

Strategies for the tourism industry of spain tourism essay



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Tourism is of strategic importance to country as an export commodity to generate foreign currency earnings and a potential generator of taxes for local authorities. Government investment and development of tourism infrastructure benefits all sectors of tourism industry, foreign and domestic tourists, as well as the local inhabitants in a tourism destination area.

(Jamal, T. and Robinson, M., 2009)

Well conceived development of a critical mass of attractions by the combined efforts of private and public interest directly benefits to all the industry sectors involved in the tourism system, which improves the attractiveness and competitiveness of the destination. For a country to have a successful tourism it is highly essential to maintain the sustainability of its tourist destination. Tourist destination is “ a place that a traveller chooses to visit for a stay of at least a night in order to experience some feature or characteristic of a place perceived as a satisfying leisure time experience.”

(Jamal, T. and Robinson, M., 2009)

Destinations are regarded as a popular aspect of tourism as they encourage visitors by delivering valuable experience through various locations, resources and service. On the contrary they even attract disasters caused by natural hazards or by human activities.

Disaster is stated as “ a serious disruption of the functioning of a community or a society causing widespread human, material, economic or environmental losses which exceed the ability of the affected community or society to cope using its own resources. (Ritchie, Brent W., 2009)

Natural disasters is the result of caprices of nature which includes earthquakes, floods, volcanic eruptions, etc where as manmade disasters are a cause of terrorism, war or industrial action. After comparing these disasters it can observed that, both have immediate threat, danger and the potential for ongoing disruption but manmade disasters to some extent can be preventable and controllable. (McDonald, R., 2003)

This paper will illustrate the effects of Man-made disasters resembling Terrorist attacks and Hotel collapse in Spain, including the marketing strategies that could be adopted to mitigate these disasters for retention of tourism in the destination (Word Count - 2)

Spain is the package holiday capital of Europe and second most popular tourist destination globally, for specialising and maintaining the country's image of ' sun, sand and sangria'. In terms of tourism Spain has gained marvellous victory being one of the world's top five destinations which offers over a million bed spaces in serviced accommodation sector . As per latest research Spain is the second European country after France which holds a market share of 11. 4% in terms of international arrivals (UNWTO, 2010). Being famous for its summer holidays, it attracts most of the tourists from countries such as United Kingdom, France, Germany and Scandinavia. (Spain Travel Guide, 2011)

The Spanish economy has generated one and a half million jobs supported by tourism, contributing to one-third of the country's export earnings and which accounts for 12 percent of GDP. However this achievement has been earned at the cost of society and the environment. The result of this has led

to massive expansion through development of apartments and holiday villas as well hotels near the coastline. (Boniface Brian, G. and Cooper, C., 2005). Similarly by gaining popularity, the destination has created huge traffic jams and has the highest amount of cars as compared to Europe. (TV Choice, 2000)

But the major disaster to be considered in Spain is of Majorca which faced Series of Bomb Explosion that occurred in 2009 by Euskadi Ta Askatasuna (ETA) terrorist organisation (BBC News, 2009) and the hotel collapse in 2008(Expatica, 2008) which created severe havoc in the region by affecting the life of the tourists.

The blast had affected the itinerary of thousands of visitors as most of the flights were either turned back or diverted for safety. The Spanish economy is highly reliable on tourist for its source of income and tourism trade; but this attack has frightened the localities and has challenge the travellers and tourist's security beliefs, enabling them to give a second thought of whether to fly back to the destination. On the Contrary, the incident of hotel collapse which occurred due to negligence of the construction has taken lives of many construction workers.

After all these disasters occurred the first priority of the Spanish government was to cut down further repetition of the crises for which the government had implemented certain Counter Terrorism Strategies. The government started providing appropriate training to local police and actors in the civil society for identifying signs of terrorism in the vicinity, by ensuring efficient

collaboration between the relevant bodies and front line staff and developing regular contact with local communities.

A software named as Check the Web (CTW) was introduced to monitor regular activities of the militant Islamic websites of Europe to avoid future threats. Various information systems such as Schengen Information System and the Visa Information Systems were developed for protection of citizens and infrastructure by ensuring an area of freedom, security and justice.

