



# MONTHLY TOURISM UPDATE

February 2023

Georgia

## Georgia: Outbound Tourism in 2022



Research



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### Summary

- In 2022, **the number of outbound visits made by Georgian residents** tripled compared to 2021 and reached 1.7 million, equating to 71% of the pre-pandemic figure.
- In 2022, a significant proportion of outbound visits were to **Turkey** (54%), followed by **Russia** (14%). Notably, the number of outbound visits to Russia exceeded the pre-pandemic figure by 49% with the highest quarterly increase (143%) coming in Q3 of 2022 compared to Q3 of 2019.
- In 2022, **the average number of nights spent** in an outbound visit was 6.1, which is 2.17 nights more than in 2019.

- The most popular **purpose of outbound visits** in 2022 was shopping, representing 41% of total visits, while this number was equal to 29% in 2019. The share of shopping also increased in **total expenditure** of outbound visitors, reaching GEL 759 million, marking a 16% increase compared to 2019.

- .....
- In February 2023, in Georgia, **the Hotel Price Index (HPI)** decreased by 1.6% compared to January 2023. The HPI increased by 9.2%, compared to February 2022, with the yearly HPI at its highest for the “guesthouses” category (18.3%).

- By region, the increases in monthly HPI (6.4%) and yearly HPI (20%) were highest in Samtskhe-Javakheti, which could be attributed to **the FIS Freestyle Ski and Snowboarding World Championships 2023 being held in Bakuriani**.

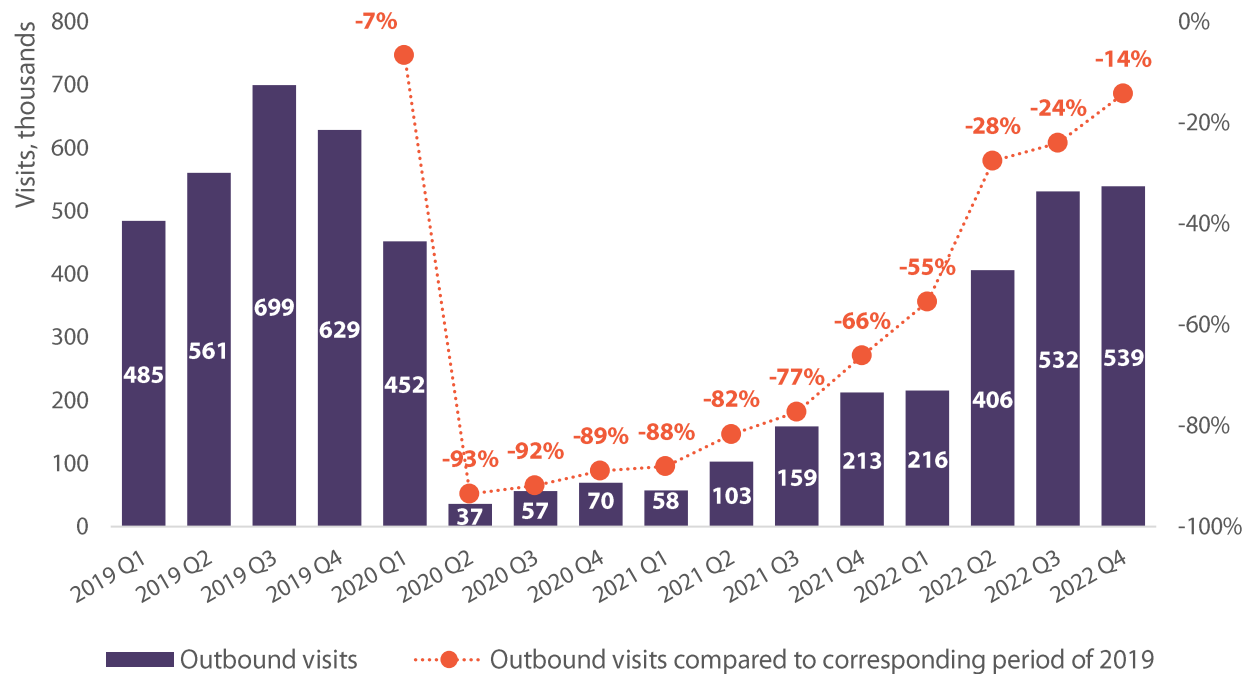
\*Note that statistics for Outbound visitors are collected upon the entry of Georgian residents from international visits back to Georgia.



