



CAN SUSTAINABLE TOURISM BE MORE SUSTAINABLE? -LESSONS LEARNED FROM *Albergo Diffuso* IN ITALY AND EAST ASIA

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ABSTRACT

Article History

Received: 28 July 2021

Revised: 26 August 2021

Accepted: 17 September 2021

Published: 11 October 2021

Keywords

Albergo Diffuso
Village hotel: Sustainable tourism
Sustainable development
Resident-led model
Albergo Diffuso certification.

This study aims to provide sustainable management strategies for rural communities by examining characteristics of a village hotel, Albergo Diffuso (A.D.), which has evolved through developing sustainable management and adapting to different regional contexts. While A.D. is widely recognized as a sustainable development tool for rural communities utilizing historical and environmental resources, little has been studied on which characteristics make A.D. more sustainable and how it spreads out different cultural and regional regions. No clear distinction between sustainable development and sustainable tourism was found, which interrupts evaluate the sustainability of A.D. management. Therefore, this paper seeks to identify the sustainable characteristics of A.D. and how it spread out to other regional contexts based on a theoretical framework of sustainable development and sustainable tourism. By tracking historical changes in A.D. cases of Europe and Asia, we explored how A.D. has evolved through regional and cultural contexts. In addition, we set a theoretical framework to investigate appropriate concepts explaining sustainability. As a result, sustainable tourism is more appropriate to demonstrate distinctive features of sustainable management that differentiate A.D. from an ordinary hotel theoretical framework for A.D. than sustainable development. The resident-led A.D. originated from East Asia can inversely supplement A.D. in Italy as residents develop and operate their socio-cultural assets as sustainable tourism resources. Therefore, developing resident-led A.D. would provide tourists with more sustainable tourism, which gives economic benefits to inhabitants and authentic experiences to tourists.

Contribution/Originality: The paper's primary contribution is finding that the resident-led village hotel adapted and developed in East Asia could complement the Italian village hotel model. Developing resident-led A.D. will provide more sustainable tourism of residents excavating and operating socio-cultural assets in the village.

1. INTRODUCTION

Rural tourism has emerged as a sustainable strategy for overcoming depopulation and declination of European rural villages. People recognize rural tourism as a sustainable development tool that can revitalize economically declined villages utilizing existing natural, historical, and cultural resources within small budgets (Jeong, García-Moruno, Hernández-Blanco, & Jaraíz-Cabanillas, 2014). This phenomenon is mainly prominent in European regions with its unique and historical resources. Furthermore, European rural tourism could create outstanding sceneries and attract tourists' attention, which provides a unique physical environment and socio-economic activities that they can experience only in the specified area.

According to the OECD (2009), the Albergo Diffuso (A.D.) launched in Italy is one successful hospitality model that effectively utilizes indigenous resources (Confalonieri, 2011; Lordkipanidze, Brezet, & Backman, 2005). The A.D. is a type of village hotel first started in the Italian region of Friuli-Venezia Giulia in the early 1980s to restore historic buildings destroyed by a severe earthquake to promote economic revitalization (Droli, 2009). The Albergo Diffuso is a business model, which refers to a 'scattered hotel' that individual buildings function as a collective but spread throughout the village (Korže, 2018). 'Alberghi Diffusi' is an Italian word, meaning that the term 'Alberghi' is a standard hotel service and the adjective 'Diffusi' indicates the arrangement of buildings dispersed throughout the region (Romolini, Fissi, & Gori, 2017). Each unit is located and spread in several pre-existing buildings keeping a constant distance (about 200 meters) between existing buildings. The reception/common area is also found in a vacant dwelling. Due to the distinctive architectural features, the A.D. is referred to as a 'scattered hotel' (Granata & Scavone, 2016), 'diffused hotel' (Russo, Lombardi, & Mangiagli, 2013), 'widespread hotel' (Monge, Cattaneo, & Scilla, 2015), 'distributed hotel' (Korže, 2018), or 'diffusion hotel' (Korže, 2018) and 'distributed hospitality' (Villani et al., 2015).

