

A Service of



Leibniz-Informationszentrum Wirtschaft Leibniz Information Centre

Hospers, Gert-Jan

# **Article**

# Overtourism in European Cities: From Challenges to Coping Strategies

CESifo Forum

# **Provided in Cooperation with:**

Ifo Institute - Leibniz Institute for Economic Research at the University of Munich

Suggested Citation: Hospers, Gert-Jan (2019): Overtourism in European Cities: From Challenges to Coping Strategies, CESifo Forum, ISSN 2190-717X, ifo Institut – Leibniz-Institut für Wirtschaftsforschung an der Universität München, Wünchen, Vol. 20, Iss. 03, pp. 20-24

This Version is available at: http://hdl.handle.net/10419/216242

# Standard-Nutzungsbedingungen:

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

# Terms of use:

Documents in EconStor may be saved and copied for your personal and scholarly purposes.

You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.

If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.



# Gert-Jan Hospers

# Overtourism in European Cities: From Challenges to Coping Strategies



Gert-Jan Hospers Radboud University, Nijmegen

#### INTRODUCTION

Venice has been a tourist magnet for a long time. At the end of the 18th century residents already complained about overcrowding. Since two decades, however, tourism in the Italian canal and heritage city has exploded. Between 2003 and 2017 the number of tourist overnight-stays rose from 6.2 million to 10.2 million, while the city was visited by nearly 35 million day-trippers in 2017 (Nolan and Séraphin 2019). In the last group we find many cruise ships passengers and holidaymakers staying in accommodations outside Venice. At the same time, more and more residents have decided to leave the city center and move elsewhere - Venice has been a shrinking city for a long time. This population decline is not only due to rising house prices, but also to a feeling of discontent among many locals. They have negative opinions about tourists and feel that their city has been taken over. As a matter of fact, mass tourism has damaged the lagoon and built heritage of Venice, thus destroying exactly the attractions what visitors are looking for. Although the city council has recognized the downsides of tourism for long, it has taken action only recently. Examples of policy measures are limited entry for tourists with the help of pedestrian gates in the historic city center and fines for visitors that are disturbing public order.

The story of Venice is an extreme case of what experts and commentators have termed 'overtourism'. In a recent report edited by the UNWTO (2018, 4), overtourism is defined as "the impact of tourism on a destination, or parts thereof, that excessively influences perceived quality of life of citizens and/or quality of visitors experiences in a negative way". Besides Venice an increasing number of other European cities suffer from the side-effects of mass tourism. Examples are capital cities like Berlin, Copenhagen, Rome, Lisbon, Prague, and Amsterdam. But also smaller cities with an attractive touristic profile - think of Florence, Porto, Lucerne, Salzburg, Palma de Mallorca, and Dubrovnik - report problems. It is important to note that overtourism is always a matter of perception. Thus, it is a relative rather than absolute phenomenon: whether the quality of life for locals and the experiences for visitors are negatively affected depends on factors like the scale of the city, location of attractions and felt density. Yet we may say that an expanding group of European cities is confronted with the adverse effects of mass tourism. In this article we explore overtourism, its challenges and possible ways to cope with it. Next to a discussion of these issues at large, we deal with the case examples of Barcelona and Amsterdam, and strategies proposed by the World Tourism Organization. The article ends with a short conclusion.

#### **CAUSES OF OVERTOURISM**

Overtourism may be a growing concern for European cities, as a topic it is not entirely new. For instance, Doxey (1975) proposed an 'irritation index', an ideal type model mapping the changing perception of residents towards visitors in an area's touristic life cycle. In the tourism development of a destination Doxey identified four stages of local responses: after initial enthusiasm about the economic benefits of tourism (euphoria), attitudes tend to change with the growth of visitors. After a while, locals get used to tourists and may become indifferent (apathy). But when the number of holidaymakers exceeds a threshold annoyance comes in (irritation) that may even end in hostile feelings vis-à-vis tourists (antagonism). Obviously, the last two phases are relevant for overtourism.

