SMARTIES for SMEs

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SMARTIES for SMEs Handbook

The Mediterranean Diet for sustainable and regenerative tourism

Practical models and guidelines for SMEs

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1. Introduction

This Handbook is a tool designed for SMEs in the tourism and agri-food industry, with the goal of converting the outcomes of the SMARTIES for SMEs project into practical guidance and simple, immediately applicable solutions.

In recent years, the way we travel has been undergoing a profound transformation, with growing interest in authentic, eco-friendly offerings closely linked to local-area identities.

Alongside this, businesses are called upon to integrate innovation, environmental compatibility and enhancement of local communities, developing models generating economic, social and cultural benefits.

Against this backdrop, European regenerative tourism strategies are promoting models integrating innovation, local-area resilience, environmental sustainability and local community involvement.

The Mediterranean Diet, recognised by UNESCO as Intangible Cultural Heritage of Humanity, is more than a nutritional model, it is an identity-forming and social element combining traditions, local products, landscape, well-being, companionship, hospitality and deseasonalisation.

The Mediterranean Diet is therefore a strategic driver for creating authentic, integrated and regenerative tourist experiences showcasing the bond between tourism, local areas and the agri-food system while contributing to environmental, economic and social sustainability.

This Handbook, with the Mediterranean Diet at its core as an expression of nutritional and cultural sustainability, is therefore conceived with the objective of supporting the entrepreneurial fabric and industry operators in developing low-impact and innovative offerings in the hope of providing operational tools, approaches and applicable ideas to strengthen the adaptability and quality of the SMEs.

It is aimed, in particular, at businesses interested in marketing more responsible and inclusive forms of tourism oriented towards promoting local resources and the green and digital transition of the tourism industry, and open to embracing sustainable and regenerative renewal and fostering authenticity, competitiveness and local-area connection.

2. SMARTIES for SMEs

The SMARTIES for SMEs project, from which the Handbook originates, is an initiative co-funded by the Single Market Programme 2021-2027, which supports tourism SMEs in the Mediterranean region on the path of sustainable innovation and the twin green and digital transition, promoting the most sustainable, innovative and resilient tourism models.

SMARTIES for SMEs values an integrated approach linking tourism, local areas and the agri-food system, recognising the Mediterranean Diet as a strategic element for developing authentic and sustainable experiences, strengthening business competitiveness and generating value for local areas and communities.

The project is developed along three main strategic lines:

- regenerative tourism based on active involvement of local communities and the showcasing of local areas;
- synergies between tourism and the agri-food system, with particular reference to the Mediterranean Diet as cultural heritage and a sustainability model;
- green and digital transition of tourism SMEs in order to improve their innovation, quality and the competitiveness.

To achieve these goals, the project has created a Mediterranean ecosystem through a series of integrated actions, such as communication and information-sharing activities, operational tools and supporting processes aimed at businesses in the industry.

This ecosystem has strengthened synergies between the tourism and agri-food sectors, fostering networking, knowledge exchange and collaboration among stakeholders across the Mediterranean region. It has also supported tourism SMEs through research, capacity-building activities, the promotion of best practices and innovative projects, contributing to the development of a more sustainable, innovative and resilient tourism offer inspired by the Mediterranean Diet model.

The main initiatives include:

- international networking events to foster sharing of experiences and good practices;
- research activities and capacity building to strengthen SMEs' skills and abilities in innovation;
- a European communication campaign to publicise the outcomes and models developed;
- creation of the Mediterranean Diet Handbook, conceived as a practical tool to support businesses and a foundation for future guidelines and transferability actions.

The cornerstone of SMARTIES for SMEs is the technical and financial support provided of 75 innovative projects, selected through a European call in five Mediterranean countries: Cyprus, Portugal, Greece, Slovenia and Italy.

In each country, 15 winning projects - demonstrating outstanding creativity and innovative potential, long-term sustainability and replicability in the tourism industry - received the sums provided by the project and allocated to the twin green and digital transition, with a financial support of up to €25,000 per project.

The funded innovative projects focused on three main areas: green and digital transition, regenerative tourism, and synergy with the agri-food ecosystem.

Alongside this direct support, the project included extensive analysis to identify needs and excellence in the industry.

This mapping work forms the fact-finding basis for the project's entire methodological approach, which naturally evolves from the investigation of the Compendium to the operational applicability of the Handbook.

3. From Compendium to Handbook

The Compendium constitutes the analytical basis of the SMARTIES for SMEs project. This document collects, organises and analyses an extensive set of good practices developed by tourism SMEs in the Mediterranean area, resulting from quantitative research involving 11 focus groups with selected stakeholders and 250 interviews with businesses in the partner regions of Italy (Tuscany), Greece (Xanthi), Portugal (Madeira), Slovenia (Maribor) and Cyprus (Pafos). The main objective was to map needs, experiences and replicable models to support the dual green and digital transition. The main objective was to map needs, experiences and replicable models to support the dual green and digital transition.

Through this mapping work, the Compendium highlights significant solutions relating to business model sustainability and integration between tourism and local areas and communities.

The practices collected reflect innovative approaches ranging from regenerative tourism and promotion of short supply chains to adoption of digital technologies in order to optimise business management and the visitor experience. Against this backdrop, the Mediterranean Diet emerges as a transversal connecting element, integrating the cultural, economic and environmental spheres of the agri-tourism system.

The Handbook comes to life as the operational evolution of the Compendium. The good practices analysed here are reworked and transformed into accessible and immediately applicable tools for SMEs. Specifically, the Handbook includes:

- practical guidelines on adoption of sustainable and regenerative tourism models;
- concrete examples of solutions already successfully tested in the Mediterranean;
- models that can be replicated and adapted to a variety of entrepreneurial and local settings.

