



Introduction

This report presents basic characteristics of international travel to Georgia for the period of first quarter of 2015. The data is provided by National Statistics Office of Georgia.

The sphere of the main interest of the report includes trips for holiday, business, visiting friends and relatives (VFR) purposes, expenditure during the trip and other reasons.

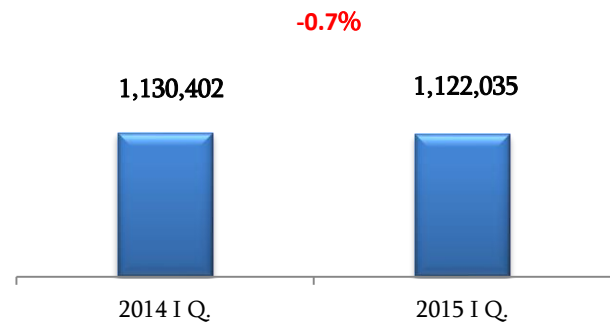
Significance of International Travel

International travel generates significant economic activity and employment in the world. Its direct contribution to World GDP and employment in 2015 was US\$ 2.2 trillion and it supported 108 million jobs. Taking account of its combined direct, indirect and induced impacts, total economic contribution in 2015 was US\$ 7.1 trillion in GDP, 284 million in jobs; US\$ 775 billion in investment; and US\$ 1.3 trillion in exports. This total contribution represents 9.8% of World GDP in 2015, 1 in 11 jobs, 4.3% of total economy investment and 6.1% of world exports.¹

International Traveler Trips

International traveler² trips in Georgia have been growing rapidly in recent years. In first quarter of 2015, they reached a record number of 1,122,035, representing an annual growth rate of -0.7%.

Figure 1: International Traveler Trips by years



In first quarter of 2015 the number of international visitor³ trips to Georgia amounted to 956,324. The majority of trips conducted by international visitors (excluding nonresident citizens of Georgia), 91%, were from neighboring countries. Only 9% were from other countries. Azerbaijan was the leader in terms of international visitor trips – 244,064 (an increase of 3.3%) and also occupied first place in terms of growth (+7,797). There was also a significant growth in the number of trips by Armenia (+7,372), Russia (+4,291) and Germany (+2,062) visitors. This growth was primarily the result of new direct flights, press trips and marketing campaigns administered by the Georgian National Tourism Administration.

¹ Economic Impact of Travel and Tourism 2016. Annual Update. World Travel and Tourism Council

² International traveler is someone who moves between different geographic locations for any purpose and any duration. It excludes foreign citizens who are Georgian residents and includes Georgian citizens who are foreign residents.

³ 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 defining the usual environment in Georgia, travelers conducting eight or more trips are excluded from the data.

Table 1: International Visitor Trips Top 5 Countries

Country	2014 I Q.	2015 I Q.	Change %
Azerbaijan	236,267	244,064	+3.3%
Turkey	225,375	207,288	-8%
Armenia	192,650	200,022	+3.8%
Russia	109,804	114,095	+3.9%
Georgia (non-resident)	129,906	111,985	-13.8%

The largest share of international visitor trips in Georgia, 1,023,032 (81.2%), were by land transport, followed by 221,447 (17.6%) by air transport. Trips by rail and sea were 8,691 (0.7%) and 6,637 (0.5%), respectively. The busiest border was Sarpi, which saw 228,892 trips in second quarter of 2016, amounting to 18.2% of all trips to Georgia. This was followed by Kazbegi (the Russian border) at 18.1%, and Sadakhlo (the Armenian border) at 14.3%.

