Revealing Georgia’s Tourism Potential

Author: Ani Andermo, ani.andermo@gmail.com
Supervisor: Associated Professor Dr. Anders Steene
Abstract: Although Georgia has experienced dramatic increases in the number of visitors over the past decade Swedish travellers are absent in the arrival statistics. Visitors from Eastern Europeans account for the majority of the increase in arrivals. This thesis attempts to understand what is missing in order for Swedish tourists to discover Georgia as a destination. This is done by interviewing Swedish tour operators and surveying Swedish visitors to Georgia. The results are analyzed in the framework of Leiper’s theory of destination competitiveness. A SWOT analysis is also used to structure the analysis, and the thesis suggests some benchmark measures that could be used to implement a systematic effort to improve the destination. The thesis concludes that Georgia indeed has a strong attractiveness on Swedish tourists, but that the main problems are connected with low awareness and lack of convenient transportation options. It is argued that these problems can be solved through improved marketing and entrepreneurship. Furthermore, the thesis highlights the need for Georgian destination managers to make choices today in order to shape the image of the country in the future. Georgia has a challenge to strengthen the authenticity that many travellers associate with the country, but is in a position to modernize by preserving traditions. Finally, it is argued that the results from this study are generalizable to include preferences of travellers from Western Europe in general, and therefore the study points to some significant opportunities available to Georgia.

Keywords: Georgia, Caucasus region, tourism development, competitive destination, post-Soviet, SWOT analysis, benchmarking, performance gap, authenticity, mass tourism.

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Table of Contents

1. INTRODUCTION ...........................................................................................................4
   1.1. History of Georgia and The Caucasus ......................................................................6
   1.2. Developments and Opportunities in Georgia ..........................................................7
   1.3. Problem Identification and Research Question .......................................................9

2. RESEARCH METHOD .................................................................................................12
   2.1. Qualitative and Quantitative Methods ...................................................................12
   2.2. Primary and Secondary Sources ...........................................................................13
   2.3. SWOT Analysis as a Research Tool .......................................................................14
   2.4. Benchmarking and Its Classification .....................................................................16
   2.5. Benchmarking and Improving Performance Gaps ..................................................18
   2.6. Choice of Method ..................................................................................................22

3. THEORY .....................................................................................................................23
   3.1. Definition of Tourism ............................................................................................24
   3.2. Concept Of Competitiveness ..................................................................................24
   3.3. Destination competitiveness and Leiper’s model ....................................................25

4. EMPIRICAL RESULTS ...............................................................................................30
   4.1. Semi-Structured Personal Interviews ..................................................................30
   4.2. Open-Ended Questionnaires ................................................................................34

5. ANALYSIS ..................................................................................................................40
   5.1. Swedish tourists as a category ..............................................................................40
   5.2. Identifying the nucleus of Georgian tourism ..........................................................40
   5.3. Creating markers adapted for Swedish tourists .....................................................41
   5.4. The importance of infrastructure .........................................................................43
   5.5. Challenges for Georgian Destination Managers and Stakeholders ......................43
   5.6. Application of SWOT Analysis ............................................................................45
   5.7. Benchmarking Georgia for Systematic Improvement of Attractiveness ...............51

6. CRITICAL DISCUSSION AND LIMITATIONS .........................................................53

7. CONCLUSION .............................................................................................................55

REFERENCES ................................................................................................................57
1. Introduction

As recently as ten years ago, visitors to Georgia might have been intrigued by Georgia’s nature, history and culture but disappointed by poor services and infrastructure. Since then, Georgia’s government has made it a priority to improve the country’s image as a tourist destination, and private investors have also become more active in the sector. As a result, Georgia improved its accessibility and services, as well as quality of attractions.

From 2000 till 2012 visitors rate in Georgia was increased by 22% annually (Gazadze et al., 2012: p. 4) and as the Georgian National Travel Administration notes this is the result of anti-corruption policy and improved business environment (Georgian National Tourism Administration, 2012: p. 10). The increase has really taken off after 2008 and as seen in figure 1, the number of international arrivals increased almost ten-fold between 2005 and 2013. Notably, in 2013 it even exceeded the country’s total population, which amounts to 4.6 million people. The drastic improvement in the general business climate has been described as a result of attractive investment opportunities and reduced tax rates, no bureaucratic obstacles to run a business, no visa regime, improved infrastructure, diversification of products and marketing (Jones 2010: 269).

![International Arrivals in Georgia](image)

**Figure 1**: International Arrivals in Georgia, 2005-2013. Source: Ministry of Internal Affairs of Georgia (2014).

As is shown above Georgia managed to attract a lot of international visitors, but Swedish tourists are not among those in any significant numbers. Between the years 2005 and 2013, the number of Swedish arrivals also increased, but a slower pace than the average, and starting from very low levels. In 2013, according to Georgia’s Ministry of Internal Affairs, the number of Swedish arrivals was 4182, whereas it should have been double that number if Swedish arrivals had followed the general trend.

However, if we take a closer look at the arrivals of foreigners in Georgia, we also notice significant regional differences. Overall, the number of European arrivals increased almost
nine times between 2005 and 2013, and the largest increase was seen from Eastern Europe, including Turkey. Some of this difference is probably a result of differences in geographical and cultural distance, but there are some striking patterns. As shown in figure 2, the numbers of Swedish and Polish visitors were approximately at the same level in 2005, with 943 and 1,561 arrivals respectively. By 2013, however, the number of Polish arrivals had grown to almost 37,000, nine times as many as the Swedish, while Poland’s total population is approximately only four times bigger than Sweden’s. As seen in the figure, the numbers really start to diverge in 2010.

![Swedish and Polish Arrivals in Georgia](image)

**Figure 2**: Polish and Swedish arrivals in Georgia, 2005-2013. Source: Ministry of Internal Affairs of Georgia (2014).

Other Scandinavian and Western European countries tend to exhibit a similar pattern to that of Sweden, while arrivals from several other countries in Eastern Europe increased much faster (although Polish visitors increased faster than most).¹

This paper seeks to understand what is it lacking in order for Georgia to become a more competitive and attractive destination also for Western travellers. Georgia’s image and visibility as a destination will be discussed from the perspective of Swedish travel agencies and tourists as representative of Western Europe and Scandinavia as a broader region.

The structure of this paper is as follows. The remainder of the introduction will present Georgia’s history followed by the current developments and opportunities in the country, as well as a discussion of the problem identification and research question. The second section discusses different research methods and their applicability to this paper. The third section concerns theoretical aspects from the literature on tourism research. Next comes the empirical section, which is based on primary data gathered from personal interviews and semi-structured questionnaires, followed by an analysis in section five. Finally section six discusses limitations and opportunities for further research and section seven concludes.

¹ In fact, the most remarkable increase was Turkey, from which the number of arrivals increased from around 100,000 in 2005 to over 1.5 million in 2013 thanks to improved political and business ties and sharing a common
1.1. History of Georgia and The Caucasus

Georgia is a very small country in the Caucasus, located at the crossroads of Western Asia and Eastern Europe. Its east coast faces the Black Sea while the western border lies next to Caspian Sea and Azerbaijan. Turkey in the West, Russia in the north, Armenia and Iran in the South and Azerbaijan in the East led the country to acquire a lot of great attributes and traditions (Goltz, 2006: pp. 19-21). This is evident in the vast cultural landscapes of churches, castles and monasteries throughout the country (Metreveli and Timothy 2010: p. 138).

Georgia was part of several ancient civilizations, including the Hittite, Persian, Greek, Roman and the Byzantine empires. In ancient geography, Colchis was an ancient kingdom in Western Georgia. According to Greek methodology, it was home of Medea and the golden fleece, the destination of Jason and the Argonauts (Zurabishvili, 1987: p. 5).

For most of its history the country was continuously struggling with foreign interference since many times it was invaded, included by Arabs, Persians, Mongols, Turks, and late in the eighteen century by Russia (Katz, 2006: pp.19-20). The tsarist campaign in the Caucasus can be compared with an American conquest of the old west in terms of both timing and style (Goltz, 2006: p. 26). Despite all the invasions and oppressions throughout the centuries, the country has managed to maintain a strong national identity (Goldstein, 1999: p. XIII).

From its creation in 1922 as a “soviet republic” until 1991, Georgia was part of the Soviet Union under the name of Georgian SSR. It has now been two decades since the USSR broke up and 15 former soviet republics emerged from the disintegrating Soviet Union. Among those Georgia was one of the most promising republics for achieving swift economic and democratic reform. Instead, the country descended into civil war and a period of populist authoritarianism (Jones, 2013: pp. 68-70).

The USSR had produced a privatized society in Georgia that promoted a society without shared political values or learned norms of tolerance (Jones, 2013: p. 71). Since 1990 Georgia was suffering from incessant crises that made institution building extraordinary difficult. Despite the calls for radical modernization, there was no reconciliation commission (Jones, 2013: pp. 4-5).

The dramatic economic collapse between 1991-2003 led to an exodus of almost one million emigrants, one fifth of Georgia’s population, including many urban citizens and skilled workers (Jones, 2013: p. 193). During the Soviet era, the regions of Abkhazia and South Ossetia were established as autonomous regions within Georgian SSR. In the early 1990s both Abkhazia and South Ossetia declared independence and achieved it largely thanks to the support of Russia (Metreveli and Timothy 2010: p. 138).

Only after the non-violent, so-called Rose Revolution in November 2003, were the last vestiges of Soviet power set to be destroyed. However, Georgia’s sovereignty and territorial integrity was violated again by Russia in 2008 when a five-day war broke out in and around South Ossetia (Cornell and Starr, 2009: p. 47). Both Abkhazia remain firmly under Russian control and the conflicts remain unsolved, but since 2008 the status quo has remained stable, and this has allowed Georgia to focus its efforts on other aspects of nation building, including the development of the business climate and tourism in particular.
1.2. Developments and Opportunities in Georgia

Historically, merchants established caravanserais (roadside inns along trade routes) throughout the country, and by the early Middle Ages Tbilisi had become a midpoint between the Islamic East and the Christian West (Goldstein, 1999: p. XV).

Georgia was one of the richest soviet republics under the Soviet Union (Katz, 2006: p. 30). It had a large-scale and technologically advanced industry. Farming and engineering were developing a lot and the country accounted for a considerable share of the Soviet Union’s production of electric locomotives, machine tools and agriculture (Zurabishvili, 1987: pp. 45-49). The capital of Georgia, Tbilisi, was one of the Soviet Union’s most beautiful cities and a central transport node in Caucasia (Jones, 2013: p. 180). The country had a fully electrified railway system over 1,500 kilometers that served Central Asia and the Eastern Caucasus (Jones, 2013: p. 180). During Soviet times, Georgia was a popular trade destination for many visitors and traders.

Since 2004 the country has experienced impressive economic growth and the movement of industrialized democracy (Katz, 2006: pp. 344-345). Government reduced the taxes, facilitated and implemented a huge variety of reforms to attract the investors, organized crime was crushed, and privatization of Georgian assets stepped up (Jones, 2013: p. 183). Between 2004 and 2008, Georgia achieved an average annual GDP growth of 10%, which led to significant improvements in state revenues (Cornell and Starr, 2009: p. 90).

By 2009, energy, tourism, communication and transport were entirely in private hands (Jones, 2013: p. 183). This was pretty unimaginable under USSR where a Communist government had a total control and the private sector was essentially non-existent (Howie, 2010: p. 192).

For the Georgian government, tourism plays an important political role, since often it involves and gets support by the foreign aids and banks. For example, in 2012 the Georgian National Tourism Authority (GNTA) together with the World Bank implemented a regional development program for the western part of Georgia, with financial support amounting to USD 60 million (TTG, 2014: pp. 16-17). As a consequence of this development, tourism in Georgia has become a major source of income. Services, including tourism, comprise approximately 60% of GDP, followed by industry and agriculture (Metreveli and Timothy 2010: p. 137).

Tourism contributed 6.9% to Georgia’s GDP in the first half of 2012 and 6.3% in 2011, with transport, food and beverage and travel companies making up 91% of tourism-related services in the first half of 2012 (Gazadze et al., 2012: p. 5).

From the Soviet period until today, neighboring countries account for the biggest share of foreign arrivals. In 2012 visitors from Turkey, Russia, Azerbaijan and Armenia made up 76% of international arrivals and 40% of those visitors traveled to Georgia for leisure and recreation purposes (Gazadze et al., 2012: p. 4). In the first ten months of 2013, tourist numbers from the same neighboring countries reached 87% of arrivals and 42% out of these visitors were there for leisure and recreation purposes (Gazadze et al., 2013: p. 1). According to the Georgian National Tourism Administration various steps have been taking to liberalize the market and attract new potential visitors (Georgian National Tourism Administration, 2012: p. 11). The outlook for the industry is highly optimistic and as matter of fact the Lonely Planet travel guide named Georgia one of its top-10 Best Value Destinations for 2013 (Gazadze et al., 2012: p. 4).
During the period of Soviet rule most of the outside world knew Georgia only as the birthplace of the Soviet dictator Joseph Stalin (Goldstein, 1999: p. XXIV). Since independence, however, Georgia’s role as a destination is beginning to gain traction. Gazadze et al. highlight some of the country’s advantages in the tourism sector (2012: p. 12):

“Georgia has a wide diversity of cultural attractions, including 12,000 historical and cultural monuments, four of which are included on UNESCO’s World Heritage List, 103 resorts and 182 resort areas, 8 national parks and 2,400 mineral water springs. It has a good climate and varied topography that gives the country an opportunity to develop year round tourism.”

In addition to its natural features, Georgia boasts an age-old human history that competes with, or even surpasses any other European country (Metreveli and Timothy 2010: p. 139). It was probably here that humans started to domesticate grapevine and make wine for the first time in history, over 8,000 years ago (McGovern 2003, Chilashvili, 2004). Furthermore, Georgia is one of the world's most ancient Christian countries, dating back as early as fourth century B.C. (Goldstein, 1999: p. XVIII). Religion has become even more valuable since independence. Today 80% of the Georgians belong to church and the Patriarch Ilia II is the most respected public figure (TTG 2014: p. 10). The country’s proud religious heritage forms much of the foundation of its cultural tourism (Metreveli and Timothy 2010: p. 139).

With a rich culture and history, high mountains and varied topography, polyphonic singing, broadly appealing cuisine and vineyards that produce traditional organic wine, Georgia has a strong potential to offer eco-friendly, cultural, leisure and wine tourism. The vine and wine hold a major place in the life and the culture of the Georgians. Over 500 varieties of vine have been recorded in Georgia.