Through this transition, the project achieved its objective of facilitating the passage from analysis to action, providing businesses with the necessary operational tools to manage change and support innovation processes in line with European sustainability and digitisation objectives.

4. Reference models for SMEs

The reference models presented in this section focus on five key areas:

- tourism and the agri-food chain - the Mediterranean Diet;
- regenerative tourism and local communities;
- local-area cooperation and networking;
- innovation and digital transition;
- beyond the horizon - case studies and future innovations.

These models are practical tools for businesses, built on the good practices of the SMARTIES for SMEs project and converted into templates applicable to different local-area settings.

The aim is to convert tried and tested experiences into replicable solutions that generate value for businesses and local areas.

Each reference model is further explored through specific perspectives, going beyond the original thematic areas and selection criteria used for the funded projects.

Where relevant, some reference models are further articulated into subcategories, such as "Rural experiences and social impact", "Product innovation and digital storytelling", and "Service automation and the customer journey", highlighting specific approaches and contexts of application.

4.1 Tourism and the agri-food chain - the Mediterranean Diet

The first model relates to integration between tourism and the agri-food chain through the Mediterranean Diet, perceived not merely as an eating style but as a cultural, productive and identity-forming system for the local areas.

The model proposes an approach that enables businesses to transform local food and wine heritage into a well-thought-out tourist experience featuring food, culture and traditions as key elements of the offering. In this sense, an area is no longer simply a destination to visit, but a system to discover, understand and engage with.

Businesses can develop tourism products based on the Mediterranean Diet through various types of integrated activities, including:

- tastings of local and seasonal products;
- catering experiences relating to traditional cuisine;
- visits to local farms and producers;
- food and wine tours in the area;
- experiential tourism activities relating to food and production traditions.

Rural experiences and social impact

This specific area converts the principles of regeneration into real-world actions, demonstrating social inclusion and protection of farming communities as added value for the host.

Pilot projects analysed in this section:

1. CANDIED TOMATOES (Slovenia) - Social inclusion and food upcycling in Slovenia.

2. THE LOCALS' TABLE (Italy) - Supply chain and soft mobility integration in Tuscany.

1. CANDIED TOMATOES – HUDO DOBRO – PREKMURJE, SLOVENIA



CANDIED TOMATOES – HUDO DOBRO = SOCIAL INCLUSION & FOOD UPCYCLING

The HUDO DOBRO Institute, in the heart of Prekmurje, Slovenia, is a private organisation functioning as an employment centre for people with disabilities. True to the values of craftsmanship and tradition, the Institute challenges mass production through manual work. It excels in combining circular economy, waste reduction and social impact in the heart of local food production.

The Candied Tomatoes initiative tackles the issue of food waste by recycling local tomatoes surpluses produced in the Pomurje region using a new technological candying process. Thanks to partnerships with local farmers and manual work, these surplus items are transformed into high-quality gourmet snacks in both savory and sweet varieties.

The action

- Creative recycling: transformation of surplus tomatoes (aesthetic or outsize rejects) into candied culinary delicacies, preventing tonnes of product from being disposed of as agriculture waste;

- Social impact: active employment of people with disabilities in the production process, raising the ethical value of the final product and promoting inclusive employment through craftsmanship.

Replicability guidelines

- Social life as added value: integrating social inclusion not only as a charitable act but as a distinctive element of brand narrative and product quality;

- Symbiosis with the land: building alliances with agricultural producers in the same municipality to intercept waste at source, converting it from a disposal cost to a revenue opportunity.

2. THE LOCAL'S TABLE – TRAVEL ITALY GURU – PISA, ITALY



TRAVEL ITALY GURU

THE LOCALS' TABLE

THE LOCAL'S TABLE – TRAVEL ITALY GURU = SUPPLY CHAIN & SOFT MOBILITY INTEGRATION

Travel Italy Guru is a company specialising in experiential tourism in the Tuscany area, in Italy, focusing on creating profound connections between travellers and the authentic identity of rural life.

The Locals' Table is a project that develops 'soft mobility' tours connecting visitors with local micro-producers. Through bicycle tours, seasonal cooking workshops and visits to farmers' markets, this company transforms the Mediterranean Diet into a real-life experience, providing visibility and income for small partner farms.

The action

- Rural connection and accessibility: tour packages including cooking workshops and visits to farmers' markets also suitable for people with disabilities or with specific needs;
- Slow tourism: harnessing cycle tourism to reduce environmental impact and encourage slow exploration.

Replicability guidelines

- Cultural mediation: acting as a genuine bridge between local communities and visitors;
- Deseasonalisation: showcasing the rituals of the land to attract tourists all year round.

Product innovation and digital storytelling

The evolution of the tourism market is requiring SMEs to reinvent their traditional offering, transforming local products into true interactive experiences.

Innovating the product does not mean altering it but enhancing it through digital storytelling.

Strategic use of web platforms, QR codes and multimedia content makes it possible to trace the supply chain, communicate authenticity and connect travellers with the true identity of the local area even before they arrive, transforming consumption into a mindful cultural act.

Pilot projects analysed in this section:

1. The Veggie Burger Project (Portugal) - Tradition and culinary sustainability in Madeira.

2. Irpinia Green Escape (Italy) - Professional storytelling and digital conversion in Avellino

1. THE VEGGIE BURGER PROJECT – NATURE XTRACTS - MADEIRA, PORTUGAL



THE VEGGIE BURGER PROJECT – NATURE TRACTS = CULINARY TRADITION & SUSTAINABILITY

NatureXtracts S.A. is a biorefinery company dedicated to the production and commercialization of essential oils, natural extracts, and dietary supplements.