It was first introduced and developed in Friuli, Italy, at the beginning of the 1980s, preserving existing historical and cultural buildings and heritages dispersed in the village (Paniccia & Leoni, 2019). As a result, the A.D. gained popularity as a more sustainable hospitality model than a traditional hotel that needs a new single building (Korže, 2018). Along with architectural characteristics implicated in its terminology, the utilization of existing scattered buildings enables villages to be developed in a more sustainable approach preserving physical, sociological, and environmental features with their local resources and cultural heritage (Presenza, Yucelen, & Camillo, 2018). As this model further evolves, it has been expanding its initial concept and region with sustainable principles. In this way, the rural development based on sustainable principles led each village to keep its unique sense of local identity and has attracted many tourists (Dropulić, Krajnović, & Ružić, 2008; Montis, Ledda, Ganciu, Serra, & De Montis, 2015; Russo et al., 2013; Vallone, Orlandini, & Cecchetti, 2013). With these highly distinctive features and sustainable development, A.D. has developed into a unique brand differentiated from ordinary hotels and gained popularity worldwide.

However, the sustainability concepts used in the previous studies do not show the clear demarcation between sustainable development and sustainable tourism, which blocks transmitting the underpinning meaning of sustainable A.D. characteristics. For instance, sustainable management that is positively related to the socio-cultural sustainability of A.D. is one of the noticeable principles that support sustainable tourism. Nevertheless, many previous studies mingle this concept with sustainable development that is more growth-oriented than management itself. Although both concepts contain the meaning of protecting the existing environment, sustainable tourism has a closer meaning to preserving the socio-cultural environment than an environmental and ecological aspect. Therefore, defining both concepts and establishing a theoretical framework explaining A.D.'s unique characteristics will help develop an A.D. model more sustainably and promote economic, socio-cultural, and managerial sustainability in decline regions.

This paper aims to determine characteristics that make the Albergo Diffuso model sustainable and suggest management strategies to develop more sustainable Albergo Diffuso by studying Italy and East Asia cases based on a theoretical framework of sustainability. Finally, it seeks more sustainable principles and methods for successful revitalization that can be implemented and applied to the current status of A.D.

This study is structured as follows: The following section will briefly explain the terminology and concept of sustainability discussed in A.D. and review the whole cases in Italy and East Asia to categorize development characteristics, both from Europe and East Asia. Analysis of the case studies is followed after comparing both regions' case studies. After analysis results, this study concludes with implications and application for more sustainable A.D. hotels.

2. SUSTAINABILITY CONCEPTS IN *Albergo Diffuso*

2.1. Sustainability Concepts: Sustainable Development vs. Sustainable Tourism

Many researchers adopted sustainability in the literature on the Albergo Diffuso to demonstrate the sustainable features of this village hotel. However, it was often the case that two different sustainability concepts, sustainable development, and sustainable tourism, were widely used with mix and suffered from definitional problems despite their conceptual distinction (Sharpley, 2000). Even this ambiguity made it difficult to fully demonstrate distinctive features of the A.D. model that could differentiate from the ordinary hotel. While these concepts have many characteristics in common, finding a solid theoretical framework defining sustainable development and sustainable tourism will help us understand the sustainable features of A.D. models in different regional contexts.

Our Common Future, known as the Brundtland Report, first defined the concept of sustainable development as "Development that meets the needs of the present without compromising the ability of future generations to meet their own needs" (World Commission on Environment and Development, 2018). Sustainable development is regarded as a new social paradigm that seeks equitable development and equitable use of resources at international and national economic and political systems (Butler, 1999). Thus, it aims to find the right balance between economic growth and preservation of ecological systems with a new technological solution (World Commission on Environment and Development, 2018). As sustainable development ensures economic growth and development within the environment possible without mitigating future generations' ability to obtain their needs, people can expect equitable opportunities from sustainable development as byproducts of sustainable development in the rural region (World Commission on Environment and Development, 2018).

World Tourism Organization (1993) defined sustainable tourism as "Tourism which meets the needs of present tourists and host regions while protecting and enhancing opportunity for the future" World Tourism Organization (1993). While sustainable tourism is a tourism-specified concept commonly defined as conventional or alternative tourism, it has compatible meaning with sustainable development or is considered a subtype of sustainable development (Liu, 2003). While sustainable tourism seeks to find more sustainable ways of developing economic conditions or opportunities, it must fulfill sustainability without adversely interfering with existing economic activity and social organization (Butler, 1999). In addition, sustainable tourism should be accomplished within natural capacities considering future productivity of natural resources without damaging the environment to which it resorts (Eber, 1992). Thus, sustainable tourism strives to find best practices that are more environment-friendly and preserve cultural heritage and traditional values while enhancing local economic conditions (UNEP, 2011).

