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ECONOMIC TRENDS OF DEVELOPMENT OF REGIONAL TOURISM (IN TERMS OF VOLGOGRAD REGION)

Dmitriy Semikin (a)*, Yulia Semikina (b), Evgenia Gulyaeva (c), Irina Kulagina (d)

*Corresponding author

(a) Volgograd Institute of Management, branch of RANEPa, 400066, 8 Gagarin Street, Volgograd, Russia, semikindv@yandex.ru

(b) Volgograd Institute of Management, branch of RANEPa, Volgograd, Russia, semikinajulia@yandex.ru

(c) Volgograd Institute of Management, branch of RANEPa, Volgograd, Russia, guevgenia@yandex.ru

(d) Volgograd Institute of Management, branch of RANEPa, Volgograd, Russia, kulagina_i@list.ru

Abstract

The article deals with social and economic trends and prospects of development of the tourism industry in Volgograd Region (and also in Russia): domestic and inbound tourism, development of the resort infrastructure, etc. The main problems impeding development of the tourism industry in Russia in general and in Volgograd Region, in particular, are conceptualized in this study. The article includes recommendations relating to amendments that have to be introduced to the strategy for tourism development in Volgograd Region (to improve the condition of the social infrastructure facilities; to continue development of the transport infrastructure; to consider the possibility of obligatory duplication of names of settlements, the main streets, tourist attractions, etc. in English; to adapt the international experience in development of the barrier-free tourism infrastructure, which will facilitate the development of the tourism industry by involving both Russian and foreign citizens with disabilities in tourism practice; to take measures to develop educational and medical tourism; to consider the issue of allocation of subsidies estimated for each attracted tourist to the tourism industry). The results of the conducted study can be used for a deeper examination of development problems of the tourism industry in regions of the country and elimination of barriers in the development of this promising sector of the economy. The authors substantiate the need to create a system of economic, legal and political actions aimed at formation of a positive tourism image of both Volgograd Region and Russia in general.

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Keywords: Barrier-free environment, domestic and inbound tourism, regional tourism image, social and economic trends, tourism industry.



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1. Introduction

The Russian Federation has great potential for development of the tourism industry, which, unfortunately, has not been fully implemented yet, with the exception of some regions. With respect to Volgograd Region, it should be noted that the Federal and regional executive and legislative authorities, public and scientific organizations, business community, development institutions, the mass media are interested in the development of the tourism industry, however, it is necessary to analyze which areas of the economy could become the key ones to improve the tourism image of the region.

The relevance of enhancement of the strategy for tourism development in Volgograd Region (and also in Russia in general) is due to the fact that tourism in the modern society has become a social and geopolitical phenomenon that significantly affects the economy. Tourism is no longer a luxury; it becomes a serious priority for consumers. It is essential for Russia to become a part of this global trend. The modern tourism development strategy must contribute to the settlement of this issue because the tourism industry is highly profitable, efficient and comparable with the leading industries of the world economy.

2. Problem Statement

Development of tourism is of great importance not only for the state in general but also for subjects of the Russian Federation and its municipalities (Orchiston et al., 2016). Volgograd Region as a subject of the Russian Federation has enormous potential for increase of the flow of domestic and inbound tourism. Development and maximum implementation of this tourism is the main objective of the strategy for development of the tourism industry in the region. This strategy, as well as the general Russian strategy, is based on the sustainable development principles and the current Federal Law “On the Basics of Tourism Activities in the Russian Federation”.

3. Research Questions

The reasonability of the study conducted within the stated topic is determined by the need to introduce amendments to the tourism development strategy both at the level of regions (in terms of Volgograd Region) and at the level of the Russian Federation. It is important to analyze which social and economic trends of development of the Volgograd Region can stimulate the tourism industry and facilitate the improvement of the tourism image of the region.

4. Purpose of the Study

The purpose of the article is to consider the problems of development of the tourism industry of the Volgograd Region and the Russian Federation in general. To propose recommendations within the framework of public discussion of the strategy for tourism development in the Russian Federation and Volgograd Region until 2035.

5. Research Methods

The methodological basis of the study is the principles and provisions of the systemic and structural-functional approaches. The works by Ritchie (R2004, p. 669-683), Camilleri (2018), Sharpley (2018), Woo et al. (2015), which have become the basis of the modern tourism concept, serve as an important methodological reference point in this study. Kaspar (1989), the author of fundamental research in various tourism areas, laid the foundations of tourism marketing. Methods of enhancement of domestic, inbound and outbound tourism, ways of development of types and forms of tourism in Russian regions are considered in the works by Barchukov (2008). Special attention should be paid to the works by Gladky and Sklyarov (2017, p. 28-39), Franzoni (2015) dedicated to development of international tourism. Let us point out also the works by Morozov et al. (2014) on development of the tourism economy.

