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The Diffused Hotel as an Entrepreneurial Approach to the Development of Rural Tourism: A Reading of Some International Experiences

الفندق المنتشر كمقاربة ريادية لتنمية السياحة الريفية : قراءة في بعض التجارب الدولية

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Abstract:

This scientific paper highlights the model of the diffused hotel (Albergo Diffuso) as an innovative entrepreneurial approach to stimulating rural tourism within the framework of a sustainable development vision, through the reuse and restoration of historical buildings within villages as part of their original urban fabric, while preserving the architectural specificity and cultural identity of the place. Through the analysis of some leading international experiences in this field, it becomes evident that the diffused hotel model effectively contributes to reducing rural migration, diversifying the local economy, as well as preserving and enhancing tangible and intangible heritage, thereby strengthening its role as a pivotal tool in the development of rural tourism. The article concludes that activating this model within the Algerian context requires the adoption of supportive policies, the enhancement of local community participation, and the valorization of rural architectural heritage as a strategic tool for advancing tourism development in rural areas.

Keywords: Diffused Hotel, Tourism Entrepreneurship, Rural Tourism.

JEL classification codes : L83, M13, O18, Z32 .

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1. Introduction

Rural tourism is witnessing a qualitative transformation in its development approaches due to the emergence of new innovative models aimed at restoring value to rural areas and leveraging their heritage and cultural assets within a sustainable development vision. The diffused hotel (Albergo Diffuso) model emerges as one of the most prominent of these innovations, as it combines the preservation of architectural authenticity and the revival of the local social fabric on the one hand, with the activation of entrepreneurial initiatives capable of creating new economic and cultural value on the other. With the growing international interest in tourism based on authentic experience and environmental respect, this model has become a strategic mechanism for reviving villages threatened with extinction and transforming them into distinguished tourist hubs.

Many countries have recognized the importance of this model, considering it not merely an alternative hotel format but an integrated development tool that utilizes local resources—natural, cultural, social, organizational, and financial—to achieve economic diversification, create job opportunities, preserve heritage, and reinforce the stability of rural communities. From this standpoint, this scientific paper aims to analyze the role of the diffused hotel model in developing rural tourism through a review and analysis of a number of leading international experiences, with the objective of understanding its operating mechanisms, extracting lessons learned, and anticipating the potential for adapting this model to develop rural tourism in Algeria. The study attempts to answer the following main question: How does the entrepreneurial diffused hotel model contribute to the development of rural tourism? And what lessons from international experiences can be adapted to the Algerian context?

1.1 Study Importance

The importance of this study lies in the significance of the diffused hotel model as a modern entrepreneurial approach that has proven its effectiveness in developing rural tourism in several countries. In light of the challenges faced by rural tourism in Algeria—such as the decline of local dynamics, population migration, and the underutilization of architectural heritage—there is a need to examine the extent to which this model can offer an innovative developmental alternative based on the adaptive reuse of heritage buildings and the integration of residents into the tourism value chain. The importance also lies in anticipating lessons learned from selected international experiences and identifying the potential and opportunities that this model offers to enrich the Algerian tourism landscape through a sustainable approach that combines heritage preservation,

diversification of tourism products, and empowerment of rural communities.

1.2 Study Objectives

This study seeks to achieve the following objectives:

- Conceptual understanding of the diffused hotel model (Albergo Diffuso) as an entrepreneurial tool for rural tourism development;
- Analyzing the operating mechanisms of the diffused hotel and how local resources are transformed into entrepreneurial tourism initiatives;
- Documenting and analyzing several leading international experiences in implementing the diffused hotel model (Italy, Switzerland, Japan, Oman) and evaluating its impact on rural development;
- Extracting lessons learned from international experiences and proposing practical recommendations to develop a diffused hotel model suitable for the specificities of the Algerian rural environment.

1.3 Study Methodology

This study relies on the descriptive and analytical method by describing the entrepreneurial diffused hotel model, analyzing its operating mechanisms, and developing a comprehensive understanding of its potential as an entrepreneurial tool for supporting tourism development in rural areas. It also employs a comparative analysis of four leading international experiences (Italy, Switzerland, Japan, Oman) with the aim of understanding the contexts of applying the model, assessing its developmental outcomes for rural tourism, and deriving lessons that can be adapted to the Algerian context.

2. Theoretical Background on Entrepreneurship in Rural Tourism

2.1 Definition of Entrepreneurship: The term entrepreneurship has taken on many definitions depending on the perspective from which it is viewed. It is often associated with the term start-ups, and entrepreneurial founders are those who take the lead in launching new business ventures in an uncertain investment environment (Ahmed & Al-Khansaa, 2019, p. 43). Researchers have offered several definitions of entrepreneurship, including:

- Establishing an innovative economic organization (or a network of organizations) for the purpose of making profit under conditions of risk and uncertainty (Dollinger, 1995, p. 07).
- A process of creating something new of value by devoting the necessary time and effort, assuming the accompanying financial, psychological, and social risks, in order to obtain returns represented in financial and personal satisfaction (Hisrich & Peters, 1998, p. 09).