The country also provides unique opportunities for birdwatchers. Based on the information of Galvez (2005: p. 14) it is possible to watch more than 200 species in a two-week period. Georgia, as part of the Caucasus is one of three “Endemic Bird Areas” of Europe.

It has been argued that the government in most countries should be involved in tourism development. It brings economic, social, environmental benefits and productive interrelationships (Howie, 2010: pp.195-196). In the early stages of tourism development, the government should take initiative to expand tourist facilities and infrastructure, assist tour agencies with establishment, market and promote the place.

This can also be said to apply to the Georgian government, since after their involvement tourism infrastructure has improved dramatically with better services and educated personal staff. Less than a decade ago the country’s infrastructure was relatively poor with bad or limited services. Nowadays Georgia offers improved accessibility, as well as better quality (Gazadze et al., 2013: p. 4).

During the Soviet period in late 80s, the country of then just 5.3 million people (official statistics estimates the current population at 4.5 million) hosted over 3 million visitors annually, including 250,000 from outside the USSR (Gazadze et al., 2012: p. 4).

Given the information above, Georgia was mostly visited by the soviet country citizens and reason for that was policy to avoid “the leakage” of wealth from the Soviet block through international tourism (Howie, 2010: p. 192).
Tourism is not a new concept for Georgia and according to research by Bank of Georgia, the country’s largest commercial bank, “the tourism sector continues to grow and in the first ten months of 2013 the number of international arrivals was up 24 percent year on year to 4.6 million” (Gazadze et al., 2013: p. 1).

The main reason for the destination development and growth, as Page argues is transport. ‘Tourism destinations are a mix of tourism product; experiences and other intangible items promoted to consumers’, but without a transport accessibility and infrastructure it loses its value and becomes unbeneﬁcial (2009: pp32-33). This is deﬁnitely applicable for Georgia since alongside the tourism growth and the transportation has improved impressively: two new local airports, new direct and low-cost ﬂights, highly improved roads and improved public transport, directions provided in English and Georgian (TTG, 2014: pp. 6-7).

Another important feature for tourism growth is safety and security. According to Steene (2009: p. 1) these aspects were not on the agenda in the early 90s. As a matter of fact Georgia’s defense and the security structure in the 1990s were characterized by insolvency, fragmentation, and cynicism (Jones, 2013: p. 264).

Anyhow in the last years, after the Rose revolution new government set out ambitious peace plans and followed through many anti-corruption reforms. Though the country also faces the challenges to maintain international credibility and security, safeguard and advance the achievements made after the Rose revolution (Cornell and Starr, 2009: p. 103).

Georgia’s government has also introduced a free visa system – making it possible for western travellers to stay for up to 360 days without a visa – and opened tourist information centers in most of the cities (TTG, 2014: pp. 6-7).

All this suggests that Georgia has managed to initiate promising reforms in many areas of the economy and social life in the last decade. A clear conﬁrmation of that development is the ongoing efforts to integrate with European structures and institutions. In June 2014 Georgia signed an Association Agreement and a Deep and Comprehensive Free Trade Agreement with the European Union, along with several other countries in Eastern Europe that participate in the EU’s so-called Eastern Partnership. These agreements will hopefully open up further opportunities and reduce the remaining barriers to travel and trade that exist between Georgia and the EU.

1.3. Problem Identification and Research Question

Finding a good research question is key to doing any kind of research. It makes it easier to structure arguments, theories and data, and to communicate the motivation, purpose and results of the research to others. Articulating good research questions is perhaps one of the most important challenges in the whole research process, but with a little curiosity such questions tend to come naturally. Babbie has put it poetically: “In a sense, everything you see represents the answer to some important social scientiﬁc question – all you have to do is think of the question.” (Babbie, 1995: p. 307, quoted in Faulkner et al., 2001: p. 250)

As noted by Howie, “the underlying motive of government support for tourism is political gain” (Howie, 2010: p196). It might be relevant for the Georgian government too, since they actively promote Georgia as a travel destination. From Howie’s perspective the essential element in achieving the goal and maintaining the place as a competitive tourist destination is
marketing (2010: p. 141). It seems clear that tourism has an economic and political potential that makes the study of tourism relevant from a policy perspective.

In relation to this, the Georgian government has launched targeted campaigns to diversify tourism activities and attract more travellers from EU. The National Tourism Administration expects annual government spending on tourism campaigns to triple to 9 million Georgian lari (US$ 5mn) in 2014 (Gazadze and Hasanov, 2014: p. 2).

In the past years, Georgian government have been implemented many reforms to promote tourism including the liberalization of the tax system, the simplification of licensing and other administrative procedures (Gazadze et al., 2012: p. 9).

As Metreveli and Timothy (2010: p. 142) states Georgia’s tourism image and product base is founded on its natural beauty and wide-ranging ecological zone. Before the tourist visits a destination, she/he already has a mental image of it.

“All places have images _ good, bad, and indifferent _ that must be identified and either changed or exploited” (Wang, 2000: p. 159 from Hunt 1975: p. 7).

Images themselves are divided: “organic” created over a lifetime and often informally through friends, family and etc. and “induced” more like a result of destination promotion or marketing (Howie, 2010: p. 103). Wang also says that images are not themselves inducing; they are seductive because they represent what people already know and desire (2000: p. 158).

Of course both types of images can be positive or negative. For Swedish tourists, Georgia’s image seems to be more organic and negative. The awareness and image of a destination can also qualify or amplify its competitiveness.

According to a 2010 survey by flygresor.se, Swedish tourists appear to be reluctant to travel to Georgia. Among several European destinations Swedes chose Georgia among the least popular to visit (O’Mahony, 2014). The image of a destination can take time to change after the reality at a destination has changed and no longer accords with its previous negative or positive image (Ritchie and Crouch, 2005: p. 76).

Due to the 2007 report, TTCI (Travel and Tourism Competitiveness Index) ranked Georgia as 66 out of 140 desirable destinations. TTCI index takes into account variables related to a country’s regulatory framework, business environment, infrastructure, and human, cultural and natural resources (Metreveli and Timothy 2010: p. 141).

At the same time Georgia has implemented several steps that are consistent with Howie’s (2010: p. 73) proposed actions for developing and marketing a destination:

- Converting potential resources into attractions
- Supplying an appropriate range of tourist accommodation
- Providing the transport to, from and within the destination
- Ensuring the successful integration of the tourist related developments into the changing activity patterns of the place on a long-term, sustainable basis.
These actions and the TTCI rating as it seems are not enough to attract Swedish tourists in any significant numbers and there should be some factors helping us to explain this. What is Georgia’s image in Sweden, why do not Swedish tourists travel to Georgia? Can it be that country still has a stereotype of old Soviet insecure country or maybe it is a lack of marketing on the part of the travel agencies? In any case, the price should not be an important factor, since prices are relatively low from a Scandinavian perspective (Persson 2013).

There is definitely something that is missing. The purpose of this paper is to uncover the factors explaining why Georgia is not a seductive destination for Swedish tourists. What is missing and how can it be improved? In the process of trying to answer this question, the thesis also attempts to give a general overview of Georgia as a travel destination that is currently undergoing some exciting and fast-paced developments.
2. Research method

The purpose of academic research in the field of tourism has been articulated by Beesley: “Those who dislike any challenge to their comfort zones may ask why we need to change at all, why we need to revision the future. The answer is simple—if we do not act now to harness the benefits of research to map the years ahead we face the certainty of decline” (Beesley, 2005: pp. 161-175). Research is a driver of innovation and is essential to competitiveness and long-term success. A strong research base that produces knowledge is required to underpin the management of a tourist destination in order to ensure that it achieves its full potential (Beesley, 2005: pp. 161-175 and Scott and Ding 2008: pp. 514-528). As Prideaux argues, “good research is the key to good customer services and if it is not effective, then the tourism management decision process is at best not supported and at worst erroneously influenced” (Prideaux, 2006: p. 237).

So gaining knowledge is clearly important for the tourism industry, but to achieve that it is necessary to have in mind a structured method in mind. The beauty of research methodology is that there are so many ways and methods in which research can be conducted. Each method has its strength and weakness, and as Silverman (1993, p2) stated methods “cannot be true or false, only more or less useful.”

Due to Holloway (2004: p. 60) it can be categorized in two forms: descriptive research which provides the answers to what, when, where and how, while analytical method attempts to explain why questions, such as why some of these things are happening. Both forms of research seem to be helpful, but the first one appears to be more relevant for this paper, since it attempts to understand an existing structure, rather than explain why it exists. As Strauss and Corbin argue, the research question should motivate the methodological approach that is used to carry out the research (2008: p9).

2.1. Qualitative and Quantitative Methods

In discussing research methods it is important to distinguish qualitative and quantitative approaches. Quantitative research utilizes structured approach with a sample of the population to produce quantifiable insights into behavior, motivations and attitudes. Qualitative research uses unstructured approach with a small number of carefully selected individuals to produce non-quantifiable insights into, motivations and attitudes (Wilson, 2003: p. 35).

Due to Richards (2010: p. 35) the difference between qualitative and quantitative research is mainly related to the method of data collection or the amount of data analyzed. Table 1 presents the distinctive features of both methods as categorized by Richards (2010).
Depending upon the scope of research questions different methodologies can be applied. Both quantitative and qualitative approaches are valuable, though Richards referring to Ritchie and Lewis notes, “qualitative methods are used to address the research questions that require explanation or understanding of social phenomena and their context” (2010: p. 5).

This paper is based on findings using the qualitative method. It has several advantages: it “indicates the value of gaining a clear understanding of tourist’s judgments in their own words and interpretation while examining comparative performance of tourist destinations” (Kozak, 2004: p. 147). Applying qualitative method, researcher becomes personally engaged with the people being studied. It involves less structured interviews, so the respondent talks freely about the issue (Holloway, 2004: p. 84). Besides qualitative method tends to focus on the collection and interpretation of words rather than numbers, while quantitative method tends to analyze the data through a variety of statistical techniques (Richards, 2010: p. 34).

According to Holloway (2003: p. 84) qualitative research includes projective tests, where respondents are asked to project themselves into another person’s role. In order to project Georgia’s touristic image, Sweden was defined as a target of this study. The group of subjects contains both Swedish travel agencies who offer trips to Georgia and the Swedish tourists who travelled to Georgia.

### 2.2. Primary and Secondary Sources

There are many ways to collect data and it is collected in different time frames and from different sources (Phillips, 2008: p. 143). Basically the researcher can opt for any data collection method (interviews, questionnaires, surveys, etc.) in the study, depending upon the problem to be investigated.

Data is often categorized as either primary data collected by the researcher, or secondary data collected by someone else that the researcher is free to employ for other purposes (Smith, 2010: p. 46). Secondary data is often more appropriate since it is faster and more cost-effective to collect (Wilson, 2003: p. 49), but obviously it is difficult to reach new insights and conclusions if you rely on data collected by other people.
Secondary data typically comes from two basic sources (Wilson, 2003: p. 49):

- “Internal: data available within the organization that has the research need. The information is gathered by using sale reports, customer loyalty cards and by the internal marketing information system.”

- “External: data that originates outside the organization that has the research need. It includes published and electronic sources, government reports, newspapers and etc.”

According to Smith (2010: p. 50) the most general primary data sources are surveys and personal (face-to-face) interviews.

Surveys can be administered in a number of ways and are often used to a relatively close small portion – a sample – of a large population (Smith 2010: p. 50). Sampling is an important part of the data collection method since it is about deciding to whom to administer a questionnaire.

There are three types of face-to-face interviews. The first is the structured interview, where respondents are asked the same questions and in the same sequence. The next is the semi-structured interview, where depending upon on the circumstances some questions can be omitted. The last one is the unstructured interview where there is no predetermined list of questions. This type of method is informal and effective of collecting in-depth data (Kozak, 2004: p. 153).

Another crucial tool for gathering data for tourism research is questionnaire. It is the research instrument designed to generate the data necessary for accomplishing a project’s research objectives (Wilson, 2003: 145). There are three main forms of questions based on their format for obtaining responses. These are: scale, closed and open-ended questions. For this study the open-ended questionnaire was selected for the following two reasons: firstly it is an ingredient of qualitative research method and secondly it investigates tourists’ negative and positive experiences and their image perceptions of destination.

According to Kozak using open-ended questionnaires also helps to review all the aspects of the tourism product that one particular destination delivers (2004: p. 150).

2.3. SWOT Analysis as a Research Tool

The term SWOT stands for Strengths, Weaknesses, Opportunities and Threats, and is a tool used in various context for structuring an analysis. SWOT analysis has often been adopted in order to assess a given decision, project or policy directive in a systematic manner, and in order to get a realistic picture of a destination, SWOT is the most useful first step before the beginning of any assessment according to Schmoldt et al. (2001:p 190). The potential competitiveness of a destination is modified or bounded by a number of factors. There are interdependencies that can significantly affect the fortunes of individual destinations (Ritchie and Crouch, 2005: p. 75), and the SWOT approach can help to illustrate these complex phenomena.
The idea of the SWOT analysis is summarized in figure 3.

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**Figure 3.** The structure of the SWOT analysis.

The four aspects of the SWOT analysis are typically divided into two broader categories (Harfst et al., 2010: p. 7), a distinction which is useful for structuring the analysis:

1. The first stage is the so-called local analysis, focusing on the _internal factors_ strengths and weaknesses. Internal factors generally are based on the key components of people, resources, innovation, marketing, operations and finance, i.e. factors that are internal to the _organization_.

2. The second stage is the global analysis, which focuses on _external factors_ of opportunities and threats, including positive and negative framework conditions, potential chances and risks. These are factors that are associated with the _environment_ where the organization is active.

Porras (2013: p. 3) offers the following examples of problems that can be referred to either internal or external factors:

**Internal factors:**

- Product obsolescence (it is no longer fashionable and attractive any more)

- Deterioration of environment or heritage (the destination loses it uniqueness, so the competition for visitors is fierce. Sometimes it happens because the rowdiness and loss of the original features)

- Congestion exceeding carrying capacity
External factors:

- New competitors
- Negative publicity affecting the destination image
- Causes beyond control (political instability, social unrest)

When the purpose of a study is to produce distinctive policy recommendations that can guide decision-making, it has been argued that a tourism development policy ought to be based on an audit of the destination and its attributes, its strengths and weaknesses, problems and challenges, past and current strategies. An audit of the destination is a key input to any effort to create and maintain a competitive destination (Ritchie and Crouch, 2005: p. 72). Tourism destination management is a multidimensional challenge and consists of two primary parameters: competitiveness and sustainability (Ritchie and Crouch, 2005: p. 170). A SWOT analysis can be used as a method for performing such an audit and seems particularly useful in the context of policy recommendation. Apart from structuring the analysis, it also serves as a powerful tool for communicating the results.

