

TOURIST BIPOLARITY IN EUROPE. THE CONSOLIDATION OF MATURE DESTINATIONS IN TIMES OF CRISIS

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Tourism and crisis are two widely discussed topics in economic literature, because of their importance and their degree of current interest. In this way, several studies about the effects of the current crisis on tourism sector can be found, in different geographic levels (local, regional, national and supra-municipal levels) and from different point of views such as companies, tourism workers, hotels, etc. (Some works can be specially highlighted, citing as examples the studies of Morales, 2009; Pulido, 2009; Rodríguez and Alonso, 2009; Valenzuela, 2009; Mora and Morales, 2010; Perelli, 2010; Dorta, 2011; Monti, 2011; Morales, 2011; Prats, 2011; Auriolles, 2012; Sánchez et al., 2012; Güemez et al., 2013; among others).

However, although the effects of the crisis on tourism are abundantly analyzed, the *ex – ante* view is less treated. On the one hand, some studies can be emphasised, but they do not deal with the causes of the crisis, they just mention tourism (its structure, seasonality, relative importance to the economy, etc.) as the sources and / or the catalysts and promoters of the depth of the crisis in some territories (Coscubiela, 2010; García, 2014). On the other hand, the analysis of the causes can be also found in some other works but they are applied to very specific territories, ie, case studies (Garzón, 2011; González y Mantecón, 2014).

With this approach, the authors consider relevant to carry out an exploratory analysis, because of the lack of previous studies on a large territory (265 NUTS-2 regions within the European Union (EU-28)). This analysis will address the causes of the tourism crisis from a different point of view, depending on the response of different destinations to this fact. In this sense, this crisis has affected tourism overall. However, it will be interesting

to analyze whether this has affected differently emerging economies or in a growth phase of tourism, such as many of the countries of Eastern Europe, in comparison with other possible responses of more mature and consolidated destinations, for example, the European Mediterranean.

Likewise, the reason for this circumstance can be studied, in the case of the existence of a different response between destinations. One possible answer might be found, among other things, in the presence in the territories of some of the main factors which cause or attract tourism demand, and which have been analyzed by the economic literature. The importance of identifying these potential differences between destinations, which may have influenced and conditioned its tourist response to the current crisis, would increase the knowledge about the aspects that give them a greater influence on tourism demand currently and potentially and, therefore, on its competitiveness in the market (Molero and Valadez, 2005; Barroso and Flores, 2006; Garau, 2007; Lillo et al., 2007).

Thus, the main objectives of this work are:

- To analyze the possible existence of a different response tourism in mature and emerging regions of the EU-28 during the current global crisis.
- To determine whether any of the factors mentioned in the literature as incidents on tourism demand are more relevant in determining it than others.
- To determine whether the factors mentioned above are distributed equally among European regions. It is also wanted to know whether, in this case, there is a relationship between the presence (or absence) of some of these factors and the behavior of tourist arrivals to several regions during the crisis.

Currently, according to the classification of the World Tourism Organization (UNWTO), Europe is the first tourist region in the world, both for arrivals and income from international tourism (with a market share of 51.8 % and 42.2 %, respectively, for 2013) (UNWTO, 2014).

Based on the same variables, countries like France, Spain, Italy, Germany and the United Kingdom can be found among the main tourist destinations (UNWTO, 2014). Many of them are traditionally tourist and specialized in this sector, for example in the cases of Spain and Italy (having a specialization index higher than unity). Other European destinations traditionally specialized in the tourism sector are Greece, Austria, Portugal and United Kingdom. However, in the latter case, it began to submit annual specialization indexes below unity, since the outbreak of the current global crisis (2007).

Europe has been experiencing in recent decades a slowdown in tourism growth, compared to a higher growth of other emerging destinations such as the Middle East, Asia and the Pacific Coast (Jiménez, 2011: 65). However, this slowdown in international tourist arrivals has not happened in all territories equally. Thus, a rate of growth of tourist arrivals of 6.4 % for Central and Eastern Europe can be observed, compared to 2.1 % for Western Europe, in the years before the crisis (1990-2007). Instead, the Northern countries and South and Mediterranean ones were set around the EU average (3.6 %), with values of 4.3 % and 3.8 % respectively. Therefore, a significant increase in tourist arrivals in Eastern Europe can be seen. It was driven mainly by its accession to the European Union and the

change that this leads to economic, political, social factors, etc. (from the fifth enlargement in 2004 and the following), compared to a much smaller growth of traditionally tourist countries, already mature in this sector.

The high income elasticity of demand (higher than unity) of the tourism sector (Witt and Witt, 1992; Esteban, 2004; Rossello et al, 2005) promotes a quick recovery of it in times of crisis (Morillo, 2009; Rodriguez-Toubes and Fraiz, 2011; Flores and Barroso, 2012: 146). This statement is observed in the current economic crisis, with a much earlier tourism recovery than in other sectors. However, despite this, the European tourism growth fell to 2.9 % (between 2008 and 2013) with the arrival of the crisis, mainly caused by a drop in the rates of the countries from Central and South Europe quantified at 3.5 % and 2.5 % in that period. Instead of this, E.U. members from North and West Europe remained similar to the previous period of economic prosperity, with values of 4.1 % and 2.6 %, respectively (UMWTO, 2010 and 2014).