– An activity that involves discovering, evaluating, and exploiting opportunities to introduce new goods and services, or new methods of organization, or markets, or processes, or raw materials, through organizational efforts that did not previously exist (Shane, 2003, p. 04).

– A disciplined and systematic process of applying innovation and creativity to existing market opportunities and needs (Zimmerer, Scarborough, & Wilson, 2008, p. 05).

The entrepreneurial or aspiring enterprise works to innovate what is new and not available to competitors, which is what entrepreneurship means in the economic field: being the first mover in any field in which one seeks to operate. An entrepreneurial firm in the economic sphere is one that creates something of value by allocating time, effort, and money, and bearing the risks that may accompany this in order to ultimately obtain reward in the form of accumulated wealth (Ahmed & Al-Khansaa, 2019, p. 43). Entrepreneurship is based on two fundamental principles (Sotiriadis, 2018, p. 07):

–Creating and identifying opportunities, including the will and initiative to seize these opportunities;

–Establishing new ventures under conditions of risk and uncertainty with the aim of making profit.

Based on the preceding definitions, entrepreneurship can be defined as the process of innovating or developing a new idea and transforming it into an economic or social project, while bearing the risks associated with it, for the purpose of generating added value through investing available resources, with the aim of achieving profit and contributing to economic and social development.

2.2 The Development of Tourism Entrepreneurship: Tourism entrepreneurship has witnessed notable transformations throughout its historical trajectory, evolving from its traditional focus on small enterprises and quality of life to an interest in cultural and social dimensions, ultimately reaching forward-looking horizons that embrace technology and digital innovation. The table below illustrates the key stages of this development with the distinctive features of each stage:

Table 1. Stages of the Development of Tourism Entrepreneurship

Period	Main Characteristics of the Period
Historical Perspective (1946–2020)	– Focus on small and medium-sized enterprises. – Considering quality of life as a fundamental factor for tourism entrepreneurship. – The importance of education and training to maintain competitiveness. – The importance of studies on small projects alongside the limited interest in institutional and international entrepreneurship.

Cultural and Social Perspective	– Influence of socio-cultural factors on entrepreneurship. – Emergence of the sharing economy and cultural tourism. – Innovation and partnerships that support value co-creation.
Future Perspective (2020–2095)	– Adoption of future business models and multidisciplinary specializations. – Rise of digital innovation and technological entrepreneurship. – Interest in family businesses and their role in tourism; emergence of digital transformation in the tourism sector. – Influence of digital natives on tourism entrepreneurship patterns.

Source: Prepared by Researchers based on: Vanessa Ratten, Tourism entrepreneurship research: a perspective article, Tourism Review · December 2019; pp. 2–4

The table shows that tourism entrepreneurship research went through three distinct phases. In its beginnings (1946–2020) it focused on small enterprises, quality of life, and education as an entry point to competitiveness. It then shifted to a cultural and social perspective that highlighted the role of heritage factors, religion, and the sharing economy. The future-oriented perspective (2020–2095) places technology, digital innovation, and modern entrepreneurship theories at the core of inquiry, with growing interest in family businesses and digital generations. This evolution reflects a rising trajectory toward expanding the scope of tourism entrepreneurship from traditional local dimensions to a global horizon driven by digital transformation and sustainable innovation.

2.3 Definition of Tourism Entrepreneurship: In general, tourism entrepreneurship is defined as involving the use of innovation, risk-taking, and initiative within a tourism context (Ratten, 2018).

According to the definition of the World Tourism Organization: "Tourism entrepreneurship is a fundamental driver for enhancing innovation and diversification in the tourism sector, and it provides a framework to support small and medium-sized enterprises that constitute the backbone of global tourism activity (UNWTO, 2019)." Current studies highlight the importance of creativity, innovation, capital, and entrepreneurial orientation in developing the tourism product and tourist destination. Shane (2003) notes that the notion of innovation constitutes a core characteristic of entrepreneurship, including tourism entrepreneurship, defining it as: "the ability to apply creative solutions to problems and opportunities in a way that enhances people's lives (Zimmerer, Scarborough, & Wilson, 2008, p. 45)." In this context, creativity is described as the ability to develop new ideas and discover new ways of viewing opportunities

and problems. Innovation outputs may take the form of new performance methods or the development of new products, services, or technologies. It is worth noting that successful tourism entrepreneurship is a continuous process that depends on creativity, innovation, and market application, and it also relies on the individual as the driving force.