In this study, a SWOT analysis is applied to understand better Georgia’s resources and potential, whether it has strength to support tourists’ needs, whether the country can provide the necessary quality of services and to identify future challenges and threats. This is done in the analytical part in section 5.

Competitiveness is a function of structure, abilities and performance of an organization, as well as the industry situation and the external environment, which an organization often cannot control. Thus for destination competitiveness and efficiency, internal factors (strengths and weakness) can be counted as the most important aspects for the analysis (Buhalıs, 2003: p. 50). Therefore, the next two sections discuss methods that can be helpful in identifying internal factors.

2.4. Benchmarking and Its Classification

Another method how to increase number of incoming tourist of the destination is via using benchmarking. The idea of benchmarking is to pick reference points (“benchmarks”) and compare actual performance to these benchmarks. This method is sometimes underestimated although it is considered a convenient tool and helps to set goals to enhance performance in the future. This management approach helps to identify “who is the best?” and “what makes them so successful?” Benchmarking is a quality management and improvement tool, which aims to enhance quality and check its sustainability by following several stages (Kozak, 2004: p. 5). The term ‘benchmark’ dates from 1842 and as a quality management process was first associated with the Xerox corporation in the 1980s (Smith 2010: p. 177). It has experienced increased popularity, both in manufacturing and service companies (Wöber 2002).

“Providing background to improve services and establish positioning strategies, all the results may be incorporated into one setting to produce an overall picture from the destination benchmarking perspective, and should be used to observe and document changes in the market structure because the tourist market is dynamic and competitiveness requires the deployment of continues improvement programs.” (Kozak, 2004: p. 159)
Benchmarking practice is about to plan, do, check and act (“PDCA”) in order to ensure principles such as maintaining quality, customer satisfaction, and continuous improvement. Destination benchmarking draws a broad picture including all elements of one destination such as transport services, accommodation leisure and sport facilities, hospitality and local attitudes, hygiene and cleanliness, and so on. The main purpose is to develop strategies to provide better services by obtaining feedback from all those involved, e.g. tourists, service providers and local people, and obtaining information about the practices of other destinations (Kozak, 2004). Woods and King also consider PDCA as the key of competitive and successful destination. They believe that it ensures the quality, customer satisfaction and continuous improvement (2010: p. 16).

There are different ways or types of benchmarking according to what is their focus on. There is a consensus among researchers in the field in benchmarking that all benchmarking processes should start by dealing with internal benchmarking because this requires an organization to examine itself, and this provides a baseline for comparison with others. In the internal benchmarking, the organization decides which measures to use for evaluation, and systematically compares actual performance to those measures. Kozak compares (2004: p. 49) internal benchmarking to a monitoring process of the performance objectives released by authorities prior to commencing the benchmarking study and then taking action. For example, one such benchmark could be a goal of increasing the number of visitors by a certain percentage each year, or that a certain number of guests should return. Internal benchmarking is used to identify best practices within an organization, to compare best practices within the organization, and to compare current practice over time (Gift and Mosel, 1994: p. 4).

Once internal measures for performance have been set, the organization can embark the focus on external benchmarking. This type especially provides opportunities for learning from the best practices and experiences from others (Kozak, 2004: p. 8). External benchmarking involves using comparative data between organizations to judge performance and identify improvements that have proven to be successful in other organizations (Gift and, 1994: p. 4). The organization can compare themselves with another organization in the same industry (competitive benchmarking), non-competing firms in another industry (best-practice benchmarking) or aggregated data comprising a specific sector or industry (sector benchmarking). The competitive method could be beneficial also because it is more rational for larger organizations with its own infrastructure and it refers to a comparison with direct competitors only. Last but not least, the functional type of benchmarking is about to seek world-class excellence, which could be in a different industry, and adopt their procedures (Kozak 2004). Kozak argues (2004: p. 49) that all categories of benchmarking could be applied to tourist destinations because they are important for setting appropriate and realistic targets and assessing either internal or external performance of destinations.

As the world steadily rediscovers Georgia as tourist destination, it might be useful for tourism managers to use benchmarking in order to evaluate its services, products and the work of organizations. The purpose of benchmarking can be understood as method for identifying and adopting best practices and thereby improving governance. Benchmarking can be defined as a systematic procedure of comparative measurement with the objective to achieve continuous improvement. “It is a continuous search for, and application of, significantly better practices that lead to superior competitive performance” (Watson 1993 quoted in Wöber 2002: pp1-3).
According to Wöber (2000: p. VIII), benchmarking is one of the most recent management methodologies that have emerged for assessing the internal strength and weaknesses of a company. It is used in many businesses and here are the reasons of its popularity:

- It is an excellent strategic planning method, as it sets credible easy-to-reach targets.
- It exposes organizations to state-of-the-art practices and, by instigating a continuous learning process it can help in the cultivation of a culture based on change and continuous improvement.
- It is a good vehicle for education, involvement and empowerment of people and for optimizing their creative potential in the area of innovativeness (Wöber, 2002: p. 7).

This section has argued why benchmarking is useful as a management tool, but we also need a systematic way to actually identify meaningful benchmarks in the first place. This is the scope of the next section. “Performance is an important measure of strategic planning and marketing effectiveness and that adaptability has a tremendous impact on the ability to maintain competitive advantages in operating efficiencies” (Wöber, 2010: p. 13).

2.5. Benchmarking and Improving Performance Gaps

Wöber argues that today’s benchmarking analysts have no structured means to evaluate the data, measure performance gaps and project future performance levels. Instead he recommends using Data Envelopment Analysis (DEA), which from Wöber’s perspective is more efficient than benchmarking. The reasons are as follows:

1. Does not require parametric assumptions about the underlying data relationships
2. Handles various different assumptions about the returns-to-scale
3. Provides metrics of inefficiency for those units that are not exhibiting best practice;
4. Permits incorporation of user preferences into the analysis; and

Contrary to Wöber, Kozak argues that the internal benchmarking could make a contribution to exploring and understanding a destination’s performance without comparing it with other destinations. Additionally, this approach to resolve the performance gap is relatively simple when analyzing qualitative measures and assessments (Kozak, 2004: pp. 88-89). Also benchmarking can be vital in providing quality services and in terms of demand it aims to ensure tourist satisfaction by meeting customer’s needs and expectations (2004: pp. 85-86). Notwithstanding the fact that Wöber favors DEA approach, he also consorts that benchmarking nowadays is the most recent and popular methodology assessing the company’s internal strength and weakness (2010: p. VIII). Furthermore, it can be argued that benchmarking, unlike DEA, can be adapted to accommodate qualitative research methods as well as quantitative.

Kozak has developed models for both internal and external benchmarking. Although internal benchmarking is primarily focused on the inner workings of a particular organization, for the
purpose of this thesis, it can be used to analyze the Georgia as a destination, even though there are no clear organizational boundaries to delimit the scope. The model is illustrated in figure 4, and the individual stages are described in the remainder of this section.

**Figure 4: Kozak’s model of internal destination benchmarking (2004: p. 87).**

**Measuring the internal performance**

You cannot manage what you cannot measure, thus measuring is connected to recognition and reward (Wöber 2010: p. 195). According to Kozak the starting point of internal benchmarking is to monitor and specify the areas that need to be measured (2004: p. 85). Due to Wöber (2010: p. 4) typically organizations have the following objectives for benchmarking:

- Financial performance indicators (business performance measures)
- Technical performance indicators (productivity measures)
- Efficiency indicators (human contribution measures)

Hauser and Katz (1998: pp. 517-528) believe that market share, sales and customer satisfaction are the most important measures to allow management to learn where they are currently and where they want be in the future. These measures are particularly suitable for a mature organization in a relatively stable environment. However, in order to answer the research question put forward in this thesis, it is not necessary to set out the specific measures beforehand. Rather, the results will hopefully help us to indicate suitable measures that should be taken into account for future benchmarking. The assumption of the thesis is that something is missing in order to make Georgia an attractive destination for Swedes and westerners more generally, and therefore the paper will not restrict the analysis by limiting what measures to look at – the results from the survey and questionnaire will instead show the direction for the further analysis. Also, as indicated in figure 4, benchmarking is very much an iterative process, where the measures are constantly revised and reconsidered in order to achieve continuous improvement.
Collect the data

Gathering the data is obviously an indispensable part of the benchmarking process. Once the measures have been decided the data collection process can be planned. However, in the approach adopted here, the data collection can be thought of as the first stage in the process. Considering that data is useful tool to analyze the trend of the industry and display the indicators what needs to be changed or improved.

According to Wöber, in the field of tourism data is often collected by utilizing opinion and mail surveys, site visits, internal records, accommodation providers or other statistical resources (2010: p. 194). The survey and questionnaire used to gather data are intentionally formulated as open-ended questions, since the purpose is to let the tourists and tour operators themselves identify those factors that they regard as important. Since this approach avoids making any assumptions about strengths and weaknesses à prior, the open-ended format seems suitable. In general more data gives the higher precision in the analysis. This paper introduces the results of the survey and questionnaire in the empirical section.

Identify performance gaps

At this stage, the results of the data collection are analyzed in order to identify where the performance leaves room for improvement, i.e. where there is a gap. Conversely, the results might indicate a positive gap in some dimensions, suggesting that the destination is overachieving in some aspects. In Kozak’s perspective there are different methods to evaluate the potential changes in destination’s current performance (2004: pp. 88-89). One of his versions is to study the frequency of repeat tourists at the destination. Ritchie and Crouch agree (2005: p. 190): The feedback from repeat tourist could be very useful since they have a wider and more in-depth experience of the same destination than those who are on their first visit. Understanding the motivation of repeat tourists seems particularly useful since they have already had a chance to form realistic expectations about the destination from previous visits. In fact, repeat visitors can be a useful group for analyzing the strengths of a destination. The purpose of benchmarking shouldn’t be to only improve those measures where there is a negative gap, but also to further strengthen positive gaps and increase specialization of the destination by promoting those aspects that are difficult for competitors to copy. By focusing on improving already strong parts of a destination, long-term brand value can be achieved.

In the empirical investigation, this paper will provide the feedback from Swedish tourists and travel agencies, which could potentially help to identify performance gaps. In Kozak’s words, “the main purpose of internal destination benchmarking is to improve the performance of tourist destinations by identifying their own strength and weakness on the basis of the feedback obtained from the travellers” (Kozak, 2004: p. 90).

Decide what to benchmark

At this stage the organization already knows what they need to benchmark. Likewise for tourist destinations objectives could be to become more competitive, efficient, to increase number of tourists, occupancy rate, satisfaction, and etc. According to Wöber (2010: p. 12) benchmarking in tourism can be identified into three categories, as presented in Table 2.
Present the benchmark findings

When the results are ready to be presented, Kozak suggests that this is also the stage when it is appropriate to assess not only what the performance gaps are but also how big the problems are and how ambitious the goals are. (2004: p. 91). Only after presenting the findings, the destination managers have a good understanding of costumers’ requirements and are capable to use the market as a starting point for setting their objectives and priorities (Wöber, 2010: p. 6)

Take action

Once the strength and weakness are determined and gaps are identified, destinations could focus on an action plan to make future projections and recommendations (Kozak, 2004: p. 93).

After the strategies are proposed and are given support, implementation is turned into practice. At this stage destination managers may wish to change their marketing policies and segments, adjust goals, decide what kind of action is more appropriate or whether they should or should not apply external benchmarking.

To implement the benchmarking result, destinations managers might make their recommendations to local authorities, local tourist associations and businesses, local residents and the national tourism policy makers (Kozak, 2004: p. 94). Howie also agrees with Kozak that government should be involved in tourism is acknowledged in most countries including Georgia (2004: p. 195).

Table 2: Principle areas of benchmarking in tourism (Wöber 2010: p. 12)

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<td>Accommodation suppliers</td>
<td>National or regional tourist boards</td>
<td>National benchmarking</td>
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<td>Restaurants</td>
<td>Attractions operated by public authorities</td>
<td>Regional benchmarking</td>
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<td>Tour operators and travel agencies</td>
<td>Other forms of non-profit oriented business</td>
<td>Local benchmarking</td>
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<td>Airlines</td>
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<td>Other profit-oriented tourism suppliers</td>
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2.6. Choice of Method

Ultimately it is the research question that should guide the choice of data collection. The purpose of this study is not to isolate any causal relation between known variables; rather it is an attempt to identify in which dimensions Georgia could improve as a destination in order to attract Swedish tourists in particular but also Westerners more generally. This is essentially a subjective approach since it involves gauging the image of Georgia in the eyes of potential tourists. It is also an open-ended questionnaire and therefore we shouldn’t expect to find the “right” answer, only suggest areas of potential improvement. There might be several answers to the research question of equal validity, but not necessarily mutually exclusive. As presented in Table 1 above (section 2.1.), qualitative methods are primarily concerned with situations where cultural meaning, values and authenticity are important. For these reasons, this study uses primary data gathered by a qualitative research method, as well as secondary external data to complement the analysis.

Secondary sources have been used to understand the context of tourism in Georgia and as Kozak argues it helps to indicate and show the possible reasons as to why any destination performs better or worse in any respect 2004: p. 155).

The primary data used to tackle the research question is most crucial for this thesis, and was gathered using interviews and questionnaires. Face-to-face interviews were conducted with representatives from travel agencies organizing trips to Georgia. Following Kozak (2004: pp.152-153), this type of method presents how to achieve performance improvement on the basis of existing practice and process and also helps to come up with effective solutions in a short time. From Phillips’ (2008: p. 32) perspective face-to-face interviews are time-consuming but useful data collection method since the interviewer ensures that all the questions are answered.

Additionally, thirty Swedish individuals who have visited Georgia were asked to fill in open-ended questionnaires. The questionnaire was distributed in paper form and by e-mail. Results of the questionnaires and interviews will be described further in section 4.
3. Theory

The hallmark of a theory is that it should help to explain what we observe in the world. It can be particularly useful for understanding not only how the world works, but also why it functions in certain ways: “Changes can be attributable to new knowledge challenging existing epistemological conventions and performances” (Liburd, 2011: p. 889). A good theory should also lead to predictions that can be tested in the future: if the prediction comes true that supports our theory, but if it doesn’t the theory might need to be revised (or discarded altogether). A theory can never be proved to be correct, only proved to be wrong (Smith 2010: pp. 25-26). Arguably, whether or not a theory is useful requires judgment.

