



# MONTHLY TOURISM UPDATE

October 2022

Georgia

## Overview of Visitor Dynamics in Protected Areas of Georgia



Research



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## Summary

- Adventure tourism, which includes visits to natural attractions and Protected Areas, is among the value chains of the Georgian tourism sector. Generally, the number of **international visits** over the covered period that included visits to natural attractions was considerably higher than among **domestic visits**.
- In Q2 of 2022, **international visits to natural attractions** amounted to 62% of the pre-pandemic (Q2 of 2019) value, while **domestic visits** exceeded the pre-pandemic value by 54%, which could be explained by changing behavioral trends among domestic visitors and specifically their increased demand for local tourism destinations.
- Based on the data provided by the Agency of Protected Areas, the number of visitors to Protected Areas in Georgia was showing a **clear upward trend prior to the outbreak of the COVID-19 pandemic**.

- By the end of the first nine months of 2022, **the number of visits to Protected Areas** had already recovered to 66% of the total number of visits in 2019. During the covered period, most of the international visitors to Protected Areas were from Russia (83 286 visitors) and Belarus (48 422). Meanwhile, the most visited destinations were Martvili Canyon, followed by Prometheus Cave and Tsalka Canyon.

- .....
- In October 2022, in Georgia, **the Hotel Price Index (HPI)** decreased by 7.6% compared to September 2022, while compared to October 2021, the HPI increased by 13.2%. The YoY increase was the highest for guesthouses (40.3%).

