



**Nafarroako Gobernua
Gobierno de Navarra**



Kingdom of
Navarra
Land of Diversity

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**Tourism Observatory of
Navarre**

Application for INSTO

Preliminary Study

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POSSIBLE ISSUES IDENTIFIED FOR THE DESTINATION

a. Tourism Constellation

The tourism sector presents important structural changes that have the role of leisure in today's societies as a causal background. Two decades ago tourism companies were basically related to transport, accommodation and food activities; but today what was traditionally called "complementary offer" becomes a key point for satisfying the client's motivations, influencing the choice of destination and increasing the economic impact of their stay.

These changes justify the appearance of the concept of tourist constellation as the set of activities and companies linked to tourism, but the statistics do not include them as such, given the difficulty of identifying those that basically direct their activity to the tourist client and/or those that do not do so or do so in a minimal proportion. Thus, a great amalgam of leisure, culture and recreation services could be integrated here, such as urban museums, golf courses, language schools, active tourism, translation and interpretation companies, etc.

As will be seen in the analysis of the business fabric and employment, the generally available statistics are structured around the National Classification of Economic Activities (CNAE), in which activities such as retail trade, for example, are not included in the tourism sector, although these are establishments whose main orientation is to satisfy the demand of tourists. In contrast, bars and restaurants, most of which are geared to the demand of the local population, are included as businesses and tourist employment. This involves a great deal of complexity and confusion which, however, it is important to overcome in order to feed the processes of planning and designing strategies for the development of tourism.

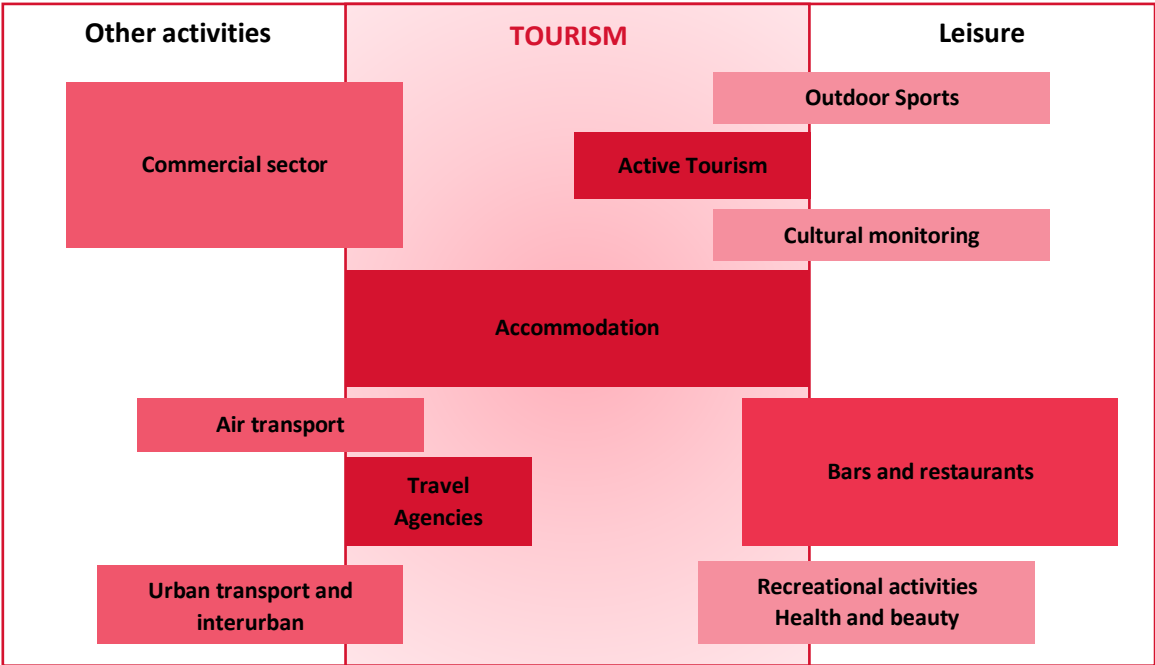


Image 1. Tourism Constellation. Own Elaboration, Source: Directorate General for Tourism and Trade, Government of Navarre, 2017a.

The above scheme shows how there are economic activities such as trade and external and interurban transport with some orientation towards the tourist client and others such as outdoor sports, cultural monitoring, bars and restaurants and activities related to health and

beauty that can be considered within the scope of leisure, but its orientation towards the tourist client is only partial.

i) Business Structure

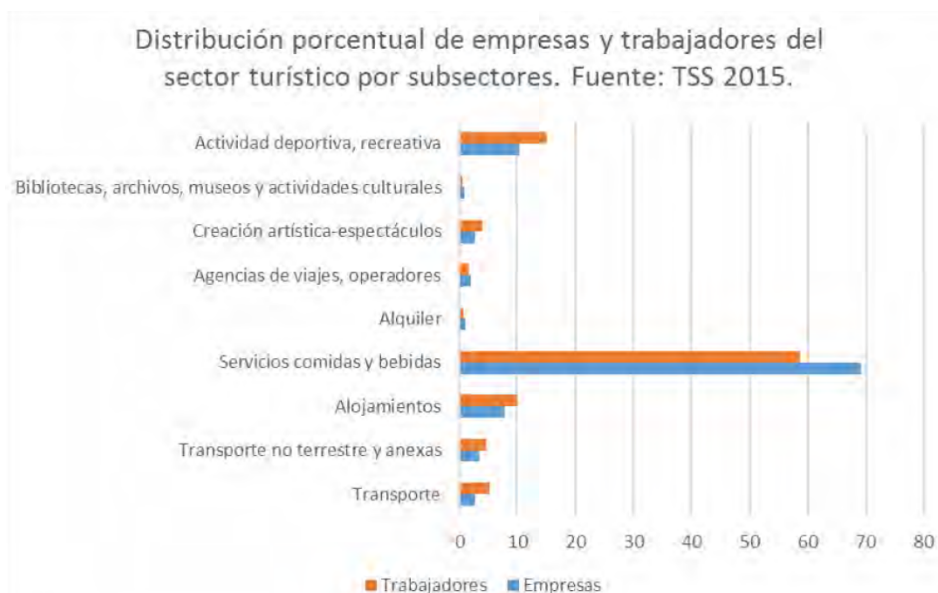
The analysis of the business structure of the tourist sector of the Chartered Community characterizes it as a sector that is strategic, not so much because of its absolute numbers in relation to other sectors, but as a balancing factor and as a generator of employment in times of crisis.

1) Companies and employment

In the analysis of the business fabric and employment generated by tourism. As has already been pointed out, it is essential to differentiate activities that are strictly tourist (accommodation, travel agencies and active tourism) from those that, although they are habitually considered part of tourism (restaurants and bars, commerce, transport, etc.), only a small part can be considered as tourist.

In this sense, the data of Social Security affiliates according to the report of the Navarre Observatory of Employment of 2015 indicate that in the Chartered Community there were counted a total of 2,476 companies of the tourist sector, where the hotel and restaurant sectors are included completely among others, which supposes a considerable overdimensioning of the sector. This same source indicates that in sectors linked to tourism, some 22,619 workers will be registered in 2015, which represents 7% of the total for the Community.

The distribution by subsectors reveals the imbalance between different sectors, especially in relation to food and beverage services that clearly far exceed those that would really be oriented towards tourism.



Graphic 1. Percentage distribution of companies and workers in the tourism sector by subsectors. Source: Directorate General for Tourism and Trade, Government of Navarre, 2017a.

In an attempt to get closer to the real figures of the tourist business fabric of Navarre, the data from the Central Business Directory for the CNAE corresponding to accommodation services

and the activities of travel agencies and receptive agencies are analyzed, and completed with the data from the register of active tourism companies of the regional government of Navarre, obtaining the following data by subsector:

CNAE	Number of Companies
Accommodation Services	860
Travel agencies activities, tourism operators	97
Active tourism	117
Tourism Total	1,074

Table 1. Navarre's tourism business network. Source: Directorate General for Tourism and Trade, Government of Navarre, 2017a.

These figures contrast with the data from the tourism register in terms of the number of establishments, which shows the strong weight of self-employment in the sector, since of the 1,572 establishments registered only 860 appear as a company in the CCD.

For their part, most active tourism companies are small (self-employment or 2-5 workers), and 47% invoice less than 20,000 euros annually. Only 30% of companies need to subcontract to other companies in order to develop their activities, and the services contracted are punctual.

These data reinforce what was indicated by the Navarre Employment Service (2014) regarding the high precariousness of employment that characterizes tourist activity, where the temporary rate is 93.6%, which means that only 6 out of every 100 contracts signed in the sector are indefinite; and that 7 out of every 10 contracts had a duration of less than one month, and 50% were part-time contracts.

Main Problems of the Companies of Tourist Activities
Difficulties with marketing and marketing
Difficulty in convincing customers of the added value of a guide
The seasonality of the activity
The economic crisis and the drop in demand
High taxes
Difficulties with funding
Intrusion
Slowness in the procedures and permissions of the Administration
The lack of collaboration between administrations
Market saturation

Table 2. Main Problems of the Companies of Tourist Activities. Source: Directorate General for Tourism and Trade, Government of Navarre, 2017a.

On the other hand, according to Exceltur, in the city of Pamplona tourist employment (hotels, travel agencies, transport, leisure, culture and retail trade) reached an annual average of 1,775 people affiliated to Social Security in 2016, which represented almost 3.5% more than the previous year. Despite the annual increase in tourist employment, it is below the average for Spanish urban destinations (5.8%).

2) Company profitability

The positive evolution of tourism in the State as a whole in recent years is also reflected in the profitability of companies. Exceltur's report on the profitability of hotel companies indicates that 49 of the 52 cities analyzed experienced increases in their income levels with respect to 2015.

87.8% of hotel accommodation companies in Navarre have increased their sales. 34.1% of them experienced a growth in their sales of between 0 and 5%, while another 22% achieved an increase of more than 10%. This translates into an average 3.8% improvement in business results.

ii) Tourism quality management systems

Navarre does not have its own tourist quality system, which is why the implementation of quality systems promoted by the Secretary of State for Tourism has been promoted.

The Spanish Tourism Quality System (SCTE) is made up of a set of certifications which, supported by methodologies, guidelines and tools for management and measurement of the services themselves, provide a classification of the tourist quality of an establishment or destination.

