

ARMENIA
2021-2041
ideas in action

Armenia

2021-2041

Project Materials
May, 2021



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2041 vision for Armenia's tourism sector: world class destination with unique travel experiences for target segments

2018 2031 2041
\$1.4 → \$5 → \$11.5 bn

Target annual tourism revenue by 2041

2031	2041
120 → 270 thou	required workforce
1.7 → 14 mln	tourist arrivals



Desirable international destination

Expansion into new and existing markets, focusing on:

- China and Southeast Asia
- Gulf countries
- Major European economies
- Russia

World class travel infrastructure and connectivity

Seamless connectivity to major tourist destination within the country

- More direct flights to and from Armenia
- Safe and convenient road network
- Larger capacity for hotel rooms

Unique experiences

Branded and rare experiences for tourists, particularly millennials

- Cultural tourism
- Ecotourism
- Religious tourism
- Adventure tourism

Tourism – Summary of diagnostic

Background

- Potential tourists see Armenia as a culture-rich, welcoming country with attractive scenery and UNESCO sites
- Over the last 10 years Armenian tourism has evolved with improving outbound connectivity and international HoReCa companies entering the market
- Around 70% of tourists originate in Russia, Georgia and Iran

Economic contribution

	2019	Δ2014–'19	
GDP, USD mln	263	+18%	▲
Employment Headcount, thou	137	+11%	▲
Productivity, gross value added/employee USD thou	8	+6%	▲

Sector-specific KPIs

	Armenia, 2019	Armenia, 2014–'19 change	Peers average, 2019	Leader-peer, 2019	
Travel & Tourism Competitiveness Index	3.5	+0.1 ▲	3.8	4.1	
Tourist arrivals, per 1,000 population	407	+151 ▲	773	1,645	
Average spend of tourist per day, USD	65	-27 ▼	135	177	
Average length of stay, days	10	+2 ▲	5	10	
Total government spend on tourism per tourist, USD	4	-1 ▼	12	22	

Even though Armenia has many attractive tourist sites, they are not sufficiently developed in terms of connectivity, infrastructure and support offerings. Destination management would help to coordinate activities and increase the efficiency of tourism management

Tourism Expert

Armenia suffers from a lack of promotion in its target markets at every stage of the tourist's decision making process. It is important to develop and implement a targeted marketing campaign for each segment – both geographic and psychographic

Tourism Expert

The Tourism Committee is not responsible for many elements of the tourist journey. For example, museums are managed by the Ministry of Education, Science, Culture and Sport, roads by the Ministry of Territorial Administration and Infrastructure, and religious buildings by the Church

Tourism Expert

Key challenges and success factors

1 Marketing initiatives boost

While the number of tourists has grown at 13% p.a. over the last 10 years, Armenia is still not sufficiently well-known internationally due to a lack of marketing

2 Strengthening of connections with countries

Despite recent air transportation policy improvements and an increase in the number of direct-flight destinations to 39, Armenia is less well connected to the outside world than its peer countries (average 165)

3 Regulatory optimization

Tourism governance is not optimized via a single body. The Tourism Committee is responsible for all issues related to developing tourism, while the tourist sites are divided among different organizations

4 Infrastructure development

The general tourism infrastructure needs to be developed (37 beds per 1,000 tourists vs. 157 in peer countries) in order to meet the demand by type of tourism product

Tourism sector in Armenia has been growing steadily both in terms of GDP contribution and employment, but Georgian example shows there is room for improvement

● 2009
● 2014
● 2019
XX CAGR
2009-'19

Country	GDP contribution % of GDP	Employment contribution % of employment	Export volume Constant USD bn
 Armenia	2009: 2,7 2014: 3,6 2019: 4,6 9,5%	2009: 8,5 2014: 8,0 2019: 14,5 6,0%	2009: 0,5 2014: 0,8 2019: 1,4 11,2%
 Azerbaijan	2009: 1,7 2014: 2,2 2019: 4,4 12,1%	2009: 5,6 2014: 7,8 2019: 14,1 10,5%	2009: 0,4 2014: 1,4 2019: 2,0 17,2%
 Belarus	2009: 2,5 2014: 1,6 2019: 2,0 2,4%	2009: 6,0 2014: 4,7 2019: 2,6 -0,7%	2009: 0,5 2014: 0,9 2019: 1,1 8,8%
 Georgia	2009: 1,6 2014: 6,2 2019: 9,1 14,8%	2009: 11,5 2014: 17,8 2019: 26,6 9,6%	2009: 0,5 2014: 1,6 2019: 3,2 19,9%
 Kazakhstan	2009: 1,8 2014: 1,5 2019: 2,4 4,6%	2009: 5,2 2014: 4,8 2019: 6,0 2,1%	2009: 1,1 2014: 1,1 2019: 2,0 5,9%
 Kyrgyz Republic	2009: 1,4 2014: 1,3 2019: 1,5 4,9%	2009: 3,6 2014: 3,6 2019: 3,8 1,8%	2009: 0,2 2014: 0,3 2019: 0,5 8,8%
 Russian Federation	2009: 1,4 2014: 1,2 2019: 1,3 0,8%	2009: 5,5 2014: 4,5 2019: 4,9 -1,1%	2009: 4,6 2014: 14,2 2019: 16,0 13,4%
 Ukraine	2009: 2,2 2014: 1,4 2019: 1,6 -2,7%	2009: 8,2 2014: 4,9 2019: 5,4 -4,6%	2009: 3,5 2014: 1,5 2019: 2,5 -3,3%
 Uzbekistan	2009: 1,2 2014: 1,0 2019: 0,9 4,9%	2009: 2,5 2014: 2,6 2019: 2,4 -0,4%	2009: 0,1 2014: 0,1 2019: 0,1 0,4%

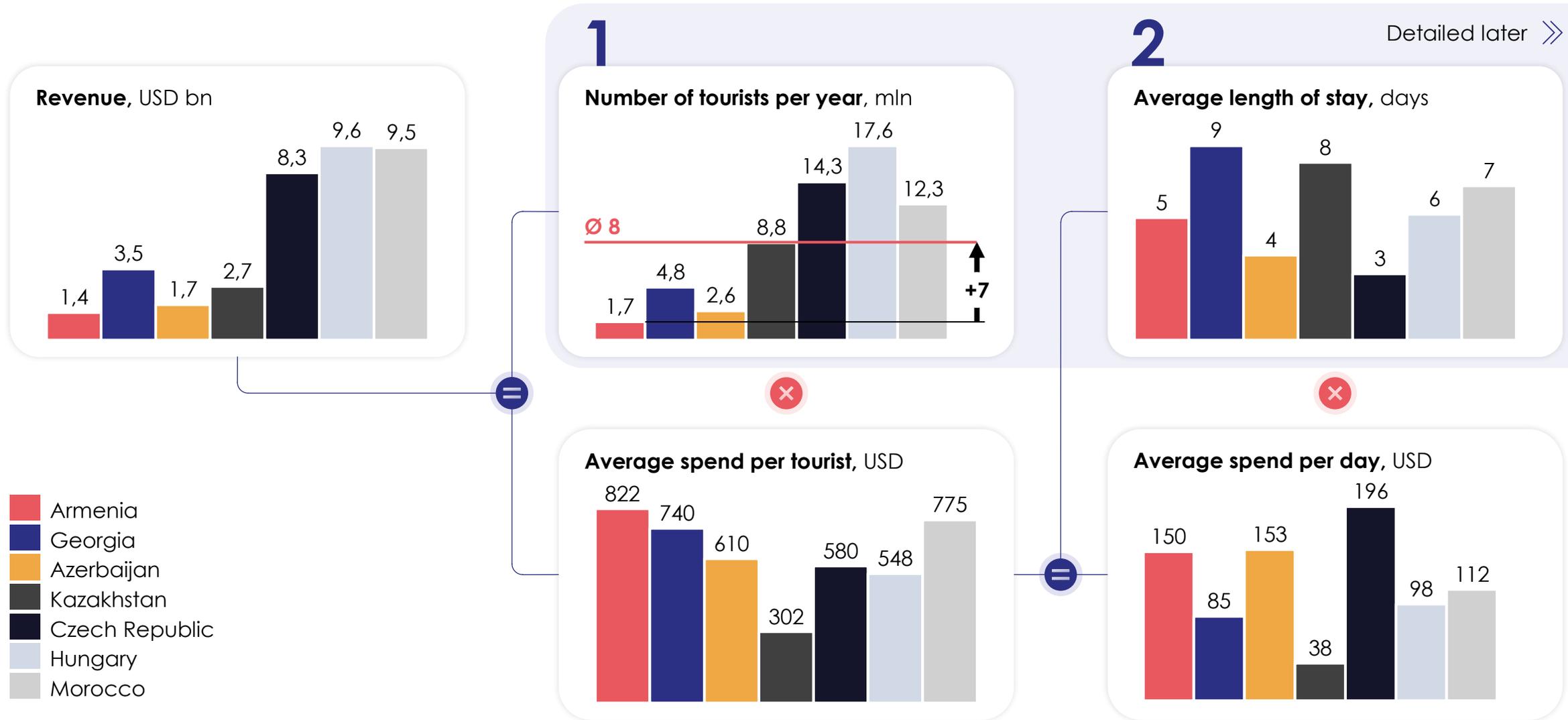
Implications for Armenia

Growing the share of population employed in tourism sector is a key lever for development of tourism industry