Why are some cities more susceptible to be overrun by tourists than other ones? Also this issue has been analyzed before. In his seminal book The Tourist Gaze (1990), Urry suggests that visitors search for visual experiences that differ from what is seen in daily life. Tourists travel to destinations to 'gaze' at 'signs': they tend to look at special features of a place, such as a mediaeval cathedral, famous museum or spectacular event. These destinations are not randomly chosen; there is an element of anticipation, imagination and expectation involved. As a matter of fact, the 'tourist gaze' is always socially constructed. American tourists, for instance, would not visit the Charles Bridge in Prague per se, but only because they have been manipulated to do so by a variety of multimedia channels, be it magazines, movies, Instagram or other social media. They want to take the same picture that has been taken million times before. And because Prague is by definition unique - after all, there is not a range of Pragues, but only one Prague - they all decide to look for themselves. The result of this is an accumulated process inducing a touristic variant of the well-known 'Matthew-effect': crowded destinations become even more crowded.

What makes overtourism into a topical issue is the simultaneous occurrence of factors driving global tourism and the difficulties of local stakeholders in coping with it. For one thing, tourism is a world-wide growth sector: international tourist arrivals have exploded over the last decades and this development is likely to continue (UNWTO 2018). New groups of visitors, notably from China and India, have entered the market, while Airbnb has increased the supply of

accommodation in cities. Moreover, budget airlines such as Ryanair and China United have lowered the costs of travelling, making it affordable for more people. Add to this the popularity of 'bucket lists' (things one should do in one's lifetime) and it is clear why visitors prefer particular destinations (The Economist 2018). For another thing, stakeholders in these 'must see'-places are often ambiguous. Generally speaking, urban authorities and entrepreneurs welcome visitors since they bring in money, generate jobs and boost the city's image. But in the competition with other cities often short-term interests prevail. To be sure, protests from locals and worries on the unfavorable effects of tourism are recognized, but it seems hard for cities and their decision makers to make a sensible cost-benefit analysis and take the necessary policy interventions.

To make sense of this diversity of forces, Dodds and Butler (2018) provide a useful framework. According to them, there are three groups of factors enabling overtourism: agents of growth, technology and power. Factors linked to 'agents of growth' relate to the increase of the number of tourists. Experienced travelers tend to travel more now, while also new groups of visitors have entered the scene. The role of the factor 'technology' in facilitating overtourism is obvious. After all, developments in transport and communication technology have been tremendous. Innovation in these domains has resulted, for example, in less complex booking and traveling procedures, more affordable travel modes (e.g., low-cost carriers and cruise ships) and promotion and image building of places via social media. Under the heading of 'power', Dodds and Butler (2018) include the shortterm focus and growth mindset of local stakeholders as well the lack of agreement among them on how to deal with the growing influx of visitors to their city. Which group of factors is dominant in causing overtourism differs from city to city. For instance, in the charming Swiss city of Lucerne the rising number of Chinese tourists has led to 'tourismphobia' (Milano 2017). In turn, the emergence of Porto as a must-see destination is mainly due to technological factors: without Ryanair, easyJet and Instagram it would be less popular. And although in Venice all enabling factors play a role, the hesitance of stakeholders to take action and other power-related influences have contributed to the present situation of overtourism.

#### **CHALLENGES OF OVERTOURISM**

In debating overtourism it is often forgotten that tourism as such is beneficial for European cities. It is an important source of business activity, income and employment. Especially when visitors make use of accommodations, cafes and restaurants that are owned by local entrepreneurs rather than global chains, tourism has a lot of advantages. Most jobs may be seasonal, but they cannot be outsourced like

in manufacturing - tourism is by definition a placebased activity. Next to direct employment tourism generates indirect jobs, e.g., for building companies, catering services and cab drivers. In some well-known old industrial cities - think of Bilbao, Essen and Newcastle - tourism has played a crucial role in revitalizing the economy. It is no wonder therefore that policy makers across Europe have embraced tourism as a useful urban development strategy. This has also been the case in places where mass tourism is now considered a problem, like Barcelona and Lisbon. The quintessence is that 'more' does not always mean 'better'. When visitor numbers have crossed a line, undesirable economic, social and/or physical effects for a city may set in (Van Gorp et al. 2019). For local stakeholders these effects are creating challenges.

