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Mountain Tourism in Georgia



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Recent political developments notwithstanding, Georgia has experienced an impressive growth in tourism since 2012. International awareness of the country has increased significantly, cheap and direct flight now fly to multiple locations across the country, and press coverage of things to do and see in Georgia has become more frequent. Since 2012, the number of annual visitors has increased by almost four million.

International traveler trips by year



Source: The Ministry of Internal Affairs of Georgia

People come for many reasons - art, culture, clubbing, relaxation, food and wine, and outdoor pursuits. It is the last of these, outdoor pursuits, which this article examines. Georgia is a country of immense natural beauty with the Caucasus Mountains forming a stunning natural border between Georgia and Russia. It is also a land of dramatic geological diversity, from desert in the east, to the mountains of the north, the lush forests of Samtskhe-Javakheti, and the near sub-tropical coast line of Adjara and Guria. This diversity offers visitors interested in pursuing outdoor and adventure tourism with a myriad of options to do so while in Georgia.

According to the National Statistics Office of Georgia the average expenditure of tourists in 2018 was 1,099 GEL. This is a significant boon for the Georgian economy. However, a significant number of people transiting in the country (16.5% in 2018) inflates international traveler statistics. These short-term visitors, while important to many aspects of the Georgian economy, are low value-added tourists and lower the average expenditure statistics. In 2018, 42.7% of visitors were travelling to Georgia for holiday and leisure purposes – it can be assumed that it is within this population that the majority of touristic dollars are spent, thus this is the important group to consider when discussing tourism development.

The graph below is pulled from a 2017 report that highlights the popular activities of visitors.



Source: National Statistics Office of Georgia

The results of this are unsurprising, it shows a high level of engagement in shopping, sightseeing, and eating and drinking local cuisine and wine. There is moderate engagement with national parks and the sea, rivers, and lakes. It is within this subsection of visitors which this article specifically focuses, looking at the current state and future prospects of mountain tourism in Georgia.

What is mountain tourism?

Mountain tourism constitutes all activities that tourists undertake whilst visiting mountainous regions. In winter this primarily means skiing and/or snowboarding, while in summer it can include hiking, mountain biking, horse trekking, river rafting/kayaking, sky-diving, paragliding, mountain/rock climbing, and camping (to name a few possible activities).

Indeed, such pursuits have been growing in Georgia, in the 2017 Euro-Asia Mountain Resorts Conference Georgian Prime Minister Giorgi Kvirikashvili stated:

“Within the last five seasons, the number of travelers visiting Georgia’s ski resorts has increased by 800 percent. Besides, Georgia aims to host a variety of international championships for winter sports. For this reason, Georgia is striving to develop its ski resorts in a way that boasts international standards.”

Georgia offers a cheap alternative for European skiers compared to traditional destinations such as the French and Swiss Alps with day passes going for below 15 Euro (Price at Tednaldi ski-field).

Year round tourism infrastructure is also developing with the backing of the joint EU, Swedish, and Austrian project ‘Green Economy: Sustainable Mountain Tourism & Organic Agriculture (GRETA). Per the EEAS Europa website, this project has allocated 6.8 million euro to developing agriculture and tourism in the mountainous regions of Georgia. Also, of note is the ambitious cross border Transcaucasian Trail (TCT) project, which aims at developing and linking over 3000km of hiking trails across Georgia, Armenia and

Azerbaijan. Within Georgia, this project has greatly improved hiking trails in Svaneti and will soon commence work in Lagodekhi. The UNDP, GEF and Georgian government have also recently announced a 10 million USD commitment to provide support to 12 of Georgia's protected areas.

Central locations of mountain tourism in Georgia

There are many mountain tourism locations within Georgia, however, this article identifies three central locations for discussion.

1. **Mestia, Svaneti**
2. **Gudauri /Kazbegi, Mtskheta-Mtianeti**
3. **Lagodekhi, Kakheti**

The first two of these highlight the nature of investment made in mountain tourism in Georgia, while the third, Lagodekhi, offers an example of some of the gaps in the existing national strategy.

Mestia, Svaneti

Mestia, the capital of the Svaneti, has undergone immense change since the mid-2000s. During this period, the government focused on developing the city and region as a tourist destination. There are many hotels and homestays in the city, a number of restaurants, and a ski lift within walking distance of the city center as well as the Tetnuldi ski-field a short drive away. The road from Zugdidi was developed and is now constantly worked on to maintain year round access to the region. There is also a small airport in Mestia itself.



