



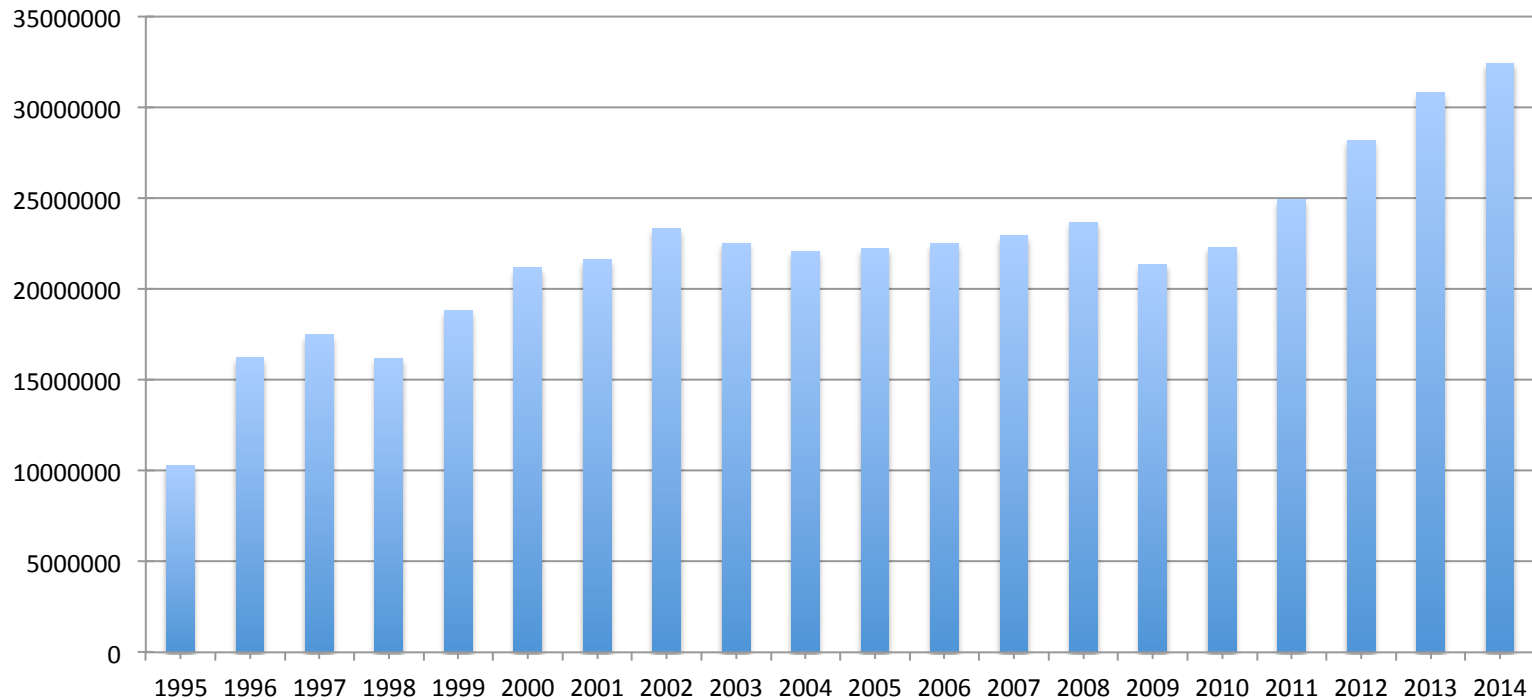
Capacity building project
“European dimensions in qualifications
for tourist sector”, 23 – 25 May, 2016
Saint-Petersburg State University of Economics

Tendencies of Tourism Market Development in Russia

Financial University
under the Government of the Russian Federation

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International Arrivals to Russia (1995 – 2014) ²

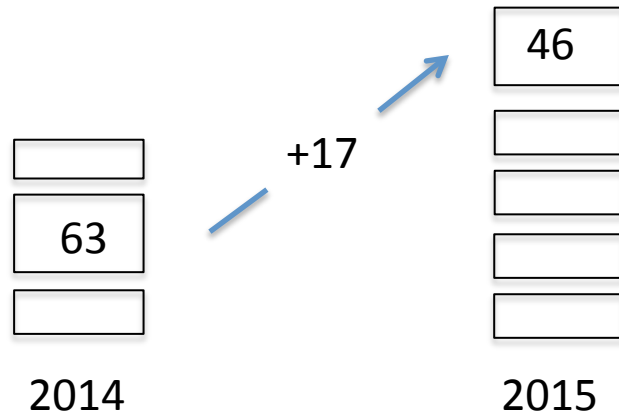


Source: World Bank, 2015

The Global tourism market currently is in a stage of growth, the number of tourism arrivals and financial income are increasing. This trend was not affected by economic recession. The Russian tourism market is developing in accordance with the global trends and shows the growth comparing to other industries.

