

**Regione Autonoma Friuli Venezia Giulia
Agemont S.p.a.**

**Congress
Albergo diffuso: respect for culture and
the environment**

Amaro, 22 March 2007

**The Albergo diffuso in Italy. The
strengths of Friuli Venezia Giulia and
innovative proposals**

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Brief outline

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The more an hotel reflects the local architecture, customs and life style of the area in a personalized way, in contrast to other hotels, the more possibility of success it will have.

(S. Plog, *Leisure travel*, John Wiley & Sons Inc., Hoboken, NJ-USA, 1991)

1. The Albergo diffuso in Italy

Over the last ten years two distinct yet contradictory trends have been emerging in the European hotel sector. On one hand, we see transformation of many hotels into “houses which strong traditions”; while on the other we observe the transformation of local style houses into hotels. This trend bring us to a new formula of hotel which is already well-

known and about to become established by 10 regional administrations; its name is Albergo diffuso. The Albergo diffuso is a traditional yet innovative hotel formula, which coexists with the two existing hotel formulae, the Swiss and the American.

The Albergo diffuso represents a receptive solution possessing great charm and a growing interest in terms of public opinion. The following are some of the Italian *opinion-makers* who have recently dedicated not only services but also wide coverage, sending participants who desire further knowledge about this new formula.

- *La Repubblica – Sunday Insert on Ad in Sardinia (4 February 2007); report on the Ad as a national phenomena (9 February 2007);*
- *Il Sole 24Ore (29 January);*
- *Atmosphere, Meridiana magazine (20 February 2007);*
- *Il Sole24Ore North east (9 August 2006);*
- *I Viaggi di Repubblica (May 2006);*
- *Suite and Gambero Rosso (April 2006, April 2005);*
- *Italia Oggi (26 August 2005);*
- *Il Foglio (13 August 2005);*
- *Il Tempo (19 July 2005);*
- *Il Sole 24Ore (27 June 2005);*
- *CasAmica (March 2005);*
- *La Repubblica (11 March 2005), ecc.*

Among the few national texts quoted here (the list is more extensive) one of the best reports on the subject is “Il Gambero rosso” by Mara Nocilla Number 171 April 2006, which dedicates 19 pages to the philosophy of the Albergo diffuso and mentions the best national Ad’s such as Forgaria Monte Prât (UD), Santo Stefano in Sessanio (AQ), La Dimora del Castello (CB) and Omuaxiu (CA).

The success story of the Albergo diffuso has elevated it to being a national social phenomena.

The following is the first page of article on the Ad in Friuli Forgaria chosen by the magazine Gambero Rosso as a model Ad and as a didactic centre.



Friuli: The School-hotel big as a tableland.

Among the international coverage addressed to the public at large many have not translated the term Albergo Diffuso into their own language but have adopted the Italian term “Albergo diffuso” (see Il Gambero Rosso on sale in the Usa and Canada, July 2006).

Even the media where public-aims are established by operators in the field, have dedicated increasing amounts of space to the new hotel formula. For example: TTI, TTG, the Report On Italian Tourism (XII: pag. 351-363; IVX: pag. 292), the Italian Touring Club magazine (December 2001), Travel Agencies, Travel Guides and others.

More recently, some of the articles have drawn attention to the weaknesses of the formula. One well-informed journalist writes « (...) *the risk is the proliferation of structures that only want to make money, by rendering the formula banal, and debasing it when in reality it has a profound quality.*» (M. Nocilla)

Inspite of widespread attention paid by the national media many but do not yet emerge as real models of the Albergo diffuso:

- are only a small part of the total;
- in contrast to all other formulae (hotel and extra-hotel), they are based on intimate cooperation and good relationships between public, private and committees of event organizers;
- they are not merely a product of an enterprise but depends on the possibility of finding solutions for new questions.

The following chart shows some of the differences between the traditional hotel formula and that of the Albergo diffuso.

Profile of the Albergo diffuso: Much more than a traditional hotel		
<i>Aspect considered</i>	Traditional Hotel	Albergo diffuso
<i>Internal spaces:</i>	aimed at tourists	aimed at residents
<i>Privacy:</i>	limited to room+bathroom	total
<i>Number of buildings:</i>	in general one	never less than two
<i>Hall:</i>	internal	internal and external (the landscape)
<i>Relations with residents:</i>	mediated through staff	direct decisive demands
<i>Concept:</i>	foreign	Italian
<i>Style of buildings:</i>	reflects the style of owner	reflects style of manager and local architectural characteristics
<i>Legal Formula:</i>	several kinds	more often cooperation-based
<i>Partners:</i>	private	private public and com of event org.
<i>Results expected:</i>	effective efficient	effective efficient local involvement and environmentally sost.
<i>Attention prevalent:</i>	standard personalization	standard, personalization and characteristic as unicity

From the chart presented it emerges how the Albergo diffuso is a structure which integrates and completes the traditional hotel model.

The possibility that an increasing number of Albergo diffuso structures follow the model required by the guests in regions is obvious and the world of intermediation depends on the will of the management team and the regional decision makers.

For this reason in June 2006, the Albergo diffuso enterprises set up a national club The National Association of the Albergo diffuso (ADI – www.alberghidiffusi.it) which deals with defending the hotel model as unique and original.