Leichter suggests that the process of theory building should be viewed as involving four stages (1979, referenced in Pearce, 1993: p. 25):

1. Problem selection
2. Systematic observation (meaning the classification of variables)
3. Generalization
4. Explanation

In order to understand these processes we need a systematic approach. A theory is also closely connected to storytelling and imagination, which is of importance for the services industry in general and tourism in particular. Tourism is a field that spans many other disciplines, such as economics, sociology, psychology, etc., and therefore it can draw on theory from other fields. Pearce argues that “tourism is a sum of the phenomena pertaining to spatial mobility, connected with voluntary, temporary changes of place, the rhythm of life and its environment (natural, cultural or social)” (1993: p. 10).

In general any business regardless of its efficiency or success needs to reposition itself from time to time. According to Powers (1990: p. 332) “reposition is a deliberate attempt to change a company’s image in consumers’ minds relative to its competitors; that is, to change the company’s perceived position”. It may include changes in market segments, prices, promotional strategies and other things. In such situations a theoretical framework can help to understand the challenges faced by the organization. In order to be successful in such an attempt, the company must gain a general understanding of its customer base, and that generalization in itself can be thought of as a theory. This approach is true not only for the firms but even for destinations. Basically tourist destinations, similar to all consumer products, have to persuade their customers to travel there, and, as Grouch (2010: p. 1) states, “the product of the tourism sector is an experience that is delivered by a destination to its visitors.”

Due to Grant (1996) knowledge is the most essential competitive asset for a firm, and Spender (1996, referenced in Gjelsvik, 2002: p. 33) contends that knowledge is a capacity to generate is at the core of the theory of the firm. Thus, when talking about destination competitiveness, only knowledge is not sufficient because typically a single firm cannot produce the tourism experience without interaction with other actors. There are lots of factors and players who impact the visitors experience and in order to understand this complex process and study the material collected for this study, the thesis will attempt to adopt a
destination competitiveness theory. The chapter proceeds as follows: first is a brief review of
the notion of tourism, second, a review of competitiveness and third a model of destination
competitiveness is presented.

3.1. Definition of Tourism

Since World War Two, the importance of tourism as an industry has gradually increased over
the years and has been one of the fastest growing industries in the world, and it is still
expanding (Hall and Page 1999). Smith argues that tourism is something people do; it is not
something businesses produce, “an industry is a set of businesses that produce essentially the
same product using essentially the same technology, tourism cannot be considered to be
industry” (2010: p. 5).

It has also been argued that tourism is a practice and is made “in the process” (Crang and
Coleman, 2002: p. 207). Faulkner et al. also define tourism as an experience that is produced
by the interaction of the visitor with the resource (2001: pp. xxxi-5). It is a fast developing
sphere of human activity, adaptable to changing economic, social and technological
conditions. Travel in the pre-modern societies was much a preserve of elites, while nowadays
it is an essential element of modern life (Towner 1988, referenced in Urry and Larsen, 2012:
p. 5). Tourism is a complex phenomenon that could create jobs or destroy them, bring or
divide people, display traditional culture or change it (Smith, 2010: p. 1).

The United Nations World Tourism Organization (UNWTO) defines tourism as activities by
people on a trip, including certain activities undertaken prior to making a trip, such as buying
a tour package (Smith, 2010: p. 8).

A structural understanding of tourism emphasizes that it is something that inevitably happens
in a given context: “Hospitality presupposes various kinds of economies, politics and ethics as
the tourist gaze extends around the world and draws into its warm embrace countless social
relations between hosts and guests” (Urry and Larsen, 2012: p 96).

Thus the general view in the literature regards tourism as being more than just the production
of accommodation and transportation services; it is an economic activity intertwined, and
maybe even dominated by, other social activities and behavioral patterns. This observation
leads to the next section, which looks at concepts and models of competitiveness for
understanding tourism and destination competitiveness.

3.2. Concept Of Competitiveness

Competitiveness can be understood as an ability, which allows firms and nations to utilize
productively its human, capital and natural resources. Generally, almost everything matters
for competitiveness and as the Organization for Economic Co-operation and Development
(OECD) defines it, competitiveness is “the degree to which a country can, under free and fair
market conditions, produce goods and services which meet the test of international markets,
while simultaneously maintaining and expanding the real incomes of its people over the

According to Newall (1992: p. 94) competitiveness is also “about producing more and better
quality goods and services that are marketed successfully to consumers at home and abroad”.
From at least the early 1990s competitiveness has been as subject of study in manufacturing and in related fields (Tsai, 2009: p. 522). In the recent past, researchers began to study and examine tourism and destination competitiveness. Ritchie and Crouch (2005: p. 6) consider destination competitiveness to have “tremendous ramifications for the tourism industry and [it] is therefore of considerable interest to practitioners and policy makers.”

Compared to manufacturing, human capital has an even more powerful roll in the service sectors and acts as the basis for competitiveness in those sectors (Gjelsvik, 2002: p 36).

As noted above competitiveness is a difficult concept and can be defined in various contexts. However, one way to summarize and generalize the concept is offered by Huggins (2000), who sees competitiveness as “involving elements of productivity, efficiency, and profitability as a means of achieving rising standards of living and increasing social welfare” (Referenced in Tsai, 2009: p. 524). In this view competitiveness has a purpose and should lead to improvements in certain conditions that are considered valuable by the people concerned. The next section explores a model of competitiveness that is specifically adapted to the field of tourism.

### 3.3. **Destination competitiveness and Leiper’s model**

This section looks at how competitiveness can be understood in the context of tourist destinations more particularly. The section ends with a presentation of Leiper’s model for destination competitiveness (Leiper, 1990). Destinations are places of interests to tourists and its competitiveness is determined both by tourism-specific factors and a much wider range of factors that influence the tourism service providers (Howie, 2010: p. 73 and Newton, 2005: p 340). According to Howie (2010: p. 49) the rise and the fall of destinations can be caused by the following factors: literacy, income, family and social commitments, amount of leisure time, peer group pressure, fashion, information and communication technology – all these have an impact on the destination development.

The development of a set of competitiveness indicators could serve as a valuable tool in identifying what aspects or factors influence tourists in their decision to visit other countries. It will highlight the destination’s key strengths and weaknesses, opportunities for further development and possible threats (Dwyer 2003: p. 369). Due to Newton (2005: p 339) it is “useful for the industry and government to understand where a country’s competitive position is weakest and strongest” and it is important to know how and why competitiveness is changing.

The benchmarking method described earlier is particularly useful for understanding a destination from a competitiveness perspective. This approach is sometimes underestimated but is in fact a convenient tool and helps to set goals to enhance performance in the future. This management approach to identify “who is the best?” and “what makes them so successful?” has experienced increased popularity, both in manufacturing and service companies (Wöber 2002). Destination benchmarking draws a broad picture including all elements of one destination such as transport services, accommodation leisure and sport facilities, hospitality and local attitudes, hygiene and cleanliness, and so on. The main purpose is to develop strategies to provide better services by obtaining feedback from all those involved, e.g. tourists, service providers and local people, and obtaining information about the practices of other destinations (Kozak, 2004). Thus, benchmarking can be seen as a systematic method aimed at improving competitiveness.
Managing destination competitiveness has become a major topic of interest and many tourism researchers used different models to examine it (Leiper, 1990; Crouch and Ritchie 1999; Dwyer and Kim 2003). According to Dwyer it is good to have different models, since it assists to capture the main elements of competitiveness and allows various stakeholders in both the private and public sectors to take relative measurements (Dwyer 2003: p. 376).

For the purpose of this thesis, Leiper’s (1990) model of tourism attraction will be used. It seeks to capture and identify all the main elements of destination competitiveness. According to Richards (2002: p. 1049) Leiper replaced Gunns (1988) “sight” and formulated a more general model of destination attractiveness. Page (2010: p. 302) regards Leiper’s approach as an attempt to understand destinations from a wider tourism system rather than seeing them as separate independent entities. As Dredge (1999) notes, “Leiper’s model has many potential uses, including understanding the way in which destinations attract tourists, investigating the patterns and nature of attractions visited, and analyzing their role as fundamental components of destination regions” (quoted in Richards 2002: p. 1050).

Within this model three different elements are described and these elements are linked to each other: tourist, nucleus and marker. The connection between them is what affects a person’s motivation to choose a particular destination and leads to attractiveness. These concepts will be described in further detail below.

Figure 5 outlines Leiper’s model, including interconnections between the three elements. Leiper articulated this as follows: “A tourist attraction is a system comprising three elements: a tourist or human element, a nucleus or central element, and a marker or informative element… [It] comes into existence when the three elements are connected”, with the central element, or nucleus of attraction systems as “any feature or characteristic of a place that a traveler contemplates visiting or actually visits” (Leiper, 1990: pp. 371-372).

The first element: the tourist

Leiper understands tourists as travelers or visitors seeking leisure-related experiences, which involve nuclear and marker elements (1990: pp. 367-384). Tourists indicate the existence of “the travel industry” because the highly industrialized tourism system is where tourists use the diverse services that have been specially (but not always exclusively) intended to satisfy their needs (Leiper 2008: p 243). Travelers have certain needs that they want to satisfy. These needs can be relaxation, adventure, novelty and, as Leiper notes, “attractions within the industry are sights, events and facilities orientated to experiential opportunities for tourists” (1979: p. 401 quoted Page 2010: p. 302).

Tourists’ role in attraction systems could be analyzed by asking them about their motivations, trip characteristics, use of information, and socioeconomic background (Leiper 1990 quoted in Richards 2002: p. 1054). Leiper’s conceptualization of tourism and tourists is defined as:

… the system involving the discretionary travel and temporary stay of persons away from their usual place of residence for one or more nights… The elements of the system are tourists, generating regions, transit routes, destination regions and a tourist industry. These five elements are arranged in spatial and functional connections. Having the characteristics of an open system, the organization of five elements operates within broader environments: physical, cultural, social, economic, political, technological with which it interacts (Leiper 1979: pp.403-404 referenced in Page 2010: p 301).
This is the approach that Leiper’s used for defining ‘the tourist’ but tourists can be characterized into different types or roles and distinguishing these forms of tourists has become a main topic in tourism studies (McCabe, 2005: p. 85). In order to get a wider overview, below will be seen some other concepts and different ways of defining a tourist.

McCabe offers a broad definition that would include many different types of travellers: “a tourist is a person who travels outside of his normal environment for a period of more than 24 hours” (McCabe, 2005: p. 87). Jacobsen on the other hand asserts the difference between vacationers and travelers (Jacobsen 2000, referenced in McCabe 2005), while Pearce describes the distinction between tourists and backpackers (McCabe, 2005: pp. 90-92). In order to describe all distinct types of tourists, Howie also avails a ‘tourist typology’ (2010: pp. 49-50). Anyhow, all roles or types can be identified and managed according to social circumstances (Cooper, 1998: p. 37). Sociology relates tourism to a larger context and a number of sociological categories are useful in understating tourism motivation, such as “social class”, “lifestyle”, “gender”, “sub-culture”, etc. (Howie, 2010: p. 48).

Leiper (2004, p. 129) stated that “different tourists tend to perceive the same destination in different ways and a very influential variable is the time available for spending in each place.” Howie integrates it differently and writes that various types of tourists generate differing impacts on a destination or on a place in the early stages of becoming a destination – a ‘pre-destination’ (Howie, 2010: p. 49). In conclusion, it seems practical to start with a broad definition of ‘tourist’ and specify more narrow categories along the way depending on the

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**Figure 5:** Leiper’s model of attraction (Leiper, 1990).
context and purpose of the study. In addition to the definitions offered above, it should also be noted, especially in the context of competitiveness and efforts to make a destination attractive, that a person can become a potential tourist before she has arrived at the destination.

The second element: the nucleus

Leiper defined nuclei in terms of motivations that stimulate visitation. Nuclei can be attributes of the location (e.g. landscape, culture, service) that make the place attractive and can rank in their importance to tourists (1990: p. 367).

Leiper made a distinction between the primary, secondary and tertiary nucleus. The primary one is considered the most important reason for tourists to visit a destination, while the secondary nucleus is known but is not significant in decisions about the itinerary. A tertiary nucleus is discovered at the place by the tourists only after their arrival (1990: pp. 376). Leiper argues that the primary nucleus acts as an essential character of the place, which influences and motivates the tourists to come and visit (1990: p 379). The core is seen as an attribute of what the destination has to offer to its travelers, and what is offered at the destination is what shapes the travelers experience.

Having tertiary nuclei at the destination can be an advantage, and as Leiper asserts, “some types of touristic experiences may be (more) pleasurable because they involve a tertiary nucleus, something discovered by the individual” (1990: p.374). This concept captures a feature in tourism that appeals to a certain category of travellers, namely those who seek to be surprised at the destination. For example, it has been argued that “men (sic) travel widely to different sorts of places seeking different distractions because they are fickle, tired of soft living, and always seek after something which eludes them (Urry and Larsen 2012 p. 5 quoted in Feifer, 1985: p. 9).

However, many places can offer similar nuclei that cater to the needs of tourists but according to Leiper the most decisive factor is the relation between the elements: “there should be a strong relation among motivation, the type of nucleus visited and the type of marker encountered” (1990: p. 379).

Pearce (1993: p. 115) also agrees with Leiper and believes that identifying common characteristics and motivators, assists to understand better the choices, preferences and requirements of visitors: “In short we have a concept which is competing with related concepts to establish usefulness” (Pearce, 1993: p. 115).

Leiper’s concept of the nucleus is related to that of motivators, which as also been explored in the tourism literature. It has been argued that human behavior (including travel behavior) is multi-motivational or over-determined (Pearce 1993: pp. 119-120, referring to Harré, Clarke and De Carlo 1985). The nature of human beings is such that they create and change the world around them through their actions, interactions and emotions (Strauss and Corbin, 2008: p. 6). The tourists’ motivations are adaptable to these changes and applying many theories provides a wide understanding to how it functions. McIntosh et al. (1995) suggest another framework to understand tourist motivations, and define the following four categories:

1. **Physical motivators**: related to refreshment, health purposes, sport and pleasure. Motivators that help in reducing stress or tension through physical action.
2. **Cultural motivators:** attracting those who are interested to learn about the natives of a country, their lifestyle, art, cultures, traditions and etc.

3. **Interpersonal motivators:** attracting those who seek new and different experiences, visit friends or relatives and have a desire to meet new people. Traveling is an escape from a routine relationship, a home environment, or it is used for spiritual reasons.