The quality systems implemented in Navarre are basically the following:

- SCTE Sectors: Q for Quality
- SCTE Destinations: SICTED
- SCTE Hosts: Detailed Culture" and "Detailed Destinations" Programs
- Quality in Products: Wine Routes

iii) Entities linked to the management of tourism

The Department of Economic Development, specifically the Directorate General of Tourism and Trade, is responsible for tourism within the public administration of Navarre. However, the management, planning or tourism promotion of the Chartered Community also involves a large group of bodies and entities that participate in these functions to varying degrees.

The Town Councils themselves, the communities of municipalities, the Tourist Information Offices or certain administrations with a key role in the management of the tourist activity (such as Culture, Environment, Rural Development, etc.), constitute in the same way an active part in this map of actors involved. In addition, there are other bodies made up of public-private agents with a long history of tourism development in the different areas or segments, such as the Consortiums or the group of associations and groups that make up the associative fabric linked to tourism in the Community.

This multiplicity of agents and entities involved in tourism management largely gives rise to situations of overlap, duplication of efforts and ultimately functional inefficiency.

In this sense, Navarre is currently immersed in a project to revise and reform the local administration of the Community, with the participation of the different agents involved. This process will make it possible to design a new planning model capable of responding to the demands of territorial cohesion, stability and efficiency in the distribution of competences between local entities at different levels, also resulting in the reformulation of the current map of actors and entities involved in the management and development of tourism activity.

1) Directorate-General for Tourism and Trade

In Navarre, responsibility for tourism lies with the Department of Economic Development, specifically with the Directorate General for Tourism and Trade. The powers of this Directorate General according to Regional Decree 1/2017 are:

- a) Promotion of tourism and trade in Navarre.
- b) Promotion, planning and development of tourism.
- c) The planning and promotion of internal trade and crafts.
- d) Actions relating to the defense and protection of the rights of consumers.
- e) Announcement and granting of subsidies for activities related to its area of competence.
- f) Sanctioning procedures in matters of consumption, corresponding to the person who is the owner of the Directorate General its initiation and resolution.
- g) Those others that attribute the provisions in force to the Department of Economic Development within the scope of the Directorate General and those that are entrusted to it within the scope of its activity.

The organic structure is organized in the following services:

- Tourism Marketing Service:
 - Section of Tourist Promotion.
 - Section of Development of Tourist Products.
- Service of Ordination and Promotion of the Tourism and of the Trade.
 - Tourism Management, Training and Quality Section.
 - Section for the Regulation of Trade and Crafts and Economic Aid.
- Consumption and Arbitration Service.

2) Other tourism entities: consortiums and associations

Navarre has the presence of various Consortiums as well as a profuse network of associations that dedicate part or all of their activity to the development, management or planning of tourist activity.

In total there are 8 Consortiums present in the Chartered Community linked to the different territories or zones of Navarre. Of this group, 6 are active, of which only in one of the cases has a relatively low degree of activity been identified. For their part, the two Consortiums that have ceased their activity at present are *Consortio Turístico de Bertiz* and *Consortio para el Desarrollo de la Comarca de Sakana* (in this territory there are now two tourism entities, *Agencia de Desarrollo de Sakana* and *Asociación Bidelagun* with 33 associates).

Consortiums with a high or moderate level of activity
Pyrenees
Consortio para el Desarrollo del Valle de Roncal
Consortio Turístico del Plazaola
Ribera
Consortio EDER
Middle Zone
Consortio de Desarrollo de la Zona Media
Consortio Turístico Tierra Estella
Consortio Turístico Tierras de Javier - Xabierren Lurrak

Table 3. Consortiums with a high or moderate level of activity. Source: Directorate General for Tourism and Trade, Government of Navarre, 2017a.

The Pyrenees area stands out for being part of the area of influence of a large part of the tourist associations surveyed with a defined territorial component, followed mainly by the Middle Zone. More than twenty of the identified entities lack an area that can be associated with a specific zone within the Community.

Among the work carried out by these entities (associations and consortiums) are the organization of diverse tourist activities: training, talks, exhibitions, promotion and organization of tourist activities. Around 20 entities indicate the territorial tourism promotion linked to an area, municipality or event as its main purpose.

It is worth highlighting, in this sense, the great similarity of objectives and functions between many of the associations, which maintain links of dependencies and relations between them, in many cases only being influenced by their location or by the sectorial branch they represent (or by both of them) which draws a confusing and not very operative entry of tourist entities. In addition, it is frequent that these associations overlap their functions with other generalists or even with the consortiums themselves, which hinders the interlocution and intermediation with the sector.

To all this, we must add other networks of territorial entities linked to other policies but which also affect tourism (Rural Development, Environment, etc.) and which also contributes to complicating the intervention on the tourist area.

b. Challenges of Navarre's Tourism

1. Optimizing the tourist potential of the territorial capital of Navarre

In order to optimize Navarre's tourism potential, in a context of exquisite respect for its values and limitations, it is necessary to incorporate new market niches that are already emerging in Spain and to access European market segments that enjoy other patterns of behavior and consumption. In this sense, it is necessary to identify those with the best conditions for the penetration of Navarrese products and to design specific products for these demands. The behaviors of greatest interest are those with a tendency towards growth and those whose central motivations are linked to expectations of experience, to experiences linked to local culture and to its particular way of understanding the relationship with the territory and its traditional management and which at the same time show a greater propensity for tourist spending on this type of experiential trips.

In order to achieve this challenge, it is necessary to improve external accessibility (air and rail high-performance) and to promote the role of the receptive agencies in order to guarantee national and international operators and prescribers the levels of quality and service provision that they demand. Trust between operator and receptive/marketer is crucial in tackling this challenge.

2. Occupying a positioning that improves the profitability environment

The challenge of improving profitability has a twofold component: on the one hand, developing a promotion strategy that maintains and optimizes the position in local markets and, on the other, significantly reinforcing actions in the target international market (yet to be identified) in order to achieve significant penetration.

In this repositioning it is necessary to develop new online marketing actions at all stages of the journey, from the pre-trip (inspiration, search for information and booking), to the post-trip (remembrance, loyalty and promotion in your circle of trust), going logically through the stay in the destination (geolocation of resources, etc.), which widen the field of connection between the

tourist space of Navarre and its customers, and which associate Navarre with an advanced territory.

3. Agglutinating the different public and private actors around the same objectives

In order to face a challenge with the ambition of improvement, it is necessary to rationalize the organizational structures of the sector, both public and private, providing them with the management instruments appropriate to their needs, so as to guarantee inter-territorial cooperation, inter-sectoral coordination and public-private collaboration. In this challenge, it is essential to improve the articulation of tourism management between the different territories, and to reduce the fragmentation of territorial brands.

4. Linking Navarra's product lines to differentiating features and attributes linked to experience

Tourism in Navarre aims to be competitive on the basis of differentiation of destination and product. The aim is to reduce the seasonality of the activity and improve the profitability of its companies and raise the quality of employment. Fundamental to this process are the training and qualification of the sector (entities, companies and workers), but also the adaptation of the growth rates of the reception capacity to its use and to the evolution of overnight stays.

To adapt the development of tourist activity to the possibilities of the territory and the generation of employment, so as to guarantee the quality and uniqueness of the experience (differentiation). It is necessary to optimize the tourist opportunities of the territorial capital of Navarre, for which the tourist experience must be based on the experience of the territory (nature, culture and landscape), and this can only be done if there are people who contribute this value. The regulation and control of depersonalized accommodation, the facilitation of traditional activities linked to the first sector, craftsmanship and trade, and the incorporation into tourist products of elements of territorial identity that differentiate them from the rest, must contribute to this.

5. Connecting Navarra's tourist area with the markets of greatest interest through product development

Navarre has numerous resources of tourist interest but still very few products that can be marketed in the market. In this process, it is not a question of designing products with the available resources, but rather of prioritizing a few objective markets, studying them in depth, making travel proposals and, from there, designing products that respond to those desires. To define coordinated promotion and co-marketing strategies that will enable the Navarre-Pamplona destination to position itself in the international market with a clear and clear image of its products, regardless of the specific tourist area in which they can be located.

6. TRANSFORMING NAVARRE INTO A REFERENCE POINT FOR SUSTAINABLE DESTINATIONS AT EUROPEAN LEVEL

The aim of this exemplary sustainability challenge is to make Navarre a sustainable destination with a global reach that positions it in the most demanding international markets in this area. Sustainability must take into account all the links that make up the tourist product, from access transport, the main element of environmental instability, to accommodation (efficiency, integration, circularity, etc.) and activities (vehicles, respect for the environment, etc.).

7. Making a forward leap in market intelligence linked to a substantial improvement in the management of resources and capabilities.

The most demanding challenge in terms of technology is to achieve a significant increase in the connectivity of information with the selected markets, so that they can perceive the attractions of the Navarre-Pamplona destination in the most appropriate way possible and carry out the most effective commercial operations, while at the same time achieving the emotional connection between the culture of the original market and the experiential components of Navarre-Pamplona. In order to achieve all this effort, it is necessary to develop instruments for understanding the patterns of conduct and preferences of the selected markets, with the greatest precision and intelligence.

8. Incorporating into tourism elements of territorial and social innovation, as well as technological, product or management innovation that will improve the competitive position of the sector.

Territorial and social innovation involves prioritizing job-generating actions, helping to fix the population in rural areas and promoting activities that reinforce territorial identity, thereby helping to facilitate life in the territories. The technological innovation of tourism must extend to all stages of the journey, from pre-trip (inspiration, search for information, planning, booking), the stay at the destination, logically going through the enjoyment of the experience (intelligent application of techniques to expand the possibilities of enjoyment of resources, with the support of mediating persons) and post-trip (remembrance, recommendation, loyalty). To do this, it is necessary to promote the technological development of the sector, and improve the capacity for analysis and interpretation of the information generated, through Big Data technology and Business Intelligence and development of technologies tailored to territorial and social needs. The characteristic way of organizing this change is process management.

Nevertheless, innovation also involves the design of attractive products, creativity in land management and new forms of social co-management. The priority will be to put technology at the service of territorial innovation and social innovation, prioritizing the singularities of the territory and the generation of employment.

9. MOBILIZE THE TOURIST CONSTELLATION OF NAVARRE AND INVOLVE THE DIFFERENT LEVELS OF ADMINISTRATION AND PUBLIC POLICIES IN A STRATEGIC GLOBAL CHANGE.

