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
1 INTRODUCTION

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


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

- Generalised impression of change, perception of crisis in some tourist models/destinations
- Loss of business profitability

Consequences:
1. Territorially
2. Environmentally
3. Economically

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

The most advanced: the Restructuring plan of the Palma Beach

Source: http://consorcioplayadepalma.es
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 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.
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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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THE SPANISH TOURISM POLICY ORIENTED TO THE RENOVATION OF MATURE TOURIST DESTINATIONS: PLANS AND PROJECTS

HOW IT WILL LOOK LIKE...

Source: http://consorcioplayadepalma.es
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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.)
   - 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.
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

Turisme de Benidorm
Enormous efforts by the business sector and specially the hotel sector to renovate themselves and invest in new business models.
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4 RELEVANT ACTIONS IN THE LOCAL CONTEXT: BENIDORM AS AN EXAMPLE OF A MATURE TOURIST DESTINATION

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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