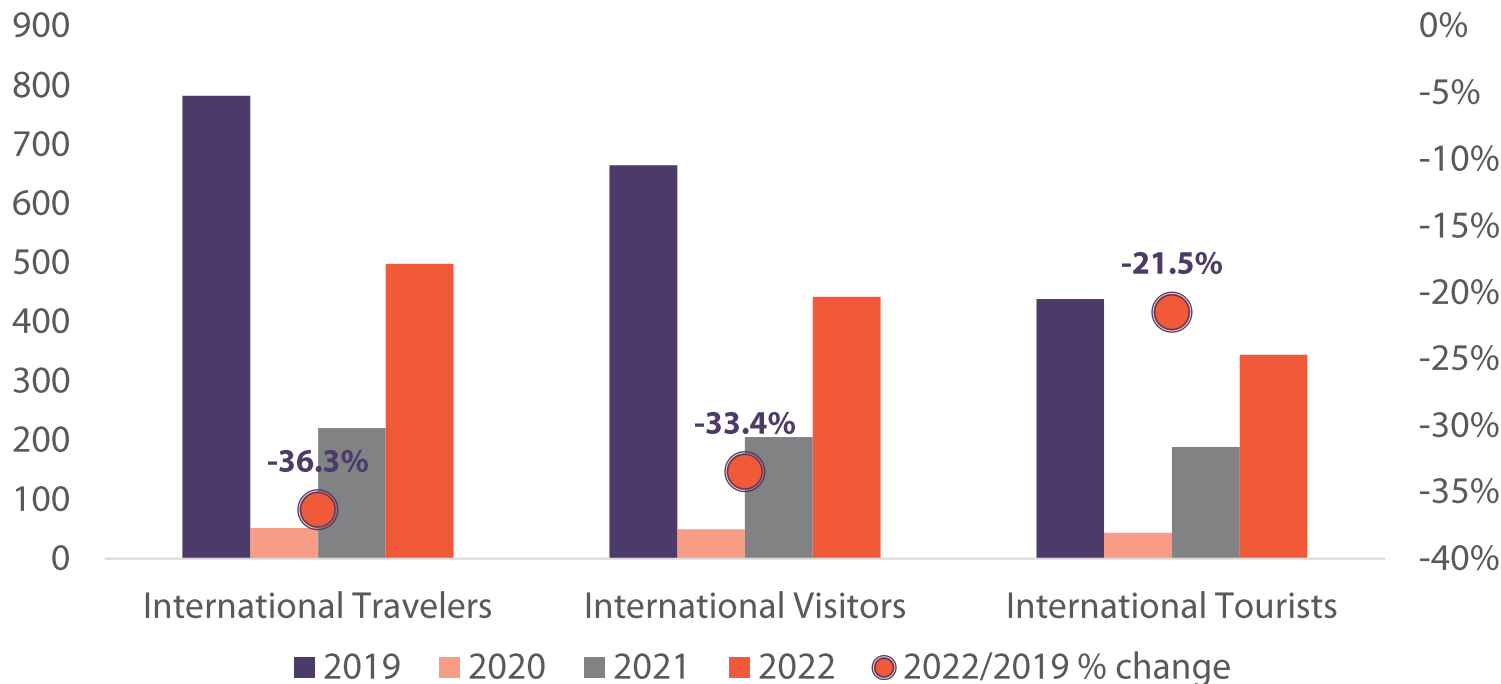


# INTERNATIONAL TRAVEL DYNAMICS

✎ The number of **international travelers**<sup>1</sup> increased by 125.9% in October 2022, compared to the same period of 2021, and declined by 36.3% compared to the same period in 2019.

✎ Meanwhile, the number of **international visitors**<sup>2</sup> increased by 115.2% (2022/2021) and declined by 33.4% (2022/2019), and the number of **international tourists**<sup>3</sup> increased by 82.6% (2022/2021) and declined by 21.5% (2022/2019).

International travel dynamics in October (2019-2022)



✎ In October 2022<sup>4</sup>, the top countries of origin of international visits were **Russia** (109 158 visits), **Turkey** (81 033 visits), and **Armenia** (72 877 visits).

✎ Among the major tourism markets, the number of international visits from **Belarus** (121.8%), **Saudi Arabia** (66.6%), and **Thailand** (43.9%) significantly exceeded the pre-pandemic figure (October 2019). Besides, the number of international visits from **Turkey** (-6.6%) and **Russia** (-7.7%) has almost returned to the pre-pandemic figure.

Source: Georgian National Tourism Administration (GNTA)

1 An international traveler is someone who moves between different geographic locations for any purpose and any duration. This excludes foreign citizens who are Georgian residents and includes Georgian citizens who are foreign residents.

2 An international visitor is a traveler taking a trip to a main destination outside his/her usual environment, for less than a year, for any purpose (business, leisure or other personal purpose) other than to be

employed by a resident entity in the country or place visited. The usual environment of an individual, a key concept in tourism, is defined as the geographical area within which an individual conducts his/her regular life routines. For the purposes of defining "usual environment" in Georgia, travelers conducting 8 or more trips are excluded from the data.

3 A visitor (domestic, inbound or outbound) is classified as a tourist (or overnight visitor) if his/her trip includes an overnight stay.

4 Note, that international visitor statistics are counted as the number of international visitors leaving the country, thus the data does not represent the number of total visitor inflow in the corresponding month.