The Spanish Presidency adopted an Action Plan to combat Cyber Crime foreseeing the short-, mid- and long-term threats on European network and information security. (Council Of The European Union, 2010)

After the car bombings that occurred in 2009 in Majorca the government took additional securities in all the modes of transport including passenger and air cargo for prioritising the safety of the tourist. For reducing the terrorism threat it is very essential that public and private sector work hand in hand, for data exchange and information sharing relating to Passenger Name Records, processing and transfer of Financial Messaging Data and the information distributed within the local area.

The concept ‘ Marketing Strategy’ refers to “ an organisational function and a set of process for creating, communicating, and delivering value to customers and for managing customer relationship in ways that benefit the organisation and its stakeholders.” (Ferrell, O. C. and Hartline Michael, D., 2008). The problems faced by Spain in terms of tourism requires a market – led response for which certain marketing strategies if adopted by the

Spanish government, can facilitate in times of considerable unease and market turbulence to maintain its tourism.

Firstly the Spanish government has encouraged the Australian tourists visiting Madrid in 2011 for World Youth Day to register at their website, in order to take advantage of insurance facilities and accommodation benefits along with preventing cautions and monitor developments. (Smart Traveller, 2011)

Being the initial country outside Italy to promote this event for the second time it can facilitate better promotions by offering discounts on attraction, restaurants and theatres. The event being conducted on a wider scale in the capital state, it essential that the government should form an alliance with the Airlines, hoteliers, wholesale tour operators and other sources for effective marketing management. (Beirman, D. 2003)

This event will last for a week (Catholic Pilgrim Office, 2011) which if managed properly, can generate income for the country from sources such as additional usage of public transport in that period, expenditure by visitors in tourism and leisure area. Being an island in the Mediterranean it is essential that Spain develops new holiday styles to reduce seasonality, encourage higher spending visitors and to spread tourism more evenly throughout the country.

Madrid being the political and financial capital of Spain serves as the principal transportation hub including centre of technological education, training and development and as a cultural and business centre. Additionally the city is renowned for conducting venues in recent years for international
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conferences and being the headquarters of World Tourism Organisation (WTO). (Perret, S. and Bijaoui, P., 2006)

In order to promote the destination Spain and its most recognised football club ' Real Madrid' have signed a pioneer agreement. This agreement will promote and enhance the tourism brands of the destination globally using its slogan " Visit Spain, Visit Madrid". However the capital city has effectively developed its public- private collaboration through the city's marketing agency ' Promocion Madrid' and has pioneered its network of strategic alliances with various tourist destinations, including New York, Sao Paulo, Buenos Aires, Mexico and Tokyo. (Andaluz, 2011)

These international alliances will foster the culture and attractions of the destination to the rest of the world. Thus Sports Tourism signifies a great platform for the Region of Madrid to encourage international travellers. This strategy of intensive marketing will feature temporary discounts or incentives as tactics that can be applied to recover losses incurred by the destination due to disasters occurred earlier. Similarly establishment and maintenance of effective media coverage and public relations will play a major role in driving the tourist back to the destination.

Furthermore, the Madrid region is given the opportunity to host the 2018 Ryder Cup. This will create an excellent platform for encouraging Golf tourism at a global level which in return will generate a high business volume for the region due to vast arrival of spectators. In order to maintain sustainability in the Sports Tourism the Government of Spain has signed a Treaty with sports bodies such as Spanish Royal Football Federation and Real

Madrid in order to boost the brand image of the destination in international countries. (The Guardian, 2010).

Secondly, Spanish National Tourist Organisations (NTO) has started various promotional campaigns such as ' Passion for Life' and ' Spain Marks', for promoting the brand image of Spain. The campaign highlights the appeal of the Spanish Lifestyles and the cultural heritage, emphasising on the different regions. (Boniface Brian, G. and Cooper, C., 2005)

Spain Marks describes the various attractions and activities available to tourists in different parts of the country, additionally positioning the destination in terms of lifestyles and attractions.

