



Tourists bask in the sun last summer at the Levante beach in the resort town of Benidorm. / MORELL (EFE)

Bumper year for foreign tourism

- ▶ Number of visitors expected to have surpassed 60 million for the full year
- ▶ But only beach-holiday segment prospering, with rural tourism still weak

CRISTINA DELGADO, Madrid

Jorge Mateu is the manager of the Princesa Sofia hotel in Barcelona. With 500 rooms it is the biggest in the Catalan capital and it's a real challenge to fill it. But last year the management managed to do so more comfortably than in previous years. The hotel is mainly popular with those attending trade fairs and congresses. "But we have seen a big increase in leisure tourism," says Mateu, who has been in the business for 40 years.

The hotel is popular with British, French and German tourists but Mateu has also noted an increase in Russian visitors, "who tend to stay on the most expensive floors." The hotel has raised its prices but that hasn't dampened demand.

"It was a good year," Mateu concludes. And for Spain a whole. While the country is still struggling to emerge from an extended crisis, it looks on track to receive 60 million overseas visitors in a year for the first time ever. In the first 11 months of 2013, overseas arrivals already totaled 57.6 million, more than the figure for the whole of 2012.

Industry players say the trend remained upward in December, particularly in the Canary Islands and Catalonia. The industry lobby Exceltur estimates there were 60.4 million overseas visitors last year and believes this year will be even better. Not only did the number of visitors increase, they also spent more. Foreign tourist receipts in the first 11 months of

last year amounted to a record 55.896 billion euros.

But the positive figures disguise the fact that it was the beach-holiday segment that buoyed the market, with the north and the interior of the country, which rely much more on domestic tourism, still suffering from weak demand. "From the macroeconomic point of view, everything is fine. But if you go into details, the differences are enormous. The key is the type of client: those sectors not doing well depend on domestic tourism," explains Ricard Santomà, the director of the tourism school Sant-Ignasi, linked to Ramon Llull University. Madrid is a case in point, with the number of visitors to the region down 7 percent.

"Meanwhile, the tourist sec-

tor in Catalonia has had a spectacular year, particularly in the second half," says Raúl Hernández, the director of the Chair of Tourism at La Laguna University. "The increase in arrivals is clearly linked to the problems of instability in Egypt, so the record is a little artificial."

According to Exceltur, Spain received close to three million more overseas visitors in 2013, while Egypt lost 2.5 million. The big tourist resorts in the Red Sea are competitors of Spain's resorts and many tour operators redirect this demand to the Canary Islands because of the favorable climatic conditions there.

"The issue is that this situation has created a one-off record. We need to achieve solid structural growth," Hernán-

dez says, adding that the problem in the medium term is a lack of investment in refurbishing the pool of hotels. "With old establishments, you can't compete after a while." Staffing levels also remain at minimum levels, he says, which could have an impact on the quality of services on offer. With a lack of liquidity and while tourist numbers remain high, hotel owners have no reason to upgrade their establishments. That is why Exceltur have been asking the government for incentives to do so for years.

"The new technologies avail-

"The rise in arrivals is clearly linked to the problems of instability in Egypt"

able have led tourists to compare prices and avoid middlemen. But at the same time they are much more demanding clients," says Jorge Carulla, the general manager for Spain and France of website Travel Zoo.

The British and the Germans still seek out beach holidays. "In 2007, if you spoke about the need to push the sun and beach segment, you would have sounded crazy. It sounded out of place. Luckily, we didn't drop this segment and neither should we do so. It's our strong point, but we need to diversify," says Santomà.

"We have to change the concept of sun and beach for coast leisure. Tourists are not the same as 25 years ago. They don't just come to bask in the sun. They demand good facilities and other things. And in this we fall short," says La Laguna University's Hernández.

An estimated 70 percent of what overseas tourists spend on holidays to the Canary Islands is prepaid to tour operators. Once there, visitors don't tend to open their wallets a great deal.