooperation, interpretation quality and programming consistency.

From a business perspective, CST can generate value through institutional partnerships, organized visits, themed educational packages, research-linked programming and off-season demand. It is especially relevant for destinations that already host cultural, scientific or environmental knowledge assets but have not yet integrated them into tourism logic. Market analysis in this segment should therefore pay close attention to existing educational flows, school and university networks, science communication events, partnership opportunities with research institutions, and the possibility of packaging CST with other verticals such as UCNHT or CCT. In many cases, CST becomes particularly competitive when it is not marketed as an isolated "science offer," but as a deeper, more meaningful layer of the destination experience.

In short, the CST markets are linked to educational tourism, research mobility and citizen science, cooperation with academic and scientific institutions and demand for learning-oriented experiences. The Market Analysis should assess links with universities, research centers and even local scientific groups or observatories.

4.3.4 Silver Tourism (SLT)

Silver Tourism is one of the most strategically important tourism markets for destinations seeking to reduce seasonality, increase resilience and respond to structural demographic change. Across Europe, ageing populations are reshaping consumption patterns, including tourism demand. Eurostat data show that travelers aged 65 or over accounted for nearly one in four tourism nights for private purposes spent by EU residents before the pandemic, while people aged 55+ accounted for 41% of those nights[15]. In parallel, recent EU-level research highlights silver

[15] https://ec.europa.eu/eurostat/statistics-explained/SEPDF/cache/55730.pdf

tourism as a major growth opportunity within the wider longevity economy[16]. A recent study commissioned by the European Parliament[17] examines the growing significance of silver tourism, a key segment of the longevity economy that caters to older travelers. With the EU's population over 65 expected to reach 30% by 2050, tourism spending by those aged 55+ is projected to more than double, reaching €369.5 billion by 2040.

The market characteristics of SLT differ significantly from those of mainstream seasonal tourism. Older travelers often display greater flexibility in travel timing, which makes them more likely to travel during shoulder or off-peak periods. They also tend to value comfort, safety, accessibility, cultural enrichment and service reliability more strongly than high-intensity or fast-paced tourism experiences. In many cases, they prefer longer stays and more structured travel, which may increase local spending stability and support more balanced annual tourism flows[18]. This makes SLT highly relevant for destinations that wish to extend activity beyond peak months and position themselves around wellbeing, culture, slow tourism and accessible experiences.

The silver tourism market includes both domestic and international demand. Domestic senior travel is often particularly important because familiarity, shorter distances, cultural recognizability and perceived safety strongly influence destination choice. At the same time, international senior travelers represent a valuable segment in many markets, especially where destinations offer cultural heritage, coastal leisure, accessible infrastructure and organized travel formats. Organized travel remains especially relevant in this segment, including through community centers, senior associations, cultural clubs or tour operators that design itineraries specifically for older audiences. However, there is also a growing share of independent older travelers, especially among the 55–70 age group, who are experienced and digitally capable tourists seeking flexible but comfortable travel. Additional comments reinforce the aspect of accessibility and web-accessibility for individual travelers. There should be much more awareness of accessibility[19].

From a business model perspective, SLT creates value through "*deseasonalisation*", longer stays, service quality and repeat potential. Its competitiveness depends strongly on accessibility standards, transport conditions, barrier-free infrastructure, healthcare or wellbeing support, and the quality of interpretation and assistance offered. For this reason, market analysis in this segment should consider not only demographic trends, but also the destination's capacity to provide accessible accommodation, cultural and leisure programming suitable for older travelers, reliable local mobility, and high service quality. When these elements are present, SLT can become one of the most stable and resilience-enhancing components of a destination business model.

In summary, SLT markets are influenced by demographic trends and ageing populations, demand for accessibility, comfort and wellbeing, as well as preference for off-season travel and longer stays. The Market Analysis for this vertical should focus on accessibility standards, health-related services, slow pace and quality service experiences.

Special Note for Pilot Destinations:
Not all market data will be available at local level. Reasoned assumptions based on comparable destinations and national or regional trends are acceptable and can often be sufficient.

[16] https://www.europarl.europa.eu/RegData/etudes/STUD/2025/759309/CASP_STU%282025%29759309_EN.pdf
[17] https://www.europeanboatingindustry.eu/newsroom/newsletter/item/1059-new-eu-study-highlights-opportunities-and-challenges-of-silver-tourism
[18] https://ec.europa.eu/eurostat/statistics-explained/SEPDF/cache/55730.pdf
[19] https://www.age-platform.eu/content/uploads/2024/05/ESCAPE_Needs-and-expectations_FINAL.pdf

4.4 Sources of Market Information

Market analysis can be supported through a variety of publicly available data sources and analytical tools. For the purposes of the TOURAL business model, it is not necessary to conduct complex market studies. However, using reliable data sources helps ensure that tourism development strategies are grounded in real demand patterns and credible assumptions. Market analysis for the individualized UCCST business models can be supported by a wide range of accessible information sources, including:

- national and regional tourism statistics,
- destination management organisation reports,
- cultural, environmental or heritage authority publications,
- comparable destination case studies,
- online platforms (tour operator websites, booking platforms, event listings),
- academic and policy reports related to niche tourism.

One of the most important statistical resources for tourism analysis in Europe is **Eurostat**, which provides data on tourism trips, nights spent, visitor origin, accommodation use and travel expenditure across EU countries. Eurostat statistics are particularly useful for understanding the importance of domestic tourism, seasonality patterns and the travel behaviour of different demographic groups.

Another key source of tourism intelligence is **UN Tourism (formerly UNWTO)**, which publishes global tourism statistics and thematic reports covering areas such as cultural tourism, sustainable tourism, nature-based tourism and tourism market trends. These publications often provide valuable insights into long-term tourism developments and emerging travel motivations.

The **Organisation for Economic Co-operation and Development (OECD)** also publishes regular tourism outlooks and policy reports that analyse tourism consumption patterns, structural changes in tourism markets and the economic contribution of tourism. These reports often highlight broader socio-economic trends influencing tourism demand, including demographic change, digital transformation and sustainability transitions.

In addition to international organisations, **national tourism authorities and regional destination management organisations (DMOs)** frequently publish tourism statistics, visitor surveys and market reports. These documents are often particularly valuable because they provide data that is directly relevant to the destination's geographical context.

Tourism market insights can also be obtained through **sectoral and thematic sources**. Cultural heritage institutions, museum networks, marine protected area authorities, universities, research centres and cultural event organisers may all publish attendance figures, visitor surveys or activity reports that provide useful indications of tourism demand related to specific themes.

In the context of the TOURAL UCCST framework, destinations are encouraged to draw on these information sources to complement the general market insights presented in this chapter and to support the development of their own destination-specific analyses. The framework does not require full-scale market studies, but supports the use of indicative data, proxies and comparable cases to inform decision-making.

Special Note for Pilot Destinations:
Maintaining a simple list of sources and references strengthens transparency and facilitates validation during the co-design process in Task 4.2.

4.5 Market Insights and Outputs for the individualized Business Model

The market insights presented in this chapter highlight several structural trends that are directly relevant to the development of the UCCST tourism verticals. Contemporary tourism demand is increasingly shaped by the search for meaningful experiences, authentic cultural engagement, nature-based travel and inclusive tourism services. At the same time, demographic change, digital transformation and the diversification of travel motivations are creating new opportunities for destinations that are able to offer specialized and differentiated tourism experiences.

Market analysis provides the strategic grounding of the TOURAL business model. While it does not determine the final design on its own, it ensures that business model choices are demand-oriented, context-sensitive and aligned with realistic implementation conditions.

Within this context, the four UCCST tourism verticals respond to evolving tourism markets in complementary ways. Underwater Cultural & Nature Heritage Tourism aligns with the growing demand for nature-based and environmentally responsible travel, while also connecting tourism with marine heritage protection and environmental awareness. Cultural & Creative Tourism corresponds to the expansion of experience-based tourism, where visitors actively participate in cultural activities, local traditions and creative processes. Cultural Science Tourism reflects the increasing interest in educational travel, citizen science and knowledge-oriented tourism experiences. Silver Tourism responds to demographic change and the expanding travel activity of older age groups, while also contributing to the reduction of seasonality through more flexible travel periods.