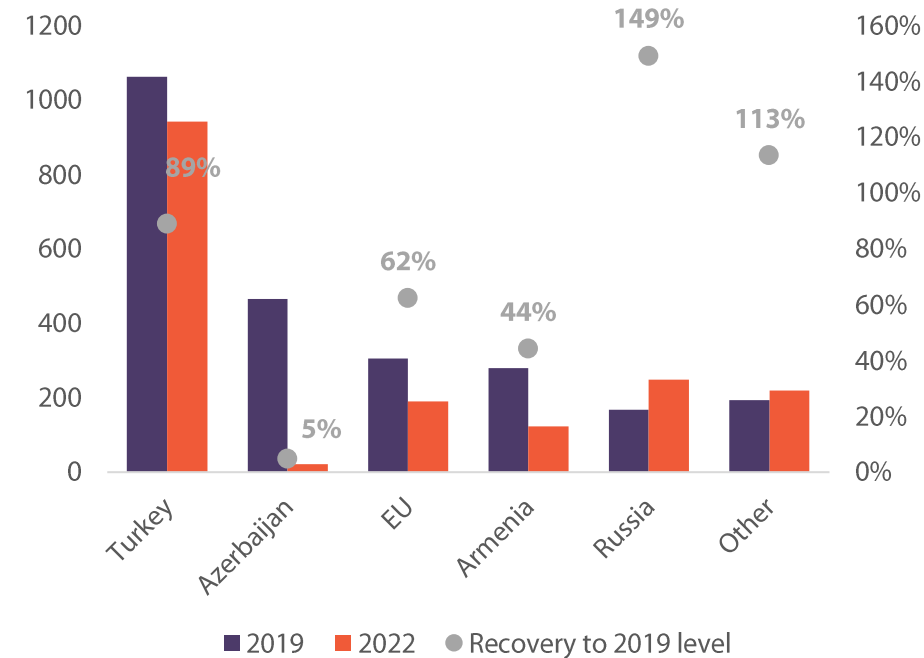
# OUTBOUND TOURISM DYNAMICS

In 2022, **the number of outbound visits** made by Georgian residents tripled compared to 2021 and reached 1.7 million. Notably, the recovery in outbound tourism from Georgia had been gradual before a rapid jump in Q2 of 2022. In total, in 2022, the number of outbound visits reached 71.3% of the corresponding figure for 2019.

Outbound visits by Georgian Residents and its comparison with corresponding pre-pandemic (2019) period, 2019-2022



Outbound visits by countries and its recovery to 2019 levels



Source: National Statistics Office of Georgia

The **top destination countries in 2022** for outbound visitors from Georgia were largely similar to those before the pandemic broke out, with an exceptional difference in the case of **Azerbaijan**, which accounted for only 1% of outbound visits from Georgia, compared to 23% in 2019. This could be almost entirely explained by the strict land border measures maintained by Azerbaijan. In 2022, a significant proportion of the outbound visitors chose **Turkey** (54%) as their destination, followed by **Russia** (14%), the **EU** (11%), and **Armenia** (7%).

Among destination countries, outbound visits to Turkey recovered to 89% of the 2019 total, while for **Russia it exceeded the pre-pandemic total significantly (by 49%)**.