Table 2: International Visitor Trips by Borders

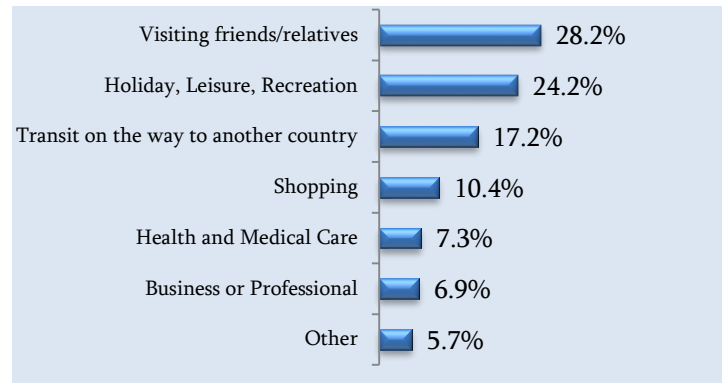
Border Type	2014 I Q.	2015 I Q.	Change %
Land	849,397	828,909	-2.4%
Air	113,526	111,438	-1.8%
Railway	7,069	8,052	+13.9%
Sea	7,431	7,925	+6.6%

A total of 57.2% (547,472) trips included at least one over-night stay, which by definition is a tourist trip. 42.8% were day trips (408,852).

What are the main purposes of international visitors?

International visitors most often travel for visiting friends or relatives (28.2%). Other frequently observed visiting purposes include holiday, leisure or recreation (24.2%), transit (17.2%), shopping (10.4%), health and medical care (7.3%) and business and professional (6.9%). Only 5.7% of visitors reported other purposes (Figure 2).

Figure 2: Purpose of Visit

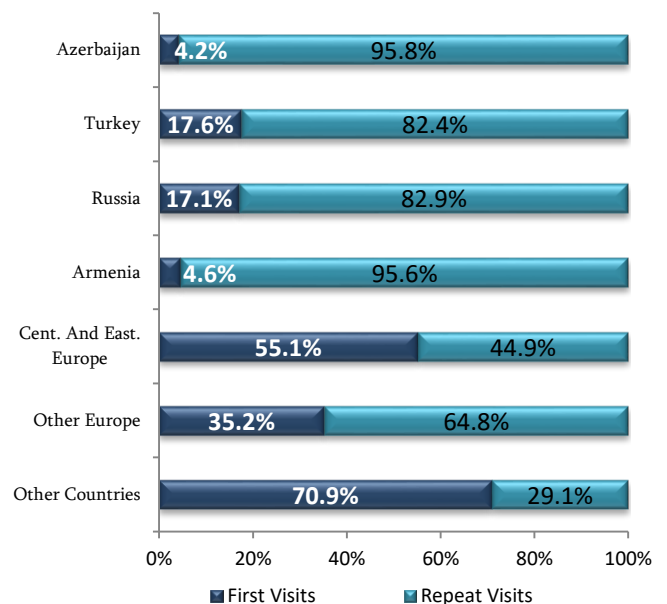


What is the share of the first time visits?

Out of the total visits, 86.7% were repeat visits and 13.3% traveled to Georgia for the first time. Thus, Georgia had up to 127,154 new visits within the period covered.

Most of the neighboring country residents have traveled to Georgia before. The highest share of repeat visits was observed among the residents of Azerbaijan (95.8%), Armenia (95.4%), Russia (82.9%) and Turkey (82.4%). In contrast, for many Europeans or residents of other countries, it was their first visit to Georgia (Central and Eastern Europe – 55.1%; other Europe – 35.2%; other countries – 70.9%) (Figure 3).

Figure 3: Visit Practice



How long do they travel for?

Visitors' average duration of stay was 3.1 nights and varied by country of residence. Visitors from neighboring countries tended to stay for short periods except visitors from Russia, who spent on average 5.5 nights in Georgia (Table 3).

Duration of stay was high for visitors from Europe (Central and Eastern Europe - 7 nights, Other Europe 8 nights) and other country (7 nights) categories.