6. Findings

The tourism industry is one of the most promising and actively developing sectors of the world economy. The number of tourists in the world grew from 25 million people in 1950 up to 1.4 billion people in 2018, which follows from the statistical data of the UN World Tourism Organization. In addition, according to the expert estimates, their number will continue to grow by an average of 3.3% per year and will reach 1.8 billion people by 2030 (Ryazansky, 2016, p. 5). The Russian Federation is a developing area since actually only a few tourist destinations are used. The forecast for tourist arrivals is 27.144 million people in 2019 and 43.589 million people until 2030 (Grigorenko & Solod, 2019, p. 144).

In 2017, more than 950 thousand tourists visited Volgograd Region, which is 16% more than in 2015 and 2016. In 2018, this number was 1 million 100 thousand people, which is 197 thousand more than in 2017. In 2019, 900 thousand tourists visited Volgograd Region. Undoubtedly, the increase in the tourist flow in the Volgograd Region in 2018 was facilitated by the World Cup. During that event 220 thousand people visited Volgograd, 50 thousand of them were foreign tourists. Volgograd Region determined priority areas for development of tourism in the state program for tourism development in the region until 2025 to support this positive trend. The administration of the region sets ambitious goals: to achieve the volume of the tourist flow in the territory of Volgograd Region comprising 2 million people. The expected results of the implementation of the state program: the total amount of financing of the state program by 2025 will be 770,368.1 thousand rubles, including 27,780.3 thousand rubles in 2020.

During the World Cup, interregional tourist routes, a single calendar of events (available to users due to the mass media and the digital information environment), a plan of interregional events and promotion of the tourist potential of the host cities of the World Cup with the help of Rosstrudnichestvo representative offices abroad were formed together with tour operators. In 2018, for the first time in the history of Volgograd Region, the regional parliament established the promotion of tourism as a priority area of the social and economic development of the region. It is supposed that tourism will be one of the foundations for economic growth due to the increase in the flow of tourists to Volgograd Region up to two million people annually. Effective use of the World Cup heritage will help to achieve these numbers. This international sporting event has become a stimulus for the growth of the economy of Russian regions

and the country in general and has set new economic prospects for the development of the tourism industry. The regional committee for tourism development took part in the formation of the concept for its further effective operation.

However, it is not reasonable to focus only on the heritage of this landmark event because Volgograd Region combines rich cultural and historical heritage with various opportunities related to natural resources, which makes the region attractive for the development of almost all types of tourism – cultural and educational, medical, environmental, cruise, ethnographic, event, gastronomic, religious, water, active, rural, business, etc.

In the territory of Volgograd Region, there are over two thousand historical and cultural monuments, 62 museums, 12 theaters, over 250 travel agencies and 450 accommodation facilities (hotels, resorts, holiday camps, etc.), dozens of unique natural sites that attract tourists from all the country. To unlock the potential of the tourism industry of the region as one of the areas of economic growth is the primary objective of the region.

However, there are objective circumstances that do not allow forecasting a rapid growth of the income from the tourism industry not only in the Volgograd Region but also in the Russian Federation in general. For example, in 2016, 85% of citizens of the Russian Federation left their region at least once in a year. This is evidenced by the results of a survey conducted by PayPal and Data Insight. 60% of the respondents more often traveled in the Russian Federation; 6% went only abroad; 19% combined journeys in Russia with trips abroad.

This year in 2020 the demand for tourism from citizens of the Russian Federation will sharply decrease, which is caused by the quarantine measures. However, this may open a window of opportunities for domestic tourism in the second half of summer. It is extremely important for the tourism industry of the Volgograd Region to take actions to “intercept” Russian domestic tourist flow. There are already attempts in this area. Events attributed to event tourism have been organized largely due to the efforts of the regional administration. Among them: watermelon festival in Kamyshin, unique marathon “Elton Ultra”, ethnographic festival “Golden Shield – the Cossack Savior”, forum “Dialogue on the Volga” – a platform for interaction between Russian and foreign representatives of the government, science, business and the public. In 2019, the All-Russian forum on tourism for children and young people was organized for the first time in Volgograd Region. A landmark event dedicated to the celebration of the 75th anniversary of Victory in the Great Patriotic War is being prepared on Mamayev Hill.

According to the data provided by Rosstat, the number of Russians whose income is below the subsistence level in 2018 is more than 20 million people or 15% of the population of the Russian Federation. In 67% of the cases, poor citizens have jobs, but their work is underpaid. The age of the average low-income citizen in the Russian Federation is 46-48 years. In the near future, persons aged 26-35 years can join this risk group, which is due to their heavy debt load.