Of all the challenges listed above, probably the most important is to achieve a noticeable and relevant increase in cohesion between all public and private agents and progress in the provision of collective action instruments for the management of tourist areas (DMO's) and in the constitution and implementation of instruments for the joint management of products and marketing of the international destination Navarre-Pamplona (DMC's). The *"Distributed Factory of Navarrese Tourism"* must begin to articulate itself around a shared vision and a dynamic of generalized cooperation.

c. Objectives

i) General objectives

In response to the Challenges and under the coverage of the defined Aims and Principles, the **Strategic Plan for Navarre Tourism 2017-2025** sets out the following General Objectives:

A. Consolidate Navarre's position in local markets.

This Plan aims to consolidate Navarre's position in local markets (Spain and Southern France), improving its operation in segments, niches and products where Navarrese destinations are consolidated and to try to occupy predominant positions in the new niches that are emerging as forms of travel lasting 4-7 days, spring and autumn, in the main urban areas of these nearby markets.

- ✓ Reference 2025: 2,670,000 overnight stays by local travellers (Spain and Southern France).
- ✓ Reference 2025: 850,000 overnight stays by travellers from neighbouring communities (Basque Country, Aragon, La Rioja and Southern France).

B. Position Navarre-Pamplona in the European tourist market in order to capture flows of seasonally adjusted demand, with a high average daily expenditure at destination.

This objective requires the improvement of air and telematic connectivity, the definition of a brand and an attractive image and action focused on certain segments that are adapted to the characteristics of the selected issuing markets.

- ✓ Reference 2025: 650,000 overnight stays by European travellers
- ✓ Reference 2025: 20% increase in average daily expenditure at destination

C. Focus tourism competitiveness on the differentiation of segments and products, within the framework of the Navarre-Pamplona destination, and supported by elements of the territorial heritage (natural and cultural), and by people, in a context of high sustainability demands.

The focus of this objective is to reinforce the attractiveness of the destination in the attributes of diversity, sociability, gastronomy, historical stories, landscape and sustainability.

- ✓ Reference 2025: 20% increase in brand recognition
- ✓ Reference 2025: Average stay of the international tourist 2.5 days

D. Promote cooperation between businessmen and with tourist entities so as to enhance the effectiveness of joint action and the adaptation of production structures.

The challenge will require a professional receptive capacity with a high capacity for adaptation to different demand segments and product lines.

- ✓ Reference 2025: 15% of the marketing absorbed by the receptive in the market.

E. Improve the territorial articulation of the management of the tourist area by promoting cooperation between territorial entities and improving inter-administrative coordination.

Development of public-private entities managing six tourist areas in Navarre. These entities will have specific functions in terms of information and guidance, conditioning resources for tourist use, mobility and the provision of services from the Tourist Reception Network.

- ✓ Reference 2025: increase 35% of people served in information offices and reception network

These five objectives come from the Diagnostic process, which in turn has been fed by the technical analyses carried out and the participatory process with public and private entities and all kinds of actors involved in tourism in Navarre.

ii) Specific objectives – orientations

The 5 General Objectives are developed into 24 specific Objectives, also known as Strategic Orientations (3 for the first, 3 for the second, 4 for the third, 6 for the fourth and 8 for the fifth). The Orientations develop the strategy of the Plan for the coming years and contain the criteria by means of which it is intended to achieve a change of course in the tourist system of Navarre.

The Plan takes on the challenge for Navarre of making tourism a strategic activity for the region, optimising the positions achieved and opportunities in close markets and making its way into European markets.

This purpose of orienting both supply and processes towards positions that make the destination Navarre more competitive must be translated into a greater capacity to adapt the products to the requirements of tourists, in matching the rate of growth to the capacity of reception of tourist areas and to take effective measures to reduce seasonality.

The desire for repositioning is oriented towards a development strategy based on the difference. In order to achieve the recognition of the difference of Navarrese destinations and products, this Plan proposes an additional effort to take advantage of the opportunities of territorial heritage, preparing natural and cultural resources and the landscape to meet the needs of tourists, in a context of maximum sustainability. In short, it is a question of promoting a new value in the offer to decouple the competitiveness of Navarre's destinations and products from an undesirable race to the bottom and from harmful seasonality.

These actions must necessarily lead to an improvement in the profitability scenario of business establishments and a notable increase, both in stable and quality employment and in the professionalism of all those involved: businessmen, public managers and workers. This is not possible without a great effort to act together by of the different actors involved in tourism: public administrations, entities of public-private management, business agents and trade unions.

Strategic Orientations by objective
Objective A. Consolidate Navarre's position in close markets
A.1. Penetration into new market niches arising in urban areas with expression in medium and low season and with a propensity for medium and high expenditure.
A.2. Develop formulas for consolidating Navarre's position in local markets to optimise the relationship between tourists and service delivery territorial capacities
A.3. Promote joint action with neighbouring communities: Iparralde, Euskadi, Aragón and La Rioja.
Objective B. To position Navarre in the European tourist market in order to capture flows of seasonally adjusted demand with a high average daily expenditure at the destination.
B.1. Promote development based on difference by reinforcing the identity of the tourist area based on the natural, cultural and landscape heritage.
B.2. Enable a market analysis tool to guide brands and products
B.3. Foster an improvement in the relationship between the issuing market and Navarrese companies
Objective C. Focus Navarre's tourism competitiveness on differentiation of products and destinations, within the framework of the destination Navarre, supported by elements of the territorial heritage (natural and cultural) and in people, in a context of high demands on sustainability
C.1. Support for specific segments that reinforce identity and reduce seasonality
To develop visitor satisfaction potentials linked to the sociability of Navarre, organising reception areas in frequented areas and events in territories.
C.3. Promote an innovative culture in products and processes in an environment of integration environmental
C.4. Implement knowledge management systems adapted to the new policy
Objective D. Promote cooperation between entrepreneurs and with tourism entities in a way that enhances the effectiveness of joint action and adaptation of the productive structures
D.1. Encourage corporate and active incorporation of social agents in the orientation of destination
D.2. Support modernisation and innovation in the business fabric
D.3. Internationalise Navarre's tourism businesses
D.4. Foster greater extension of stability and quality in employment
D.5. Training of human resources in favour of training policies
D.6. Encourage the establishment of roundtables to promote priority segments and products clubs
Objective E. Improve the territorial articulation of tourist space management promoting cooperation between territorial entities and improving coordination inter-administrative
E.1. Updating and adaptation of tourist areas to current requirements in this field high quality
E.2. Incorporation of general accessibility criteria for people with special needs
E.3. Establish the elements of linkage with heritage policies (culture and environment) and spatial planning (spatial planning, town planning and public works)
E.4. Establish convergence areas between tourism policy, trade policy and sports policy
E.6. Concrete measures for collaboration between environmental control policy and tourism policy.
E.7. Establish specific instruments as a framework for collaboration with other entities in the field of local planning and development
E.8. Develop a programme for the social enhancement of tourism by the people of Navarre.

Table 4. Strategic Orientations by objective. Source: Directorate General for Tourism and Trade, Government of Navarre, 2017b.

d. Sustainability Criteria

The basic approach to sustainability is to try to balance the three tourism activities dimensions (environmental, economic and social) and that the optimisation of the tourist opportunities does not imply a deterioration or loss of territorial capital.

The greatest impacts of tourism are undoubtedly the GHG emissions generated by transport and the risk of deterioration of the territorial capital generated when intense flows of visits are recorded. In relation to the model intended for Navarre, it is necessary to differentiate, on the one hand, between the changes and improvements aimed at resolving imbalances in the current model and on the other hand, the effects derived from productive activities related to the new model.

The main imbalances lie in the insufficient capacity of tourism to provide support for territorial vitality in various territories of Navarre, with an unsatisfactory balance between territorial and environmental costs and benefits in all their dimensions. It is also necessary to consider the impacts derived from the concentration of flows in certain places and at certain times.

In the new model, it is important to highlight the impacts derived from the increase in the participation of air access and the increase in the influx of both proximity and scope markets.

CAPITAL COMPONENT	MAIN IMPACTS ON TERRITORIAL CAPITAL	MAIN SUSTAINABILITY CRITERIA
Natural	Concentration of visitor flows.	Regulation of public use.
Built	Concentration of flows of visits in certain elements of built heritage.	Regulation of public use. Temporal and spatial redistribution of flows.
Human	Trend towards a reduction in employment. Displacement of residents from the most demanded urban areas.	Priority to products with high participation of personal services. Use of sociability as the attraction of the visit.
Social	Loss of singularity. Banalization.	Use of sociability as the attraction of the visit.
Image	Massification. Association of brands with undesirable attributes.	Temporal and spatial redistribution of flows. Corrective action of projected images in media and networks.

Table 5. Impacts on territorial capital and main sustainability criteria. Source: Directorate General for Tourism and Trade, Government of Navarre, 2017b.

On a **global** scale, measures to try to reduce emissions in high-performance air and rail transport should be highlighted, encouraging the use of companies with emission reduction programmes and compensation measures through reforestation in Navarre or in other territories of the planet.

At the **local** level, the main impacts on areas of high value and high fragility occur when temporal and spatial concentration is recorded. These intense and concentrated flows are associated with phenomena of hiking (trips without overnight stay), but in the field of tourism,

deseasonalisation and spatial deconcentration of the visits must be encouraged. In relation to the principle of integration of the tourist activity in the environment, reducing impacts of emissions and on other components of the environment, special attention will be given to attention to measures in establishments to reduce energy impacts through adaptation to connected self-sufficiency type generation conditions and optimization in energy and water consumption efficiency, together with the circularity of materials.

Sustainability indicators should highlight the magnitude and intensity of the impacts on the environment. biophysical impacts (especially GHG emissions) as well as renewability of the different components of the territorial capital, giving visibility to both the state and evolution of ecosystem environmental services, as well as the other components of capital and their capacity to generate social and economic benefits. They should also be the indicators of the compensatory measures to be adopted, for example, the reforestations. This panel of indicators will include those referring to the effects of tourism on human capital and social capital as necessary components of the three dimensions of sustainability: environmental, economic and social.

2. DETAILED DESCRIPTION OF CURRENT MONITORING PROCESSES

a. Background

In 2008, a Statistical and Economic Observatory of Tourism in Navarre was launched. In March, a series of tourism juncture documents was inaugurated, which have been conducted monthly. The aim of these documents is to collect statistical information about Navarre, available through different sources, and interpret it in such a way that conclusions can be drawn, which will help to monitor and plan tourism marketing policies.

Prior to this date, between 1999 and 2004, data on tourism supply and demand in Navarre were monitored, monitoring data from the Tourist Offices of the Network and from the Reservations Centre of the body that existed at that time.