Definitively, it can be affirmed that the strong tourism growth in emerging countries of Central-Eastern Europe experienced in the years before the crisis is not maintained during it. Quite the opposite, these are the countries which are currently experiencing a higher decrease in the rate of tourism growth. Faced this position, touristically more mature countries have a behaviour typified as a lower growth of their arrivals in prosperity times but a smaller decline in their growth rates during the crisis.

After a brief literature review on the reasons which may explain the different behavior in tourism demand, most of the authors agree to establish a group of factors and variables which concern directly or indirectly the volume of arrivals although they are grouped into different categories and names according to the consulted literature (Tocquer and Zins, 1987; Bull, 1994; Pedreño and Monfort, 1996; Vera, 1997; UMWTO, 1998; Blanca and Ferrís, 2002:169; Iranzo et al., 2003; Ritchie and Crouch, 2003:20; Sancho, 2008; Benites, 2011:27; González and Conde, 2011; Flores and Barroso, 2012:133).

Although, as just mentioned, the determinants of tourist demand can be grouped under different categories. Depending on the economic literature consulted, there are a number of factors which are mentioned repeatedly by different authors, such as economic, equipment, infrastructural, quality of life or environmental factors, as well as others more intangible or difficult to be measured or quantified. That is why, the performed analysis in this paper is based on quantitative explanatory factors available in different statistical sources consulted, belonging to Eurostat (REGIO database and Structural Business Statistics (SBS)), to the General Directorate of Macroeconomic Analysis and International Economics or renowned webs such as global-rates.com.

In this context, variables related to the four factors mentioned above are used in this work. These variables are: trade in cultural goods and leisure, retail, hospital beds, crime, environmental pollution and noise pollution, hotels and similar establishments, harmonized CPI, exchange rate, disposable income per capita and GVA growth rate.

Firstly, principal component analysis (PCA) is performed in order to reduce the initial information contained in eleven variables to get a smaller number of dimensions or explanatory underlying factors. Four significant factors are obtained through PCA, explaining the 65.82 % of the variance, as a whole. These are the factors:

- The first factor can be identified as «economic factors», associated with variables such as CPI, exchange rate, per capita disposable income and per capita growth rate of GVA.
- The second factor is associated with pollution variables, such as acoustic or environmental. Therefore, this factor can be clearly identified with «environmental factors».
- The third component is strongly related to the number of hospital beds, crime, vandalism or violence. It can be identified with «variables indicative of the quality of life» of people in the tourist destination.
- The factor number 4 is composed of variables related to trade and accommodation and has been called «infrastructural factors».

Second, from the different identified factors, several estimates have been made from panel data. These estimates can establish the possible connection between tourist arrivals and some of the variables mentioned above, which may be conditioning them according to the literature. The results indicate that tourist arrivals has been mainly favored by factors 1 and 4, ie, by economic and infrastructural variables, rather than factors related to the environmental characteristics of the destination or the quality of life population.

Finally, a cluster analysis and a discriminant analysis are performed in order to know how these factors are distributed among the different NUTS-2 regions in the EU-28. In addition, a possible relationship with the response of tourism in each territory is also studied, where applicable, during the current economic crisis.

Based on the performed analysis the different European regions NUTS-2 can be classified in five groups according to the factors which affect their tourism demand:

- One group shows the highest averages in economic and infrastructural factors. This group is composed by very important tourism regions such as Andalusia (Spain), Ile-de-France (France) and Lazio (Italy).
- A second group, composed of Hungary and Lithuania, has the best environmental values but the lowest ones at the economic factor.
- The third cluster is formed, mainly, by Germany, the most of Romania, Cyprus and Malta. They present the worst infrastructure and environmental indicators of all regions.
- Finally, most of the European regions are placed in the groups 4 and 5, representing almost 70 % of EU regions. It can be highlighted that any of the four tourist factors analyzed in this work are relevant.

Therefore, as a result of the performed analysis, it can be confirmed that the presence of the four factors identified as incidents in tourist arrivals is not homogeneous at the different NUTS-2, coinciding a greater presence of the most relevant ones (economics and infrastructures) in the regions with the greatest tourist tradition. A much more stable tourist behavior and its consolidation in the sector can be corroborated. In this way, a bigger resistance can be seen in the case of mature regions in the context of the current crisis.

Finally, the authors are aware of the limitations of this article. For this reason, this research is presented with an exploratory basis as a first approach to the issue that it has been analyzed, with the purpose of that the reached conclusions will open new ways of research. These points will be configured as a first step to continue analyzing the procedures in which it is necessary to deepen.