2. The main strengths of FVG

The main strengths of the Albergo diffuso in FVG, without considering the numerous advantages of the destinations system at the base of the tourist strategy developed by the Tourist Authority FVG, consist in the anti-ismic nature of the dwellings and consequent safety offered to the guests compared to the guarantees offered by other Italian regions.

This constitutes an important advantage and should not be under estimated. Further advantages are linked to the wide range of valuable public structures, and a calendar of various events and to the personnel who work in the Albergo diffuso enterprises with commitment. Other competitive advantages are the configuration of the region which lends itself to excursions even by the elderly, the strong identity of the local cuisine, a strong cultural identity, are distributed throughout the region like ‘a leopards spots’ and so do not characterize the entire region in an homogenous way. These factors have been identified during the course of a research programme carried out by S.I.S.A.D. and form the basis of growth which need yet to be developed.

Among the competitive advantages present is also the fact that the distances between the houses for the guests and the reception are much more favourable than in any other region.

It is also worth noting how a real system of regional strength represents an inevitable situation, regarding the legislation which has not seriously taken the mistakes and experiences of the Sardinian experience into consideration, by under rating the question of management costs and time scan, and taking the rapid expansion of the demand, the growth of profits and of the personnel in the structures and the resulting ‘flowering’ of the nuclei for granted.

The demand for Albergo diffuso ventures is established. In FVG they are currently working at a low rate (which is probably too low). As a result the profits lost by the single regional Albergo diffuso appear to be high and only able to be reduced by huge efforts

made by the management and sacrifices on the part of the house owners or by further public financial intervention (risky).

The question which needs to be answered is: how is it possible to evolve from an unfavourable situation, from the management point of view, towards a greater efficiency while enhancing the existing system ?

With the help of a certain humility which characterizes the most successful competitors on the global scene we are analysing the criteria upon which Molise and Sardinia (the other two regional leaders of the Ad) are focussing in order to make further improvements to the competitiveness of their systems or to create new regional systems.

The Albergo diffuso in Italy Factors to strengthen short-term competitiveness	
Factor:	Strengthen:
A) Dislocation of structure:	in a historical centre - village / max. two historical centres – villages
B) Distance from the dwelling to the reception structure:	300 –500 metres.;
C) Number of buildings:	max 10;
D) Local boroughs for guest services:	Combination of local existing venues (halls, dining rooms, restaurants, reading rooms) to other services congress/meeting spaces / swimming pools / well-being or health centres / reception / bar / cinema-TV room / communal kitchen / solarium / fitness / etc.
E) Guest services:	guaranteed for at least 16 hours daily;
F) Number of active staff employed full-time and taken on flexible pay:	3;
G) Presence of restaurant and bar in the hotel:	not only members;
H) Other hotel services offered:	breakfast / cleaning services / meal service with restaurant of the place / booking / room service / guest assistance 24/24 /hour service organization of spare time (animation, parties, excursions) housekeeping
I) Presence of stable residents:	guaranteed minimum of 500 residents;
J) Qualifications Certificates:	environmental, social responsibility, national reviews etc.;

These factors represent corresponding chapters where important decisions for the future of regional Albergo diffuso need to be made.

3. Innovations produced

The Albergo diffuso represents the innovative hotel sector for their autonomy and pooling of many new proposals, services and animation initiatives. The following are examples of new initiatives produced by the Albergo diffuso:

A) National level:

- In the lodgings: Innovation with mediaeval flavour Sextantio (AQ);
- In the restaurant: the “diffuso lunch” created by the Val di Kam Ad in Sicily; others

B) In Friuli Venezia Giulia:

- The creation of the product Club in the Albergo diffuso operates in the first few months of the year organized by Tourism FVG;
- In the lodgings: the lodgings-adventure in the Albergo diffuso + bed for the night in quota in Forgaria;
- In the restaurant: local dishes created by certain Ad such as Lauco;
- In the services: management software dedicated to the Ad (Xnotta);
- The creation typical logo, on web site, the evolution from pure competition to pure cooperation, definition of basic services from the period of January to April 2006; others.

Many innovations have already been created in Italy and in FVG, but there need to be many more. The question is: How is it possible to innovate in the direction of strategies and enhancing the differences between the traditional hotel and the Albergo diffuso? One of the first possible innovations consists in finally considering the Albergo diffuso as a hotel

Conclusions. The necessity to accelerate the creation of innovation and provide valid answers to some local questions.

The experience of the pioneers have opened the way both for their own advantage and for others. The most important questions about how to resolve, create, to launch and strengthen working skills and create a successful enterprise have been formulated.

The following list includes the main questions singled out concerning this, and other regions in Italy as determining why an Ad triggers a developmental dynamic in the area in which it operates:

- ‘what have we got?’ in this area and ‘what can we offer our guests?’
- ‘Who will ask for what?’ in this valley or in this region”?
- How is it possible to make the team- work easier in the initial phase of the Ad?
- How is it possible to increase the range of services economically and efficiently?
- How is it possible to gradually improve the understanding between the partners?
- Others.

All the answers depend on a form of the latest know-how linked to the marketing and management, the importance of which is emphasized by international committees (such as the UN-WTO) cropping up over the last few years and consequently to be acquired.

The capacity to cooperate for strategic aims is the basis on which the Albergo diffuso is created. This represents a revolutionary force whose surprisingly effects were expressed by the following unsuspected words:

The brother who helps his brother is like a fortress.

(The Bible, Pro., 18,19)

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