

Innovation, creative economy and attractiveness as drivers for development in an island region

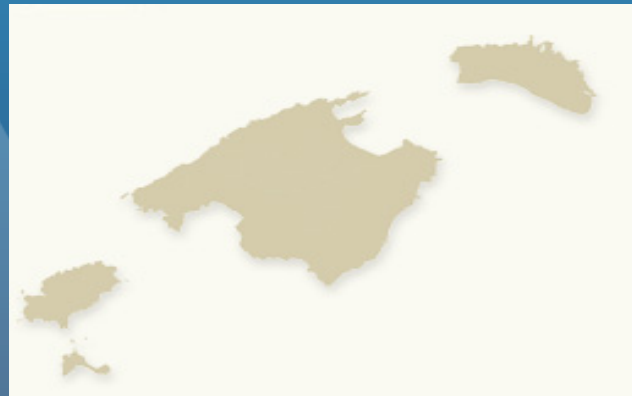
The case of the Balearic Islands, Spain

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ParcBIT
Govern Balear

13 June 2012, Aalborg, Denmark

The Balearic Islands: an overview

- ≈500.000 ha of isolated and fragmented territory in the south of Europe with 1,700 km of coast
- Good weather, friendly environment, well communicated and high quality services offer
- ≈1 million inhabitants: 75% Spanish nationals (54% born in the islands)
- €25,000 million GDP, 80% from tertiary sector (industries providing services), mainly tourism, which also generates 75% of the occupation
- Around 90,000 companies, mostly SMEs, 94.5% with less than 10 employees
- Over 50 years of know how in tourism resulting in a leading industry



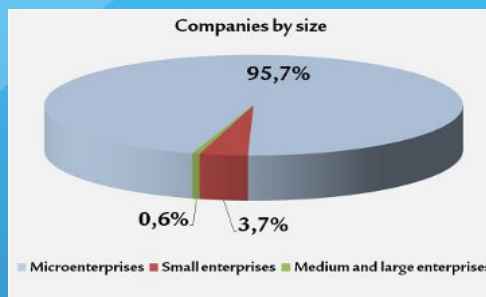
The impact of tourism in the Balearics

Business activity and socioeconomic figures

Table 6. Gross Domestic Product and external sector in the Balearic Islands, 2010

Nominal GDP (in thousands of euros)		26,629,483
Per capita GDP (in euros)		24,672
GDP, PPP (EU 27=100) (in 2009)		104
Variation rate of the actual GDP (in %)	Balearic Islands	-0.8
	Mallorca	-1.1
	Menorca	-1.3
	Pitiüses	1,0
Exports (in thousands of euros)		808,974.64
Imports (in thousands of euros)		1,558,557.61

Source: National Institute of Statistics, Spanish Treasury (AEAT), Regional Ministry of Economy, Business and Employment Promotion.



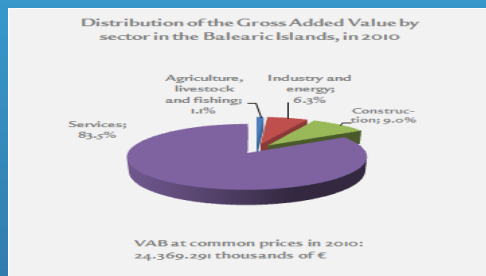
	Nº HOTELERA	ESTABLECIMIENTOS		HABITACIONES	
		2011	2010	2011	2010
1	MELIÁ HOTELS INTERNATIONAL	309	307	77.821	77.635
2	NH HOTELES	400	394	59.109	58.911
3	BARCELÓ	163	183	42.934	47.153
4	RIU HOTELS	109	106	42.822	40.083
5	IBEROSTAR HOTELS & RESORTS	92	100	36.000	33.000

Table 32. Surface of natural areas in the Balearic Islands, 2010 (ha.)

	Balearic Islands	Mallorca*	Menorca	Pitiüses
Protected natural areas	74,255.6	67,831.8	3,438.3	2,985.5
Total land surface	498,459.04	363,560.81	69,472.02	65,426.20
% Protected surface	14.9%	18.7%	4.9%	4.6%

Source: Balearic Ministry for the Environment.

