

Digital nomadism and tourism development: Stakeholders' perceptions of an inner area

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Abstract

Frame of the research: Starting with a definition of digital nomadism and its consequences for a destination, the study debates sustainable tourism development opportunities for inner areas.

Purpose of the paper: Identification of enabling factors that contribute to the establishment of a destination for digital nomads and analysis of stakeholders' perceptions about the impact of digital nomadism on local development.

Methodology: The research adopts the case study method. An explorative study was conducted through eight interviews with key stakeholders, using a thematic analysis.

Results: If the coworking and internet infrastructure are sufficiently developed, the target of digital nomads can be interesting for inner areas. Tourism products focused on this new segment have not yet been defined.

Research limitations: Our explorative study is limited to one case study and considers only key stakeholders. Nonetheless, Valsugana (in the Autonomous Province of Trento, Italy) is representative of inner areas facing stagnation and high seasonality.

Managerial implications: The research illustrates the roles of key stakeholders and gathers views and expectations about this new phenomenon, identifying the structural, cultural, and socio-economic factors, and the opportunities and challenges, involved in relaunching inner areas. These findings, when considered in the light of the objectives of sustainable development, reveal significant implications for Valsugana, the first destination to be certified by the Global Sustainable Tourism Council (GSTC).

Originality of the paper: The research adopts a supply-side approach and analyzes the potential of digital nomadism for the development of inner areas. To attract the digital nomad segment, thereby revitalizing these destinations, stakeholders need to offer non-traditional services and products. The case could represent a training ground, where to study the changes in the development of a destination by examining its life cycle.

Key words: digital nomads; sustainable tourism; inner areas; repositioning; stakeholder theory

1. Introduction

In recent years, new types of jobs and ways of working, increasingly flexible in terms of time and place of work, have emerged (Aroles *et al.*, 2020; Voll *et al.*, 2022), enabling more and more people to work remotely (Hermann and Paris, 2020; Wang *et al.*, 2018). This trend was accelerated

by the Covid-19 pandemic during which the need to minimize contact between people meant that, where possible, we worked from home (Almeida and Belezas, 2022). Various advances in information and communication technologies - such as high-speed connectivity and certain applications that enable virtual communication (Hermann and Paris, 2020) - contributed to this shift (Merkel, 2022). Even as restrictions relaxed, both individuals and companies considered the possibility of continuing with remote work, and some people started to work from “anywhere” (Bednorz *et al.*, 2024; Hermann and Paris, 2020; Wang *et al.*, 2018). This phenomenon has been defined as digital nomadism (Hannonen, 2020; Hannonen *et al.*, 2023; Makimoto and Manners, 1997; Mancinelli, 2020).

Digital nomadism represents an opportunity for those territories that recognize this trend and can attract these workers; inner areas facing depopulation and undertourism (Ivona *et al.*, 2021) stand to benefit above all, as highlighted by the third annual report from the Associazione Italiana Nomadi Digitali (AIND) (2023). Inner areas are defined as territories experiencing population decline and lacking important services, such as public transportation, education and health facilities, often due to their remote location (Strategia Nazionale Aree Interne, 2021). The fact that digital nomads traveling to Italy are interested in small villages, in the hinterland, and in those destinations surrounded by nature was highlighted in the 2022 AIND report. Inner areas have the advantage of offering both quiet, contained environments, far from the chaos of city life, and authentic experiences (Garcez *et al.*, 2022; Martini *et al.*, 2021). Adopting the lenses of stakeholder theory (Hannonen *et al.*, 2023; Martini and Buffa, 2015), this study will contribute to sustainable tourism research, with a particular focus on an inner area and a remote destination (Garcez *et al.*, 2022). In particular, the research will investigate the opportunities provided by digital nomadism in these areas, through qualitative in-depth interviews with key-stakeholders in the Valsugana, a destination in the Autonomous Province of Trento (Italy). Although this is explorative research, focusing on a single case study, it contributes to the understanding of how key stakeholders perceive the opportunities provided by and the impacts of this new trend in their destination.