Growing tourism exports to comparable levels with Georgia should be the first priority

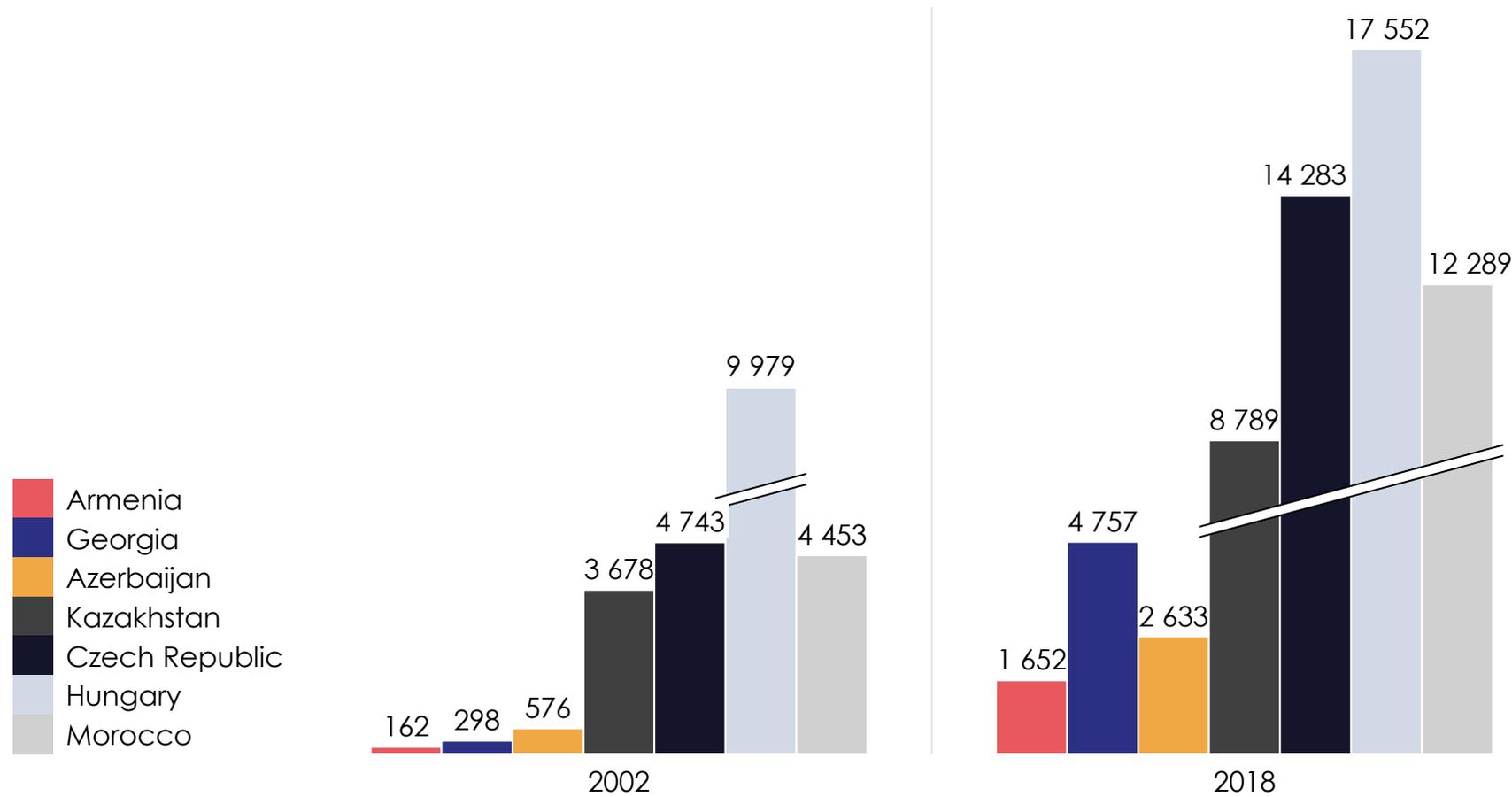
Development of domestic tourism should be considered to decrease imports of tourism in Armenia

Tourism revenue could be improved by attracting more tourists and increasing average spend per day



While the number of tourist arrivals has grown by 16% p.a. (only outpaced by Georgia with 19%), Armenia remains the country among peer group with lowest number of tourist arrivals related to population

Tourist arrivals, tourists per 1000 of population



Growth 2018-02 p.a.

- 16%
- 19%
- 10%
- 6%
- 7%
- 4%
- 7%

Source: World bank

Increasing average length of visit can be achieved through a number of levers

Factors influencing duration of stay



Food and accommodation cost and quality¹

- Travelers to stay longer provided they can find food and accommodation that is both affordable and of a high quality



Tourist attractions near the place of stay

- Variety of places of interest and opportunities for exploration within the city of stay tend to increase duration of visit



Daytrip opportunities¹

- Daytrips or overnight travel within the country stimulate longer visits
- Easily accessible information and developed infrastructure is crucial to enable daytrips



Complementary activities: shopping, going out and leisure²

- Engagement of tourists and various activities available provide an incentive to stay for extra couple of days



Returning visitors²

- Returning tourists stay longer to revisit old places and get the experiences they haven't had time for during their first visit

Implications for Armenia

- Accessible and quality hotels and restaurants with growing quality are a **strong asset Armenia can capitalize on**
- **Packaged offerings** (e.g. city passes) can simultaneously **promote places of interest** in Armenia and **generate additional revenue**
- **Promotion of daytrips** through social media, tourism offices and official websites can increase visit durations
- Building sufficient **infrastructure (roads and transportation)** is a key enabler for daytrips promotion
- It is crucial to **raise awareness** about available activities & events through **tourist maps, guides and social media**
- Creating **strong relationship** with visitors through high quality services in HoReCa and **maintaining them** through social media can incentivize return visitors

1. https://www.researchgate.net/publication/272144372_Factors_influencing_length_of_stay_of_cultural_tourists

2. https://www.researchgate.net/publication/248500860_The_length_of_stay_in_tourism

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Global trends shape the tourism industry

Detailed further >>	
<p>Experience over things</p> 	<p>Social media rise has led to 'social currency' – more people value experience over material consumption</p> <p>Generation Y&Z is the largest proportion of the global travelling population that is looking for exploration, interaction and experience</p> <p>Travel is the no. 1 leisure pursuit for Chinese High Net Worth Individuals</p>
<p>Niche and adventure travel are on the rise</p> 	<p>Niche tourism is gaining importance e.g., Cruise, Medical, Sport, Culinary, etc</p> <p>A rise in adventure travel has been accompanying the consumer shift towards an interest in actual experiences including unique hotel concepts</p>
<p>Burgeoning travelers on elder side of the age spectrum</p> 	<p>Growth of silver haired tourists that are willing and have the means to travel</p>
<p>Digital disruption across the value chain</p> 	<p>Mobile is now a mainstream channel for bookings – >70% of travelers use mobiles during their journey</p> <p>Suppliers leverage big data and analytics to gain consumer insights for more personalized experiences</p> <p>Major hoteliers provide digital technologies to enhance customer experience and interactions</p>
<p>MICE tourism as a major driver of tourism growth</p> 	<p>Corporate travel (meetings, incentives and corporate learning) remains to comprise a large share of tourism</p> <p>International conferences and events attract additional inflow of visitors that engage in tourist activities beyond the events they arrived to attend</p>

Implications for Armenia

Lack of dedicated “shareability strategy” for social media

In depth review of Chinese offering needs to be conducted (mandarin fluency, types of hotel brands, relationships with main tour operators, flight connectivity, etc)

Armenia could explore niche propositions especially its culinary and adventure value proposition given its intrinsic potential

Pilgrimage as one of the opportunities for niche tourism

Armenia needs to come up with **tailored value proposition mix** for senior tourists (wellness and leisure options) and enable accessibility of travel

Armenia needs to ensure that all products are available for easy online booking on mainstream online platforms (hotels, entrance tickets, guided tours, sports activities)

Greater efforts need to be pushed into curating content of major online travel agency platforms that customize itineraries

Digital infrastructure at all major hotel locations need to be up to requirements and needs of hotel operators and customers

Armenia should leverage corporate travel as one of the levers to drive tourism from surrounding countries (particularly from Russia and Gulf region)

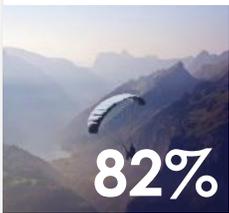
Production and promotion of international events can further help Armenia attract tourist who wouldn't consider visiting otherwise

Millennials travel more frequently and are willing to spend more on experiences over products, especially if the experience is unique

Millennials spend more time & money on experiences over products



Would spend money on a desirable experience over a desirable thing



Attended or participated in a variety of live experiences¹ in the past year



Say some of their best memories are from an event or live experience they attended



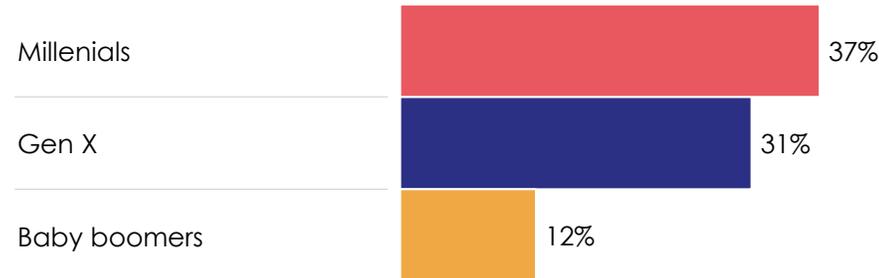
Trips per year is the average travel frequency for millennials (12% more often than older generations)