*Including Cabrera.



Companies per 1,000 inhabitants as of 1 January 2011

Catalonia	79.9
Balearic Islands	78.6
Madrid	77.4
Spain as a whole	68.9
Community of Valencia	68.3
Canary Islands	62.3

* National Institute of Statistics - Central Company Directory 2011

* Advance register 01/01/11

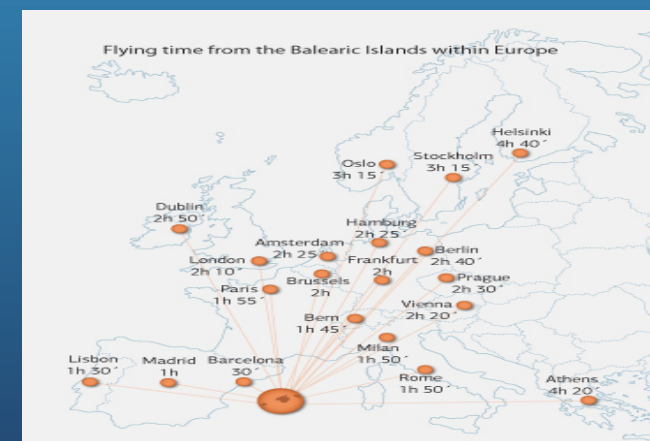
Table 33. Waste collected in the Balearic Islands, 2010 (Tones)

	Illes Balears	Mallorca	Menorca	Pitiüses
Paper and cardboard	28,789	15,939	5,570	7,280
Glass	22,963	15,564	2,420	4,979
Packaging	16,497	12,531	1,896	2,070
Organic Material	12,951	11,367	1,584	...
Rest	578,135	531,544	46,591	...
Waste mass	96,613	96,613
Total	755,948	586,944	58,061	110,943

*For Pitiüses there're only waste mass.

Source: Consell Insular.

Passengers in the Balearic airports, 2010



The impact of tourism in the Balearics

The old debate of carrying capacity vs economic growth



Regional innovation strategies in the Balearics

Pla d'Innovació de les Illes
Balears 2001-2004

Plan de Ciencia, Tecnología
y Innovación de las Illes
Balears 2005-2008



Pla de ciència,
tecnologia i
innovació de les
Illes Balears
2009-2012



- *Integrates Science, innovation and entrepreneurship*
- *Gathers high sociopolitical consensus*
- *Large participation of stakeholders*
- *Alignment with RIS3, H2020 and COSME*
- *Alignment with Spanish National strategy (E2i)*
- *Measurable goals and follow-up systems*
- *To be put in place from Jan 2013*



2001

2008

2012

2016

PAST

PRESENT

FUTURE

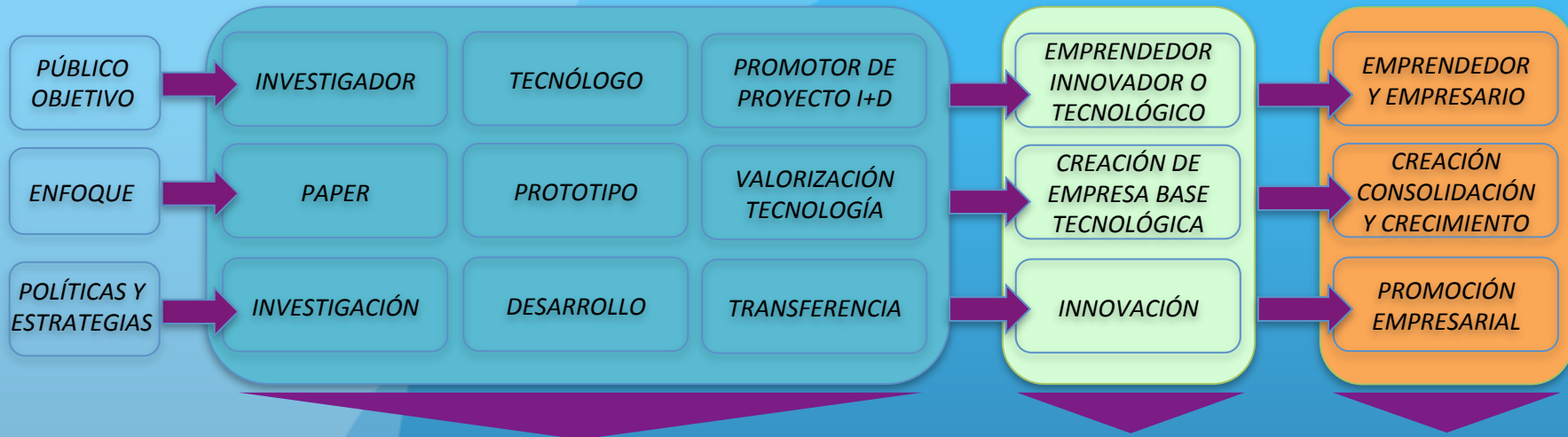
(+PREVIOUS WORKS SINCE 1995)

