

Tourism strategies for the renovation of mature coastal tourist destinations in Spain



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Renovation of coastal consolidated tourist destinations: New instruments for planning and management (RENOVESTUR project)

2008-2011 R&D&I National Plan



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1

INTRODUCTION

2

THE SPANISH TOURISM POLICY ORIENTED TO THE RENOVATION OF MATURE TOURIST DESTINATIONS: PLANS AND PROJECTS.

2.1

EXTRAORDINARY PROJECTS FOR THE REQUALIFICATION OF MATURE DESTINATIONS

2.2

REHABILITATION OF URBAN AND NATURAL INFRASTRUCTURES AND ENVIRONMENTS

2.3

MODERNISATION OF THE TOURISM SUPPLY

3

RENOVATION AND ACTION PROGRAMMES IN THE REGIONAL CONTEXT

4

RELEVANT ACTIONS IN THE LOCAL CONTEXT: BENIDORM AS AN EXAMPLE OF A MATURE TOURIST DESTINATION

5

CONCLUSIONS

1 INTRODUCTION

After more than 40 years of tourism growth, numerous Spanish destinations are going through a new phase which should be interpreted within the framework of the theories about the evolution of tourist destinations.

- **From** the initial contribution of Butler (1980) with the life cycle of tourist destinations followed by others which revise and widen the scope of analysis (Butler, 2006a, 2006b)
- To some other theoretical approaches based on that Tourist area life cycle theory :
- Knowles & Curtis (1999): thesis of the irreversible decline of Spanish second-generation sun and beach tourism destinations.
- Aguiló et al. (2005): classic sun and sand destinations in the Balearic Islands are still competitive due to the efficiency of the renovation actions developed.

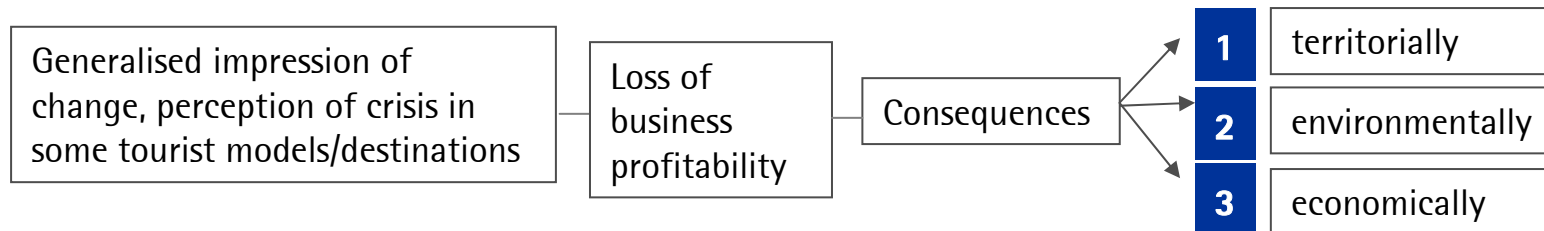
- The truth is:
- Essential contribution of these destinations to the receiving tourism in Spain and its effects on a local and regional context.
- Tensions derived on a territorial and environmental level
- Uncertainty about their future (adaptation to the new global and regional dynamics?)



2

THE SPANISH TOURISM POLICY ORIENTED TO THE RENOVATION OF MATURE TOURIST DESTINATIONS: PLANS AND PROJECTS.

- The restructuring and renovation of consolidated tourist destinations is a need widely recognised by public and private agents in Spain:



- Gradual adaptation of the Spanish tourism policy to the changes:
 - Evolving from **competitiveness** criteria (90s'): Master Competitiveness Plan for Spanish Tourism (FUTURES I y II).
 - To principles inspired on **quality**(2000-2006): Quality Overall Plan for Spanish Tourism
 - Nowadays, the principles inspiring the policy based on the consolidation of **leadership, sustainability, differential positioning** of the supply and **innovation** culture: Horizonte 2020 Spanish Tourism Plan (2007).