The Veggie Burger project is a collaboration between regional producers and chefs with the aim of enhancing local pulses and vegetables. It focuses on creating culinary solutions that respect the identity of the Mediterranean Diet while adopting modern formats.

The Veggie Burger Project demonstrates how traditional cuisine can evolve to meet travellers' demand for sustainability and new habits, without losing touch with its local roots.

The action

This initiative aims to give the fruits of the earth a key role in the tourist offering:

- Spotlight on regional ingredients - using microalgae chickpeas, mushrooms and traditional pulses in innovative recipes such as vegetarian burgers that honor the authenticity of Portuguese and Mediterranean cuisine, promotes local biodiversity in a creative way that appeals to international tourists;

- Reducing environmental impact - choosing short supply chains and plant-based ingredients dramatically reduces the carbon footprint of production, offering a culinary experience that is ethical and sustainable.

Replicability guidelines

- Renewing tradition with creativity: SMEs can reinterpret traditional dishes in order to target new niche markets (vegetarians and eco-conscious tourists);

- Shortening the supply chain: creating stable partnerships between restaurants and small local producers to ensure freshness, quality and authentic storytelling about the local area.

2. IRPINIA GREEN ESCAPE: SUSTAINABLE TOURISM AWAITS YOU - VITIGNI IRPINI – AVELLINO, ITALY



IRPINIA GREEN ESCAPE – VITIGNI IRPINI = STORYTELLING & DIGITAL CONVERSION

The company Vitigni Irpini, located in Avellino, Campania, was founded to promote the great indigenous grape varieties of Irpinia through digital marketing and professional storytelling.

Irpinia Green Escape is a digital ecosystem that is transforming wine storytelling into a sustainable travel experience, linking online content to physical tours of the wineries and landscapes of Irpinia.

The action

- Promoting excellence: production of multimedia content illustrating the bond between the land and grape varieties;
- Bridging the digital and real worlds: facilitating direct contact between visitors and producers to increase winery tours.

Replicability guidelines

- Humanising the brand: introducing the people and places behind the label in order to build trust;
- Niche identities: focus on indigenous grape varieties as a unique element of local-area appeal.

4.2 Regenerative tourism and local communities

The second model focuses on regenerative tourism, an approach in which tourism not only reduces impact but actively contributes to enhancing the area and strengthening local communities. Residents play an integral part in creating the offering, through co-creation processes, showcasing their identity and traditions. The role of businesses is therefore to develop shared experiences generating widespread value and economic, social and environmental benefits in a balanced manner for the overall sustainability of local areas.

The main types of activities include:

- tourist activities co-created with local residents and stakeholders;
- cultural events related to local traditions;
- authentic experiences based on local life and customs.

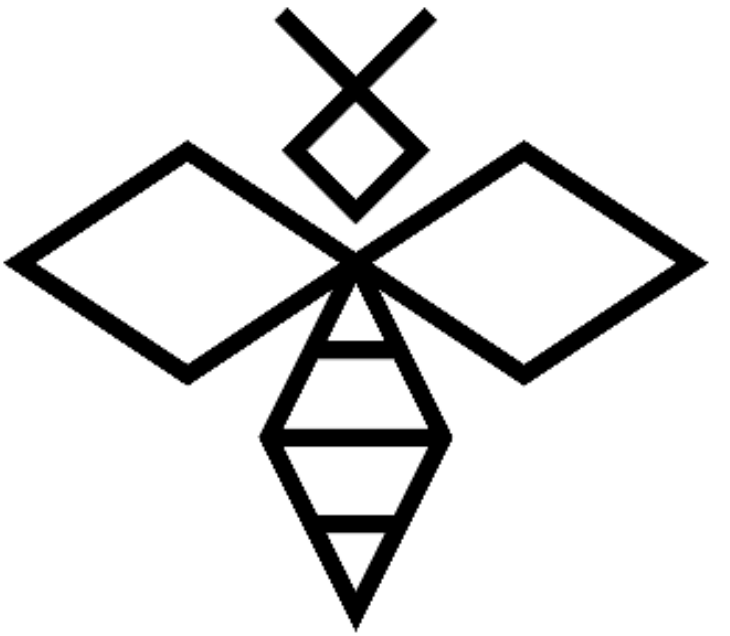
Pilot projects analysed in this section:

1. The BeeGreen Project (Slovenia) - Circularity, biodiversity and digital culture in Maribor.

2. EnterinBo (Italy) - Urban regeneration, social agriculture and hospitality in Bol

1. **THE BEEGREEN PROJECT – HOTEL ARENA** (EUROTAS HOTELS) **MARIBOR, SLOVENIA**





THE BEEGREEN PROJECT – HOTEL ARENA = CIRCULARITY & DIGITAL CULTURE

The BeeGreen project, developed by Eurotas Hotels at the Hotel Arena in Maribor in Slovenia, represents an excellent case of how a hotel chain can evolve towards regenerative tourism, transforming its green area into an active laboratory of biodiversity and involvement of the local community.