However, outside of Mestia and the Tetnuldi ski-field, development throughout the region is limited. Ushguli remains a popular multi-day hiking destination/day trip by car and the Becho Valley has seen a significant number of bed and breakfasts emerge over recent years as there have been an increasing number of hikers and ski-tourers passing through the valley (just one valley over from Mestia). However, outside of this the connectivity of the region is limited. Roads are difficult to traverse, transportation hard to organize, and accommodation difficult to organize prior to departure for foreigners. Furthermore, while there has been significant accommodation development, activity development has primarily been focused on skiing/snowboarding. As such, the options for mountain biking, hiking, and rock climbing are limited for those who have travelled to the region without a specific plan already in mind. This limits opportunity and means that visitors are less likely to return, as, while they may be able to fill a few days, they will feel like they have experienced all that they can in those days.

Gudauri/Mt. Kazbegi, Mtskheta-Mtianeti



Mt. Kazbegi is a mountain central to most Georgian marketing campaigns. The Gergeti Church perched on the first lip of the mountain provides a spectacular image and captures the natural beauty and religious history of Georgia in one shot. It is a popular destination for locals and international visitors alike. Mt. Kazbegi has a number of accommodation options around it. The most notable of these is the luxurious Rooms Hotel. Rooms Hotel offers high-end travel options for visitors. The hotel has a

stunning view of Mt. Kazbegi and offers a multitude of activities to guests – for a price. During the winter season the Gudauri ski-field is a popular destination, it offers a much more accessible greater Caucasus skiing experience than Svaneti given the proximity and connectivity of the region to Tbilisi.

Kazbegi attracts many tourists and there is infrastructure, by in large, to support the numbers visiting. The problem that emerges is the popularity of the region, it is accessible to foreigners (minimal obstacles), places to stay are numerous and can be booked easily and is relatively close to Tbilisi. This means that a huge number of tourists visit the site each year. As such, the theoretically sustainable infrastructure is stretched to its limit. Trails are overused and traffic up to the church substantial. This is due in part to a lack of development of similar sites to disperse tourists across areas of natural beauty of Georgia. A good example of this is the next area of focus, Lagodekhi.

Lagodekhi, Kakheti



Lagodekhi is Georgia's oldest protected area. It borders Dagestan and Azerbaijan and is home to some of the elusive wildlife in the South Caucasus. Furthermore, the mountains cast shadows over the most popular wine growing region in Georgia, Kakheti and is within an hour drive (or so) of the popular and picturesque town of Signaghi. However, activities in the park are limited and trails are underdeveloped and often treacherous.

A study of protected areas in 2016 conducted by GFA Consulting found that there were 49,590 visitors to the park that year.

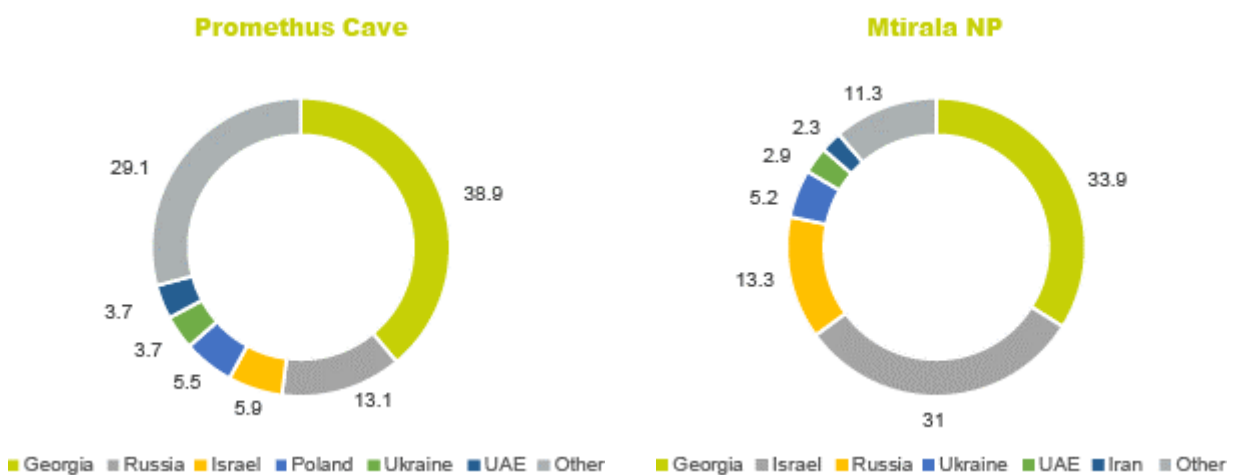
Protected Areas and National parks of Georgia – Tourism Details

