RECONOMY
LEARNING SERIES

Issue 02

Regional Tourism

Market Coordination and Regional Product Development

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1. Background

Tourism in the Western Balkan and Eastern Partnership countries holds significant potential for economic growth, employment generation, and rural development. The regions offer diverse landscapes, cultural heritage, and niche tourism opportunities that attract international travelers. Despite these assets, tourism markets have historically struggled to reach their full potential.

A key constraint has been fragmentation. Tourism promotion has traditionally been organized at the national level, with countries marketing themselves independently rather than positioning the region as a coherent destination. At the same time, tourism service providers, particularly small and medium enterprises, have faced high costs when attempting to access international markets.

Market coordination has also been limited. Tour operators, tourism associations, destination management organizations, and aviation stakeholders often operated in parallel rather than within a coordinated system. As a result, tourism products remained fragmented, cross-border travel routes were underdeveloped, and opportunities to attract higher-value international tourism segments were often missed.

RECONOMY addressed these constraints by supporting mechanisms that enable tourism markets to function more collaboratively. Rather than focusing solely on promotional activities, the initiative worked to strengthen coordination among market actors, improve international market access, and encourage the development of regional tourism products.

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The Learning

Tourism markets expand when actors coordinate around shared market opportunities rather than competing through fragmented promotion. When tourism operators jointly position destinations, align their products, and engage international markets together, they can reach segments that individual actors cannot access alone. Regional tourism depends not only on attractive destinations but also on the institutions, partnerships, and coordination mechanisms that connect tourism actors across borders.

In this case, structured B2B market engagement and cross-border product development created practical incentives for cooperation. As tourism operators began presenting bundled regional offers and engaging international buyers collectively, demand for the region as a destination increased. This shift demonstrates that tourism systems strengthen when collaboration becomes commercially beneficial for market actors.

Why this matters

The experience highlights an important lesson about tourism development: market access improves when tourism systems organize around regional value chains rather than isolated national offers. When tourism actors collaborate to develop regional products, they create travel experiences that match how international visitors actually plan their trips. Multi-destination itineraries become easier to market, international operators gain confidence in regional offerings, and smaller destinations become part of larger tourism circuits.

This approach also creates stronger economic opportunities for local enterprises. Regional tourism routes and bundled products extend visitor flows beyond capital cities and established destinations, enabling rural communities and smaller tourism providers to participate in tourism markets. The development impact also extends to employment and inclusion. Tourism growth creates opportunities for women and young people, particularly in hospitality, guiding, and small business activities. As tourism markets expand and diversify, these groups gain access to income opportunities that support local economic development.

At the same time, improved coordination among tourism actors strengthens the enabling environment for the sector. When associations, operators, connectivity providers, and public institutions engage in structured dialogue, tourism policy and market development become more aligned.

Overall, the experience shows that tourism systems become more competitive when regional cooperation creates shared incentives for market access, product development, and promotion. To understand why these interventions matter, it is important to revisit the structural constraints that initially limited the development of regional tourism markets.

2. The System Problem

Tourism development in both the Western Balkans and Eastern Partnership countries has long been constrained by fragmentation across the tourism system. At the market level, tourism operators typically promoted their services independently, often competing for visibility rather than collaborating to develop complementary offers. This limited the ability of destinations to present integrated travel experiences to international buyers.

Promotion mechanisms also posed challenges. Participation in international tourism fairs required significant financial investment, making it difficult for smaller operators to access global distribution channels. At the same time, these events often generated limited follow-up engagement and uncertain commercial returns.

Cross-border tourism products were also underdeveloped. Although the regions offer strong potential for multi-country travel experiences, tourism offerings were frequently designed within national boundaries. This limited the attractiveness of the region for international visitors seeking longer and more diverse travel itineraries.

Coordination among sector actors was equally limited. Tourism associations, destination management organizations, private tour operators, and connectivity stakeholders rarely engaged in structured dialogue. Without mechanisms for collaboration, tourism systems struggled to align marketing efforts, develop shared tourism routes, or address common constraints such as connectivity and regulatory barriers.

As a result, tourism markets remained fragmented and underutilized. What was required was not simply additional promotion but mechanisms that could enable tourism actors to coordinate their activities, jointly access international markets, and develop cross-border tourism products.