Since 2008, the data that have been collected have come from various sources such as the National Statistics Institute (INE), the Statistics Institute of Navarre-Nastat, the demands met in the network of Tourist Offices of the Government of Navarre, the Institute of Tourism Studies of Turespaña (IET), issuing market reports produced by Turespaña, Exceltur's tourism outlook reports, UNWTO reports or economic situation reports published by the International Monetary Fund (IMF) and banks (La Caixa, BBVA, etc).

These reports include a comparison with other autonomous communities of similar characteristics to Navarre, in order to analyze the degree of competitiveness of our territory and monitor our potential competitors.

Over the years, these monthly economic reports have acquired different formats, the analysis indicators have varied as well as their dissemination and projection.

Within the framework of this statistical and economic observatory, in addition to the monthly juncture reports, the following studies were carried out:

- 2008 Holiday Visitor Profile Study
- Economic analysis of tourism in Navarre Summer 2008
- Study of the profile of the tourist visitor to Navarre spring 2009
- Potential tourist study of Navarre 2012

b. Navarre's Tourism Observatory nowadays

The Navarre Tourism Observatory is in the process of being strengthened, within the framework of the Navarre Strategic Tourism Plan 2018-2025. In March 2018, the Government of Navarre approved by Government Agreement the Strategic Tourism Plan 2018-2025 (<https://gobiernoabierto.navarra.es/es/participacion/planes-programas/plan-estrategico-turismo-navarra-2017-2025>), the aim of which is to consolidate tourism in the Autonomous Community as a driving force for territorial development and international openness of the development region, all within the framework of the Smart Specialization Strategy (S3).

The Smart Specialization Strategy - Navarra S3 - is a medium- and long-term plan, which seeks to improve socio-economic conditions in Navarre through the specialization of its economy in the areas where it has the greatest prospects for the future. The plan has been led by the

Government of Navarre together with companies, universities, technology centers and social institutions, following the model of governance of the quadruple helix, seeking the involvement of the most relevant agents and the participation of society.

Smart Specialization Strategies (S3) is a model for economic development that involves concentrating resources in economic areas in which each region has significant competitive advantages.

From the five axes of the strategic vision: cohesive, healthy, sustainable, industrial and competitive Navarre, six priority economic areas are proposed, among them Integral Tourism. https://gobiernoabierto.navarra.es/sites/default/files/participacion/estrategia_de_especializacion_inteligente_de_navarra.pdf

The Strategic Plan for Tourism in Navarre 2018 - 2025 includes measure 6.03 entitled "Creation of the Navarre tourism observatory to improve the transfer of knowledge from market intelligence to the sector as a whole" within program 6 dedicated to intelligence and innovation in tourism. It contemplates the creation of a group of experts from the private sector, the academic sector and the tourism administration whose object is the quantitative and qualitative interpretation of the most important phenomena for the Navarrese tourist system and the contribution to the improvement of the decision-making environment by the different agents involved.

The lines of action of the Tourist Observatory of Navarre are currently structured in three areas:

- a. The sources of statistical, administrative and documentary information are monitored and recorded in the monthly, annual and seasonal reports (Easter, long weekends, San Fermín, spring, summer and autumn).
- b. Carrying out ad-hoc studies for the analysis of products or areas of special tourist interest.
- c. The tourist observatory provides information to the tourist sector of Navarre, to the rest of the administrations of our region and to the general public. Its functions include attending to queries on tourist content received by the administration.

i) Short-term and seasonal reports

The indicators analyzed are the following:

- Travelers, overnight stays, average stay for all regulated accommodation (hotels, apartments, campsites, rural tourism and hostels). Cumulative data and percentage variation with the same period of the previous year.
- Number of establishments and vacancies offered for all regulated accommodation. Absolute data and percentage variation with the same period of the previous year.
- Travelers, overnight stays, average stay by type of accommodation. Cumulative data and percentage variation with the same period of the previous year.
- Distribution of travelers by type of accommodation.
- Degree of occupancy of each type of accommodation and comparison with the same period of the previous year.
- Tourist employment. Affiliations in the tourist branches segmented by women and men. Comparison with the same period of the previous year.

- Hotel profitability indicators: RevPar and ADR. Amount and comparison with the same period of the previous year.
- Price indices: HPI (Hotels) and RPI (Rural Tourism). Absolute value and comparison with the same period of the previous year.
- Market analysis: origin of travelers (residents in Spain and non-residents in Spain) and analysis of the Spanish issuing market from other provinces. Travelers, overnight stays and average stay. Cumulative and variation with respect to the same period of the previous year. Data for all accommodation and by type of accommodation. Analysis of accommodation preferences according to the origin of the visitors.
- Pilgrimage and pilgrims who make the Pilgrim's Way to Santiago as they pass through Navarre. Accumulated data and variation with respect to the same period of the previous year.
- Face-to-face consultations at the Government of Navarre Tourist Office Network. Data on origin, analysis of influx by tourist offices, comparison with the same period of the previous year.
- Consultations with the Tourism of Navarre website <http://www.turismo.navarra.es/esp/home/>
- Number of visits, users, visits to pages, pages per session. Origin of visits, most visited pages, access channels, search terms, socio-demographic profile of visits and languages of access to the website. Comparison with the same period of the previous year.
- Visitors to the main natural, heritage and cultural resources of Navarre. Cumulative data and comparison with the same period of the previous year.
- Air traffic at Noáin-Pamplona airport. Monthly data and comparison with the same period of the previous year.

Likewise, another series of very useful information is analyzed for decision making at an internal level of the Directorate as well as on the part of the tourist sector. These data come from the following sources:

- National Statistics Institute: Operations FRONTUR, EGATUR and RESTUR.
- Turespaña: Prospective-co-junction reports by issuing countries, executive files of issuing markets.
- Exceltur: tourist situation reports, profitability barometer of tourist destinations and economic impact studies of tourism by autonomous communities.
- Other sources and studies.

On the other hand, in the seasonal analyses, the sector is also asked to provide information contrasting with the official statistics relating to occupancy in the different types of accommodation, impact on the consumption of bars and restaurants and on tourism activity companies.

ii) Specific reports

- **Technical assistance for the development of the Tourism Observatory of Navarre:** In line with the Strategic Tourism Plan, a study was carried out on the content, organization and management of the Tourist Observatory of Navarre. One of the

premises of the study for the conception of the Tourism Observatory is that it had to be taken into account:

1. The recommendations of the United Nations in the field of tourism measurement.
2. The principles of the Sustainable Tourism Observatories of the World Tourism Organization.
3. Align with intelligent destination methodologies that involve the integration of non-traditional complementary secondary sources.
4. To be linked to the Challenges set out in the Strategic Plan for Tourism in Navarre.

This study led to the design of a roadmap (detailed at a later point) and the necessary means to achieve them.

- **Tourism Satellite Account 2010-2015.** It is done for the first time. Date of preparation 2018. The Tourism of Navarre Satellite Account base 2010 (CSTNA) is a summary statistic that presents the different economic parameters of tourism in Navarre for a given reference date. It comprises three types of elements:
 1. Supply accounts and tables, in which the aim is to characterize the production structure and costs of tourism companies.
 2. Demand tables, which attempt to characterize, from an economic point of view, the different types of visitors, internal tourism versus the receiver, the type of goods and services demanded, etc.
 3. Tables that interrelate supply with demand, which allow us to obtain integrated measurements of the contribution of tourism to the economy through macro variables such as GDP, production or employment.

Likewise, the TSA makes it possible to obtain a systematic, comparable and complete representation of tourism activity in accordance with the concepts, definitions and classifications contained in the TSA manual drawn up by the World Tourism Organization.

Analyses the different variables related to the generation and distribution of tourism added value, employment, gross fixed capital formation and tourism expenditure, using the different classification variables included in the TSA manual, as well as all those whose presentation is considered necessary for the description of the tourism phenomenon in Navarre.

- **Estimation of tourists and hikers to Navarre through the location of mobile phones.** The study was carried out with the company "Telefónica". (August, October and December 2015 and May 2016). The aim of the study is to analyze both national and international tourists who have been to Navarre. Residents of Navarre are beyond the scope of the project. The results obtained were contrasted with the statistical operations of the INE (Frontur and Familitur).
- **Study of the supply of unregistered accommodation.** Year 2016. After detecting the sector's concern about the growing offer of unregulated accommodations on digital platforms, a study is requested to ascertain their impact on Navarre. Objectives:
 1. Analysis of non-registered accommodation on digital platforms.

2. Calculation of the volume of this offer, in relation to the total regulated offer in Navarre.
 3. Estimation of its economic impact.
- **Studies of affluence, visitor profile and Big Data in four natural areas of Navarre** (Nacedero de Urederra, Cascada de Xorroxin, Pantano de Alloz and Sierra de Aralar). Years 2017 and 2018.

These studies have been carried out at the request of local entities or tourist consortiums and have as their objective:

1. Study and calculate the tourist influx of natural areas
2. Study the characteristics of the tourist visitor
3. Study the structure and characteristics of the visit
4. Identify positive and negative perceptions expressed by visitors.

Each one of these studies has the mission of providing information for the calculation of the Tourist Carrying Capacity and the design of a plan for the ordering and sustainable management of resources.

In a particular area (Xorroxin Waterfall) the study forms part of a more complete action plan with the city council that included the carrying out of a load capacity study, an economic-financial study, citizen participation (neighborhood meetings), a use and management plan and a pilot test of the same.

- **San Fermín Study:** After the deterioration of the image of this tourist product of relevance to Navarre, both in the national and international markets, the tourism business sector transmits to the DG of Tourism the need to know better the profile of those who visit us, the real number of visitors, etc. as prior information necessary for the decision making of future communication campaigns that transmit a more faithful image of the fiesta.

Data model (transit, hotels, Big Data through mobile phones and digital social behavior). 6 to 14 July 2017 and 2018.

- **PROBLEM:** Estimating the number of tourists and hikers coming to San Fermín.
- **OBJECTIVE:** To analyze both national and international visitors who have been to San Fermín. To know what they do during their stay, their consumption behavior and their level of satisfaction.
- **Capture, processing and analysis of Data San Fermín (2018):**
 - ✓ Traffic volume: influxes by train, bus, plane and car. (Descriptive and comparative analysis with 2017)
 - ✓ Consumption Behavior (Descriptive and comparative analysis with 2017)
 - ✓ Qualitative surveys in the moments of: reception of tourists and satisfaction (departure of tourists)
 - ✓ Big data: statistical population indicators based on the anonymized behavior of mobile users and their geolocalisation. Number of people who have attended San Fermín (unique daily visitors and attendance curve every 30 '), geographical origin of visitors, socio-demographic profiles, analysis of overnight stay.