1. Live experiences include parties, concerts, festivals, performing arts, and sports

Source: Eventbrite - Harris survey of 2,000+ U.S. consumers, July 2014

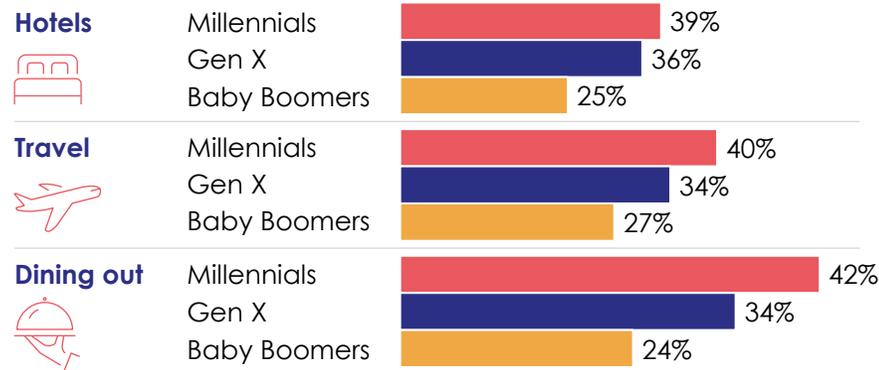
Millennials are willing to pay for unique experiences...

How often do you pay a premium for unique experiences?
% of respondents who answered 'always' or 'often'



... and premium services

How often do you pay for premium services or products?
% of respondents who answered 'always' or 'often'



Implications for Armenia

Armenia should focus on developing **unique core experiences** for millennial tourists as one of the levers to promote growth in tourism

Example: SkyPark, Sochi

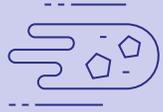


Development of **affiliate-segment hotels, restaurants and retreats** as a second priority

Example: Rooms Hotel, Kazbegi



Unique, or niche propositions, are key to unlocking high quality tourism and help destinations create a competitive edge and buzz



Niche tourism – subtype of tourism that focuses on a **highly specific** value proposition or activity tailored to a smaller group of people particularly interested in said activity

Niche example

Popular destinations

 Honeymoons	Maldives - Centara Grand Island resort
 Wedding destinations	Thailand - Ko Samui resort
 Medical tourism	Thailand – cosmetic surgery
 Wellness and spa	Kerala – The Leela Kovalam
 Cruise	Norway - Hurtigruten
 Food	Tokyo – Chiyoda Ward
 Golf	California - Pebble beach
 Yachting and sailing	Croatia - Trogir
 Partying	Spain – Ibiza
 Skiing	Switzerland - Matterhorn
 Movie site seeing	New Zealand - Waikato town
 Jet setting	Monaco
 Religious tourism	Israel - Jerusalem

Wellness and Spa

\$639 bn market

that is projected to reach \$919bn by the end of 2022

40% of hotels now offer spa facilities compared to ~20% in early 2000s



Religious tourism

\$220 bn market

driven by **450 million international** arrivals in 2018 with religious tourism purposes

Saudi Arabia has received **13 million** religious tourists in 2019 (**6x more than total inbound tourists in Armenia**)



Food

\$82 bn market

(as of 2018) with 8,1% YoY growth

Culinary tourism is perceived as a part of **immersion and experience** of local culture (88.2% of respondents stated that culinary experiences define the brand and image of their destination)



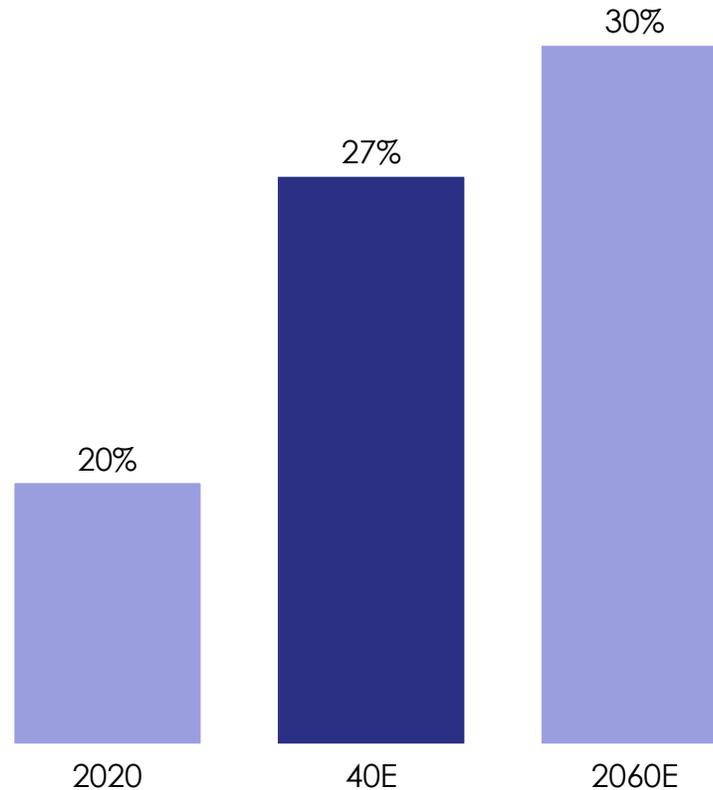
Senior travelers are becoming increasingly prevalent tourist groups as global population continues to age

Key facts



Share of elder people continuously rises as healthcare and quality of life keeps improving

Share of population of age 65 in older in EU, %



Implications for Armenia



Armenia has to take into account senior travelers with corresponding value proposition (focused on medical, retreat and leisure tourism) to capture growth of senior travelers segment

Marketing and promotion strategy for Armenian tourism has to include traditional channels in addition to social media to accommodate senior traffic

Promoting accessibility in public places and key transportation hubs (e.g. airports) should be leveraged to incentivize senior travelers arrivals

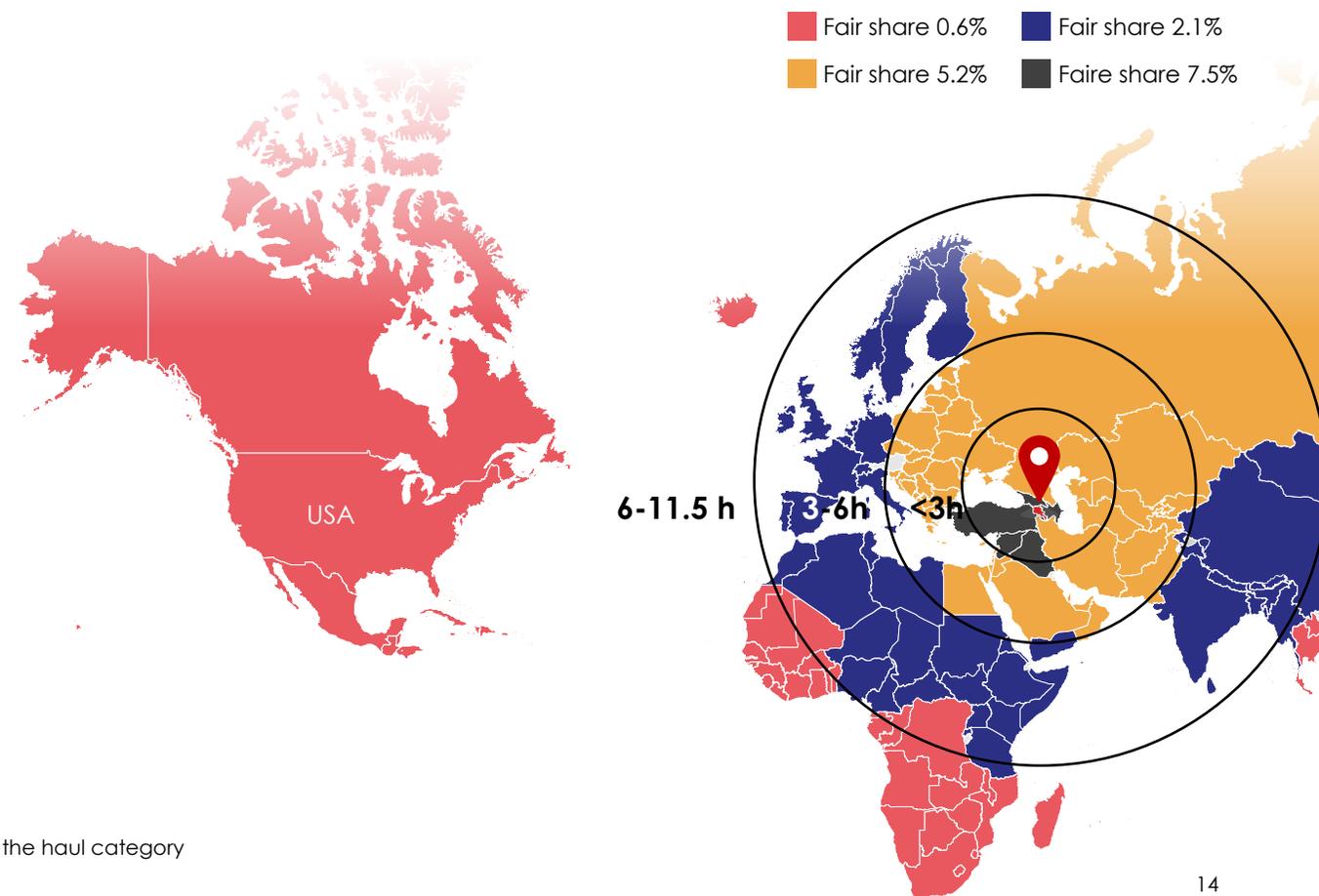
Analysis of “fair market share” would be used to prioritize visitor source markets