4. **Status and prestige motivators:** these motivators are seen to be concerned with the desire for recognition and attention from others, in order to boost the personal ego. This category also includes personal development in relation to pursuit of hobbies and education (Cooper, 1998: pp. 34-35 refereeing to McIntosh et al; 1995).

Overall the nucleus concept is similar to what is called ‘resources’ in the model of Dwyer and Kim (2003) and ‘core resources & attractors’ in Richie and Crouch (1999). From Leiper’s perspective both the nucleus and motivation are somewhat dependent on the marker in terms of how they convey the information about the sight (1990: p. 380).

**The third element: the marker**

A marker is a piece of information about a sight at a destination, which motivates tourists to visit that destination. These markers carry messages to what might be experienced at the destination and it is precisely this information that arouses interest, feelings and expectations about the visit. “It is often the characteristics of the marker which constitute the industrialized component of the attraction” (Leiper, 1979: p. 401 quoted in Page, 2010: p 302).

The use of markers should be closely related to the needs of the tourist and her motivation. These needs can be seen as a core that provides informative elements in response to tourists' interests and demands. According to Leiper, “at least one generating marker is necessary, referring to some kind of phenomenon that acts as a primary nucleus, before an individual can become motivated to set off on a touristic trip” (1990: p 379 referenced in Richards, 2002: p. 1050).

Leiper argues that the travelers usually seek an adventure, which means, they are looking to see and experience the great natural scenery and to get in contact with new cultures (1990, referenced in Lawton 2010: p. 20). Tourists are motivated to visit a destination by the information received from the marker and the way they display the information can be different: pictures, audio, images, face-to-face, etc. (Leiper 1990: p. 382).

According to Lawton (2010: pp. 20-22), the images are the most essential carriers of messages in context of visual tourism industry. Echtner and Ritchie perceive the destination image as Leiper and argue that it should be composed of perceptions of individual attributes (such as climate, accommodation facilities) as well as more holistic impressions (mental pictures or imagery) of the place (1991: p. 3).

The primary objective of applying destination attractiveness theory is to understand what plays a decisive roll in destination choice and the secondary is to study tourists from various perspectives, such as their relation towards class, motivation, social activities and practice. Basically all the theories about tourism have something in common which is to analyze the desire for choosing a destination and to find out the stimulators for travelling. Thus applying this theory is a valuable tool for understanding what stimulates tourists to visit (or not visit) Georgia and what could potentially be changed in order to satisfy their motivations.
4. Empirical results

The word empiricism derives from the Greek and refers to use of observation or experience to gain knowledge. There are many empirical methods and regardless for which one the researcher opts, it cannot prove that a theory is right (Smith, 2010: p. 19).

Philosophers like Bachelard say that “when one searches for the psychological conditions of the progress of science, one soon comes to the conviction that it is in terms of obstacles that one has to formulate the problem of scientific knowledge” (Bachelard 1960: p. 13, quoted in Pearce 1993:p 86).

The intention behind this study is to analyze what is missing in Georgia in order to attract more Swedish tourists. Methodological tools like Semi-structured personal interviews and Open-ended questionnaires are applied to answer the research question. Hopefully it will help to analyze what Swedish tourists consider absent at the destination and how much it actually coincides with the perspective of tourist agencies.

Hopefully the analysis of these findings will point out both intrinsic and extrinsic motivation elements. If the study can categorize the empirical findings according to the framework described in the theoretical section, then it might also be possible to draw on existing theories for understanding the potential for tourism development in Georgia.

4.1. Semi-Structured Personal Interviews

All the interviews for this paper were conducted in Stockholm, Sweden. The focus group was Swedish tour operators and travel guides who offer trips to Georgia. Interviewing was done both in English and Swedish. The scope of the interviews was inspired by Smith, who states that the “personal interview … refers to in-depth, semi-structured interviews in which the researcher has one or more topical areas to explore through a series of general questions to ask” (Smith, 2010: p. 109).

According to Smith there are two tactics for recording an interview: Audio recording and written notes. “Audio recording can be more efficient since it allows concentrating more on the interview, while written notes are ideally verbatim” (2010: p. 114). Mostly I used written notes, because some of my respondents did not feel comfortable being recorded.

The following Swedish travel agencies participated in interviewing and answered a set of general questions.

Travel agencies:

1. Latitude Travel
2. Östresor
3. Iventus travel

Readers can get more detailed information about the interviews from the author upon request.
Interviewees answered the following general questions:

1. What is Georgia’s image in Sweden?
2. What types of questions do Swedish tourists mostly have or ask about Georgia?
3. Why do Swedish tourists travel to Georgia and what is their motivation?
4. Could or could not Georgia meet their expectations?
5. How many tourists do you send to Georgia in a year and what is their age structure?
6. Do you market Georgia as a travel destination and how?
7. What is it that you mostly miss at the destination and wish to be improved?

In order for the reader to get a clear view each interview will be reviewed individually.

1. Latitude Travel

Latitude Travel is one of oldest travel agencies in Sweden that offers trips to The Caucasus. Already in 1971 they began to operate and had trips to The USSR. According to their website their vision is to discover a new destination.

“It is difficult to define Georgia’s image,” says one travel agency operator. According to her, most Swedish tourists have a poor knowledge about the country in general. Swedes heard about Georgia as a Soviet country but often have no idea where it is located, what the country’s religion is or what it could offer as a destination. Those few people who know Georgia love the country and associate it with wine and cuisine.

In Soviet times Latitude Travel used to send four groups every year to The Caucasus with 30-40 tourists in each group. “It was a very popular and exotic destination for many Swedes, because it was a packaged tour covering several USSR countries, according to the respondent. Interestingly Georgia was always included in that package.

After the collapse of The USSR and the perestroika reforms, practically all the tourists disappeared. Only in 2010 did Latitude Travel begin to offer Swedish tourists Georgia as a single travel destination. Is it safe to travel to Georgia? This is the most frequent question, which the agency has to answer.

Civil war in the 1990s, political instability and the war with Russia in 2008 all had a negative impact on Georgia’s image. As a result the agency sends only 10-15 individuals in a year and the majority of them are over 55 years old. Nearly all of them come from personal connections or social networking. According to the respondent, the agency “does not have any special marketing promotions apart of their web page and private contacts.”

Georgia has a great climate and all the recourses to attract a lot of Swedish tourists. Especially since the country often not only meets the tourists’ expectations, but even goes beyond their imagination, according to Latitude Travel. Additionally there is a great potential for winter tourism and starting from the upcoming winter season Latitude Travel is going on focus on winter trips in addition to the summer tours.
Latitude believes that nature, culture, cuisine and hospitality is what motivates tourists to travel to Georgia. However, they also suggested that the country should improve its infrastructure and pay more attention to develop roads. “It would be great also if the countryside could offer more high quality and diversified hotels or guesthouses,” says the respondent. She also noted that because of the Georgian hospitality many restaurants, hotels serve more food than what is asked. This often triggers negative reactions from Swedish tourists, who misunderstand the Georgian intention of showing hospitality.

Latitude Travel argue that before Swedish tourists begin to perceive Georgia as travel destination in a broader sense, it is necessary to provide more information and increase their awareness about the country.

The interview also touched upon potential approaches and suggestions about how to solve the problem and make Georgia more recognized as a destination in Sweden. Some recommendations are the following:

- More “fam” trips to Georgia (i.e. promotional trips directed towards travel agencies and tour operators). The more Swedish tour operators, journalists and bloggers will visit country, the more widely they will report and write about it in Swedish newspapers and websites.
- The Georgian embassy in Sweden could take more initiatives and organize informational and cultural events.
- Advertisements on Swedish TV channels, which potentially will induce more tourists to travel to Georgia.
- Direct flight connections to Georgia.

2. Östresor

Östresor (in English “East Travel) is relatively new on the Swedish market. Visiting their web page one immediately notes that they specialize in Eastern European and Asian countries and offer a wide variety of trips.

On the question of Georgia’s image in Sweden their representative answered that “there is no country image since people do not know anything about it. Swedish tourists have limited knowledge about Georgia and quite often they ask why they should travel there or if it is a safe destination.”

Östresor, like Latitude Travel, included Georgia on their travel list in 2010, and they have noted that the number of travellers is increasing. In 2013 they sent in total 15-20 tourists, while in 2014 they expect 35-40 travellers to the country.

They also noted that “there is no special reasons or motivations, which influence Swedish tourists to travel to Georgia. Most of them pick the country because it is something new and exotic. Östresor’s travellers range from 30 to 50 years of age.

Regarding marketing and promotion, Östresor uses a lot of ICT tools (Information and Communication Technology) and they also have their own news portal. It is also common that tourists contact them directly and would like to travel to Georgia because some of their friends, family had already been there. The experience of Östresor is that tourists who return
back from Georgia are often satisfied and positively surprised since the trip exceeded expectations.

Of course quality of services could be improved but this is not the main obstacle for Swedish tourists. From Östresors’ perspective Georgia could become more competitive destination if it would be marketed in a better way. For example, they suggest that airlines should do more to promote Georgia as a destination. A good example of this is Air Baltic, which regularly feature Georgia in their marketing and offer cheap tickets.

However, the most essential and beneficial aspect would be to offer direct flights to Georgia from Sweden. “On one hand it becomes easier to travel and on the other hand it will lead to country’s recognition. Georgia is so close but because of no direct flight, Swedish tourists think it’s far away and time-consuming to travel there,” according to a representative of Östresor.

3. Iventus Travel

Iventus Travel is one of the leading tour operators in Sweden and the biggest on the market when it comes to trips to Russia. From 1991 they arrange tours to Ukraine, Russia and cover all the former Soviet Republics such as Georgia, Belarus, Uzbekistan and etc. Interestingly, after the collapse of USSR Iventus had their first trip to Georgia in 2008 when the country had a war with Russia. Not surprisingly 2009 was a dead year but from 2010 the interest towards country slowly rose again.

According to Iventus starting from 2012 there is an increasing tendency that more and more people want to visit Georgia. Nowadays they offer group, individual and even all-inclusive packages. However, Iventus decided to be confidential and not share the information about the exact number of travellers who visit Georgia.

“We have approximately 5-6 trips in a year and our tourists are both young and old, though majority of them are over 50,” says Iventus. In their opinion, Georgia has a high capacity to satisfy different tourist interests. Swedes often go there because of the rich culture, wine and cuisine and also because it is a relatively cheap destination. Recently there is also an interest for winter tourism and Georgia’s two ski resorts are becoming known among Swedes.

Georgia is a country of discovery and in order for Swedish tourists to explore the destination the company uses networking, ICT, social media and popular newspapers like Dagens Industri and Svenska Dagbladet for marketing. “Our tourists are content and think positively about Georgia. The only thing that really annoys them is a crazy long flight-time and the amount of food on the table,” according to an Iventus representative.

Happy and gratified tourists are the company’s credo and therefore after every trip Iventus sends out questionnaires to check and measure the tourists’ satisfaction. Based on this information, Iventus notes that Swedish tourists have a wish list of certain changes to happen in Georgia. Infrastructure, service, accommodation and transportation are all issues that should benefit greatly from being developed but the most essential and necessary is to keep Georgia politically stable and harmonious.

“Unfortunately Bureaucracy and uncertainty still dominates in country. It gives Georgia an insecure image, which obviously hinders the country to become more competitive destination,” notes Iventus. This is perhaps somewhat surprising since Georgia is often
celebrated for successful reforms in recent years to tackle Soviet-era bureaucratic regulation. For example, in 2014, Georgia ranks number eight in the World Bank’s global ranking of the ease of doing business.

To sum up, Swedish travel agencies active in Georgia communicate an image of a destination with great potential that has what it needs to become an established tourist destination in competition with other European countries, but with significant hurdles to overcome in terms of marketing, infrastructure and awareness.

4.2. Open-Ended Questionnaires

Following Smith, questionnaires have been used to gather further data on Swedish travellers to Georgia. “Questionnaires refer to the instrument for collecting data and arguably are the most important tool for gathering data for tourism research” (Smith, 2010: pp. 61-62).

Open-ended questionnaires let respondents compose their own answers to a question, in contrast to closed questions where the respondent chooses one of several prepared answers, for example by ticking a box. As Smith writes “it permits more spontaneous responses and promote a rapport between you and your subject” (2010: p. 65).

There are a number of options for distributing questionnaires: personal (face-to-face), telephone, web-based surveys and by mail. Each distribution has its advantages and disadvantages related to cost, time, response rates and many other characteristics.

The last method of distribution by e-mail is the one I chose for this paper and according to Smith this is the most common sampling frame for Internet surveys. “A sampling frame may be either a list of potential people to interview or it can be a procedure for accessing a sample” (2010: p. 84).

Open-ended questionnaires were sent out by e-mail to 30 Swedish tourists who visited Georgia before. The list of respondents was compiled through personal contacts and by the assistance of the above-mentioned travel agencies.

Below are displayed a summary of the answers from the respondent as well as the questions which they got from me.

Respondent age ranged from 26 till 66.

Respondents were distributed evenly in terms of sex, with 16 male and 14 female.

Several occupations were represented among the respondents: Civil servant, CEO, researcher, management consultant, politician, student, detective, military officer, head teacher, municipal secretary, pharmacist, sales manager, Ph.D. student, entrepreneur, project leader, business developer, language teacher, pensioner, product and contracting manager, philosopher, economist and others.

Purpose of last visit to Georgia:

As shown in Figure 6, most of the respondents indicated tourism as the purpose of the visit to Georgia, while some chose business or some other purpose. This result is reassuring for the relevance of the results, since tourism is the main focus of this study.
Respondents were evenly distributed in terms of marital status, as shown in figure 7.

![Purpose of last visit to Georgia](image)

**Figure 6**: Distribution of questionnaire respondents’ stated purpose of their last trip to Georgia.

The questionnaire contained the following six questions:

- **Question 1**: What is your image of Georgia as a travel destination?
- **Question 2 A**: How many times have you visited Georgia?
- **Question 2 B**: When did you visit Georgia last time?
- **Question 3**: Why would (or wouldn’t) you recommend somebody to travel to Georgia?
- **Question 4**: Did Georgia meet your expectations?
- **Question 5**: What, if anything did you miss at the destination?
- **Question 6**: Is there anything that you, as a visitor, would wish to be improved in Georgia by the time of a possible future visit?

The remainder of this section summarizes the results from the survey.
Question 1: What is your image of Georgia as a travel destination?

