



УДК 338.48

### EVENT TOURISM IS A PROMISING DIRECTION FOR THE DEVELOPMENT OF THE TOURISM MARKET OF AZERBAIJAN

A. H. Akhundova

*Doctor of Philosophy in Economics,  
lecturer, ORCID 0000-0002-4610-1785,  
e-mail: axundova48@hotmail.com,  
Baku State University,  
Baku, Azerbaijan*

**Abstract.** The article studies the impact of event tourism on the socio-economic development of the territory. As an integral part of event tourism, the events are the essential component in tourism as they significantly affect the dynamic development of destinations, its competition, and marketing strategy. For Azerbaijan, in the current conditions, event tourism should and can be one of the promising areas to improve the tourism industry, diversify budget financing and promote the image of the regions, increase employment and improve the quality of life of the population. In this regard, the article studies the theoretical aspects of organizing event tourism as one of the most dynamically developing types of tourism in the world, explores the specific features of event tourism, describes the success stories in the development of event tourism in Azerbaijan, and identifies factors that constrain the development of event tourism in the country's regions.

**Keywords:** tourism development; event tourism; improvement; events.

Being one of the most dynamically developing and highly profitable sectors of the economy, tourism has stepped into the 21st century as the most stable developing sector of international trade in services. In terms of income, tourism has been a leader in the top five most highly productive sectors for more than a decade. Having a multiplicative effect, it acts as a catalyst for social and economic development, stimulating the development of various branches of the national economy associated with tourism. Besides, tourism contributes to the establishment of international contacts and the integration of countries in the global economy.

According to the World Tourism Organization (UNWTO), in 2019, the volume of international tourist arrivals increased by 4 % and amounted to more than 1.5 billion arrivals, which is 54 million more than in 2018. According to the WTO, in 2019, global tourism income amounted to 3 trillion US dollars, including expenses for accommodation,

food, entertainment, and shops. Furthermore, on average, tourism industry revenues, including tourists' transportation costs, amount to 2.2 billion US dollars per day [1]. Taking into the account the instability of the global economy, these figures are considered high enough.

The UNWTO Secretary-General, Taleb Rifai, opening the Global Forum for Tourism Economics stated: "In the current economic situation of uncertainty, tourism is one of the sectors of the economy in the world that is actively developing, stimulating economic progress in both developing and developed countries and, especially, it creates much-needed jobs" [2].

World Tourism and Travel Council (WTTC) in its study found that during the last five years, 20 % of new job places were opened in the tourism sector. According to WTTC, in 2018, the tourism industry provided every tenth job in the world or 319 million jobs. Consequently, over the next ten years, the



tourism and travel sector will create 100 million new jobs around the world and will provide job in a total for 421 million people [3].

Currently, there is stiff competition for attracting tourists between developed countries, based on improving the quality of existing facilities and organizing creative events. In other words, tourists' preferences are changed because they want to get a lot of sharp and emotional feelings from travels. These principles correspond to such a fundamentally new, exciting, and promising type of tourism – event tourism.

The term “event tourism” was first used by the New Zealand Department of Tourism and the Public in 1987 and strengthened the link between events and tourism. This term, in foreign literature, is interpreted as an essential alternative for destinations, entrepreneurs, and the main activities of government who wish to increase tourists' flow [4, p. 17].

However, the most accurate, to my mind, is the interpretation of O. Alekseeva. Under the event tourism, the author means “a type of tourism activity that attracts tourists with various social events of cultural or sporting life, which contribute to the development of tourism infrastructure, the integration of different sectors of the population into society and the formation of a positive image of the destination” [5, p. 25].

The events are the essential component in tourism as they significantly affect the development of destinations, its competition, and marketing strategy. Their organization has a positive effect on the activities of all objects of the tourism sector. In particular, this intensifies the cultural revival of local customs and traditions. Generally, in the world tourism system, the share of event tourism is increasing by 1,5 % annually.

According to S. Donskikh, event tourism carries out the main functions of tourism: generating income, preserving and popularizing the natural and historical-cultural herit-

age, efficient use of free time, and entertaining people [6, p. 29]. Moreover, the most crucial advantage of event tourism is that for its development, there is no need for the availability of tourist and recreational resources. Event tourism is an alternative tourism option for regions with no cultural-historical, architectural, or natural resources. It is formed exclusively for a particular purpose – to attract a massive flow of tourists.

The essence of event tourism is that it let us visit events dedicated to specific occasions. It is impossible to go on such trips at any time of the year when you wish. They take place at a certain time of the year, in a particular place.

