

A BRIEF ANALYSIS AND MARKET PROSPECTS OF TOURIST TRAFFIC IN GEORGIA

КРАТКИЙ АНАЛИЗ И ПЕРСПЕКТИВЫ РАЗВИТИЯ РЫНКА ТУРИСТСКИХ ПЕРЕВОЗОК В ГРУЗИИ

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Abstract: *Transport is a major factor of the development of world tourism industry. With the development of tourism in Georgia the vehicle trails will be expanded rapidly. Georgian authorities pay considerable attention to the development of touristic facilities of the country. Creating the modern transport and logistics systems of multimodal traffic, Georgia more and more gains in its priority geopolitical importance as the most convenient country for Euro-Asian transport corridor TRASECA in South Caucasus.*

KEYWORDS: FREIGHT SERVICES FOR TOURISTS, TOURISM DEVELOPMENT, TOURIST TRAFFIC, TRAIN TOUR.

1. Introduction

Currently, transport is one of the most important components of the economy of any country both the developing and with the highly developed economic and social base. Transport ensures normal functioning of the economy, an increase in the public production efficiency, creates conditions for the rational distribution of productive forces over the territory of the country with a glance of most expedient approximation of enterprises in different economic sectors to raw material sources and to regions of the consumption of products, specialization and cooperation of production, and besides, it enables to develop such sectors as trade, agriculture etc. Transport is a major factor of the development of tourism industry as well [1].

The role of transport is large in the solution of social problems, ensuring the business, cultural and tourist trips of people, activation of cultural exchange as inside the country so abroad.

Transport, as a component part of infrastructure, is receiving particular attention from both the governmental and private business structures. At present, there is created and developing by leaps and bounds the powerful transport and logistics system in Georgia. Creating the modern transport and logistics systems of multimodal traffic, Georgia more and more gains in its priority geopolitical importance as the most convenient country for Euro-Asian transport corridor TRASECA in South Caucasus.

The length of the communication network of all forms of surface transport in Georgia for the moment composes about 25344 km. Among them about 23 000 km consisted of motor roads. The tourist season in Georgia is going on for a whole year that naturally requires the application of all modes of transport in the process of transportation services for tourists, including such non-traditional forms as metropolitan railway in Tbilisi, cableways in Kutaisi, Tbilisi, Chiatura and in highland winter resorts Mesta, Gudauri, Bakuriani, Borjomi etc. In recent years, the tourists more and more draw to individual motor means to move as through the snow, so on the Black Sea wave.

In recent years considerable attention is paid to the development of tourist facilities by Georgian authorities. About 3 million tourists have visited Georgia in 2011. According to preliminary forecasts the number of tourists over the next few years will reach 5 million. With the development of tourism in Georgia the vehicle trails will be expanded rapidly, since an increase in demand for the journeys has a positive effect on the development of both the internal and international transport infrastructure. However, the transport, by-turn, enables to expand the geography of journeys. Transportation services represent one of the basic forms of tourism services. They compose the basic portion in the cost structure of tour. Depending on the duration, distance and complexity of journey, this portion (in most cases) hesitates between 20% and 60% [2].

2. Pre conditions and means for resolving the problem

In Georgia the basic portion in overall transportation services belongs to air transport. The maximal number of tourists, who especially travel up to the great distances, are serviced by air transport. In this case, the airplane can be considered as a transport for individuals. Individual tourists compose the most mass flows of tourists traveling with health resort, business, entertaining and cultural purposes. It is just that they the most frequently use the air transport.

According to statistical data the growth rates in the popularity of air transport are higher than for motor transport that is conditioned by increasing expansion of the geography of journeys and by the existing steady trend toward shortening the duration of journey in favor of their frequency (growth of the short-term tours to the great distances) [3]. All this represent a reason for close attention of tourist business to the air transport. Airplanes are the most popular mode of transport in the world. The same can be said about air traffic in the tourism. And to this there is a number of reasons:

- firstly, the aviation is the most rapid and convenient mode of transport when moving to the great distances;
- secondly, the service on the air flights at present has the attractive form to tourists;
- thirdly, the air carriers as directly so through the international networks of reservation, pay out to tourist agencies commission charges for each reserved airplane seat encouraging them to choose the air traffic.

Air transport is one of the most rapidly and dynamically developing sectors of world economy and every year it wins increasingly solid positions in the worldwide transport system.

At present, 1 national and 23 international air carriers are flying to Georgia. On the average per year about 1 million people are transported at the air flights. majorities of airlines accomplish international regular air flights.

Currently, there are operated in the country two international airports in Tbilisi and Batumi and one newly-built airport in Mestia located in the highland region of Zemo Svaneti, wherein the tourist season (summer and winter) is going on for the whole year. Over the next few years, there will be constructed new international airport near the port city of Poti and reconditioned the Kopitnari Airport near Kutaisi.