The paper is structured as follows: the next section is a literature review which provides a more detailed definition of the digital nomad phenomenon and its consequences for destinations. The context for this study and the methodology used are then described, followed by an extensive summary and discussion of the findings. Finally, in the conclusion, the theoretical and managerial implications and limitations of the study are considered.

2. Literature Review

2.1 Digital nomads

Although both the phenomenon itself and studies on it are increasing, there is still no clear definition of the “digital nomad” (Hannonen, 2020). The term was used for the first time in the late 90s, when Makimoto and

Manners (1997) defined digital nomads as professionals whose work activities do not tie them to a specific place, and who can thus work from anywhere in the world, using digital technologies (Bednorz, 2024; Hannonen, 2020; Wang *et al.*, 2018).

Digital nomads choose this lifestyle for various reasons, a principal one being the escape it offers from the busy life of the city. It can also enable people to combine urban and rural lifestyles and/or to improve their health by engaging in more sports and leisure activities (Voll *et al.*, 2022).

According to the School of Management at the Politecnico di Milano (Italy) (2023), 17% of Italians worked remotely from a holiday destination in 2022. Almost half of the hotels surveyed said that they had hosted guests who were “on workation”. According to this report, the digital nomad’s main requirement is - unsurprisingly - a high-speed internet connection (Chevtaeva and Denizci-Guillet, 2021). The quality of the available coworking spaces is also extremely important (Aroles *et al.*, 2020; Chevtaeva and Denizci-Guillet, 2021; Merkel, 2022); they are expected to provide the equivalent of a professional office space and a range of connected services (including relax and food and beverage areas). Digital nomads are also very conscious of membership costs when assessing the suitability of a coworking space (Chevtaeva and Denizci-Guillet, 2021).

The quality and cost of life in a destination are also important, as is its ability to offer a wide range of cultural activities and after-work experiences (Martini *et al.*, 2021) that allow digital nomads to enjoy a good work-leisure balance (Garcez *et al.*, 2022). These activities include outdoor and sports (AIND, 2022; Reichenberger, 2018) but can also have to do with food and culture experiences (Chevtaeva and Denizci-Guillet, 2021). Finally, safety and a good healthcare system are a priority, especially following the Covid-19 pandemic (Martini *et al.*, 2021). Ideally, digital nomads will have a sense of novelty, experiencing a lifestyle, a culture, and an environment that differs from what they are accustomed to at home. Although this need for novelty can lead to very frequent changes of location (Garcez *et al.*, 2022), place is nonetheless particularly important for digital nomads (Hannonen *et al.*, 2024; Miocevic, 2024).

However, although digital nomads would like to participate in local life and connect with the resident population (Martini *et al.*, 2021; Shin *et al.*, 2023; Zhou *et al.*, 2024), they rarely succeed. Some studies have highlighted this issue, which underlies the crucial importance of the coworking space as somewhere not only to work but also to create a community which can include not just the digital nomads themselves but also any locals who avail of it (Chevtaeva and Denizci-Guillet, 2021; Merkel, 2022). Events which take place at the coworking spaces and facilitate such exchanges seem to be highly appreciated by digital nomads (Merkel, 2022).

The literature already contains descriptions and categorizations of the digital nomad as a potential segment for destinations. For instance, Chevtaeva and Denizci-Guillet (2021) have identified the practical digital nomad, the sociable digital nomad, and the explorer. The practical digital nomad looks for professional or hiring opportunities in the destination and does not participate in social events. The sociable digital nomad wants to meet new people and takes part in parties and events. The explorer

wants to participate in authentic experiences and is interested in culture, language, and local food. In terms of the type of experiences that they look for, previous research suggests that digital nomads identify four particular characteristics of the workcation travel experience: relaxing, improvised, autonomous, and localized (Shin *et al.*, 2023).

Other studies focus on the hospitality sector, defining the competitive potential of hotels that adapt to this new demand trend by creating workstations and providing a reliable high-speed internet connection (Floričić and Pavia, 2021). Hotels have similar advantages as destinations, that is: lengthening the stay and innovation of both physical and digital facilities through a better Internet connection (Bassiyouny and Wilkesmann, 2023; Floričić and Pavia, 2021).