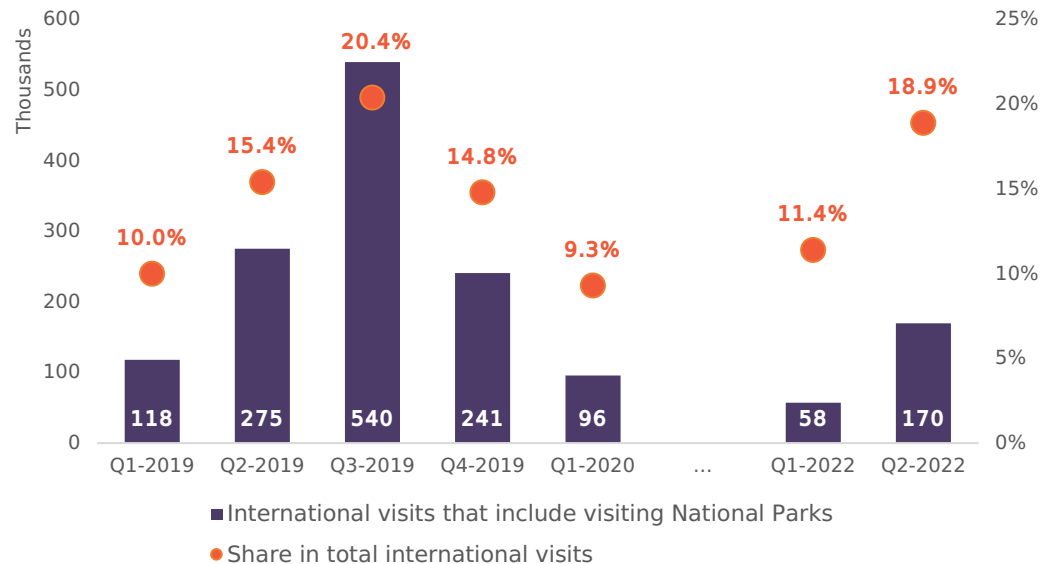
# INTERNATIONAL AND DOMESTIC VISITS TO NATURAL ATTRACTIONS

- Adventure tourism is among the value chains of the Georgian tourism sector<sup>5</sup>. In this branch of tourism, activities often include visits to national parks, Protected Areas (PAs), and other natural attractions. Therefore, analyzing the dynamics of visits to the PAs of Georgia throughout recent years is valuable.
- Generally, the number of international visits that include visits to national parks, natural attractions, and landscapes, as well as those exploring remote and exotic places is considerably higher compared to the respective number of domestic visits. For instance, in 2019, 16.2%

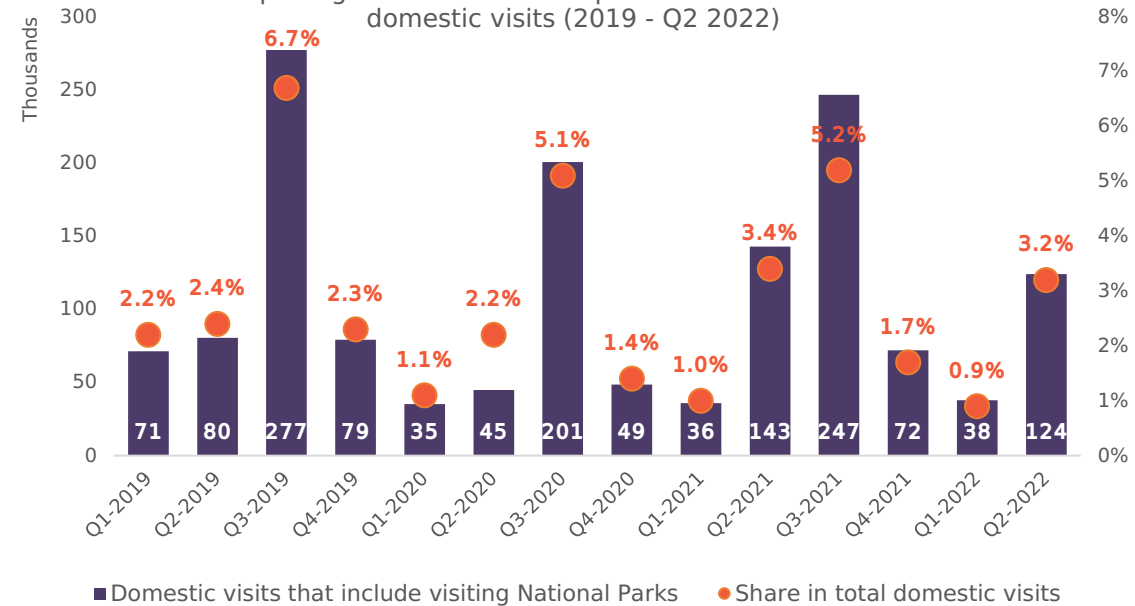
of international visits included visits to natural attractions, while the corresponding figure for domestic visitors was 3.6%.

- In 2022, visits by international visitors to natural attractions in Georgia amounted to 49% in Q1 of 2022, compared to the respective pre-pandemic (Q1 of 2019) figure, while in Q2 of 2022 it equated to 62% of the corresponding pre-pandemic figure (Q2 of 2019). Domestic visits also amounted to half of the corresponding pre-pandemic value (53%) in Q1 of 2022, however in Q2 of 2022 the number of domestic visits exceeded the pre-pandemic (Q2 of 2019) figure by 54%.

