

The first week of the new tourism

Holy Week in Marbella is marked by more foreign tourists and fewer Spanish visitors

There has been more uncertainty than usual about the prospects of tourism this year and just before Easter hotels were still not sure of occupancy figures

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It is the thermometer of the summer, the first indication of how the rest of the year will go, the forerunner to the tourist season. For some time now, those involved in tourism in Marbella have realised that Easter is not only valuable in itself as the first major occasion of the

year, but it is also the most reliable indicator of whether the sunshine-and-beach industry can expect a year of growth or of depression.

This year, however, what has always been considered an unalterable rule is wobbling a bit. Easter week is a now a time which is affected by the vicissitudes of the

Spanish tourism market and all the data and indicators show that this year the downward trend of 2012 will continue. There will be fewer Spanish tourists, at least while the economy is in its current state of depression, while the importance of foreign visitors will continue to grow, including those from coun-

tries which have not traditionally been seen as source markets.

For this reason, the number of people who are here for Easter cannot be considered a reliable indicator of what the tourism sector can expect this summer. Neither the level of demand this week nor the usual conditions for tourism at this

FIGURES

67

euros per available room is the profit attained by tourism accommodation in Marbella (RevPar index)

0.8

per cent was the rise in the RevPar index for hotels on the Costa del Sol last year thanks to the foreign markets

6th

place was occupied by Marbella among Spanish destinations for the profitability of its tourist accommodation

10,082

jobs directly linked to tourism were generated by Marbella last year

1.7

per cent was the drop in tourism employment in Marbella in 2012 as a result of the fall in consumption

FORECASTS

80.4

per cent of Spanish tourism companies predict another fall in sales in 2013

42.7

per cent hope the fall will be no more than five per cent compared with sales in 2012

55.3

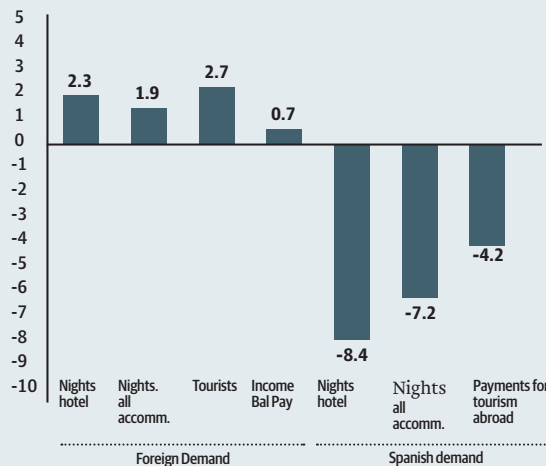
per cent are confident that reducing costs and improving efficiency can improve operating results

14.6

per cent believe that in 2013 their profits will be over 10 per cent higher than last year

Source: Exceltur Survey of Business Tourism Climate

INDICATORS OF DEMAND IN 2012



The climate is an important factor. :: SUR



More foreign tourists are coming to Marbella. :: SUR

time of year are enough to predict for certain what Marbella can expect when the peak season begins.

Easter has become unpredictable, just like the climate. Many hotels were still uncertain about their prospects for Easter immediately before Holy Week began. Concerns about the weather had deterred many people from booking accommodation and unless the sun was inclined to lend a hand at the end of the week and boost reservations on the three most important days of Easter, Thursday, Friday and Saturday, the predictions were for an average occupancy of 60 per cent. The weather forecasts were no help, because at the same time they were predicting cloudy skies and rain, there was still plenty of snow at the ski resorts, especially the Sierra Nevada, which is a major competitor for tourism whenever Easter Week falls in March.

20 million euros

Nevertheless, the figures are not to be sneered at. With an average expenditure of between 1,450 and 1,500 euros per person for a four-day stay, it is predicted that the people who stay in tourist accommodation will generate around 20 million euros in Marbella. On top of this, we must not forget the residential tourists, a category which is treated as questionable by some sectors of business and some authorities but which the councillor for Tourism, José Luis Hernández, has no hesitation in recognising. "Those who have a second home in Marbella are our life assurance, because we know that they are going to come even if the weather is bad", he insists. The councillor agrees that Holy Week can no longer be considered a thermometer of the tourism year, not just because of meteorological circumstances or the date on the calendar, but because of the relative weight of the Spanish tourism market, which will fall this summer.

In recent years the performance of Spanish tourism and the principal foreign markets in which Marbella and its field of influence find their demand have not differed, but

this has also changed. The different macro-economic situations in the various countries of the euro zone means they can no longer be looked at in conjunction. And if we add to this situation the entry of new emerging markets which are important in the summer season and then look at the scarce results in Easter week, it can be seen that Holy Week is no longer such a valuable indicator of what can be expected later, based on the results of the first major influx of tourists of the year.

This is not just intuition. The latest report by Exceltur about the performance of tourism in Spanish GDP, which CIT has sent to its members, reveals that this index fell in Spain last year by 1.6 per cent compared with the previous year, as a consequence of a 3.1 per cent plunge in national tourism and a rise of 0.4 per cent in foreign tourism. Transposing this to data from the National Institute of Statistics with regard to overnight stays, the comparison reveals the ability of Marbella to attract international tourists. Last year overnight stays in the town by foreign visitors rose by 9 per cent, which meant that despite the fall in Spanish tourists the year closed with an overall increase of 2 per cent. "Last year was good and this year will be too", insists José Luis Hernández, who agrees that Easter week this year cannot be considered an indicator of what will happen in the summer. "The hotels, the shops and the golf courses are working on expectations of growth", he says.

Easter is no longer a reliable indicator of the prospects for summer tourism

The number of Spanish tourists fell last year and that trend is expected to continue

This forecast, on a local level, is more optimistic than that which exists for the Spanish tourism sector as a whole, which according to the survey by Exceltur will fall again this year, but not by as much as last year. The fact that Marbella can expect an improvement is, above all, due to its status as an international destination.

Lower turnover

Carola Herrero, of the Association of Traders and Professionals of the Historic Town Centre, stresses the importance of foreign tourists for commerce. "It is what saves us", she says, but it should not be forgotten that the sector has had a discouraging start to the year, with big reductions in turnover compared with last year, which was already a bad year.

This trend of lower consumption was reflected by a reduction in jobs in tourism in Marbella last year, although the town still has the highest levels of tourism-linked employment in Andalucía, with 10,082 workers last year. Nevertheless, in 2012 employment in tourism in Marbella dropped by 1.7 per cent as a consequence of the downward trend, a situation which hit retailers most of all.

It is the hotels that have worked hardest in foreign markets. The director of the five-star Vincci hotel, Jorge Castelví, says that some countries are performing very well with regard to Marbella. Not only the classic ones like the United Kingdom and Germany, but also others which are traditionally smaller, such as France and Belgium. Markets like Morocco and Saudi Arabia are also flourishing, not forgetting Russia, which is the new priority target of the promotional campaigns for the Costa del Sol. "At the moment, it is difficult for the national market to grow", he points out.

It is because it is well integrated in the foreign markets that Marbella is placed above the national average in one key index, the RevPar, which measures the profitability per available bedroom. At 67 euros, Marbella is among the top six in a ranking which is led by Ibiza, with its average of 80 euros per room per day.