These trends indicate that destinations do not necessarily need to compete on visitor volume alone in order to develop viable tourism economies. Instead, they can position themselves within specialised tourism segments that emphasise quality of experience, authenticity, knowledge and accessibility. In many cases, these segments allow smaller destinations, rural regions or coastal areas to build distinctive tourism offers based on their existing cultural, natural or institutional assets.

The market analysis presented in this chapter therefore provides a general framework for understanding how UCCST-related tourism experiences correspond to broader tourism demand. However, each destination operates within a unique territorial, cultural and economic environment. For this reason, the insights presented here should be interpreted as a reference point rather than as a definitive market assessment.

When developing their own business models, destinations may use this information to reflect on several key questions: which tourism verticals align most closely with their local assets, which visitor segments are most relevant for their destination, and how their tourism offer compares with similar experiences available elsewhere. Even relatively simple observations—such as the seasonality of tourism activity, the profile of typical visitors, the presence of comparable destinations or the pricing of similar tourism experiences—can help destinations refine their positioning and develop more realistic tourism strategies.

In practical terms, destinations may complement the general analysis presented in this chapter by consulting local tourism statistics, regional tourism reports, destination management data, cultural attendance records or environmental visitor statistics. Online travel platforms and comparable destination websites can also provide useful indications of visitor expectations, experience formats and price levels for similar tourism products.

By combining broader tourism trends with destination-specific observations, pilot destinations can develop a clearer understanding of the markets in which their tourism offers will operate. This understanding supports the development of credible value propositions, realistic investment assumptions and coherent tourism development pathways within the UCCST business model framework.

Ultimately, market analysis serves as the bridge between tourism demand and destination assets. It helps destinations identify where their unique cultural, natural and scientific resources may respond to evolving tourism markets and how these resources can be translated into sustainable and resilient tourism experiences

The expected outputs of the market analysis step are:

- a concise description of market context per selected tourism vertical,
- identification of key target segments,
- a clear positioning statement for each vertical,
- qualitative indications supporting later financial assumptions.

These outputs will feed directly into:

- Chapter 5 (Value Propositions and Unique Selling Points),
- Chapter 8 (Revenue and Cost Logic),

Special Note for Pilot Destinations:

Market analysis is most effective when treated as a learning process rather than a fixed report. Insights may evolve as stakeholder engagement and co-design progress.

Component	Description
Tourism Vertical	UCNHT / CCT / CST / SLT
Target Segments	Main visitor groups Identification of the main visitor group(s) the experience is designed for (e.g. domestic visitors, international travelers, certified divers, students, senior travelers). To be considered basic characteristics such as age group, travel motivation, and level of interest (general vs specialised).
Key Demand Trends	Summary of the most relevant tourism trends affecting this vertical (e.g. growth in nature-based tourism, demand for authentic experiences, increase in senior travel, interest in educational tourism). Focus on trends that justify the development potential of the vertical.
Market Characteristics	Description of the basic market features such as seasonality, average length of stay, type of travel (individual vs organised), and general demand patterns. Concise and indicative, not overly detailed.
Competitor Types	Identification of comparable destinations or tourism offers that target similar segments or provide similar experiences. This may include direct competitors or alternative destinations that attract the same type of visitor.
Positioning Opportunity	How the destination could differentiate itself within this market. This may relate to authenticity, combination of assets, accessibility, sustainability, or niche specialization.
Seasonality Insight (optional)	Indication of when demand is highest and whether there are opportunities to extend tourism activity beyond peak season
Data Sources Used	List of the main sources used for the analysis (e.g. Eurostat, UN Tourism reports, national statistics, destination reports, booking platforms, competitor websites). Even a short list strengthens credibility.

Table 4. Market Analysis key considerations (per selected vertical)

The outputs of this market analysis (target segments, positioning and demand trends) directly inform the definition of value propositions in Chapter 5 and the estimation of revenue potential in Chapter 8.

5. Value Propositions and Unique Selling Points

5.1 Role of Value Propositions in the UCCST Business Model

Once tourism markets and visitor segments have been analysed, the next step in developing a tourism business model is to define the value that a destination intends to offer to its visitors. In business model terminology, this is referred to as the value proposition. A value proposition describes the core experience that visitors receive from the destination, the needs or motivations it addresses, and the distinctive elements that differentiate the destination from other tourism offers. Value propositions represent the **core strategic promise** of the TOURAL business model. They define:

- what experience is offered,
- to which target group,
- through which distinctive assets or capabilities,
- and with what added value for both visitors and the local community.

Within the UCCST framework, value propositions play a particularly important role because the tourism verticals addressed in this model operate within specialised tourism markets. As highlighted in the previous chapter, the relevant visitor segments are often motivated by meaningful experiences, cultural engagement, knowledge acquisition, environmental awareness or accessible leisure. As a result, the value created by the destination does not emerge only from the presence of tourism attractions, but from the way these assets are interpreted, combined and delivered as coherent experiences. Value propositions integrate:

- sustainability objectives,
- smart destination principles,
- cross-niche synergies,
- and operational enablers (E1–E4).

For example, a coastal destination with rich marine biodiversity and underwater heritage does not automatically generate tourism value simply because these assets exist. Value emerges when these assets are transformed into accessible and engaging experiences, such as guided underwater heritage trails, marine interpretation activities, citizen science initiatives or conservation-based tourism programmes. Similarly, a destination with strong cultural traditions creates tourism value when these traditions are translated into participatory activities such as workshops, festivals, creative exchanges or gastronomy experiences. In this sense, **value propositions within the UCCST framework should explain what visitors will see, experience, learn or participate in**.

Special Note for Pilot Destinations:
A value proposition should be concrete and operational. It must be deliverable with existing or realistically planned capacities and should clearly reflect the selected tourism vertical(s).

5.2 Defining Value Propositions for UCCST Tourism Verticals

For each selected tourism vertical, value propositions should include the following elements:

1. **Target Segment** – Who is the offer designed for?
2. **Core Experience** – What is the main experience provided?
3. **Differentiation Element** – What makes it unique or distinctive?
4. **Sustainability Contribution** – How does it support environmental, social, cultural or economic sustainability?
5. **Enabler Support** – Which operational enablers strengthen the offer?

The four tourism verticals addressed in the UCCST framework each correspond to specific types of visitor experiences. Although the destinations may combine several verticals, **each vertical creates generates value**

through different mechanisms. Moreover, value propositions could be defined at the level of concrete tourism offerings (e.g. guided routes, workshops, packages) rather than at the level of tourism verticals.

At this point it is also worth mentioning that even though these verticals address different visitor motivations, they share a common feature: **they rely heavily on the interpretation and enhancement of local assets**. **Natural environments, cultural traditions, scientific knowledge and local lifestyles become meaningful tourism experiences when they are combined with storytelling, interpretation and high-quality service delivery**.

5.2.1 Underwater Cultural & Nature Heritage Tourism (UCNHT)

Underwater Cultural & Nature Heritage Tourism creates value through the interpretation and exploration of marine environments and submerged heritage. Experiences may include underwater archaeological trails, marine biodiversity interpretation, guided diving experiences or coastal storytelling linked to maritime history. In some destinations, UCNHT may also involve citizen science programmes where visitors contribute to marine monitoring or conservation activities. These experiences transform underwater heritage and marine ecosystems into learning environments that combine adventure, education and environmental awareness.

Typical UCNHT value propositions combine:

- heritage exploration and environmental awareness,
- scientific credibility and safety standards,
- conservation-driven storytelling.

To strengthen UCNHT propositions, pilot destinations may consider:

- enhancing **E1 (Connectivity & Accessibility)** to improve access to dive sites or marine heritage,
- upgrading **E2 (Customer Experience)** through trained guides and interpretation services,
- integrating **E4 (Digital Tools)** such as virtual diving previews or underwater digital storytelling,
- reinforcing **E3 (Stakeholder Collaboration)** with research institutions and conservation bodies.