International visits that include visiting National Parks, nature, landscape and exploring remote and exotic places and their share in total international visits (2019 - Q2 2022)



Domestic visits that include visiting National Parks, nature, landscape and exploring remote and exotic places and their share in total domestic visits (2019 - Q2 2022)



Source: Georgian National Tourism Administration

\*Note that in order to avoid the risks associated with the spread of the new coronavirus (COVID-19) in Georgia, the fieldwork for the Geostat's International Visitor Survey was temporarily suspended from Q2 of 2020 until Q1 of 2022

<sup>5</sup> The Sixth Analytical Report: Sector and Value Chain Analytics in Georgia by PMC RC and ISET under the USAID Economic Security Program



# VISITOR DYNAMICS OF PROTECTED AREAS OF GEORGIA

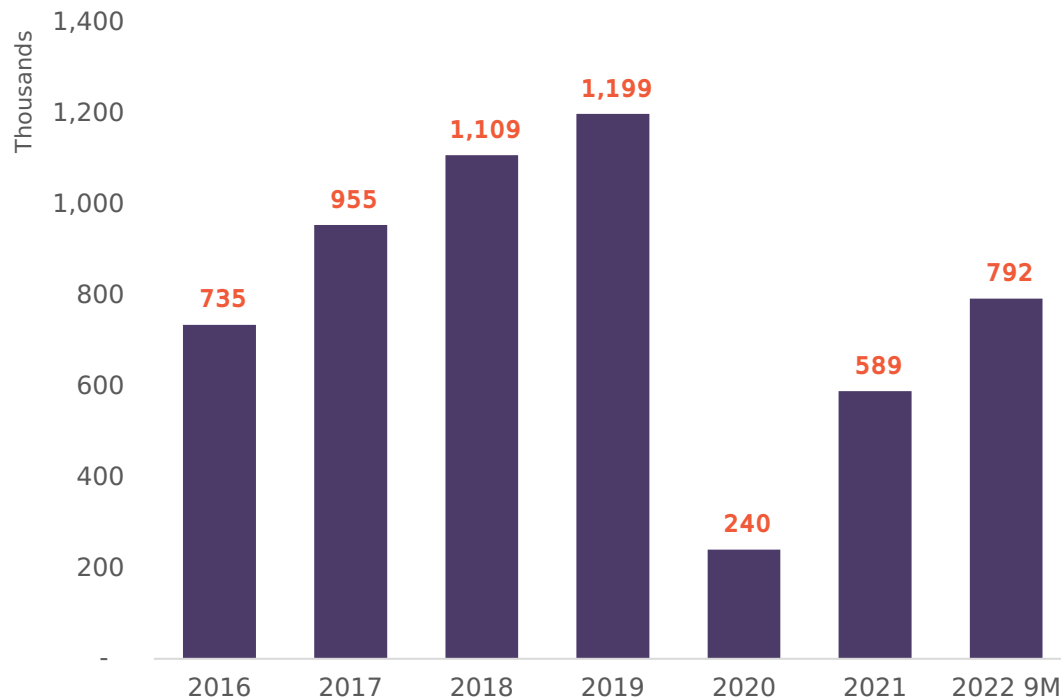
Based on the data provided by the Agency of Protected Areas, the number of visitors to Protected Areas in Georgia was showing a clear upward trend prior to the pandemic. **From 2016 to 2019, the average growth rate of visitors was 24%, followed by a YoY drop of 80% in 2020, compared to 2019.**

However, in 2021, the number of visitors recovered to 49% of the pre-pandemic (2019) value. In 2022, the recovery intensified and in the first nine months of 2022, it exceeded the yearly number of visitors in the previous year and recovered to 66% of the total number of visits in 2019.

In the first nine months of 2022, most of **the international visitors to Protected Areas were from Russia** (83 286 visitors), **Belarus** (48 422), **United Arab Emirates** (40 307), **Kazakhstan** (37 180), and **Saudi Arabia** (34 817). Meanwhile, before the pandemic, in 2019, Russia was followed by Israel, Poland, Germany, and Ukraine as the main countries of origin for international visitors to Protected Areas.

