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Analysis of the Airbnb effect in the city of Valencia. Current situation (2020) and future prospects

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ARTICLE SECTION

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Abstract: Cities are undergoing rapid change. One of these transformations has as its disruptive element the growth of tourism, that is, the attractiveness of certain urban spaces which has led to an increase in the supply, both of resources and, above all, of accommodation. A key element in explaining this increase in short-term rental flats through platforms, among which Airbnb stands out. In the city of Valencia, this phenomenon has experienced spectacular growth during the second decade of this century. Based on a detailed analysis of the tourist offer in the neighbourhoods of Valencia, a concentration has been detected in those areas with a certain tourist attraction. We do an approximation to the relationship between the process of tourism, measured through the offer in the Airbnb platform in the city of Valencia and other phenomena such as the increase in rent in some neighbourhoods, the impact of urban planning and heritage protection projects, etc. In conclusion, it seems to be demonstrated that Airbnb has found accommodation by increasing the tourist pressure in the central districts and the waterfront, however, the saturation limits which exist in other cities have not yet been reached, at least this is clear from the analysis of the residents' opinion. The tourist stoppage caused by the Covid-19 pandemic may be an opportunity to rethink the city's tourism territorial model.

Key words: Tourist Board; Valencia; Airbnb; holiday rental.

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IDEAS CLAVE / HIGHLIGHTS / IDEES CLAU

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| <ol style="list-style-type: none">1. No hay una saturación en Valencia, pero sí está iniciado y consolidado en determinados barrios.2. Existe un desigual impacto de Airbnb en los barrios de Valencia, mostrando una turistificación polarizada.3. Airbnb coincide con los espacios con mayor oferta de atractivos y equipamientos turísticos.4. Los distritos de Ciutat Vella, Eixample y Cabanyal-Canyamelar son los de mayor atractivo turístico.5. Hay indicios de primeras reacciones sociales contra el turismo descontrolado, identificado en gran parte con los alquileres turísticos. | <ol style="list-style-type: none">1. There is no saturation in Valencia, but it has begun and is consolidated in certain neighbourhoods.2. There is an unequal impact of Airbnb in the neighbourhoods of Valencia, showing a polarised touristification.3. Airbnb coincides with the areas with the greatest offer of tourist attractions and equipment.4. The districts of Ciutat Vella, Eixample and Cabanyal-Canyamelar are the most attractive for tourists.5. There are signs of initial social reactions against uncontrolled tourism, largely identified with tourist rentals. | <ol style="list-style-type: none">1. No hi ha una saturació a València, però sí que està iniciat i consolidat en determinats barris.2. Existeix un desigual impacte d'Airbnb en els barris de València, mostrant una turistificació polaritzada.3. Airbnb coincideix amb els espais amb major oferta d'atractius i equipaments turístics.4. Els districtes de Ciutat Vella, Eixample i Cabanyal-Canyamelar són els de major atractiu turístic.5. Hi ha indicis de primeres reaccions socials contra el turisme descontrolat, identificat en gran part amb els lloguers turístics. |
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EXTENDED ABSTRACT¹

With the beginning of the current century, urban tourism has experienced an enormous growth worldwide. In this context, a relatively new phenomenon has appeared: the collaborative economy through web platforms. The emergence of these online platform businesses has consolidated a new way of travelling, in parallel to more traditional models, which has led to the arrival of new players on the tourism scene, particularly in the hotel industry. The irruption of holiday rental flats through internet platforms (complete or by room) in all cities around the world has considerably expanded the supply of accommodation, generating ever-increasing flows of visitors which, on occasions, have grown faster than the reaction of local authorities.

One of the platforms of this type that has expanded its offer and grown in demand most rapidly is Airbnb, founded in 2008, which includes shared accommodation offerings in more than 200 countries around the world and which includes a larger number of places than the world's top five hotel chains. The aim of this article is to analyse Airbnb's tourist accommodation offer in relation to its location, the location of the rest of the accommodation offer and the most attractive tourist resources, in order to determine the areas or neighbourhoods in which there has been a process of accumulation of tourists and tourist companies, which are at the basis of the explanation of the transformation of these spaces towards less friendly environments with the local population that can generate (if they are not already doing so) a negative gentrification. The case of the city of Valencia (Spain) is analysed.

The city of Valencia has not been able to escape the condition of post-modernity, and, as in all large cities, the promotion of urban space for the attraction of financial assets has been prioritised, which has inevitably contributed to shaping a city that responds to global interests, beyond the demands of its residents. From 2008 onwards, there was a certain slowdown and/or stagnation in the number of tourists and in the creation of facilities, but since 2012 it has continued to grow, albeit at a more moderate rate and adjusted to demand, which is beginning to show signs of saturation. The next crisis, the one associated with the Covid-19 pandemic, in 2020 has meant a halt in tourist arrivals, in fact, a notable worldwide decrease in travel.