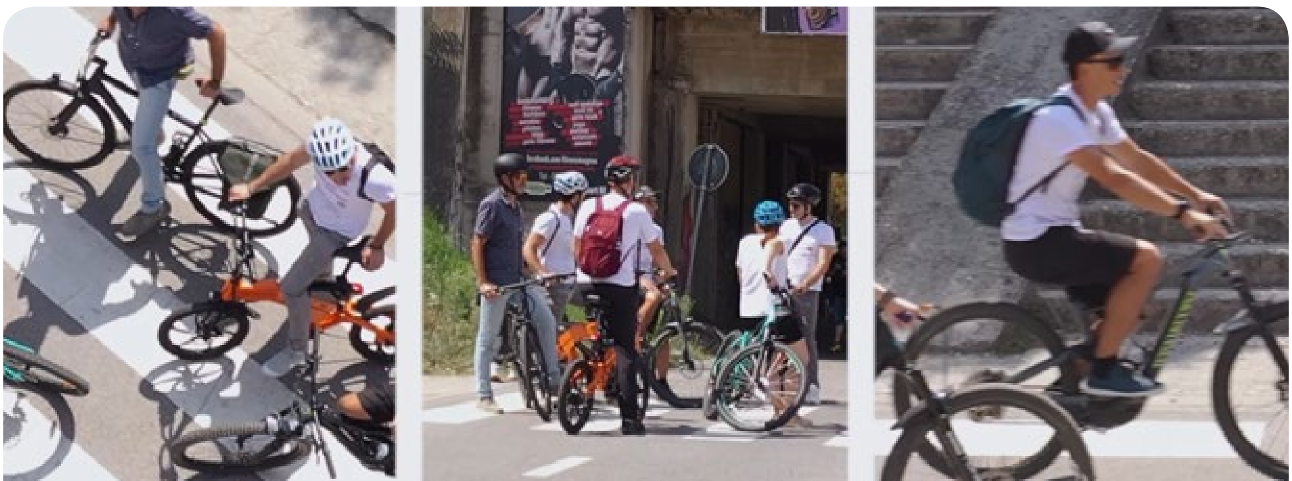
3. RECONOMY's Entry Point

RECONOMY identified the core constraint in regional tourism not as a lack of attractions or tourism potential, but as weak coordination among market actors and limited mechanisms for accessing international markets. The intervention focused on enabling tourism actors to collaborate around shared commercial opportunities.

The underlying assumption was that when tourism operators engage international markets collectively and develop integrated tourism products, the economic incentives for collaboration increase. Cooperation becomes commercially valuable rather than externally driven. The initiative aimed to transform tourism from a fragmented collection of national offers into a more coordinated regional market system.

RECONOMY's approach therefore centered on three complementary entry points:

- Improving access to international tourism markets through targeted B2B engagement
- Strengthening partnerships among tourism actors across countries
- Supporting the development of regional tourism products that connect destinations across borders



4. The Interventions

RECONOMY supported a range of interventions designed to strengthen market coordination and improve international market access. Across both regions, the initiative engaged 1,141 private tourism businesses, strengthening tourism value chains and improving the ability of enterprises to participate in international markets. Tourism actors participating in the program reported CHF 2,831,355 in additional revenue, associated with increased demand and improved market engagement.

A central intervention involved the organization of targeted B2B roadshows and market-entry initiatives in key outbound markets, including Nordic and Asian markets. These events differed from traditional tourism fairs by focusing on structured, pre-arranged meetings between tourism suppliers and international tour operators. This approach allowed tourism businesses to engage directly with buyers who had a clear interest in the region. As a result, these roadshows generated deeper engagement and higher conversion rates than conventional trade fairs.

Skills development also played an important role. A total of 360 individuals participated in training activities covering digital marketing, tourism product development, and strategies for accessing international markets. These programs helped tourism actors strengthen their competitiveness and adapt their services to international market expectations.

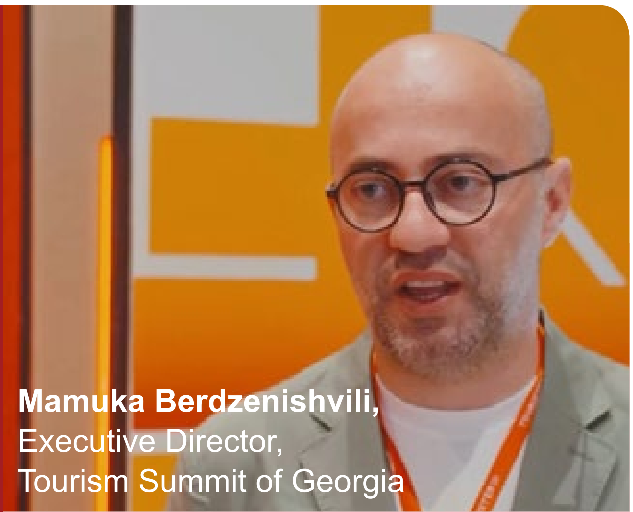
Partnership development formed another core component of the intervention. RECONOMY facilitated collaboration among tourism associations, destination management organizations, tour operators, airlines, airports, training providers, and public institutions. These collaborations helped align tourism promotion with connectivity opportunities, supporting the expansion of international tourism flows to the region.

