

FOCUS

Tourism competitiveness



TOURISM COMPETITIVENESS AND REGIONAL DEVELOPMENT: A NEW WINNING BET FOR THE BALEARIC ISLANDS

ANTONI RIERA, THE TECHNICAL DIRECTOR OF FUNDACIÓN IMPULSA BALEARS, HIGHLIGHTS THE IMPORTANCE OF CREATING A NEW LEADERSHIP POSITION SUPPORTED BY THE RENEWAL OF THE CURRENT TOURISM POTENTIAL OF THE ARCHIPELAGO IN ORDER TO COMMIT TO REGIONAL DEVELOPMENT IN THE POST-COVID-19 SCENARIO.

THE BALEARIC ISLANDS have a high tourism potential that can be deployed in the face of the challenge posed by the COVID-19 pandemic. The islands are in sixth place in the tourism competitiveness ranking, which is composed of 315 regions that are currently active in tourism and are also located within a short or medium distance of the islands' main markets. This result is derived from the Tourism Competitiveness Index prepared by The Economist Intelligence Unit with the aim of gauging and evaluating the regional factors and policies that support the development of tourism and, at the same time, the capacity of this conglomerate of activity and knowledge to contribute to the improvement of the global competitiveness of the Balearic Islands.

Measuring tourism potential in this way takes on special relevance in a context in which the COVID-19 pandemic has accelerated important changes and opened up new opportunities that

lead to a new way of approaching and, therefore, developing a region that goes hand in hand with tourism. This is a crucial moment for the Balearic Islands to unfold its tourism potential and redefine its current leadership position. Thus, it identifies and addresses the critical points that could hinder, today, the formulation of new visions in accordance with the new scenario and, above all, to the revamp of tourism, both from the private and social point of view.

All in all, it is indicated that the islands start, in global terms, from a position that places them in a segment of "very high" tourism competitiveness, made up of the top 50 regions of the distribution, all of them European, among which Spain has 12 of its 17 Autonomous Communities. Thus, the Balearic Islands is preceded only by the Spanish regions of Andalusia (first place), Catalonia (second place), and Valencia (fourth place), France's Provence-Alpes-Côte d'Azur (third place), and Switzerland's Lake Geneva Region (fifth place). To complete the top 10, the Balearic Islands are ahead of the Canary Islands (seventh place) and the Basque Country (eighth place), as well as the Austrian Lower Austria-Vienna (ninth place) and the German Berlin-Brandenburg (10th place).

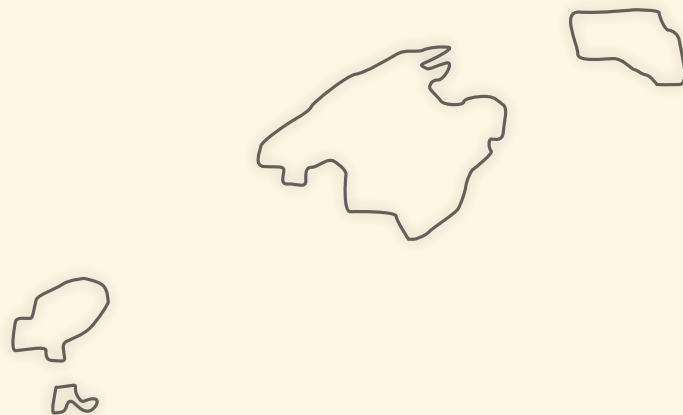
The tourism potential of the Balearic Islands is set apart from its competitive environment through its regional approach based on the prioritization at both economic and political level of tourism. This is the pillar through which the islands express their leadership most strongly, since they occupy second place, a short distance behind the top region, the Canary Islands. This prioritization has a clear positive expression through the competitive scores obtained in, on the one hand,

the infrastructure and facilities pillar—as revealed by the “very high” competitiveness ranking occupied in air transport (seventh place) and maritime and land transport (35th place) and tourist facilities (sixth place)—and, on the other, the natural resources pillar—also the top-50 of the distribution (39th place). Meanwhile, the archipelago continues to find significant obstacles to overcome in the regional sphere, as evidenced by its position in the pillars related to the business environment (242nd spot), human capital and the labor market (202nd spot), the organization of the tourist area (176th spot), and, to a lesser extent, technological integration (127th spot). These issues contrast with the favorable results obtained in terms of health, safety, and hygiene (ranked 58th) and, in global terms, denote that the islands maintain a marked dispersion of their competitive scores.

Advancing in favor of this balance is the basis of any new formula that the stakeholders of the Balearic Islands establish when it comes to materializing a commitment to development, hand in hand with tourism. To this end, this commitment must be positively oriented toward supporting: (i) the current regional capacities in terms of efficiency and innovation both entrepreneurially and institutionally; (ii) the incorporation of sustainability as an active basis for competitiveness; and, (iii) the reformulation of the islands' position of tourism leadership in the world.

All this opens the possibility of designing from the archipelago a new and pioneering position that aims, with important expectations, to a “regenerative tourism.” An ambitious bet, both regionally and in terms of tourism, that focuses on the circular economy as the main path to progress, which not only aspires to move toward a carbon-neutral, waste-free scenarios (such as “green” or sustainable tourism), but also repairs the accumulated negative externalities and, above all, activates new opportunities that favor the addition and capture of value through tourism specialization. This is an exciting challenge that requires vision, commitment, and boldness to deploy new business models and high-level political actions. At IMPULSA BALEARS, we manage high volume of strategic knowledge and new forms of cooperation to accompany the actors of the islands in this prosperous adventure. ✖

	Position of the Balearic Islands	Punctuation (+/- medium)	Leading region
i ICT	6	+	Andalucía
Pillar 1 · Business environment	242	-	Lake Geneva Region (Switzerland)
Pillar 2 · Safety, health and hygiene	58	+	Carinthia (Austria)
Pillar 3 · Human capital and labor market	202	-	Zurich (Switzerland)
Pillar 4 · Technological integration	127	+	Utrecht (Netherlands)
Pillar 5 · Prioritization of tourism	2	+	Canary Islands
Pillar 6 · Prices	102	+	Egypt
Pillar 7 · Planning of the tourist space	176	+	Northern and Eastern Finland
Pillar 8 · Air transport	7	+	Corsica (France)
Pillar 9 · Maritime and land transport	35	+	South Holland
Pillar 10 · Tourist facilities	6	+	Tyrol (Austria)
Pillar 11 · Natural resources	20	+	Adriatic Croatia
Pillar 12 · Cultural and recreational resources	108	-	Île-de-France



* In a competitive set of 315 regions from the 27 EU countries, Albania, Algeria, Bosnia and Herzegovina, Egypt, Iceland, Israel, Lebanon, Morocco, Montenegro, Norway, the UK, Republic of Serbia, Switzerland, Tunisia, and Turkey. Source: IMPULSA BALEARS Foundation. i | ICT. February 2022.