Cross-niche opportunities may include:

- **UCNHT × CST** (eco-science tours, research-linked experiences),
- **UCNHT × CCT** (marine heritage festivals or storytelling events).

5.2.2 Cultural & Creative Tourism (CCT)

Cultural & Creative Tourism creates value through cultural participation and creative engagement. Rather than focusing solely on heritage observation, CCT often invites visitors to participate directly in local culture. This may include craft workshops, gastronomy experiences, artist residencies, local festivals or storytelling events that connect visitors with local communities and traditions. Because these activities often rely on local knowledge and skills, CCT can contribute significantly to local economic development and cultural preservation.

CCT value propositions typically emphasise:

- authenticity and local creativity,
- participatory workshops and events,
- heritage-centered experiences

Strengthening measures may include:

- **E1 (Accessibility Improvements)** to support year-round attendance,
- **E2 (Service Enhancement)** through staff training and quality standards,
- **E3 (Stakeholder Collaboration)** via creative networks or cultural clusters,
- **E4 (Digital Marketing & Platforms)** to increase visibility and booking capacity.

Core cross-niche combinations include:

- **CCT × SLT** (intergenerational workshops, senior-friendly creative events),
- **CCT × CST** (science-themed art festivals, heritage interpretation through creative formats).

5.2.3 Cultural Science Tourism (CST)

Cultural Science Tourism creates value through the intersection of tourism and knowledge. Destinations that possess research infrastructures, scientific institutions or archaeological sites may transform these assets into tourism experiences that combine education, exploration and interpretation. Examples include observatory visits, archaeological field schools, museum research programmes, citizen science initiatives or science festivals. CST experiences often attract educational groups, students or visitors interested in learning-oriented travel.

CST value propositions focus on:

- knowledge-based experiences,
- research-linked tourism,
- citizen science and educational engagement.

To reinforce CST attractiveness:

- **E4 (Technological Integration)** can support digital interpretation tools and interactive platforms,
- **E3 (Stakeholder Collaboration)** is critical for linking universities, research centres and tourism operators,
- **E2 (Service Quality)** ensures effective communication of scientific content,
- **E1 (Connectivity)** supports access to research sites and facilities.

Cross-niche combinations frequently include:

- **CST × UCNHT** (marine biodiversity tours, archaeology field experiences),
- **CST × CCT** (science-inspired art and creative residencies).

5.2.4 Silver Tourism (SLT)

Silver Tourism creates value by addressing the travel preferences of older visitors and by designing tourism services that emphasise accessibility, comfort and cultural enrichment. Older travelers often prefer slower-paced experiences that combine cultural discovery, nature exploration and wellbeing. Destinations may therefore develop accessible heritage routes, wellness-oriented coastal experiences, cultural tours with interpretation services, or longer-stay programmes that integrate cultural, leisure and health-related activities.

SLT value propositions emphasise:

- accessibility and comfort,
- health, wellbeing and slower-paced experiences,
- off-season travel opportunities.

Key strengthening measures include:

- **E1 (Improved Transport & Accessibility)** for senior mobility,
- **E2 (Service Adaptation)** including multilingual support and accessible facilities,
- **E3 (Collaboration)** with health and social services,
- **E4 (Digital Communication)** tailored to senior-friendly platforms.

Relevant cross-niche opportunities include:

- **SLT × CCT** (senior-friendly workshops and festivals),
- **SLT × CST** (educational travel programs),
- **SLT × UCNHT** (guided, accessible heritage experiences).

5.2.5 Cross-Niche Value Propositions

In addition to vertical-specific value propositions, the UCCST framework also allows for the development of cross-niche value propositions, where two or more tourism verticals are combined into a single, integrated visitor experience. These cross-niche approaches are particularly relevant in destinations where individual assets may not be sufficient to sustain a standalone tourism offer, but where their combination can create a more compelling and differentiated product. Moreover, these combinations often increase the attractiveness and resilience of the tourism offer by diversifying target audiences, extending the duration of visitor stays, creating multi-layered experiences and reducing dependency on a single market segment.

From a business model perspective, cross-niche value propositions diversify revenue streams, reduce seasonality, broaden target segments and improve resilience. Cross-niche value propositions also allow destinations to maximise the use of existing assets and stakeholder networks. They encourage collaboration between different actors, such as cultural institutions, research organisations, tourism operators and community groups, leading to more integrated and coherent tourism experiences.

Cross-niche value propositions build on complementarities between verticals. For example, underwater heritage experiences (UCNHT) may be enriched through scientific interpretation (CST), transforming a diving activity into a learning-based marine exploration experience. Cultural and creative tourism (CCT) may be combined with silver tourism (SLT) by designing accessible cultural workshops or gastronomy experiences tailored to older visitors. Similarly, cultural science tourism (CST) can be integrated with CCT through science-based storytelling, exhibitions or participatory educational events linked to local heritage.

Some concrete examples of strategic vertical combinations include:

- CCT × SLT for intergenerational cultural programming,
- CST × UCNHT for eco-scientific tourism packages,
- CCT × UCNHT for heritage-focused festivals,
- multi-vertical seasonal packages blending culture, science and wellbeing.

However, cross-niche propositions should only be pursued where governance capacity and operational coordination allow effective delivery.

Special Note for Pilot Destinations:
Cross-niche combinations require clear coordination mechanisms. Without defined responsibilities, integrated propositions may create complexity without added value.

5.3 Unique Selling Points (USPs) within the UCCST Framework

Closely related to value propositions is the concept of Unique Selling Points (USPs). While the value proposition describes the experience offered to visitors, the USP identify the specific elements that make the destination distinctive when compared to other tourism destinations.

In many cases, destinations compete within crowded tourism markets where similar experiences may be available elsewhere. Unique Selling Points represent the distinctive attributes that differentiate a pilot destination from competitors.

Within the UCCST framework, USPs often emerge from the **specific combination of territorial assets, interpretation quality and stakeholder collaboration**. For example, a destination may distinguish itself through:

- a unique underwater archaeological site or marine protected area;
- a living cultural tradition that is actively practiced by the local community;
- a research institution or scientific infrastructure that is accessible to visitors;
- exceptional natural landscapes combined with strong cultural identity;
- an integrated tourism experience which combines several UCCST verticals.

In many cases, the strength of a USP does not lie in the scale of the attraction but in the authenticity and uniqueness of the experience. Small destinations may therefore achieve strong positioning by emphasizing distinctive stories, heritage narratives or cultural practices that cannot easily be replicated elsewhere.

Special Note for Pilot Destinations:
Value propositions are not standalone marketing statements but rather strategic positioning. They directly influence expected visitor target markets. The value propositions should remain adaptable, especially considering the potential enablers which optimize the offerings.

5.4 The role of Operational Enablers

The successful development of value propositions also depends on the operational conditions that enable tourism experiences to be delivered effectively. Previous work in the TOURAL project, particularly the optimisation analysis presented in Deliverable D3.2, identified several cross-cutting operational enablers that influence the feasibility and performance of UCCST tourism models.

These enablers do not represent tourism products themselves, but they determine whether tourism experiences can be delivered successfully. Four key enabling dimensions were highlighted:

E1. Connectivity and Accessibility
Transport infrastructure, digital connectivity and physical accessibility play a fundamental role in tourism development. If a destination is difficult to reach, lacks internal mobility options or does not provide accessible infrastructure, potential visitor segments may be significantly reduced. Accessibility is particularly important for SLT development, where barrier-free infrastructure and reliable transport services are essential.

E2. Customer Experience and Service Quality
High-quality service delivery strongly influences visitor satisfaction and repeat visitation. This includes well-trained guides, clear interpretation materials, visitor information services, multilingual communication and coherent storytelling across the tourism experience. For example, underwater heritage experiences may require specialised dive guides, while cultural tourism experiences may depend on skilled artisans or interpreters capable of engaging visitors.