2.4 Characteristics of Tourism Entrepreneurs: Tourism entrepreneurs are individuals who establish ventures to explore opportunities and transform them into tourism goods and services, often within the framework of small and medium-sized enterprises (Utami, Dhewanto, & Lestari, p. 1325). Tourism entrepreneurs can also be defined as individuals who seek to generate value through creating or expanding a tourism activity by identifying and exploiting new products, processes, or markets. The literature highlights several specific characteristics of tourism entrepreneurs, including (Longenecker, Moore, Petty, & Palich, 2006, p. 16):

- **Creativity and innovation:** Creativity and innovation are two sides of the same coin in tourism entrepreneurship. The process begins with the entrepreneur's ability to generate new ideas for unconventional pathways, experiences, and services, and to translate them into reality in a way that adds genuine value to the tourism destination. Thus, creativity becomes the source of ideas, and innovation becomes the tool for executing them.
- **Opportunity recognition:** This refers to the ability to identify shifts in tourism demand and gaps in the tourism market through analyzing data, trends, and consumer behavior, thereby contributing to the formulation of new economically viable ideas that meet the needs of target segments.
- **Risk tolerance:** This means being prepared to make investment and operational decisions in environments characterized by uncertainty (such as fluctuating demand and crises), while adopting effective risk management in order to conduct systematic balancing between potential risks and expected returns, leading to sound decisions that enhance the project's sustainability and profitability.
- **Determination and perseverance:** Continuing implementation and gradual improvement, which is a fundamental characteristic in the literature on small enterprises and entrepreneurship.
- **Need for independence and motivation for achievement:** The ability to self-direct decisions and pursue measurable outcomes (demand, ratings, revenue), which are well-established traits of entrepreneurs.
- **Ability to organize and coordinate resources (resource orchestration):** Translating an idea into effective operations by assembling resources and partnerships, allocating them, and monitoring performance to create new value.

- **Self-reliance:** The ability to take initiative and solve problems quickly without substantial resources is a critical trait in entrepreneurial projects in the tourism field.
- **Adaptability:** The ability to respond quickly to changing tourist preferences.
- **Motivation to excel:** A continuous desire to achieve performance that exceeds expectations by improving service quality, elevating the tourist experience, and developing innovations that add new value.

The perceptions, decisions, and actions of tourism entrepreneurs fundamentally determine what tourism ventures will be established in a community, and where and when they will be created. These entrepreneurs shape the community's tourism landscape and serve as the driving force behind its realization (Koh & Hatten, 2002, p. 23).

2.5 Definition of Rural Tourism Entrepreneurship: Marques (2013) notes the persistence of a research gap on rural entrepreneurship, as defining the concept of the "rural entrepreneur" remains problematic. It lacks a precise qualitative definition or a complete conceptual framework. Nonetheless, the literature presents several operational definitions of rural entrepreneurship, including (Utami, Dhewanto, & Lestari, p. 1325):

- It is defined as an entrepreneurial activity committed to its spatial context and requiring the use of new combinations of resources to create value for both the entrepreneur and the place.
- It is a form of entrepreneurship that aims to maximize the value generated from available resources in rural areas by developing their uses and recombining them, with active participation of local populations in planning, implementation, and benefit-sharing.
- It is local economic development in which the government and community organizations participate.

Based on the preceding definitions, rural tourism entrepreneurship can be defined as an entrepreneurial activity that arises in a rural environment and provides tourism products and services based on local resources (natural, cultural, and social), with the aim of creating sustainable economic, social, and environmental value for both residents and the destination.

3. The Diffused Hotel as an Entrepreneurial Model for Rural Tourism Development

3.1 Emergence of the Diffused Hotel Concept: The idea of the "diffused hotel" (Albergo Diffuso) originated in the late 1970s with the aim of developing and rehabilitating the historical centers of towns and villages. The concept began to spread gradually during the 1980s after several attempts to implement it on the ground (Pietrogande & vaccher, 2016, p. 24).

The first actual implementation took place in 1982 as part of a tourism promotion project for the village of Comeglians, funded by

the European Union. However, the features of this concept did not fully take shape until the late 1980s, when it was no longer limited to restoring buildings and repurposing them for hotel use. Instead, it became part of a broader and more integrated project based on investing in the unique and distinctive characteristics of each area (Morena, Truppi, & Gatto, p. 03).

Beginning in 1989, all houses and apartments designated for rental within the village were placed under a unified management that would convert them into hotel rooms while offering tourism services within a historical and cultural setting that reflects the true identity of the place. The first fully realized application of the diffused hotel model took place in 1995 within the tourism development project of the mountain community of MargineBelanargia in the Sardinia region (Morena, Truppi, & Gatto, p. 03).

3.2 Definition of the Diffused Hotel: It is a sustainable and innovative hotel model based on reviving and reusing historical and cultural architectural heritage. This model is characterized by preserving the original structures of buildings and by its location within villages or small urban centers, in addition to involving local residents and tourists in the production process. The aim of this model is to offer an authentic tourism experience that reflects the spirit and identity of the place (Iannone & Marcella, 2019, p. 82).

The diffused hotel is presented as a flexible structure that can take multiple forms, yet all share one essential element: a large number of housing units that can be easily identified due to their historical, cultural, and architectural identity. These units are restored for tourism purposes and equipped with modern and innovative technologies to ensure tourist comfort while adhering to the principle of "minimal intervention" during restoration to preserve the site's architectural character (Pietrogande & vaccher, 2016, p. 25).