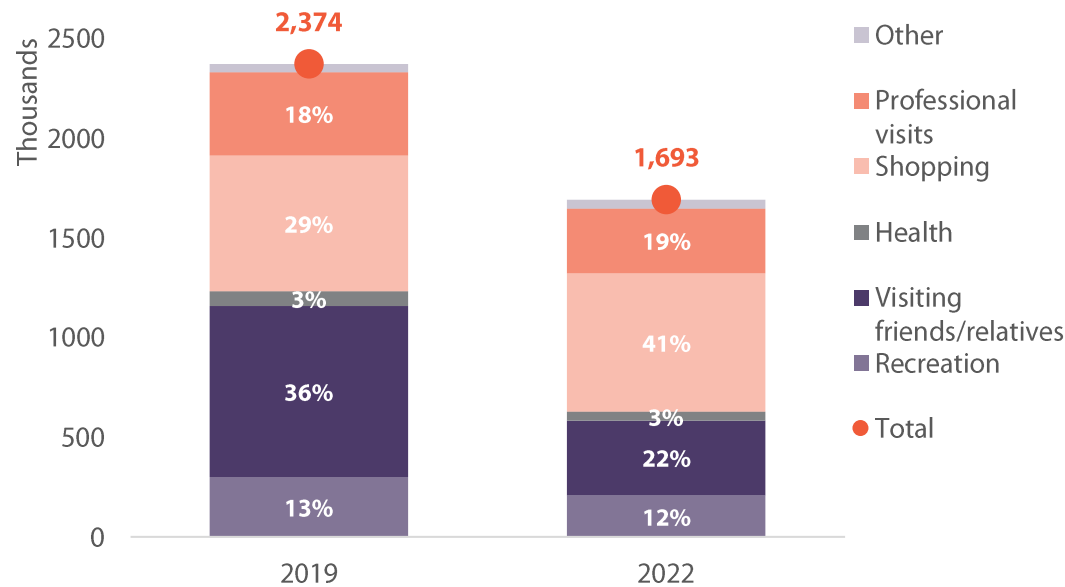


# OUTBOUND TOURISM INDICATORS

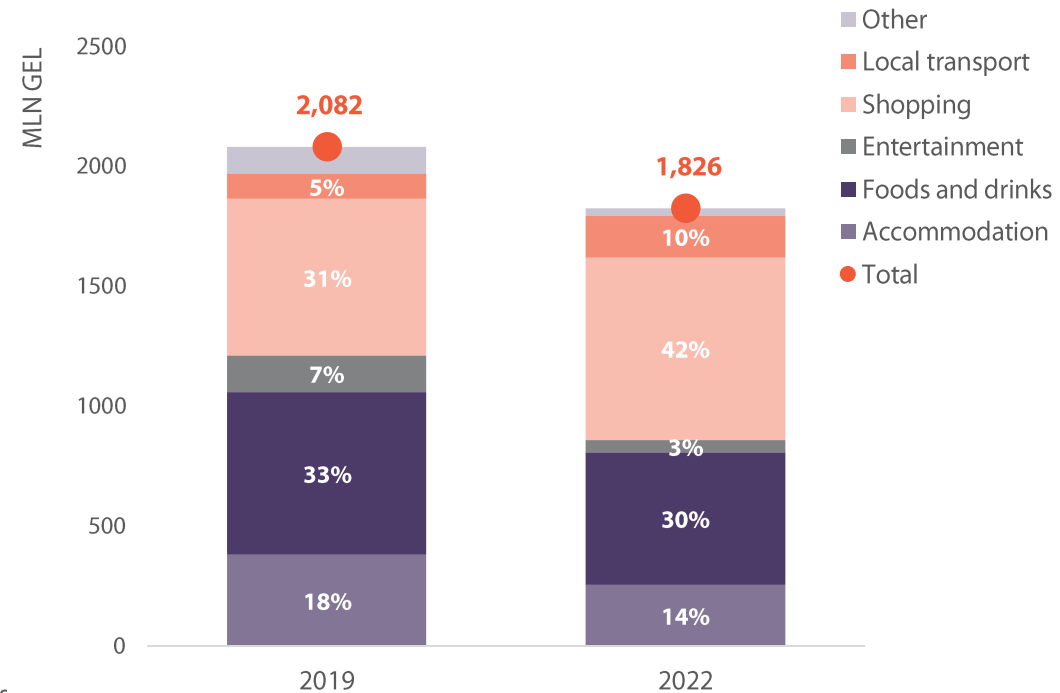
- The **distribution of outbound visits by the main purpose of visit** in 2022 showed some differences compared to 2019. In 2022, the share of **visiting friends and relatives** in total visits declined by 14 pp, which could partially be attributed to Azerbaijan closing its land border with Georgia. Meanwhile, the share of **shopping** increased by 12 pp, becoming the top purpose of outbound visits in 2022.
- The **expenditure of outbound visitors** in 2022 reached GEL 1.8 billion, which is just 12% lower than in 2019. Notably, the recovery of expenditure has been gradual, and in Q4 of 2022, this exceeded the corresponding figure for Q4 of 2019 by 5%.