Benchmarking approach

	Haul	Distance by flight time, # of hours	Fair market share
Fair market share benchmarking was conducted on ~60 countries through the following approach: <ul style="list-style-type: none"> • Identification of source markets per destination country • Classification of source markets into a haul category based on their distance in flight time to each destination country • Identifying the average market share of each source received by destination countries • Calculating the average market share of each haul category based on the benchmarking across destination countries and their sources 	Short	< 3	7.5%
	Medium	3 - 6	5.2%
	Long	6 - 11.5	2.1%
	Very-long	> 11.5	0.6%

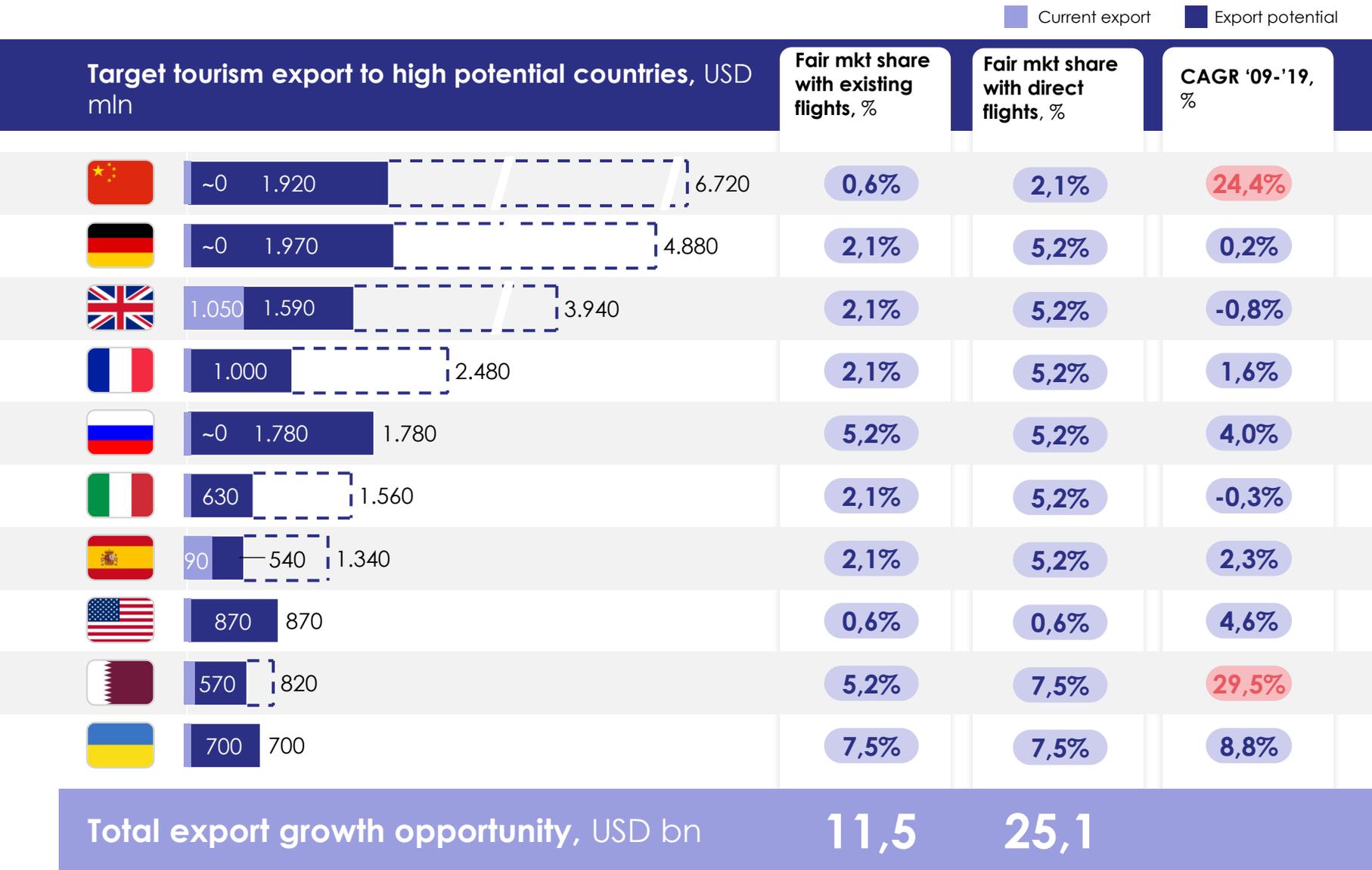
Example output

Potential “fair share” estimate for each country
Percent, based on estimated total flight time



1. Number of benchmarks (source market to destination) utilized to determine the fair market share of the haul category

Catering to preferences of 10 high potential markets can increase Armenia tourism exports almost 10 times by 2041



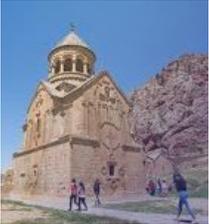
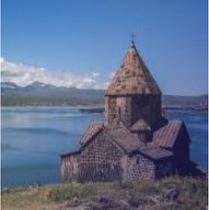
Implications for Armenia

- Armenia should focus on high priority countries to develop tourism
- Introducing direct flights can improve potential upside from tourism more than 2 times
- Create tailored value propositions with account for local demand drivers
- Targeted online and offline advertising should be leveraged for priority countries

There are five tourism value proposition archetypes

Archetypes	Description	Examples
<p>Culture & heritage</p> 	<p>A cultural journey that takes visitors through a rich experience across history, religion, tradition, art, music and poetry from the region and around the globe</p>	<p>Souq Waqif, Qatar High Line, New York Madina, KSA Smithsonian, DC</p> 
<p>Leisure & entertainment</p> 	<p>A fun and holistic environment that allows individuals and families alike to indulge in games, experience adventures and to momentarily escape the routine of day to day life</p>	<p>Sentosa, Singapore Sun City, South Africa JBR, UAE</p> 
<p>Nature & sightseeing</p> 	<p>An escape that plunges visitors into the lushness and diversity of nature through outdoor experiences including nature trails, multi-terrain hikes, learning about unique foliage, interacting with marine life and relaxing with breath-taking views of all that nature has to offer</p>	<p>Yellowstone National Park, USA Yosemite National Park, USA</p> 
<p>Health & Wellness</p> 	<p>Spa and wellness centers, retreats, yoga camps, medical tourism (including dentistry, cosmetology and plastic surgeries)</p>	<p>Turkish hair transplant centers, COMO Shambhala Estate Spa</p> 
<p>Sport & Adventure</p> 	<p>Hiking trails, mountain climbing, winter sports (skiing), canoeing</p>	<p>Tsaghadzor, Armenia Mount Hua, China Preikestolen, Norway</p> 

Armenia has a strong value proposition in culture and nature with emerging potential in adventure tourism

Archetypes	Global mkt size, USD bn	Destinations Out of 35 most popular	Traveler segment	Related niche	Global market size, USD bn	Examples
Culture & heritage	 >1500	 22		Food tourism Religious tourism	80 220	Noravank Monastery Smbataberd fortress  
Leisure & entertainment	 1000	 7		Wedding destination Honeymoons	15 25	Areni Village wine festival Gyumri  
Nature & sightseeing	 200	 19		Ecotourism	180	Sevan Lake Karahunj Observatory  
Health & Wellness	 700	 6		Medical tourism Spa & Wellness	80 630	Tsaghkadzor Jermuk  
Sport & Adventure	 1000	 10		Adventure tourism	550	Tsaghadzor ski resort Yell Extreme Park  

Along with private tourism corporate mobility should be considered as a 2nd lever for development of Armenian tourism

MICE

M EETINGS

General term indicating the coming together of a number of people in one place, to confer or carry out a particular activity. Frequency: can be on an ad-hoc basis or according to a set pattern, e.g., annual general meetings, committee meetings, etc.