In addition, RECONOMY supported structured dialogue among tourism stakeholders around cross-border tourism constraints, helping actors identify opportunities for joint market positioning and coordinated policy engagement.

5. System response and emerging market dynamics

As tourism actors began engaging through these mechanisms, early changes became visible across the tourism system. Tourism operators increasingly shifted from promoting individual country destinations toward presenting bundled regional tourism offers. This approach allowed operators to combine attractions across countries, creating more compelling travel experiences for international visitors.

In the Western Balkans, tourism actors demonstrated a clear transition from isolated country promotion toward coordinated regional branding and joint market outreach. Operators began sharing market insights, coordinating participation in international promotion activities, and targeting higher-value tourism segments collectively. In the Eastern Partnership countries, tourism stakeholders started moving from fragmented national offers toward co-created regional tourism products developed through collaboration among tourism associations, destination management organizations, and private operators.



Mamuka Berdzenishvili,
Executive Director,
Tourism Summit of Georgia

> *We are trying to find ways to develop joint tourism products between Armenia and Georgia. And we will explore how these two nations — Armenia and Azerbaijan — can develop shared tourism offers to promote internationally. Together with our Armenian partners and colleagues from Moldova and Ukraine, Eastern Partnership countries are working to develop regional tourism products that connect our destinations.*

Cross-border tourism routes also began gaining traction. A prominent example is the TransDinarica Cycling Route, which connects destinations across several Western Balkan countries. Following RECONOMY's facilitation,

Jan Klavora, CEO, Visit GoodPlace and Founder of TransDinarica

"*TransDinarica is the first cycling route that truly connects the Western Balkans as a tourism product. People have cycled through the region before, but what we created was a complete package — a route, a website, an application, and international marketing. It's not designed only for hardcore cyclists. The idea is adventure combined with culture and cuisine, where the bicycle becomes a way to travel between cultural sites, natural landscapes, and local food experiences across the region.*"

private tour operators integrated the route into their commercial portfolios and invested their own resources in marketing and sales. The scale of tourism activity generated through this route illustrates the potential of regional tourism products. In the first half of 2025 alone, more than 6,800 cyclists traveled along the TransDinarica route.

As an example in the Eastern Partnership countries, RECONOMY invests in regional flagship tourism products and projects that are often not supported by individual countries due to the lack of coordinated cross-border promotion. The TransCaucasian Hiking Trail, which connects Armenia, Georgia, and Azerbaijan, has strong potential to attract international visitors interested in culturally enriched adventure tourism experiences if it is properly packaged and promoted.

Tourism growth also translated into employment and income opportunities. The interventions contributed to 229 individuals gaining new employment, while 486 individuals reported increased income through tourism activities. Income gains for women and young people exceeded CHF 841,037, indicating that tourism growth translated into tangible economic benefits for these groups.

These developments reflect a broader shift in how tourism markets function. Collaboration among actors is increasingly driven by commercial incentives rather than project facilitation.

6. Adaptation and sustainability

Over time, the tourism interventions evolved toward models that strengthen long-term sustainability. Traditional tourism promotion often relied on donor-funded participation in international fairs. While these activities created visibility, they rarely generated lasting market access mechanisms. Across the tourism system, sustainability is reinforced when market actors invest their own resources in promotion, product development, and international market engagement.

RECONOMY supported a transition toward commercially viable promotion models, including paid roadshows, structured B2B matchmaking services, and regionally bundled tourism products. North Macedonia provides one example of this shift, through the role of the National Association of Incoming Tourism Managers (NAITM). The association began repositioning itself as a provider of international market access services for tourism businesses. Plans are underway to institutionalize paid promotional services co-financed by tourism companies and private partners.

Early participation indicates that tourism actors are increasingly willing to invest financially in these services, suggesting that market access mechanisms are becoming commercially sustainable. At the product level, sustainability also emerged through private sector investment. Tourism operators independently continued promoting regional routes such as the TransDinarica cycling route, demonstrating that the product had become commercially viable beyond project support.

