Research for TRAN Committee – Overtourism: impact and possible policy responses

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KEY FINDINGS

- The effects of overtourism are potentially severe and both natural and cultural heritage sites are at risk of losing their appeal as desirable tourism destinations due to overtourism.

- The character of overtourism impacts – environmental, economic and social - depends on the type of destination. The most vulnerable destinations are not necessarily cities, but rather coastal, islands and rural heritage sites.

- Most destinations are managed based on a growth-paradigm, mainly valuing growth of visitors' numbers, without considering carrying capacity and other policy goals.

- The most frequent measures taken by destination management organisations and local governments to soften the negative effects of overtourism are related to spreading visitors in time and space.

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Description and overview of overtourism

Many overtourism issues are related to the (negative) perception of encounters between tourists, residents, entrepreneurs and varying tourist groups, due to the perception of high tourist numbers at certain times and places. Root causes of overtourism may relate to low transport costs and technology developments (i.e. digital platforms, social media). Although a lack of available data impedes a thorough analysis of the effects of social media platforms on overtourism, there is evidence of their role in causing concentration effects of visitor flows in time and space, as well as pushing additional growth in visitors' arrivals.

The present document is the executive summary of the study on Overtourism: impact and possible policy responses. The full study, which is available in English can be downloaded at: http://bit.ly/2srgoyg

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One of the main results of this study is that the impacts of overtourism can be social, economic, as well as environmental. Perhaps not aligned with the image often portrayed in the media, the case studies' analysis also suggests that **the most vulnerable destinations are not necessarily cities, but rather coastal, islands and rural heritage sites.**

Findings from this study suggest that **the most relevant indicators for overtourism** are:

- tourism density (bed-nights per km^2) and intensity (bed-nights per resident);
- the share of Airbnb bed capacity of the combined Airbnb and booking.com bed capacity[1];
- the share of tourism in regional Gross Domestic Product (GDP);
- air travel intensity (arrivals by air divided by number of residents); and
- closeness to airport, cruise ports and UNESCO World Heritage Sites.

Though the means and distributions of the indicator values differ significantly, there is a large overlap in values between the groups of regions with and without overtourism. Yet, it is difficult to assign a general value or threshold to an individual or combination of indicators that could serve as a predictor of overtourism. It is thus suggested to assess the risk of overtourism at the regional level. In total, over 290 regions were assessed, including 53 with at least one destination already confronted with overtourism. In the analysis, **a preliminary number of 15 regions not currently recognised as destinations in a state of overtourism were identified as 'at a high risk of overtourism'.** Before any effective early warning tool can be implemented, comparable indicators and values must be identified in order to enable the assessment of a more comprehensive list of destinations at 'risk of' or 'in a state of overtourism'. Still, **the study provides a preliminary practical check list for destinations or regions to assess whether they may be at risk of overtourism based on a qualitative assessment**:

Case studies

A total number of **41 case studies are discussed in this study**. The selection was based on a set of criteria including 1 case per EU country, an even distribution over the four types of destinations (Rural, Urban, Coastal & Islands, Heritage & Attractions), and 12 iconic non-EU destinations[2]. For each case, a short report provides a general description, some statistics, as well as an overview of tourism developments, impacts and policies. **The case studies highlight that the character of overtourism impacts – environmental, economic and social - depends on the type of destination**. Social impacts prevail in Urban destinations, environmental impacts in Rural, while all three impact categories are relevant in Coastal & Islands and Heritage & Attractions. Impacts were evaluated as a function of, among others, the annual number of tourists per 100 inhabitants (Tourism Penetration Rate, TPR) and the annual number of tourists per km^2 (Tourism Density Rate, TDR), with results markedly differing between the four types of destinations. Results suggest that **especially the combination of a high TPR and TDR, puts a destination at a high risk of overtourism.** This is often the case in destinations of the type Coastal & Islands. Environmental issues often reported are pollution and waste. Social issues often concern overcrowding of transport infrastructure and of tourism sites. None of the economic impacts emerged as very common. **Surprisingly, while social impacts related to overtourism are the ones most often discussed in**

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[1]   While booking.com almost entirely consists of 'registered accommodation' like hotels or B&B, Airbnb lists private properties – both rooms and entire private homes, as well as homes owned by commercial entities - that are usually not government registered as tourism accommodation. Because Airbnb and booking.com are by far the largest players for unregistered sharing or registered commercial accommodation platforms, the indicator provides representative figures on overall bed capacity.