However, both sustainable development and sustainable tourism accompany common concepts: economic sustainability, environmental sustainability, social and cultural sustainability, and political and governmental sustainability within an overall sustainable development framework (Bramwell, 1996). Although sustainable tourism is the derivative concept from sustainable development, it has been criticized for its tourism-centric meaning, which has too narrow a meaning of sustainability. Moreover, it fails to provide a conceptual vehicle to connect sustainable tourism with sustainable development (Hunter, 1997).

However, one of the distinctive features of sustainable tourism is sustainable management (Bramwell, 1996). Sustainable tourism encourages residents and stakeholders to participate and involve in tourism while establishing social networks through their participation (Mitchell & Hall, 2005). Furthermore, active participation and cooperation by local entrepreneurs, rural tourism enterprises, and the community help promote the tourist experience (Mitchell & Hall, 2005). Swarbrooke (1999) insists that sustainable tourism can give visitors authentic experiences by learning about the tourist attraction's culture and history (Swarbrooke, 1999). He sees that this might be implemented by exploiting old farm buildings as tourist places while not destroying existing social organization forms. In addition, this will make it possible for the tourism region to simultaneously preserve cultural and social heritage for the next generations in their surroundings (Lordkipanidze et al., 2005).

2.3. Sustainability concepts in *Albergo Diffuso*

Many previous researchers have attempted to explain the distinctive characteristics of the A.D. model based on a conceptual framework of sustainable development (Avram & Zarrilli, 2012; Dropulić et al., 2008; Granata & Scavone, 2016; Monge et al., 2015; Nordhorn, 2014; Silvestrelli, 2013; Vallone et al., 2013). Nordhorn (2014) conducted a case study of five A.D. hotels and qualitative interviews to explore the sustainable development aspect of A.D. (Nordhorn, 2014). The results of the interviews described that A.D. consisted of three dimensions of sustainable development with economic, social, and ecological aspects. From the aspect of sustainable development with economics, all interviewees were satisfied with the cost-effectiveness aspect of the A.D. due to their doubled bookings every year. The author concluded that the seasonal demand had insignificant influences on the demand of the A.D. model, which led to a higher volume of reservations every year. It could attract many more tourists creating higher employment rates in a region. In addition, media attention to A.D. amplified numbers of visiting tourists that make villages benefits strongly, increasing purchasing power and revival of villages formerly suffered from emigration and economic decline. The economic recovery made young families with children move into the villages due to the well-maintained infrastructure. As the region offers local products designed by local artisans, it induces positive and sustainable effects enhancing local value chains (Dropulić et al., 2008; Nordhorn, 2014). The concept of *Albergo Diffuso* stimulates even economic growth in an area because its basis is the symbiosis between renters, local people, and guest improves social and human dimensions since it promotes the removal of unfair competition within a small environment (Dropulić et al., 2008). Lastly, from the ecological perspective, it takes care of protecting environments, saving energy, and improving sewage and garbage services (Dropulić et al., 2008; Nordhorn, 2014).

Other previous literature demonstrated the A.D. model with a sustainable tourism concept (Avram & Zarrilli, 2012; Pietrogrande & Vaccher, 2017; Romolini et al., 2017; Villani et al., 2015). Most factors of sustainable tourism repeated in those mentioned above sustainable development. Romolini et al. (2017) aim to concentrate on the management aspects of sustainable tourism that are not mentioned in sustainable development while examining case studies of the phenomenon widespread in Italy with a survey interview (Romolini et al., 2017). Face-to-face interview with hotel manager results out meaningful implications of managerial aspects of sustainable tourism. Sustainable tourism links tourism with territory-based resources, including the interaction between stakeholders and the organization. It promotes strong participation in regional networks involving local resources such as food and crafts. In addition, sustainable tourism provided exceptional local services and activities, creating "Living an experience" for the tourists. It could meet the desires of customers to live an unusual experience which is the main factor for tourists to choose the A.D. hotel. Furthermore, A.D. hotel is commonly operated by a private company with one or more stockholders without public sector shareholders to prevent a monotonous atmosphere created from a top-down approach.

On the other hand, the role of public organizations is to provide resources through regional or European funding, supplementing its funding to private investment. Thus, the underpinning purpose for public funding is to support a private business initiative to help develop an underdeveloped area to date. The detailed information on sustainable development and sustainable tourism is tabulated below in Table 1.

