

The summer of recovery

Costa hotels have been fully booked since June thanks to the increase in foreign tourists

TARGETS TO BEAT IN SUMMER 2013 (JUNE TO AUGUST)

4.9 million tourists	6.2 million hotel stays	70.7% total occupancy
92,445 jobs	151,532 cruise passengers	205,374 AVE passengers
3.7 billion euro financial impact	4.01 days average hotel stay	1.5 million tourists staying in hotels

THE BRAND THE POWER OF THE COSTA DEL SOL

40%
of the total overnight stays in Andalucía
6.2
mill. hotel stays. Spanish Costa with 3rd biggest volume

SCORE MARBELLA AND TORREMOLINOS

1.7
million stays in Torremolinos, 25% of Costa del Sol total
8%
increase in hotel guests in Marbella and Torremolinos

MARKETS LOYALTY OF TRADITIONAL ORIGINS

25.4%
increase in British tourists staying in hotels
5.4%
increase in German tourists last summer



Tourists make the most of the beach before they have to return to their home countries. :: CARLOS MORET

This summer the biggest growth is in the Scandinavian and Russian markets while British and German tourists are still as loyal as ever

SUMMER OF 2012

↑1.8%	Total tourists
↓2.3%	Domestic tourists
↑6%	Foreign tourists
↑1.2%	Airport arrivals
↑1.8%	Tourists choosing to stay in hotels
↑2.3%	Tourists in other accommodation
↑2.5%	Overnight stays in hotels
↑7.1%	Overnight stays in other accommodation
↑0.3%	Hotel occupancy
↑0.8%	Employment in tourism
↓3.7%	AVE passengers Madrid-Málaga
↑4.7%	Cruise passengers

Source: Costa del Sol Tourist Board

:: PILAR MARTÍNEZ

MÁLAGA. At this halfway point in the peak season, tourism professionals and authorities on the Costa del Sol feel confident enough to declare their optimism. This is the summer, they believe, of recovery, as the tourism industry takes off again towards its former glory.

The key to their renewed optimism lies in the significant increase in visitors from abroad. Last summer's positive figures surprised the industry and this year the upward trend continues.

Meanwhile the continuous fall in domestic tourists appears to have broken this year with hotels filling their beds without having to resort to special offers and discounts.

This combination of Spanish tourists starting to go on holiday again and the ever-increasing numbers of foreign visitors, both from traditional and emerging markets, means that the 'no vacancy' sign is no longer a rarity on the Costa del Sol.

The official figures released this week, showing an 8.2 per cent increase in foreign hotel guests in June, confirm the good feelings about this year expressed by hotel managers, beach bar owners and veteran tourism professionals. They are also backed up by positive reports produced by organisations on a national level such as the Cehat hoteliers' group or the Exceltur tourism alliance.

The conclusion is that the Costa del Sol will have a better summer than last year, even though the effect of tourists being diverted from the political troubles in Egypt and Turkey has not been noted here as much as it has in the Canaries or the Balearics.

How to beat last year

The targets for this summer are clear and, the industry believes, attainable. To confirm this 'good feeling' the Costa del Sol has to beat last year's totals of 4.9 million tourists and 6.2 million registered overnight stays in hotels that were on average 71 per cent full from June to August.

The tourism authorities have also caught the good vibrations and are

Marbella plans for a busy August, despite higher hotel prices

Five star hotels expect to meet their targets this summer while some even say they hope to break records this year

:: NIEVES CASTRO

MARBELLA. The receptions of Marbella's luxury hotels have been bustling with tourists this July and reservations show that they will be even busier in August.

These good results have been registered despite a general increase in prices in the top hotels along Marbella's Golden Mile.

The establishments surveyed by SUR coincide in that July's figures have been similar or even below those recorded in the same month last year.

This, they explain, can be put down to Ramadan, which has fallen this year between July 9th until August 8th. "In July we have noticed the absence of our Arab clients, who follow the religious feast to the letter," said

sources from the Don Carlos, a favourite among tourists from Arab countries.

This means, however, that these hotels are practically fully booked for August with average occupancy rates already at around 90 per cent, and even 95 per cent in the case of



Tourists in the reception of the Hotel Meliá Don Pepe. :: JOSELE-LANZA

the Marbella Club and Puente Romano despite an average price increase of 100 euros.

"This will be a record-breaking year," said the commercial department that manages both hotels.

considering adjusting their forecasts to higher levels.

The head of Tourism at the regional authority, Rafael Rodríguez, believes that Andalucía as a whole can aspire to chalking up six million tourists spending 20 million nights in hotels.

"The increase will be substantial but we still have to be cautious," he said.

Meanwhile the president of the Costa del Sol Tourist Board, Elias Bendodo, predicts a five per cent increase in figures this summer.

"Our good indications for this season have been confirmed by the unexpectedly good performance of the domestic market in May and by the surge we are seeing in international demand," he said.

The improved forecasts have been reinforced by the positive assessments coming in from tour operators and agents who market this destination.

"Despite these forecasts we must not drop our guard," stressed Bendodo.

The present recovery is being achieved without the need to reduce prices to improve hotel results. Nevertheless the industry points out that the increase in sales is not yet enough to ensure profitability as production costs have also increased by three per cent.

Profitability

The Exceltur alliance, formed by large hotel chains, tour operators and airlines, predicts that the Andalusian tourism industry is likely to increase its turnover, although there is less optimism regarding profits. According to their report 40 per cent of business owners believe they will increase sales this summer.