Russia's positions in world rankings

“Travel and Tourism Competitiveness Index” (2015)



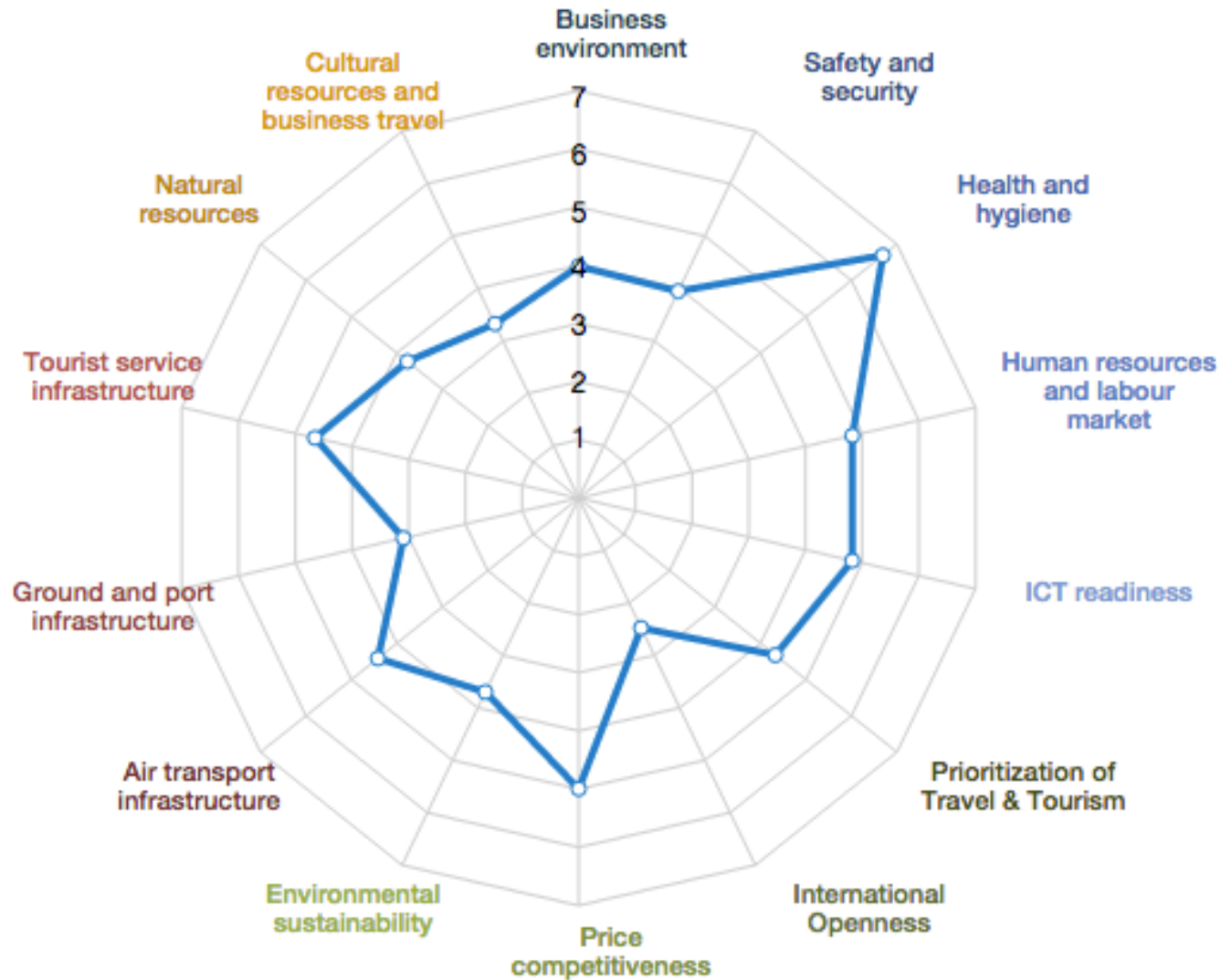
This growth was caused by such factors:

- as increasing activities in marketing promotion
- due the devaluation of roubles the prices of Russian services and goods become comparatively cheap
- increasing global attractiveness of ecotourism and cultural tourism makes Russia more competitive.

