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P R E S S R E L E A S E

Winter Tourism in Greece: Analysis - Conclusions - Proposals

RIT presents the study of professor and General Director of the Institute Mr. Pavlopoulos “Winter Tourism in Greece: Analysis-Conclusions-Proposals”.

The high seasonality of Greek tourism has an impact on the efficiency of the invested capital, on the employment, the density of tourism flow (environment, etc.). Therefore, the state and the private sector have an obligation to examine the causes and become active in order to address the phenomenon. The mitigation of seasonality increases the efficiency of employment but also positively affects the development of the sector.

The study aims to examine various aspects of the issue, to identify the causes and to contribute to the application of an impartial policy.

I. Findings

1. The ratio of foreign winter tourism in Greece is only 9% of total annual foreign tourism, compared to 25% of the main competitor countries.
2. In tourism regions such as Turkey and Cyprus, which have similar features to Greece, such as the distance from tourism destinations, the ratios of winter tourism are 21% and 19% respectively (1998).
3. In all competitor countries – France, Spain, Italy, Portugal – except Turkey, an increase was recorded in the winter tourism ratio between 1975 and 1998, varying from 2,9% for Portugal to 62,3% for Italy. Greece, which had the lowest ration in 1975 (14,4%), recorded a dramatic decrease (38,2%).
4. All the countries managed to address the loss of the decade 1975-85, except Greece in which the downward trend seems to remain.
5. Arrivals from America, Oceania and Africa recorded a decrease, with decrease ratio varying from 30,1% for America to 58,5% and 61,8% for Africa and Oceania.
6. In 6 out of 10 main countries of origin, the share of Greece in total winter tourism product has decreased.

7. Regarding general infrastructure, Greece remains behind competitor countries in many factors (roads, ports, supervision).
8. Comparative position of Greece regarding special infrastructure is disappointing. Except the infrastructure for conference tourism, the infrastructures for special forms of tourism are not capable to attract tourism flows.

II. Causes – Evaluations

1. An important feature that differentiates our country from other competitor destinations is the distance from the main countries of origin. The data indicate a negative correlation between the ratio of air-transferred tourists and the ratio of winter tourism. Distance and transportation costs combined with the length of vacation determine to large extent winter tourism in Greece and the main competitor countries.
2. Turkey is not an exception to the rule, as the comparative high ratio of foreign winter tourism could be justified by the composition of tourists based on origin.
3. Neither the state nor private bodies have yet examined to a necessary extent the forms of tourism activities which could contribute to the improvement of foreign tourism seasonality in our country.
4. The data suggest that the most realistic approach, in the sense of considering social costs, is to increase the share of months included in mid-term, emphasizing to the months which are at the ends of the high-demand period.
5. The lack of cooperation of Greece with certain regions of origin (USA, Oceania) has cumulative negative effects, as there is no advertising through visitors to these regions.
6. Even though our country has not appropriate special infrastructure, it is not the main cause for the extremely small ratio of winter tourism. This approach is based on Turkey, where special infrastructure is inefficient –better condition than Greece- and succeeds to keep the ratio of winter tourism similar to the other competitor European countries.
7. Winter tourism advertising and available infrastructure should be based on the features of foreign winter tourists (age, marital status, preferences), combined with the very small demand elasticity of winter product.
8. The analysis of the data regarding the tourists' main countries of origin lead to the conclusion that the main reason why foreign winter tourism in our country has a downward trend the last twenty years is the inactivity of the destination country.

9. The improvement of the share of off-season period is based on Other World (extra-European). That is a significant message.
10. Greece is significantly behind regarding infrastructure but we consider that is not the main reason why the ratio of foreign winter tourism is low. Not all special forms of tourism have the comparative advantage that our country has in tourism sector.

Policy Measures

These are identified, regarding the analysis, by what we call "problem" constants, which are:

- (a) Winter tourism is mainly professional and leisure tourism and not vacation tourism, due to social institutions, such as the school year and annual leave from work. The potential winter tourist population consists of: (i) labor veterans, employees and professionals, (ii) the increasing weekend tourists and more generally short leisure travelers and (iii) business travelers.
- (b) The large distance of our country from countries of origin is costly for short-term vacations such as the weekend. A positive correlation was observed between the extent of winter tourism and road transported tourists.
- (c) Overseas countries as potential sources of winter tourist demand do not require very special tourism infrastructure. Cultural infrastructure (museums, archeological sites etc.) are not included in alternative forms of tourism. We consider them to be one of the two pillars of our tourism (Sun-sea, Culture).
- (d) Greece has an advantage over competitor countries regarding potential large tourism market – as a source of foreign tourism product - of East Europe countries.
- (e) The population ratio of those who have retired or are not working (seniors) and therefore have the time and the financial resources to travel tend to increase in the medium to long term.

The above main constants form the geographical areas, population groups, and groups of special interests, which are potential sources of winter tourists.

Policy measures which could possibly improve seasonality are not the same for all countries of origin for many reasons (different age groups, different needs of same ages but different areas). Also, the main pursuit should be off-season period.

- (a) Special infrastructure should be established based on special researches regarding the preferences of potential winter visitors.
- (b) Special infrastructure and other actions to attract winter tourists should focus on large cities that have easy access to monuments of Greek culture.

(c) Advertising expenditure and relevant programs should be adjusted to every country of origin, based on the preferences of potential tourists. This of course requires a significant increase of promotion and advertising resources.

Especially:

A. Eastern Bloc Countries

- Problem of visit permission (visa). Establishment of consulates in large cities, in collaboration with consulates or embassies of other countries.
- Organization of a network for tourists (private companies with the participation of domestic partners and state aid until they become independent).
- Rely on religious ties.

The climatic conditions of many of these countries indicate positive potentials.

B. Western Europe Countries

Focus on seniors, who have the time and financial resources. This age relies on quality, fact that leads to the need to upgrade all tourism services. These winter visitors are mainly travelers and this has to determine the infrastructure organization.

Regarding business travel, the following are mentioned: Firstly, the mobility of this category tends to decrease as technology replaces the need to travel for these purposes. Secondly, business travel program is based on the corresponding business needs and could not be the subject of tourism policy, thirdly winter period is not very suitable for scientific international conferences, and fourth, the country has surplus capacity (except for conferences over 3.000 people). Therefore, the further increase of the corresponding capacity should be reconsidered.

C. Overseas Countries

The problem regarding these countries does not concern ages, seasons or features of potential visitors. These are mainly touring trips, which are organized all year round. Special infrastructure is not as significant as general infrastructure.