Previous research has investigated Madeira (Portugal) (Almeida and Belezas, 2022), Bermuda and Barbados (Hermann and Paris, 2020), and Gran Canaria (Hannonen *et al.*, 2023). In Madeira, for example, the Digital Nomads Madeira project was developed in 2021 with the aim of connecting digital nomads with local businesses and residents (Almeida and Belezas, 2022). One of the policies introduced by all of these countries is provision for a specific visa for people who want to stay and work in the country for a longer period (Bednorz, 2024; Merkel, 2022). Inner areas, on the other hand, have the competitive advantage of being small, and quiet in comparison with a big city, and of offering an authentic cultural heritage and lifestyle (Garcez *et al.*, 2022; Martini *et al.*, 2021): these factors attract the explorer digital nomad (Chevtaeva and Denizci-Guillet, 2021).

Italy is seen as a possible choice by digital nomads, although some report having experienced problems with rural internet connections (AIND, 2022; Martini *et al.*, 2021). Another obstacle may be a lack of specific visas and regulations (AIND, 2022).

2.2 Opportunities for tourism destinations

Different territories can benefit from the presence of digital nomads in different ways. Overall, digital nomads contribute to the local economy (AIND, 2023), providing higher monetary incomes and new job opportunities (Garcez *et al.*, 2022). This new enables tourism destinations to sustain tourism development (Chevtaeva and Denizci-Guillet, 2021), revalorize their tourism products and services (Martini *et al.*, 2021), and/or renovate their offers (Osservatorio Innovazione digitale nel Turismo, 2022).

Previous studies have clearly demonstrated that the opportunities for destinations opened up by digital nomadism are in line with the principles of sustainability (Lee, 2013; Byrd, 2007; Bichler, 2019). One of the aims of sustainable community-based tourism is to improve residents' quality of life (Lee and Jan, 2019). However, when digital nomads stay in a destination for extended periods, conflicts with residents can arise (Miocevic, 2024). On the other hand, if the services developed for digital nomads also significantly benefit the local community, such tensions can be reduced (Lee, 2013). Moreover, it is important that local actors be involved in the development of such projects (Garcez *et al.*, 2022) which can

include providing faster internet connections, creating coworking spaces (Chevtaeva and Denizci-Guillet, 2021), improving mobility and other elements of the territory's infrastructure (Floričić and Pavia, 2021). Since digital nomads are not constrained by the usual annual holiday periods, the remote working trend contributes to deseasonalization, with both longer and "off-season" stays (Choi and Sirakaya, 2006; Martini *et al.*, 2021), increasing the long-term economic impact of their presence (Almeida and Belezas, 2022). The need to provide suitable facilities for these workers can incentivize destinations to revalorize underused resources and buildings, which also benefits residents (Werther *et al.*, 2021).

The digital nomad trend is thought to be especially important for small, remote villages (Ivona *et al.*, 2021). The latest AIND report (AIND, 2023) includes an analysis of the opportunities for inner areas offered by digital nomadism, highlighting how the phenomenon encourages the development of slow tourism offers that preserve the authenticity of the destination (Martini *et al.*, 2021) through the revitalization of the local and small businesses preferred by digital nomads (Almeida and Belezas, 2022). Studies on digital nomadism in rural areas have investigated coworking spaces (Garcez *et al.*, 2022; Werther *et al.*, 2021), demonstrating their contribution to rural regeneration. In rural areas, many spaces, both private and public, are empty or underutilized. In other words, the infrastructure for coworking spaces already exists, although they often require an initial substantial investment for the renovation of the buildings (Werther *et al.*, 2021). Such projects can establish a new network of relationships between the DMO and the (public or private) owners of coworking spaces (Bichler, 2019).

Almeida and Belezas (2022), while recognizing the key role of local tourism businesses and other private stakeholders, highlight the importance of local governments as an accelerator and support for such development projects since their means and capacity almost always exceeds that of the private stakeholders involved.