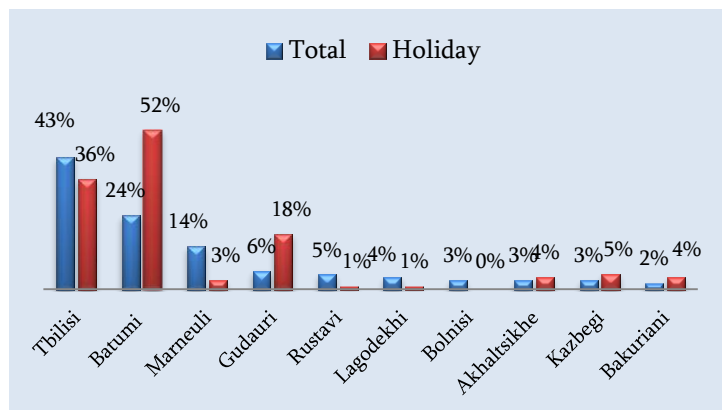
Table 3: Duration of Stay

Country of residence	Average Overnights
Azerbaijan	2.2
Turkey	2.9
Russia	5.5
Armenia	1.5
Cent. And East. Europe	6.1
Other Europe	8.8
Other Countries	10.6

What cities and regions do International visitors visit?

43.1% of international trips were made to the capital city of Georgia, followed by 23.7% trips to Batumi. Other destinations were less visited. Among them Marneuli was the most popular (14%). Some other widely visited destinations were the following: Gudauri (5.6%), Rustavi (5.4%), Lagodekhi (3.5%), Bolnisi (3.3%), Akhaltsikhe (2.7%), Kazbegi (2.5%) and Bakuriani (2.2%) (Figure 4).

Figure 4: Most Visited Destinations

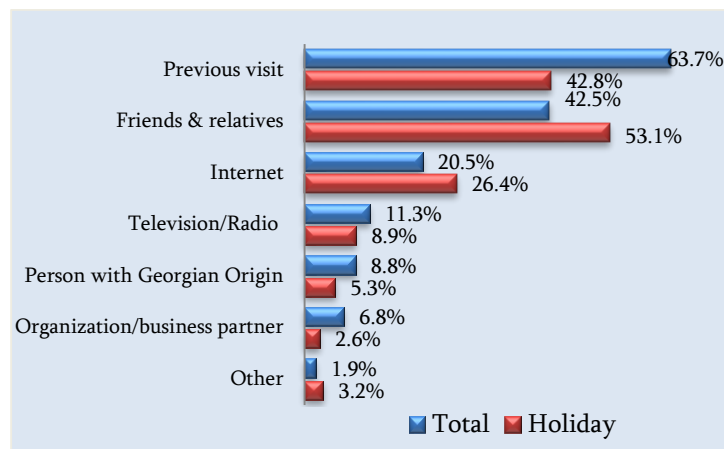


Most international trips on the regional level were made to Tbilisi 43.1%, Lower Kartli was the next with 24.4%, Ajara 23.8% and Mtskheta-Mtianeti 9.5%. Other regions with significant number of visits were Samtskhe-Javakheti 8%, Kakheti 5.2% and Imereti 1.3%.

What sources did international visitors use to find information?

Prior to traveling to Georgia, international visitors used various sources for obtaining information. 42.5% learned about the country from their friends or relatives, while 20.5% obtained information from the internet. 63.7% of the visitors obtained information about the country from their previous visits. As expected, first time visitors used more information sources prior to the trip. "Friends and relatives" was most frequently applied information source 60.6%, while 43.7% obtained information on Georgia from the internet (Figure 5).

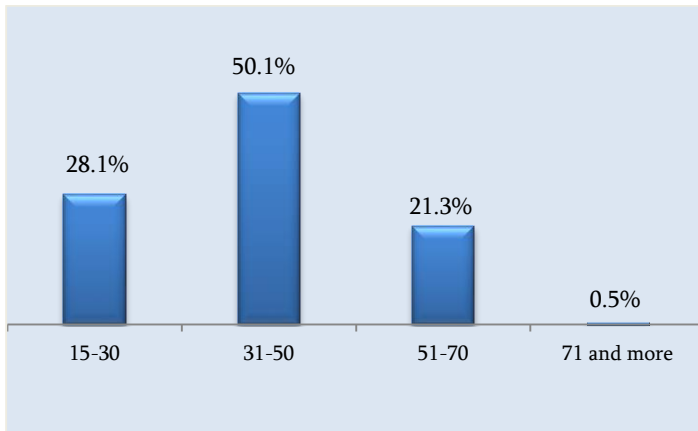
Figure 5: Information Sources



What is the age and sex profile of international travelers?

