

SPANISH TOURISM TO FACE TURBULENCE IN 2023



An Exceltur study confirms that the contribution of Spanish tourism in 2022 to the national GDP was almost 160 billion euros, 1.4% more than in 2019, thanks mainly to domestic tourism and the rebound of international tourism.

These are not minor figures. According to the employers' association that brings together the main companies in the Spanish tourism sector, tourism generated 61% of Spanish GDP growth last year. **And the outlook for 2023, despite the threat of global recession, seems to be, according to Exceltur, equally positive.**

Two facts, however, cloud the optimism. The first, is the fact that tourism has not reached, as a percentage of GDP, the 12.6% reached in 2019 (it has remained at 12.2%).

The second, is the fact that the improvement in sales has not had a direct correlation with the improvement in business results due to the rise in inflation and the increase in energy costs (which have increased by 29%), labor (by 9%) and supplies (by 17%).

In short, the Spanish tourism sector has weathered the Covid storm with good results. But it is not yet in a position to be too optimistic.

The confinements forced the closure of many tourism companies, which has led to a cleanup of the sector, and many operators have reoriented themselves towards premium tourism. But the strengths remain where they were before the epidemic and the fall in the number of Russian and Chinese tourists has only been offset by the increase in those from the Americas and, above all, Mexico.

The Spanish tourism sector faces two inescapable challenges in 2023. The first is energy prices, which will continue to rise and could make international tourists opt for other countries, such as Turkey or Egypt. Destinations with a sufficiently devalued currency to be more attractive in the eyes of our main clients: Great Britain, France, Italy, Germany and the Nordic countries.

The second will be environmental sustainability, but also the sustainability of services in a sector that concentrates large numbers of people in very specific parts of Spain: the Mediterranean coast, Andalusia, the Balearic Islands, Madrid, the Canary Islands and the Basque Country. **It is therefore the task of the large companies in the sector and of the public administrations themselves to work to promote tourism in other less visited areas of Spain.** This could help to decongest the most saturated areas.

Also looming on the horizon is the fragility of urban, business and cultural tourism, which should prove to be much more solid, given Spain's status as a tourist power.

In this sense, the fact that Madrid is positioning itself as the fashionable Spanish-speaking city worldwide, as a financial and cultural alternative to Miami, and as the preferred destination for exiles due to the arrival of populist governments in Chile or Colombia may serve as a driving force in this regard.

Date: 2023-01-23

Article link:

<https://www.tourism-review.com/spanish-tourism-faces-not-only-rising-energy-prices-news12904>