Although the sustainability concept is widely used to provide a theoretical framework of A.D. in the previous literature, there is still an unclear demarcation between sustainable development and sustainable tourism that prohibits demonstrating the distinctive features of A.D. that differentiate from traditional hotel models. For instance, even though management features are critical elements that distinguish A.D. from the general hotel model under sustainable tourism, we found many researchers attempted to describe management sustainability of A.D. based on sustainable development (Avram & Zarrilli, 2012; Dropulić et al., 2008; Vallone & Veglio, 2013; Villani et al., 2015). Therefore, we need to identify how the A.D. model corresponds to the characteristics of each sustainability concept and the aspects that make A.D. a more sustainable model by using case study methodology.

Table-1. Characteristics of Sustainable Development and Sustainable Tourism (common in gray, difference in white).

	Sustainable development	Sustainable tourism
Concept	Economic sustainability Socio-cultural sustainability Environmental sustainability	
	Economic growth-oriented concept Technological sustainability	Tourism-centric concept Managerial sustainability
Process	Revitalization of economic condition Without destroying the ecological and socio-cultural environment Economic growth preserving the natural environment Save water and energy Minimization of wastes using recycling materials Conservation in biodiversity	
	Process-oriented development	Cultural heritage and traditional values Preservation of existing social organization Active participation and cooperation (among residents, local entrepreneurs, rural tourism enterprises, community) Local operators (residents, local entrepreneurs)
Outcome	Equitable opportunities using natural resources and human-made capital Higher gross local income Promotions in human well-being	
	Human population growth	Diversity in local cultural heritages and resources Tourism programs for visitors learning local history and culture Stories and tales about the village, building, host family

3. CASE STUDY

3.1. *Albergo Diffuso in Italy*

3.1.1. *Restoration from an Earthquake*

The first type of Diffused hotel originated in Friuli-Venezia Giulia, Italy in 1982, to recover from the severe economic depression caused by the earthquake of 1976 (Confalonieri, 2011; Korže, 2018; Maria et al., 2017; Montis et al., 2015; Romolini et al., 2017; Russo et al., 2013; Vallone & Veglio, 2013). This physically destructed region had become uninhabited, experiencing a continuous outflow of the rural population, which led to a miserable economic recession (Confalonieri, 2011; Russo et al., 2013). Therefore, economic revitalization and growth were the primary purposes of implementing the A.D. model.

The practical application of A.D. was implemented by the local council of San Leo (Montefeltro), transforming the uninhabited village into tourist destinations by exploiting existing buildings. As a part of this idea, a pilot project called "tourism" had been implemented in Comeglians (Friuli Venezia Giulia) and Bosa (Sardinia) by the consultant Giancarlo Dall'Ara (Reichert-Schick, 2016). They have attempted to make empty historic centers more attractive with product-oriented marketing logic that made a whole village a tourism product.

However, this first A.D. showed aesthetical and functional deficiencies representing the historical atmosphere and outperforming the traditional hotels (Korže, 2018; Montis et al., 2015; Vallone & Veglio, 2013). The first A.D. cases had concentrated on revitalizing destroyed buildings damaged from disasters and economic declines utilizing the existing physical environment. The following cases appeared as the early A.D. model in the 1980s: Friuli (Sauri in 1982), Emilia Romagna (1984), Cal d'Enza (1984), Vitulano (1987), Benevento (1987) (Romolini et al., 2017).

3.1.2. *Historic and Cultural Preservation*

In the following years, the A.D. model has spilled over to other regions throughout Italy. There have been increasing demands for sustainable tourism packages as requests for developing built environments and local communities in the early 1990s (Korže, 2018). The critical turning point of A.D. has been made as the "Tourism

Development Plan of the Mountain Community Marghine Planargia" had created a tourism concept that promotes social network with residents while providing ordinary hotel services (Vallone & Veglio, 2013). In addition, the first attempt to preserve the cultural assets, "Tourism in San Leo commune in Montefeltro" in 1989, has been implemented to provide tourists with more significant exposures to learn about the cultural aspect of the village (Dropulić et al., 2008).

For instance, in 1995, the Albergo Diffuso Corte Fiorita in the Bossa, Oristano, was the case that allowed to gain official recognition by legislating Regional Law n.27 in 1998 (Paniccia & Leoni, 2019). This new type of hotel aimed to preserve local traditions restoring historical and architecturally meaningful private housing units and buildings (Pietrogrande & Vaccher, 2017; Russo et al., 2013). In this sense, this concept adapts well to sustainable tourism by preserving existing historic buildings and their social properties interacting with residents (Romolini et al., 2017). Furthermore, it minimizes the negative environmental impact that might be caused by tourism development (Liçaj, 2014). The interaction between residents and historic buildings strengthens the local values and village scape while preserving the natural environment (Reichert-Schick, 2016; Vallone. et al., 2013).

