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## Spain bounces back from Madrid bombings

*By David Browne, reporting from WTTC Summit, Doha. TravelMole.com would like to thank OctopusTravel for its generous sponsorship, which allowed us to cover the WTTC Summit in Doha.*

Tourism to Spain was not hit as badly as expected by the March 11 bombing in Madrid, according to a survey of travel businesses. In a presentation to the Fourth Summit of the World Travel and Tourism Council in Doha, Qatar, Madrid's head of finance and tourism development, Miguel Angel Villanueva, said Spain's tourism industry enjoyed "excellent health" despite the terrorism set-back.

According to a survey of 1,200 Spanish tourism operators only one third had noted any effect on sales during the days following the attack on Madrid trains, and for half of those reporting any effects, the impact had been less than five per cent. They also said sales had recovered by April 8, the closing date of the survey. The remaining two-thirds of travel companies carried on business without feeling any adverse impact. The survey was conducted by Exceltur, a lobby group representing the main Spanish tourism companies, between March 15 and April 8.

Exceltur's CEO, Jose Luis Zoreda, told world travel leaders assembled for the WTTC Summit that the Spanish tourist industry has managed to elude the effects of the terrorism far more successfully than had been expected, especially when compared with the results of attacks on other tourist destinations, such as New York, Bali, Kenya and Moscow.

The responses also showed that the effects of the bombing were concentrated on companies operating in Madrid, while in tourist areas of the Mediterranean coast, the Balearic Islands and the Canary Islands, the impact was negligible.

"This positive tendency of a return to normality within a few weeks has occurred thanks to the extraordinary response shown by national demand, together with the enormous support and confidence in safety measures and the great tourist attraction of Spain for foreign tourists" said Mr Zoreda.

Antonio Nieto, General Director for Tourism for the region of Madrid, speaking in the WTTC debate on Spain's response to the terror, said it was business as usual for Madrid and Spain generally. "Data provided by the Spanish National Institute of Statistics shows that the number of international tourists that visited Madrid in the month of March 2004, grew more than 7.4 per cent. This information clearly demonstrates that Madrid, as a tourist destination did not collapse and sends an optimistic message that the impact has been much lower than was expected in the first few days - although we need to be cautious about the next months" he said.

The official data seem to show that where the bombings had an effect on tourism businesses, it was in the category establishments that felt them most. During the whole of March 2004, there was even a growth in national and foreign demand in five and four star

hotel compared with March 2003, while in one and two star establishments, there was a drop for the same period. Occupancy levels fell from 71.2 per cent in 2003 to 67.8 per cent in 2004. However, it was pointed out that this reduction could in large part be due to an overabundance of rooms arising from the number of new hotels opening during the year, rather than the impact of the Madrid train bombings.

This is reflected in the figures for March 2004 alone, when the number of visitors rose by 7.12 per cent and the number of overnight stays went up 4.42 per cent compared with March 2003, yet overall hotel occupancy rates over the same period fell by 6.23 per cent.

In the first three months of 2004, the number of travellers visiting Madrid reached 1,222,000 compared with 1,109,000 in the first quarter of 2003. The number of overnight stays was also up to 2,581,000 compared with 2,404,400 in the same period in 2003.

The industry remains cautious for tourism prospects in the coming months. The Canary Islands in particular have recorded a drop in demand over the last three quarters for reasons unconnected with the aftermath of March 11. Operators fear they are being hit by the effects of growing international competition and unfavourable exchange rates between the Euro and the US Dollar, in comparison with other western Mediterranean destinations and the Caribbean, which are competing with the Canaries in the same high season.

In Madrid also there is concern about forward bookings and over-capacity in hotels. "This is the result among other things of the recent and abnormal fast growth of new hotel properties in Madrid, fostered by the fact that Madrid is a very dynamic city that generates great business expectations" said Exceltur's Zoreda. He said the city's civic leaders had an eye to the 2012 Olympic Games and their bid to host the event was driving the long-term strategy to position Madrid as one of the most attractive European cities.

The Spanish authorities have introduced a wide range of additional security measures including an increase in the number of security forces in locations where there are large numbers of people, notably airports, train stations and the Madrid Metro system. Local police now patrol the Metro lines and the army is helping to monitor the railroad infrastructure throughout Spain. Sensitization campaigns have also been carried out so that the people can report any abnormalities they witness. "This was fundamental to doing away with the terrorist cell in the weeks after what happened" said the city's tourism head, Miguel Angel Villanueva.

He added that the security measures that have been introduced not only restored normal life within the city, but are also turning Madrid into one of the safest cities in the world.