The action

This initiative is developed through a multidisciplinary approach combining preservation of biodiversity with the showcasing of local excellence:

- Restoration of the local ecosystem - installation of beehives and 'insect hotels' (shelters for pollinating insects) at the facility directly contributes to regeneration of the local flora, highlighting the essential role of pollinators in agriculture and biodiversity;

- Interactive and digital education - creation of an integrated educational journey using QR Code technology enables guests to access informative content on organic production and the importance of sustainability, so that guests can participate in the regeneration process;

- Integration into the agri-food chain - partnership with local bee-keepers makes it possible to include honey and local products directly in the hotel's culinary offering, reducing transport emissions and shortening the supply chain, thus supporting the proximity economy.

Replicability guidelines

- Creating experiential educational journeys: SMEs can use simple digital tools (like QR codes) to transform their green spaces into 'open-air museums', without visually impacting the landscape, thus raising environmental awareness among the international public;

- Partnerships with specialised manufacturers: cooperation with local experts (such as Slovenian bee-keepers, in this case) builds visitor confidence and provides direct economic benefits for the local area;

- A model replicable on a large scale: BeeGreen demonstrates that good regenerative practices can be standardised and replicated at different sites (as envisaged by the Eurotas vision), creating a 'green' brand identity that is coherent and competitive.

2. ENTERINBO - ETA BETA COOP. SOC. ONLUS – BOLOGNA, ITALY







ENTERINBO – ETA BETA COOP. SOC. ONLUS = REGENERATION & HOSPITALITY

Eta Beta Cooperativa Sociale is a historic cooperative in the Municipality of Bologna that has long been committed to combining inclusive employment, craftsmanship and social agriculture within regenerated urban spaces.

The ENTERINBO project is a model of hospitality and social agriculture at the multifunctional centre Salus Space, aimed at creating a direct connection between residents, vulnerable people and visitors.

The action

- Community gardens: management of communal green spaces for zero-km food production;
- Inclusive workshops: on cooking and craftsmanship, actively involving visitors in community life, involving the development of new, accessible and inclusive tourism packages for people with disabilities or with specific needs.
- Mobility and digital: cycle tourism, cultural walks, and implementation of digital tools like QR codes and online platforms to enhance the overall experience and accessibility.

Replicability guidelines

- Co-planning: involving the third sector in order to offer an ethical tourist experience;
- Inclusion as a driver: placing the social value of the business at the heart of the appeal.

4.3 Local-area cooperation and networking

Cooperation is a tool enabling small businesses to overcome size-related challenges. By forming networks, SMEs can share costs and expertise in order to tackle the dual (digital and green) transition. This model transforms a collection of individual businesses into a single, cohesive destination capable of competing in international markets using advanced technological tools.

Pilot project analysed in this section:

1. SOLARE SMART OPERATIONS (Italy) — local-area networking and artificial intelligence on Mount Pisano.

1. SOLARE-SMART OPERATIONS FOR LOCAL AI-DRIVEN REGENERATIVE EXPERIENCES - DMC MONTEPISANO – SAN GIULIANO TERME, ITALY

SOLARE – DMC MONTEPISANO = NETWORKING & ARTIFICIAL INTELLIGENCE

DMC Montepisano is a Destination Management Company in San Giuliano Terme, Italy, coordinating the Monte Pisano business network.

SOLARE is a local-area digitalisation system providing local micro-enterprises with advanced joint promotion technologies.

The project aims to strengthen the synergy between Tuscan DMCs and DMOs, promoting slow and sustainable tourism through digital innovation. It develops an AI-Travel Planner with a ChatBot to create customised tourism packages focused on local products and authentic experiences, supporting SMEs in improving their online visibility, promotion activities and digital transition.

The action

- Network governance: coordination of micro-businesses and partners (farms, producers and guides) under a single local-area brand;
- AI-Travel Planner: digital assistant for creating customised and sustainable tours.

Replicability guidelines

- Joining forces: creating formal networks in order to access technologies (AI) otherwise unavailable to individuals;
- Systemic vision: promoting the local area as a single ecosystem in order to strengthen the brand's identity

4.4 Innovation and digital transition

Digitalisation is not merely a technological advancement but a key strategic driver for the SMEs in the modern tourism industry. This model explores how adoption of digital solutions makes it possible to optimise operational management, expand visibility in international markets, and customise experiences, for a more accessible and inclusive offering.

The competitive advantages of digital transformation

Digital technologies function as tools enabling:

- maximum visibility - promoting the offer through direct and targeted channels;
- business scalability - reaching and managing larger customer flows without overloading the facility;
- a richer customer journey - improving interaction with visitors at every stage (inspiration, booking, the stay itself and post-trip);
- efficient processes - automating repetitive tasks to free up human resources for high-quality hospitality.

Key tools of the model

Implementation of this model relies on three main technological pillars:

- direct booking systems (booking engines) - to minimise brokering and improve margins;
- digital communication strategies - for building a relationship of trust and identity with the target audience;
- integrated ecosystems and platforms - for connecting SMEs with local services (smart destinations).

In short, this model not only modernises businesses but also strengthens their resilience, enabling them to adapt quickly to global market developments and blend technological innovation with sustainability goals.

Service automation and the customer journey

This specific area explores the integration of artificial intelligence and data management solutions in order to optimise guest care and make booking and accommodation processes smooth and instant.

Pilot project analysed in this section:

1. ALIATHON TRAVEL DIGITAL TRANSFORMATION (Cyprus) - Digital ecosystem and paperless processes in Paphos.

2. AI AGENT FOR TABLE RESERVATION (Slovenia) - Intelligent booking systems for catering in Maribor.

1. ALIATHON TRAVEL DIGITAL TRANSITION 2.0 – ALIATHON RESORT - PAPHOS, CYPRUS

aliathon
RESORT

ALIATHON TRAVEL DIGITAL TRANSITION 2.0 – ALIATHON RESORT = 3 PILLAR ECOSYSTEM

To see how the principles of digital transition translate into a real competitive advantage, let's take a look at the Aliathon Resort project.