Furthermore, this allowed tourists to obtain local interior items made by residents and experience various local activities, such as cookery classes, tour wineries, wine producers, oil and cheese producers, and guided walks to local sites. Therefore, it gained popularity as an innovative tourism model that can sustain its intangible assets by preserving existing historical heritage. The cases are as follows: Albergo Diffuso Sextantio, Santo Stefano di Sessanio in Abruzzi (1999), Borgo di Sempronio (2002), Al Vecchio Convento (2004) (Gazzola, Grechi, Pavione, & Ossola, 2019; Paniccia & Leoni, 2019; Vallone. et al., 2013). Thus, historical and cultural heritage becomes a source of the A.D., representing a new and original hospitality model for enhancing local cultural heritage, both as an economic benefit and an active social return (Cucari, Wankowicz, & De Falco, 2019; Liçaj, 2014).

The attempts were started with the idea of the local entrepreneurs. They had set sustainable development guidelines respecting the existing physical environments preserving a region's tangible and intangible assets. When they remodel historic buildings as hotels, they only use local materials to provide a historical region's locality without changing the existing form. These attempts were associated with distrust of policy-makers with less strategic and systemic insight into their territories, without a long-term vision. Therefore, these deficits have led the entrepreneur to establish the guidelines for preserving the historical and cultural sense of A.D. village (Granata & Scavone, 2016; Paniccia & Leoni, 2019). Therefore, they can create unique landscapes that attract tourists by integrating their local community, generating profits and investments (Gazzola et al., 2019; Paniccia & Leoni, 2019). These highly correlated links created sustainable development cycles integrating social resources, historic buildings, and economic benefits within the village (Paniccia & Leoni, 2019).

3.1.3. Public-Private Partnership

The private initiatives were actual operators or consultants at the early stage of the A.D. model to recover from the economic recession. However, local entrepreneurs and residents had started to develop sustainable strategies, which had led local communities to preserve historic and cultural properties enhancing sustainability in the management system (Confalonieri, 2011). On the other hand, the more they engaged in A.D. projects implementing the concept of historic and cultural preservation, the more confusion they have, whether the profits from historical and cultural assets are allocated to the private or public initiatives. Although historical and cultural heritage can reproduce a significant source for tourism and increase economic opportunities, a great challenge is concerned with being a legitimate beneficiary of intangible cultural products, which can be referred to as public assets (Silvestrelli, 2013).

As a result, a public-private partnership was initiated as a moderator that can balance equity and efficiency in business management, with public operators 'cooperation' and private sectors as 'co-opetitive' (Droli, 2009; Monge et al., 2015). According to Pultrone (2010), the forms of public-private partnerships are more and more instrumental

in innovative applications of cooperation and competition for tourist destinations and the whole reference territory (Pultrone, 2010). Therefore, Albergo Diffuso has been developed with a new partnership model through private operators and local administrations' support.

In addition, compared to the initial private-led projects, the PPP type of Albergo Diffuso could have been developed as a more local-oriented model that enhanced locality and cultural products (Confalonieri, 2011; Silvestrelli, 2013). A new network of public-private operators, such as a group of territory-based operators, including local governments, town councils, entrepreneurial associations, local cultural groups, or social institutions, plays a leading role in preserving historic and cultural properties. This made it possible to help strengthen our natural and historical resources, and at the same time, more sustainable management sharing ideas, profits, and business opportunities, at the best price and right moment (Silvestrelli, 2013). The typical models which were conducted by the public-private partnership are as follows: Albergo Diffuso Santo Stefano di Sessanio in Abruzzo, Borgo di Sempronio in Sempronio, Al Vecchio Convento in Portico di Romagna, Muntaecara in Apricale-Liguria, Borgo Tufi in Molise, Scicli, Smerillo in Fermo.

Above all, this new path is fundamentally tied to the rating system that assumes the role of a quality guarantor. Therefore, it is necessary to capture and holistically view the relationships that generate innovations and their dynamics over time to understand better individual entrepreneurs' roles in innovation processes within a tourism area. One indication of this new management is the foundation of the Associazione Borghi Autentici d'Italia by several municipalities (Confalonieri, 2011; Dall'Ara, 2011). The regional governments have also made the specific guidelines of A.D. to enhance the model in such A.D.s: Calabria, Friuli-Venezia Giulia, Emilia-Romagna, Lazio, and Molise, Liguria, Marche, Sardinia, Trentino-Alto Adige, Tuscany, Umbria (Confalonieri, 2011).