E3. Stakeholder Collaboration and Governance
Many tourism experiences require coordination between multiple actors, including public authorities, private tourism operators, cultural institutions, environmental organisations and community groups. The Living Lab processes and stakeholder mapping exercises conducted in earlier project stages have already highlighted the importance of collaborative governance structures in the TOURAL pilot destinations. Effective collaboration allows destinations to coordinate activities, share resources and develop integrated tourism offers.

E4. Technological Integration and Digital Tools

Digital technologies increasingly support tourism development through marketing, interpretation and data analysis. Digital platforms help destinations promote tourism experiences, manage reservations and communicate with visitors. At the same time, digital interpretation tools such as mobile applications, augmented reality or interactive storytelling can enhance visitor experiences and make complex heritage or scientific content more accessible.

These operational enablers influence the feasibility and scalability of UCCST business models. For example, a destination may possess strong cultural heritage assets but struggle to develop tourism experiences if stakeholder collaboration is weak or visitor interpretation services are limited.

A similar situation can be observed in destinations with significant cultural and creative potential, where local traditions, crafts or gastronomy are present but not effectively translated into visitor experiences. In such cases, the absence of coordination between local artisans, cultural organisations, tourism operators and municipal authorities may result in fragmented or informal activities that remain invisible to the tourism market. Even when individual actors offer high-quality products, the lack of structured programming, joint promotion or booking mechanisms can prevent these activities from reaching visitors.

In the case of Cultural Science Tourism, the existence of research infrastructures or knowledge institutions does not automatically translate into tourism value. A destination may host observatories or archaeological research sites, yet these assets may remain disconnected from tourism if there are no interpretation mechanisms, visitor access protocols or collaboration frameworks between researchers and tourism stakeholders. For instance, scientific facilities may not be open to visitors, or the information provided may be too technical and not adapted to non-specialist audiences. In such contexts, the development of CST requires mediation structures, such as guided interpretation, educational programming and partnerships with universities to transform scientific knowledge into accessible and engaging tourism experiences.

In the context of Silver Tourism, operational enablers are particularly critical in ensuring accessibility, comfort and service reliability. A destination may offer high-quality cultural heritage and attractive natural environments but fail to attract older visitors if transport connections are limited, pedestrian infrastructure is not barrier-free, or tourism services are not adapted to mobility or health-related needs. For example, the absence of accessible accommodation, inadequate signage, or lack of trained personnel to support visitors with specific needs can significantly reduce the attractiveness of a destination for this segment. In such cases, improvements in infrastructure, service design and staff training can directly influence the destination's ability to enter and compete in the silver tourism market.

5.5 Linking the Value Propositions with the Business Models

The definition of value propositions and unique selling points represents a critical step in translating tourism assets into a structured business model. A clear value proposition helps guide decisions related to product development, marketing strategy, investment priorities and stakeholder roles.

Within the TOURAL UCCST framework, value propositions also serve as the bridge between market analysis and the operational components of the business model. The insights presented in the previous chapter help identify relevant visitor segments and market opportunities, while the value propositions defined in this chapter explain how the destination intends to respond to those opportunities.

In practice, destinations may use this stage of the analysis to reflect on how their tourism experiences will be perceived by visitors and how they differ from other tourism offers. A well-defined value proposition does not

necessarily require complex infrastructure or large investments. Often, it emerges from the creative interpretation of local assets and from the ability of local actors to collaborate in delivering coherent tourism experiences.

Component	Description
Target Segment	Identification of the main visitor group(s) addressed by the experience. Use/Continue the segmentation already defined in Chapter 4.
Core Experience and Value	What the visitor will experience. Focus on concrete activities (e.g. guided underwater heritage route, science-based visit, accessible cultural itinerary). What the visitor gains from the experience (e.g. learning, immersion, relaxation, wellbeing, environmental awareness, social interaction). This clarifies why the experience is attractive.
Differentiation Element (USP)	What makes the experience unique compared to similar offers. This may relate to local assets, authenticity, interpretation quality, exclusivity, or combination of elements.
Sustainability Contribution	How the experience contributes to sustainability across key dimensions: environmental (e.g. conservation), social (e.g. community involvement), cultural (e.g. heritage preservation), economic (e.g. local income generation).
Operational Enablers	Which enabling factors are necessary to deliver the experience
Cross-Niche Integration (optional)	Synergy with other verticals (if applicable). If yes, how this enhances the experience or expands the target audience.
Seasonality Contribution (optional)	Whether the experience is seasonal or can operate year-round, and whether it contributes to extending tourism beyond peak periods.

Table 5. UCCST Value Proposition Canvas – key considerations

These value propositions form the basis for structuring value chains (Chapter 7) and defining revenue streams (Chapter 8).

6. Chapter 6 – Sustainability, Barriers and Resilience

Within the TOURAL framework, sustainability, barriers and resilience are structural conditions of the business model itself. Sustainability explains the conditions under which tourism development remains legitimate and durable. Barrier analysis identifies the specific constraints that weaken implementation. Resilience introduces the capacity to adapt, reorganise and maintain coherence under changing conditions. Together, these three dimensions form the realism layer of the TOURAL business model.

6.1 Integrating Sustainability into the UCCST Business Model

A UCCST tourism model can only be considered viable if it is able to generate economic value while remaining environmentally responsible, socially accepted, culturally grounded and operationally feasible in the specific territorial context of the destination. This is particularly important for the UCCST approach because the 4 tourism verticals do not depend only on market demand, but also on the quality of local ecosystems, the strength of cultural identity, the ability of institutions and stakeholders to collaborate and the existence of the operational conditions required for implementation.

This logic is already confirmed in the previous TOURAL work. This chapter builds directly on barriers and enabler analysis conducted in WP3 (D3.2), translating these findings into business model design implications. The project treats UCCST as a context-sensitive and evidence-based framework where tourism success depends on the interaction between sectoral potential and enabler readiness. In other words, even when a region shows strong thematic potential in one or more tourism verticals, weak operational conditions can significantly reduce its capacity to transform that potential into a viable tourism model. The optimisation results showed a recurring pattern across pilot regions: Connectivity & Accessibility (E1) and Stakeholder Collaboration (E3) were often ranked among the most important enablers, yet they frequently displayed only moderate or low readiness. Customer Experience (E2) was typically assessed as having strong potential but suffering from seasonal or limited service diversification, while Technological Application (E4) varied considerably across regions, from relatively advanced digital readiness in some pilots to critically underdeveloped conditions in others. This is a key finding for the business model, because it shows that barriers are not secondary obstacles but central determinants of tourism feasibility and scalability.

The same deliverable also demonstrated that sustainability must be understood in a multidimensional way. Environmental, social, cultural and economic sustainability were assessed across the TOURAL regions not as abstract goals, but as practical dimensions affecting the implementation potential of UCCST models. This is highly relevant for business model design. Environmental sustainability determines whether sensitive marine, coastal and rural assets can support tourism activity without degradation. Social sustainability affects the degree to which local communities participate in and benefit from tourism. Cultural sustainability influences authenticity, legitimacy and the preservation of heritage and identity. Economic sustainability determines whether tourism activities can be maintained beyond short-term project support and whether benefits are distributed in a way that supports local commitment. In this sense sustainability is one of the core conditions that make the business model possible.

The barriers identified in D3.2 are particularly valuable because they move beyond generic tourism constraints and point to the specific weaknesses that can obstruct the implementation of UCCST business models. Earlier project work had already identified a first set of weaknesses, including seasonality, low understanding of UCCST potential among tourism stakeholders, low awareness of sustainable tourism, lack of innovation, labour shortages, insufficiently trained personnel, environmental threats, weak transport and communal infrastructure, poor accessibility for persons with disabilities and children, limited financial resources for marketing, and lack of cooperation between tourism actors. The Living Labs then confirmed and prioritised these challenges in the pilot regions, showing that barriers are not distributed evenly but combine differently depending on the destination

context.

For example, in one pilot region the most relevant constraints were identified as shortage of skilled labour, low interest in niche tourism sectors, lack of financial support, weak communication strategy for heritage, policy gaps and insufficient tourism infrastructure. This means that business model design cannot rely on general assumptions alone. It must recognize the territorial configuration of barriers and reflect it in later decisions related to value propositions, governance and finance.