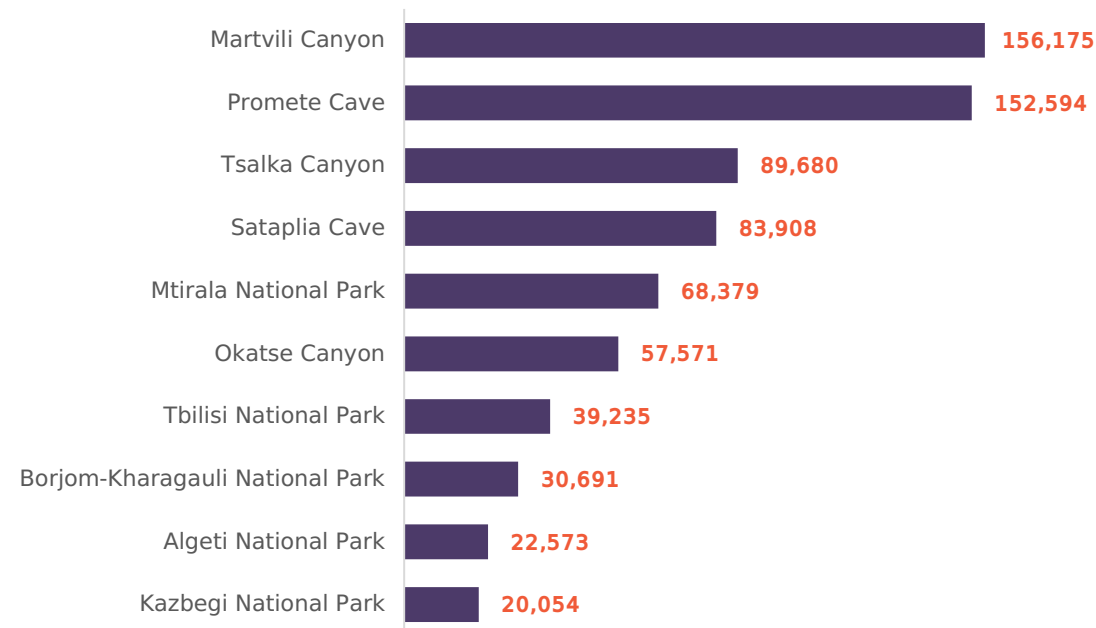
In the first nine months of 2022, the highest number of visitors was recorded in **Martvili Canyon**, followed by **Prometheus Cave**, **Tsalka Canyon**, and **Sataplia Cave**. Meanwhile, Pshav-Khevsureti National Park (1 205), Machakhela National Park (661), Mariamjvari Protected Areas (161), and Ajameti Managed Reserve (4) were the least visited.

The dynamics of number of visitors of protected areas of Georgia (2016-2022 9M)



Source: Agency of Protected Areas

Top 10 protected areas by number of visitors in first 9 months of 2022





# HOTEL PRICE INDEX IN GEORGIA

In October 2022, in Georgia the hotel price index<sup>6</sup> decreased by 7.6% compared to September 2022. The 3-star, 4-star, and 5-star hotel price index decreased by 9.2%, while for guesthouses, the price index decreased by 7.7%.

The monthly HPI was the highest in Samegrelo-Zemo Svaneti (2.0%) and the lowest in Adjara (-19.9%) and Shida Kartli (-14.6%).

In October 2022, compared to October 2021, hotel prices in Georgia increased by 13.2%. The prices of 3\*, 4\*, 5\* hotels increased by 9.7% and the prices of guesthouses increased by 40.3%.

The yearly HPI was the highest in Shida Kartli (51.1%) and Guria (26.5%) and the lowest in Kvemo Kartli (4.9%).