The accommodation facility, located in Paphos (Cyprus), represents a model of digital transition applied to a large operating context with high management complexity.

The action

To harmonise services and dematerialise processes from a dual transition perspective and elevate guest satisfaction, the facility combined three key technologies:

- 'Mila' AI Chatbot (customer engagement) - multilingual and multichannel virtual assistant, active on the web and social media with 24/7 messaging for managing real-time enquiries and optimising guest engagement;
- Registration & Passport-Scan - online system that digitalises check-ins, document scanning and payments. Integration with the central software (PMS) ensures a paperless, accurate and queue-free process;
- Card System Interface - single interface connecting the switchboard (PBX), point-of-sale (POS) and in-room services to the reservation system in real time, optimising revenue and billing.

Replicability guidelines

- Interoperability - the value lies in the ability of software to communicate with the central management system (PMS);
- Sustainable digitalisation - dematerialising arrival flows combines operational efficiency with reduced environmental impact;
- Automation with identity - artificial intelligence must reflect the brand and extend its welcome, relieving staff of repetitive administrative tasks;
- data-driven governance - integration of POS systems and services enables precise, real-time control of the facility's financial flows and planning of future investments.

2. AI AGENT FOR TABLE RESERVATION IN HOSPITALITY - F.R.D.

MARIBOR, SLOVENIA

F.R.D.

Član skupine
Business Point



AI AGENT FOR TABLE RESERVATION IN HOSPITALITY – F.R.D. D.O.O. = AN INTELLIGENT RESERVATION SYSTEM

The F.R.D. d.o.o. pilot project in Maribor, Slovenia, focuses on the digital transformation of a specific yet vital process for catering and hospitality, namely AI Agent booking optimisation for table management, capable of interacting in real time and making complex managerial decisions.

The action

- Natural language communication - AI interacts with guests in a fluid and human manner, handling requests and queries without immediate intervention by staff;
- Dynamic space management - the system manages flexible calendars and automatically combines tables to maximise venue capacity based on real-time demand;
- Real-time data integration - by constantly synchronising availability, AI drastically reduces human error and the risk of overbooking.

Replicability guidelines

- Efficiency and sustainability - knowing the precise flows of guests in advance enables shrewd kitchen management, reducing food waste and optimising resources;
- Automation for quality - delegating bookings to AI frees staff from bureaucratic tasks, allowing them to focus exclusively on caring for the guests in the restaurant;
- Revenue management for SMEs - flexible space optimisation, previously only accessible to large chains, is becoming possible for small businesses thanks to artificial intelligence;
- Internationalisation - a multilingual AI agent removes language barriers, enabling the local SME to be competitive, and welcoming and immediately accessible to an international audience.

4.5 Beyond the horizon - case studies and future innovations

This section presents other high achievers from the SMARTIES for SMEs project that have succeeded in anticipating market trends and offering cutting-edge solutions in the areas of management efficiency and immersive experiences.

Rather than focusing on a single thematic area, this model highlights emerging approaches that combine digital transition, sustainability, and local supply chain valorisation, showing how Mediterranean SMEs can develop innovative and resilient tourism solutions.

Benefits and practical solutions

- Agri-food synergy **-** integrating local agricultural production into catering to ensure freshness and reduce environmental impact;
- Digital enhancement - use of innovative technologies (augmented reality, holograms and dedicated platforms) to strengthen visitor engagement and the connection with local identity;
- Extension of the customer journey **-** digital connection between guests and local area that continues post-trip, supporting craftsmanship and the local economy.

Pilot projects analysed in this section:

1. TIS PITSAS MEZEKLIKIA (Cyprus) - Dual transition and integrated channels in Prodromi.

2. PALAIA POLIS (Greece) - Connection between industry and food & wine culture in Xanthi.

3. SHARING THE PASSION OF PASSION FRUIT (Portugal) - Agri-tourism diversification and preservation of biodiversity in Madeira.

1.TIS PITSAS MEZEKLIKIA – POLILAND HOLIDAY SHOP - PRODROMI, CYPRUS



TIS PITSAS MEZEKLIKIA = TWIN TRANSITION & INTEGRATED CHANNELS

TIS PITSAS MEZEKLIKIA, founded on the fusion of the traditional Cypriot *meze* and contemporary catering, combines an alliance with the local agricultural supply chain, with a strong innovative drive to redefine sustainable and inclusive catering in the Prodromi area of Cyprus.

The action

- Green transition - implementation of concrete sustainable practices including use of energy efficiency measures, systematic recycling and sourcing from local suppliers to reduce environmental impact and support the community;
- Digital innovation - introduction of cutting-edge technologies, including holograms, QR codes in augmented reality (AR) and advanced management software, to enhance both cultural storytelling and operational efficiency;
- Regenerative and agri-food tourism - showcasing of Cypriot cuisine through modern interpretations, organisation of cultural events and close partnerships with local farmers, ensuring the freshness of raw materials and stimulating the regional economy.

Replicability guidelines

- Cultural efficiency and preservation - integration of digital tools (AR and holograms) enables optimal in-house management while enriching the visitor experience through storytelling about local culture;
- Local-area and community synergy - direct cooperation with the local agricultural supply chain demonstrates how an SME can generate a positive economic and environmental impact for the entire community.