D3.2 also deepened the analysis by testing five specific implementation barriers across the project: lack of effective collaboration platforms between sectors and actors, unequal distribution of economic benefits, insufficient data-driven planning and marketing, weak digital infrastructure and literacy, and missing or imperfect environmental regulatory frameworks. The results showed that the two most pressing barriers on average were the lack of effective collaboration platforms and the unequal distribution of economic benefits. These findings are particularly significant for the TOURAL business model because they show that the most critical bottlenecks are not only physical or financial, but they are also institutional.

From a business model perspective, resilience should therefore be understood as the capacity of a destination to absorb constraints without losing strategic direction. In the TOURAL context, this does not mean eliminating all risks or solving all structural weaknesses before development can begin. Instead, it means designing a tourism model that recognizes existing constraints, prioritizes the most critical ones, and builds value propositions, value chains and financial assumptions around realistic implementation conditions. A destination with weak accessibility may still develop a strong UCCST offer, but it may need to target smaller specialised segments rather than broader visitor markets. A destination with fragmented governance may still pursue cross-niche value propositions, but only if it first creates a minimum coordination structure between the relevant actors. A destination with sensitive ecosystems may still pursue UCNHT, but it must position conservation and regulatory compliance as core components of the value proposition rather than as external restrictions.

This is also where sustainability becomes a source of strategic value rather than only a limitation. In UCCST tourism, sustainability often increases competitiveness precisely because the relevant visitor segments value authenticity, environmental responsibility, educational depth and local identity. A well-preserved marine area can strengthen the attractiveness of UCNHT. A community-based cultural event can reinforce the value of CCT. Accessible and inclusive services can increase the appeal of SLT. Strong scientific interpretation can differentiate CST from more generic heritage experiences. In all these cases, sustainability does not only protect the resource base; it also increases the distinctiveness and credibility of the tourism offers.

6.2 Barriers in UCCST Business Model Development

Based on the synthesis of TOURAL results from previous WP2 and WP3 deliverables, barriers can be grouped into five main categories:

6.2.1 Environmental and Spatial Constraints

Environmental constraints are particularly relevant for UCCST because many tourism experiences depend directly on natural ecosystems and heritage assets.
In UCNHT, this includes restrictions in marine protected areas, limits on diving activity, or even conservation requirements for underwater heritage (e.g. specific time window for visitors).

In rural and nature-based contexts, environmental constraints may include limited carrying capacity, vulnerability to climate change, as well as degradation risks from increased visitation.

These constraints are not negative by definition. On the contrary, they often represent the very assets that make a destination attractive (scarcity effect). However, they impose limits on scale and require careful management. From a business perspective, this means that growth may be constrained by environmental thresholds and experiences may need to be designed for smaller groups.

6.2.2 Economic and Financial Constraints

Economic constraints affect the ability of destinations to invest in infrastructure, services and promotion. Typical examples identified across TOURAL include:

- limited financial resources for tourism development,
- dependence on public funding or short-term projects,
- insufficient private investment in specialised services,
- difficulty in estimating return on investment for niche tourism,
- developing UCNHT may require investment in safety infrastructure, equipment and trained personnel,
- CST may require interpretation tools, partnerships with institutions and programme development,
- SLT may require upgrades in accessibility and service quality.

These investments are often difficult to justify without clear demand estimates, which reinforces the importance of realistic market analysis.

6.2.3 Social and Cultural Constraints

Social and cultural factors influence the acceptance and sustainability of tourism development. Key issues include:

- limited local engagement in tourism activities,
- lack of awareness of UCCST potential,
- resistance to change or innovation,
- risk of cultural commodification or loss of authenticity,
- CCT depends heavily on local participation, so without community involvement, experiences may become artificial or unsustainable,
- CST requires collaboration with knowledge institutions, which may not always prioritise tourism engagement,
- SLT requires service-oriented culture and training, which may not be fully developed in all destinations.

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6.2.4 Governance and Coordination Constraints

Governance is one of the most critical dimensions identified in TOURAL. Common challenges include:

- unclear roles between stakeholders,
- lack of coordination mechanisms,
- absence of shared vision or strategy,
- weak public-private collaboration,
- value chains are multi-actor by nature and thus hard to manage,
- cross-niche experiences require coordination,
- a UCNHT experience may require coordination between diving operators, environmental authorities and cultural heritage bodies,
- a CST offer may depend on cooperation between tourism operators and research institutions,
- a CCT programme may require alignment between municipalities, cultural actors and SMEs.

6.2.5 Technological and Data-Related Constraints

Digitalisation plays an increasing role in tourism competitiveness, yet significant gaps remain. Identified challenges include:

- limited use of digital marketing tools,
- weak online presence of local operators,
- lack of data collection and analysis,
- low adoption of smart tourism tools,
  low visibility of destinations,
- without digital platforms, niche experiences (e.g. workshops, guided tours) remain invisible to potential visitors;
- without data, pricing and capacity decisions remain based on assumptions rather than evidence.

6.3 Evidence from TOURAL: Key Barriers and Structural Constraints

Across the pilot regions, several recurring structural constraints were identified:

- **Limited connectivity and accessibility**, especially in rural, coastal and island areas, affecting both physical access and internal mobility;
- **Fragmented stakeholder ecosystems**, with limited coordination between public authorities, private operators, cultural institutions and communities;
- **Weak or uneven digital maturity**, limiting visibility, marketing effectiveness and data-driven decision-making;
- **Seasonality concentration**, leading to underutilisation of assets and unstable revenue streams;
- **Skills and capacity gaps**, particularly in specialised tourism services, interpretation and experience design;
- **Regulatory complexity**, especially in environmentally sensitive areas such as marine zones or heritage sites;
- **Uneven distribution of economic benefits**, reducing incentives for local participation and long-term engagement.

What is particularly important from a business model perspective is that these constraints were not identified as isolated issues, but as **systemic patterns**. For example, weak stakeholder collaboration often leads to fragmented tourism offers, which in turn reduces market visibility and limits revenue generation. Similarly, limited accessibility reduces visitor numbers, which makes it more difficult to justify investment in service quality or digital tools.

D3.2 also highlighted that the most critical barriers are often not technical or infrastructural, but **relational and organisational**. The lack of collaboration platforms, limited coordination mechanisms and insufficient data-driven planning were consistently ranked among the most significant constraints. This finding is particularly relevant for the UCCST business model, which relies on the integration of multiple actors and sectors.

Special Note for Pilot Destinations:
Barrier identification should be transparent and realistic. Acknowledging constraints strengthens the credibility of the business model and improves funding justification.

6.4 Linking Barriers with UCCST Enablers

The barrier analysis becomes operational when it is linked to the four UCCST enablers identified in D3.2.
Each enabler corresponds to a set of barriers:

- **Connectivity & Accessibility (E1)** → linked to spatial and infrastructure constraints
- **Customer Experience & Service Quality (E2)** → linked to skills, service design and interpretation
- **Stakeholder Collaboration (E3)** → linked to governance and coordination issues
- **Digitalisation & Smart Tools (E4)** → linked to technological and data gaps

This relationship is critical because it allows destinations to move from **problem identification to action prioritisation**. Some indicative examples are presented below:

- weak accessibility → prioritise transport solutions or targeted segments
- weak collaboration → establish coordination platforms or governance structures
- weak digital presence → invest in basic digital visibility and booking tools

6.5 From Barriers to Resilience

The identification of barriers is not an end in itself. Its primary function within the TOURAL framework is to support **realistic, implementable and resilient business model design**. A business model that ignores structural constraints may appear coherent at a conceptual level, but it will struggle during implementation. Conversely, a model that acknowledges and integrates these constraints can evolve more gradually, adapt to changing conditions and remain viable over time.

In the context of UCCST destinations, resilience does not mean eliminating all risks or achieving ideal conditions before action is taken. Instead, it refers to the **capacity of a destination to operate within its existing limitations while progressively strengthening its enabling conditions**. This implies that business model design should be aligned with what is feasible in the short to medium term, while also identifying areas where improvement is necessary for long-term development.