- The considerable recovery of expenditure could be partially attributed to an increase in **the average number of nights spent in outbound visits**. In 2022, the average number of nights spent was equal to 6.1, which is 2.17 nights more than in 2019.
- The **expenditure distribution** in 2022 was similar to 2019, with the exception of a significant increase in the share of **shopping** (42% of total expenditure) and a decline in the share of recreation and accommodation.

Main purpose of outbound visits in 2019 and 2022



Expenditure distribution of outbound visitors in Q1 (2019, 2022)



Source: National Statistics Office of Georgia

\*Note that the outbound visitor survey was suspended from Q2 of 2020 to Q1 of 2022 due to the pandemic, therefore the detailed data regarding the main characteristics of outbound visits for 2020 and 2021 years is missing



# HOTEL PRICE INDEX IN GEORGIA

In February 2023, in Georgia the hotel price index<sup>1</sup> decreased by 1.6% compared to January 2023. The 3-star, 4-star, and 5-star hotel price index decreased by 1.6%, while for guesthouses, the price index decreased by 16.7%.

The monthly HPI was the highest in Samtskhe-Javakheti (6.4%) and the lowest in Tbilisi (-5.4%).

In February 2023, compared to February 2022, hotel prices in Georgia increased by 9.2%. The prices of 3\*, 4\*, 5\* hotels increased by 8.8% and the prices of guesthouses increased by 18.3%.

The yearly HPI was the highest in Samtskhe-Javakheti (20%) and Adjara (20%) and the lowest in Mtskheta-Mtianeti (-3.7%).

Region	Hotel		3*, 4*, 5*		Guesthouse	
	2023 Feb/ 2023 Jan	2023 Feb/ 2022 Feb	2023 Feb/ 2023 Jan	2023 Feb/ 2022 Feb	2023 Feb/ 2023 Jan	2023 Feb/ 2022 Feb
Kakheti	-2.4%	7.9%	-2.2%	16.2%	-2.7%	2.6%
Imereti	3.3%	3.5%	2.8%	-8.0%	4.1%	22.5%
Guria	-0.1%	13.6%	-0.1%	13.6%	-	-
Kvemo Kartli	0.0%	10.0%	0.0%	10.0%	-	-
Adjara	2.7%	20.0%	-1.5%	15.6%	40.5%	86.3%
Racha	0.0%	19.1%	-	-	0.0%	19.1%
Shida Kartli	0.0%	15.7%	0.0%	19.5%	0.0%	13.2%
Samegrelo-Zemo Svaneti	-1.4%	11.1%	-13.5%	13.6%	7.0%	9.0%
Samtskhe-Javakheti	6.4%	20.0%	18.3%	24.8%	2.2%	13.6%
Mtskheta-Mtianeti	0.1%	-3.7%	0.3%	2.7%	0.0%	-8.3%
Tbilisi	-5.4%	4.2%	-4.2%	4.7%	-47.9%	-3.2%
<b>Overall Price % Change</b>	<b>-1.6%</b>	<b>9.2%</b>	<b>-1.6%</b>	<b>8.8%</b>	<b>-16.7%</b>	<b>18.3%</b>

<sup>1</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.