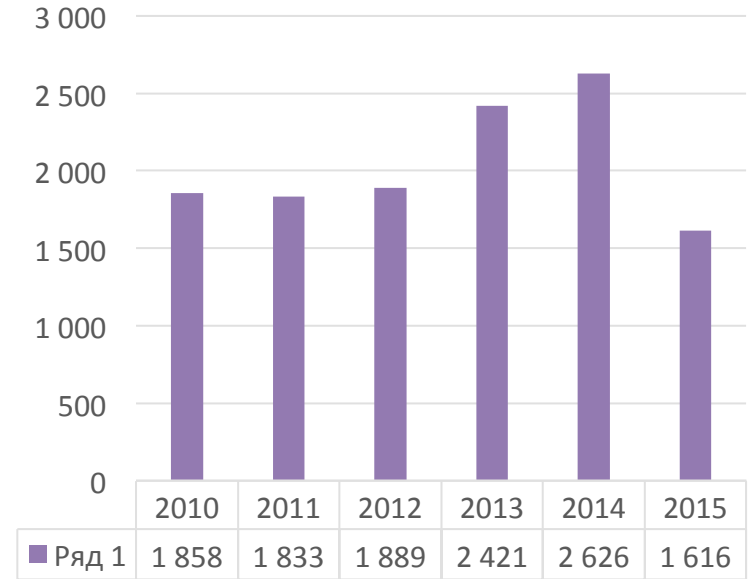
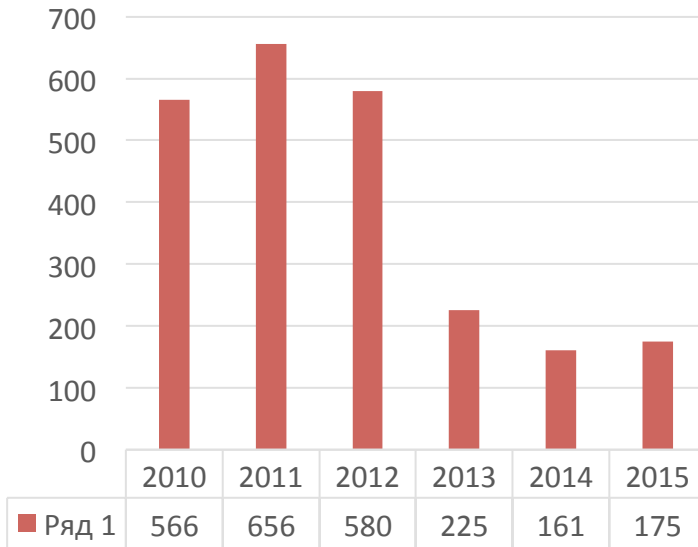
Rank	Million		Change (%)	
	2013	2014	13/12	14/13
France	83.6	83.7	2.0	0.1
United States	70.0	74.8	5.0	6.8
Spain	60.7	65.0	5.6	7.1
China	55.7	55.6	-3.5	0.1
Italy	47.7	48.6	2.9	1.8
Turkey	37.8	39.8	5.9	5.3
Germany	31.5	33.0	3.7	4.6
United Kingdom	31.1	32.6	6.1	5.0
Russian Federation	28.4	29.8	10.2	5.3
Mexico	24.2	29.1	3.2	20.5

In 2014 Russia shows high growth of inbound flow and held on top 10 ranking by international tourist arrivals (UNWTO, 2015)

“Travel & Tourism Competitiveness Index, 2014” (Russia)

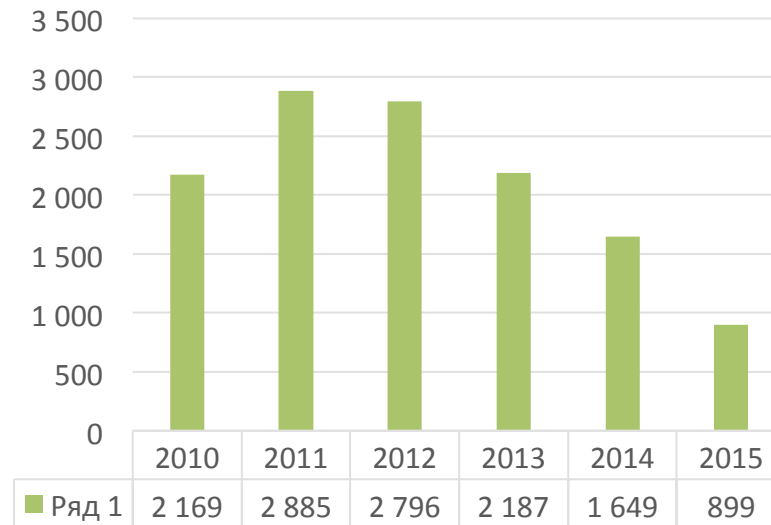


The landscape of the Russian tourism market is changing



Tour operators, specialized in inbound tourism

Tour operators specialized in domestic tourism



Tour operators, specialized in outbound tourism

The rearrangement of tourist flows that happened in 2014 was caused such factors as:

- The devaluation of rouble change the Russian's priorities towards domestic tourism.
- The countries from the Middle East are loosing their tourism attractiveness for Russians because of the growth of political instability, violent conflicts and terrorist attacks.
- The Crimea's touristic objects were incorporated into Russian economic system.
- The majority of "Sochi" project have been successfully launched.