Positive answers:

In Eastern Europe and Central Asia Georgia is the only real tourist destination in this region. Georgia with a large variety of tourist options (wonderful capital, seaside, mountains, wine etc.) is associated with great food and warm people. It is a wonderful country full of surprises, rich culture and nature. Georgia is a country of hospitality, friendship, delicious food and very old tradition of winemaking. There is a lot to learn for those who are interested in wine.

There is everything from snow-capped mountains to subtropical forests. The country is fantastic for outdoor activities if you like off-the-beaten-track trips. The combination of great food, beautiful nature, cultural heritage, wine regions and friendly people makes Georgia a great destination.

One can explore both interesting and tragic traces from Soviet time. The country is scenic and very picturesque. It is like Teheran, Istanbul and Rome mixed to one. Georgia is an unpolished, exciting and undiscovered gem. It is a historically interesting, cheap, exotic and scenic country. The presence of few tourists from Western countries makes it a special journey with a genuine feeling. Georgia is extremely good on a par along with Prague among European countries. There is some feeling of cultural/architectural humanism combined with Alpine views and good food (that is not found in Prague).

Georgia offers many different things to see and do in a relatively small country (mountains, desert, historical buildings, beaches and etc.). It is maltly in many ways. Coupling this with an amazing hospitality makes it difficult not to go back. It is great to experience this new culture, beautiful landscape. In Georgia many of the things come as nice surprise. The country definitely offers most of the facilities tourists would look for.

Negative answers:

There are bad roads, especially driving to the north part of Georgia. The country is partly unstable and kind of underdeveloped.

In term of touristic sites, it did not satisfy expectations. Touristic attractions encounters low management directions and preparedness. However some of them were charming and has a potential to become more attractive.

Due to reports of Georgia being unsafe, people might be hesitant to travel there. It is complicated to travel and communication is still a little challenging on the countryside.
2. **A. How many times have you visited Georgia?**

**B. When did you visit Georgia last time?**

A. Most of the responders with tourism purpose were in Georgia only once. Though some repeated visitors are also found in the sample.

B. Among the 30 respondents the last who traveled to Georgia was in 2014 and the first in 2007.

3. **Why would (or wouldn’t) you recommend somebody to travel to Georgia?**

**Positive answers:**

It has unique scenery, good food and culture. In terms of architecture Georgia has a lot to offer. It is fascinating to see blend of old-style building and futuristic-looking ones standing side by side. The country has an exciting history and fantastic landscapes with a huge contrast between city and countryside. Asymmetrical city planning in Tbilisi combined with topology gives a possibility to overlook the city that is unique and similar to Prague. Non-polished decaying beauty gives a humanistic esthetic impression.

It is a one hidden gem, nice vistas and photo opportunities. It is a small country with a long history, marvelous nature, mellow atmosphere and good beer. It is highly recommended for adventurous people who want to go off the beaten tourist track. The country is great for hikers and food lovers.

All types of travellers could enjoy it, since the country has something for most types of tourists. There are Mountains with beautiful views, long-lasting wine culture, nice seaside, good roads, wonderful food, splendid wines, and amazing people. One can really arrange lots of different thematic tours, like bird watching, wine tours, historical tours, and pilgrimages.

The only people whom Georgia is not recommended for are those who are looking for a prepackaged deal to lie on a beach somewhere without discovering anything about the culture they are visiting. Georgia is attractive for its culture and culinary experiences. Furthermore, the Georgian inhabitants are very warm and welcoming.

**Negative answers:**

One cannot find a standard pleasant for a holiday. The only disadvantage I see is that there are still quite a lot of people in the country that do not speak English, though this is changing quickly. There are no direct flights from Sweden and many flights arrive and depart in the middle of the night.

Georgia is purely from touristic point of view highly recommended though there are some reservations about safety. Unfortunately prejudice and groundless fear about safety would stop travellers who normally go only to very traditional vacation spots (like Western Europe and chartered trips).
4. Did Georgia meet your expectations?

Positive answers:

Yes it was beyond expectation. Service was good. The scenery from Tbilisi to Batumi was breathtaking. After having 26 years experience in tourism branch, one has different expectations. There is a lot to improve but tourism in Georgia is on the right track and even stakeholders seem to have right attitude. Difficult to say for one who been there quite many times.

No particular expectation but completely blown away. Every single time the country surprises positively. There are dramatic improvements in infrastructure; availability of hotels is very impressive though it had lost a bit its rustic charm. It is way better than one anticipates or imagines. Georgia definitely exceeds any pre-expectations.

Negative answers:

Interestingly, out of 30 respondents only two persons said that Georgia failed to meet their expectations.

5. What, if anything did you miss at the destination?

It was a lot of garbage in the rural/Alpine landscape. It is sad to see that people throw trash out of their cars etc.; there is garbage everywhere in nature.

Better subterranean road-crossing conditions in Tbilisi would be good. No toilets on the roads and the ones that exist are in a bad condition and not cleaned. Roads were bad and there are concerns about how to drive because of the traffic. It felt dangerous to cross the street and unsafe to travel by car/bus on roads due to crazy takeovers. Better accessibility on the roads/infrastructure for travelling to remote locations would be welcome (for example to natural reserves or beautiful places up in the mountains).

Due to the Georgian unique writing script, it was difficult to read road signs. So more signs, like hotel and street names in Latin alphabet would be appreciated. It would be great to provide Information online and in English about e.g. transportation, bus routes and timetables, accommodation and things to do.

To find people speaking western languages in countryside since people there speak better Russian than English. Another problem in rural regions is limited Internet connections.

The hiking maps were quite useless and very few roads were marked. Surprisingly, the only unfriendly people we encountered were those working in the tourist office in Mestia, Svaneti. They were not helpful at all in terms of describing what different hiking options there were.

Another thing which was quite expected but still a bit disappointing was the fact that many restaurants served only very few of the items of their menus. Nonetheless, for food tourists to be happy, why not stick to seasonal menus and update the menus frequently instead of writing down every dish that exists in Georgia but serving only four or five.

It would be great to see more local farms etc. rather than historical sights. Easy ways to find really cozy local home stays as an alternative to hotels and hostels.
6. Is there anything that you, as a visitor, would wish to be improved in Georgia by the time of a possible future visit?

The standard of the hotel rooms could be better and the standard of breakfast also. Better infrastructure and higher quality service. Transportation could be more improved and it would be nice as well if some street signs are translated in English.

For the next visit, it would be great to have the opportunity to travel directly to Georgia. It would make easier for Swedish people to visit the country, maybe even over the weekends. Better access with airlines. Civilized arrival and departure times at the airport (i.e. possibility to arrive and leave Georgia in daytime.) Travelling with train could be improved! More ferry boats from the Black coast.

Small improvements in the field would give positive results. Green areas could be better managed. It might seem reactionary, but my main concern is that too much development will gradually erode the rustic charm of Georgia and its fantastic people.

I wish to see a less hostile Russia; Georgia should have both domestic and international sovereignty.

It would be great to avoid so much pollution in cities. Country has amazing nature and resources and it has to be kept clean and taken care of.
5. Analysis

Intuitively we all know what ‘analysis’ means, in the sense that it is an activity concerned with understanding some phenomenon and facts by studying them. One definition of analysis suggests that it is “any technique for making inferences by objectively and systematically identifying specified characteristics of messages” (Holsti 1969, quoted in Smith 2010: p. 201).

This part of the thesis attempts to analyze Georgia as a tourist destination in a broad sense, drawing both on the empirical research results from the primary sources, and from secondary sources. Where applicable, the analysis will try to connect to the theories presented in section 3, especially Leiper’s concepts of tourist, nucleus and marker. In the end of part 5 the arguments will be summarized in a SWOT analysis, which will serve as a bridge to the conclusion.

5.1. Swedish tourists as a category

The initial questions, which destination tourism managers should ask are the following: whom have they attracted in the past? And whom can they best serve now given the strengths and the weakness? (Ritchie and Crouch, 2005: p. 190). Studying the answers of these questions involves identifying not only the types of tourists attracted, but also the destination’s core and secondary nuclei.

As noted in the introduction, however, the fact that travelers from nearby countries are rediscovering Georgia as a destination en masse does not shed much light on why Western travelers are slower to pick up this trend. All the indicators, both the general situation in the country and the results from the empirical results in section 4, suggest a rather impressive potential in Georgia for attracting tourists from Sweden and the West who have not yet discovered the country. In the framework of Leiper’s model maybe the current relation between the motivation, nucleus and marker is still weak in order to attract an entirely new category of visitors.

Different categories of tourists can have fundamentally different motivations for why they travel, as noted for example by Wang:

“Men who move because they are starved or frightened or oppressed expect to be safer, better fed, and more free in the new place. Men who live in a secure, rich and decent society travel to escape boredom, to elude the familiar, and to discover the exotic” (Wang 2000: p. 19, quoted in Boorstin 1964: p. 68)

Swedish tourists and Westerners in general who would consider Georgia as a holiday destination can be assumed to fall into this second category of travelers who seek to escape the ordinary. In this respect they probably differ, at least to some degree, from vacationers from nearby countries for whom Georgia is more familiar.

5.2. Identifying the nucleus of Georgian tourism

The findings of the empirical study suggest that Georgia has plenty of resources to attract visitors with different interests and needs. The primary nucleus of Georgia as a tourist
destination, in the eyes of Swedes, lies in its cultural diversity, long history and exceptional natural heritage that allow operators to organize many thematic tours. Other primary nuclei are the Georgian cuisine and its tradition of winemaking. Based on the results from the questionnaires, most tourists appreciate that aspect and acknowledge Georgian food and wine as a strong motivation for visiting the country. However, travel agencies like Latitude Travel and Iventus believed that it would be good if hotels, restaurants and cafés would follow international norms and not serve more food than is asked. As noted above, this suggests maybe a problem in communication between local tour operators and tourists. The abundance of food is a key aspect of Georgian hospitality traditions, and no one is ever expected to eat all of the food that is put on the table. This is true even for domestic settings, not only in restaurants. Despite what tourists might think, food is typically never thrown away; leftovers are always taken care of and if tourists feel uneasy about the quantities of food served that suggests that there is scope to improve communication and instead turn the abundance of food into a story about hospitality, tradition and the peculiarities of Georgian feasting.

As travel agencies say there is a lot to discover in Georgia, indicating the presence of a variety of tertiary nuclei as well, meaning attractions that the tourists discover after they have arrived at the destination. From the interviews and questionnaires it seems that Swedish visitors to Georgia express fascination with what is perceived as an exotic experience. In addition, even those respondents who expressed dissatisfaction with the practical organization and the limited information about particular sites confirmed in the questionnaire that the had a charming and interesting visit. This can also be understood within the framework of Leiper’s theory, which regards tertiary nuclei as particularly important in making the touristic experience more pleasurable and memorable (1990: p 374).

Thus, Georgia definitely does not lack resources capable of making it more competitive as a destination. On the other hand, the existence of ‘good’ nuclei is not enough to make a destination competitive; rather, it can lead to competitiveness only when the interaction between tourist, nucleus and marker is favorable – a key aspect of Leiper’s theory. Another important aspect, which is not directly considered in Leiper’s model, is infrastructure, which will be explored further below.

Furthermore, the above example about Georgian hospitality traditions illustrates Leiper’s theory that both primary and secondary nuclei can be managed in relation to the timing of demand and to what type of marker is used (1990: p. 380). This means that the tour guides and operators, who have a deep understanding of both local customs and the expectations of international visitors, should focus more on providing better information about the destination, or, in Leiper’s terminology, create better markers designed specifically to a Western audience. This is the topic of the next section.

5.3. Creating markers adapted for Swedish tourists

Good sales promotion, or ‘markers’ in Leiper’s model, should give customers an inducement to make a purchase. Arguably, it should also manage to align tourists’ expectations with realistic experiences at the destination in order to be successful in the long term. It has been

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3 A traditional Georgian meal, or a ‘supra’, is a cultural institution with an age-old history. It was not uncommon for feasts to last for many hours, sometimes days, and the eating and drinking was highly ritualized and paired with songs, poetry and dance.
discussed repeatedly that the motivation of tourists is a multi-dimensional context. There are various factors that a tourist goes through before traveling or making a purchase decision. Every town, city, region, nation sells itself with assertions of its competitive advantage. Ward has noted that a place tends to be packaged and sold as a community (1998: p. 1):

“All places even those least endowed with attractions vie to ensure that the tourist gaze falls, however fleetingly upon them. The collapse of communism has signaled a comprehensive entry of the cities and nations of Eastern Europe into the place marketing ‘game’.”

Regardless of what the underlying strengths or weaknesses of the destination are, in order to achieve a relative advantage, one should understand the nature of the objectives, comprehend the client’s needs and satisfy their wants (Kenner Kay, 2003: p. 133).

Undoubtedly there is a high concern about safety and political instability in Georgia among potential visitors, as illustrated both by the interviews with tour operators and the results from the survey respondents. This threat is not from within the country or from the local area. As noted above, intervention from external forces is quite familiar for Georgia, and this is a problem that is difficult to tackle for a tour operator or even for the Georgian government. However, most regions of Georgia are not directly affected by the separatist conflicts and it should be made clear to visitors that the vast majority of Georgian destinations are indeed safe to visit. As a comparison it can be worth to note that Cyprus has managed to develop a successful tourism sector despite the unresolved conflict on the island. The key aspect is stability, which helps to promote a positive image of a destination over time. The fact that safety still is a concern among respondents and potential visitors indicates perhaps a lack of awareness about the situation in the country.

Furthermore, the context of three wars, coups, assassinations and having a hostile neighbor to the north creates an unstable geopolitical situation in Georgia (Jones, 2010: pp. 168-169). As a matter of fact various types of wars and conflicts have different consequences for the environment, people’s lives and tourism is not an exception (Metreveli and Timothy 2010: p. 143). As a result the destination’s image might be defamed and then it takes a lot of time and effort to regain the image. Or, in Ward’s words, “the dominant images of resort, country, and city were formed at a time removed from present-day experience. An important part of this slickness is the visual representation of place” (Ward, 2009: pp. 210-213). The images of a war-torn country might impact the destination image for many years. Chon elaborates:

“The destination image has a crucial role in an individual’s travel purchase-related decision-making and that the individual traveler’s satisfaction/dissatisfaction with a travel purchase largely depends on comparing one’s expectations about the destination (or previously held destination image) with perceived performance of the destination” (Chon 1990, quoted in Lee 2014: pp. 240-241).