Accordingly, a diffused hotel refers to any hotel establishment that provides accommodation and hotel services in rooms distributed across separate buildings that existed prior to the creation of the hotel and that are located within the historical center of a town or village. These buildings are connected through a main structure used for reception and containing shared activity spaces or additional services. It is required that the distance between the housing units and the reception building not exceed 200 meters, and that these units possess an architectural character consistent and harmonious with the identity of the place, and that they be furnished and equipped in a uniform and coherent manner (Pietrogande & vaccher, 2016, p. 25).

3.3 Characteristics of the Diffused Hotel: The diffused hotel represents a distinctive model in the field of sustainable tourism development, as it does not leave negative environmental impacts

because it does not require the construction of any new structures. Instead, it relies on restoring existing buildings and apartments while preserving their cultural and historical character and connecting them with available local infrastructure. This model serves as an effective driver of local development, as it encourages current and potential entrepreneurs to launch new projects in response to the growing tourism demand, especially in traditional industries such as local cuisine and handicrafts.

Working in collaboration with local authorities and regional stakeholders, the diffused hotel helps organize and manage new activities aimed at reintegrating the area into the tourism market, such as (Bulgarelli, p. 04):

- Organizing local events and festivals;
- Providing specialized training courses in traditional fields such as local culinary arts;
- Supporting sports and artisanal activities of heritage significance.

Through this model, new economic ventures emerge that are directly linked to the distinctive hospitality style of the diffused hotel, which allows the tourist to experience being a "temporary resident" within the local community rather than merely a "traditional tourist." This shift is enabled by the authenticity of the built environment and the interaction between tourists and local residents, making the stay a holistic life experience rather than a transient trip. This unique feature represents an important source of sustainable economic return, as it contributes to reducing seasonality in tourism demand and opening new opportunities for destinations that are often outside typical tourism circuits.

Based on this, the main characteristics of the diffused hotel can be summarized as follows:

- It is managed from a central building responsible for reception and coordination;
- Its accommodation units are distributed across apartments and houses with a traditional character that reflects the cultural and civilizational identity of the region, typically located within a distance not exceeding 200 meters from the central building;
- It involves local residents in providing various services such as catering and hospitality, thereby enhancing community integration in the tourism process;
- It contributes effectively to the sustainable development of the area through environmental preservation;
- It supports local development by using available local resources, including local labor, supplying restaurants with local agricultural products, and using furnishings and traditional crafts made by local residents.

3.4 Proposing a Model for the Relationship Between the Diffused Hotel and Rural Tourism Development: To highlight the role played by the diffused hotel in stimulating rural tourism and enhancing its components, the following figure presents an explanatory conceptualization illustrating the interactive relationship between this entrepreneurial model and the various components of rural tourism development (Utami, Dhewanto, & Lestari, p. 1330):

Fig 1. The Relationship Between the Diffused Hotel and Rural Tourism Development



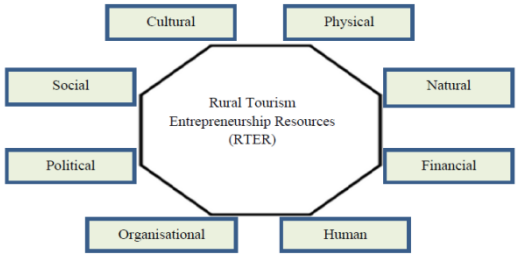
Source: Prepared by Researchers

It is clear from the figure that the various local resources represent essential inputs for activating the diffused hotel model, which operates through mechanisms that stimulate entrepreneurial dynamics within the local community, contributing to rural economic diversification, improving residents' living standards, and preserving resources, ultimately leading to sustainable rural tourism development. The components of the model can be detailed as follows:

3.4.1 Inputs (Local Resources):

Tourism entrepreneurship in rural areas—and thus the diffused hotel as an entrepreneurial tool—requires the availability of several resources summarized in the following figure:

Fig 2.Rural Tourism Entrepreneurship Resources



Source: DwiestyDyah Utami, WawanDhewanto, Yuliani Dwi Lestari, *Rural Tourism Entrepreneurship: A Systematic Literature Review on Resources and Challenges*, African Journal of Hospitality, Tourism and Leisure, Vol. 12, No. 4, pp. 1329–1337.

– **Natural resources:** These represent the cornerstone of rural entrepreneurship, especially tourism, as they provide low-cost opportunities to develop tourism experiences and products linked to nature and local culture. However, the sustainability of such initiatives depends on organizational and human capacities able to coordinate stakeholders and integrate natural resources efficiently within tourism industries.

– **Human resources:** These constitute the fundamental pillar of rural entrepreneurship, particularly tourism-related. Successful entrepreneurial initiatives require two complementary dimensions: a tangible dimension related to sufficient numbers aligned with actual needs, and an intangible dimension encompassing motivation and entrepreneurial competencies. Youth groups and local knowledge of resources also play a critical role in discovering opportunities and sustaining tourism entrepreneurial activities in rural areas.

