

# **The evolution of the internationalisation process of the Spanish tourism sector in Latin America: from mass tourism to residential tourism.**

## **0.- Summary**

This paper analyses the evolution experienced by the international expansion process of the leading Spanish hotel chains. The research focuses on the holiday tourism segment, in particular on the development of resort-type tourism complexes and provides a descriptive analysis based on features in specialised journals. The Spanish tourism-property multinationals are playing a significant role in the holiday tourism development and boom in some Latin American destinations. The findings reveal a greater relevance of the real estate segment or residential tourism projects, including more flexible formulae in terms of tourist accommodation, which are not limited to just hotels. A shift in weight from mass tourism to residential tourism can be observed in the international expansion strategies of the Spanish tourism and leisure sector.

Key words: Internationalisation, Latin American, Spanish tourism sector, foreign direct investment, real estate.

## **1.- Introduction. Objectives of the study**

Foreign direct investment (FDI) is one of the most important elements in the development of the tourism sector of emerging countries, which do not usually have their own resources to enable them to compete on an international level, even more so in the case of the sun and beach segment, which is a type of tourism which is largely developed through large scale resorts and tourism projects. We are currently witnessing the emergence of new holiday tourism destinations which need to attract capital, brands and know-how from the leading tourism companies around the world in order to be able to position themselves in the arena of international tourism.

In turn, the recent evolution of the world holiday tourism sector, - beginning in 2001 and principally caused by the real estate boom in the USA and Europe, together with the strength of the euro, the maturity of some traditional destinations and the emergence of new tour operators, mainly airlines and virtual companies, - is shifting the business model of holiday tourism away from traditional hotel accommodation towards new formulae which combine tourism and residential options. In fact as part of the globalisation and integration process of the world economy, residential tourism is undergoing a considerable growth phase not only in Spain, but also in other mature destinations which are considered as stable in Latin America.

**Graph 1.- Evolution of the number of rooms associated with Spanish hotel groups per destination region.  
2000/2007**