I NCENTIVES

Meeting event as part of a program which is offered to its participants to reward a previous performance

C ONFERENCE

Participatory meeting designed for discussion, problem-solving and consultation. A conference is normally smaller in scale and more select in character than a congress. Conferences are of limited duration with specific objectives and of no specific frequency (~500 participants on average)

E XHIBITIONS

Events at which products and services are displayed (~500 participants on average)

Five key trends are shaping the M&I segment

Key trends

- 1 Companies are becoming increasingly **rate conscious and value focused** in their expenditure on business travel
- 2 Companies are increasingly looking at **nearer destinations** to host corporate meetings and incentives
Detailed later >>
- 3 Companies are **outsourcing** the planning and organization of meetings and incentives to **third party organizers** who specialize in certain destinations
- 4 Companies are opting for **one-stop-shop destinations** that serve both **meeting and incentive needs**
- 5 **Executive learning** is **gaining traction** as a significant segment within Meetings and Incentives

Best practice

Position as a **high value destination** to attract **budget conscious** organizers

Focus on **regional source markets** and **maintain share** in **large nearby markets**

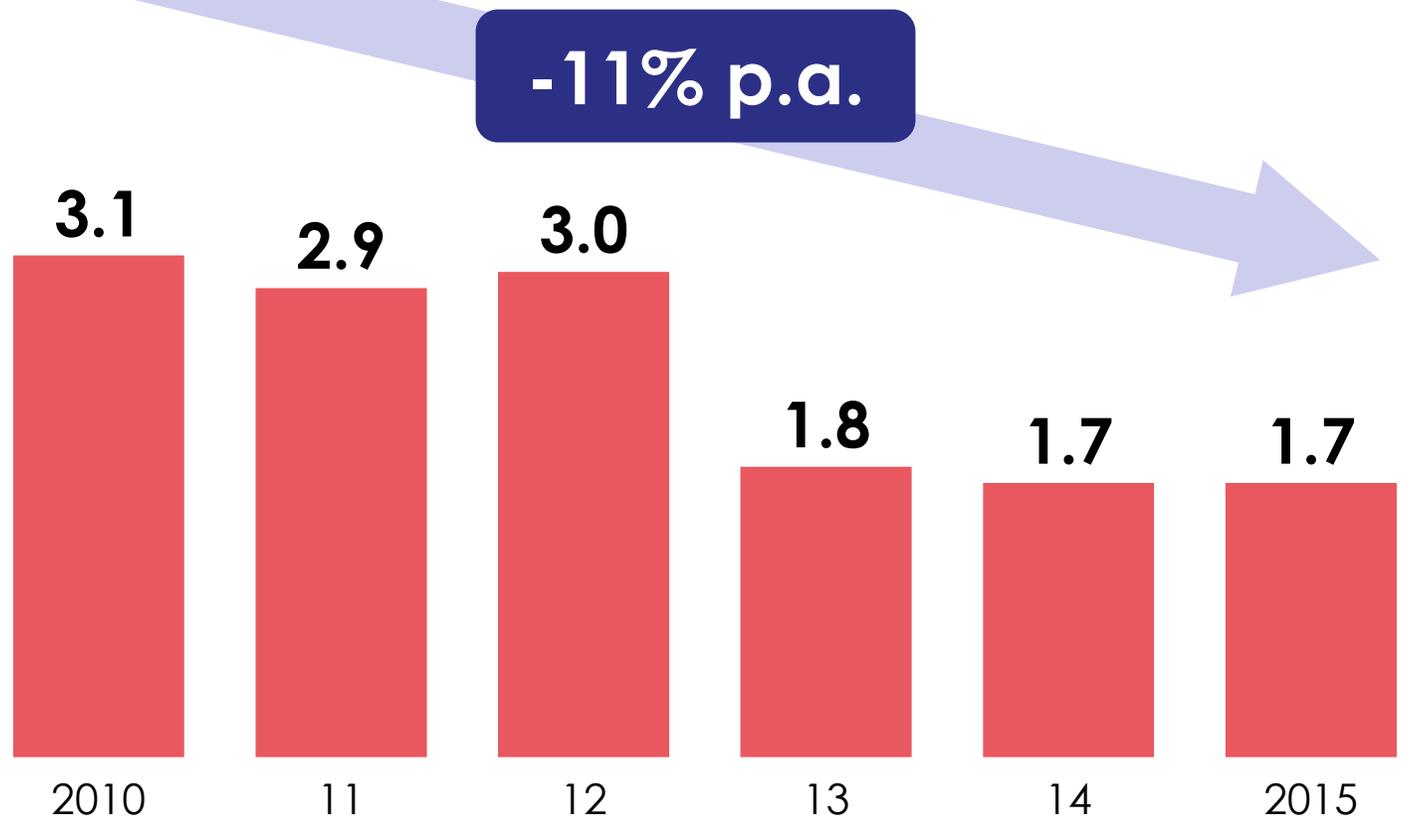
Expand overall efforts to attract Meeting and Incentives **beyond corporates** to **include 3rd party organizers**

Provide a **combined corporate meeting and incentive offering**

Build an **executive learning offering** that **leverages academic institutions in your destination**

Companies are looking at nearer destinations to host meetings and incentives

Average flight time from global corporate HQs to M&I event destinations
Hours



Key considerations

Companies are looking to reduce the cost of meeting and incentives

- **Flight tickets** represent the **largest portion** of overall M&I costs (typically 30-50%)
- **Technological improvements** such as video conferencing are reducing the requirement for travel
- Domestic/regional destinations are better positioned to cater to the **unique requirements of neighboring markets** (e.g. cultural and linguistic similarities)
- Companies are becoming increasingly conscious around the **duration of travel**
- The COVID-19 pandemic accelerated these trends

Source: Euromonitor; Press search; Team analysis

2041 vision for tourism industry in Armenia

2018 2031 2041
\$1,4 → \$5 → \$11,5 bn

Target annual tourism revenue by 2041



2031 2041
120 → 270 thou
1,7 → 14 mln

required workforce
tourist arrivals

Targeting

Become a **desirable destination for travel** in **target countries** and raise its presence to fair market share levels (0,6%-7,5%)



Key segments

Cater towards needs of key traveler segments to become a destination of choice



Unique and adventurous experience for millennials



Accessible and comfortable retreat for seniors

Unique value proposition

Play into Armenia's strengths to develop unique services and experiences



Cultural tourism

Adventure tourism

Religious tourism

Spa and Wellness

Ecotourism

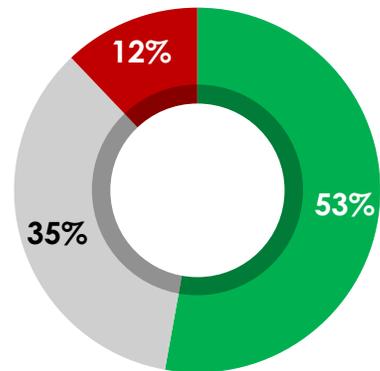
Value Proposition Card: Geghard Monastery

● Does not meet dimension's criteria ● Completely meets dimension's criteria

Asset Review – Visitor sentiment

Nr. of TripAdvisor reviews

1331



■ Positive ■ Neutral ■ Negative

Positive buzz:

UNESCO World Heritage Site, can be combined with Garni and Basaltic Organ, quality catering options, local vendors selling dried fruits, gata and souvenirs



Negative buzz:

Lack of quality accommodation options, bumpy roads, poor restroom availability



District Assessment

Intrinsic	Key attraction is centrally located, pristine and well-maintained; however there is limited development of an overarching value proposition that is clearly communicated to attract visitors	
Complimentary offerings	Limited complimentary offerings with few food and beverage options, lack of retail activity and lack of a cohesive events calendar to activate the district	
Facilities	Developed and well maintained facilities including public restrooms, biking trails and public seating Potential for further development of an effective information center	
Accessibility	Centrally located and accessible by public transport Well maintained pedestrian and biking trails Limited parking infrastructure to facilitate large number of visitors	
Appearance	Developed infrastructure however design and appearance are outdated and lacking any "wow" factors	

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To understand how to grow Armenia's tourism sector, multiple dimensions must be considered across the value chain

Tourism value chain

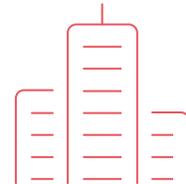
1 Awareness and consideration



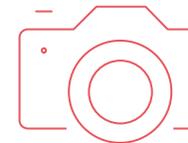
2 Travel and entry



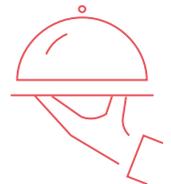
3 Accommodation and stay



4 Visiting attractions



5 Services and experiences



Dimensions

People and talent

Sufficiency, qualification and language proficiency of people employed in tourism sector

Infrastructure

How does existing infrastructure (transportation, roads and facilities) support the value proposition of Armenia as a tourist destination