The findings from TOURAL demonstrate that many of the most critical barriers (such as weak stakeholder coordination, limited accessibility or low digital maturity), are not easily resolved in the short term. However, they can be managed strategically. This means that business model design should not attempt to "solve everything," but rather to **prioritise, adapt and sequence development**.

For example, a destination with limited accessibility may not be able to attract large visitor volumes, but it may successfully target smaller, specialised segments that value exclusivity, authenticity or environmental quality. A destination with fragmented governance structures may not initially support complex cross-niche experiences, but it can begin with smaller-scale initiatives that build trust and cooperation among stakeholders. Similarly, a destination with strong seasonality patterns may use SLT or CST to gradually extend tourism activity beyond peak periods, rather than attempting immediate full-year operation.

In this sense, barriers become **strategic filters** that shape the direction of development. They help answer critical questions such as:

- What type of tourism model is realistic for this destination?
- Which visitor segments can be effectively targeted?
- What level of investment can be supported?
- Which partnerships are essential for implementation?

At the same time, the concept of resilience introduces a dynamic perspective. Business models are not static structures. They evolve as enabling conditions improve, stakeholder capacity increases and market positioning becomes clearer. This means that destinations may start with a more limited or focused model and gradually expand it as barriers are reduced and enablers are strengthened.

Special Note for Pilot Destinations:
Resilience requires designing a business model capable of adapting to change without structural collapse.

Barriers should not be treated as fixed obstacles but as design parameters requiring mitigation strategies. Examples of mitigation measures include:

- Improving ***Infrastructure and Accessibility Constraints*** through targeted accessibility upgrades or mobility partnerships.
- Strengthening ***Service Quality and Experience Gaps*** via training programs and service quality standards.
- Enhancing ***Stakeholder Fragmentation and Governance Gaps*** by establishing coordination platforms or memoranda of cooperation.
- Expanding ***Technological and Digital Limitations*** through digital marketing tools, virtual experiences or visitor data systems.
- Adjusting scale or ambition levels where regulatory constraints limit expansion.

Importantly, sustainability plays a dual role in this process. On one hand, it imposes constraints, particularly in environmentally sensitive areas where tourism development must remain within ecological limits. On the other hand, it creates opportunities for differentiation, as many visitor segments increasingly value responsible, authentic and low-impact tourism experiences. In the UCCST framework, sustainability is therefore not only a condition to be respected, but also a **source of competitive advantage**. Sustainability can serve as a market differentiator when clearly embedded in visitor experience narratives, communication strategies, certification schemes, pricing justification, funding applications.

For example:

- Eco-certified UCNHT experiences may attract environmentally conscious segments.
- SLT models promoting inclusive access may appeal to policy-supported senior tourism initiatives.
- CST models linked to research credibility may increase trust and educational demand.

Special Note for Pilot Destinations:
Sustainability and resilience considerations should remain dynamic. They may evolve during stakeholder consultation and individualisation in Task 4.2.

Component	Description
Main Barriers identified	What are the most relevant constraints affecting this tourism vertical? (e.g. accessibility, governance, skills, regulation, digital gap)
Impact on Development	How does each barrier influence feasibility? (e.g. limits visitor numbers, reduces service quality, delays implementation)
Impact Level	Low / Medium / High
Relevant Enabler to Strengthen	Which enabler is linked to each barrier? (Connectivity, Experience Quality, Stakeholder Collaboration, Digitalisation)
Mitigation Actions	How can the business model be adjusted to operate under this constraint? What concrete steps could improve the situation? (e.g. partnerships, training, digital tools, infrastructure improvements, policy alignment)

Table 6. Barriers & Resilience – key considerations

7. Value Chains and Stakeholder Ecosystem

7.1 Role of Value Chains in the UCCST Business Model

Tourism experiences are not delivered by a single actor, but through a sequence of activities and contributions involving multiple stakeholders. This sequence is commonly referred to as the value chain. Within the TOURAL UCCST framework, value chains play a central role because the tourism experiences developed under the four verticals are inherently collaborative and multi-layered. In the TOURAL UCCST Business Model, value chains describe the sequence of activities and actors involved in creating, delivering and capturing value from tourism experiences. They clarify:

- how visitors discover the destination,
- how experiences are accessed and delivered,
- how revenues are generated and distributed,
- how sustainability and quality standards are maintained.

A value proposition defines *what* is offered. A value chain explains *how value is created and delivered to the visitor*, from the initial awareness of the destination to the final experience and post-visit engagement. It includes activities such as promotion, booking, transport, on-site services, interpretation, experience delivery and follow-up communication. Each of these stages may involve different actors, including public authorities, tourism operators, cultural institutions, research organisations, local communities and digital platforms.

In the context of UCCST, value chains are particularly important because the tourism products are not standardised services but composed-synthetic experiences. For example, a visitor experience may combine transport services, guided interpretation, cultural participation, scientific explanation and hospitality services. This means that the quality of the final experience depends not only on individual actors, but on how well these actors are coordinated.

The analysis carried out in previous chapters has already shown that many barriers identified in TOURAL are directly linked to value chain weaknesses. Fragmented governance, lack of collaboration and limited coordination often result in disconnected experiences, even when strong assets exist. For this reason, value chain design is not only an operational exercise, but a key component of business model development.

Special Note for Pilot Destinations:
Value chain mapping should focus on practical delivery processes. The objective is not to produce complex diagrams, but to clarify responsibilities and interdependencies.

7.2 Generic UCCST Value Chain Structure

From the perspective of a destination, the value chain represents the full journey through which a visitor discovers, accesses and experiences the place. It is not a theoretical structure, but a practical way to understand **how different elements of the destination come together to create a coherent tourism experience.** In practice, **no single organisation controls the entire value chain.** Instead, it is distributed across multiple actors and services that must function together. This means that **the destination itself acts as a system, where the final visitor experience depends on how well different components are aligned**.

For a destination applying the UCCST model, the value chain can be understood as a sequence of stages that the visitor passes through:

1. Becoming aware of the destination
   The visitor first discovers the destination through digital channels, recommendations, social media, or destination branding. At this stage, the way the destination communicates its identity and experiences is critical. If UCCST-related experiences (e.g. underwater heritage, cultural

workshops, science-based visits) are not visible or clearly communicated, they are unlikely to attract interest.

2. Planning and organising the visit
   The visitor looks for practical information: what to do, how to get there, how to book. If information is fragmented or booking is complicated, potential visitors may abandon the destination in favour of easier alternatives. For UCCST experiences, this stage is particularly important because many offers are niche and require clear explanation.
3. Accessing the destination
   The journey to the destination and mobility within it strongly influence the visitor decision. Limited accessibility does not necessarily exclude tourism development, but it requires adaptation (e.g. targeting niche segments or longer stays).
4. Experiencing the destination
   This is where the core value is created. Visitors participate in activities such as guided tours, workshops, marine experiences, scientific interpretation or cultural events. The quality of this stage depends on coordination between actors, clarity of roles and the ability to deliver meaningful experiences.
5. Supporting services
   Accommodation, food services, local transport and visitor support shape the overall experience. Even if the core activity is strong, weak support services can reduce overall satisfaction.
6. Post-visit engagement
   After the visit, the experience continues through reviews, recommendations, repeat visits or digital interaction. This stage is increasingly important for visibility and long-term positioning.

From a destination perspective, understanding the value chain means identifying:

- where value is created,
- which actors are involved at each stage,
- where gaps or inefficiencies exist,
- and how different elements can be better connected.

7.3 Vertical-Specific Value Chain Considerations

When a destination applies the UCCST framework, the value chain is shaped by the characteristics of the selected tourism verticals. Each vertical requires different types of actors, services and coordination mechanisms. This means that the value chain must be adapted to reflect each specific tourism model.

It is worth noting the one element that is common across all verticals: **the success of the tourism model depends less on individual assets and more on how these assets are connected and delivered through the value chain.** From the destination perspective, the key task is therefore not only to identify assets, but to organise them into a functional and coordinated system that creates value for visitors.