The motor transport rightfully can be considered as the transport of universal application, since it is used everywhere: as in transfers and excursions and intra-route bus traffics, so in the rental of economy cars by tourists for private use on holiday. Buses and cars represent convenient transport for making the local and intra-regional tourist traffic. The bus excursion-cultural journeys with

visits to several cities and remarkable places enjoy a distinct popularity. Sometimes, it is convenient for tourists to travel en-route and within a city by personal transport.

The auto-services using in tourist servicing include three basic directions:

1) Organizing the bus journeys;
2) Organizing the bus journeys by personal transport of tourists;

3) Rent-a-car

International bus tourism in Georgia is a comparatively new mode of tourism. XXI century can be considered as the beginning of its development. Theretofore, the buses were used in different countries mostly for the transfers, excursions and local trips.

Being the economical form of tourism and affordable to great masses of population, the bus tourism is developed by leaps and bounds in Georgia. The trend toward an increase in its volume is observed so far. The priority is giving to the day-off bus tours, the 2-3 day trips are very popular inside the country and to the cities of neighboring countries with excursion-cultural purposes.

It is possible to drive into Georgia as from Europe, so from Asia as well. The famous Silk Road passes through the country's territory.

Georgia is connected with Azerbaijan, Armenia and Turkey by direct trunk roads.

The border-crossing between these countries is free of charge.

In the direction of Tbilisi the buses are running every day from Baku, Istanbul, Ankara, Trabzon and Yerevan.

They are running every day from the following cities of Armenia: Yerevan, Vanadzor, Stepanavan, Gyumri, Artek and Spitak; from capital of Azerbaijan Baku and from Turkey (Istanbul).

Buses from Athens are running several times a week.

The buses are departing from the central bus stations of above mentioned cities, there it is possible to obtain detail information on bus schedule.

When organizing the bus tours the seasonality does not play such significant role as during other types of journeys. In fact, the bus tours are organizing throughout the year. Certain slump of demand for them takes place in January-February. According to experts' opinion, with the importance of the price aspect the competition on the market of bus tours in the country is observed in the field of variety of routes and quality of service.

Rent-a-car service is a common and claimed service among tourists, especially during stationary and health resort tours. The rent-a-car offices are functioning in any tourist and health resort centers of Georgia, especially in cities. The car rental procedure is very simple. There is only required that tourist's age would be not less than 25 years old and practice of driving – not less than 3 years. Tourists are required to show their passport and driver's license (international).

The rent cost includes the following items:

- unlimited mileage;
- car delivery to customer within boundaries of city;
- repair or substitution of car in case of technical failure, except damage of tire casings and screen;
- comprehensive insurance in case of road traffic accident occurred through the fault of customer;
- insurance of passengers (except driver) against accident (driver is allowed to insure himself for extra pay);
- taxes.

In the near future, after modernization, the Georgian railway will become a main competitor of buses in summer tourist traffics to the Black Sea coast. The rail traffic's advantage consists in lower rates and high quality of trip.

The railway is a convenient mode communication for the traffic of any categories of tourists, from the tourist-individuals, large and small tourist groups on the regular-route lines and chartered trains to organization of special tourist-excursion local and distant trains from the neighboring countries.

Historically, the railways have actively participated in the development of tourist movement, but nevertheless, the motor transportation compete with rail traffic to short distances as well as on the excursion routes.

Currently, Georgian railway does not meet requirements of tourist traffic. it is possible to consider as the basic trends in the development of Georgian railway the following ones:

- construction of high-speed main lines (for acceleration of transportation);

- organization of Euro-Night services in railway cars (upgrading the comfort to the hotel level);

- organizing the special tourist trains, including the "retro-locomotives" (special theme journeys by rail transport.

Taking into account the fact that the rail transport in Georgia already counts third century, the Georgian Railway company can in the near future organize the "retro" tours both to east (Tbilisi-Telavi) and west (Tbilisi -Batumi) directions. For this there are initially required the steam locomotive and 5-7 comfortable passenger coaches. Here, for the tourists will be organized the transport, hotel, excursion and other high-quality services. Availability of such railway route is conditioned also by fact that it can cover such sights of the country as Stalin House and Museum in Gori, sites of primitive people in Chiatura district, Akaki Tsereteli House and Museum in Sachkhere district, Gelati and Motsameta monasteries in Kutaisi area, unique medical springs and well-organized Prometheus cave in Tskhaltubo district and others.

Principal regulating authority of railway traffic in Georgia is the Georgian Railway Company.

Railway communication is regulated in compliance with set of national and international agreements, conventions and contracts. There are acted in Georgia: Railroad Regulations; Rules of Transportation of Passangers and Luggage by Rail; departmental standard acts, publishing in periodical collections; Rules of Transportation and Tariffs; Agreement on the International Passenger Communication; Uniform passenger rates; instructions on commercial accountancy; Rules of Transportation of Luggage and Goods; Rules of issuing Free Tickets for Passage on railroads and metropolitans.