- ✓ Digital social behavior: Indicators of social impact on certain key words, indicators of motivation towards the San Fermín Festival and its events (negative; positive; neutral), the most outstanding contents, identification of alerts with social impact.
- **Pilgrim's Way to Santiago:** Comprehensive diagnosis (establishments, agents and study of the pilgrim's profile). 2018.
 - Establishments: Online survey of 150 establishments located in the two main branches of the Pilgrim's Way to Santiago in Navarre (hostels, apartments, hotels, campsites and rural houses).
 - PILGRIMS: Study of the profile of the pilgrims who spend the night in Navarre, both those who enter through Roncesvalles and Somport, their consumption of the tourist offer, their evaluations of the services and facilities, and other questions related to their experience in Navarre. 800 surveys between June and October
 - STAKEHOLDERS: To get to know the feelings and impressions of the agents located in the passageways of the Way of St. James. 21 in-depth interviews with local entities, associations, local action groups, activity agencies, consortia and local development agencies.
 - ADMINISTRATION: Working group with the different departments of the Government of Navarre involved in the Pilgrim's Way to Santiago (Tourism, Culture, Environment and Interior).
- **Positioning and potential of the Navarra-Pamplona brand in the German market.** Completion date 2018.
 - Objective: To have a complete image of the volume, structure and attitudes of the potential German market, in order to have the basis of the marketing strategy aimed at the German market. The Strategic Plan for Tourism in Navarre 2018-2025 establishes as one of the objectives to position Navarre in the European tourist market in order to capture flows of seasonally adjusted demand with a high average daily expenditure in the destination. In addition to this objective, in November 2017 the Frankfurt-Pamplona airline was launched, which represents for Navarre an opening to international connections. With this premise in mind, Turismo Navarra proposes as a line of action the attraction of tourist flows from the German market.
 - Background: Survey Reiseanalyse 2018. Specific questions on whether they had travelled to Spain/Navarra-Pamplona in the last 3 years and on the intention to travel in the next two years (2018-2020).
 - Methodology: Analysis of variables from this survey.
 - Result: Sociodemographic profile of the potential tourist (age, sex, educational level, income, number of trips made per year, German regions in which it is located).
- **"Feasibility study for the development of the Vasco-Navarro Greenway tourist product".** Year 2018. The Green Ways are the result of converting the old railway lines that no longer have train service into ecotourism itineraries. The green track of the Basque-Navarrese train connects the territories of Navarre and the Basque Country and joint lines of action are being developed between the two communities. The objectives of this study are:

1. To study the profile of the current tourist visitor and his resources: where he comes from, the decision process to come, profile, type of traveler, accommodation, etc.
 2. Study the structure and characteristics of the current visit: what tourist use the visitor makes of the area of influence, and what other places in Navarre and the Basque Country form part of the visit.
 3. Specially study the characteristics of tourist spending and its impact on the area.
 4. Identify the positive and negative appreciations of the resource and its surroundings, as well as the demands, comments and other questions expressed by the visitors.
 5. Estimate the annual influx of visitors.
 6. Study the notoriety, comments and presence on the Internet, social networks and travelling communities of the resource.
 7. The study should allow an in-depth knowledge of the type of visitor and the impacts of these tourist visits in the area, Basque and Navarre, so that this information is useful in making decisions on various issues such as the design and promotion of the visit, the reorientation of flows in the territory or the development of new economic activity in the area.
 8. Study the possibilities of employment generation around the Greenway: employment niches, entrepreneurship possibilities, possibility of synergies, redesign of complementary products, adequacy of supply, creation of new products and services, packaging and marketing...
 9. Have a Strategic Plan or Strategic Route for the development of a tourism product around the resource focused on job creation and the development of a sustainable tourism product and integrated into the territory.
- **Audit study of social networks and web:** In order to improve the promotion of our destination, an audit of the social networks and the Tourism of Navarre website has been carried out. The social networks and the website are a source of information in themselves for the observatory, as they provide information on visitors' preferences and their level of satisfaction with the destination. It is important to highlight the importance of the observatory and the social networks and the web working in a coordinated way both in the analysis of information and in the promotion of contents.

iii) Studies promoted by other organizations in which we have collaborated

- Study of the economic impact of meeting tourism. Pamplona City Council. Year 2014.
- Study of the economic impact of Medical Tourism in Pamplona-Navarra. Pamplona City Council. Year 2015
- Study to assess the impact of film shoots in Navarre. 2015-2017. Navarra Film Commission

iv) Studies promoted by other organizations in which we have collaborated

In this area we find the following types of lawsuits:

- Consultations of the tourism sector on statistical data and reports on certain markets in order to focus their marketing actions.
- Consultations of potential businessmen, people interested in setting up tourist companies (accommodation, activity companies) and request statistical data of affluence, demand, supply and tourist impact.
- Local entities and consortiums that request information for their actions.
- Students who request information for their degree projects.

v) Implementation of a new visitor registration system for the Tourist Office Network

In order to improve data collection and have a better knowledge of the profile of the tourists who visit us and of what they do during their stay in Navarre, a new visitor registration system has been developed for the Tourist Office Network. This system is consolidated in a web platform and an app, so that the tourist offices have been provided with tablets to facilitate the collection of data and to be able to combine it with the attention to the visitor.

This system has also been implemented for use at fairs and events attended by the General Management.

vi) Installation of counting systems for pedestrians, bicycles and vehicles on Natural Paths, greenways, the Pilgrim's Way to Santiago in Navarre and other natural areas of Navarre.

With a view to improving the measurement and exploitation of data, as well as the mechanisms for collecting, integrating and analyzing information from the Tourist Observatory, the need arises to promote the measurement of inflow on the Natural Greenways and the Pilgrim's Way to Santiago, as they currently suffer from a counting system that is totally necessary to evaluate the repercussion of these itineraries on the tourist development of Navarre. To this end, a tender has been launched for the establishment of the following accounting systems:

1. Pedestrian-bike counters (fixed) at 5 points on Navarra's greenways (Bidasoa, Plazaola, Vasco-Navarro, Irati and Tarazonica).
2. Fixed pedestrian counters: at 2 points on the Pilgrim's Way to Santiago.
3. Mobile meters for pedestrians: In 5 natural areas of Navarre in which priority actions and other studies are being carried out (Urederra, Xorroxin, Camino de Santiago *aragones* branch, Aralar and Las Roscas Circuit in Fitero).

c. Next actions in process

Below is the forecast of actions to be developed by the Tourism Observatory of Navarre.

- **Development and Implementation of the Tourism Observatory of Navarra.**
For the year 2019, the following actions are established:

- Creation of a monitoring commission or group of experts from the private sector, academia and tourism administration to advise the Observatory.
 - Expansion of the human resources dedicated to the observatory, either through its own personnel or technical assistance.
 - Promotion and development of a web area of the tourist observatory.
 - Development of a Communication Plan that includes an informative bulletin or newsletter and greater presence in social networks.
- **Visualization in Business Intelligence tool of the main indicators of tourist conjuncture.**
- It is expected that in early 2019 we will have a Business Intelligence (Power Bi) tool on the Tourism Navarre website that will facilitate the visualisation of the main indicators of the tourist situation, as well as other administrative data that is regularly monitored by the Directorate General of Tourism and Trade.
- **New studies (visitor mobility).**
- Development of a new study on the mobility patterns of tourists visiting Navarre, through an operation of data collection and analysis via geolocation, with crossing of motivational and expenditure profiles. Date: autumn 2018. Places: Pamplona and Tudela.
- **New data sources (big data monitoring social networks and card payments).**
- Implementation of a tourist intelligence platform that allows monitoring the tourist dynamics of Navarre from two data sources: information on the online behaviour of users with respect to Navarre (Social Networks, reviews and geolocalized activity) and transactional data on the tourist sector (prices of accommodation establishments and visitor expenditure in Navarre).
- **Creation of the Network of Spanish Tourist Observatories.**
- The seminar of Tourism Observatories "Sharing to Innovate", organised by the Burgos Tourism Observatory, was held in Burgos on 20 and 21 September. This seminar was very well received, with the participation of 20 observatories from all over Spain, including the Tourist Observatory of Navarre. Within this framework, it was agreed to create a "Network of Spanish Tourist Observatories" and the attendees were summoned to a meeting with this purpose next March-April in Barcelona. Within this framework, we requested the support of Turespaña for the creation of this Network of Observatories.

d. Next actions in process

The activity of the tourist observatory of Navarre is disseminated through:

- The tourism situation reports on the tourism website, "Professional Area".
- Through specific press releases or press conferences
- Through publications
- In social networks of Tourist Navarre
- At the Tourist Board
- On "Economic Fridays."

Facing the sector, it is in continuous interaction in the organization of joint activities and disseminates its activity through the meetings of the Tourism Council and its own activities such as the forum called "Economic Fridays". It should be borne in mind that the Directorate General of Tourism and Trade is organically part of the Department of Economic Development. That is why the activity takes the name. Economic Fridays are a forum for presentation and discussion of topics of interest that have been developed since March 2016 on a weekly basis.

Likewise, through the Government of Navarre's website http://www.navarra.es/home_es/especial/Viernes+economicos/ information on the subject dealt with is "posted". Some of the topics discussed are: Clusters in Navarre: Public Support for Inter-company Collaboration, The Technological Map of Navarre, a Radiography of the Innovative Ecosystem of Our Community, Navarre's Tourism strategy for the marketing of niche market products: MICE Tourism and Health and Medical Tourism, Subsidies for Tourist and Commercial Activity 2016: Fostering two sectors with potential in Navarre, Promoting the Ecological Sector in Navarre: SME ORGANICS, The Aquitaine-Euskadi-Navarra Euroregion, a territory of opportunities, Measures against unfair competition in the tourism sector, Energy balances of Navarre 2016, Presentation of the Quick Guide to European Funds for SMEs. Bringing European funding closer to SMEs in Navarre, China, we have a plan,

Next presentation: **Tourism Satellite Account.**

On the other hand, there are also other mechanisms for cooperation with the sector, specific by projects. Some examples are:

- **San Fermín Tourism Board**, made up of Pamplona City Council, Turismo Navarra, associations representing hotels, activity companies and traders.
- **MICE Committee**: made up of Pamplona City Council, Turismo Navarra, congress and hotel infrastructure management bodies.
- **Health Tourism Cluster**: made up of Pamplona City Council, Tourist Navarre, Hotels, Spas, Transporters, Clinics.
- **Mesa del Camino de Santiago**: made up of more than thirty agents, including local entities, development agents, businessmen, hostels, government units with responsibility for the route, etc.