7.3.1 UCNHT Value Chain Characteristics

This value chain is strongly influenced by access conditions, safety requirements and regulatory frameworks. UCNHT often requires specialised infrastructure (e.g. diving equipment, safety measures), regulatory approval and environmental monitoring, collaboration with heritage and conservation authorities and sometimes integration of digital interpretation tools (to increase accessibility). Therefore, a UCNHT destination must consider not only the existence of marine or underwater assets, but also:

- whether visitors can physically access them,
- whether specialised operators (e.g. diving centres) are available,
- how interpretation is provided,

- how environmental protection is ensured.

7.3.2 CCT Value Chain Characteristics

This value chain is often more decentralised or community based. Many of the key actors are local SMEs, artisans, cultural associations or informal networks, involving local artisans and cultural organisations, event organisers and creative networks.

From a destination perspective, the challenge is usually not the lack of content, but the lack of structure and visibility. For example:

- workshops may exist but are not systematically offered,
- events may take place but are not coordinated or promoted,
- cultural assets may be present but not packaged as experiences.

In this case, strengthening the value chain means improving coordination, creating clearer entry points for visitors and ensuring that local actors are connected to the tourism system. Coordination mechanisms are critical to ensure consistency and avoid fragmentation.

7.3.3 CST Value Chain Characteristics

This value chain depends heavily on the ability to connect knowledge institutions with tourism delivery. A destination may have research centers, archaeological sites or scientific infrastructures, but these do not automatically function as tourism products. Cooperation needs to include formal agreements and institutional partnerships to ensure credibility and continuity.

CST requires structured cooperation between research institutions, universities and educational organisations with tourism operators and “interpretation” businesses and delivery experts. For example, a research site may need guided tours, educational programmes or partnerships with schools and tour operators in order to become part of the tourism value chain.

7.3.4 SLT Value Chain Characteristics

This value chain places strong emphasis on accessibility, reliability and service quality across all stages. This means that the experience is not defined only by the core activity, but by the consistency of the entire system.
SLT emphasizes the need for the foolowing:

- transport must be accessible,
- accommodation must meet comfort standards,
- information must be clear and easy to understand,
- services must be reliable and well-coordinated.

Even if individual elements are strong, weaknesses in one stage (e.g. mobility or accessibility) can affect the entire experience. This makes SLT particularly sensitive to value chain coherence.

7.4 Stakeholder Ecosystem and Value Capture/Value Sharing

The effectiveness of UCCST business models depends on coordinated stakeholder engagement. The functioning of value chains depends on the governance structures that coordinate the different actors involved. Governance refers to the way decisions are made, responsibilities are distributed and collaboration is organised within the destination.

The TOURAL project has already demonstrated, through stakeholder mapping and Living Lab processes, that tourism development in pilot regions involves a wide range of actors, including:

i. **Public Sector**
   - Municipalities and regional authorities
   - Heritage and environmental agencies
   - Destination management organisations

ii. **Private Sector**
   - Tourism SMEs and operators
   - Accommodation providers
   - Transport and service providers

iii. **Knowledge and Research Institutions**
   - Universities
   - Research centres
   - Cultural and scientific organisations

iv. **Civil Society and Local Communities**
   - NGOs
   - Cultural associations
   - Local residents and volunteers

Each of these actors contributes to different parts of the value chain. For example, public authorities may support infrastructure and regulation, tourism operators deliver services, cultural actors provide content, and digital platforms support promotion and booking. One of the key challenges identified in previous work is that these roles are often **not clearly defined or coordinated**. This can lead to duplication of efforts, gaps in service delivery or inconsistent visitor experiences.

Special Note for Pilot Destinations:
Clarifying "who does what" reduces implementation risk. Overlapping responsibilities or unclear mandates are common sources of inefficiency.

Effective governance does not necessarily require complex institutional structures. In many cases, it can be achieved through clear role definition, regular communication between stakeholders, sharing common objectives and even simple coordination mechanisms (e.g. working groups, local partnerships, joint promotion initiatives).

Moreoever, value chains are closely linked to financial logic. It is important to clarify:
- which actors generate revenue directly,
- which actors benefit indirectly,
- how investments are financed,
- how risks are distributed.

In some cases, public investment supports private revenue generation. In others, private operators may contribute to maintenance of public assets (e.g the case of airports in Greece). Moreoever, SMEs play a central role in delivering tourism services and co-creating integrated tourism products within the TOURAL model.

This information deriving from value-chain analysis is essential for later stages of the business model and more particularly for defining revenue streams, understanding cost structures and designing governance arrangements. For example, if a tourism experience depends on multiple actors, revenue distribution mechanisms may need to be considered (i.e. common funding programmes, municipal fees distribution, etc).

Special Note for Pilot Destinations:
Value chains should remain adaptable, especially considering the formation and distribution of revenue streams.

7.5 Value Chain Mapping Framework

To support the practical application of value chain analysis, destinations may structure their understanding of the value chain using a simple mapping approach. This framework will allow destinations to visualize how their tourism system functions and where improvements are needed. It also helps connect value chain analysis with the barriers and enablers identified in the previous chapter.

Value Chain Stage	Key Activities	Main Actors Involved	Current Gaps or Weaknesses	Opportunities for Improvement
Awareness & Promotion	Marketing, storytelling, branding	DMOs, digital platforms, local actors	Limited visibility, weak branding	Improve digital presence, joint promotion
Planning & Booking	Information, reservations	Platforms, operators, intermediaries	Fragmented booking systems	Develop integrated booking options
Access & Arrival	Transport, accessibility	Transport providers, public authorities	Poor connectivity	Improve access or target niche markets
Experience Delivery	Core activities	Guides, operators, institutions	Lack of coordination, limited interpretation	Strengthen collaboration, improve services
Support Services	Accommodation, food, services	SMEs, local businesses	Inconsistent quality	Improve service standards
Post-Experience	Feedback, communication	Platforms, DMOs	Limited engagement	Use digital tools for follow-up

Table 7. Value Chain Mapping – key considerations

8. Financial Model: Revenue Streams, CAPEX, OPEX and P&L Logic

8.1 Why the Financial Model Matters

A business model is not complete unless it can demonstrate how value creation is translated into economic sustainability. Within the TOURAL UCCST framework, financial logic does not aim to produce detailed financial plans, but to establish a coherent and realistic understanding of how tourism experiences generate revenues and incur costs over time. The model supports local value retention by encouraging collaboration among local actors and promoting integrated services that increase spending within the region.

Even if a destination is publicly supported or not-only-for-profit, we still need to understand:

- What costs money?
- What brings money?
- Who pays?
- Who benefits?
- Is the model sustainable over time?

In this context, the business model should answer three fundamental questions:

- **Where does the revenue come from?**
- **What costs are required to deliver the experience?**
- **Is the model viable under realistic conditions?**

Strict financial modelling is not a demand. However, is necessairy to ensure that every selected tourism vertical offering (UCNHT, CCT, CST, SLT) has a clear cost structure, realistic revenue logic and a basic understanding of financial feasibility.

Special Note for Pilot Destinations:
At this stage, exact numbers are not required. Reasonable estimates, ranges and assumptions are sufficient. The objective is to ensure that the business model makes economic sense.

8.2 Revenue Streams

Revenue streams represent the different ways through which tourism activities generate income. In the UCCST context, revenues are typically **diversified across multiple actors and activities**, rather than coming from a single source.

Revenue streams may include:

i. **Direct Revenue**
   - Entry tickets
   - Participation fees
   - Guided tour fees
   - Event tickets
   - Package sales

ii. **Indirect Revenue**
   - Increased overnight stays
   - Restaurant and retail spending
   - Local product sales
   - Extended season visitation

iii. **Public and Hybrid Revenue**
   - Municipal funding
   - Regional/National funding or subsidies

- EU funds
- Research grants (especially for CST)

Direct visitor payments are often the most visible revenue stream. These include fees for guided tours, diving experiences, workshops, museum visits or educational programmes. For example, a UCNHT destination may charge for guided dives or underwater heritage tours, while a CCT destination may generate revenue through paid workshops or cultural events.