– **Political resources:** These form a key axis in strengthening tourism entrepreneurship in rural regions, ensuring the provision of necessary resources and facilitating sustainability-oriented planning through supportive policies that encourage investment and develop capacities via training and knowledge sharing. They also help coordinate efforts between the public and private sectors and local communities to share costs and develop integrated tourism products.

– **Cultural resources:** These represent a fundamental pillar of rural tourism entrepreneurship, as they grant the destination a distinctive identity and generate a "cultural economy" based on heritage and local customs. By converting these values into lived tourism experiences, demand for the area increases, new job opportunities emerge, and additional sources of income benefit the local community, while also contributing to heritage preservation and its transmission across generations. Cultural resources also enhance the attractiveness and competitiveness of tourism products when intelligently integrated with social resources (communication and hospitality) and institutional resources (partnerships and supportive policies). Thus, investing in and valorizing local culture becomes a prerequisite for achieving sustainable competitive advantage and renewed rural tourism entrepreneurship.

– **Social resources:** These constitute a decisive factor in rural tourism entrepreneurship, as they increase community willingness to participate and create a favorable entrepreneurial climate. Their practical importance appears in hospitality and effective communication between residents and tourists. Social resources also strengthen cooperation and local partnerships and foster entrepreneurship-supportive traits (friendliness, motivation,

innovation, cooperation). Adequate social interaction helps overcome cultural differences and transform them into tolerance and mutual respect, thereby supporting the sustainability of tourism entrepreneurial initiatives in rural areas.

– **Physical resources:** These are a main pillar for rural tourism entrepreneurship, providing the basic infrastructure necessary for developing tourism services and activities such as accommodation, restaurants, transportation, and more. They support both existing and new rural projects by investing in available facilities to deliver integrated tourism experiences. Their importance lies in their ability to enhance tourism attractiveness when effectively managed and integrated with other resources to support authentic rural experiences.

– **Financial resources:** These constitute a central element in rural tourism entrepreneurship, enabling the creation, expansion, and continuity of rural tourism projects. They require cooperation among financial institutions, governments, and local communities to ensure entrepreneurs' access to financial resources and direct them toward productive and sustainable projects. However, sustaining financing requires sound management and gradual independence from external support to ensure long-term growth of rural tourism entrepreneurship.

– **Organizational resources:** These form the foundation for coordinating stakeholders and ensuring resource sustainability in rural tourism entrepreneurship. They improve entrepreneurial behavior, enhance cooperation, and organize activities. Their importance lies in having a clear administrative structure and effective policies for social and environmental responsibility that ensure efficient decision-making and integrated operations. Thus, planning, commitment, coordination, and monitoring are essential elements for achieving sustainable rural tourism development.

3.4.2 Mechanisms of the Diffused Hotel (Entrepreneurial Axis): The operating mechanisms of the diffused hotel lie in embedding tourism entrepreneurship within the rural fabric itself. It begins by repurposing heritage buildings and traditional houses and converting them into dispersed accommodation units throughout the village while preserving their authentic architectural character. These units are managed through a unified local organizational structure responsible for reservations, reception, and quality control, ensuring a coherent tourist experience despite the dispersed accommodations. The model also relies on involving local residents as service providers or partners in the project, whether in accommodation, food services, guiding, or organizing activities, allowing tourism benefits to be distributed within the community.

The diffused hotel offers an integrated tourism product combining stays in traditional homes, tasting local foods, and participating in village cultural and daily activities, transforming the tourist from an observer into part of local life. These mechanisms are reinforced by marketing the place's identity and heritage through storytelling, making the village itself the "tourism product," rather than a hotel building isolated from its surroundings.

3.4.3 Entrepreneurial Dynamics (Mediating Variables): Entrepreneurial dynamics serve as the link between the operational mechanisms of the diffused hotel and its direct outputs and final outcomes for rural tourism development. These dynamics include:

- **Social innovation:** Through creating new and innovative organizational methods in tourism service delivery to address local issues such as unemployment, marginalization of artisans, and weak inclusion of certain groups, via participatory arrangements involving municipalities, associations, residents, and fair revenue-sharing mechanisms.
- **Entrepreneurial skills:** For local residents in project management, hospitality, customer service, foreign languages, and digital marketing, enhancing their ability to effectively leverage the diffused hotel model.
- **Building partnerships and local cooperation:** By creating interaction networks between the diffused hotel and restaurants, artisans, travel agencies, and cultural associations, in addition to partnerships between the public and private sectors—transforming the initiative from an isolated project into an integrated local tourism system.
- **Professional training:** Continuous training in rural hospitality, tourism guidance, quality and safety standards, and electronic reservation management, ensuring the sustainability of these entrepreneurial dynamics and making them a primary channel through which the impact of the diffused hotel translates into improved tourism performance and sustainable rural development.