The majority of the visitors surveyed were male (male – 73.7%; female – 26.3%). Visitors between 31-50 years old were the largest age group (50.1%) (Figure 6).

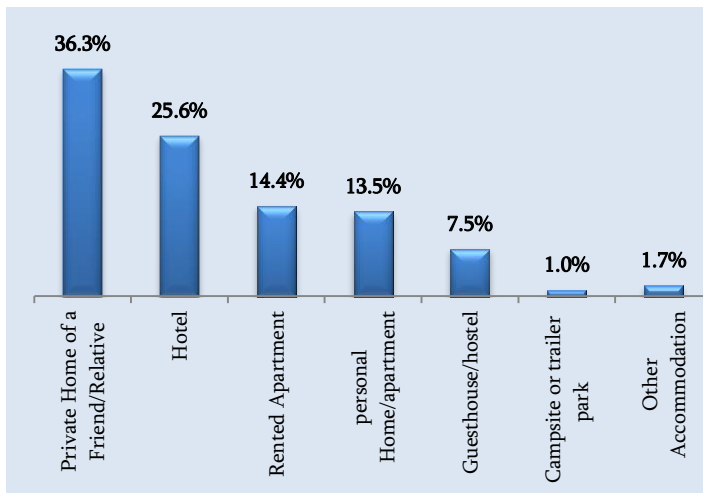
Figure 6: Age Groups



What accommodation types do they use?

Total nights spent by international visitors were 2,995,214. The most nights were spent in private home of a friend 36.3%, while 25.6% of the nights were spent in hotel. Other types of accommodation are less utilized by international visitors (Figure 8).

Figure 8: Accommodation



How much do international travelers spend?

Total expenditure by international visitors during the estimation period was over 721 million GEL and the average expenditure per visit was GEL 753.9.

An important shares of visitors' expenditure go on served food and drinks (19.7% of total expenses) and on accommodation (19.1% of total expenses). 15.9% of expenditure was made on cultural and entertainment services and only 8.6% was spent on shopping. Detailed breakdown of expenditures is given below (Table 4).

Table 4: Expenditures

Expenditure Components	Total Expenditure GEL (Thousand GEL)	Share of Total Expenditure
Served Food and Drinks	171,769.7	19.7%
Accommodation	137,616.6	19.1%
Cultural and Entertainment Services	114,571.5	15.9%
Shopping	61,689.8	8.6%
Domestic Ground Transportation	38,880.3	5.4%
Other Expenditure	226,442.2	31.4%

Visitors from "Other Countries" had the highest spending pattern and spend on average 1,995 GEL, followed by residents from „Other Europe" 1,494. Among the neighboring countries, the residents of Turkey had the highest average expenditure (1,169 GEL), while residents of Azerbaijan spent only 366 GEL on average, which is the lowest indicator (Table 5).

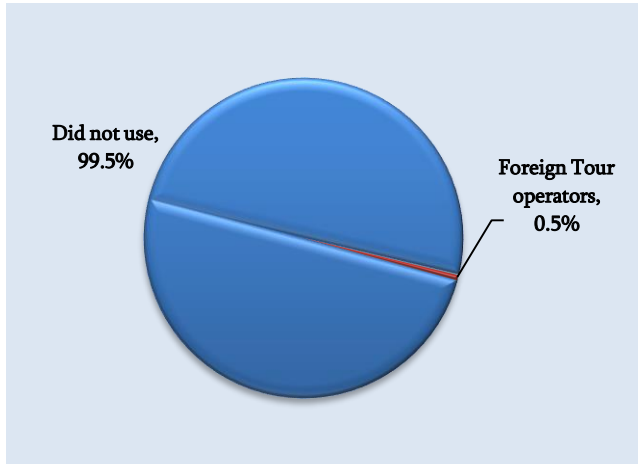
Table 5: Average Expenditures by Countries

Country Of Residence	Average Expenditure (GEL)
Azerbaijan	366
Turkey	1,169
Russia	840
Armenia	709
Central and Eastern Europe	899
Other Europe	1,494
Other Countries	1,995

How many trips are part of tourist package?