Key recurring issues: sustainability, diversification, specialization, internationalization, critical mass, new economic model



2012

2016



*Direcció General
d'Universitats,
Recerca i
Transferència del
Coneixement*

*PLAN DE CIENCIA
2013-2016*

*Direcció General
d'Innovació i
Desenvolupament
Tecnològic*

*PLAN DE
INNOVACIÓN
2013-2016*

*Direcció General
de Comerç i
Empresa*

*DECRETO DE APOYO
A EMPRENDEDOR Y
PYMES*

FROM KNOW-HOW TO CASH FLOW

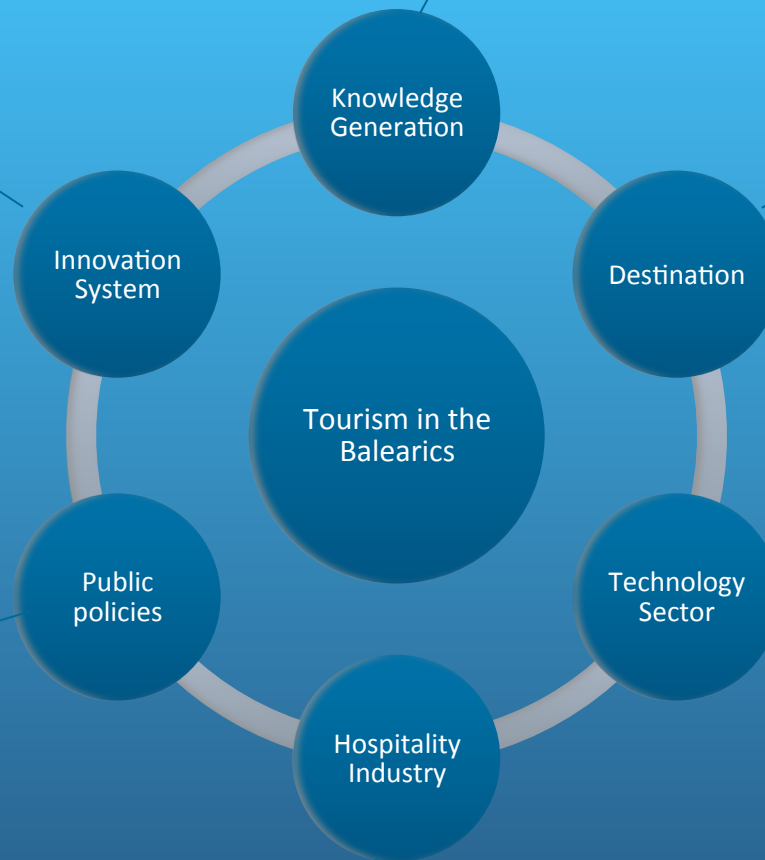
*PLANES DE
COMPETITIVIDAD E
INTERNACIONALIZACIÓN*

Entire society involved in model evolution

- Clusters
- Knowledge transfer interfaces
- Networking and forums (INTO)
- Entrepreneurship structures
- ParcBIT

- Infrastructures
- Science, Technology and Innovation Plans
- European Projects

- Key in GPD contribution
- Pull effect
- Internationalized
- Decision making centers not delocalized