Sometimes, members of local communities express concerns that if their territory becomes too popular in the wake of developments such as those described above, the resulting overcrowding will threaten the area's adherence to the principles of sustainability (Almeida and Belezas, 2022).

The report issued by the AIND (Associazione Italiana Nomadi Digitali) in 2022 highlights some problems experienced by digital nomads in Italy: underdeveloped public and private mobility, a lack of targeted offers or packages, nowhere to find a complete information package.

While it is known that digital nomads want to escape the hustle and bustle of big cities (Voll *et al.*, 2022), little research has been done on the opportunities and challenges presented by this trend for inner areas (Garcez *et al.*, 2022; Martini *et al.*, 2021), or - more specifically - on the perceptions of key stakeholders about this particular development opportunity.

The present research addresses this gap, answering the following research questions:

- what are the (structural, cultural, socio-economic) factors that contribute to the establishment of a destination for digital nomads?

- what are stakeholders' perceptions about the impact of digital nomadism on local development in an inner area?

3. Methodology

3.1 *The case study*

The Valsugana valley is a tourism destination located in Northern Italy, in the south-east of the Autonomous Province of Trento. In total, the destination includes 34 municipalities. Valsugana had approximately 161,000 arrivals and more than 500,000 overnight stays in 2019. The majority of these were from Italy (63%), largely from the neighboring regions (ISPAT, 2020).

The territory's diverse environments provide numerous tourism offers: relaxing holidays by the lakes, hiking in the mountains in the summer, winter holidays in the snow, cultural activities related to WWII. Of particular note are the valley's thermal baths and 400km of bike tracks. Valsugana can be considered a community-based tourism destination, given the multiplicity of public and private stakeholders involved in the territory and the centrality of the local population in tourism decision-making and planning (Murphy and Murphy, 2004; Buffa *et al.*, 2019; Mayaka *et al.*, 2019). The commitment of the destination and its stakeholders to sustainable tourism development was recognized by the Global Tourism Council (GSTC), a network of organizations, including UNTWO, that sets and monitors standards for sustainable tourism and defines the criteria related to environmental, socioeconomic and cultural impacts. In 2019, Valsugana was the first tourism destination in Europe to be certified as sustainable according to the GSTC criteria (see <https://www.gstcouncil.org>).

The DMO that manages tourism in Valsugana is called APT Valsugana Lagorai. It was founded in 2004 with the aim of strengthening the destination's economy by supporting local stakeholders and enabling them to develop an innovative tourism and hospitality industry.

In Valsugana, the local bank and Trentino Impact Hub, the main coworking organization in the Province of Trento, have collaborated on a (private) project to create a territorial network of coworking spaces through the recovery of old and underutilized buildings owned by the bank. The project is called "Alta Valsugana Smart Valley" and includes coworking spaces in four municipalities. In two other municipalities, study areas have been created in publicly owned buildings and the intention is to make them available as coworking spaces. Meanwhile, other municipalities are planning similar projects.

Local stakeholders are generally in favor of Valsugana becoming a destination for digital nomads and the valley's official website promotes it as a place to come to live and work remotely.

In light of all of the above, the destination was considered suitable for the research objective.

3.2 Data collection and data analysis

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This study adopts stakeholder theory and a multi-stakeholder perspective, considered particularly appropriate because Valsugana is a community-based destination characterized by a variety of public and private stakeholders that have an interest in and are affected by the tourism industry (Byrd, 2007; Martini and Buffa, 2015).

A qualitative methodology was considered appropriate to answer the research questions (Jennings, 2005; Richards and Munsters, 2010), both because the study is explorative and because this is in line with stakeholder theory (Martini and Buffa, 2015; Hannonen *et al.*, 2023). Semi-structured in-depth interviews are particularly suitable for an explorative study (Gillham, 2005). They allow for comparison of different opinions and perceptions revealed through a set of prepared questions developed from the literature; if necessary, follow-up clarifying questions are also permitted (Jennings, 2005).