HORIZONTE 2020 SPANISH TOURISM PLAN

- Reformulating development schemes of sun and beach destinations
- Need to improve and strengthen the competitiveness of the sun and beach product
- Qualification of the mature tourist destinations
- Environmental deterioration caused by an excessive and disorganised urban growth, and the "old age" of part of the hotel sector.

ACTION LINES

- 1 → Extraordinary projects for the requalification of mature destinations
- 2 → Rehabilitation of urban and natural infrastructures and environments
- 3 → Modernisation of the tourism supply

HORIZONTE 2020 SPANISH TOURISM PLAN: ACTION LINES

1

→ Extraordinary projects for the requalification of mature destinations

- Technical and financial support to extraordinary restructuring or overall transformation projects
- Developed and co-finance by the competent administrations and business sector
- 3 pilot projects:
 - Palma Beach (Majorca, Balearic Islands)
 - Western Costa del Sol (Andalusia)
 - San Bartolomé de Tirajana (Gran Canaria, Canary Islands).
- Aspects in common:
 - Revision of tourism models with a long-term vision with innovative and creative approach
 - The creation of Master Plans that define the actions to be executed
 - The design of self-financing and self-management models to guarantee their viability (urban development Consortia)

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2

THE SPANISH TOURISM POLICY ORIENTED TO THE RENOVATION OF MATURE TOURIST DESTINATIONS: PLANS AND PROJECTS

HORIZONTE 2020 SPANISH TOURISM PLAN: ACTION LINES

1

→ Extraordinary projects for the requalification of mature destinations (cont.)

→ The most advanced: the Restructuring plan of the Palma Beach



Source: <http://consorcioplayadepalma.es>

HORIZONTE 2020 SPANISH TOURISM PLAN: ACTION LINES

1

→ Extraordinary projects for the requalification of mature destinations (cont.)

THE PROBLEMS

- Disorganised urban growth
- Lack of infrastructures and services
- Lack of environmental value, inadequate for current demands and trends.
- Deteriorated, poorly constructed buildings. Old hotels (72% from before 1970) in the low-mid categories (2-3 stars).
- Loss of competitiveness, a very low level of investment, low levels of trust for the future and the loss of signs of local identity.

HORIZONTE 2020 SPANISH TOURISM PLAN: ACTION LINES

1

→ Extraordinary projects for the requalification of mature destinations (cont.)

AIMS / ACTIONS

- Change the image. Capture the attention of investors who can bet on the destination
- 50% reduction of the hotel capacity. Increase the quality of the offer
- Immediate actions: town planning and development interventions (mending damaged pavements and roads, corrective improvement of urbanisation, improvement of public lighting and public spaces)
- Medium-long term actions: overall restructuring of urban areas and the improvement of both drainage and water supply systems, zero balance CO2 emissions in 2050, 100% use of renewable energies, etc.

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2

THE SPANISH TOURISM POLICY ORIENTED TO THE RENOVATION OF MATURE TOURIST DESTINATIONS: PLANS AND PROJECTS



HOW IT WILL LOOK LIKE...



Source: <http://consorcioplayadepalma.es>



HORIZONTE 2020 SPANISH TOURISM PLAN: ACTION LINES

- 1 → Extraordinary projects for the requalification of mature destinations (cont.)
 - Impulse Plan for other mature destinations wishing to develop global restructuring projects to access to funding: a system of loans with a long repayment term and a low interest rate.
- 2 → Rehabilitation of urban and natural infrastructures and environments
 - Action plans focused on the recovery of the environment and landscape quality as well as the "sponging" of tourist areas.
- 3 → Modernisation of the tourism supply
 - Plan RENOVE (2009) a financing line for the tourism firms with highly advantageous conditions.
 - Plan FUTURE (2010), investment in energy efficiency, energy and water saving, etc.