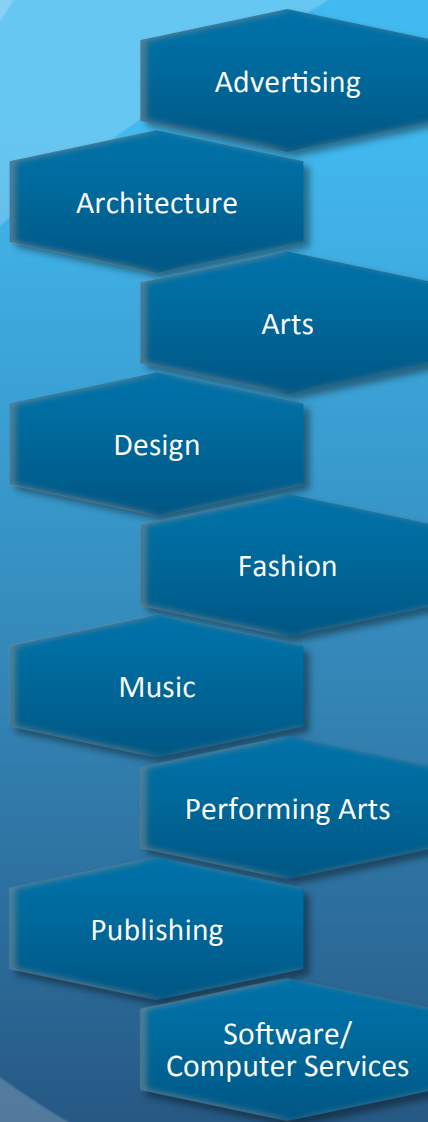


- Universitat de les Illes Balears
- Escola de Turisme, Politècnica Superior
- CIDTUR, SOCIB, IMEDEA

- Mature Destination
- >50 years of know-how

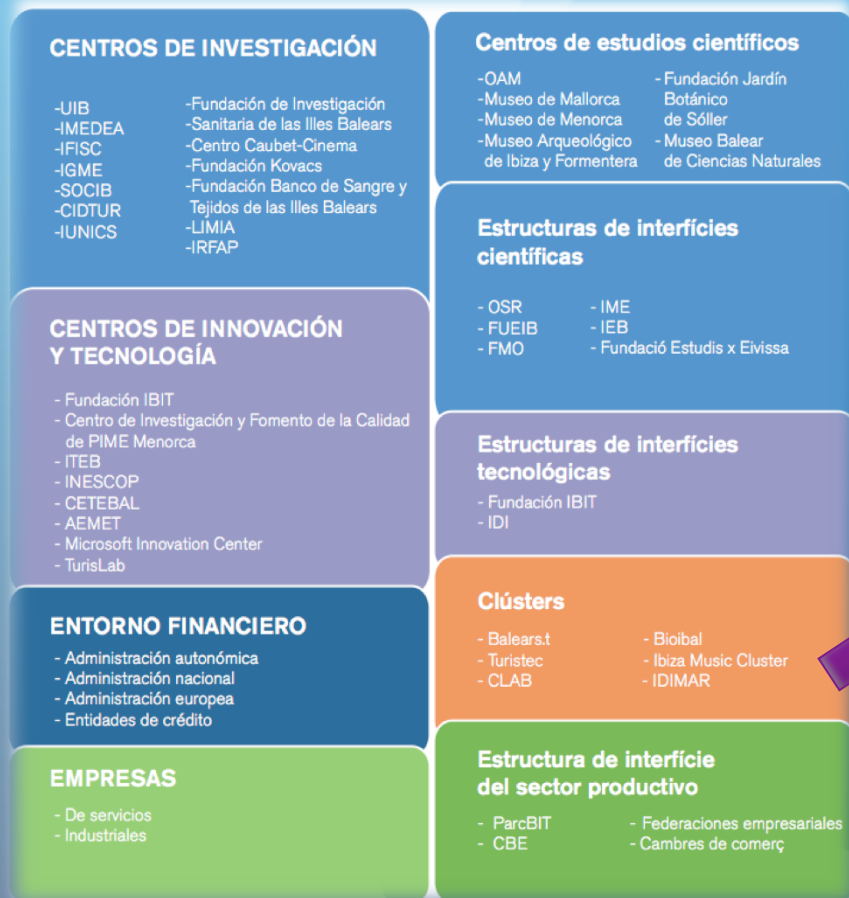
- Key in model change
- Coopetition
- Clusterized (turisTEC)