Environment

What are the cultural and natural endowments of Armenia

Info & Marketing

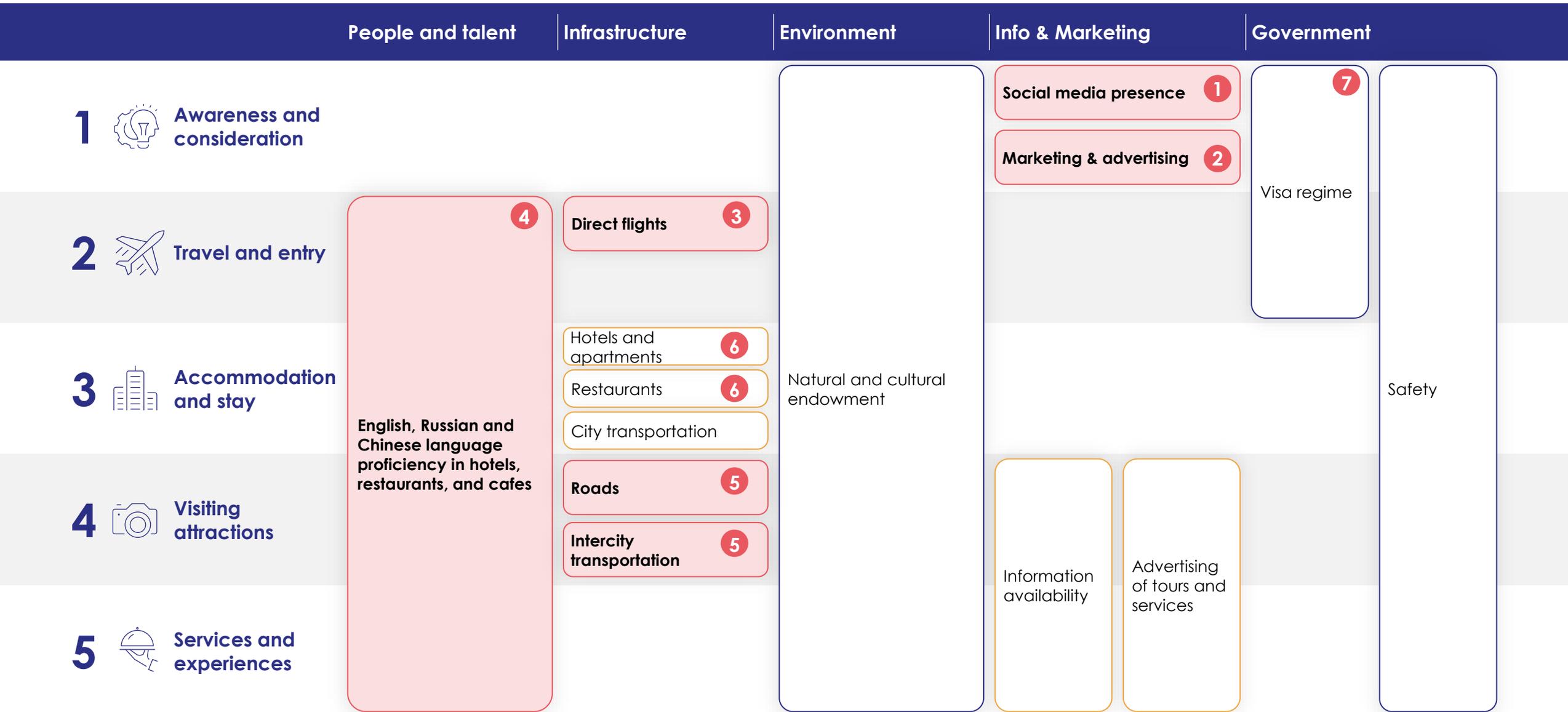
Accessibility of information and promotion of tourism value proposition

Government

To what degree do governing bodies enable ease of access to the country and how well do they provide safety for travellers

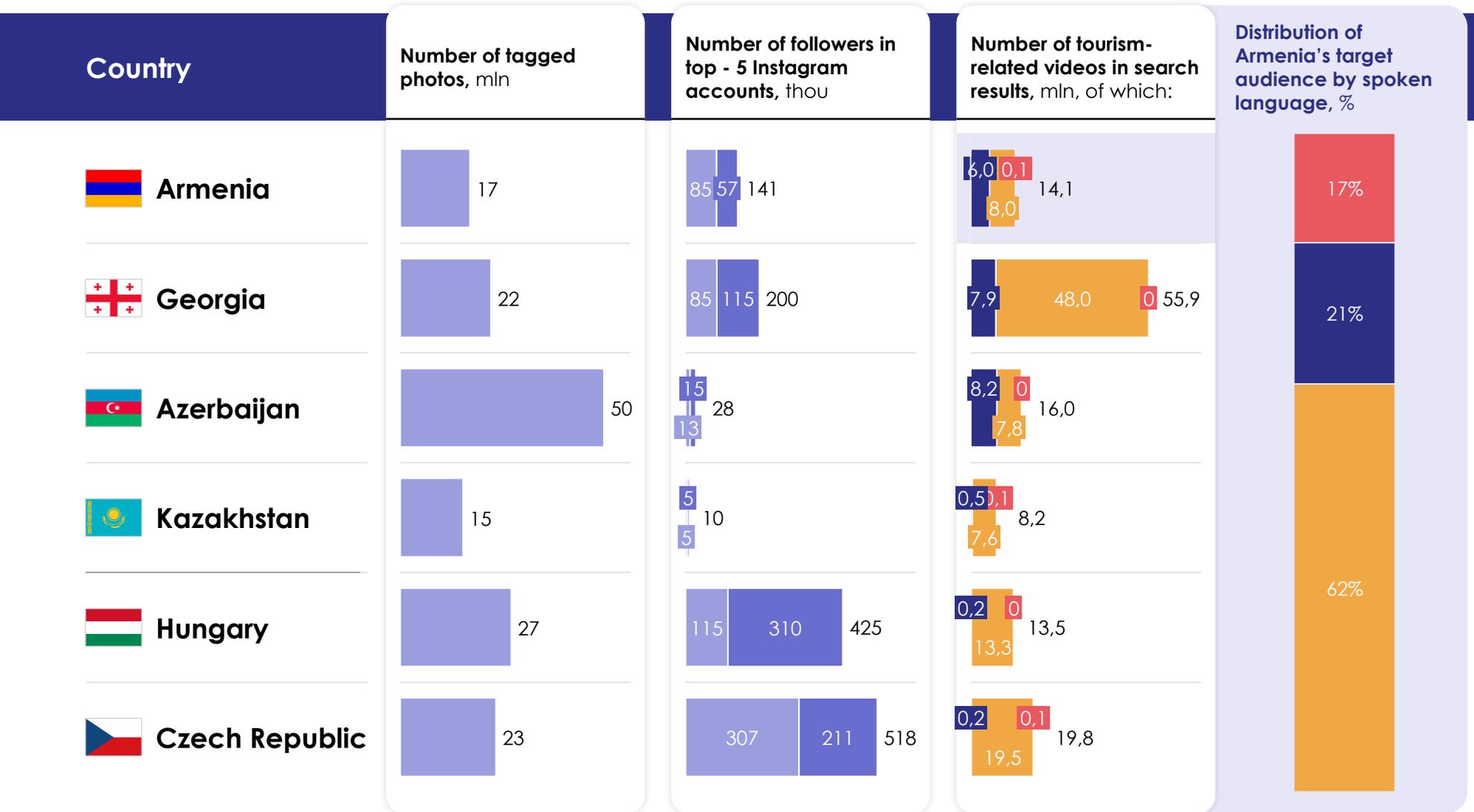
E Supporting levers for tourism development in Armenia

Less Critical Most Critical



1. Lack of social media presence creates an obstacle for attracting new tourists to Armenia

Followers of a largest account: Russia (dark blue), Eng (orange), Chi (red)



Implications for Armenia

Increase in social media presence is a key lever to attract tourism to Armenia

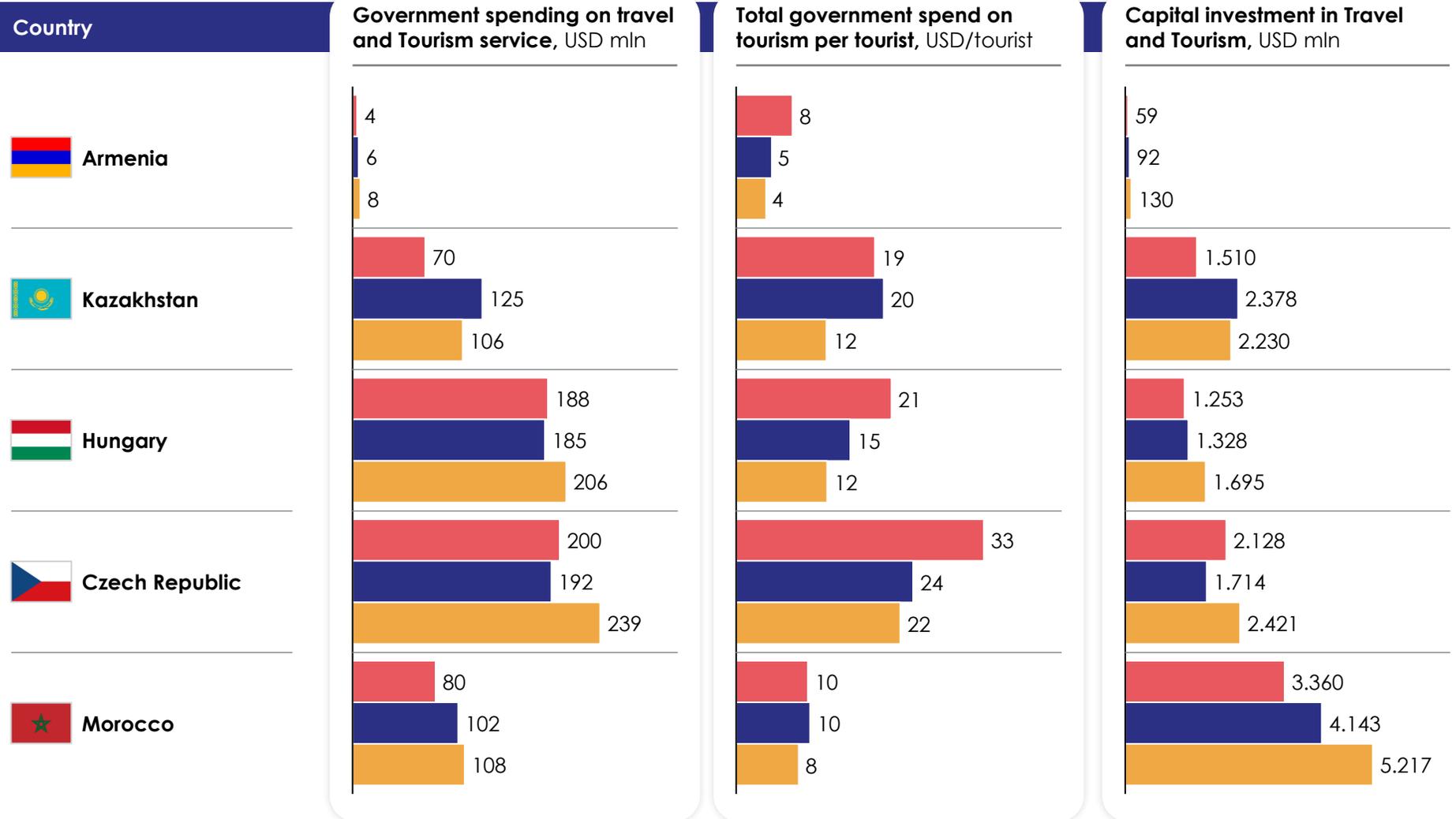
Aspiring peers put stronger focus on producing video content for English speakers