3. EXISTING AVAILABLE TOURISM-RELATED DATA THAT ENABLES STAKEHOLDERS TO EVALUATE THE SECTOR'S PERFORMANCE

As requested by UNWTO four categories are created here to showcase some of the data the Observatory gathers and publishes for stakeholders to use: tourism flows, tourism industries, revenues and employment, TSA and others.

TOURISM FLOWS

- In 2017, Navarre was visited by 1,447,224 people, representing an increase of 4.2% over the figures recorded the previous year. In 2018 this figure it is expected to go over 2 million.
- By type of accommodation, the number of travelers staying in apartments increased by 19%, as compared with their 2016 registrations, although these visitors accounted for only 6% of the total number of people staying in establishments in Navarre.
- Along with these travelers who spend the night in regulated tourist establishments there is another collective of travelers who stay in non-regulated establishments (dwellings of friends, relatives or non-regulated rentals, etc.), which according to a recent study by the Regional Government could add up to **30,000 travelers** who together spend **79,000 overnight stays**.
- Navarre receives slightly more than **6 million excursionists** and who come both from the neighboring autonomous communities of Spain and from neighboring regions in France.
- hotels registered a total of 1,017,697 customers (2% more than in 2016); campsites, 164,422 (an increase of 3.4%); rural tourism establishments 151,868 (an increase of 11.5%); rural tourism establishments 151,868 (an increase of 11.5%). 84,347 apartments (19.4% more than in 2016) and the hostels accommodated 28,890 people (a 13.2% more than in 2016).
- The influx of tourists in Navarre is distributed irregularly throughout the year. The majority of travelers are concentrated in the third quarter of the year, with most of the overnight stays recorded in that period.
- In terms of their origin, **74% of visitors were resident in Spain** (a total of 1,066,757 people, 4.6% more than in 2016), compared with 26% of non-residents (a total of 380,467 people). The increase was 3.2% compared with the previous year). Mainly coming from the Basque Country, Madrid and Catalonia.
- In the case of international tourists, those coming from member countries of the **European Union** registered an increase of 1.37%, adding up to **262,832 travelers** (mainly from France); **16,474 people came from the rest of European countries** (an increase of 3.72%) and 91,841 people from the **rest of the world**, which means a positive variation of 4.04%.
- In 2017, the average stay was 2.16 days
- Regarding the influx to visitor offices in order to infer over the volume of flows received by the different subregions in Navarre the following table shows Pamplona as the first one, followed by Olite, Estella, Tudela, Ochagavía, Roncesvalles...etc. It is understood that this is not a full trustworthy indicator given that only a portion and specific profiles of visitors contact visitor offices but this is the subregional data accessible at the moment.

Demandas de Información en las Oficinas de Turismo de la Red del Gobierno de Navarra 2015	
Bertiz	26.877
Estella-Lizarra	34.036
Javier	8.488
Lekunberri	13.629
Ochagavía <> Otsagabia	34.880
Olite <> Erriberri	47.690
Orreaga/Roncesvalles	32.331
Pamplona <> Iruña	139.265
Roncal <> Erronkari	19.330
Sangüesa <> Zangoza	18.868
Tudela	33.932
TOTAL	409.326

Fuente: Registro de las oficinas de turismo. Departamento de Desarrollo Económico. Gobierno Foral de Navarra.

- Requests for information in the tourist offices of the network. Source: Directorate General for Tourism and Trade, Government of Navarra, 2017.
- In order to take the pulse of Navarre's tourist resources, the main monuments or natural assets of the Chartered Community have been monitored. In global terms, estimated 13 monumental or natural resources, **901,377 visits** were registered, with a positive variation of 8%. compared to 2016. The most visited monument is the **Royal Palace of Olite**, with **237,472 visitors**, secondly, the **Monastery of Leyre**, with **140.647** and in third the **Caves of Zugarramurdi**, with **134.894**.
- Counting the **pilgrims** who stamp their credentials in Roncesvalles in 2017, a total of **65,102** people passed **through Navarre**, representing a decrease of 2.3% as compared with 2016.

TOURISM INDUSTRIES, REVENUES, EMPLOYMENT - TSA – September 2018

- Direct tourist GDP stands at 2.7% in 2010 and progressively rises to 3% at the end of the series.
- The total effect on the consumer economy made by non-resident visitors stands at 3.6%, which means that there is a multiplier effect of 1.41.
- The employment of these tourist industries in 2010 is 20,073 jobs that become 17,481 equivalent jobs
- the volume of direct full-time equivalent employment in 7,184 and would reach 10,938 with the indirect effect
- Domestic tourist consumption at acquisition prices is over 1,000 million euros and its temporary behavior coincides to a large extent with the number of visitors that cause it.
- Around 20% of domestic tourism consumption comes from imports, with a greater weight of imports in consumer products than in services

OTHERS

ALLOZ RESERVOIR STUDY: current visitor profile, tourist impact in the territory and recommendations for intervention and management of the resource.

- Most visitors are residents of Spain, of every 10 Allos visitors, at least in high season, less than 1 is non-resident of Spain (0, 6%), 6 are from Navarre, 1 from Rioja, 1 is from Gipuzkoa or Álava and 1 resides in other provinces.
- The most frequent travel group is 2 people, the average number of people traveling together is 3.5 and the Median is 3 people. Only 3 out of 10 visitors are not residents of Navarre and made at least one overnight stay in the Autonomous Community.
- 63% of the tourists were staying at the Lerate campsite.
- Decision process to come: The majority (84%) has gone to the reservoir because they already knew it or because their friends or relatives have recommended it. The rest have learnt about it through the tourism website or brochures.
- The visitor's use of the area of influence: swim or bathe (71%), 36% perform some type of water sport, 16% perform sports activities: trekking (14 %) or bike (2%) and among the 36% that group the option "others" there are very diverse activities (horseback riding, dog walks or *pic-nic* with family or friends in the environment).
- To what extent other places in Navarra are part of the visit: 80% do not visit another place on this same trip, 20% visit other places in the valley, 20% visit other places in Navarra, visit other places outside of Navarra 10 %.
- The months of maximum tourist influx are June, July (especially) and August.
- 70% of visitors to Allos are excursionists and of these 47% do not make any expenditure at destination. They are characterized by being: families, couples or groups of friends who carry their own food.
- Of the 53% that do spend, only 1% invests in doing some activity, the rest of expenses are in paying parking and gasoline.
- On the other hand, tourists have a weight of 30%, their spending is distributed as follows: accommodation 46%, diets 40% and activities 1%.

UREDERRA STUDY: current visitor profile, tourist impact in the territory and recommendations for intervention and management of the resource.

- The visitor of the Nacadero de Urederra is fundamentally a resident of Spain (92.9% of the respondents). In total, 35.2% of the national interviewees were residents of the Basque Country.
- They are mostly tourists, and in 81% of the cases, it is the first time they visit Urederra.
- The visit with a partner is the most frequent: 46%.
- 69% have come to Urederra following indications and recommendations from third parties.
- The number of people who have visited the tourism website is 24%.
- Visitors of the Nacadero (river source) de Urederra are mostly tourists in Navarre, which in 52.5% of cases visits other resources in the area, and almost in the same volume (52.3%) visits other places in Navarre.

- The total expenditure of visitors to Urederra this year amounted to 11.2 million euros in Navarra (686,273 € for excursionists spending and 10,514,336 million euros for tourist spending, for an average stay of 3.5 days).
- 91% would like to repeat the visit. Almost 99% will recommend the visit to third parties. The most frequent positive comments (33%) refer to turquoise water.

STUDY OF THE WATERFALL OF XORROXIN: Quantitative and qualitative study of the tourist activity in the Cascade of Xorroxin.

- maximum daily influx of up to 620 tourist visitors, between tourists and hikers. 70% of visitors in the morning and 30% in the afternoon. An annual tourist influx for Xorroxin of 74,570 visitors is estimated.
- 92% of the visitors surveyed resided in Spain. 7% were residents in France, and only 1% resided in other countries. Residents in Navarre account for 22%, residents in Euskadi 23% (15% of the total are from Gipuzkoa), Zaragoza 4% and La Rioja 2%. In total 51% are visitors of proximity.
- The most frequent visitors are groups of friends who go on excursions and couples on walks. 78% of the visitors were the first time they made this trip to the waterfall. 40% of visitors come as a couple. The weighted average gives a result of a travel group consisting of 5 people.
- The average weighted results in a stay per visitor is of 3.2 hours, from the time it arrives until it leaves, which includes going up to the waterfall, staying up or at another point, and visiting the town, if it occurs. Only 20% visit only the waterfall, 80% move through the rest of the valley. 53% of visitors to Xorroxin also visit other places in Navarra (caves of Zugarramurdi, Urdazubi-Urdax, Pamplona, and to a lesser extent, Olite ...)
- Of the total number of excursionists (23%), 37% do not make any type of expenditure at the destination. The remaining 63% do some kind of expense, ranging from eating at a restaurant in the valley, making purchases in Elizondo, or simply taking a drink at a local hotel. The average expenditure per person in this case is € 25.63.
- Tourist spending varies considerably depending on the type of accommodation, those staying in hotel establishments (includes the spa Elgorriaga) is € 79.02, spending on rural houses or apartments, for the same concepts, is 71€. 34% of those staying in campsites or hostels record a daily average expenditure of € 37.65. The average expenditure per person per day, for those staying in tourist establishments, is 68.03€.

STUDY OF UNREGULATED REGISTERED TOURIST ACCOMMODATION SUPPLY IN NAVARRE

- We have detected 343 different accommodation offers located in Navarra, of different types of accommodation, which have not been located in the official databases of the Government of Navarre, and which appear on the platforms under study: Air Bnb, Homeaway, Homelidays, Where we are going and / or Wimdu. In total, the 343 accommodations offer a total of 1,477 places.
- The municipal area of Pamplona / Iruña concentrates 68.6% of the total of different accommodations not regulated, the region around Pamplona concentrates 75.5%, Tudela with only 8 non-registered accommodation, represents 2.3% of the total non-regulated offer.
- According to different sources of data and studies, the impact on spending (both direct and indirect), derived in 2015 from the P2P business models in accommodation, generates a daily economic spillover in the destination, an 84, 8% lower than that promoted by the regulated offer. The daily direct expenditure of a tourist lodged in a regulated offer would amount to € 148.6, while the expenditure of a tourist lodged in a non-regulated accommodation suppliers would be €80.4. According to these data, the estimate is that the direct expense of travelers staying in non-regulated

accommodation suppliers in Navarre in 2015 was € 6,249,962, while if they had been housed in legal establishments, the expenditure would have amounted to € 11,551,547.