The structure of the age composition of tourist flows for events has changed considerably. Today, the share of travelers under 30 years of age occupies more than 40 % of the future tourist flows. Experts attribute this to the economic stability of many states, especially Europe. As a rule, the higher the economic stability in a particular state, the greater the percentage of young residents of that country who have the opportunity and wish to attend events abroad [7, p. 143].

As an industry, event tourism has widely developed abroad. So, the leaders in this industry are the USA, Italy, France, South Korea, and Great Britain. However, some experts note that Australia takes the first place in the level of development of event tourism, where there is a definite system of strategic planning of events that can maximize the benefits of tourism for destinations. Today in the world, there are several dozen cities that specialize in event economics [8, p. 38].

Furthermore, of course, there are four main elements which contribute to the organization of a great event: the material base, the existence of large venues; the presence of event-agencies, exhibition organizations; quality service, i.e., the opportunity to provide food and accommodation for guests of



the event; media support [9]. To sum up, firstly, it is necessary to operate the necessary, accompanying infrastructure: to provide tourists with special accommodation, close to the place where events are held; transport system; quality of service; entertainment industry; the existence of catering facilities; the presence of grocery stores, clothing, accessories, beauty salons; accompanying excursion and animation program, etc.

Generally, the specific features of event tourism, according to E. Leonidova, are predictability, mass character, all-weather season, interactivity, entertainment, innovativeness, regularity of events, and stimulation of a return visit [10, p. 7]. Furthermore, despite the variety of events, only those that generate the territory's income and, in turn, are the resource base of the destination where they are held, are considered event tourism.

At the state level, the tourism industry in Azerbaijan is considered as one of the priority sectors of the economy. In this regard, State programs and legislative acts on the development of tourism in Azerbaijan appeared, and state investment in the tourism sector of Azerbaijan increased. Particularly, on June 4, 1999, President G. Aliyev in Azerbaijan adopted Law No. 164 "On Tourism", which became the basis and core of the legal system in the field of tourism in Azerbaijan [11]. In addition, an essential step towards the development of tourism in the country was two state programs for the development of tourism for 2002–2005 and 2010–2014. Furthermore, the development concept "Azerbaijan – 2020: a look into the future" also reflects the objectives and goals of tourism development in the country. The strategic roadmap for the national economy, approved by the decree of the President of Azerbaijan I. Aliyev, dated December 6, 2016, includes 11 pillars. One of the pillar is the Strategic Roadmap for the development of the specialized tourism industry in Azerbaijan.

These documents determines the legal basis for the formation of the tourism sector in Azerbaijan, which meets modern economic, social and environmental requirements, and ensures that the tourism industry becomes one of the pillars of the state's economy.

Besides, to increase the number of tourists arrivals, by order of the President of the Republic of Azerbaijan, in 2016 "ASAN Viza" system and from February 1, 2016, at all international airports in Azerbaijan a simplified visa control system for citizens of the Persian Gulf countries were introduced. They can get a visa right upon arrival at any international airport in the country. Due to this, the number of tourists arriving in Azerbaijan has increased, and this is a positive indicator that Azerbaijan entered the 20 fastest growing tourist destinations in 2019, ranking at 18 positions, with indicators of 11.4 %, ahead of countries such as Israel and Lithuania [12].

According to the forecasts of the World Travel & Tourism Council (WTTC), by 2028, Azerbaijan will become the first CIS country in terms of tourism income growth – by 6.2 % per year. This indicator will allow the country to earn 18.2 billion manats (about \$ 10.6 billion) [13].

President of the Republic of Azerbaijan I. Aliyev called the development of the non-oil sector one of the priority directions of socio-economic policysaying, "Azerbaijan has a robust economy. However, we must strive to ensure the development of the non-oil, industrial, service, and tourism sectors" [14]. Today, the main priority sectors in the development of the non-oil sector in the republic, along with agriculture, information, and communication technologies, the processing industry, is the tourism industry. In other words, tourism has been declared an industry of national importance, which is the most crucial sector for the country's economy after oil production.

Currently, Azerbaijan, as a country developing tourism, despite its high natural and





historical-cultural potential, stability and security, occupies a very insignificant place in the world's tourism market. According to the state tourism agency, the contribution of tourism to the country's economy, i.e., to the GDP of Azerbaijan in 2019, amounted to only 3 %. Moreover, as the general director of the Azerbaijan Tourism Bureau noted, in 2019, 3.2 million tourists visited the country. Increase in the tourism sector was 11.4 % [15]. The volume of outbound tourism in 2019 amounted to 4.3 million people (an increase of 34 %).