Accurate forecasts are always difficult when reservations are last minute. The president of the Tourism Committee at the Andalusian Confederation of Business Owners, Miguel Sánchez, explained that bookings were being made from one day



The Costa del Sol's resorts are bustling with tourist activity this summer. :: CARLOS MORET

to the next, but that the forecasts for the first 20 days of August were healthier than those for the end of July.

"Tourism is doing well this summer, with better occupancy figures but with little improvement to profitability," he said.

Beach business owners confirm there are more tourists this year than last but that visitors are cautious when it comes to spending money in bars and restaurants.

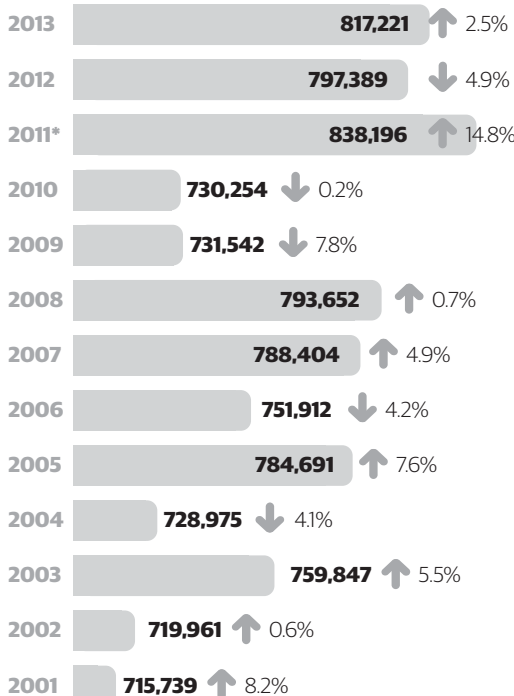
The president of the association of beach business owners, Manuel Villafaina, explained that not only were there more tourists in hotels but also in private rented accommodation,

This year bookings are up and the 'no vacancy' sign is no longer a rarity on the Costa del Sol

Visitors are still more cautious about spending money in restaurants, shops and bars

June figures over the years

Arrival of international visitors in Andalucía. Figures from Instituto de Estudios Turísticos released by the Ministry of Industry, Energy and Tourism.



*Arab Spring. The figure for June 2011 reflects the massive diversion of tourists, especially Brits and Germans, following the tour operators' decision to stop operating in some of Andalucía's rival markets, such as Tunisia, Egypt, Lebanon and Jordan. This increased the numbers of foreign tourists by 15%.

The best June for international arrivals

The figures released this week by the central government show that 817,000 foreigners visited Andalucía last month

:: P. MARTÍNEZ

MALAGA. June 2013 saw more foreigners visiting Andalucía than in the same month of any previous year, except for 2011 when there was a surge of tourists diverted from countries affected by the Arab Spring.

Last month 817,221 foreigners visited the region, according to figures released this week by the central government, just 20,000 fewer than the unusual total for 2011 and more than any other previous year on current records.

The 2013 figure is 2.5 per cent

higher than last year's.

According to the government report Scandinavians have contributed most to this year's increase, while the driving force is still the UK, which accounts for three out of ten visitors to Andalucía.

Costa hotels

Meanwhile the survey on hotel occupancy by the National Institute of Statistics has shown that in June hotels on the Costa del Sol gained 8.2 per cent more foreign visitors and 5.3 per cent more Spanish guests, spending a total of 1.8 million nights.

Torremolinos was the eighth tourist resort in Spain with the highest hotel occupancy rate in June (86 per cent), 15 per cent more than the Costa del Sol average.

The hotels in the town attracted 30.8 per cent of the total hotel guests on the Costa del Sol in June.

filling the promenades and main streets with people.

"Tourists are still afraid to spend money, unaware that it will be the recovery of consumer spending that brings stability to the economy," said Villafaina.

"However the fact that this summer there are more tourists compensates for the reluctance to spend. This is a good summer. June was magnificent. In July there have been some quieter days but no worse than last year. The entire sector is talking about good forecasts for August, and September will bring positive surprises," he added.

British stability

Hotel managers share the view that British tourists are contributing a lot to this year's improvements. They remain loyal to the Costa del Sol and the already large number of holiday-makers continues to rise, with the UK being the most important international market.

This year the number of German visitors has also increased. However the fastest growing figures respond to tourists coming from Russia and Scandinavia.

The city of Malaga has also noted an increase in tourists from Arab countries, who until recently were only seen in the Marbella area.

The manager of the hotel Malaga Palacio, Jorge González, put the trend down to the fact that Malaga is in fashion.

"This is a lively city, capable of attracting tourists from countries that do not normally appear and of captivating its visitors," he said.

Veteran Costa del Sol tourism professional Enrique Cibantos, said that the most important thing is to win tourists over so that they will come again. "Winning a client's loyalty with good service is what guarantees a better season year after year. The sector should work harder on that," said Cibantos.

Direct AVE between Malaga and Valencia, and single ticket to Marbella from Madrid

On Wednesday Renfe started operating its summer high speed rail service that allows passengers to travel between Malaga and Valencia without changing trains.

The route was previously covered during Holy Week and the Fallas festival in Valencia and has now been resumed for the summer until September 29th. There will be one train a day, leaving Malaga at 9.45am and leaving Valencia at 5.15pm. The journey time is four and a half hours.

Meanwhile tourists travelling to Marbella or Estepona from Madrid this summer can purchase a single combined ticket that includes the AVE train to Malaga and the Portillo bus to their destination.

The tickets went on sale on Thursday.