Sustainability: Deepening local ownership

Scalability: Broadening local ownership

Adapt

- Tourism associations and market actors refine coordination mechanisms and promotion formats, improving how operators collectively engage international markets.
- Tourism operators increasingly bundle services across borders, aligning itineraries, marketing narratives, and target segments to create more competitive regional tourism products.
- Early collaboration helps build trust and shared market intelligence among tour operators, associations, and destination management organizations.

Respond

- Regional tourism cooperation becomes recognized as a practical mechanism for accessing international markets, particularly for smaller operators that cannot compete individually.
- Tourism associations begin engaging airlines, airports, and connectivity stakeholders to align tourism promotion with flight routes and visitor flows.
- Private operators independently integrate regional tourism routes and cross-border products into commercial portfolios, signaling growing market confidence.

Adopt

- Initial regional market-access pilots established through targeted B2B roadshows and matchmaking initiatives connecting Western Balkans and Eastern Partnership tourism operators with international buyers.
- Tourism associations and private tour operators test collaborative promotion models, presenting bundled regional tourism offers rather than individual country products.
- Cross-border tourism products such as the TransDinarica Cycling Route are introduced and piloted through collaboration among tourism operators across multiple countries.

Expand

- Additional tourism actors join collaborative promotion initiatives, including tourism SMEs, destination management organizations, and regional tourism associations.
- Regional tourism products scale beyond pilot initiatives, with private operators investing in marketing and sales of cross-border routes such as TransDinarica.
- Tourism associations begin institutionalizing market access services (e.g., paid roadshows, B2B matchmaking), shifting promotion toward commercially viable models.

7. Transferable learning — Where can this work and why?

When tourism markets coordinate around shared opportunities

Tourism development becomes more effective when destinations collaborate to attract international demand rather than competing for limited visibility. Regional tourism products allow destinations to combine complementary experiences and reach market segments that individual locations cannot access alone.

For this approach to work, tourism actors require mechanisms that enable collaboration and market access. Structured B2B engagement, joint promotion platforms, and cross-border tourism routes can help create the incentives necessary for cooperation. When collaboration generates tangible commercial benefits, tourism actors become more willing to share information, align marketing strategies, and invest in joint initiatives.

Tourism associations as market access platforms

Associations and destination management organizations can play an important role in facilitating tourism market access. By organizing roadshows, coordinating international promotion, and representing tourism actors collectively, these organizations help reduce the costs and risks associated with entering global tourism markets. When such services evolve into financially sustainable offerings supported by tourism enterprises themselves, tourism promotion becomes embedded within the market rather than dependent on external support.

If your context has…	Recommended action	Avoid
Tourism destinations promoted individually with limited regional coordination	Facilitate joint promotion and bundled regional tourism offers that combine destinations across borders	Isolated country-level promotion competing for the same markets
Tourism SMEs struggling to access international buyers due to high promotion costs	Organize targeted B2B roadshows and matchmaking platforms connecting tourism suppliers with international tour operators	Reliance on large tourism fairs with limited follow-up engagement
Fragmented tourism sector with weak collaboration among operators, associations, and connectivity actors	Strengthen tourism associations or BMOs as coordination platforms for joint market outreach and product development	Ad hoc promotional campaigns without sector coordination
Tourism products that exist locally but lack international market readiness	Support product development aligned with international demand (e.g., cycling routes, thematic regional itineraries)	Marketing destinations before products are market-ready
Strong tourism potential in rural or lesser-known destinations but limited visibility	Develop regional routes and multi-destination itineraries that integrate smaller destinations into broader tourism circuits	Stand-alone destination marketing that bypasses rural tourism actors
Tourism actors dependent on donor-funded promotion	Transition toward commercially viable promotion services such as paid roadshows and co-financed market access initiatives	Long-term reliance on subsidized promotional participation
Cross-border tourism potential but limited coordination among neighboring destinations	Facilitate structured dialogue and joint planning among tourism operators, associations, and public institutions across countries	National tourism strategies developed without regional alignment

8. System implications and future direction

The experience suggests that regional tourism development depends not only on attractive destinations but also on the coordination mechanisms that connect tourism actors across borders. When tourism operators jointly develop products, engage international markets collectively, and align promotion with connectivity opportunities, the region becomes more visible and competitive as a tourism destination.

Over time, these collaborative mechanisms can strengthen the entire tourism system. Tourism associations become platforms for market coordination, private operators invest in regional tourism products, and partnerships with airlines and connectivity providers expand access to international markets.

As these dynamics deepen, tourism markets increasingly function as integrated regional systems rather than isolated national sectors. This transition creates the conditions for sustained tourism growth, stronger enterprise participation, and broader economic opportunities across the Western Balkans and Eastern Partnership regions.