In 2015 negative tendencies were continued:

- Sanctions against Russia over the crisis in Ukraine
- Closing of Egyptian and Turkish destinations
- National currency depreciation
- Bankruptcies of Transaero airlines and large Russian tour operators.

Why does the bankruptcy of Transaero matter for the Russian tourism market?

- the threat of the market monopolization
- Transaero was not only a regular aircraft carrier, but also did a lot of charters and had close business connections with tour operators

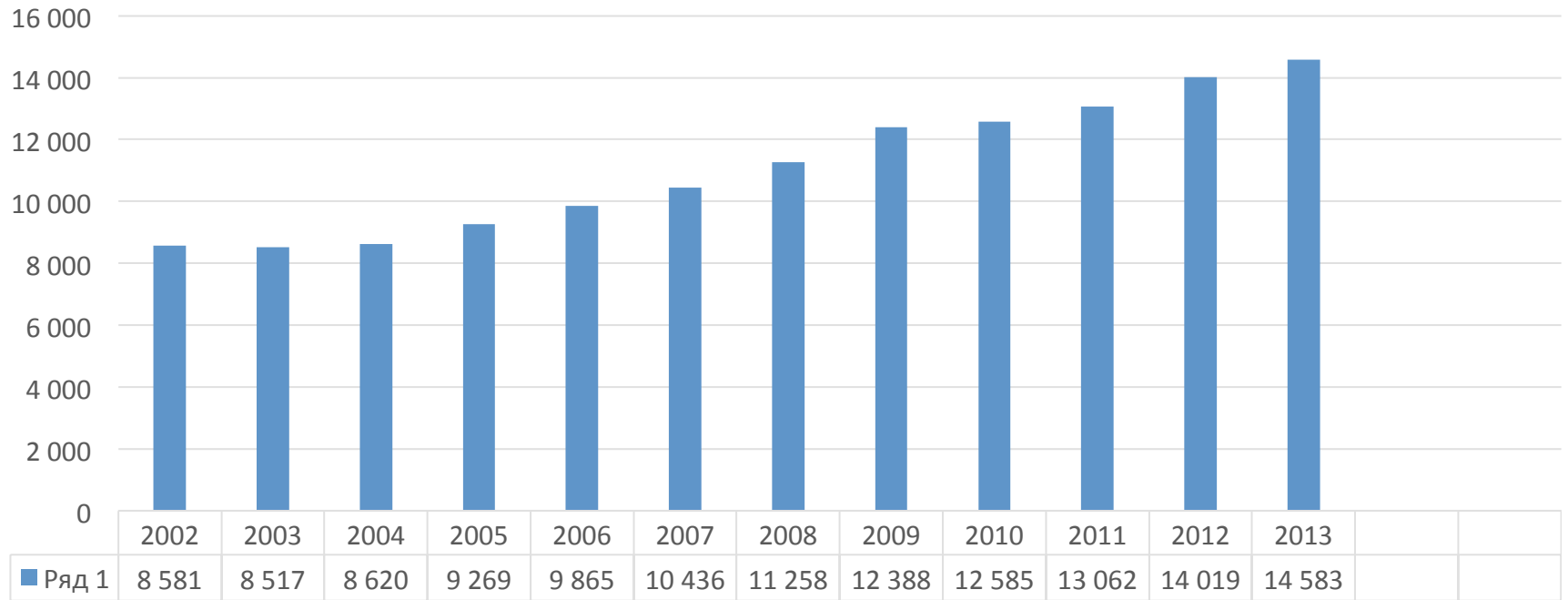
The Driver of growth: China

Asia and the Pacific demonstrate the highest activity in outbound tourism.



Can China as one of Russia's neighbour with the world's largest source of outbound travellers be a driver of continuous growth for tourism industry in Russia?

Accommodations for visitors



New technology change the tourism market

- “Why do I need to communicate with tour operator? I’ll do it by myself”.
- “Big data”, Internet of thing (IoT). What do they prefer? Where do they go? How do they spend time? All about tourists.
- The tourism market in a shared economy. How can Airbnb change the Russian tourism market?

What about future?

The number of Russian HEIs that educate professionals for tourism market has been reduced.

Apart from quantitative lack of professionals in tourism market there is a lack of professionals which would be able to work with technologies, markets and clients.