A new economic model based on new technologies and creative industries being developed



Clusters: active innovation vectors as new economy drivers

Balearics innovation system



ICT for the tourism industry



Multimedia industry



Biotech and life sciences



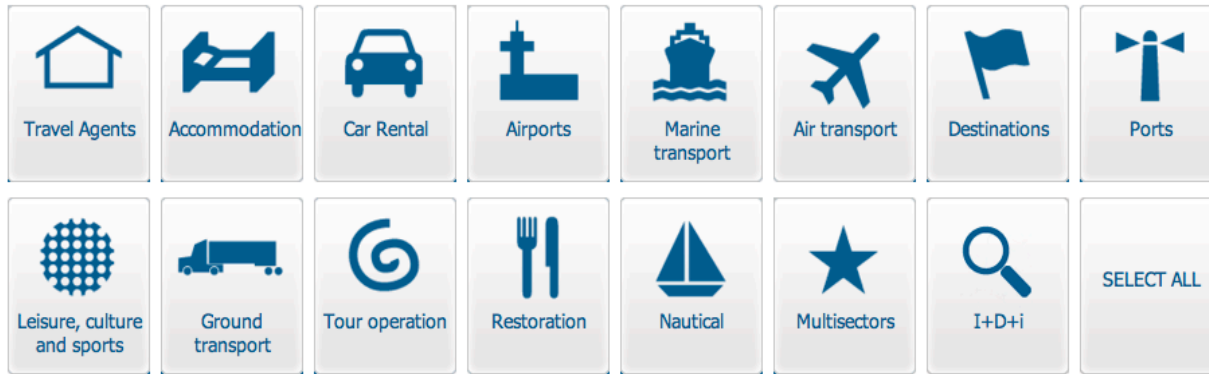
Advanced music



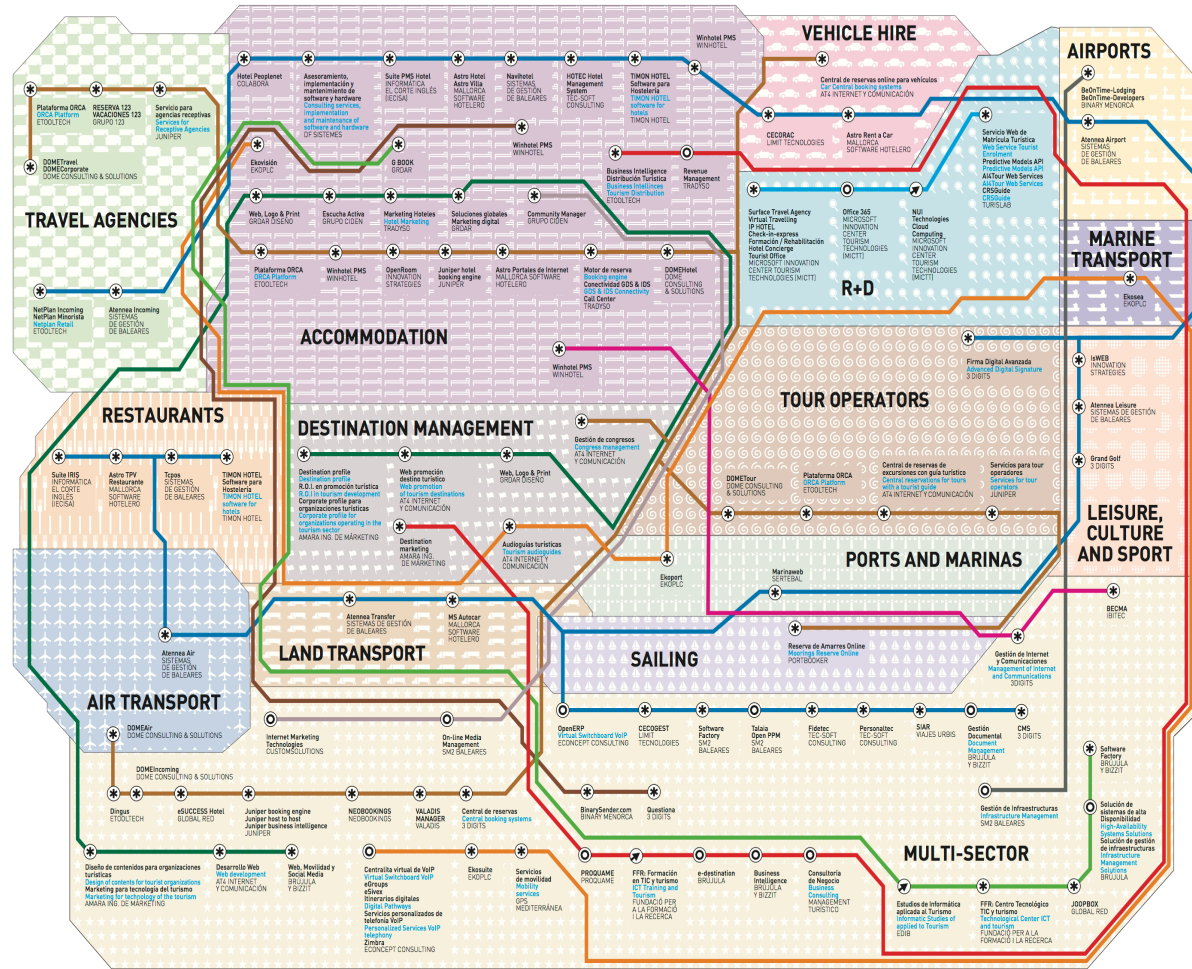
Maritime innovation



Tourism value chain

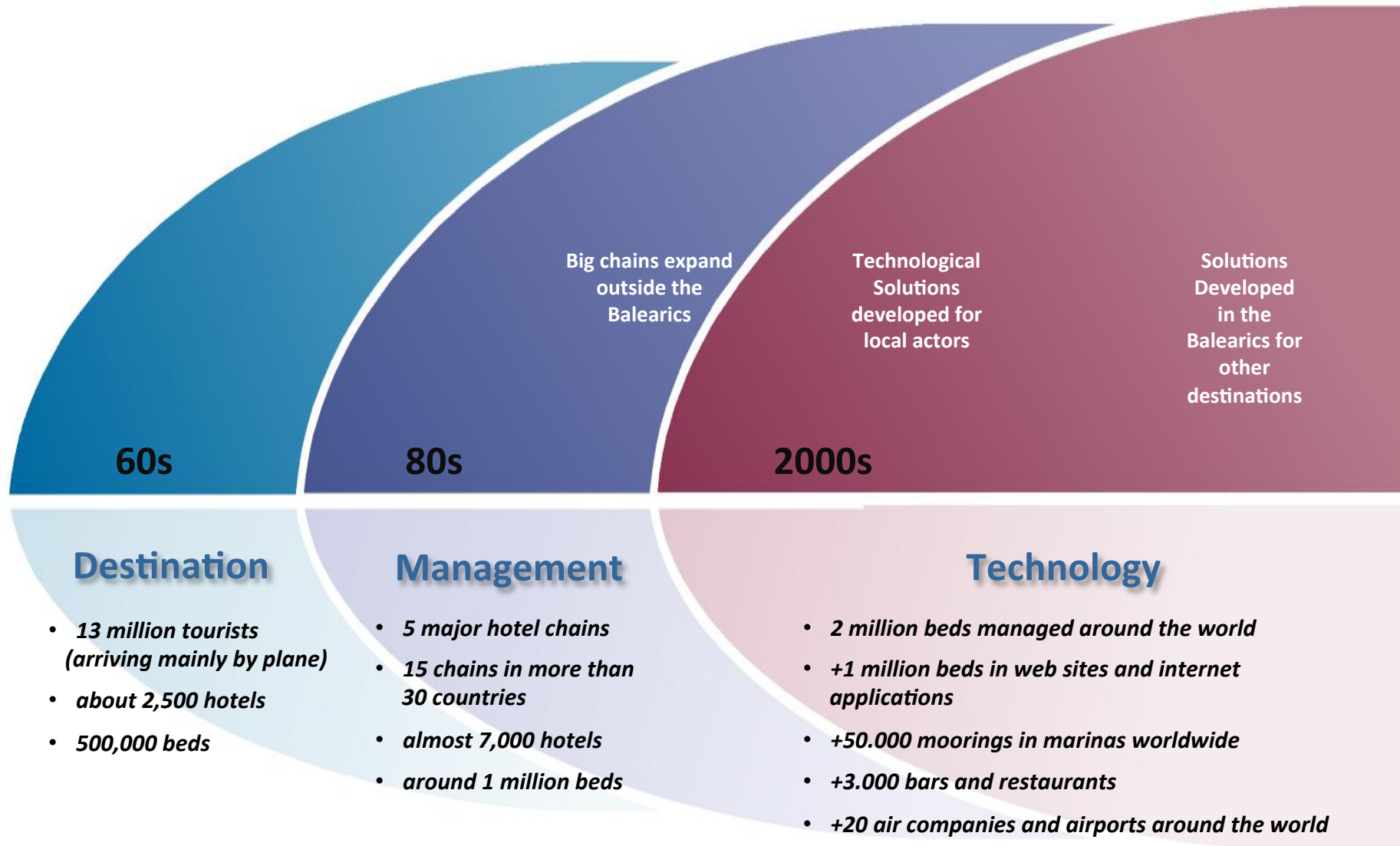


- the first industrial cluster in the Balearic Islands and also the first cluster on travel & tourism and ICT in Spain
- devoted to the promotion and development of ICT solutions for the travel & tourism industry
- Head Office located in Parcbit and client portfolio includes industry leaders in hotels, air transport, leisure & culture, travel agencies, etc. The whole travel & tourism value chain
- >70 companies and institutions from the Balearic Islands are turisTEC associates



Evolution of the tourism industry in the Balearics

ICT as a means of model change



Research and knowledge transfer play a key role