Content for Chinese tourist is underrepresented in all of the countries creating first mover advantage for Armenia

2. Government spend on travel and tourism per tourist is more than 3 times less than peers

● 2009 ● 2014 ● 2019

Country



Implications for Armenia

Significant increase in both **operating expenditure** (marketing, promotion) and **investments in infrastructure & ecosystem** are critical to enable industry growth



3. 6 out of 10 target countries for Armenia remain unconnected with direct flights partially due to pandemic

Target countries

New routes to Armenia in 2020 were cancelled due to pandemic

airBaltic

Riga

Expected to start from May 2020 – was not implemented due to COVID-19

RYANAIR

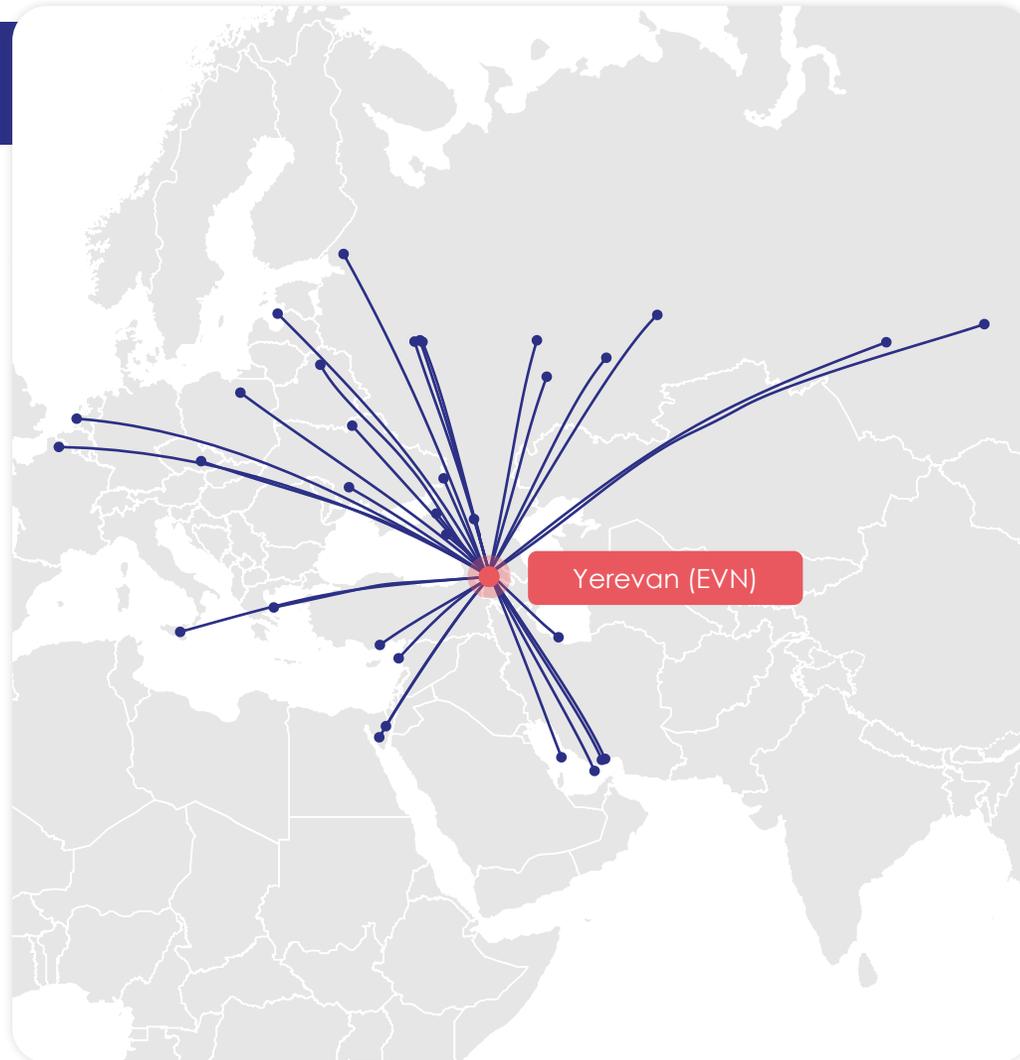
Milan

Berlin

Rome

Memmingen

Started in January 2020 – were temporarily cancelled due to COVID-19



Direct flights to Armenia and peer countries

	✓	✓	✓	✓
	✓	✓	✓	✓
	✓	✓	✓	✓
	✗	✓	✓	✓
	✓	✓	✓	✓
	✓	✓	✓	✓
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	✓	✓	✓	✓
	✗	✓	✓	✓
	✓	✓	✓	✓
	✓	✓	✓	✓
	✗	✓	✓	✓
	✗	✗	✓	✓

4. Foreign language knowledge in Armenia allows to develop tourism but there still could be improvements

Assessed on a country level

● Sufficient proficiency to accommodate tourists
 ● Limited proficiency to accommodate tourists
 ● Insufficient proficiency to accommodate tourists

Country	English proficiency	Russian proficiency	Chinese proficiency
 Armenia	●	●	●
 Azerbaijan	●	●	●
 Czech Republic	●	●	●
 Georgia	●	●	●
 Hungary	●	●	●
 Kazakhstan	●	●	●
 Morocco	●	●	●

Key considerations

Increasing proficiency in Chinese among HoReCa employees can create a strong strategic advantage for Armenia

Teaching English to general population can improve Armenia's competitiveness compared to Czech Republic and Georgia

1. French for Morocco

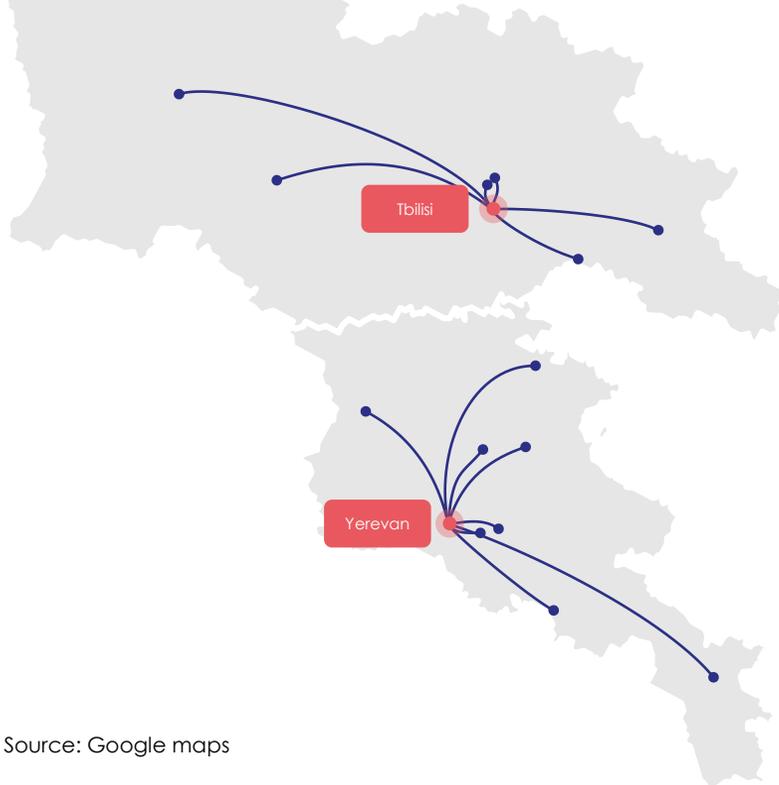
Source: EF, World Population Review, Team analysis

5. In-country travel in Armenia is impeded by low quality of roads coupled with a lack of public transportation options

Road quality in Armenia is lower in comparison with Georgia...