3.1.4. Certification System

Several A.D. hotels have transformed many abandoned villages into brand-new hotels, and there are 81 A.D.s throughout Italy with a more advanced model. Furthermore, the A.D. could be easily spread throughout the world beyond Italy because they formed a national association, Associazione Alberghi Diffusi (ADI) (Reichert-Schick, 2016). According to this association's mission, ADI seeks to promote and support scattered hotels in Italy while protecting their image and reputation with public institutions, the press, the intermediary system, and the tourism demand (Dall'Ara, 2011).

The emergence of the public-private partnership had contributed to the establishment of a certification system. The ADI grants the Albergo Diffuso certification to a hotel primarily based on several criteria: 1) "to ensure that local actors launch the idea," 2) "offer hotel services as mentioned above, presence of unitary management: single entrepreneur or other effective associative forms," 3) "the cooperative is the form most often retained," 4) "a minimum of seven rooms at a distance of fewer than 200 meters each that will be laid off for not less than nine years", 5) "the village with Albergo Diffuso must be able to offer a minimum of resident-oriented services such as a pharmacy, a grocery store, etc.," 6) "the Albergo Diffuso must be rooted in a vibrant and welcoming community, open to sharing experiences with visitors" (World Tourism Organization, 1993). A rating system guarantees the quality with three categories, maximum, medium, and standard, through on-the-spot inspections to ensure the certified standards. The Tourism Agency of the region, Friuli-Venezia Giulia, assumes the role of quality guarantor. Furthermore, as the certification assigns values to their territories and entrepreneurship utilizing unique social and cultural assets in their regions (Florida, 2008), it promotes innovation processes within and across destinations (Porter, 1990). Therefore, as of 2019, more than 60 Italian Albergo Diffuso, under a national association, and 23 Italian regions had certified as official Albergo Diffuso (Dall'Ara, 2011; Nordhorn, 2014).

The A.D. certification accelerated the dissemination as a sustainable tourism model throughout the European countries under analogous regional contexts. Although it seems likely that a similar regional context facilitated more straightforward adaptation and success in the certification system, it appears to obstruct locality and

ingenuity as it spreads out under the same certification criteria. However, even though the Asian A.D. under oriental culture appears to have proceeded similar development patterns as Italian A.D. had gone through, the Asian A.D. seems to evolve and extend its identities, which have heterogeneous to those of the Italian model.

3.2. Albergo Diffuso in East Asia

3.2.1. Farm Stay Policy in Japan

In 2013, the number of vacant houses had reached 8.2 million, with 13.5 percent of the total housing, which has become a critical social issue (Inagaki, 2018). In Japan, the Abe Shinzo administration had implemented the Farm Stay policy announcing the "Basic Plan for Promoting Tourism" in 2017, which provides tourists to experience Japanese traditional rural life while staying at an old farmhouse and establishing social networks with residents (MAFF, 2017). The fundamental purpose of this policy is to revitalize rural villages suffering from depopulation and economic declines by utilizing the existing agriculture and tourism in rural areas (The Japan Agricultural News, 2017). In addition, it helps residents earn more of their income as hotel operators serving tourists providing them with hands-on rural experience (The Japan Agricultural News, 2017). The Japanese government has planned to expand its business by discovering Farm Stay candidates up to five hundred houses by the end of 2020 (MAFF, 2017).

According to MAFF (2017), the Farm Stay program consists of three different types of programs; "Farm Stay business model (software program)," "Facility maintenance (hardware program)," and "Inter-regional network project". The Farm Stay business model is positively associated with socio-cultural sustainability, respecting host communities' socio-cultural authenticity. It supports private entrepreneurs investigating potential local heritage and fostering human resources to guide tourists to experience a farm stay village. In addition, the Facility maintenance program enhances a sense of place that supports socio-cultural sustainability preserving existing physical environments by the village council, an agricultural association, and a nonprofit organization. It also helps them make attractive tourism transforming village resources into the content. Lastly, the Inter-regional network program promotes cultural exchange activities in Farm stay, encouraging intercultural understanding and tolerance as presented in Rimini Charter for Sustainable and Competitive Tourism (European Environmental Bureau, 2003).