It should be noted that in January-March 2019 the real income of citizens of the Russian Federation decreased again – this time by 2.3% compared with the same period of 2018, in 2020 the trend of falling income intensified, affecting especially citizens working in the area of services and in particular in the tourism industry. Last year, more than half of Russians reduced their expenses on clothes and entertainment (tourism can be attributed to entertainment), which was stated in the FMCG research

conducted by Nielsen, well-known global measurement firm providing economic data and marketing information on the dynamics of the fast-moving consumer goods market. In these economic conditions, tourism services fall within the category of not necessary demands. It is obviously important for residents of the region, first of all, to pay for household services, food and health care. Only after all the necessary demands are paid, a tourism question can arise. In 2020 the tourism industry suffers losses as a result of restrictions imposed because of COVID-19. The tourist flow has dropped off sharply.

This situation in Russia and in Volgograd Region contrasts with the European Tourism Trends & Prospects 2018 report of the European Travel Commission. According to the report, the revenues from the main European tourist destinations increased in 2018. As is specified in this report, 12 million tourists departed from the Russian Federation, which is indicative of significant drawbacks of the local tourist destinations.

Consequently, it is problematic to talk about prompt development of domestic tourism under these circumstances. To correct this situation, in the strategy for tourism development in regions of the Russian Federation until 2035, it is necessary to stipulate financial and economic measures which will stimulate the domestic tourism due to low-income citizens, for example, the return of the tax on the income of individuals, tax benefits for employers sending their employees and their family members on domestic holidays, increased benefits for children's tourism, etc. It is necessary to increase significantly the amount of funds allocated from the federal and regional budgets and use them to stimulate entrepreneurial initiatives in the tourism industry (Tumanyants & Gulyaeva, 2018, p. 43).

Development of inbound tourism today is impossible without a good infrastructure (Gladky & Sklyarov, 2017, p. 29). Assessment of the tourism infrastructure should be differentiated according to the region or the territory. Tourism relies upon the basic infrastructure of the region. It is impossible to form classic tourism in terms of underdeveloped basic infrastructure. It is necessary to take into account these circumstances in the new Federal Strategy for Tourism Development in the Russian Federation. At the moment, there are attempts to develop tourism in the places with no infrastructure and to develop tourism in the places with a well-developed infrastructure (Fetisova et al., 2016, p. 65). Nevertheless, regions are assessed according to the same criteria, which is incorrect.

Development of tourism is hampered by a large number of restrictions and difficulties related to infrastructure problems, to insufficient development of accommodation and catering facilities. There are factors impeding tourism expansion also in the Volgograd Region. For example, they include the poor condition of the social infrastructure facilities, undeveloped transport infrastructure, high prices for transport services and accommodation for tourists. In addition to the tourism infrastructure, which is still to be developed to a decent level, there are also other challenges. We should note that the least contribution of tourism to the creation of the additional GRP as a result of the 2018 World Cup is registered in Volgograd Region (12% or 5 billion rubles), where the total impact of the world tournament on the economy was estimated at 6% (45 billion rubles), while in general, the economy of the regions that hosted the matches of the tournament reached 20%. This fact requires an in-depth analysis and subsequent correction of the strategy for the development of the tourism industry of the region.

The experience of the 2018 World Cup showed that undeveloped city infrastructures do not allow many people to travel throughout Russia. For example, people with disabilities and families with small

children unwillingly go to the Russian Federation, being aware of the low level of development of the barrier-free environment in the country. The tourism development strategy must take into account the international experience in the formation of a barrier-free tourism infrastructure, which will facilitate the development of the tourism industry by involving Russian and foreign citizens with disabilities and families with small children in tourism practice.

Volgograd Region has good potential for the development of the tourism industry. At the moment, the areas which already partially function in Volgograd Region should be activated to develop tourism in Volgograd Region: development of estates and other architectural and natural monuments of cultural and historical significance, creation of museums, estate and ethnographic complexes in the regional districts, for example, use of the archeological site of the town of Saray-Berke, the capital of one of the greatest empires of the world, the Golden Horde, located on the left bank of the Akhtuba River, for educational tourism; the revival of domestic water tourism; the region has high scientific and educational potential allowing educational tourism development; also medical tourism should be pointed out as a very promising area, the region has unique world-class wellness sites, for example, Lake Elton with its therapeutic muds. It is necessary to create such infrastructural conditions in medical institutions so that people would prefer to be treated in the territory of the Volgograd Region.