SOCIB Balearic Islands Coastal Observing and Forecasting System

GOBIERNO DE ESPAÑA MINISTERIO DE ECONOMÍA Y COMPETITIVIDAD Govern de les Illes Balears

home about us facilities news/activities job opportunities

Mooring facility

latest news

- Begoña Pérez (Puertos del Estado) seminar: "Tsunamis, a distant risk?" [16-05-2012]
- Kathrine Angell-Hansen, Director of the JPI Oceans, visited SOCIB [14-05-2012]
- Satellite products now available at SOCIB's website [11-05-2012]

f b in RSS YouTube

facilities

- COASTAL RESEARCH VESSEL
- COASTAL HF RADAR
- GLIDER
- DRIFTER / ARGO
- FIXED STATIONS
- BEACH MONITORING
- MODELLING
- DATA CENTER

direct links

- observing facilities**
Observing facilities
- ICTS Map**
Spanish Large Scale Facilities Map
- contractor profile**
Consortium's contractual activity is made available on the Internet
- SAPO Palma (waves)**
In collaboration with Puertos del Estado and Aut. Portuària IB
- Gapp (gliders)**
The ultimate real-time glider monitoring application
- Satellite**
Satellite observations

Generating culture around tourism & innovation



Innovation & Tourism International Seminar



News

In view of how complex it is to achieve a high level of competitiveness for a mature destination, at this year's INTO Seminar it is planned to analyse **creativity** as the main competitiveness-enhancing tool for tourist destinations of the 21st century.

[See more](#)




Into 2010

Tourist, sustainability and technology



Into 2009

Tourism and new technological frontiers



Into 2008

Tourism, a commitment to tackle climate change



Into 2007

Tourism and branding. The key for tourist development



Technological day event:

Radio-frequency systems applied to children's safety



Into 2006

Health tourism



Into 2005

Nautical tourism



Into 2004

Information society and cultural tourism



European projects another essential element



Adaptation of an R+D+i Center in Tourism to be a scientific and technological reference and implementation of its activities



Commissioning and animation of a tourism cluster, including all the agents involved in the value chain and put in place its projects