Majority of international trips (99.5%) were conducted without utilizing tourist package. In total 6.2 million Gel was spent on tourist package expenditures in first quarter of 2015 (Figure 9).

Figure 9: Utilization of a Tourist Package



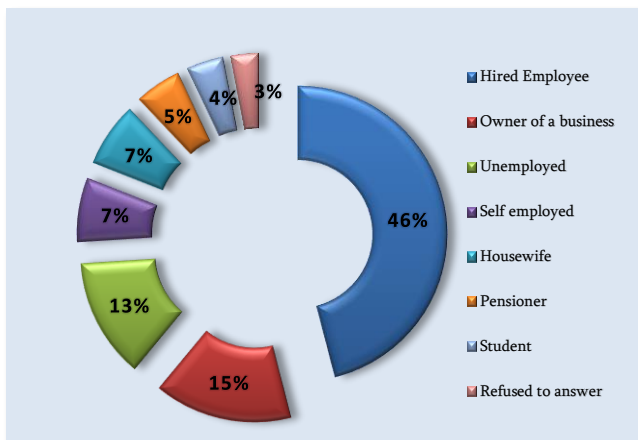
How satisfied are international visitors?

With regard to general satisfaction, 56.8% was very satisfied with the visit, 36.6% was satisfied and only 1.1% did not answer the question.

Who are international visitors by occupation?

Majority of international trips were conducted by hired employees (45.8%), followed by Owners of a business (which employs others) 15.1% and unemployed (without employed persons) visitors 13.3% (Figure 11).

Figure 11: International Visits by Occupation



Methodology

This report is based on the survey data provided by National Statistics Office of Georgia. The data was gathered via a survey using quantitative research techniques based on the recommendations of the United Nations World Tourism Organization.

Interviews were conducted with international visitors aged 15 years or older who were leaving Georgia. The interviews took place at the checkpoints of each type of border (land, airport, railway and port).

Table 6: Sample Size by Borders

Type	Border	Sample Size
Airport	Airport Tbilisi	1572
Airport	Airport Batumi	240
Airport	Airport Kutaisi	300
Land	Sarpi	4392
Land	Vale	252
Land	Ninotsminda	432
Land	Sadakhlo	1488
Land	Tsiteli Khidi	1752
Land	Tsodna	504
Land	Kazbegi	1068

The document reports statistics of data gathered through 12,000 interviews. A stratified systematic sample method was applied to select respondents. The border checkpoint type was taken as a stratification variable. Data of border checkpoints was provided by ministry of internal affairs, information-analytical department. The final sampling unit was a resident of a foreign country aged 15 years and over. A brief description of the methodology is summarized below:

Table 7: Description of Survey Methodology

Survey method	Quantitative research
Survey technique	Face to face interviews
Survey areal	Georgia
Target group	International visitors aged 15 years or older
Sample size	12,000 respondents
Duration of interview	10-12 minutes

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The data according to the country of residence is analyzed separately for neighboring countries – Turkey, Russia, Azerbaijan and Armenia. Other countries are grouped in three categories – Central and Eastern Europe, Other Europe and Other Countries.

In the category “Central and Eastern Europe” are grouped the following countries: Belarus, Bulgaria, Czech Republic, Estonia, Hungary, Kazakhstan, Kyrgyzstan, Latvia, Lithuania, Moldova, Poland, Romania, Slovakia, Tajikistan, Turkmenistan, Ukraine and Uzbekistan.

In the category “Other Europe” the following countries are grouped: Austria, Belgium, Croatia, Denmark, Finland, France, Germany, Greece, Ireland, Israel, Italy, Malta, Norway, Netherlands, Spain, Sweden, Switzerland and the United Kingdom.

Those counties that were not placed in any of the above mentioned groups, due to small samples, were consequently grouped as “Other” Countries.