Region	Hotel		3*, 4*, 5*		Guesthouse	
	2022 Oct/ 2022 Sep	2022 Oct/ 2021 Oct	2022 Oct/ 2022 Sep	2022 Oct/ 2021 Oct	2022 Oct/ 2022 Sep	2022 Oct/ 2021 Oct
Kakheti	-3.5%	15.1%	-10.1%	2.6%	-1.4%	19.8%
Imereti	-0.7%	12.9%	-1.6%	2.3%	0.4%	23.6%
Guria	-9.4%	26.5%	-9.4%	14.8%	-	53.7%
Kvemo Kartli	0.0%	4.9%	0.0%	10.0%	-	0.0%
Adjara	-19.9%	17.9%	-23.0%	14.7%	-8.2%	24.5%
Racha	0.0%	10.8%	-	-	0.0%	10.8%
Shida Kartli	-14.6%	51.1%	0.0%	24.9%	-19.0%	101.1%
Samegrelo-Zemo Svaneti	2.0%	17.1%	-0.3%	10.8%	3.6%	23.7%
Samtskhe-Javakheti	-4.2%	12.3%	-9.8%	7.3%	-0.9%	20.3%
Mtskheta-Mtianeti	-8.0%	5.8%	-7.6%	6.0%	-8.5%	5.7%
Tbilisi	-3.5%	11.2%	-3.4%	9.6%	-5.6%	58.2%
<b>Overall Price % Change</b>	<b>-7.6%</b>	<b>13.2%</b>	<b>-9.2%</b>	<b>9.7%</b>	<b>-7.7%</b>	<b>40.3%</b>

<sup>6</sup> The calculation of the hotel price index is based on the recommendations given by the International Monetary Fund (IMF). The elementary aggregate price index is calculated by Jevons index (Consumer Price Index Manual-Theory and Practice (2004),

Practical Guide to Producing Consumer Price Indices (2009). Note, that for the selected regions, the sample size is relatively low compared to other regions (ex. Shida Kartli, Racha). Therefore, the calculations of Hotel Price Indices for those regions the HPI may

stand for changes in the prices for only a small number of enterprises, therefore lacking the ability to show the general pattern of the hotel price change in these regions.