[2]   After the selection, Venice and Cinque Terre were added as well-known, highly visited tourism destinations, even though both are located in one country (Italy).

the media, the case studies indicate that environmental impacts are common as well, but mainly outside of cities.

The most frequent measures taken by destination management organisations and local governments to soften the negative effects of overtourism are related to spreading visitors in time and space (i.e. aiming at a greater number of attractions over a prolonged season); targeting inappropriate visitor behaviour; or improving the capacity of infrastructure, accommodation and facilities. The above common measures are all in the realm of current tourism management strategies and practices, but are not necessarily the most appropriate. The case studies did not reveal any evaluation or monitoring programmes in any of the destinations, making it difficult to assess the effectiveness of the measures in place.

Issues and actions for TRAN Committee

Overtourism is a complex phenomenon. In order to proactively prevent and/or address its impacts, customised and place-specific tools and measures are needed. The majority of the nine general principles of the current EU tourism policies are relevant to overtourism. However, the main problem remains the availability of accurate data for the implementation of effective interventions, as well as destination management measures. Known complicating factors are linked to a growing part of the industry operating outside the control of policy-makers (i.e. sharing economy platforms like Airbnb, Uber) and peer-to-peer platforms such as TripAdvisor, which tend to have an impact on the concentration of tourists in certain destinations and places.

Four key issues emerged from the study. **Firstly**, current (Eurostat) tourism statistics fail to provide all relevant data at the relevant level of detail (NUTS 3 or more detailed is recommended). **Secondly**, the effects of overtourism are potentially severe and both natural and cultural heritage sites are at risk of losing their appeal as desirable tourism destinations due to overtourism. **Thirdly**, most destinations are managed based on a growth-paradigm, mainly valuing growth of visitors' numbers, without considering carrying capacity and other policy goals. **Fourthly**, this study revealed Information and Communication Technologies (ICT), social media and peer-to-peer platforms to often be referred to as primary causes of overtourism. These technologies accelerate the growth and the temporal and geographical concentration of tourism flows and volumes in certain locations. This remains a poorly addressed issue both in the professional and the scientific literature.

Key recommendations to the TRAN Committee include:

- To recommend to conduct **a more systematic research on the overtourism issue** including also rural types of destinations, as well as coasts and islands, and natural and cultural heritage.

- To advocate **commencing data collection, at NUTS 3 level**, on the number of tourists and day-visitors, Airbnb and other new forms of accommodation and transport mode shares.

- To initiate **debates on tourism growth within destinations**, with the goal for destinations to put greater emphasis on qualitative elements of tourism development (profitability; local employment, fair pay rates) rather than continued arrival growth.

- To establish a discussion on **governance of sharing economy platforms**, such as Airbnb, as entities largely outside the control of destinations and policymakers, yet channelling significant financial resource flows from destinations.

- To **involve stakeholders and particularly residents in tourism planning** and development processes on a regular basis in all destinations.

- To support **monitoring the 'sentiments' of both tourists, hosts and (other) residents** in order to have an early warning of the psychological and social forms of overtourism developing.

- To encourage **creation of a cross-EU 'Task Force on overtourism'**. The Task Force should report to the European Commission (EC), provide management recommendations emerging from a constructive dialogue between all parties involved, and develop a monitoring system to detect the causes and impacts of overtourism. This EU-wide Task Force could be a useful benchmark model to be implemented at the destination level.

Further information

This executive summary is available in the following languages: English, French, German, Italian and Spanish. The study, which is available in English, and the summaries can be downloaded at: http://bit.ly/2srgoyg

More information on Policy Department research for TRAN: https://research4committees.blog/tran/

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