Using a convenience sample, 8 in-depth semi-structured interviews with key stakeholders in the destination - members of the DMO, public actors, and private stakeholders - were conducted. The interview guidelines included three main blocks: the first part was dedicated to a description of the area and any offers or services currently available for digital nomads, the second to the opportunities and challenges presented by this trend, the third to possible future steps for the destination. The interviewees had time at the beginning of the interview to introduce themselves and at the end to add any further information that they considered relevant. The interviews took place online between December 2022 and January 2023 and lasted between 20 and 65 minutes (33 minutes on average). With the consent of the interviewees, the interviews were recorded and transcribed. The transcriptions were then coded using an iterative approach: themes and sub-themes were identified, combined and compared during open discussions among the three authors (Gioia *et al.*, 2013).

All the interviews were conducted in Italian; only relevant phrases/sentences have been translated into English.

4. Results

First, it is important to highlight that most interviewees have noticed an increasing number of digital nomads in some of the bigger towns in the destination, especially during the summer. Most of them, however, were staying in private apartments and had therefore not been identified by the DMO and/or the municipality. The interviewees did not remark upon any negative experiences or opinions related to this issue.

4.1 Enabling factors for digital nomads

As mentioned earlier, if a destination wishes to attract digital nomads, it has to provide high-quality coworking spaces. This has been recognized

in Valsugana, and both public and private actors have, as described above, moved to fulfill this need.

The Alta Valsugana Smart Valley project is financed by the local bank in collaboration with Impact Hub Trentino. It has restored old buildings and transformed them into coworking spaces; the aim is to create opportunities for local development. Although the project's main goal is to improve the lives of local residents, two of these coworking spaces are used by many foreign or temporary visitors, especially in the summer.

Other - public - projects to create spaces to work have also been launched. Initially intended as study areas for locals, the stakeholders interviewed mentioned the possibility of using those areas as coworking spaces as well.

"We have just redeveloped an old industrial building, which is going to be a youth center, but the second and third floors are big spaces, with tables, electrical sockets, connectivity, there's fiber broadband and so it could be perfect for digital nomads" (I3)

Even though most interviewees mentioned the difficulties of ensuring a good internet connection in remote areas, this problem has already been addressed: a high-speed internet connection is or will soon be installed in all the territories considered in the study. All the interviewees agree that connectivity is the first thing to think about when targeting digital nomads.

Interviewees mentioned the factors that make Valsugana attractive to the digital nomad segment. The destination is ideal for visitors who are looking for a quiet, uncrowded work location, away from the hustle and bustle of the city, but with the services and facilities necessary to allow them to work without inconvenience.

While Valsugana has not yet designed any tourism offers specifically for digital nomads, our findings reveal that the destination's existing tourism attractions are potentially appealing to digital nomads. These existing attractions are now targeted at nature and/or sports lovers, especially mountain bike enthusiasts, and tourists looking for slow, authentic experiences that reflect the territory's traditions.

"We'd be interested in bringing people here, especially off-season, so that they could experience 'slow living', enjoying nature, but also enjoying life itself, immersed in their surroundings, meeting the local farmers, being able to watch cheese being made, milk being processed, really in contact with nature - the area offers these unique experiences." (I3)

The authenticity of the experiences offered is consistent with the principles of sustainability; this aspect will be explained in more detail in the next subsection.

4.2 Opportunities for the local community

Findings confirm that sustainability is central to all the region's tourism offers, including those targeting digital nomads. Satisfying the needs of the local community is considered paramount. Fortunately, services for digital nomads also benefit residents:

"To focus, from the point of view of territorial marketing, on this market is, in my opinion, a good idea. In the end, if you provide services for digital

nomads, there you are, you have them right there for everyone, so digital nomads and residents complement each other, they aren't in conflict" (I1)

Secondly, the need for seasonal adjustment has been on the destination's agenda for some time now. As one interviewee mentioned, its promotional material now highlights the so-called "off-season" (April, May, October, November). Attracting digital nomads is seen as a way to support seasonal adjustment: people who can work from anywhere can also travel whenever they want to, in any season and for as long as they wish. Interestingly, however, most interviewees had the impression that summer was still the peak season for digital nomads.