First, overtourism can lead to economic problems related to the 'tragedy of the commons' (Hall and Page 2006). What is the background of this? As we saw before, tourists tend to visit destinations to 'gaze' at public or semi-public attractions like a cathedral, museum or event. Although these attractions will be the primary visiting purpose, tourists spend most money on goods and services that are facilitating their visit, such as overnight stays in hotels, diners at restaurants, guide books and souvenirs. These supporting activities are the real 'money makers' for a tourist city - the rents go to entrepreneurs rather than to the actors responsible for the main attractions. To be sure, museums and event organizers may charge entry costs, but the revenues generated from this do by no means compensate the high costs to manage, maintain and conserve the city's primary attractions. In other words, the unique selling points of popular tourist cities have characteristics of 'commons', i.e., shared and unregulated resources that run the risk of overuse. In the case of overtourism visitors are partly 'free riders' - through their collective action they behave against the interest of the city as a whole. The result: the city is used by too many people, whereas the locals have to pay for the overloaded infrastructure, pollution and other disamenities.

Second, overtourism may have adverse social effects in that local communities experience a deterioration of their quality of life. In practice, complaints about the negative externalities of mass tourism sometimes end in protests, as incidents in Barcelona, Palma de Mallorca and Venice have made clear. Sometimes, residents do not feel welcome anymore in their own city. Take the example of the Mouraria district in Lisbon (Kiani-Kress and Ter Haseborg 2018). A decade ago, the Portuguese government regarded tourism as the solution for the Euro Crisis and loosened real estate laws and tenant protection. As a consequence, in Mouraria and other old city districts holiday homes were built and house renovations took place. The locals have been put off, while some of them were priced out due to rising living costs and had to move. However, it is important to note that 'the locals' should not be seen as a uniform group. Empirical studies indicate that residents' attitudes towards tourists differ. Here, several factors play a role, such as a community's dependence on the tourism sector, types of resident-visitor interaction, the distance of someone's home from the tourism zone and individual socio-economic features (e.g., education level) (Alrwajfah et al. 2019). In other words, Doxey's irritation index is not written in stone.

Third, overtourism can have negative physical effects on a city. This impact can take several forms, like damage to the built environment, its heritage sites and the ecosystem. A case in point is Venice (Nolan and Séraphin 2019). In the Italian canal city - note that it is built on wooden piles and surrounded by water - the high footfall of tourists poses serious threats to the conservation of monuments and bridges. Even worse, Venice has been sinking over the years due to a combination of dropping land levels and rising sea levels, which has increased the possibility of floods. Obviously, this process is accelerated by mass tourism. Since a few years, the situation in Venice has aggravated with the arrival of cruise ships: the large vessels do not only unload large numbers of tourists at once, but also disturb and pollute the local aquatic ecosystem. The coming of cruise ships to Venice has led to many protests, also outside the city's borders. The UNESCO, for example, has declared that Venice runs the risk to be removed from its prestigious list of World Heritage. The Croatian city of Dubrovnik - famous for its old historic city - got a similar warning by the UNESCO. Overtourism in both cities is criticized, not only with reference to the quality of life of locals. Also the decreasing quality of visitor experiences is an important argument to be critical.

# CASE EXAMPLES: BARCELONA AND AMSTERDAM

How do European cities deal with the challenges of overtourism? Below we examine some of the measures taken by stakeholders in Barcelona (Spain) and Amsterdam (the Netherlands). Both cities are often seen as 'good practices' in handling mass tourism.

# **Barcelona**

Since the Olympics in 1992 Barcelona (1.6 million inhabitants) has grown into an extremely popular tourist destination. In 2004 overtourism was identified as a problem and in 2008 the local authorities formally started taking action (Ajuntament de Barcelona 2017). The main actor in charge is the City of Barcelona. Over the last decade, it has followed a coordinated approach of visitor management that stands out in three respects. To start with, the city government bases its policies on an analysis of tourist flows and crowding patterns. To get the data needed, 'smart city'-tools and other digital techniques are used. Based on this knowledge the dispersal of visi-

tors across the city is promoted. Thus, overcrowding in the most popular tourist zones in Barcelona can be avoided. Next, in policy making and implementation the citizens always have had their say. The result of this participative approach is that more consensus on the measures has been reached than in cities like Venice and Lisbon. Perhaps it is also thanks to public engagement that the Barcelonese approach has been able to combine broad and integral strategies with small interventions on the street-level (Goodwin 2019). Examples of such 'micromanagement' are limitations to open new souvenir shops, agreements regarding guiding groups in public space and parking rules for touring cars. One of the challenges in Barcelona, however, remains the handling of rental accommodation. In some neighborhoods an unbalanced situation has emerged in the ratio of resident housing to tourism apartments. Locals are confronted with rising rents, while there are also complains about disturbance by visitors. To deal with this issue, the City of Barcelona has developed special urban planning rules and sends out teams of inspectors to check whether rental apartments are legally used by tourists.