However, as Farm Stay tourists stay at the individual housing interacting only with hosts at the household level, it gives tourists fewer opportunities to communicate with other residents, preventing them from experiencing socio-cultural assets (Matsushtia, 2016). Thus the managerial issues in Farm stay have limitations on reaching out to a comprehensive revitalization at a community level that the initial planning first intended (Matsushtia, 2016). Furthermore, as the entire villages of buildings and households are not functioning as one hotel, it leads to inefficient spatial use forcing tourists to move around villages to find a space for their use, such as rooms, kitchens, lobbies, generally distributed individually in specific rooms (Matsushtia, 2016).

As a solution for this issue, the Japanese administration enacted the "Vacant Housing Act" (the Act on Special Measures for the Promotion of Vacant House) in 2015, and the Italian Albergo Diffuso certification system was adopted as a new business model, especially in the Hokkaido region (Inagaki, 2018). Therefore, the A.D. model gained popularity as a complementary model for Farm Stay due to its operational benefits and sustainable rural revitalization at a whole community level (Lew, 2018; Matsushtia, 2016; Ozawa, 2018).

3.2.2. Contents Provider in Japanese Albergo Diffuso

The Japanese Albergo Diffuso emerged as a complementary model for Farm Stay while absorbing Farm Stay's strengths, including economic, socio-cultural, and managerial sustainability. The first Japanese A.D., Albergo Diffuso Yakage, was built in 2015 and officially certified as Asia's first by the Albergo Diffuso Association in 2018 (Yakageya Inn and Suites, 2018). As Yakage town had experienced economic depression due to severe depopulation,

the initial aim for developing A.D. was similar to the Italian A.D. model, which aims to recover from local economic declines improving economic sustainability (Yakageya Inn and Suites, 2018). To meet A.D. certification requirements, they remodeled existing buildings dispersed throughout the whole village, preserving the historical townscape and culture of the feudal Edo Period (1603~1867). As the A.D. combined with the Japanese Farm Stay enhanced economic, historical, and cultural sustainability, this improved model allowed residents to operate the whole village as one business model (Yakageya Inn and Suites, 2018).

Table-2. The theoretical framework applied in the case study.

Sustainability	Economic sustainability				Environmental sustainability				Socio-cultural sustainability		Managerial sustainability									
	Economic revitalization from disaster and depopulation	Utilize existing buildings	Generate local incomes	Human population growth	Economic revitalization and growth preserving the ecological and socio-cultural environment	Economic growth-oriented development	Equitable use of natural resources and human-made capital	Preserve the environment and biodiversity	Minimize waste and recycle materials	Increase energy efficiency	The ability of technologies to decouple economic growth and eliminate side-effect	Preserve historical & Cultural heritage	Preserve existing social organization	Tourism-centric sustainability concept	Private initiative operator	Public-Private Partnership operator	Public government operator	Participation by residents and local entrepreneur operator	Residents as a content provider	Visitors learning program about history and culture
SD																				
ST																				
Italian A.D.	■						■								■					
Asian A.D.	■											■				■				

However, what differentiates Japanese A.D. from Italian A.D. can be found in managerial sustainability. Yakage A.D. gives opportunities for village residents to get hotel operator's training courses and seminars. In a more active sense, tourists can produce social capital as they learn the history or culture of a village and upload video content to SNS while staying in a hotel (Prime Minister of Japan and his Cabinet, 2016). In the Hanare hotel certified in 2016, the local operators launched this hotel through the exhibition held by Tokyo University Art students transforming the old wooden house (Hagiso) into a cultural hub and architect's office after DIY Renovation. As this Japanese A.D. also tried to stabilize its model through new operators, this has contributed to the arouse of the A.D. certification system, which results in diffusion throughout the world (Hanare, 2015).

3.2.3. Resident-Led Village Hotel in South Korea

Jeong-seon village in South Korea was renowned for its coal-producing but has gone through a dramatic depopulation, especially young residents after mines closed in 2000. Jeong-seon village hotel, likewise other A.D., launched as a response to declined rural economic conditions utilizing existing physical environments (Kim, 2018). However, even though the local government constructed a large casino resort nationwide in South Korea to promote the declined local economy, their quality of life and the economic condition worsened (Kwon, 2019).