Turespaña, the Spanish National Tourism Authority reveals that buying patterns in major markets are changing and leisure visitors are becoming more independent, preferring self - tailored holidays to packaged tours. The changes are fuelled by low cost and changing preferences of activities. Today the Spanish major islands provide low fare services and independent beaches/islands are growing. Spain Marks is intended to show the country's flexibility to adapt to this changing market. Hence both its branding and marketing strategy are intended to respond to these trends. (Lennon John, J. et al, 2006)

Such promotional campaign will reduce the barrier of threat created by terrorism in the minds of tourists visiting Spain due to the following criteria. It will help to maintain its reputation of the topmost tourist destination within the target markets. Generate more revenue to the country's tourism

business as a direct result of the campaign activity by retaining and
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increasing the number of domestic and international tourists visiting the destination. Similarly the campaign will assist in identifying the key consumer insights for domestic and major European markets. Finally it will even improve the relationships with non - tourists sectors. All the above criteria state that the capital is open for business through assortment of events to provide the country's tastes and fashions. (Ladkin, A. et al., 2007)

However Spain can even encourage the ' third age' tourism where Spanish senior citizens can reside in resort hotels at reduced rates outside the peak season (Boniface Brian, G. and Cooper, C., 2005)

Lastly for designing the hotels, the Spanish government can adopt a value chain strategy from coordinating and programming of architecture, towards site security design and risk assessment by maintaining a sustainable collaboration between public and private sector in order to increase local contribution. (Luman Ronald, J., 2011)

The Spanish hotel market can promote itself by being more focus towards leisure oriented than commercially oriented. This can be possible by encouraging the local commercial market and increasing the number of high spending European weekend break visitors. In order to make this strategy successful the local government will have to incur high spending on its infrastructure investments and beaches.

As the hotel sector becomes more internationally reputed it will be an attractive target for international investors, developers, banks and operators to expand their representation in the destination. Additionally, development

of boutique hotels and extended stay products will generate revenue for the economy. (Perret, S. and Bijaoui, P., 2006)

Eventually more approaches towards conferences, golf tourism, winter sports facility and activity holidays will increase the brand value of the destination.

After analysing and implementing the concerned marketing strategies, we will now glance at the pros and cons of these strategies.

Firstly, Madrid being the capital has become the major hub of various events and thus acts as a brand ambassador for the destination. Various short, mid and long term marketing strategies for promoting tourism, has been implemented in the respect to Sports, conferences, public welfares and attractions. This generates a huge income for the economy and promotes the brand image of the country.

But after applying such strategy, the threat it will attract is the unpredictable terrorist attacks which create a sense of fear in the environment and in the mind of tourists. Similarly there are chances that huge involvement of media in such events might work in favour or against the situation in case of sudden calamity.

As Spain is highly bound to face terrorist attacks in future, it needs to take precautions over expansion of its promotional campaigns which unite all the international tourists together at a specific location. The fear of such disaster reduces the profit margin of the economy finally leading to a decline in the expected annual budget.

Secondly, the next strategy of promoting various campaigns such as Spain Marks have been quite effective in promoting the country's brand image as similar strategies have been proved effective in promoting London where Total London Month (TLM) and Total London Tour (TLT) was structured in encouraging the Londoners for using tourism facilities by offering discounts on attraction, restaurant and theatres. (Ladkin, A. et al., 2007) The only side effect of this is that where on one side it generates more revenue for the country on the side it increases traffic jams and pollutes the environment due to increasing arrivals of tourists.

Finally the rapid development of hotels on the island attracts the involvement of international companies to invest in the destination which imports more international currency and builds a strong economy. However this will affect the environment as it reduces the land for plantation, affecting the ozone layer.

After analysing the above strategies, the best approaches that will work in favour of Spain is of the high interest shown in the field of sports, conferences, public welfares, unexplored attractions along with promotion of various campaigns. This is essential as the current trend demands experiences, fulfilment and rejuvenation rather than promotion of destinations and commodities. If these targets are implemented successfully then Spain stands an excellent chance of being the top most tourist destination in future.

To make a final conclusion for this paper it is recommended that the various stakeholders engaged in the tourism sector, need to maintain effective

collaboration between public and private organisation as tourism being their basic economic activity and consider additional prevention measures against the problems created from the external environment. Similarly there is a need to reinvent various strategies for attracting tourist due to the changing revolution. Hence there is a need to practice and remember the saying “Prevention is better than cure.”