Railroad connects Georgia with Azerbaijan and Armenia. Trains from Baku are departing every day, the cost of ticket hesitates between 40 and 50 USD.

Trains from Yerevan are departing on odd-numbered days (3; 5; 29; 31), the cost of ticket varies between 10 and 30 USD.

At present, there are conducted on the Georgian railways the extensive reconstruction works. by the end of 2013 the Georgian railroad will be connected to European railroads through Turkey that will make enormous contribution to the development of international railway tourist traffic.

One of the possibilities to travel to Georgia is the sea voyage. The main Black sea ports are the following cities: Odessa, Kherson and Sevastopol in Ukraine; Poti and Batumi in Georgia; Constanta in Romania; Burgas and Varna in Bulgaria; Eregli, Samsun, Sinop and Trabzon in Turkey. .

It is possible to get to the port of Poti by ferry-boat from the Ukrainian ports of Ilyichevsk and Odessa. The ferry-boats are equipped with comfortable staterooms for passengers. Departure is occurring every Tuesday. Travel takes in total several hours.

The maritime transport already visualizes itself the image of tourist-cruise servicing and it is used in the tourism industry quietly actively.

Currently in the world and partially in Georgia, the sea cruises are in the period of prosperity. The cruise fleet grows, the passenger vessel designs are improving, their comfort rises, and new sea and ocean routes are developing. Throughout the world there are acting several dozens of specialized cruise companies exploiting from 1-2 to 15-20 passenger vessels.

In recent years, the image of cruise as a tourism product had been changed. the motor ship became the floating hotel with merriment and relaxation atmosphere. Due to intensive advertizing campaigns the attractiveness of cruises has been increased among

all segments of population. Combined and "package" air and sea cruises with inclusion of full set of services, became widespread. Meanwhile, the cruise company organizes the chartered flights as a part of whole trip, ensuring for tourist its quality of service already from the airport.

According to experts opinion, the cruise with the duration in one week is and will remain basic product of tourism (about 40% of cruises accounts for weekly trips). About 30% of customers prefer the shorter-term cruise tours. Cruises with duration from 10 to 14 days are draw only less than 30% of customers. Only 2-3% of customers take part in sustained cruises of more than 14 days (so-called circumnavigation)[4].

As a whole, for organizing the cruise tour the most common for the present period (about 60% of cruises) is a classical European system, which envisages the sea journey with call by ships at the different ports with excursion program. However, its own part in the demand has the American system as well, basic purpose of which is assignment of the possibility to passengers to relax and get a tan on beaches in the route destinations.

In 2006 the port of Batumi along with other Black Sea ports (Odessa, Yalta, Sochi) became a member of International Association "MEDCRUISE". In recent years, the route Odessa-Sochi-Batumi-Istanbul became much more attractive for the tourists that increase the number of visits of cruise ships into the port of Batumi. The tourists are visiting remarkable places in the city and acquainting with Georgian folklore. As they choose they are inviting to private houses for dinner or supper. The cruise ships are provided with servicing by local tourist agencies.

The port of Batumi city is visited by large cruise ships as well, such as "CRIPPER ODYSSEY", "AEGEAN ODYSSEY" "ISLAND SKY" and others.

Recently, in the all regions in practice, gain popularity the "cruises to nowhere" - 1- or 2-day journey without visits to other ports. As a rule, such ship departs from the base port at about 6 p.m. in Friday and returns in Sunday by the evening.

3. Conclusion

The most topical issues in the field of tourist traffic are the following ones: poorly developed tourist infrastructure; an increase in fuel costs; imperfect legislation; lack of tourist transport

facilities; low quality of service; lack of qualified and skilled personnel. Particularly, these aspects have direct influence on transportation quality and costs – the key competitiveness indicators of the product.

Summarizing, it is possible to say that tourist companies in Georgia consider the existing situation on the tourist traffic market as non-optimal and needing to be improved. At present, the air and motor transport are most actively used in this sphere. As a whole, the tourist companies are not satisfied by the quality of allowed services on the transportation. Especially, this dissatisfaction is addressed to haulers. The tourist companies are forced to use unjustifiably expensive servicing because of lack of tourist carriers with qualitative and inexpensive transport, as well as because of limited capacities for creation of own transport fleet. The large part of tourist companies does not possess own transport facilities because of stress of money for the purchase and maintenance of them. For the same reasons, almost no one of them plans to expand the existing fleet. In the tourist traffic system there is a lack of new transport facilities that slow the development of tourism sector.

The tourist companies are also dissatisfied by the level of prices setting by carriers. High level of them increases the transport costs share in the structure of tourist product (about 40%) making it more expensive for customers.

Many representatives of tourist companies consider that there is a need to create and adopt new tourism-transport legislation, which should include technical requirements, traffic rules, classification of tourist transport facilities etc.

4. Literature

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