Jeong-seon village hotel shows a resident-led project model that is an unprecedented management method as enhanced managerial sustainability. Unlike other A.D. managed by private initiatives or public government, local volunteer residents launched a village hotel and remodeled old houses with their expenses attracting villagers to participate in the hotel management (Park, 2018). In 2018 they organized the residential committee, '18th Street Village Committee', and became the operator and contents provider, aiming to achieve socio-cultural and managerial sustainability (Kim, 2018; Park, 2018).

The village committee discovers historical and cultural resources and documents them to develop sustainable tourism attracting investment and resources from external funding (Park, 2018). It leads to a sustainable economic platform for residents with more economic benefits and enhances a sense of place and place attachment (Kwon, 2019). It is a project to build a platform for converting local resources into economic resources by combining human resources (writer, photography, design, craft, food, travel, cleaning, laundry) and physical resources (coffee shops, printing houses, photo studios, restaurants, community centers, homestay). Along with residents' active participation and consequential creation of unique tourism resources, it became evident that managerial sustainability can be achieved not by a government-led but resident-led project as a content provider (Kwon, 2019). As a result, all 200 residents have become employees at the village hotel, allowing them to take the initiative in urban regeneration while continuing their businesses, such as restaurants, cafes, care centers, and hair salons. Furthermore, with gentrification becoming a social issue, the resident-led sustainable model popularized as an alternative model as the village company strongly connects the workplace with housing (Lee, 2019).

4. DISCUSSION

Developing an A.D. hotel in an economically declined village has been discussed to be a sustainable model in that it reuses existing historic buildings while preserving the natural environment and social assets. However, current literature confuses sustainable development and sustainable tourism when explaining A.D. with the sustainability concept. Unclear definitions of these concepts provided room for indiscriminate use of terminology when explaining A.D. It interrupted delivering critical characteristics that differentiate A.D. from the ordinary hotel. Furthermore, most researchers attempted to prove sustainable features shown in individual case studies, primarily 3~4 cases in one research. Therefore, we first attempted to draw a theoretical framework that underpins the A.D. model by demonstrating the differences between sustainable development and sustainable tourism discussed in previous literature. Second, we categorized A.D.s according to standard sustainability features with complete Italian and Asian A.D. cases.

We reviewed previous literature about the sustainability concept and found out that there is an evident dissimilarity between sustainable development and sustainable tourism, which is different from the concepts mingled in previous A.D. papers. We reviewed the sustainability principles discussed in sustainable development and sustainable tourism and then categorized them into four different sustainability: Economic sustainability, Environmental sustainability, Socio-cultural sustainability, and Managerial sustainability. Sustainable development is closer to the growth-oriented concept, but sustainable tourism is more associated with the management-oriented definition. Although both concepts emphasize preserving the existing environment, sustainable tourism has a close meaning to preserving the socio-cultural environment than an environmental and ecological aspect, utilizing a socio-cultural environment (such as social organization and historical and cultural heritage) as tourism resources may make it possible to enhance sustainability in management.

Our case study concluded that sustainable tourism is a more precise concept when describing sustainability in Albergo Diffuso. Both Italian A.D. and Asian A.D. showed apparent characteristics in managerial sustainability at variance with an ordinary hotel. However, they have different business operators to obtain managerial sustainability in the two regions. Although Italian A.D. relied on private initiatives and public-private partnerships, residents are the primary operators planning tourism content and running the A.D. themselves. Therefore, we assume that residents who know the most about their village can make more sustainable programs to operate the A.D. and run hotels with more attachment. In addition, Asian A.D. attempts to implement more about preserving historical and cultural assets and social organization than the Italian model. On the other hand, the Italian model places more emphasis on environmental preservation. Table 2 shows the results of this study.

5. CONCLUSION

Thus, sustainable tourism is a more appropriate theoretical framework for A.D. than sustainable development to demonstrate distinctive characteristics of sustainable management that differentiate A.D. from an ordinary hotel. The resident-led A.D. model can complement the current management in A.D. as residents who are the most familiar with their village's socio-cultural assets are the proper operator to develop and operate sustainable resources for future demands. Therefore, developing optimized resident-led A.D. would provide tourists with more sustainable tourism, which gives economic benefits to inhabitants and authentic experiences to tourists. It gives implications to the Italian model to evolve and extend from the current model.

Even though we studied whole A.D. cases in Italy and East Asia, we have a limited number of A.D. cases to generalize A.D.'s characteristics.

Funding: This study received no specific financial support.

Competing Interests: The authors declare that they have no competing interests.

Acknowledgement: Both authors contributed equally to the conception and design of the study.

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