+10%

Average trip time in Armenia compared to Georgia due to a poor state of national roads



...and public transport covers less than half of key tourist destinations

Destination	Tourist nr/annum	Intraregional Bus	Rail	Plane
Geghard monastery	>200k	✓	✗	✗
Tsaghkadzor	>200k	✓	✗	✗
Sevan lake	>200k	✓	✓	✗
Amberd fortress	100-200k	✓	✗	✗
Dilijan city	~250k	✓	✗	✗
Areni	500k	✗	✗	✗
Noravank monastery	>200k	✗	✗	✗
Yell Extreme Park	>50k	✗	✗	✗
Gyumri city	>200k	✓	✓	✓
Jermuk	>200k	✓	✗	✗
Etchmiadzin cathedral	>200k	✓	✗	✗
Karahunj observatory/ Armenian Stonehenge	>200k	✗	✗	✗
Khor Virap monastery	>200k	✓	✗	✗
Tatev monastery	>150k	✗	✗	✗
Garni temple	>200k	✓	✗	✗

Implications for Armenia

Launching coach buses to key attractions should be prioritized as a quick win

Renovation of roads will support intercity travel by car

Remote locations in Eastern Armenia could be accessed easier by plane (e.g. via Sisian/Goris airport)

6. Tourism infrastructure in Armenia is less developed compared to similar destinations in aspiring peer countries

■ apartments ■ hotels

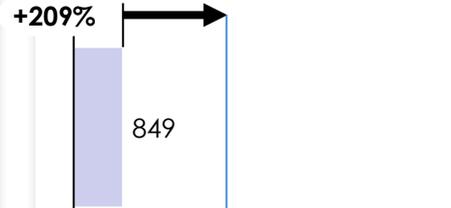
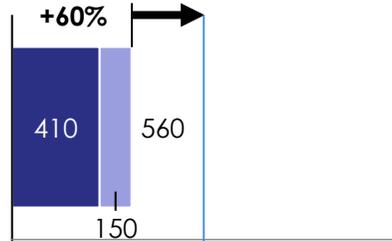
Country

Accommodations

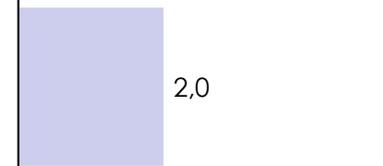
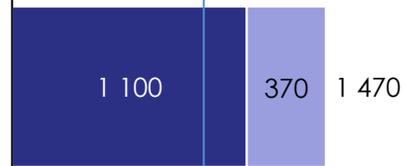
Restaurants on Tripadvisor

Accommodation options per visitor

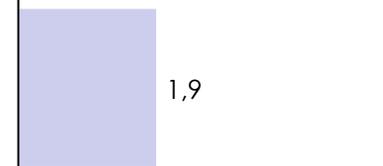
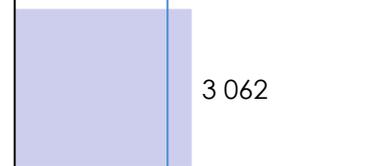
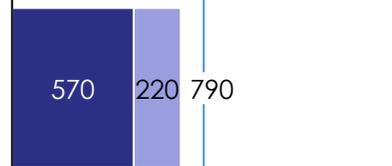
 Yerevan



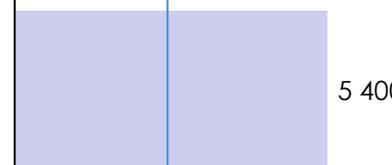
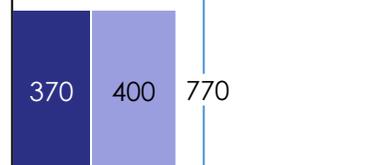
 Tbilisi



 Budapest



 Prague

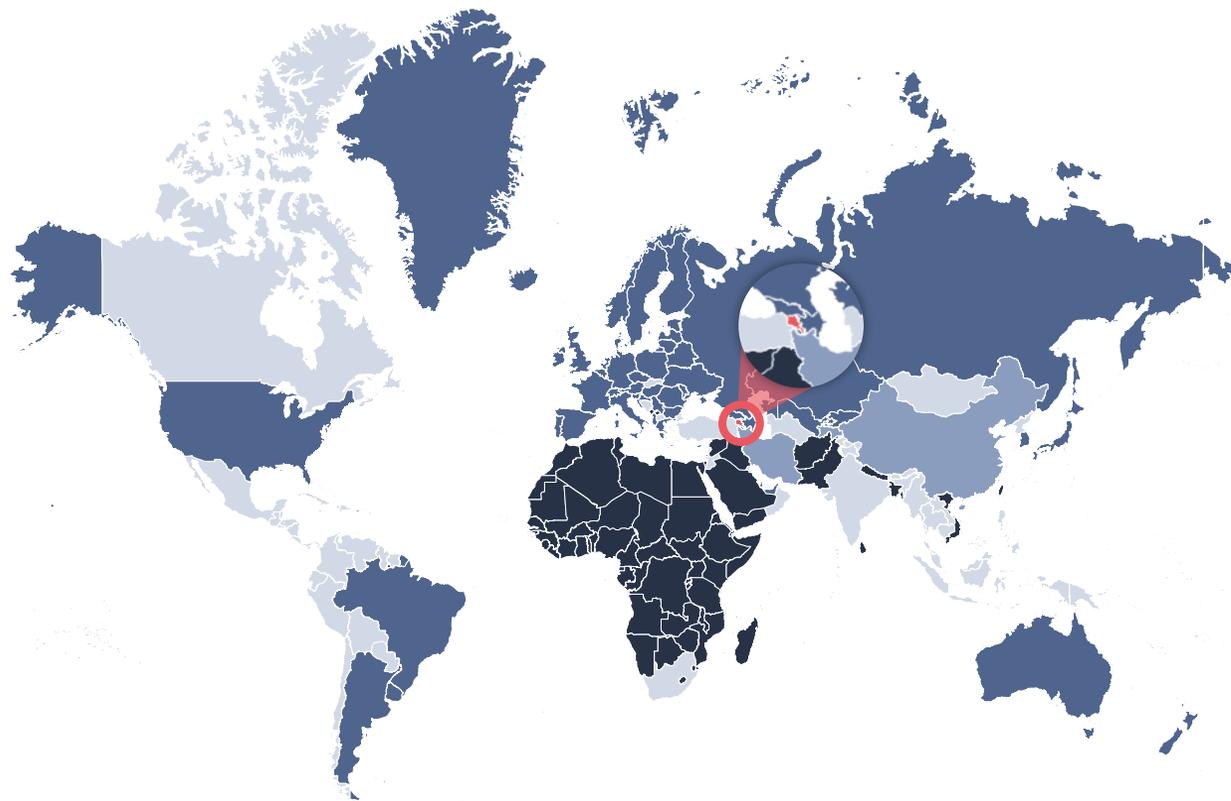


Implications for Armenia

- Current accommodation choices seem sufficient for existing inflow of tourists
- Supply of apartments, hotels and restaurants needs to be expanded to accommodate targeted growth

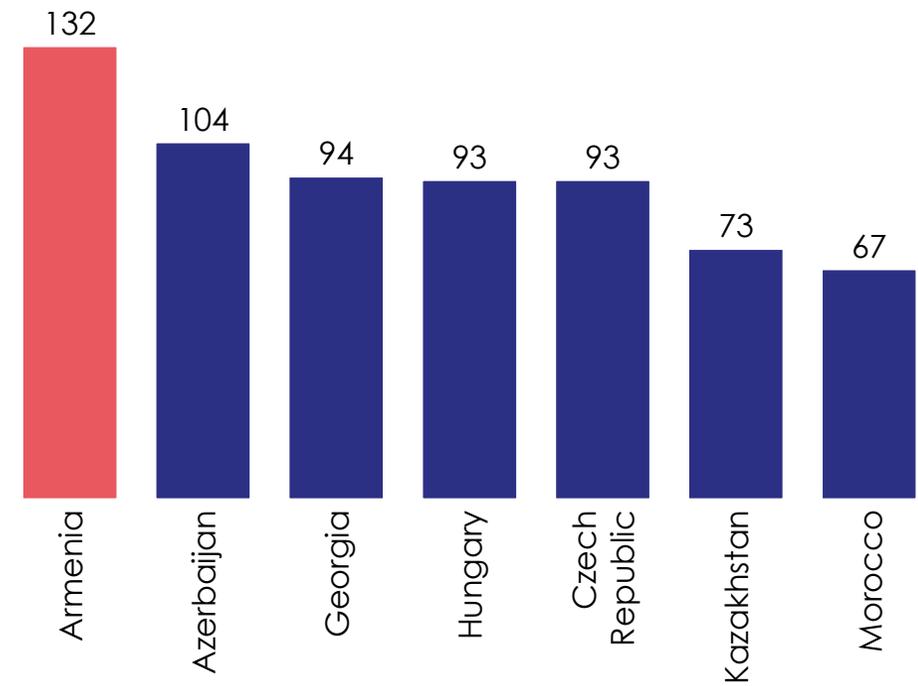


7. Visa Free regime of Armenia promotes tourism from the targeted countries



World Openness Score, 2019

A measure of the global ease of travel by taking into account all visa waivers in the world



Six strategic moves in tourism for Armenia to consider

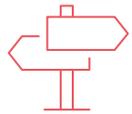
Prioritized initiatives



Become a desirable destination for target tourist geographies and segments (e.g., China, Gulf countries, Russia) through improved access and targeted promotional material (e.g., content in Chinese)



Implement social media strategy that drives global interest in Armenia through compelling visual content shared by travelers (e.g., through Instagram, YouTube)



Create unique adventure experiences by developing and promoting products and services to attract millennial travelers (e.g., paragliding, zip-lining, off-roading)

Sector-specific enablers



Promote religious tourism opportunities for culturally and religiously motivated travelers (e.g., from Russia, Germany, UK and France)



Develop roads and transport infrastructure to promote longer stay and domestic tourism



Promote language proficiency (e.g., English and Chinese) to improve service quality