The most dynamic areas of the city are also those where tourism is concentrated and where the main urban development projects have been developed. The supply of tourist accommodation has also adapted to this structure: it is more abundant in the neighbourhoods where not only the resources or attractions are located, but also the tourist facilities, which suggests a certain polarisation and, with it, saturation and displacement of residents, as has happened in other cities. However, in the three districts that concentrate the higher number of Airbnb ads, there is also a high number of requests for licences for both comprehensive refurbishment and partial refurbishment of dwellings. Although it is not possible to distinguish whether or not they are dedicated to holiday rentals, it does seem likely that there is a direct relationship. What is evident, undoubtedly, is a renewal of the housing stock that coincides with the increase in listings on Airbnb. Below, we briefly analyse the real estate market with the aim of approximating a possible effect of the increase in Airbnb's offer on the price of rent in the different neighbourhoods of the city.

¹ Traducción exclusiva de los autores / Authors' exclusive translation.

One of the most negative aspects, if not the most negative, of the proliferation of tourist flats is the effect they have on housing prices, particularly rental prices. Based on information from Valencia City Council, it can be seen that the districts of Ciutat Vella, Eixample and Pla del Real are the ones with the highest housing prices. It should be added that these districts reach their historical maximum, both in terms of sale and rental prices, precisely between 2019 and 2020, dates in which the growth in the supply of tourist accommodation has reached its peak.

The touristification of the city has implications from a territorial and urbanistic point of view. These types of practices affect issues such as the sense of place, trans-scalarity or the meanings of proximity. The first of these has to do with the social construction of inhabited space, which can be the cause of conflict or, on the contrary, of collaboration and the consolidation of networks of trust. There is a paradox: the tourist flat offer is a local offer, closely linked to the territory, to the neighbourhoods, managed through a global web platform, which moves away from trust and local networks to generate a global virtual space, including all kinds of offers, both truly collaborative and purely capitalist. Moreover, it is an accommodation offer that approaches all types of tourists, from those most interested in cheap prices to those who wish to experience the authenticity of the local culture and society.

Their location in the urban fabric is already indicative of mixed, but mostly capitalist, practices. This is also the case in Valencia, like other cities in the world with a presence of supply advertised on Airbnb. There is a higher density of supply in the most touristy areas, in the historic centre and the seafront, districts and neighbourhoods where tourist attractions are concentrated, some of them with particularly vulnerable areas, which have experienced an increase in the supply of unregulated tourist accommodation over the last decade in parallel to the growth of rents and sale prices (as in the case of the neighbourhoods of El Carmen, El Cabanyal, Russafa). At the same time, urban reforms and rehabilitation plans have generated, and continue to generate, new identities and have made certain enclaves within the city fashionable, which, in turn, promote the presence of holiday flats and seem to be consolidating processes of gentrification. These processes are fed by other elements such as the attraction of higher-income population groups, including foreigners, to spaces that originally had a very different social profile.

Based on the work carried out, it is possible to indicate that the Airbnb offer, despite being located throughout the city, has a preference for tourist neighbourhoods, where urban planning, both in terms of new morphologies and changes of use and renovations, have been taking place in parallel in favour of a city with an international projection, at least in terms of image. Moreover, these items have been added to a large extent to the historic Valencia, both in its centre and on its waterfront. These places were already the preferred locations for traditional accommodation and where the hotel and catering industry had the largest number of premises. Analysing future urban development projects, it has been found that there is a clear interest in making the city greener, particularly in these historic neighbourhoods with great tourist appeal, which gives an idea of the pressure to which these areas are subjected, which are also home to a large part of the local nightlife.

Valencia is a city with a growing presence of this type of accommodation, but it does not yet seem to have reached saturation point. The percentage of properties advertised (complete or rooms) on Airbnb out of the total number of residential properties in the city is 1.7%; this figure is 1.2% if only complete flats are considered. This indicates, on the one hand, the enormous weight of the supply of flats, which makes us think of a traditional form of rental economy, albeit of short duration. In some areas, the above figures increase considerably, as in the case of the neighbourhoods of the Ciutat Vella district, in all cases

above 5%, joined by Cabanyal-Canyamelar with similar figures. In absolute terms, however, i.e. in terms of the actual total number of short-term accommodation (both flats and rooms), other areas also stand out, such as the districts of Russafa, with 7.7% of the supply of the entire city, and the district of Malva-Rosa, with 3.7%. In other words, the supply of holiday or short-term rental flats is concentrated in a few areas, which are also particularly touristy. In these neighbourhoods, a high average rental price has also been detected, above the average for the city, as well as other phenomena such as the arrival of foreign residents, especially from the European Union, which shows a certain process of gentrification in these areas, partly linked to the development of tourism, although more in-depth studies will be necessary to be able to confirm this assertion.

In short, it is important to control this process of growth of tourist flats in order to avoid conflicts with neighbours and the tourism sector.