Today, the main countries of tourists' arrival are Russia, Georgia, Iran, Turkey, Asian and European countries. Even though the tourism potential of Azerbaijan is estimated at 5 million tourists a year, and despite the priority development of domestic, inbound and social tourism, as proclaimed in the law "On Tourism," the outbound tourism market still prevails in our country.

The primary reasons that define the outbound nature of Azerbaijani tourism are a simplification of the visa regime, the availability of prices for outbound tours, increasing external business contacts, the high competitiveness of foreign tourist product (high-level hotel service and maintenance, original entertainment tours, comfortable transport).

According to the Director-General of the State Tourism Agency of the AR, "there are five main areas that Azerbaijan promotes: historical tourism, wellness (a healthy lifestyle concept), outdoor activities, gastro-nomic and nature tourism. These are the areas in which the potential of Azerbaijan is most significant – both for uniqueness and for the possibility of actively developing in the future. Moreover, to attract tourists from Muslim countries, the foundations of Halal Tourism have also been laid [13].

For Azerbaijan in current conditions, event tourism should and can be one of the promising measures to improve the tourism

industry, diversify budget financing, promote the image of the regions, increase employment, and improve the quality of life of the population.

On the one hand, a great number of events are held annually in Azerbaijan, including world-class ones (the Eurovision song contest, the first European Games Baku – 2015, the 4th Islamic Solidarity Games, the Grand Prix of Azerbaijan Formula 1, etc.). For instance, the first European Games "Baku – 2015" attended by 6067 athletes from 50 countries, contributed not only to the country's international fame and reputation but also to the promotion of its tourism potential and the formation of sporting event tourism in the republic. More than 28 thousand foreign tourists came to the European Games in Baku. The majority of the foreigners who came to Azerbaijan to compete were citizens of Russia, Great Britain, Germany, the Netherlands, Italy, Switzerland, Spain, the USA, and the UAE [16, p. 176].

The rich experience gained in this area contributed to the fact that on July 24, 2013, in Saudi Arabia in the city of Jeddah, at the 8th General Assembly of the Sports Federation of Islamic Solidarity, Azerbaijan won the right to host the 4th Islamic Solidarity Games (unofficial name of the Islamic Solidarity Games "Baku-2017"). More than 3,000 athletes from 54 countries that are members of the Islamic Solidarity Sports Federation (ISSF), over 1,000 team officials and technical personnel visited the Islamic Solidarity Games of 2017. These numbers themselves were the highest ever since so many countries have never participated in the Islamic Solidarity Games. The Baku-2017 Islamic Solidarity Games was organized at a very high level, which will certainly positively affect the further development of sporting event tourism in the republic.

In 2013, intensive construction, reconstruction and overhaul of sports, transport,



and other infrastructure facilities began, that is, large-scale infrastructure projects were implemented. For the European Games in Baku, Baku Aquatics palace, National Gymnastics Arena, Baku Shooting Center, a football stadium for 65,000 spectators were built – one of the most modern sports infrastructures in Europe. Also, the European Games Park in Baku, Olympic sports complexes in 11 regions of Azerbaijan and "youth houses" in 9 regions were constructed. Sports facilities built in previous years were overhauled, an impressive, modern new airport was built, many hotels and transportation infrastructure was improved.

In short, the most modern sports infrastructure exists. Moreover, as the President of the Republic of Azerbaijan noted in one of his speeches, “all the funds invested in recent years in the development of sports, infrastructure projects, both in the regions and in Baku, are bearing fruit”.

Such large-scale sports events should be considered not only as a significant investment in the country's image but also as a contribution to the future development of the country's tourism industry. The many states experience demonstrates that the holding of such international sports competitions enables developing countries to characterize themselves as the best, as promising, safe states that can host a vast number of tourists.

Subsequently, the modernization of the European Games infrastructure will continue to contribute to the development of business activity in the country, improving the quality of life of our citizens, and creating new jobs. The constructed facilities can be used in the following years for other events of international importance, such as the Formula 1 Grand Prix of Azerbaijan, matches of the European Championship 2020, World Scout Committee conferences, XIII World Scout Youth Forum (August), etc.

Besides, various holidays and festivals are held annually in Azerbaijan. Namely:

- 2006. Pomegranate festival (from October 26 to November 7) is held annually in the city of Goychay on the days of harvesting the pomegranate (organize routes for five days – Baku – Shamakhi – Lagich – Goychay – Baku);
- 2009 Gabala Music Festival (festival of classical music, jazz and mugam, which is held in the summer in the Gabala city);
- September 2009 – International Music Festival dedicated to UzeyirHajibeyov;
- 2010, the Maiden Tower International Art Festival is held in Baku, namely in Icheri Sheher;
- 2012. Apple Festival, the festival is held annually in the city of Guba on apple picking days;
- 2012, the Eurovision song contest was held in the republic;
- 2016, the Baku Shopping Festival was launched for the first time in Baku - the capital of Azerbaijan;
- 2017 in the Balakan city held the first Persimmon Festival;
- 2019 – on August 30, a grape and wine festival (with the support of the Heydar Aliyev Foundation) was held in the village of Meisari in the Shamakhi region.