"We also hope to prolong the season so that it's not just July and August, and that'll mean we can have visitors in other months too, maybe in spring, in autumn. Get people to discover [the area] outside the two classic summer months too." (I6)

"So, in May, June, and September, October - months that are still lovely, especially in the mountains, with the colors, to be able to make those weeks attractive, and to have visitors then too. To be able to promote them, as well, because we have these possibilities of digitalization and coworking - this is it, this will be the next step, we're one step behind, but we are getting things together, because we have a feeling that this could really be a great opportunity to bring the two elements together." (I3)

Seasonal adjustment has also been considered a priority in areas that are currently stagnating. This is true of Valsugana, which saw high visitor numbers until the 1980s, but now has fewer arrivals and overnight stays. The consequences of this stagnation are very evident, especially in the number of empty second homes in the area.

Targeting digital nomads is considered to be consistent with the principles of social sustainability; this segment is believed to be interested in local traditions and history, and in authentic contact with the local population. In fact, no negative encounters between residents and digital nomads in Valsugana were reported.

Moreover, the interviewees considered Valsugana's location to be appealing to digital nomads: despite being a mountain destination, it is not far from the cities of Trento, Rovereto and Bassano del Grappa. Interviewees focused on the attractiveness of slow, mountain tourism, which does not disrupt local residents' lives:

"So the contribution that digital nomads can make in this sense is to valorize the unique things about the territory and bring people, families, groups here - people who want to experience life in the mountains in a certain way, which isn't, ok, I'm going to go skiing at a resort, but I'm going to go and unplug from the rest of the world and really go out and experience full immersion in nature." (I3)

Another, related, topic of interest is that of the so-called "local returnees":

"people, originally from the Valsugana, who went and studied elsewhere and live and work in Italy, or abroad, who especially at Christmas and Easter, or in the summer, or for holidays, come back and rely on coworking hubs to allow them to stay here for longer." (I5).

This is still, however, a quite unstructured phenomenon; most people do not move back to Valsugana, so any contribution to the reversal of depopulation is, as yet, insignificant.

Some interviewees referred to the way in which connections with professionals from all over the world and from diverse fields was enriching the local community.

4.3 Governance and relationships

Regarding the governance of the destination, most mentioned the importance of having an organization that can engage and coordinate the diverse stakeholders and municipalities of Valsugana in developing a coherent offer for digital nomads. Although some said that this role could be played by the “Comunità di Valle”, most stated that the DMO is the body most suited to the task, especially given that the project involves precisely those areas upon which the DMO focuses: destination management and tourism promotion. It is also important that the Valsugana DMO and the other stakeholders involved agree on core values regarding sustainable development in the destination.

As we have seen, the DMO has not yet developed tourism offers or experiences specifically targeting digital nomads, such special after-work experiences, “temporary citizenship” activities, or special “packages” that include the above, the public transport, internet connection, coworking membership, etc. This is partly because the segment is, to date, not considered central to the destination. Some interviewees were prepared to consider and plan targeted offers in order to attract digital nomads. Local government was seen by many interviewees as an important stakeholder, since it is the primary conduit for any public funding of such projects.

Another frequently mentioned topic was the relationship between public and private stakeholders. This factor is particularly salient in the case of the many so-called (usually empty and often in real need of substantial renovation) “second homes” dotted throughout Valsugana. These second homes do, however, provide proof that the destination is attractive for digital nomads: many people moved temporarily to Valsugana and worked from their second homes there during the pandemic. One interviewee also reported increased use and request of second homes as temporary remote workspaces.

“There’s definitely interest in this sort of activity, we saw it during COVID too, lots of people who maybe had a second house here, or a grandparent’s or uncle’s house, or parent’s, the idea of smart working has really got to them. I see lots of them asking if there are houses available, so that they can come and work remotely from here” (I4)

The local bank, which owns the destination’s main coworking spaces, is another important private stakeholder. Here, however, no conflicts with any public actors were reported.

Finally, one of the main future challenges for the destination is the need to create a network that links the municipalities and their diverse stakeholders with one another. According to the manager of the coworking space, digital nomads often ask for an “all inclusive” package of offers or,

at very least, somewhere they can find all the information they need in one place.