3.4.4 Outputs (Direct Results): The direct outputs of the diffused hotel represent the practical translation of the entrepreneurial dynamics it generates within the local community. These outputs include:

- Improving the quality of tourism services by raising standards of accommodation, cleanliness, organization, and reception, making the visitor's experience more comfortable and satisfying;
- Increasing tourism occupancy rates and average length of stay, as the tourist consumes not merely an overnight service but an integrated package that includes accommodation, local foods, and cultural activities, encouraging longer stays in the rural destination;

– Creating new job opportunities, whether directly in accommodation, hospitality, and guiding, or indirectly in complementary activities such as crafts, transportation, and catering, thus opening employment horizons for youth, women in particular, and local residents in general;
– Strengthening social capital by encouraging cooperation, reinforcing trust among local actors, and establishing a sense of shared interest around a community-owned tourism project, making these outputs a launching pad for more sustainable rural development.

3.4.5 Final Outcomes (Sustainable Rural Development): The final outcomes of the diffused hotel embody the strategic dimension of the model, transforming it from a mere tourism accommodation project into a true lever for sustainable rural development. Through the economic activity and supporting services it generates, it contributes to:

– Diversifying the local economy and reducing migration, as rural areas no longer rely solely on agriculture or fragile activities. New tourism, commercial, and cultural activities tied to the diffused hotel emerge, providing alternatives that encourage residents—especially youth—to remain in their regions rather than migrating to cities;
– Improving income levels and quality of life thanks to increased individual earnings and improved access to services (education, health, transport) as an indirect result of local economic revitalization;
– Preserving environmental and cultural resources, since the success of the diffused hotel depends on maintaining natural landscapes, heritage buildings, and traditions. Thus, heritage and environmental preservation shifts from being a burden to becoming a source of economic value;
– Enhancing the tourism attractiveness of rural areas, which acquire a positive image as authentic and sustainable spaces offering a distinctive experience combining accommodation, nature, and culture, solidifying their position on national and even international tourism maps.

5. International Experiences on Diffused Hotels and Their Role in Developing Rural Tourism

5.1 The Italian Experience(Iannone & Marcella, 2019, p. 84)**:** Italy is considered the country of origin for the diffused hotel (Albergo Diffuso) idea, and the need for it emerged in historic villages that experienced waves of migration to cities during the second half of the twentieth century, which led to the neglect of old buildings of high architectural and cultural value.

Among these villages is Santo Stefano di Sessanio in the Abruzzo region, a fortified medieval village located at an altitude of

1,250 meters within the "Gran Sasso e Monti dellaLaga" National Park, distinguished by an authentic stone architectural character. At the end of the 1990s, the village saw the intervention of the Italian–Swedish entrepreneur Daniele Kihlgren, who launched a project aimed at reviving the local heritage and repopulating the village by integrating cultural tourism into rural development. The Sextantio hotel was adopted as a pioneering and exemplary prototype of the diffused hotel in Italy, offering tourists a rich and immersive experience in the cultural and human history of the Sassi di Matera area, which is based on:

- Reusing historical buildings and reviving their value, along with activating small towns of historical character;
- Preserving the original massing of buildings, the typological planning, their uses and functions, while relying on recyclable materials extracted from the local environment;
- Deploying the village's various buildings for diverse purposes such as: accommodation rooms, conference halls, restaurants, shops, and leisure areas, all within the same rural fabric;
- Protecting cultural heritage in an innovative manner in accordance with the fundamentals of rural tourism; the design of tourist accommodation in this area relied on traditional building methods, original house typologies, and local materials;
- Preserving all elements of the area's identity: architecture, local materials, craft traditions, local cuisine—everything that constitutes the place's history and cultural landscape.

Among the diffused hotels in Italy is Al Vecchio Convento, a nineteenth-century building that formerly belonged to one of the oldest families in the area and was renovated in 1980. Like other diffused hotels, its concept is based on distributing accommodation within traditional houses in an environment of historical and cultural value, integrating modern comforts with the authenticity of rural life. This encourages tourists to interact with local villagers and feel that they are part of the community, not merely guests in a hotel. Staying in a diffused hotel resembles living inside the village itself, where the tourist enters the rhythm of local daily life. Despite the small size of the village, it is presented as a living integrated entity containing all essential community services such as shops, a pharmacy, a newsstand, a café, and a tourist information center. It offers a different experience that combines active tourism (such as cycling) with artistic aspects and traditional cuisine. The village also hosts the Scuola Verde L'Olmo, a school recognized by the Italian government for teaching the Italian language and culture to foreigners. Tourists can choose a variety of activities, such as: lessons in Italian culinary arts; tours of olive oil and cheese factories; guided walks in the national park; visits to artistic cities; and

excursions led by hotel hosts into the surrounding forests in search of truffles, in an experience that combines nature, culture, and local adventure (Vallone, Orlandini, & Cecchetti, 2013, pp. 29-30).