Accommodation and hospitality services also play a central role. Even if they are not directly linked to the core experience, they contribute significantly to the overall economic model. In many cases, the success of a tourism experience depends on the ability of visitors to stay longer and consume additional services locally.

Experience-based services are particularly important in UCCST models. These include specialised offers such as thematic routes, scientific excursions, gastronomy experiences or wellness services. For instance, in SLT, longer stays combined with wellness or cultural programmes can generate stable and predictable revenues.

Public or hybrid funding may also contribute, especially in cases where experiences are linked to heritage preservation, education or research (e.g. CST). In such cases, part of the financial sustainability may depend on institutional support or project-based funding.
Finally, indirect economic benefits should not be overlooked. Visitors spend money across the local economy (restaurants, shops, transport), which contributes to overall economic impact, even if it is not captured by a single business entity.

For example, a coastal destination combining UCNHT and CCT may generate revenue from various sources, like diving activities, cultural events, accommodation services and local gastronomy. Even if each revenue stream is modest on its own, the combination of these verticals will creates a more robust and diversified economic model.

Moreover, indirect revenues (when applicable) can be estimated using proxy approaches, such as average visitor expenditure per day or percentage multipliers (e.g. 30–50% of direct tourism spending), based on available tourism statistics or comparable destinations.

Special Note for Pilot Destination: *Not all verticals must be fully self-financed. Some may justify public support due to cultural or environmental value.*

8.3 Cost Structure

The cost structure includes all expenses required to develop and operate tourism experiences. These costs are typically divided into CAPEX and OPEX:

- **CAPEX (Capital Expenditure):** refers to one-time or long-term investments required to create or upgrade the tourism offer.
- **OPEX (Operational Expenditure):** refers to recurring costs required to keep the tourism activity running.

8.3.1 Capital Expenditure (CAPEX)

CAPEX refers to initial investments needed to establish or upgrade the tourism offer. These may include infrastructure development, such as visitor centers or accessibility improvements, as well as equipment, digital tools or restoration of heritage assets. For example, developing UCNHT experiences, may require investment in safety equipment, underwater signage or interpretation systems. Similarly, a CST offer may require investment in exhibition spaces or educational tools.

UCNHT	CCT	CST	SLT
Diving infrastructure, safety equipment, interpretation panels, digital underwater storytelling systems	Venue renovation, workshop equipment, exhibition/event infrastructure	Interpretation centres, scientific equipment for visitors, digital interactive installations, observatory	Accessibility upgrades (ramps, lifts, adapted transport), health-related service facilities

Table 8. Typical CAPEX Examples per Vertical

8.3.2 Operational Expenditure (OPEX)

OPEX refers to ongoing operational costs. These include staff salaries, training, maintenance, marketing, coordination and service delivery. For instance, running guided tours, maintaining digital platforms or promoting the destination all generate continuous costs that must be covered over time.

UCNHT	CCT	CST	SLT
Local guide salaries, safety inspections, equipment maintenance, environmental monitoring	Event organization, artist fees and residencies, promotion campaigns	Scientific staff support, interpretation services, data management	Support staff, accessibility services, extended, slow-paced assistance

Table 9. Typical OPEX Examples per Vertical

A key aspect for destinations is to understand the relationship between these two types of costs. High initial investments (CAPEX) may reduce operational costs later, while low initial investment may lead to higher operational complexity.

Special Note for Pilot Destinations:

If the activity already exists, use real current costs as a reference. If it does not, look at comparable offers.

8.4 Simple P&L Logic (Profit and Loss)

8.4.1 What is P&L?

P&L means "Profit and Loss". It simply compares Total Revenue minus Total OPEX

- If Revenue > OPEX → Operationally sustainable
- If Revenue < OPEX → Needs subsidy or adjustment

At this stage, pilot destinations should estimate revenues and OPEX per year and identify any funding gaps between these two (if any).

A simple financial narrative is sufficient. For example: "*The SLT programme requires €50,000 annual OPEX. Expected direct revenue is €35,000. The remaining €15,000 will be covered through municipal funding due to social inclusion objectives.*"

Moreoever, different approaches can be considered depending on the destination context:

- Low-volume, high-value models are often suitable for specialised experiences such as UCNHT or CST. These models rely on fewer visitors but higher spending per visitor.

- Diversified models combine multiple verticals to create several revenue streams and reduce dependency on a single market.
- Seasonality-balancing models use verticals such as SLT or CST to extend tourism activity beyond peak periods.

Scaling should be approached carefully. Increasing visitor numbers without strengthening infrastructure, governance or service quality may reduce the value of the experience and create sustainability risks. For example, a destination may start with small-scale cultural workshops (CCT) and gradually expand to larger events once coordination and demand increase.

8.4.2 Linking Finance to Operational Enablers (E1–E4)

Financial decisions could also reflect improvement needs in the already identified Enablers (E1, E2, E3, E4) described in Chapter 2.3. For example:

- If digital presence is weak → CAPEX for website & booking platform.
- If service quality is weak → OPEX for training.
- If collaboration is weak → OPEX for coordination platform.

Special Note for Pilot Destinations:

If financial logic cannot be clearly explained in simple terms, the model likely requires revision. Simplicity is strength.

9. From Generic Model to Pilot Individualization

Deliverable D4.1 presents the generic TOURAL business model for Sustainable Smart UCCST destinations. Its purpose is to define the common business logic of the UCCST approach and to explain the main components that shape tourism development under the four verticals: Underwater Cultural & Nature Heritage Tourism (UCNHT), Cultural & Creative Tourism (CCT), Cultural Science Tourism (CST) and Silver Tourism (SLT).

This generic model is intentionally not destination specific. It does not aim to prescribe one fixed business model for all TOURAL pilot sites. On the contrary, it provides a common structure that can support different territorial realities, different combinations of tourism verticals and different levels of maturity, capacity and ambition.

This model provides a common structure for all pilot destinations, ensuring a shared understanding of key components such as market positioning, value propositions, sustainability considerations, value chains, governance arrangements and financial logic. It supports comparability and coherence across the TOURAL framework while remaining adaptable to different territorial contexts.

Within WP4, the role of this deliverable is to provide the foundation upon which destination-specific business models will be developed. Each pilot destination operates under different conditions in terms of assets, accessibility, stakeholder ecosystems, institutional capacity and market opportunities. As a result, the business model must be interpreted and applied according to these local characteristics.

The individualisation of the business model will be carried out in Task 4.2. This process will translate the generic UCCST framework into concrete, territorially grounded business models, developed in collaboration with local stakeholders. It will include the refinement of tourism vertical selection, the development of destination-specific value propositions, the structuring of governance and value chains, and the validation of financial and operational assumptions.

Different development pathways are expected across pilot destinations. Some may focus on a single tourism vertical, while others may combine multiple verticals through cross-niche approaches. Some may prioritise gradual development due to structural constraints, while others may build on existing capacities to expand more rapidly. These variations are an inherent part of the UCCST approach and reflect the diversity of territorial conditions within the TOURAL project.

The outcome of this process will be a set of pilot-specific business models and tourism product definitions, supported by co-design processes and complemented by resilience assessment. Together, Deliverable D4.1 and Task 4.2 form a continuous process within WP4, moving from a shared business model logic to its practical application at destination level.

Finally, building on the framework developed in Task 4.1, some of the training activities under Task 4.4 will support pilot sites in applying the business model methodology in practice. Some of the planned TOURAL workshops will also function as a “training for trainers”, demonstrating how to structure, facilitate and replicate the destination-specific business model development process at local level.

The first training which is relevant with T4.1 outputs is the Italian workshop planned to be held during the upcoming TOURAL General Assembly in May 2026 in Province of Teramo, bringing together stakeholders stakeholders from policy, industry, academia and civil society, as well as representatives from all pilot sites and building on the co-designed scenarios of the Italian Living Lab to demonstrate the application of the business model methodology in practice.