- The non-regulated activity of these accommodations is linked to 9.8 jobs (direct + indirect + induced) for every 100 places, compared to 53.3 jobs for every 100 regulated places.
- The 1,477 unregulated accommodation suppliers detected in Navarre on P2P platforms, are generating 144.7 jobs (direct, indirect and induced). If these suppliers would be legal, the generated employment would amount to 787.2 jobs.

BIG DATA ANALYSIS BY MOVISTAR CELLPHONES IN NAVARRE

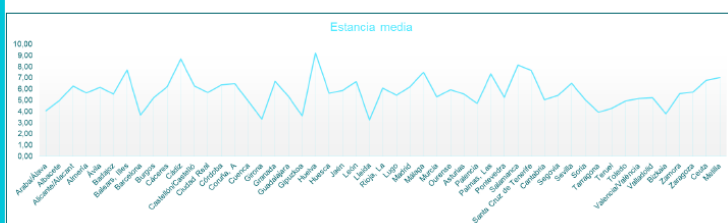
- During the month of August 2015 a total of 611,460 visitors were estimated (56% national and 44% international)
- 72% of tourists are national
- 56% of all excursionist are international

During the month of August regarding the average stay the following figures were provided by Telefonica.

02. Estancia media

2.1 Turista nacional

2.1.1 Estancia media por provincia de origen



☐ La estancia media en Navarra de los turistas nacionales es de 5,73 días:

- ✓ Los turistas de Huelva y Cádiz son los que están mas días
- ✓ Los de Vizcaya y Barcelona son los que en media están menos días

Company name

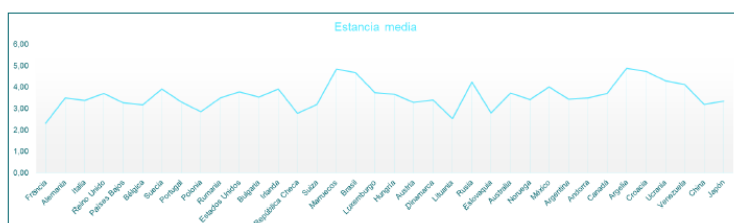
12

Telefonica

02. Estancia media

2.2 Turista internacional

2.2.1 Estancia media por país de origen



☐ La estancia media de los turistas internacionales es de 3,69 días, bastante más baja que la de los nacionales

☐ Los Franceses son los turistas que menos días están, seguidos por los chinos y japoneses

Company name

13

Telefonica

4. STRUCTURE AND ROADMAP

a. Structuring

The Proposal for the development of the Navarre Tourism Observatory is structured on the basis of the collection of information from various sources and methodological procedures, as specified in the associated spreadsheet, which takes into account the different dimensions that impact the sustainable development of a tourist destination in order to be intelligently conceived:

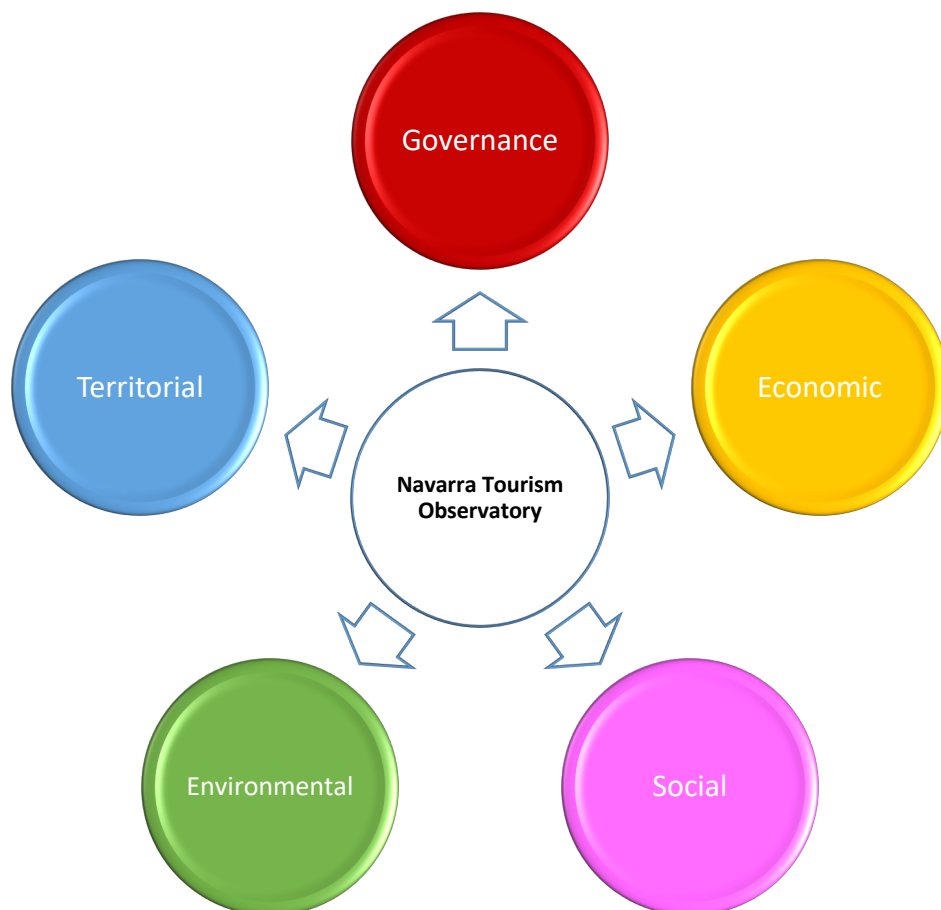


Image 2. Navarre Tourism Observatory's dimensions. Source: Own Elaboration, 2018.

➔ **Governance Dimension**

The Governance Dimension aims to evaluate the relevance of tourism in institutions, the regulatory framework, collaboration between public and private agents, planning and implementation among other issues in order to act in such a way that the development of the sector optimizes the positive impacts that the activity causes in the territories where it occurs.

This dimension places emphasis on analyzing whether tourism stakeholders at all territorial levels evaluate, plan, implement, manage and, if needs or deviations are detected, establish corrective measures. Within this, the advances made in terms of innovation, ICT absorption, sustainability and inclusion are particularly important.

Monitoring the state of governance of a territory therefore makes it possible to evaluate the degree of penetration of the actions carried out by these actors in the field of tourism. It is a basic pillar for the coordination of sustainable tourism.

→ **Economic Dimension**

The Economic Dimension analyses the characterization of supply and demand, the return generated by tourism thanks to the Tourism Satellite Account that Navarre is developing, employment, seasonality, destination expenditure and other elements that influence the degree of competitiveness of the sector. The sector is analyzed through key aspects such as income generation, employment and multiplier effect on other sectors, as well as evaluating the socio-economic impacts on the host community in terms of vulnerability and profitability.

→ **Social Dimension**

The Social Dimension seeks to understand whether the development of the tourism sector in a territory is favoring the resident population, its development and quality of life, also takes into account that the visitor is satisfied with the visit to the destination and becomes a prescriber of the same and repeat visit. In no case should tourism cause deterioration to the resident or be a cause of social exclusion.

An assessment is made of the extent to which a model is followed that favors social participation in decision-making, differentiating between visitors and residents.

→ **Environmental Dimension**

The Environmental Dimension contemplates the existence and implementation of regulations, policies, and protocols associated with the impacts of tourism on the environment.

The objective is to evaluate the degree of relationship between environmental protection policies and tourism planning, as well as the relationship between standards related to tourism activity such as energy consumption, drinking water, waste generation, noise pollution, etc.

→ **Territorial Dimension**

The Territorial Dimension focuses on the geographical part of the territory where tourism takes place, in particular the distribution, the concentration of resources in a small space and their relationship with the resident population, from the perspective of supply and demand. One of the great debates that the international community is currently holding is that of geographical scales, because traditionally it has been measured according to the limits of administrative units and it is evident that tourism may not be distributed throughout the entire administrative unit, only in part or even includes parts of several administrative units. This dimension addresses this challenge by moving analyses on maps to refine further. Even more so when it comes to saturation, the variables time and space are usually the keys and for them this dimension is fundamental.

Thus, a list of **142 Indicators** has been drawn up (attached in separate documents), which provide answers to the questions posed from the perspective of the five dimensions for the destination of Navarre. As an observatory has to serve for agents of interest in the destination,

public and private, to use it to make decisions based on evidence, these indicators will require the periodic production of bulletins and special bulletins for when special operations are carried out (punctual Big Data analysis, survey, etc.).

All the questions that have been raised and considered critical for the intelligent, sustainable and inclusive development of tourism in Navarre will be answered through one or several indicators designed ad hoc for the starting point in which the activity is located in the territory. The data sources will be of various kinds, as indicated above. On the one hand, sources of official statistical data, administrative data, for both the collection, processing and automated publication are proposed. On the other hand, we propose indicators fed on the basis of specific or periodic statistical operations (representative surveys), and on the basis of Big Data analysis, the source of which may be different depending on the question to be answered. In other words, it can be data from telephony, banking, social networks, sensors installed in the territory and reporting on mobility, air quality, water quality, noise, garbage, parking, data on the use of Internet implementations of things linked to tourist uses, recommendation systems that are implemented in the territory and on which a measurement layer is added.

And with all this, steps are taken to work on machine learning and deep learning to implement artificial intelligence applications that respond to needs or improvements in the service to visitors or to minimize negative impacts to residents. There are also data sources that depend on advances in other branches that do not depend on the Directorate of Tourism and Commerce of the Government of Navarre, and on the other hand, it is evident that the observatory as a living organism will modify the questions as the years progress and the concerns are different, and therefore the methodologies implemented to continue responding pertinently must evolve.

All the indicators, such as the questions that give rise to them, contribute to one dimension, which does not exclude the fact that this indicator may be relevant to another dimension as well, they are not watertight compartments. The evaluation of the set of indicators will provide clarity for decision making with regard to the planning of the sector in Navarre as a destination. Likewise, the monitoring that allows the establishment of the Observatory platform and the elaboration of the Special Operations that are proposed, will provide the tourist intelligence sector that will allow an agile management of tourism at all times, including critical moments of high influx of visitors. What is more, this measurement must have repercussions on the optimisation of the destination's resources in favour of a sustainable development that contributes to the balanced benefit and satisfaction of all the actors in Tourism in Navarre and its residents.