The diffused hotel model in Italy proved effective as a developmental tool capable of reviving rural villages that were threatened with extinction, which positively impacted various dimensions of rural tourism development through:

– Providing job opportunities in hospitality, traditional crafts, tourist guiding, and catering services;

– Attracting new investments to villages threatened with abandonment;

– Bringing residents back to deserted villages and strengthening social ties;

– Encouraging locals to value their heritage and reuse their old houses;

– Enhancing integration between residents and tourists through daily interaction within the rural fabric;

– Protecting intangible heritage: customs, traditional cuisine, handicrafts;

– Restoring the prestige of historic architecture and preserving the place's cultural landscape;

– Reducing urban sprawl by focusing on restoring existing buildings instead of constructing new facilities;

– Using local materials and traditional building techniques, which reduces environmental footprint and enhances the project's harmony with its rural surroundings;

– Preserving the surrounding landscapes as part of the tourism experience.

5.2 The Swiss Experience: The Corippo Albergo Diffuso project is one of the most prominent recent examples of applying the Albergo Diffuso model outside Italy. The village of Corippo is located in the Verzasca Valley in southern Switzerland. This village is the country's smallest municipality, with a population not exceeding 12 people, and it was threatened with disappearance due to mass migration to cities and the weakening of economic activities, especially agriculture and livestock breeding, which pushed the local community to seek solutions to bring life back to the place. The idea for this project began in 2015 with support from Swiss authorities to transform the village into a fully integrated hotel distributed within its historic stone houses. The hotel's official opening took place in 2022, and the hotel includes the following (Portnoy, 2023):

- Renovation of 30 old houses built from mountain stone;
- Converting 10 of them into 3-star hotel rooms;
- Establishing a local restaurant serving traditional dishes;

- A guest reception center in the old municipal building.

This project is not limited to restoring old buildings and converting them into guest rooms; it also aims to revive the village's social and economic life, making Corippo a pioneering model in sustainable tourism and rural heritage revival in Switzerland. Restoration work was carried out according to Swiss architectural conservation standards, preserving original elements such as stone facades and rock roofs, and local materials like gray stone and natural wood were used—one of the project's key success factors—contributing to the preservation of the village's rural identity and making it a preferred destination for authenticity lovers. The project also relied on the participation of local residents in various tourism services, from welcoming tourists and preparing traditional local dishes to supervising surrounding natural trails, which helped create new job opportunities in an area that suffered significant demographic decline.

Conversely, the project is an integrated environmental model based on human and cultural interaction within the village, encouraging tourists to use public transportation and walk within the built environment, in addition to adopting energy-saving lighting systems. Since the hotel's opening in 2022, this sustainable approach has contributed to a 40% increase in the number of tourists compared to the previous period, making Corippo a model to be emulated in village revival programs and initiatives at the European and global levels.

The Corippo diffused hotel project presented an innovative model that combines heritage conservation with local economic activation, contributing to a set of positive effects on rural tourism development, most notably:

−Creating new job opportunities for local residents (hospitality, traditional cooking, guiding, management of natural trails);

−Supporting local activities such as crafts, agriculture, and transport services;

−A 40% rise in tourist numbers since the project's opening in 2022;

−Transforming the village into a new tourist destination based on authenticity and tranquility;

- Bringing life back to a semi-abandoned village and strengthening social ties among residents;
- Restoring historic stone houses and preserving the original architectural identity;
- Valorizing intangible heritage by supporting traditional cuisine and local customs;
- Encouraging sustainable transport (walking — public transport);

– Adopting energy-efficient lighting systems and reducing the carbon footprint;
– Preserving the surrounding natural landscape as part of the tourism experience.

5.3 The Japanese Experience(Hoshino Resorts, n.d.)**:** Japan is one of the most prominent Asian countries that adopted a model close to the diffused hotel while preserving its traditional cultural identity. In this context, the project *Hoshinoya Kyoto* in the city of Kyoto stands out. It revived historic samurai houses located on the riverbanks and transformed them into a luxurious diffused hotel that combines the spirit of Japanese authenticity with modern comfort.

The project was established in 2009 on the remains of a traditional seventeenth-century building that was used during the Edo period as accommodation for nobles and merchants. Instead of constructing a modern hotel complex, those behind the project chose a restoration approach, rehabilitating the original buildings and converting them into independent accommodation units connected by stone pathways and wooden bridges within a calm, harmonious natural environment.

The hotel includes 25 independent accommodation units distributed along the riverbanks, connected by stone walkways and natural gardens. At its center is a traditional tea house and a center for traditional Japanese therapies, in addition to a restaurant serving traditional cuisine. Wooden boats are used to transport tourists from the city to the hotel via the river, enhancing the feeling of seclusion and tranquility and making the journey itself part of the tourist experience.

The hotel also focuses on enhancing cultural interaction by offering activities that introduce tourists to Japanese culture and heritage, such as lessons in Japanese calligraphy, traditional tea ceremonies, and historical tours of nearby neighborhoods. The diffused hotel model in Kyoto presented a distinctive example of how Japanese architectural and cultural heritage can be used to stimulate rural tourism in a way that blends authenticity and luxury, reflected in a number of positive effects, most notably:

– Stimulating local tourism by transforming riverbanks and surrounding natural areas into a serene experience-based destination;
– Attracting high-spending tourists through offering a model of luxurious cultural and rural tourism;
– Creating job opportunities for local residents in hospitality, cultural guiding, and traditional therapies;
– Preserving architectural heritage through restoring and reusing samurai houses instead of demolishing them;
– Reinforcing Japanese cultural identity by integrating activities such as calligraphy, tea rituals, and historical tours;

– Promoting sustainable tourism through a focus on restoration, use of traditional materials, and preserving the natural environment.