In fact, all three travel agencies suggested that Georgia tended to meet or exceed the expectations of their tourists, and this suggests that tourists themselves create a positive, abstract marker of Georgia in the process of visiting – and remembering their visit – to the country, which can be seen as a way of creating a travel experience. Ideally, returning tourists should become ‘markers’ to induce other travelers to also visit the destination through a word-of-mouth process. Although this might be the ultimate marketing tool in terms of
effectiveness and efficiency, the survey presented in the empirical part also showed that both agencies and tourists perceive a need to increase the awareness of the country by organizing different activities and events, as well as and better promotion of the country.

5.4. **The importance of infrastructure**

Two other areas where both agencies and tourists coincide with each other and have common complaints are the following:

1. Develop infrastructure and services.

2. Create opportunities to travel to Georgia directly from Sweden.

As noted above tourists also had problems with litter, pollution, visitor attractions and understanding signs written in the Georgian alphabet. This final concern of Swedish tourists seems easy to satisfy since it only requires translating the road signs in the Latin alphabet. This particular concern, however, did not seem to bother any of the Swedish travel agencies. Probably the issue of better tourist information is more relevant for independent travellers than for those who travel in a group.\(^4\)

Another problem that respondents expressed was related to the quality of roads and a wish to improve the railway system. According to Gazadze (2013: p. 23) this is already happening since the Georgian railway will undertake a significant modernization, after which passengers will be able to travel from the capital to the Black Sea in just three hours compared to the current time of 7-8 hours. Moreover, the new Baku-Tbilisi-Kars railway line from Azerbaijan via Georgia to Turkey will open a new transportation corridor from the Caspian Sea through Turkey to Europe, via the rail tunnel under the Bosporus Strait in Istanbul. However, contrary to respondents’ impression, Gazadze (2013: p. 22) suggests that the main routes to all key tourists destinations in Georgia are in good condition, considering that road are the main transport mode of entry.

The truth is probably somewhere in between. It is certainly the case that significant improvements have been made in recent years, but in an international comparison it is clear that Georgian infrastructure still needs to improve further. Infrastructure is not an integral part of Leiper’s model, but it is obviously related to the competitiveness of a destination.

However, maybe it is a good idea to let infrastructural developments take time and respond to the demands of the market – the interaction between nucleaus, tourist and marker – rather than try to anticipate in advance where resources will be more productive. This brings us to the next section which analyses the role of stakeholders in managing the destination.

5.5. **Challenges for Georgian Destination Managers and Stakeholders**

Georgia as a destination is not a clearly defined concept, although the reader probably understands intuitively what is meant. At this stage it is worth to emphasize, however, that when we speak about a whole country, there will obviously be many stakeholders involved in

\(^4\) Starting in 2013, the Georgian government has funded a project to set up signs in English to improve the tourism infrastructure. Many road signs are in both Georgian and English, and in Tbilisi there are many signs showing the direction to museums, churches and other sites. These signs are similar to the typical brown tourist signs found along roads all over Europe.
the evolution of the destination as a whole. This includes businesses and entrepreneurs in the services sector in general, tour operators in particular, local, regional and national authorities, local communities, civil society and other interested parties that are somehow touched by the effects of increased tourism activities. All of these actors should be kept in mind when thinking about what should be done and who should be responsible for it. Government authorities more efficiently deal with some issues, while entrepreneurs can readily solve others.

According to respondents there is a need to give serious consideration to environmental issues (pollution, traffic), visitor attractions, Internet connections, transportation and accommodation, better facilities for outdoor activities and other challenges, which requires a constructive reassessment from the Georgian authorities. National competitiveness is determined by the difference in management practice and it should include the provision of business support services, assistance for communities and cultural projects as well as measures for environmental renewal (Howie 2010: p. 280 and Richie and Crouch 2005: p. 13).

In other words, in order to improve competitiveness, it is necessary for stakeholders to become aware of what makes the destination attractive, and, more importantly, how to improve its attractiveness. To help clarify this to stakeholders, Leiper’s concepts of tourist, nucleus and marker can serve as useful guidelines. For example, in order to attract Western tourists, it must first be recognized that they constitute a tourist category that is distinct from the typical tourist from a nearby country. Because of this difference, they are potentially attracted to the destination because of other nuclei, or at least rank the nuclei of the destination in a different order compared to the typical mass tourist. Once this has been realized, it becomes necessary to consider what types of markers that can be useful in communicating the right image in order to attract those tourists. The empirical results show that in the case of Georgia, it’s not the lack of a set of attractive nuclei that is preventing its development as a destination, but rather the quality of the markers that are used for communication with potential visitors.

Authorities could provide long-term vision and take a collective decision to improve infrastructure and accommodation standards. In order achieve quality of service and facilities the use local suppliers and services should be promoted. Communities must be aware of how much tourism can improve the quality of their lives and livelihood; as Howie argues “a stronger tourism industry will lead to a stronger community” (2010: p. 273). However, the role of the government in tourism development should not be over-emphasized. Entrepreneurs and investors probably solve some business-related tasks related more efficiently, whereas the government’s role should be to provide a stable regulatory environment and generally favorable conditions for investments. Any initiatives from the government aimed at promoting tourism specifically risks creating imbalances between tourism and other sectors of the economy that might lead to unforeseeable consequences in the long term. As noted above, one questionnaire respondent singled out a government-sponsored tourism information center in Mestia as the only incident during the whole trip when they were disappointed with the services offered, an observation which highlights the risks of imposing projects in a top-down manner rather than promoting local bottom-up initiatives.

The primary nucleus of Georgia as a tourist destination lies in its cultural diversity, long history and exceptional natural heritage. The country is well positioned to take advantage of this endowment and resources and respond to the preferences of Swedish tourists. Improving the environment, reducing litter in nature, improving infrastructure and communications are
all challenges that could easily be tackled by a determined government, at the national as well the local level.

For example, introducing a proper recycling system seems like an easy, relatively cheap and economically sustainable way to create visible improvements that can be achieved quickly. Such initiatives could also inspire other projects and give the necessary impetus to communities to create conditions locally that are favorable for developing tourism. The simple combination of, for example, a new road, cleaner environment and a new guesthouse could be the trigger that helps a particular village to attract visitors and start a positive spiral of increased specialization that leads to sustainable development in a fashion that would be compatible with the preferences of Swedish tourists. Such initiatives could lead to significant increases in added value from tourism outside of the traditional resorts, without the risk of introducing mass tourism in small communities that are vulnerable to fast changes.

In fact, there is evidence that government-sponsored projects to develop specific towns have had some success in Georgia in recent years. One example is the ancient capital of Mtskheta, situated just outside Tbilisi. In an effort to lift the whole town to a qualitatively different level, the entire town center was refurbished. This has led to a significant increase in local business activity, with new hotels, restaurants, cafés and museums. Another example is the town of Sighnaghi in the Eastern wine district of Kakheti. Both of these towns have seen significant increases in tourism activities in the past five years, and in the process they also contribute to creating a positive vision for the whole country. In 2014, it has been widely reported in Georgian media that the next step in the government-sponsored tourism initiatives are the mountain regions.

Other government-sponsored initiatives aimed at the tourism sector include English language training for large parts of the population (most recently taxi drivers), several new or updated regional airports and simplified routines for entering the country.

The diversity of Georgia’s regions in terms of climate, culture and customs also means that there is potential for increased specialization between regions. Several Georgian regions certainly could gain international recognition on their own merit, such as the mountain regions of Svaneti and Tusheti with their spectacular scenery, the Black Sea coasts for its favorable climate and Kakheti for its strong wine culture.

5.6. Application of SWOT Analysis

This section concludes the analytical part of this thesis and attempts to summarize the most important aspects that have been identified in a SWOT framework, as presented earlier in section 2.3. Let’s start with external factors, opportunities and threats.

External Factor: Opportunities

It should be clear to the reader by now that Georgia has been undergoing fairly dramatic socioeconomic and political changes in the past decade that have drastically improved the potential for economic development in general, and tourism in particular. This trend in itself creates opportunities in Georgia that no longer exist in more mature destinations. Indeed, one might argue that Georgia currently offers opportunities that only materialize once in a generation, if not less frequently. Unless something dramatic happens that impacts the political stability in the region, it seems likely that the trend with relatively rapidly increasing
numbers of visitors will continue for some time to come, and create opportunities for tourism development in the process.

Many of Georgia’s most spectacular sites are still not fully developed, which suggests there is an untapped potential still waiting to be explored. As noted earlier, there are also opportunities for successful regional specialization in tourism, with trekking, bird watching, wine tourism and also winter tourism being some of the most obvious. In the framework of Leiper’s classification, the results from the interviews and questionnaires suggest that Georgia has plenty of attractions that together form an impressive nucleus for tourism.

For individual business the underdeveloped, fast-growth environment means that there is a chance for gaining market shares thanks to early entry. This opportunity is also emphasized by the fact that the economies in the whole region are experiencing fast growth.\(^5\)

**External Factor: Threats**

One of the reasons Swedish travellers are “completely blown away”, as one respondent put it, with their visit to Georgia is presumably that the destination exceeded their expectations. However, as a destination becomes more known, it is obviously difficult to always deliver an experience that exceeds expectations, and it seems risky to build a long-term image on a promise of always overachieving. On the other hand, while acknowledging this risk, Georgia should take steps already today to focus on those aspects that attract Westerners in particular in order to create a sustainable image as premium destination catering to Western travelers. The task becomes a challenge to identify the nucleus that attracts tourism and nurture its core value so that a sustainable image is created. Importantly, stakeholders involved in Georgian tourism should pay attention to those values that are perceived by the target category, in our case Swedish tourists, as unique to Georgia. Some of these aspects might be overlooked among the local population and visitors from neighboring countries, since, almost by definition, they are not inclined to perceive the destination as ‘exotic’ in the same way as a visitor from Sweden or some other Western country.

If Georgia fails to find a formula that attracts Western tourists, there is a risk of becoming a mass tourist destination oriented primarily towards visitors from neighboring countries. This creates a threat of Georgia acquiring an image that would alienate travellers from countries like Sweden. In one sense, Georgia is already a destination for some groups, but for Swedes it is still only a pre-destination. If Howie (2010) is correct and the tourists themselves impact a destination in the early stages, then Georgia has some important choices to make today, if they want to shape the country as a future destination also for larger groups of Western travellers. Mass tourism to casino resorts on the Black Sea coast risks undermining the truly authentic qualities of the destination that clearly, according to the results for the interviews and survey, already attract Swedish visitors. This becomes a challenge of finding the right formula to connect the existing nucleus with the intended target group by means of using well-designed markers.

There is also the threat of political instability in the region. This is of course difficult for policymakers to change, at least in the short term, but by promoting and developing sustainable tourism, perhaps the political risk can reduced somewhat. On this note let’s turn to the internal factors, strengths and weaknesses.

\(^5\) Since 2007, Georgia’s neighbor Azerbaijan has experienced one of the fastest growth rates in the world thanks to an oil and gas boom.
Internal Factor: Strengths

The feedback from the interviews and questionnaire respondents was overall positive. Georgia strikes a nerve with Swedish visitors, and this suggests that the country is already in the process of creating a positive image of Georgia. This in turn can emphasize and enforce intrinsic motivations for visiting Georgia and thereby contribute to a positive spiral of building Georgia’s brand as a destination for Swedish tourists. There is an opportunity to expand on the existing nucleus. Visitors who experience that their expectations are exceeded are more likely to recommend their friends and acquaintances to travel to the same place, in effect becoming personal markers, or informal ‘ambassadors’ for the country. Georgia’s impact on visitors on a very personal level seems to be one of its most important strengths. Undoubtedly this result is connected with the country’s scenic nature and rich cultural heritage, as well as the traditions of eating and drinking. Visitors to Georgia perceive a strong sense of authenticity. This is certainly a strength since all over the Western world the demand is increasing for genuine experiences and counterweights against industrialism and mass consumption. Georgia can use the preservation of its traditions as a way to modernize its tourism sector.

There are also strong points to be found in the institutional environment following the era of reforms. It is easy to start a business in international comparison, and low tax rates create incentives for investment. Visa-free travel to Georgia removes a significant barrier that is still common in this part of the world. Low levels of corruption and crime also contribute to Georgia’s potential as a tourist destination.

Georgia also has some unique features that are difficult or impossible for competitors to copy. It traces its roots the very first agricultural civilizations, and as has been noted above, there is reason to believe that Georgia has the world’s oldest wine culture, which dates back to the Stone Age. There is also a rich cultural heritage related to Christianity, with many churches and monasteries to visit. Although not mentioned by the survey respondents, this is also connected to a rich musical tradition.

Finally it should be noted that Georgia’s diverse climate is a strength in its own merit, with opportunities for both summer vacation by the sea and adventure tourism in the mountains all year round. All of these aspects form part of Georgia’s nuclear attractions, and taken together they constitute a significant strength for the sector going forward.

Internal Factor: Weaknesses

If Georgia has such evident strengths and opportunities, the real challenge is to identify and do something about its weaknesses in order to improve it as a destination for Western travellers. As noted above in section 2.3, external factors such as threats are more difficult to control, so a good starting point for improvement seems to be weaknesses.

Georgia today is one of the better-governed former Soviet republics but unfortunately the following old ‘genetic’ problems still interferes: incomplete and very young democracy, rural poverty, limited involvement in national markets, Soviet institutional legacy and etc. Buhalis (1998: pp. 409-421) also note that poor tourism infrastructure is often found in countries with high corruption levels and weak governmental oversight. Based this, it is easier to understand why Georgia with its Soviet past is still struggling to gain competitiveness and improve sustainability, since until recently it was struggling with poor institutions and high levels of
corruption. Although improvements have been made, the interviews revealed that a bureaucratic mentality can still be a hurdle for tour operators in Georgia.

But it is not only the institutional framework that is young and inexperienced. This is also true for the service sector in general, where workers still need to learn how to behave in order to meet the expectation of Swedish travellers. When the government spends resources to improve tourism, there is a risk that pre-existing misconceptions and weaknesses are magnified, and that as a result a small problem is transformed into a big problem. The survey respondent who noted that the only time in Georgia when they failed to receive good service was at a government-financed tourism information center. Gaps in competitiveness should be identified and dealt with before large projects are undertaken, especially with public funding. In order to do this successfully it is necessary to have a clear understanding of the expectations of the intended target group, so that resources are concentrated where they have a good chance to make a difference.