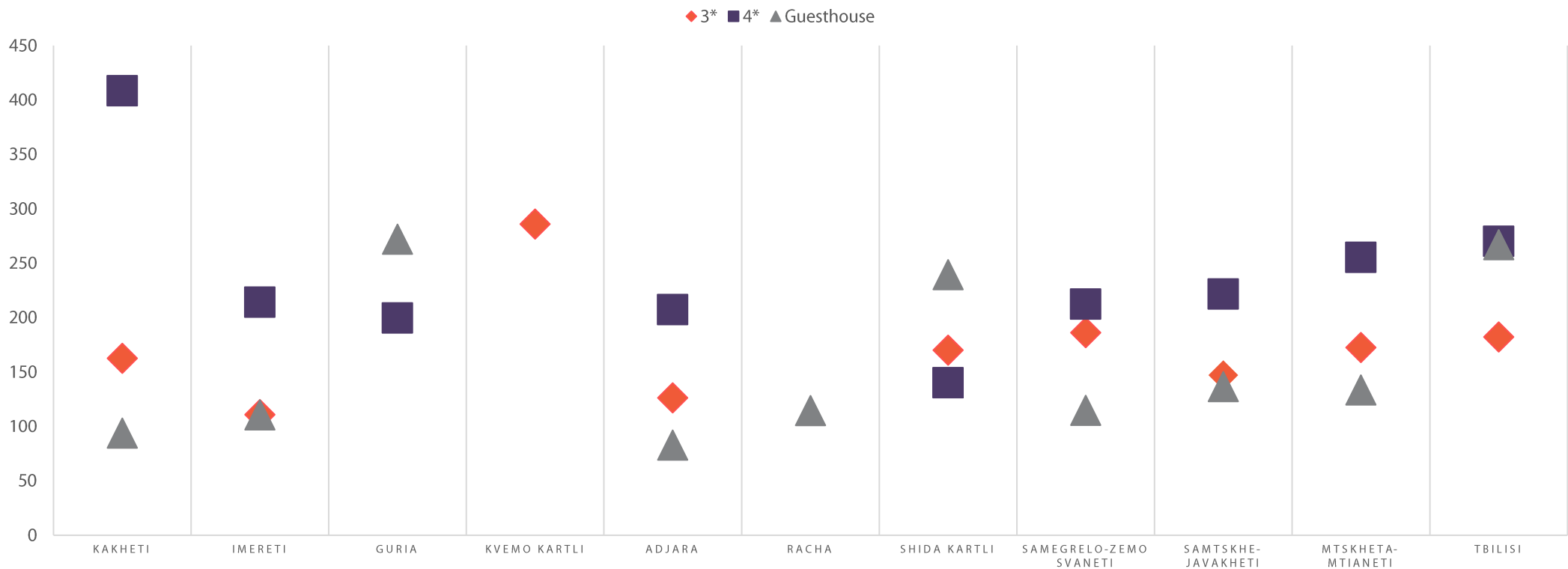


# THE AVERAGE HOTEL PRICES IN GEORGIA

In Georgia, the average cost of a room<sup>7</sup> in a 3-star hotel was **163 GEL** per night in October 2022, while the average cost of a room in a 4-star hotel in Georgia was **255 GEL** per night and the average cost of a room in a guesthouse<sup>8</sup> was **121 GEL** per night.

The average cost of a room in a 5-star hotel in Georgia in October 2022 was **428 GEL** per night. In Kakheti, the average price was **570 GEL**, followed by Tbilisi – **564**, Guria – **531**, and Adjara – **378**.

THE AVERAGE PRICES OF 3\*, 4\* STAR HOTELS AND GUESTHOUSES BY REGIONS (OCTOBER 2022, IN GEL)



<sup>7</sup> The results are based on the surveying of standard double hotel room prices of 3, 4, 5-star hotels and guesthouses in 10 regions of Georgia. Hotels were chosen arbitrarily according to random sampling principle. The study contains 71% (312) of all 3, 4 and 5-star hotels and 25% (456 guesthouses) of all guesthouses

registered on [www.booking.com](http://www.booking.com) The 3, 4 and 5-star hotel price data was collected by contacting hotels individually, while the prices of guesthouses were taken from [booking.com](http://booking.com). The average prices are arithmetic mean of standard double hotel room prices.  
<sup>8</sup> Guesthouse: a type of accommodation that is characterized by

having a small number of rooms and services are usually offered by the resident family.



# BASIC ECONOMIC INDICATORS IN GEORGIA

	2016	2017	2018	2019	2020	I 2021	II 2021	III 2021	IV 2021	2021	I 2022	II 2022	III 2022
<b>GDP in current prices for Accommodation and Food Service Activities (mln)</b>	1054.1	1437.5	1800.0	2223.0	1204.5	213.1	439.2	604.4	527.0	1783.6	360.9	536.2	-
<b>Number of International Travelers (thousand persons)</b>	6720.0	7902.5	8679.5	9357.9	1747.1	134.7	351.3	815.4	579.8	1881.3	576.5	1049.4	2266.7
<b>Number of Tourists (thousand persons)</b>	3297.3	4069.4	4756.8	5080.5	1087.0	116.6	305.8	670.4	484.7	1577.5	456.0	749.3	2082.6
<b>Revenue from International Travel (mln USD)</b>	2110.7	2704.3	3222.1	3268.7	541.7	53.6*	246.1*	566.0*	379.3*	1244.9*	393.7*	748.8*	-
<b>The Expenditures of Georgian Travelers Abroad (mln USD)</b>	386.3	463.6	524.7	657.2	180.5	19.7*	37.1*	62.6*	64.5*	184.1*	72.2*	103.5*	-
<b>Foreign Direct Investment in Hotels and Restaurants Sector (mln USD)</b>	120.0	112.4	105.2	130.4	-248.0	-1.0	-5.6	6.4	-2.7	2.9	11.3*	10.8*	-

\* Preliminary data





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## **Giorgi Khishtovani**

Research Director

[g.khishtovani@pmcginternational.com](mailto:g.khishtovani@pmcginternational.com)

## **Nika Kapanadze**

Researcher

[n.kapanadze@pmcginternational.com](mailto:n.kapanadze@pmcginternational.com)

## **Nana Kajaia**

Junior Researcher

[n.kajaia@pmcginternational.com](mailto:n.kajaia@pmcginternational.com)

## **Sopio Mkervalidze**

Intern

[s.mkervalidze@pmcginternational.com](mailto:s.mkervalidze@pmcginternational.com)

Address: 61 Aghmashenebeli Avenue, 3rd floor,  
Tbilisi 0102, Georgia.

Tel: (+995 32) 2921171, 2921181

Email: [research@pmcginternational.com](mailto:research@pmcginternational.com)

Website: [pmcresearch.org](http://pmcresearch.org)