However, talking about the regional infrastructure, it is necessary to mention that it does not fully comply with the “Tourism for All” principle (inclusive tourism, universal tourism, barrier-free tourism), which implies the provision of tourism services regardless of individual characteristics: physical or mental abilities, age, height, etc. The following factors facilitate the development of barrier-free tourism: transport suitable for all users; high-quality services; events, exhibitions and amusement rides in which everyone can participate; marketing, booking systems, websites and other available information (Morozov et al., 2014, p. 28). Volgograd Region, as well as many other Russian regions, has a range of serious problems faced by tourists with disabilities: unavailability or partial availability of informational websites; lack of transfers at the airports; insufficient number of wheelchairs; low level of services at the hotels; unprofessionalism of staff; streets and sidewalks difficult to access; lack of accessibility in restaurants, bars and other venues; lack of adapted toilets, especially in public places. Travel becomes a challenge for citizens with disabilities. They face difficulties searching for information, the necessary means of transport, accommodation facilities, even at the level of communication, if they have speech or hearing impairments. Many people with disabilities do not come to the Volgograd Region because of these “barriers”. The relevant infrastructure, reliable information and ways of its quick search can become the main regional factors stimulating consumption of tourist services by people with disabilities.

The reason for the slowdown in the development of the tourism industry in Volgograd Region (and in the Russian Federation) is often the lack of awareness of foreigners about the available infrastructure in the region and the negative anti-Russian propaganda in the mass media. In the strategy for tourism development in the region and the Russian Federation in general, it is necessary to include measures for provision of comprehensive information support and tourism promotion in Russia and foreign countries through all relevant and accessible communication channels. It is also necessary to take measures to counteract anti-Russian propaganda in the mass media. The strategy must provide for creation of online services of federal and regional levels which will help travelers to obtain the required

information (in Russian and at least in English). Reduction of the tourist flow in 2020 struck dozens of related industries: construction, culture, transportation, catering. Additional supporting measures are required to save the tourism industry that formed in the region in the recent period. We should note that the government of the Russian Federation recognized tourism as one of the industries most affected by the pandemic. The turnover in the area fell by up to 95%, and in some cases by up to 100%. The volume of lost income exceeded 1.5 trillion rubles. In the worst-case scenario, 2.5 million people engaged in this area will lose their jobs in the near future. To prevent this trend, the amount of 21 billion rubles was allocated, and this money will be received within the framework of the State Program “Culture and Tourism” planned for the next two years.

There is another type of “barriers” for foreigners – names of city sites only in Cyrillic characters. In this regard, it is important to consider the introduction of amendments to the Urban Development Code. It is necessary to consider the possibility of obligatory duplication of names of settlements, main streets, tourist attractions, polyclinics, etc. in English. The example of Volgograd is interesting in this case. The names of the streets in Tsentralny, Voroshilovsky, Dzerzhinsky and Krasnooktyabrsky districts were written in Latin and Cyrillic characters by the beginning of the World Cup. Signs with the names of the main tourist attractions of the city also in Latin and Cyrillic characters were installed in the streets.

To resolve the above problems, the Administration of Volgograd Region has established a committee for development of the tourism industry, which is intended to increase the tourist attractiveness of the region, create favorable conditions for the development of the tourism industry, promote regional tourist products (including through the mass media) in the domestic and global markets, establish a procedure for certification of guides and interpreters (to reduce image losses), attract investments in the field of tourism, develop international and interregional relations and organize work to form the barrier-free environment in Volgograd Region.

The problem of registration of tourists should be also mentioned since it is associated with the introduction of the so-called tourist fee in a number of regions of the Russian Federation. At the moment, there is a regulation mechanism – the governmental resolution on migration registration. Migration security cannot be ensured without a balanced effective migration policy. In its turn, ensuring national security is one of the basic principles of Russian migration policy (Luzina & Elfimova, 2019, p. 215). It is a common practice when tourists check in at the hotels, they are registered with their passports, however, in the private sector this is rather an exception to the rule. About 25% of the potential income is attributed to the private sector. Many hotels in Volgograd Region are underloaded since tourists prefer lower prices offered by the private sector, which rents accommodation. In the strategy, it is important to work out a provision on obligatory registration of tourist guests. This will increase financial revenues, promote security and help to perform reliable statistical record keeping.

7. Conclusion

Development of tourism facilitates the growth of income of residents in the regions, creation of new jobs and the corresponding infrastructure, activation of folk crafts and improvement of the standard of living of the country’s population. The results of the conducted study help to understand which actions must be taken to increase the efficiency and profitability of the tourism industry of the national economy

not only in Volgograd Region but also at the level of the whole country. Recommendations proposed in the article were used in development of the strategy for tourism development in Volgograd Region until 2025 and in the Russian Federation until 2035.

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