

## **Italy Must Make System: Network Clusters and Innovation in Tourism**

*1. Network Theory: a relational phenomena 2. Network Clusters and Innovation in Tourism SMEs 3. The need of co-operative introduction approaches in tourism destination 4. Learning by interactive: a discussion of relationship and networks 5. Evidence from cases.*

### ***Abstract***

This paper uses network theory to illustrate how groupings of small firms - within interdependent systems - can be self-governing and show how this process assists the destination in building tacit knowledge for competitive advantage residing in network structures.

In an era where tourism is dominated by requests for tailored experiences, SMEs play a very important role in providing adequate products and services to tourists by responding to their most specific requirements.

The paper use network and clusters as a framework providing SMEs with innovative opportunities to operate in a competitive tourism environment, through a review of relevant literature on clusters, networks and tourism business innovation.

It examines, finally, different attitudes of actors toward partnership building, arguing that sustainable tourism product is territorially embedded in ongoing social networks and relationships providing a context for learning.

A series of experiences will be employed as a model to discuss the process and the implication of an Italian local network and clusters model.