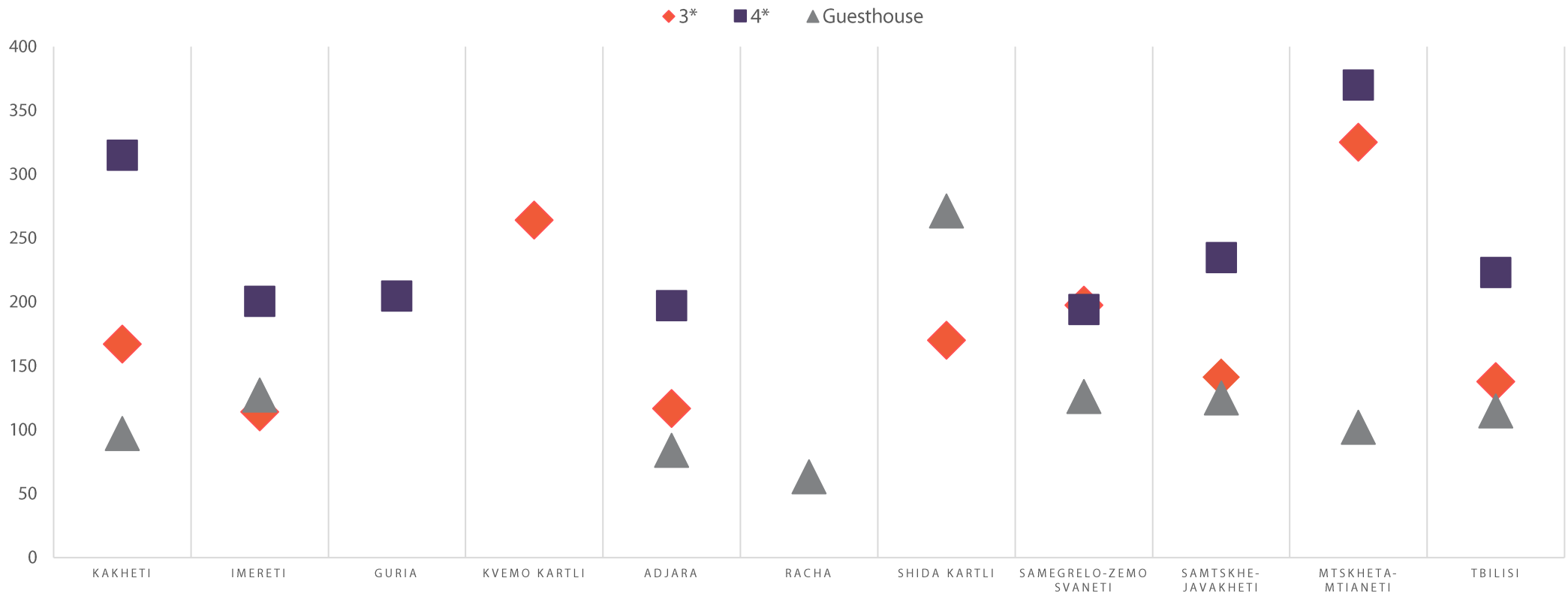


# THE AVERAGE HOTEL PRICES IN GEORGIA

In Georgia, the average cost of a room<sup>2</sup> in a 3-star hotel was **140 GEL** per night in February 2023, while the average cost of a room in a 4-star hotel in Georgia was **236 GEL** per night and the average cost of a room in a guesthouse<sup>3</sup> was **116 GEL** per night.

The average cost of a room in a 5-star hotel in Georgia in February 2023 was **392 GEL** per night. In Kakheti, the average price was **562 GEL**, followed by Tbilisi – **489**, Samtskhe-Javakheti – **454**, and Guria – **339**.

THE AVERAGE PRICES OF 3\*, 4\* STAR HOTELS AND GUESTHOUSES BY REGIONS (FEBRUARY 2023, IN GEL)



<sup>2</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>3</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	IV 2022	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*	831.1*	-	-
<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	1534.3	5426.9
<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	948.8	3652.9
<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*	1377.8*	999.4*	3519.7*
<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	184.7	72.2*	103.5*	118.6*	-	-
<b>Foreign Direct Investment in Hotels and Restaurants Sector (mln USD)</b>	118.1	111.4	106.0	119.3	-247.2	-1.0	-8.7	5.4	-3.0	-7.4	10.6*	6.9*	16.1*	-2.0*	31.5*

\* Preliminary data



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