SAITUR (ADVANCED SYSTEM of SUPORT for TOURISM INNOVATION) deals with the development of new products for tourism, looking at problems mainly related with seasonality, the improvement of quality and competitiveness, for example, Avanthotel the first online booking platform for small hotels or Palma Citybreak, a personalized dynamic packaging oriented system or also projects addressed to incorporate elements to be a more secure destination like the Health Destination project or the implementation of radio frequency systems applied to the visitors safety

Strengthening entrepreneurial culture and qualification of human capital according to the innovation strategy



Participating in Networks and collaboration with other regions

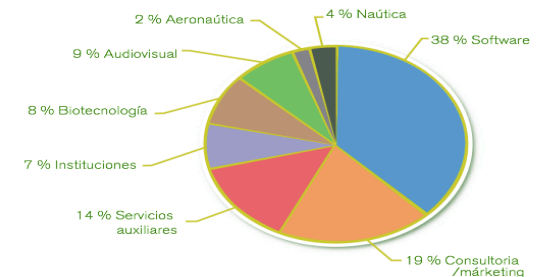


The STP, ParcBIT, a space of public-private cooperation at the center of the innovation system

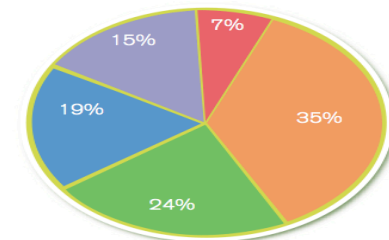
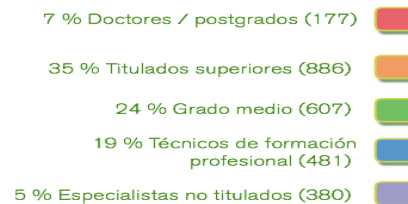
	2007	2008	2009	2010
Desarrollo urbanístico (m ² edificados)	57.499 m ²	57.499 m ²	62.012 m ²	68.652 m ²
Implantación de empresas	65	88	103	131
Innovación Centros tecnológicos implantados	IBIT INESTUR		CIDTUR SOCIB MICTT LADAT	Inicio construcción complejo investigación interdisciplinar
Innovación Clústers implantados		TurisTEC	Balears.t TurisTEC CLAB IDIMAR BIOBAL	
Unidad innovación parque / Incubadora de empresas	9	32	40	58
Evolución trabajadores del parque	1.315	1.760	2.386	2.530



SECTORES DE ACTIVIDAD DE EMPRESAS INSTALADAS EN PARCBIT



PERFIL PROFESIONAL TRABAJADORES EMPRESAS INSTALADAS EN PARCBIT



Regional touristic model SWOT analysis

S

- ♣ Very important destination at global scale
- ♣ Proximity to markets
- ♣ Weather and attractive offer
- ♣ Safe destination
- ♣ Communication infrastructures
- ♣ Multinational hotel chains
- ♣ Tourism know-how and innovation system
- ♣ Clusters and innovation system

W

- ♣ Mature destination with geographically limited capabilities of growth through physical expansion
- ♣ Low human capital employment, lack of qualified personnel specialized in technological subjects or knowledge intensive activities
- ♣ Low cooperation level among companies and university
- ♣ Lack of matching between education supply and demand

O

- ♣ Tourism sector growth at international level (more people travelling more often)
- ♣ ICT technologies key for new tourism business models
- ♣ Social and political will of growing through knowledge capitalization
- ♣ Environmental conscience

T

- ♣ Decrease in number of visitors and revenue per tourist
- ♣ Emerging destinations competition
- ♣ Seasonality
- ♣ High pressure on natural resources
- ♣ Macro and micro-economic and financial context
- ♣ Availability of European funds for the region and regional funding of innovation system

Some lessons learned

Gather maximum political and social consensus

Build upon what's proven solid (do no reinvent the wheel every 4 years)

Analyze your strengths, your potential to grow and find differentiation niches (i.e. tourism +technology+health)

With Public Bodies allow time in your strategy for internal coordination. Managing horizontality of innovation can be a hard task

With private stakeholders competitors must learn to cooperate

Be aware that your strategy was defined to be destroyed by reality. Measure and redefine

At the end of the day it's all about the people involved