2. PALAIA POLIS – XANTHI, GREECE



PALAIA POLIS = CONNECTION BETWEEN CATERING INDUSTRY & WINE CULTURE

The PALAIA POLIS restaurant pilot project focuses on showcasing the culinary and cultural heritage of the Thrace region of Greece by directly linking tourist flows with local agri-food production thanks to a philosophy oriented towards sustainability and authenticity.

The action

- Green transition - strategic and close cooperation with local producers and absolute emphasis on using fresh and seasonal raw materials, shortening the supply chain and reducing the environmental impact of transport;
- Showcasing identity - creating a culinary experience that preserves the traditional practices of Thrace, supported by a careful selection from the restaurant's wine cellar (Greek and international labels) to combine the art of tasting the esteemed local wine with native cuisine;
- Regenerative tourism - positioning the facility as a cultural landmark for residents, and national and international visitors, keeping economic value within the community and promoting the sub-region.

Replicability guidelines

- Zero-km catering - closely integrating menus with seasonal cycles and local micro-producers transforms catering into an economic driver for the local agri-food ecosystem;
- Enhancement of the historical heritage - combining the excellent food and wine offer with the preservation of historic structures (such as a well-preserved mansion of the late 19th century) allows you to create an authentic and non-relocatable tourist product.

3. SHARING THE PASSION OF PASSION FRUIT - VISITUNIVERSAL - UNIPESSOAL, LDA - MADEIRA, PORTUGAL

SHARING THE PASSION OF PASSION FRUIT = AGRITURISM DIVERSIFICATION AND SAFEGUARDING OF BIODIVERSITY

The Visituniversal company of Madeira, Portugal, focusing on large-scale commercial production of Madeira's passion fruit, integrates original agriculture with the tourism industry to strengthen sustainability and preservation of rural identity.

The action

- Green transition - active preservation of traditional agriculture through experimentation in the field, development of new cultivars and the safeguarding of historic varieties of passion fruit cultivated in Madeira for nearly two centuries;
- Regenerative and experiential tourism - development of practical laboratories and workshops for tourists covering culinary history, cultivation techniques and cultural practices within a specially constructed experimental field;
- Integration of the hospitality ecosystem - developing partnerships with local hotel entertainment departments and use of social media to channel tourist flows towards the agricultural hinterland, constantly collecting feedback via digital questionnaires for optimisation of the service.

Replicability guidelines

- Agricultural storytelling - transforming a traditional agricultural product into a tourist attraction through hands-on education increases visitor awareness and creates a strong brand identity for the SME.

5. Strategic roadmap: applying innovation

For a Mediterranean tourism SME, green and digital transition (dual transition) cannot be the result of fragmented interventions but requires a systemic and sequential approach.

The strategic roadmap is outlined below through three key implementation steps, designed to transform theory into measurable competitive advantage.

5.1 Sustainability audits and circularity

The starting point is analytical measurement of the business's environmental impact, mapping the entire value chain (energy, waste and supply):

- energy diagnostics and resource management - assessment of consumption and waste, machinery efficiency and water footprint in order to identify immediate actions, such as integration of renewable energy sources (e.g., solar thermal/photovoltaic) or circular waste management systems;
- other SMARTIES for SMEs pilot initiatives notably include the approach adopted by Fajã dos Padres in Madeira, an agricultural property with a 500-year history located in a remote area between a beach and a 300-metre-high cliff, which promotes sustainable tourism while preserving the site's natural and cultural heritage. The project envisages the development of the Cisterna Museum House as a hub for heritage interpretation, alongside eco-friendly water management solutions designed to improve resource efficiency in this geographically challenging context, including solutions that reduce water consumption and produce organic fertilisers for agricultural use;
- supply chain mapping - analysis of supply origin in order to calculate logistical impact and foster business partnerships that cancel out intermediate steps, supporting the local economy.

5.2 Targeted digital integration and problem-solving

Technology should not be adopted because it is 'fashionable' or in the spirit of emulation but, rather, to resolve operational bottlenecks or unlock new market opportunities:

- Digitalisation of in-house processes - optimising management systems, automating bookings and going paperless (dematerialisation). The transition to fully digital registers and management systems allows SMEs to significantly reduce paper consumption, reducing environmental impact and increasing internal operational efficiency;
- Enhancing the customer experience - strategic use of artificial intelligence, augmented reality (AR) or holograms not merely as attractions but as advanced cultural storytelling channels that are capable of communicating the origin of dishes or the biological richness of an ecosystem prior to the physical experience. One example is the Tis Pitsas Mezeklikia pilot project (Cyprus), which integrates digital innovation in order to tell the story of the local culinary tradition, making technology a bridge to the area's cultural identity.

5.3 Experience design and local-area storytelling

Regenerative tourism products must blend the commercial offering with the anthropological and natural identity of the local area of origin.

- The Mediterranean Diet as a cultural asset - the Mediterranean Diet should not be perceived simply as a menu offering (the food on the plate), but as a genuine lifestyle, UNESCO heritage to be shared. The Design of the experience must connect the catering industry with slow tours, visits to producers and hands-on educational workshops, like those on the history and cultivation of passion fruit by Visituniversal;
- Co-planning with local operators - creating destination clusters in which restaurants, boutique hotels, guides and local artisans work together to offer an integrated and valuable experience, keeping economic wealth in the area and deseasonalising visitor flows.

6. Support tools for businesses

This Handbook functions as an operational compass, designed to help SMEs navigate the ecosystem of resources, skills and networks generated by the SMARTIES for SMEs project.

No business should have to face the transition alone.

6.1 Technical support, mentoring and training

Access to expertise is the first pillar for bridging the skills gap/mismatch typical of micro-enterprises.