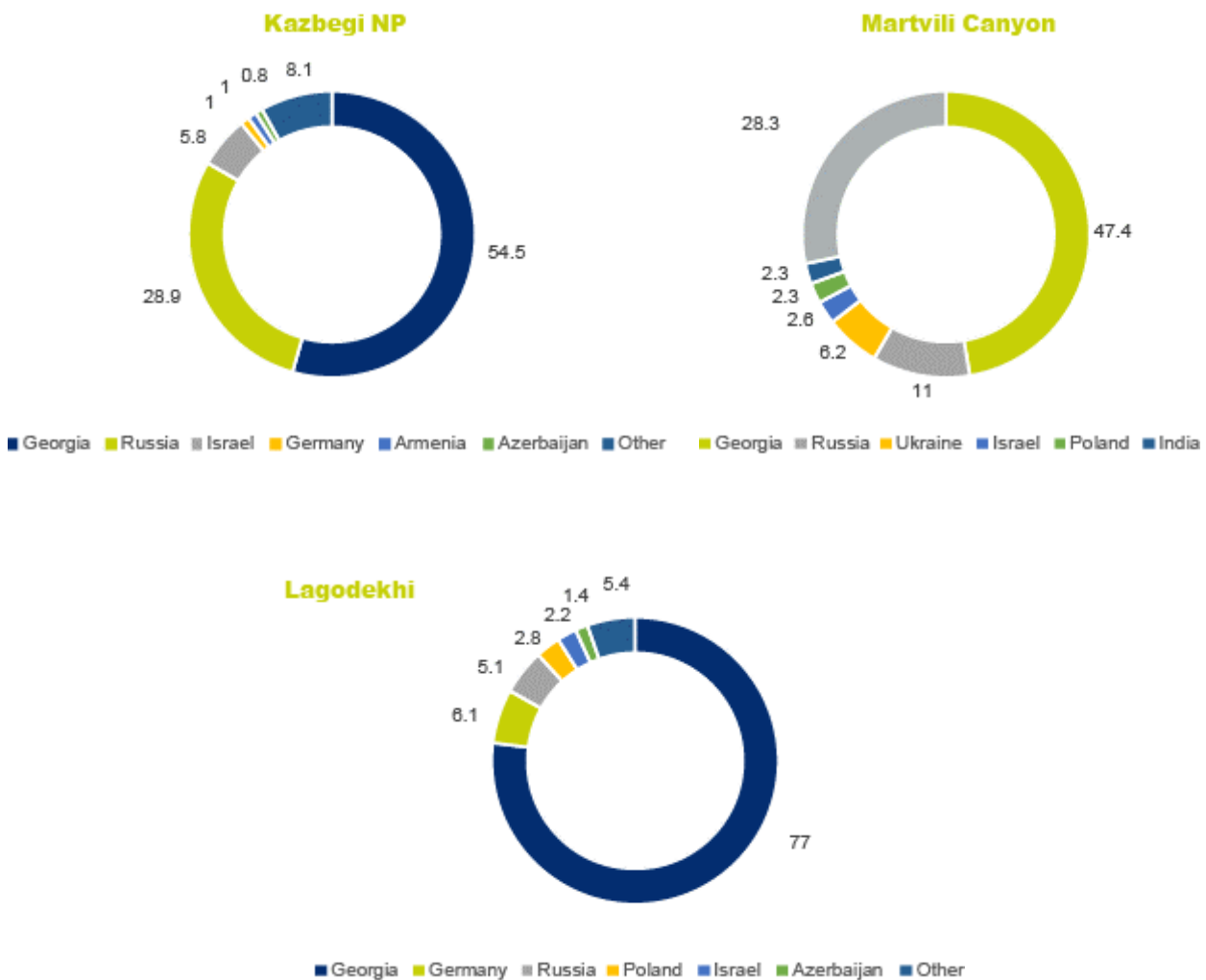
Selected Protected Areas	Administration	Part of the Country	Category	Visitors 2016	Year of establishment	Natural Attraction	Entrance fee
Prometheus Cave	Imereti Cave PA	West Georgia	III	138,227	2011	Cave	Yes
Martvili Canyon	Martvili & Ocatse PA	West Georgia	III	63,434	2016	Canyon, Waterfall	Yes
Lagodekhi MR	Lagodekhi PA	East Georgia	IV(I)	49,590	2003 (1912)	Forest, Waterfalls, Lake	No
Mtiral NP	Mtiral NP	West Georgia	II	33,774	2006	Forest at Seaside	No
Kazbegi NP	Kazbegi NP	North Georgia	II	134,111	1976	Alpine Landscapes, Cultural attractions	No

Source: GFA Consulting

The study found that of these protected areas Lagodekhi had the highest percentage of German Visitors. In the study Germans' are essentially used as a proxy for western Europeans, a group that, in this study, is associated with engagement with physical outdoor pursuits (as opposed to very developed pursuits such as is available in the Prometheus Caves). While this is a scientifically flawed measure, when considered in the context of the Lagodekhi it does shed light on the nature of those visiting the region.

Nationality of Visitors of travelling to protected areas and national parks in Georgia





Source: GFA Consulting

The overwhelming majority of visitors to Lagodekhi are Georgian (77%) and the second group is Germans (6.1%). This is an outlier in the statistics as German's only figure in one of the other statistical grouping (Kazbegi, 1%).