6. Towards Adapting the Diffused Hotel Model for Rural Tourism Development in Algeria

The diffused hotel experiences in Italy, Switzerland, and Japan, show that this model constitutes an effective mechanism for revitalizing rural areas and sustainably leveraging architectural heritage. Despite differing cultural and geographical contexts, these experiences converge on the following points:

– **Old buildings as a development lever:** All models demonstrated that old buildings can be an economic resource—not an urban burden—capable of creating a new tourism dynamic without compromising the authenticity of the place.

– **Integrating local residents into the tourism process:** Local community participation is a decisive factor in the success of the diffused hotel. Their role goes beyond hospitality to include restaurant management, organizing cultural activities, and providing services. This integration ensures social acceptance and long-term continuity of the project.

– **Environmental and social sustainability:** The experiences confirm sustainability as a cornerstone, relying on local materials, energy-efficient lighting techniques, preservation of original architecture, minimizing urban expansion, and maintaining the social fabric and cultural identity of residents.

– **Architectural identity as a key attraction factor:** Local architecture and aesthetic details (Swiss stone, Japanese wood) form part of the tourism experience, not just a backdrop.

– **Transforming villages into new destinations outside traditional tourism circuits:** Through the diffused hotel model, forgotten or endangered villages were transformed into attractive tourism destinations, helping overcome seasonality and create new tourism sites.

– **Blending heritage with luxury:** This approach opens promising prospects for developing high-end cultural tourism while adapting the model to the specificities of each destination, while simultaneously preserving local values and cultural identity.

Together, these experiences confirm that the diffused hotel model represents a comprehensive development approach blending heritage preservation, local economic revitalization, and social integration. Despite differences in natural and cultural environments, the model has proven its ability to bring life back to historic villages and transform unused architectural heritage into a sustainable source of income, creating jobs and enhancing rural attractiveness.

Given the specificities of Algerian destinations—particularly the rich architectural heritage of mountain villages, oases, and ksour—the model aligns strongly with available potential, provided it is adapted to local realities regarding the legal framework, financing of restoration operations, and integrating rural communities in management and benefit sharing. The experiences also indicate that success does not depend solely on preparing heritage buildings for repurposing; it requires an integrated strategic vision supported by public policies, including simplifying investment procedures, establishing standards for restoring traditional buildings, and encouraging partnerships between the public and private sectors and civil society.

Additionally, emphasis should be placed on building local residents' capacities in hospitality, management, and cultural activities so that the diffused hotel becomes not merely an accommodation space but a social project that links the tourist to the local environment and strengthens cultural identity. Investing in this model within Algerian rural tourism could contribute to reducing geographical disparities, diversifying the tourism economy, and sustainably valorizing heritage, providing real alternatives for local residents and preserving the architectural memory of rural destinations.

7. Conclusion

The diffused hotel model represents a promising entrepreneurial approach for revitalizing rural areas by repurposing architectural heritage and activating local material and immaterial resources in a sustainable manner. Various international experiences—whether in Italy, Switzerland, and Japan —have demonstrated this model's ability to create new economic value, stimulate traditional activities, enhance the integration of local residents into tourism activities, and reduce migration toward cities. They also showed that the success of the diffused hotel is not solely linked to architectural heritage, but also to the presence of a supportive regulatory environment, effective local partnerships, and community awareness of the importance of leveraging heritage as a tool for development.

When applying these findings to the Algerian context, it becomes evident that many rural regions—whether mountain villages, heritage sites, or desert settlements—possess the fundamental components needed to host this model. However, operationalizing it requires a strategic vision and the adoption of governance mechanisms to ensure the sustainability of projects and the protection of the social and environmental fabric of the targeted areas.

Accordingly, the diffused hotel constitutes a real opportunity for developing rural tourism in Algeria, provided it is adopted within a

comprehensive development approach that respects local specificities, invests in cultural and natural assets, and transforms villages from marginalized spaces into tourism destinations. This can be achieved by working on implementing the following proposals:

– Preparing a dedicated regulatory framework governing the restoration of traditional houses and their touristic valorization, while simplifying administrative procedures for investors;

– Providing support and financing mechanisms targeted at rural projects through small grants, participatory financing, and incentive programs for the restoration of heritage buildings;

– Strengthening the role of the local community through training in hospitality, crafts, and tourism services, and establishing cooperatives to manage diffused hotels;

– Valorizing tangible and intangible heritage by preserving traditional architecture and integrating authentic cultural activities into the tourist experience;

– Enhancing marketing and promotion efforts by adopting a national label for diffused hotels and developing digital strategies for rural tourism;

– Applying principles of environmental sustainability by using local materials in restoration, encouraging sustainable transportation, and promoting walking paths within villages.

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