All interviews revealed that safety is a primary concern for potential Swedish visitors to Georgia. This points to a weakness in reputation and perhaps a stereotype view among Swedes that Georgia is just one among several underdeveloped post-Soviet Eastern European nations. Similarly, the lack of awareness among Swedish travellers also means that stereotypes can influence the image of the country. In order to build up a more positive image and increase recognition of the country, a long-term effort is needed to create markers that can carry the information about Georgia to potential Swedish tourists.

Another obvious weakness that stands out, both objectively as well as in the survey and interview results, is the underdeveloped infrastructure. Here it is clear that the government has a leading role to improve the situation create the basic infrastructural foundations that are needed for business to thrive. Not even the most talented chef can reach success if guests cannot reach his restaurant.

A related issue is the lack of good flight connections directly to Georgia from Western Europe in general and Sweden in particular. In contrast, Poland has direct flights from Warsaw to Tbilisi. Both the lack of flights and the underdeveloped infrastructure are signs of a more general problem, which is limited access to capital for investments. This is obviously difficult to change in short period of time, but the recent improvements in the business climate and overall economic activity could potentially lead to improvements in this area if the trend is allowed to continue. This requires political stability.

The future will show the long-term impact of improved infrastructure, although signs are that things are moving in the right direction. Two international and one domestic airport are operating in Georgia complying fully with the standards of the International Civil Aviation Organization (ICAO). At the same time preferential conditions were developed for domestic flight operators. A lot of new airways entered to the market and existing companies increased the number of flights (Georgian National Tourism Administration, 2012: pp. 7-8).

It was mentioned in the interviews that Swedish tourists complain about the amount of food typically served in Georgia. Perhaps this is not the most acute problem for Georgia to solve, but it might reflect a different underlying weakness, namely a possible cultural barrier between tourists and local customs. If this is true, then communication with tourists both before the trip and on site in the country might be improved. In general, this type of remark reflects a broader problem in Georgia, which is related to poor management and ownership strategies in many businesses. If managers don’t have a clear vision and ambitious goals for
the long-term development of the destination, then the risk increases that Georgia fails to adapt to more demanding tourists from the West. Instead the country would continue to specialize in mass tourism from neighboring countries rather than reaching out to more profitable market segments.

This concludes the SWOT analysis, which is summarized in figure 8 on the next page.
Georgian Tourism: SWOT Analysis

**Strengths**
- High number of world heritage and cultural sites
- Positive personal impact on visitors, authenticity
- Easy to start business
- Reduced tax rates
- No visa regime
- One of the lowest crime and corruption rate in Europe
- Tradition of hospitality
- Cave architecture
- Rich and tasty cuisine
- World’s first wine culture
- Diverse climate

**Weaknesses**
- Gap in competitive strengths
- Reputation and stereotype
- Underdeveloped infrastructure
- Shortage of trained stuff
- Insufficient frequency of connecting flights
- Young institutional framework
- Rural poverty
- Limited access to capital
- Poor management and ownership strategies

**Opportunities**
- Key tourists destinations still under development
- Unique possibilities for birdwatchers
- Potential for wine tourism
- Ski resorts and adventure tourism
- Potential to gain market share faster due to early entry
- Fast growth market both in the country and in the region
- Free trade and integration with EU

**Threats**
- Geopolitical situation
- Regional competition
- Economic condition home, abroad
- Unfavorable changes in the image of the country due to mass tourism

Figure 8: SWOT Analysis of Georgia as a tourism destination.
5.7. Benchmarking Georgia for Systematic Improvement of Attractiveness

The earlier parts of this thesis have attempted to present a broad picture of Georgia as a destination, in particular from the perspective of a Swedish tourist. The SWOT analysis summarized some of the most important factors affecting Georgia’s attractiveness and competitiveness. The next step, which is also the final step as far as thesis is concerned, is to suggest ways forward to improve the situation. Therefore, this section will propose measures that can be used for benchmarking in order to improve Georgia as a destination.

First let’s look at internal benchmarks. On the one hand Swedish travellers seem to appreciate the authenticity of the experience in Georgia, but at the same time they complain about poor conditions in the countryside and also point to omnipresent garbage in nature as a negative factor. In order to create an impact both physically in terms of cleanliness and psychologically in the minds of locals, recycling competitions could be organized between, villages, municipalities and regions, where the local communities are incentivized by offering rewards to the places that deliver the strongest improvement. For this to be sustainable, such efforts should not be single events, but rather regular, annual undertakings. This would contribute to setting best practices and creating a direct connection to local communities.

A related problem refers to old Soviet mentality, which is frequently encountered in the countryside. Here there are already suitable benchmarks in the form of those towns and locations that have already received targeted government support to kick-start tourism, as explained above. Efforts could be made to encourage other communities to learn from those experiences. At the same time, the government should avoid creating an environment where locals in other towns and regions just lobby for government investments. Here it might be helpful to make good initiatives visible. For example, the number of guesthouses, restaurants and tourism business in each region could be surveyed regularly, and strong performers could be recognized and even awarded to encourage others to follow suit. A sense of creative competition between regions and communities might help to promote a shift in mentality. But the focus in the benchmarks should be on meeting and exceeding tourist expectations, not in simply increasing quantities. The aim should be to strengthen the link between tourist, nucleus and marker, and thereby achieve sustained improvements in destination competitiveness.

Since mass tourism from neighboring countries has already taken root in Georgia to some extent, it might also be useful for the government to introduce limits concerning the total number of casinos and large-scale resorts that should be allowed in order to avoid over-exploitation of mass tourism that becomes unsustainable in the long run, or risks tarnishing Georgia’s country image.

Internal benchmarking could also be used to improve the quality of service workers. This can be achieved by introducing clear goals and incentives. For example, firms and regions could host “best employee competitions”, and employers could use questionnaire surveys systematically in order to promote a culture of constant improvements. Not only tourists should be surveyed, but service employees themselves in order to create a feeling of inclusiveness. Also, employers should be encouraged to attract workers by offering long-term benefits such as safe work contracts (which are rare in Georgia), which would give employees a stake in the long-run development of the destination. Also, the government or some other organization could coordinate efforts to help managers in the tourism sector learn best practices from each other.
In terms of external benchmarking, Georgia could certainly learn from other countries, both for improving the general service level, but also for getting ideas about how to develop particular niches in tourism, such as bird watching or agro tourism. These are areas where Georgia has the resources but limited knowledge. In this regard it might also be useful to hire external consultants who can advice on improvements specifically designed to attract more Western tourists. Likewise, it could be useful to create opportunities for tourism sector workers to travel abroad and learn from best practices that have been developed elsewhere, but also to simply gain insight into how other popular destinations are perceived by, and marketed to, Western tourists.

As this thesis has tried to show, Georgia is currently in a period of unique opportunities, and systematic approaches to qualitative improvement, such as SWOT analysis and benchmarking, could help to make the best of these opportunities.
6. Critical Discussion and Limitations

The motivation for writing this research paper was driven from the curiosity to learn more about how Georgia could become a more competitive destination. Georgia’s tourism sector is growing and recreation has started to develop as a business field but there is still a long way to go before it becomes a popular destination in the eyes of Swedish travellers.

For this thesis was gathered from primary and secondary sources using a qualitative research method. The choice of opting a qualitative and not a quantitative method has been dictated by the research question. However, the qualitative method has also its pros and cons, as shown in Table 3:

<table>
<thead>
<tr>
<th>Advantages of qualitative research</th>
<th>Disadvantages of qualitative research</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allows respondents to describe impressions freely</td>
<td>Data are highly variable</td>
</tr>
<tr>
<td>Direct contact with respondents</td>
<td>Statistical procedures are limited</td>
</tr>
<tr>
<td>Content analysis is used</td>
<td></td>
</tr>
</tbody>
</table>

From a critical point of view, data variability could be a concern for this thesis. However, since Georgia’s recognition as a destination is limited in Sweden it would be difficult to gather enough data for a statistical analysis. If more travel agencies offered trips to Georgia or in that matter there were more tourists going there, it would be easier to collect more data to improve the analysis. This could maybe have allowed for a quantitative, statistical approach to complement the results from the qualitative research. Since the type of data needed for this thesis was not available from secondary sources, this approach was not an option given the relatively limited time and resources available for the purpose of this thesis. However, as Philips argues it is not the research method that is important, but to have the questions right in order to explain approaches and solutions of an existing problem (2008: p. 6). Strauss and Corbin follow a similar approach when they write that the quality of the collected data depends on the quality of questions asked (2008: p. 25).

According to Smith there are also two key limitations in empirical research: one is ‘falsifiability’ meaning that it is only possible to proof if a theory is wrong not if it is right and second is restricted probing into meanings and values (2010: pp. 25-26). Thus the paper has no intention to prove anything, rather, it focus on observable data and the findings can hopefully be used to improve the destination. For this purpose the qualitative research method is arguably a suitable choice of method. As Strauss and Corbin argue, “one can reasonably hold concepts and ideas are invented (rather than discovered) yet maintain that these inventions correspond to something in the real world” (Strauss and Corbin, 2008: p. 10, quoted by Schwandt, 1998: p. 237).

For practical purposes the scope of the thesis was limited Swedish travellers to Georgia. As has been argued above, Swedes can be assumed to represent Western European travellers in general, and therefore the research method makes it possible to make some generalizations.
that extent to a larger group of potential tourists than only Swedes. Naturally, the Swedish market will always be relatively small for Georgia, but insofar as Swedes have approximately the same preferences as other Scandinavians or Germans, Brits and French people, the results might clearly be valuable to Georgian destination managers.
7. Conclusion

This section will conclude and attempt to answer the research question motivating this thesis. Leiper’s observation (1990: p374) that touristic experience could be more pleasurable if it involves a tertiary nucleus really coincides with the result of this study since according to the findings Georgia is a country of discovery and associated with positive, unexpected experiences. Georgia seems to exceed the expectations of Swedish tourists. Thus to really improve the undeniable deficiencies in the quality of services and facilities, further development of the tourism industry is required.

A key aspect of Leiper’s theory is that a destination’s competitiveness depends on the interaction between tourists, nuclei and markers. When these three elements interact, tourists are more likely to choose that particular destination for a vacation. Based on the research presented here, one can conclude that Georgia indeed has a set of appealing attractions (a strong nucleus) and that Swedish tourists as a category tend to appreciate the country as a destination. The missing link for making Georgia a competitive destination on the Swedish tourist market is information and promotion, i.e. markers.

A number of common threads are clearly present in connection with Georgia’s political situation and its young, underdeveloped democracy. However all this is not a decisive reason to why Georgia is not an attractive destination among Swedes.

This paper underlined two major factors that are missing for the country to become accessible for Swedes. The thesis has shown that Georgia’s attractiveness, as a destination, is not really a problem and it has a set of attractive nuclei in Leiper’s terminology. A key missing factor is the lack of knowledge about Georgia, which again suggests that more appropriate markers need to be developed in order to promote the destination.

The solution to the first challenge seems to be an appropriate marketing and an image campaign. This would probably regain the consciousness of Georgia and lead to increasing numbers of Swedish tourists. The fact that the number of Swedish visitors to Georgia increases slower than the average suggests that not enough market efforts have been made to take advantage of Georgia’s ongoing tourism development on the Swedish market. Furthermore, the interviews revealed that Swedish tour operators were not actively promoting Georgia as a special destination, but rather offered it as one among many destinations who have the similar nucleus, and only conducted very limited promotional campaigns. There seems to be an untapped market in Sweden.

As Howie argues, “people have images of places they would like to visit in their ‘mind’s eye’, formed passively from conversations with friends or through the press and television or films, but purposeful marketing is the most powerful persuasive tool” (1990: p. 327). If Howie is correct, the positive impressions conveyed by Swedish travellers to Georgia on a personal level is maybe not enough to attract larger numbers of visitors. In order to really achieve a quick improvement and make a significant change in the demand among Swedes to visit Georgia it is probably necessary to invest larger resources in larger marketing campaigns and as Leiper recommends work on the relation among tourist, nucleus and marker. The relative absence of Swedish tourists despite the generally positive impressions indicates that there might be business opportunities to develop for Swedish and Georgian tour operators.
A second factor that is clearly problematic based on the findings of this paper is infrastructure and the lack of convenient flight connections. However, it is not obvious that good connections would automatically lead to higher demand. On the other hand, it can be speculated that if Georgia manages to improve its competitiveness as a destination by integrating the three elements of Leiper’s model in a more efficient way, maybe better connections and increased availability will materialize as a result of those improvements. If that is true, then good connections are a consequence rather than a cause of competitiveness.

Kaul has argued that accessibility is vital for the development of a destination (1985, quoted in Page 2009: p. 33):

“Transport plays an important role in the successful creation and development of new attractions as well as the healthy growth of existing ones. Provision of suitable transport has transformed dead centers of tourist interest into active and prosperous places attracting multitudes of people”

Page (2009: p. 3) has a similar interpretation and argues that tourist travel would not occur on a massive scale if there is limited or no direct air accessibility. It is still a question if Georgia should focus more on quality or quantity, especially taking into consideration that some Swedish tourists already feel that too much development takes away the country’s rustic charm, estheticism and exoticness. At the same as it appears that in order for air companies to offer nonstop flights there should be a higher passenger demand. As has been shown, the number of arrivals from Sweden is very low. However, the total number of arrivals from all Scandinavian countries is around 10,000. Maybe Scandinavia as a region could eventually become enough for Georgian or other airlines to operate a direct flight to Georgia from at least one Scandinavian country.

What is clear from this study is that while Georgia’s tourism sector is developing dynamically, Swedish tourists still have not really discovered the country. While a lot of progress is currently noted in Georgia’s tourism infrastructure, there clearly seems to be a gap between the destination and the potential visitors. This suggests that the real challenge to overcome in order to develop Georgia as a destination for Swedish travellers is about marketing and entrepreneurship and increase awareness of the country among Swedish travellers.

This thesis argues that a conscious effort to attract Western tourists would require Georgia to tackle several issues of competitiveness that have been presented here. As noted in section 3.2, if successful, this would stimulate long-term sustainable growth in living standards and help tourism to become a stronger pillar for Georgia’s economy. Another conclusion is that in order to improve competitiveness, stakeholders should concentrate investments in human capital, an area that has perhaps been somewhat neglected as Georgia has embarked on impressive reforms and infrastructural projects in recent years.

It can also be concluded that Leiper’s model is indeed useful for understanding Georgia as an emerging destination. The model is formulated in very general terms, and therefore it does not offer many recommendations or projections for how to shape the future. But the findings are indeed compatible with the model, and it is useful for framing the analysis and answer the question of why travelers choose one destination over the other.
References

Books


Peer-Reviewed Articles


Other Material


Online Material