#### **Amsterdam**

Just like Barcelona the Dutch capital of Amsterdam has become a popular tourist destination. In 2005 the city counted 11 million visitors, in 2017 about 18 million. Projections warned that without corrective policy action visitor numbers might even grow to 30 million in 2025. Therefore, a few years ago Amsterdam's city government launched a 'City in Balance'-program that strives for a new equilibrium between tourists and residents. From an international perspective, the policy goals and instruments are considered rather drastic and remarkable (Ehlers 2018). Indeed, the program's starting point is the idea 'visitors are welcome, but locals come first'. The City of Amsterdam aims to improve the quality of life for its inhabitants and develop a responsible view on tourism. Meanwhile, almost 70 measures to operationalize this city-in-balance policy have been taken (Municipality of Amsterdam 2019). For example, traffic flows in the city center are regulated, not only for coaches, taxis, lorries and bikes, but also for boats in the canals. Nuisance by tourists in public space is tackled with strict rules and high fines. To prevent a further homogenization of tourist supplies (e.g., chain hotels and Nutella-shops) there are street-centered policies to increase the variety, quality and authenticity of neighborhoods. In addition, there are 'Enjoy and Respect'-campaigns to make tourists aware that there are also people living in the tourist-historic city. At the same time, the city government tries to 'expand' Amsterdam's borders by urging holidaymakers to visit other places in the city region. For example, the adjacent city of Amstelveen, known for its greenspaces, is promoted as 'Amsterdam Forest', while the Dutch seaside resort of Zandvoort is marketed as 'Amsterdam Beach'. This dispersal policy is complemented with financial measures: people staying in hotels in the larger Amsterdam area pay lower tourist taxes than those who want to sleep in the city center.

#### **COPING WITH OVERTOURISM**

The strategy in Amsterdam to disperse visitors beyond the city's borders connects well with the recommendations made by the Centre of Expertise for Leisure, Tourism & Hospitality (CELTH) and the European Tourism Futures Institute (ETFI). The two institutes, both based in the Netherlands, were commissioned by the World Tourism Organization to examine overtourism and come up with proposals to handle it (UNWTO 2018). For this purpose, the experts from CELTH and EFTI analyzed residents' perceptions towards tourism in eight European touristic cities. Next to Barcelona and Amsterdam the researchers looked at the situation in Lisbon, Copenhagen, Berlin, Munich, Salzburg, and Tallinn. Based on the empirical findings the report suggests a range of strategies and measures to deal with the growth of visitors in tourism cities. Here, we only highlight some of the advises.

One set of recommendations deals with the dispersal of visitors, in both space and time. Telling examples are the marketing of attractions in lessknown parts of the city ('hidden treasures') and the organization of events in off-peak months or outside the tourist hot spots. In this respect, offering special visitor cards for unlimited local travel and discounts for new attractions and itineraries may work as an incentive. Other coping strategies that are recommended call for a better understanding of the city's carrying capacity, visitor flows and the behavior of different types of visitors. With the help of such knowledge and insights, local authorities can target and monitor their policy responses and improve the urban infrastructure (e.g., promoting secondary routes at peak times and waste management based on big data). Obviously, data-driven visitor management can also be used as an argument to review and adapt local traffic and housing regulations as well as tourist taxes. Most of the other recommendations in the report are linked in one way or another to communication with the people involved and engaging them, whether they be locals or tourists. For instance, it is advised to invest in city experiences that are positive for both residents and visitors. Other examples are informing visitors about local norms and stimulating inhabitants to share intriguing things about their daily environment on social media.

An interesting finding from the study is that residents' views towards tourism in the eight cities are not as negative as articles in newspapers and magazines often suggest. For example, the majority of the

people who participated in the study do not find it necessary that the growth of visitor numbers in their home cities should be limited (UNWTO 2018). To be sure, locals recognize the negative impacts of overtourism when it comes to price increases in housing, transport, shops and catering. But touristic activities are also associated with positive impacts, such as a more international atmosphere, a better image of the city and more attention for historical parts and traditional architecture. Against this background, it is not surprising that residents who want to stop tourism development and marketing are outnumbered. At the same time, there is a broad consensus to involve residents in urban tourism agendas more and to respond better to any complaints 'from the street'. In other words, when dealing with overtourism measures should not only be directed towards visitors and their behavior, but also to locals and their concerns.