All regions of Azerbaijan have unique natural and human-made tourism resources. Indeed, those who want to enjoy the warm sea usually go to the Nabran resort on the Khudat-Yalaminseaside or to the coast of Absheron with its sandy beaches. The Gusar and Gabala regions are the perfect choice for lovers of winter holidays or sports. The unique international tourist route "Alexander Dumas in the Caucasus" passes through the territory of the Gabala region, exactly.

For tourists who enjoy licensed hunting, there is an opportunity to have a wonderful time in the Gizilagach reserve, and Salyan is an excellent place for fishing lovers. For those wishing to improve their health, there is a need to visit Naftalan, famous for its medicinal oil deposits. Also, Masalli, with its



abundance of mineral springs as well as the salt caves of Nakhchivan, have been visited.

Among the most popular tours for foreigners, except for Baku, are the areas along the Silk Road route: Sheki, Shamakhi, Gabala, Ismayilli, and others. A vast number of historical monuments are concentrated there, many peculiar villages that have not lost their way of life (Nij, Lagich, Kish, Hynalyg and others), untouched nature – reserves, forests, lakes. Trips to the Shahdag ski complex in Gusar, the Tufan ski resort in Gabala, as well as ethnic and ecological tourism, are also trendy.

Nevertheless, there are particular regions of Azerbaijan where the formation of event tourism will only contribute to economic growth. For example, the Aran region (Agjabadi, Agdash, Hajigabul, Beylagan, Barda, Bilasuvar, Goychay, Imishli, Kurdamir, Neftchala, Saatli, Sabirabad, Salyan, Ujar, Zardab, Shirvan, Mingachevir, Yevlakh) are Azerbaijan's lowest, hottest regions which are a priority for the development of tourism. In these regions, melon growing, vegetable growing, horticulture, and cotton growing are developed. There is probably no such person in the world who does not like watermelon. For instance, in August, during the collection of watermelon in Sabirabad (the most delicious watermelons grow in this region), it is possible to hold a watermelon festival, and in the Kurdamir region to hold a melon festival (the juiciest ones grow here), which will increase of tourist attendance. In addition, it will lead to employment growth and budget replenishment of this destination. Alternatively, in the Imishli, Sabirabat, or Saatli region, a cotton festival, one of the oldest and strategically essential branches of agriculture, can be held. This would be a fascinating, entertaining, and exciting event. And, in general, how many positive emotions and new experiences can these events hold?

Nonetheless, event tourism in Azerbaijan, playing a vital role in the tourism industry, is poorly developed. Such events as cultural, business, sports, religious, and others generate a profit and are very important in tourism. There are neither significant events associated with Azerbaijan nor the promotion of regional events. With the integrated development of tourism infrastructure facilities, particular attention should be paid to the significance of tourism demand and the nature of tourism supply following socio-economic, environmental and cultural requirements.

As an example, in August 2016, the International Jam Festival in Gabala, the International Festival of Sweets in Sheki in July, and the International Festival of Apples were organized in Guba in October. Besides, for the first time in Baku in October, the International Bread Festival was organized by the National Culinary Center and Azerbaijan National Culinary Association with the assistance of the Ministry of Culture and Tourism. However, there were no posters, advertisements, distributions of these events on the media or TV [16, p. 187].

In this regard, it is important to promote events in the media, including TV, radio broadcasting, newspaper and magazine products, and the Internet. It is necessary to create a calendar of events in the republic for a specified period. There is a need to conduct marketing research in this area, namely, to develop the effectiveness of forms and methods of promoting event tourism tours. It would be useful to hold large-scale events in Azerbaijan by combining several events into a single Festival complex or by developing new projects. Also, it is necessary to increase the level of cooperation between state, commercial and non-commercial organizations.

Therefore, for our republic, this area was not chosen by chance. Due to the events being implemented, many references to the city in the media is increasing, a positive image



of Azerbaijan is being formed, and its recognition within the country and beyond is ensured. This helps to support small and medium-sized businesses, and most importantly – it is a matter of preserving the country's historical and cultural heritage. Thus, event tourism in Azerbaijan should be considered as part of the development strategy of domestic and inbound tourism.

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