3 RENOVATION AND ACTION PROGRAMMES AT A REGIONAL LEVEL

- Planning instruments with an important reflection about the signs of maturity and the need for renovation (General Plan for Sustainable Tourism in Andalusia 2008-2011).
- Regulations implemented for the modernisation of hotel establishments as a basic pillar of renovation (Balearic Islands).
- Schemes of incentives focused on business firms and business associations within the tourism sector to improve the quality of the existing supply (Valencian Region).

4

RELEVANT ACTIONS IN THE LOCAL CONTEXT: BENIDORM AS AN EXAMPLE OF A MATURE TOURIST DESTINATION

- Benidorm arose in the 1960s following the boom of the mass tourism in Spain
- So far the destination has had a positive balance in its tourist activity (high percentage of international demand, high levels of hotel occupancy all year round, considerable volume of formal regulated offer...).
- Threatens: excessive dependence of the British market, changes in the traditional travelling model of tourists, reduced profit margins, deterioration of the destination image for some demand segments.



ACTIONS UNDERTAKEN WITH A CLEAR AIM OF RENOVATING THE DESTINATION

- With the aim of product diversification: development of new large-scale products: theme and leisure parks (2000-2005) or golf courses (2005-2008) with the aim of attracting high spend visitors.
- Urban requalification:
 - construction of a new promenade
 - small interventions in urban renovation, improvement of the urban scene and mobility (Spanish Plan for the Stimulus to the Economy and Employment).
- New local management model: a public-private body (Turisme de Benidorm) for the representation of the businessmen in the management of the destination.



- Central government: State Secretariat for Tourism
- Local government: Benidorm Town Council
- Private sector: Hospitality Business Association of Benidorm



ACTIONS UNDERTAKE WITH A CLEAR AIM OF RENOVATE THE DESTINATION

→ Enormous efforts by the business sector and specially the hotel sector to renovate themselves and invest in new business models.



Paquetes de Relax y Belleza

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Eventos en Hotel Levante

Elegancia y distinción para sus celebraciones, bodas y banquetes: celebrenlo con nosotros.



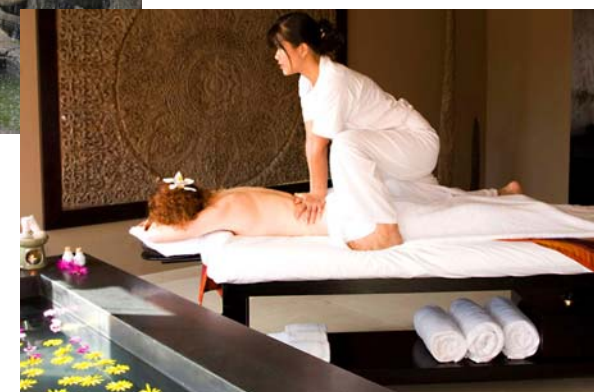
Hotel Levante Club Business

Hotel Levante Club Benidorm les ofrece una excelente combinación entre ocio, negocio y descanso.



Hotel Levante Club Golf

Le ofrecemos nuestra mejor oferta para la práctica del Golf !!! todo el año !!!



ACTIONS UNDERTAKE WITH A CLEAR AIM OF RENOVATE THE DESTINATION

- Practically half of the offer was built between the 1960s and the 1970s
- Almost 90% of the hotels have gone through improvements of a greater magnitude since the 1990s till the present day to adapt to new quality demands of the market.
- A total of 33 hotels increased their category during 1998-2009 (Source: Regional Government Tourism Department).
- Attempts to make a typology of the investments made



5

CONCLUSIONS

- Tourism policy oriented to support and boost the restructuring of destinations and to improve the situation of their firms.
- Pilot projects: scenarios of fiction or projects with real chances to success?
- More participative tourism management formulas based on public-private collaboration and cooperation.
- In Benidorm, absence of an overall integrating strategy oriented to the renovation of the destination despite some initiatives.
- Change processes perceived derive from the business sector and its efforts to invest in the improvement of its establishments as an strategy for survival.



THANKS FOR YOUR ATTENTION

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