Through the re-analysis of the SMARTIES for SMEs pilot projects presented in this Handbook, tourism SMEs can access practical experiences, replicable approaches and lessons learned developed within the project. Complementary resources, including the Compendium, webinar materials and other project documentation available through the SMARTIES for SMEs website (https://smartiesforsmes.eu/) and communication channels, further support knowledge sharing and provide additional inspiration for businesses interested in adopting more sustainable and digital practices.

- SMARTIES for SMEs mentoring activities - mentoring activities and webinars supported participating SMEs in strengthening their knowledge and competences related to sustainability and digital transition. The experience gained through these activities contributed to the practical approaches presented in this Handbook.
- Transfer of practical skills - the Handbook, together with the Compendium and other SMARTIES for SMEs resources, provides practical examples and transferable good practices derived from the pilot projects. SMEs can use these materials as a reference to develop integrated offerings with local producers, improve the use of digital tools and adopt more sustainable business practices.

6.2 Collaborative networks and local-area clusters

Networking is not merely a relational dynamic but an enabling factor in economic efficiency and reduced transition costs.

- Economy of scale for SMEs - by creating formal or informal networks, small businesses can share the fixed costs associated with adoption of new technologies (e.g., shared software platforms) or international promotion;
- Cross-sectoral synergies - stimulating structured dialogue between the hospitality sector, the agri-food industry and technology (ICT) providers. A strategic partnership between traditional catering and local boutique hotels amplifies the visibility and profitability of both parties.

6.3 Sharing platforms and digital ecosystems

Digital networking enables businesses to project themselves on global markets while maintaining a dimension and identity firmly rooted in their local area.

- Integration into destination channels - methodological guidelines for interfacing with shared marketplaces and e-commerce platforms by embedding the individual SME's offering into the entire digital customer journey of the modern traveller, from pre-trip to post-trip;
- Data sharing for sustainability - participation in clouds or open databases to aggregate environmental and satisfaction metrics (e.g. digital questionnaires of service evaluation), in order to monitor the state of visitor health of the overall destination.

7. Analysis and validation of pilot projects

The strategic value of SMARTIES for SMEs does not end with the time constraints of individual funding but lies in the creation of an architecture of modular and upgradeable models generating a multiplier effect throughout the Mediterranean basin.

The 75 pilot projects supported by the SMARTIES for SMEs programme in various Mediterranean countries are an open-air workshop constituting irrefutable empirical evidence.

- Proof of concept - these real-life cases demonstrate that technological innovation and green transition are not exclusive to large hotel chains or multinationals but are also fully accessible and sustainable for micro-enterprises and sole proprietorships;

- Validation in the field - each pilot project constitutes a validated and concrete benchmark that reduces the risk of future investment. One such example, among other projects, is the House of Shadow in Xanthi, Greece, a museum-workshop combining circular economy and regenerative tourism through upcycling. Litter collected in the local area is transformed into shadow sculptures, demonstrating that sustainability can become a unique and educational tourist attraction.

7.1 Performance indicators (KPIs) for SMEs

In order to objectively assess the success of the transition, the Handbook adopts a set of indicators that can be quantified and monitored over time, divided into strategic areas:

Area of Impact	Performance Indicator (KPI)	Practical Objective for the SME
Environmental Sustainability	% reduction in annual energy and water consumption	Cutting bill costs and optimising resources.
	Tonnes of CO2 equivalent saved	Reducing the business's carbon footprint.
	% of food, organic and packaging waste sent for recycling/upcycling on the total produced	Transitioning to a zero-waste model.
Digitisation for Efficiency	% of business processes managed digitally	Reducing paper use in favour of digital records and management.
	% increase in direct online bookings	Reducing dependence on large Online Travel Agencies and increasing margins.
	Digital visitor engagement rate	Effective use of QR codes, AR or holograms for storytelling.

8. Criticality analysis and mitigation strategies

The green and digital transition path for micro- and small enterprises in tourism is not without obstacles. Understanding the operational, cultural and financial barriers that operators encounter in the field is the first step towards defining effective mitigation strategies for transforming weaknesses into opportunities for long-term growth and resilience.

8.1 The skills gap and skills “mismatch "

Adoption of innovation within SMEs does not depend solely on financial resources but is closely linked to management and training of the personnel involved.