In order to facilitate the stability and management of the information handled, a series of periodical publications have been established which the Observatory produces, as well as the maintenance of data from sources which allow automation, such as those originating in Statistical Institutes.

Finally, in addition to being open to consultation by any interested person, the information must be disseminated through communication channels in an attractive and accessible format to the sector and the population.

b. Organization Chart of the Navarra Tourism Observatory

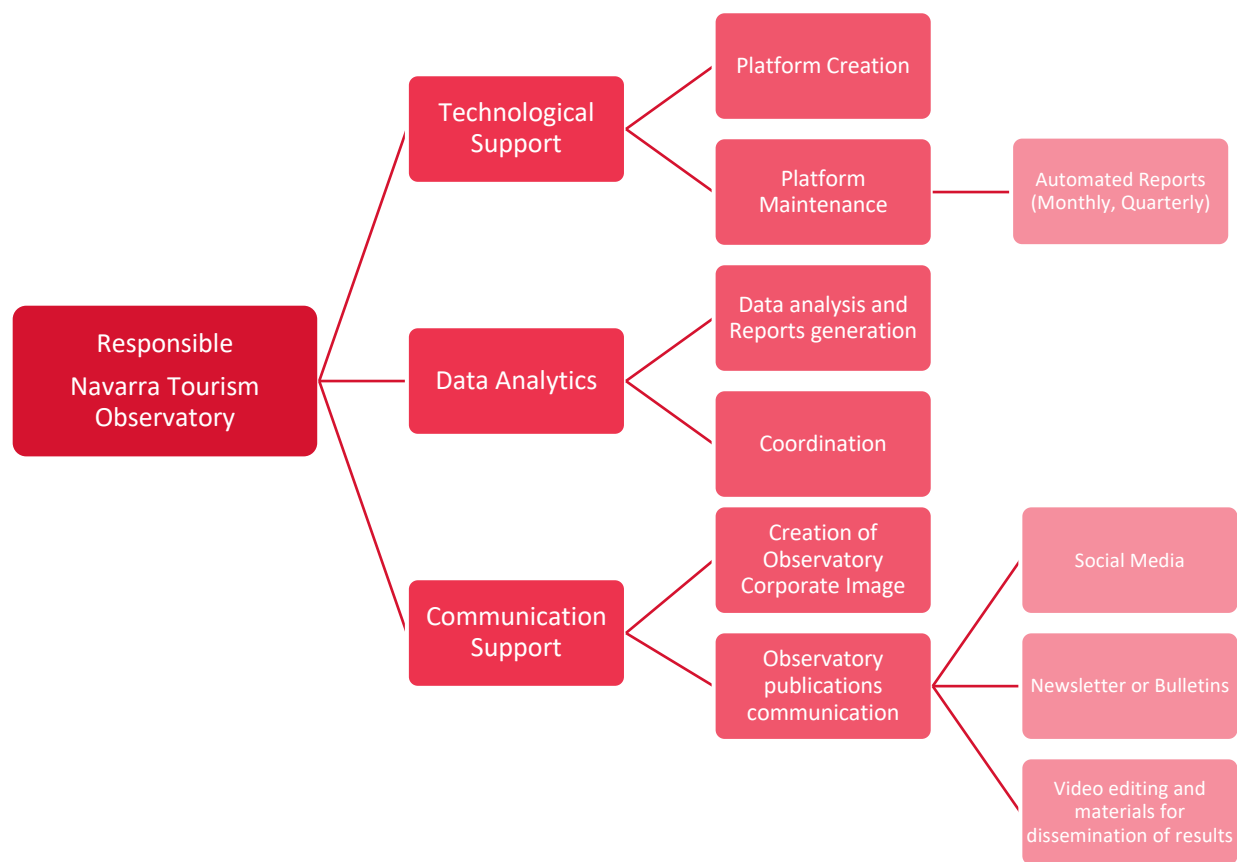


Image 3. Organization Chart. Source: Own Elaboration, 2018.

c. Roadmap

	2018		2019		2020		2021	
January			Technological Platform	Contracting company design	Accessibility Study	Monthly newsletter automated data	Tourism Industries and Tourism Institutions Survey	Monthly newsletter automated data
February	Observatory Conceptual Design			Newsletters design and line design	Residents Study	Monthly newsletter automated data	Document Review + Automated Data	Monthly newsletter automated data + Sector A Study
March					Document Review + Automated Data	Monthly newsletter automated data + Accessibility Study	Document Review + Automated Data	Monthly newsletter automated data
April			Market Study and Perceived Image Study B	Monthly newsletter automated data	Document Review + Automated Data	Monthly newsletter automated data and Residents Study	Document Review + Automated Data	Monthly newsletter automated data
May			Document Review + Automated Data	Monthly newsletter automated data	Document Review + Automated Data	Monthly newsletter automated data	Document Review + Automated Data	Monthly newsletter automated data
June	Bidding	Visitor Survey San Fermin	Document Review + Automated Data	Monthly newsletter automated data	Visitor Mobility Study	Monthly newsletter automated data	Document Review + Automated Data	Monthly newsletter automated data
July			Perceived Image Study A	Monthly newsletter automated data + Market Research and Image B		Monthly newsletter automated data	Document Review + Automated Data	Monthly newsletter automated data
August			Visitor Survey	Monthly newsletter automated data		Monthly newsletter automated data	Visitor Survey	Monthly newsletter automated data
September			Advance towards automated environmental, employment, and government and tourist office data	Monthly newsletter automated data	Document Review + Automated Data	Monthly newsletter automated data	Document Review + Automated Data	Monthly newsletter automated data
October			Visitor Mobility Study (GIS analysis)	Document Review + Automated Data	Monthly newsletter automated data + Image Study A + Visitor Survey	Document Review + Automated Data	Monthly newsletter automated data + Visitor Mobility Study	Document Review + Automated Data
November	Document Review + Automated Data	Monthly newsletter automated data		Document Review + Automated Data	Monthly newsletter automated data	Accommodations Survey	Monthly newsletter automated data	
December	Technological Platform	Market Study and Perceived Image Study B		Annual report that incorporates the results of the Document Review and infographs and profiles of the conducted studies.	Document Review + Automated Data	Annual report that incorporates the results of the Document Review and infographs and profiles of the conducted studies.	Document Review + Automated Data	Annual Report, results of Accommodations Survey, main results of Visitor Study and Tourism Industries and Tourism Institutions Survey

Image 4. Roadmap. Source: Own Elaboration, 2018.

	Execution every: (years)
Tourism Industries Survey	4
Accommodations Survey	4
Accessibility Study	4
Perceived Image Study A	4
Perceived Image Study B	4
Tourism Institutions Survey	4
Visitor Survey	2
Residents Survey	4
Visitor Mobility Study	2
Market Study	4

Note: In the future, if relevant questions arise for citizens, the public and private sectors, studies linked to sensors and georeferenced data could be implemented.

2018 has been dedicated to rethink the conceptual design of the Observatory, meaning broadening the topics covered by the observatory and improving its structure. In fact, during 2018 several studies have been produced, such as the Visitor Study focusing on visitors attending San Fermín and also the Visitor Mobility Study conducted in Pamplona and Tudela to study visitor profiles and their respective itineraries in Navarra. Moreover, in 2018 the bidding process has been prepared for developing a technological platform to host the improved observatory.

In 2019 the technological platform will be fully developed, tested and implemented, jointly with a renewed observatory image and design to be used in all communication channels and materials. Moreover, the compromise is that once the technological platform is operative automated data on several indicators is published every month. This type of data will be progressively increasing, from just economic data, to environmental data, governance, etc. (please see annex with all indicators aimed). These bulletins will be complemented with results of specific studies that are not done every year but every 2 or 3 years:

- ✓ Market Research and Perceived Image Study (this addresses subjects in their place of residence),
- ✓ Visitor Survey (this addresses visitors in Navarra),
- ✓ Accessibility study (this addresses supply and demand)
- ✓ Residents Study (this addresses residents' attitudes and tourism perception)

Surveys to different Tourism Industries to deepen into their results, needs, so that the destination is up to date with tourism industries performance and competitiveness to help them improve and be aware of their forecast.

d. Relevant Stakeholders

PRIVATE SIDE		
AEHN	Hospitality and Tourism Association of Navarre	Pamplona
ANAPEH	Navarre Association of Small Hospitality Businesses	Pamplona
ANARTU	Navarre Association for Incoming Tourism Agencies	Pamplona
CHAMBER OF COMMERCE	Corporation that represents and promotes the general interests of commerce	Pamplona
PUBLIC SIDE		
EDER CONSORTIUM	Local Action Group of the Ribera de Navarra	Tudela
TIERRAS DE JAVIER CONSORTIUM	Association of public and private entities dedicated to the promotion of tourism in the region	Sangüesa
TIERRA ESTELLA CONSORTIUM	<i>Tierra Estella's</i> Tourism Consortium	Estella-Lizarra
CENTRAL ZONE CONSORTIUM	Counselling and integral accompaniment service for all people who have entrepreneurial initiatives, to contribute to the creation and consolidation of their business projects in the region	Olite
PLAZAOLA CONSORTIUM	Non-profit association working on the development of sustainable rural tourism	Lekunberri
PAMPLONA TOWN HALL	Navarre's capital town hall	Pamplona
ACADEMIC SIDE		
BURLADA TRAINING CENTRE	It designs and imparts training actions and develops training programmes and projects that improve employability and favour the insertion into the labour market of the people of the Autonomous Community of Navarre.	Burlada
FORO EUROPEO BUSINESS SCHOOL NAVARRA	The mission of the School is to transform the future of students through the exchange of knowledge that occurs between students and teachers, mostly active professionals.	Cizur Menor
NAVARRA UNIVERSITY	High-quality teaching, international outlook and social engagement, grounded in Christian values.	Pamplona

Table 6. Relevant Stakeholders. Source: Own Elaboration, 2018.

5. REFERENCES

Directorate General for Tourism and Trade, Government of Navarre. (2017a). *Diagnóstico Turístico de Navarra*. Pamplona: Government of Navarre.

Directorate General for Tourism and Trade, Government of Navarre. (2017b). *Plan Estratégico de Turismo de Navarra 2017-2025*. Pamplona: Government of Navarre.