#### **CONCLUSIONS**

The media increasingly reports on the challenges of overtourism in European cities. In popular destinations like Venice, Amsterdam and Palma de Mallorca the growth of visitors has caused worries on the quality of life - people feel that there are too many tourists in the city. In the present paper we have analyzed this issue with the help of some theoretical insights and anecdotal evidence. Theoretically, is not hard to explain overtourism: the growth of global tourism and the importance of bucket lists has led to a convergence of visitors to a limited number of places. However, instead of profiting from this 'winner takes all'-principle, local stakeholders are confronted with 'tragedy of the commons'-problems. Too many visitors in the same place may have negative economic, social and physical effects. Are there any solutions? Experiences in Barcelona and Amsterdam show how important it is to combine an overall vision on overtourism with street-level interventions, while experts consider engagement of the local population as a crucial success factor.

In the end, we think, it is the city government that is in charge. As an actor working for the public interest, the local authorities have the responsibility to develop a clear perspective on overtourism and take action. Ideally, these strategies and measures are based on a detailed cost-benefit analysis of tourism for the city in question - after all, for many places tourism is a significant source of revenue. In balancing the interests, finding a local optimum and managing visitor flows, the here-and-now should always be the starting point. What works in Barcelona or Amsterdam, is not necessarily working in Venice or Lucerne. Or as the experts stress in the UNWTO-report (2018, 7): "nevertheless, the effectiveness of measures is highly dependent on their specific context. There is no one-size-to-fit-all solution. Even within cities, management measures can differ between neighbourhoods". Paradoxically, to address overtourism, local policy makers might have to visit their own city.

#### **REFERENCES**

Ajuntament de Barcelona (2017), Barcelona Tourism for 2020: A Collective Strategy for Sustainable Tourism, Barcelona.

Alrwajfah, M., F. Almeida-García and R. Cortés-Macías (2019), "Residents' Perceptions and Satisfaction toward Tourism Development: A Case Study of Petra Region, Jordan", *Sustainability* 11, 1907, doi:10.3390/su11071907.

Dodds, R. and R. Butler, eds. (2019), *Overtourism: Issues, Realities and Solutions*, De Gruyter, Berlin and Boston.

Doxey, G. (1975), "A Causation Theory of Visitor-resident Irritants: Methodology and Research Inferences. The Impact of Tourism", in The Travel Research Association, ed., Sixth Annual Conference Proceedings, 195–198.

Ehlers, F. (2018), "Die Geister, die er rief: wie Amsterdam versucht, die Flut der Touristen zu kanalisieren, ohne dabei sein Gesicht zu verlieren", *Der Spiegel*, August, 22–23.

Goodwin, H. (2019), "Barcelona – Crowding Out the Locals: A Model for Tourism Management?", in R. Dodds and R. Butler, eds., *Overtourism: Issues, Realities and Solutions,* De Gruyter, Berlin and Boston, 125-138.

Hall, C. and S. Page (2006), *The Geography of Tourism and Recreation: Environment, Place and Space*, Third Edition, Routledge, London and New York.

Kiani-Kress, R. and V. Ter Haseborg (2018), "Feindbild Tourist: Wut statt Willkommen", WirtschaftsWoche, 13 July, 16–20.

Milano, C. (2017), Overtourism and Tourismphobia: Global Trends and Local Contexts, Ostelea School of Tourism and Hospitality, Barcelona.

Municipality of Amsterdam (2019), City in Balance: 2018-2022, Amsterdam.

Nolan, E. and H. Séraphin (2019), "Venice: Capacity and Tourism", in R. Dodds and R. Butler, eds., *Overtourism: Issues, Realities and Solutions*, De Gruyter, Berlin and Boston, 139–151.

The Economist (2018), "Wish You Weren't Here", 27 October, 53-54.

UNWTO (2018), 'Overtourism'? Understanding and Managing Urban Tourism Growth beyond Perceptions, World Tourism Organization, Madrid.

Urry, J. (1990), *The Tourist Gaze: Leisure and Travel in Contemporary Societies*, Sage Publications, London.

Van Gorp, B., B. de Pater and E. van der Zee (2019), "Toerisme: economische gangmaker met schaduwzijde", in B. de Pater and L. Paul, eds., *Europa: een Nieuwe Geografie*, Second Edition, Perspectief Uitgevers, Utrecht, 272–302.