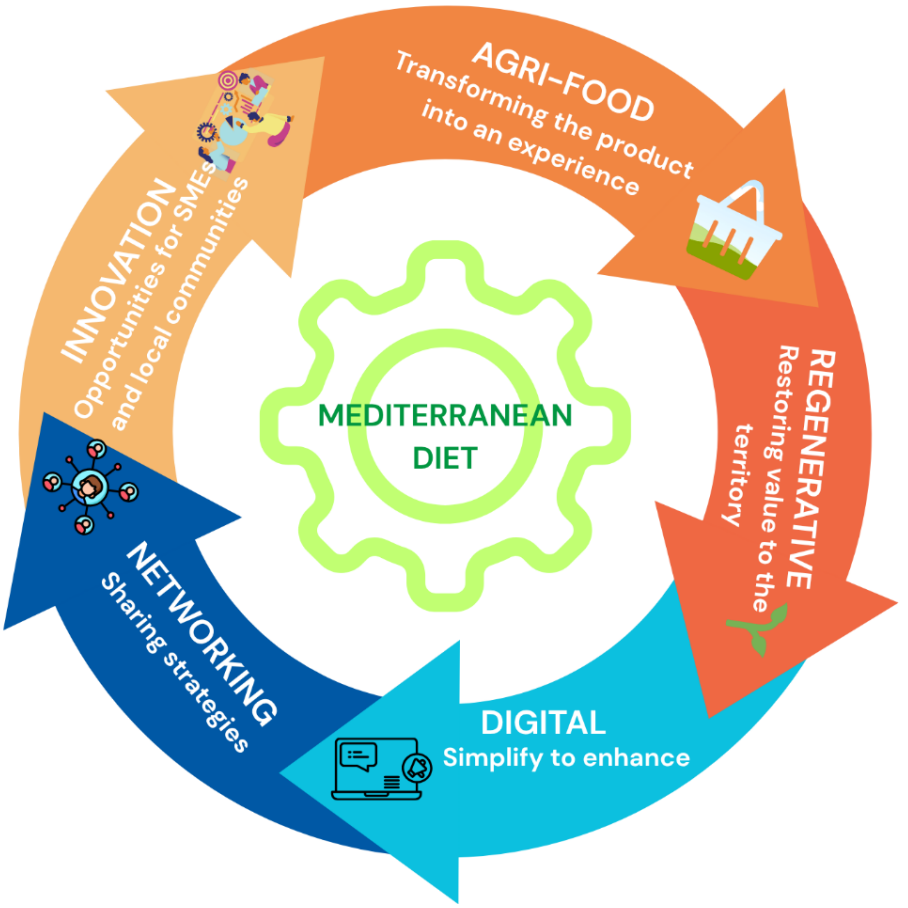
- Management complexity - advanced tools like AI-assisted software require technical skills often not possessed by traditional tour operators. The CYDIVER project (Paphos, Cyprus), focusing on sustainable diving tourism, shows that introducing an advanced mobile application for mapping diving sites and collecting real-time data on marine biodiversity requires a significant and unforeseen training effort for diving centre staff;
- Mitigation strategy - it is crucial to reject 'black box' technological solutions and obtain intuitive user interfaces from suppliers. The networking and mentoring phases of the SMARTIES programme play a key role in bridging this gap, promoting a corporate culture oriented towards innovation and active involvement of staff.

8.2 Resistance to change and financial constraints

- The trap of inertia - “We’ve always done it this way” - is the biggest risk to SME survival. Innovation is often perceived as an unnecessary cost or complication rather than a long-term investment;
- Mitigation strategy **-** promoting the logic of small steps (*quick wins*). Implementing zero-cost solutions (such as dematerialisation or short supply chain) first, to demonstrate immediate cost savings, increases entrepreneurs’ confidence before moving on to more complex investments.

9. The role of the Mediterranean Diet in building a permanent regenerative tourism model

SMARTIES for SMEs identifies the Mediterranean Diet as the strategic framework in driving the green and digital transition, generating widespread value for SMEs and local areas and communities.



This infographic illustrates the circularity of the SMARTIES for SMEs model. The Mediterranean Diet is perceived not only as culinary heritage but also as a cultural driver activating deep synergies between tourism and agri-food ecosystems.

Through digital innovation, networking and a regenerative approach, local products are transformed into a high-quality experience, bringing economic and social value to communities and enhancing host areas.

The outcomes of the SMARTIES for SMEs programme offer a clear overall vision on the future of the tourism industry in the Mediterranean region.

The twin transition is no longer an option but an essential requirement for competitiveness and the very survival of small and micro-enterprises on the international market.

The experience of SMARTIES for SMEs shows that the twin (green and digital) transition is the only way to ensure the resilience of Mediterranean tourism. Its main recommendations include:

- Simplifying access to funding for micro-enterprises, reducing bureaucracy for small transition projects;
- Encouraging circular and regenerative economy models through tax relief or incentives in public tenders;
- Funding ongoing training on digital and environmental skills as a permanent strategic objective for the industry.

The future of tourism must look beyond 'not harming' the environment (sustainability) and aim, instead, to regenerate it, actively improving the local ecosystem and the well-being of host communities. The 75 SMARTIES for SMEs pilot projects set the course, and now it is up to the tourism industry to adopt models to transform tourism from a consumer industry to a driver of local-area revival.

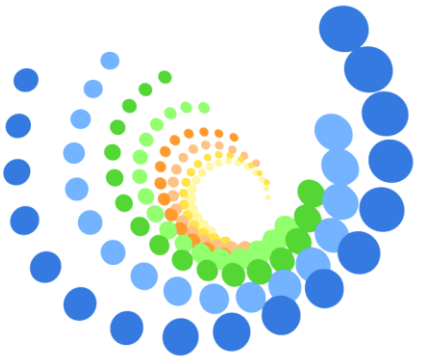
By 2030, the success of Mediterranean destinations and businesses will depend on three interconnected pillars:

- Regenerative tourism - The goal transcends passive sustainability. It is no longer simply a matter of 'not polluting' but of actively working to leave the area in a better condition, generating value for host communities;
- Hyper-customisation - Thanks to data analytics and AI, SMEs, too, can offer tailored services in real time, calibrated to the ethical, environmental and health values of individual travellers;
- Evolved skills - The profile of the traditional operator is enriched by the ability to combine the culture of hospitality with the strategic management of complex digital ecosystems.

The content of this handbook expresses solely the views of the authors and does not necessarily reflect the official opinion of the European Commission, the Executive Agency for Small and Medium-sized Enterprises (EISMEA) or any other body of the European Union. European institutions and agencies shall not be held responsible for any use made of the information contained herein.

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SMARTIES for SMEs website - the project's reference portal containing objectives, comprehensive documentation, detailed information and communication activities performed: **https://smartiesforsmes.eu/en**



SMARTIES for SMEs

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