4.4 Weaknesses and challenges

A section of the interviews focused on actual and potential problems in the development of Valsugana as a leading destination for digital nomads.

One of the problems mentioned was the digitalization of marginal territories, especially those located in higher mountains, as parts of Valsugana are, and the destination's ability to offer reliable high-speed connectivity. Thanks to European and other funds, this issue has already been (partially) addressed in some municipalities, and is on top of the priority list in others.

As mentioned in the previous section, our findings also demonstrate that the relationship between public and private stakeholders can be problematic, especially where private spaces or second homes are concerned. The fact that many houses or private buildings are empty most of the time, and/or in need of substantial renovation, and thus not attractive to potential tenants, depresses what could be a vibrant market.

Relationships between public stakeholders can sometimes be difficult, too, especially when they come from different municipalities or areas.

One interviewee mentioned that it is still difficult to find partners willing to invest in projects that target digital nomads because the opportunities that this segment can offer the destination has not yet been fully appreciated.

While limited, the findings also provided interesting information on the demand side, revealing that digital nomads regularly ask for better access to more joined-up information or even for packages that include their main needs, i.e. accommodation, coworking space, a visa, after-work experiences etc.

Finally, the destination needs to develop the right communication plan to attract this segment.

5. Discussion

This paper analyzes the challenges and opportunities for inner areas that becoming a destination for digital nomads involves, and current and potential impacts on the local community. This research contributes to previous literature in tourism research about sustainable tourism development opportunities for inner areas.

First, digital nomads and the local community share many of the same needs. Reliable, high-speed connectivity is key for any destination that wishes to brand itself as a leading destination for digital nomads, as has been frequently emphasized in the literature (Martini *et al.*, 2021; Chevtaeva and Denizci-Guillet, 2021). Even though, as the interviewees point out, fast internet connections can be difficult to install in remote and mountain destinations, this challenge has already been met in most municipalities. The interviewees are also aware of how important access

to (agreeable, well-equipped) coworking spaces is for digital nomads, although provision in the various towns in the valley is not even (Aroles *et al.*, 2020; Merkel, 2022). In some cases, municipalities have already made available or are developing coworking spaces or common study areas. In other cases, private stakeholders own coworking spaces or are, at the time of writing, renovating existing infrastructure intended for this purpose (Werther *et al.*, 2021). In Valsugana, the local bank has been a pioneer in this regard, initiating the “Alta Valsugana Smart Valley” project. Interviewees highlight how high-speed internet connections and coworking spaces would benefit local residents in primis, in line with the requirements of sustainable development for community-based tourism destinations (Lee and Jan, 2019).

Valsugana is attractive for digital nomads, on the one hand, because it already offers the sort of tourism experiences that have widespread appeal to many, especially those who are attracted to the idea of being able to experience an authentic, traditional lifestyle among the area’s mountains and Alpine pastures (Voll *et al.*, 2022); it also offers outdoor sports activities, like mountain biking (Reichenberger, 2018). In terms of the characterization developed by Chevtaeva and Denizci-Guillet (2021), the above features indicate that a key target segment for Valsugana is the explorer digital nomad. Equally, Valsugana is a quiet, rural destination and is thus ideal for those who want to escape city life (Voll *et al.*, 2020; Martini *et al.*, 2021). However, the destination does not offer packages of offers and services, and digital nomads who have already visited Valsugana have highlighted this weakness. This is in line with the AIND Report (2023), and, once again, highlights the importance of the DMO’s role in the development of a competitive offer for this target market (Bichler, 2019).