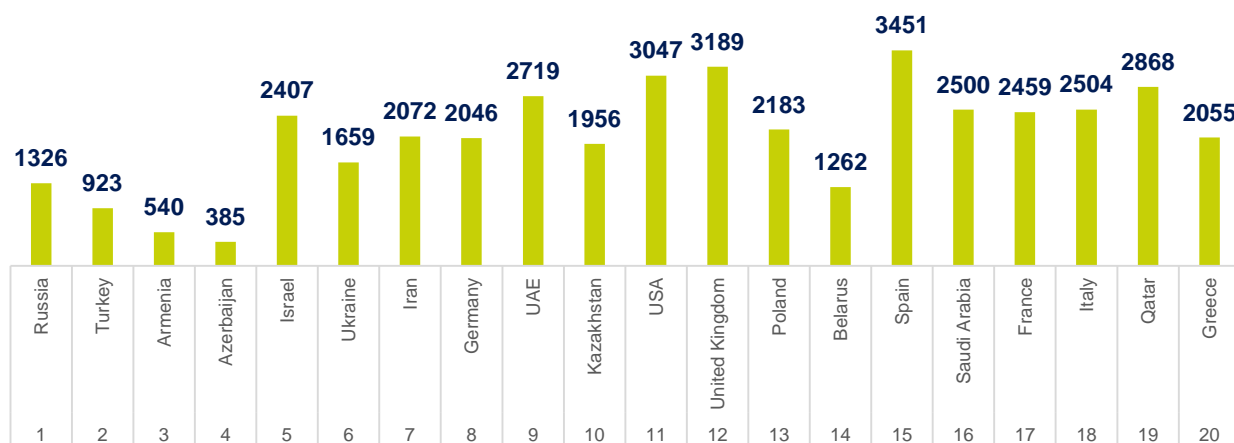
This indicates interest in outdoor/adventure tourism from a certain subset of visitors, however, given the limitations on accessing and hiking in the region it also indicates that there is significant room for growth in the popularity and interaction with the region with international visitors.

High Value Customers

Tourism literature often speaks of high-value customers and low-value customers. An example of low-value customers is those that pass through the country in transit, while an example of high-value customers are those who travel to Kazbegi, stay in Rooms hotel, and rent transport to get around. This, however, is an extreme example and if a tourist development model solely focuses on those capable of pursuing such activities, the potential reach of tourism is limited. A visitor who travels to multiple parts of the country and spends money on restaurants, accommodation, and local services across a number of regions is also a high-value tourist and helps disperse income across the country rather than in a few isolated elite locations (as can be the case with extreme high-value tourists).

The UN World Tourism Organization (UNWTO) reports that the global average value added by adventure tourists to national economies is \$3,000 USD, significantly more than the 1,099 GEL average expenditure in Georgia. This is a broad figure and is subject to a multitude of international variables. Nonetheless, it is indicative of the potential value of investment in outdoor tourism in Georgia. Georgian tourism statistics show the average expenditure of visitors by nationality. If the premise that western European visitors are more inclined towards outdoor tourist pursuits is accepted, then the high average spend of visitors from the UK, Poland, Germany, Spain, France and Italy give some indication of the value of outdoor tourism to the Georgian economy. Nonetheless, the numbers of visitors could be grown if access to and activities within Georgia’s natural regions are developed. The National Statistics Office of Georgia provides a breakdown of the average expenditure per nationality below.

Average expenditure of tourists by nationality



Source: National Statistics Office of Georgia

The average expenditure of visitors from the countries identified above combined is 2,658 GEL, also substantially more than the average of 1,099 GEL across all visitors. This indicates that targeting developments that appeal to more people from Western Europe will have significant economic benefit for Georgia moving forward.

Areas of potential improvement:

Georgia’s natural beauty attracts visitors, however, this number can be grown and the profit from them maximized. A number of areas can be improved to encourage this:

Access: developing simple and clear means to travel to these remote regions will encourage tourists to visit them. Those interested in pursuing outdoor activities are willing to travel to areas without huge amounts of development but for people unfamiliar with the country accessing such places is often the challenge. For those visiting Georgia for the first time the language and transport system provide a challenge for visitors to overcome, as a result there will be a tendency amongst such visitors to attend the few easily accessible attractions. This results in visitors, and the economic benefits they bring with them, being predominately

isolated in a select few areas. Developing access to more areas is will spread the economic benefits of tourism and assist rural development.

Activities: Georgia has focused heavy investment into attracting winter tourists to their snowfields. However, developing a greater number of summer activities will also be of immense benefit to tourism. More hiking, biking, and horse trails throughout the mountains will encourage people to explore more parts of Georgia.

Diversify: developing more locations as tourist locations and improving connectivity between regions will result in tourism being more evenly spread and encourage a higher percentage of return visits.

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