Sustainability is a central topic for Valsugana, as was frequently mentioned by all interviewees. The targeting of digital nomads aligns with the objectives of sustainable tourism development (Choi and Sirakaya, 2006), and is therefore of particular interest for the destination. First, the stakeholders who participated in the research mentioned the need for seasonal adjustment (Martini *et al.*, 2021). Digital nomads, who are free to travel outside the usual holiday periods, can contribute in this regard. Currently, however, the highest volume of visitors from this segment, too, is still concentrated in the high season. Second, as so often happens in a community-based tourism destination (Lee and Jan, 2019), interviewees report occasional challenges in meeting the needs of all the actors involved, with stresses observed between private and public actors and among neighboring municipalities (Bichler, 2019). The private stakeholders considered coworking spaces to be a key attraction (Merkel, 2022). As reported by Almeida and Belezas (2022), many also highlight the fundamental role of the local government as a provider of financial support. Finally, while the different municipalities are at different stages in their development of coworking spaces (Bichler, 2019), now even some of the smaller territories with fewer resources have embarked on projects to do so.

Our results highlight the need to define an actor to manage the relationships and coordinate the different needs of the various public and

private local stakeholders concerned, as underlined by Garcez *et al.* (2022) and Bichler, (2019). Interestingly, this subject has been identified in the DMO, highlighting previous studies (e.g. Bichler, 2019).

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6. Conclusions

This paper presented and discussed the opportunities and challenges for inner areas presented by digital nomadism with a focus on Valsugana, a tourism destination in the Autonomous Province of Trento (Italy). This research fills a gap in the literature on digital nomadism as a tourism phenomenon because it focuses on a destination in an inner area that is suffering from undertourism and stagnating tourism arrivals.

Valsugana's natural and cultural resources, and its current offers, demonstrate that it has the potential to become a leading destination for digital nomads, (Voll *et al.*, 2022; Reichenberger, 2018). Although development is not consistent across the territory, the digital infrastructure is (in many municipalities) already adequate for the needs of this segment in terms of connectivity (Martini *et al.*, 2021) and coworking spaces (Merkel, 2022). Moreover, the opinions of the key stakeholders who participated in this study are positive: they believe that the establishment of an ad hoc tourism offer for digital nomads will increase the destination's social sustainability, as occurs, for example, when underutilized or empty spaces are restored to establish coworking spaces that benefit both digital nomads and the local community (Werther *et al.*, 2021).

This study also provides interesting managerial contributions for DMOs and tourism practitioners in inner areas struggling with undertourism and stagnation, since it provides an overview of the problems and opportunities that arise when inner areas set out to target the digital nomad segment. First, a high-speed internet connection - while taken for granted, when reliably available, by both residents and visitors - is fundamental (Chevtaeva and Denizci-Guillet, 2021; Martini *et al.*, 2021). Equally, destinations that are considering targeting this segment have to remember that the provision of coworking spaces is essential (Chevtaeva and Denizci-Guillet, 2021). A third factor is the problem of seasonality. Destination managers can move towards seasonal adjustment through effective communication and the promotion of Valsugana as an all year round destination for digital nomads.

The example of Valsugana could encourage other destinations that have similar characteristics and are facing similar problems to consider targeting digital nomads. The territory could serve as a sort of training ground, where to study the changes in the development of a destination, with a special focus on its life cycle. Targeting digital nomads could trigger the relaunching of stagnating destinations, leading to their rejuvenation (Butler, 1980) through repositioning. Destination management has to face the typical managerial challenges related to community destinations, such as the need to strengthen the involvement of private and public stakeholders. The importance of local stakeholders and the local community as active participants in the destination development process (Bichler, 2019) is highlighted by the basic requirements of digital nomadism. Digital nomads are, in fact, tourists who become part of the local community.

Limitations of this paper include the focus on a single destination in the Autonomous Province of Trento, although Valsugana, as explained before, is highly representative of inner areas in mountain regions that are facing both seasonality and stagnation and that have a strong interest in sustainable tourism development.

It is important that future research considers and compares the opinions of other important private stakeholders - hotel owners, other tourism SMEs, and tourist intermediaries - in a community-based destination like Valsugana. Similar areas in other mountain regions should also be investigated, in order to extend and compare the results of this research. For lower altitude mountain areas that are becoming less attractive and viable due to higher winter temperatures and lower precipitation, this angle of research is particularly relevant and timely, as they search for ways to reposition and rejuvenate their destinations. Finally, it would be interesting to investigate how the coordinate role at destination level can succeed.

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