

## **DEVELOPMENT OF COMPETITIVENESS IN THE TOURISM INDUSTRY OF KAZAKHSTAN**

**Oralkhanova Shyrailyym Bauyrzhankyzy**

shyrailyym@mail.ru

**Abdrakhmanova Albina Parakhatovna**

albina\_abdr@mail.ru

Students of L.N. Gumilyov Eurasian National University

Scientific advisor: Nurmanova U.K.

**Abstract:** Tourism sector stays in the limelight, especially because of the economic benefits that it provides to the state. As a result, it is observed that a significant part of the tourism literature studies is concerned with the economic aspects of tourism. Kazakhstan, which has a large tourism potential, has attempted to evaluate these values as much as possible and has included tourism in its development plans. This article makes a brief mention of the prospects for the development of competitiveness in Kazakhstan's tourism industry. A case study research approach is based on SWOT analysis and main problems of the industry that directly affect the dynamics of its development are considered in detail.

**Keywords:** tourism industry, development, competitiveness, domestic tourism, Kazakhstan.

### **Introduction**

Tourism is a rapidly growing sector of the economy. And, while Kazakhstan's tourist destinations are not yet widely represented in the global tourism market, the country has great potential to occupy a worthy place in global tourism due to its unique natural resources and cultural and historical heritage. On the UNESCO World Heritage List, Kazakhstan has three cultural heritage sites and two natural heritage sites. However, the tourism industry's attractiveness is defined not only by beautiful natural landscapes and historical sites, but also by developed infrastructure and services, transportation accessibility, and security.

Also, tourism is not a highly profitable or investment-attractive business in Kazakhstan today. Tourism accounts for only 1.8 % of Kazakhstan's GDP [1]. Restrictions on the movement of foreign tourists associated with the pandemic and the political events, of course, have a negative impact on Kazakhstan's inbound tourist flow, but they also allow us to reorient the outgoing tourist flow to domestic tourism, as well as analyze the industry, identify gaps in the efficiency of tourism activities, and direct efforts of state regulatory bodies and private investors to solve the most pressing problems.

The goal of this article is to analyze the main problems in Kazakhstan's tourism industry and to form analysis for the industry's development based on competitiveness. And the restrictions associated with the pandemic can be viewed not only as a factor that temporarily impedes industry development, but also as a forced "break" that allows to assess the potential and choose an industry development strategy. The main thesis is that opportunities of competitiveness for the development of the tourism industry in Kazakhstan has an equal chance of success. The country's authorities consider tourism to be one of the most important industries for the development of the Kazakh economy, Tourism in the country remains underdeveloped, and retains significant future growth potential. Authorities in the country have looked to promote tourism in a variety of ways, such as through passing legislation and committing to development programs.

### **Problems**

**Tourism infrastructure.** One of the main problems hindering the competitiveness of tourism in Kazakhstan is the low level of infrastructure development. According to the World Economic Forum, Kazakhstan ranks 127th out of 140 countries in the Travel and Tourism Competitiveness

Index in 2019 in terms of the quality of tourism infrastructure. And in points it is estimated as 3.4 out of a possible 7 points [2].

Transport infrastructure plays an important role in the development of tourism, since it is a link between various destinations and elements of the tourism industry.

*Table 1*

Transport infrastructure of Kazakhstan in the Travel and Tourism Competitiveness Index 2019

Infrastructure types	Ranking	Score (out of 7)
Quality of air transport infrastructure	86	4.2
Quality of road infrastructure	106	3.2
Quality of railroad infrastructure	32	4.2

Reference: compiled on the basis of source [2].

There are also problems with accommodation in the country. Hotels with good service are built only in big cities, but their prices are very high. And in remote areas there are none of them at all. There are also no well-maintained toilets and modern roadside service facilities.

Specialists. Despite the huge tourist potential of Kazakhstan, there is no one to use them in the right direction. There are not enough specialists and professional service personnel in the country. As a result, there is another problem - a low level of service. Kazakhstan ranks 57th in the rating of human resources and labor market. This pillar measures the availability of quality human and how efficiently human resources are allocated in their most efficient use. The level of our country is estimated at 4.7 points out of 7 [2].

Service quality. Degree of customer orientation in Kazakhstan is estimated at 4.4 points and our country takes 86th place [2]. This indicator shows the level of satisfaction of tourists with the work of service personnel. According to these statistics, it can be concluded that tourists are more likely to go to the higher ranked 85 countries.

Marketing. Many travel companies prefer to engage in outbound tourism. This leads to the exit of the currency from the country and keeps domestic tourism undiscovered. Also, only not all tourist companies can attract foreign tourists. The World Economic Forum rating notes weak tourism marketing in Kazakhstan. Thus, in terms of the effectiveness of marketing and branding to attract tourists to Kazakhstan and the rating of the country's brand strategy, our country is only in 99th place [2]. The low activity of marketing and promotion of Kazakhstan as a tourism destination is also reflected in the indicators of digital demand: in terms of the number of online searches for cultural and entertainment tourism, Kazakhstan is on 104th place, natural tourism - on 116 place [3].

#### Research method

The research adopts findings based on SWOT analysis. Data sources include national tourism statistical data, official state documents, mass media publications and Internet:

Table 2. SWOT analysis

<i>Strengths</i>	<i>Weaknessess</i>
<ul style="list-style-type: none"> <li>● Rich culture and history of Kazakhstan</li> <li>● Availability of natural resources such as mountains, rivers, lakes, steppes and forests</li> <li>● Increase in the number of specialists trained for the tourism sector</li> <li>● Paying special attention to trilingualism</li> <li>● Creation of State programs for the</li> </ul>	<ul style="list-style-type: none"> <li>● Almost all infrastructure is located in cities and large settlements</li> <li>● Political instability in the state as in January 2022</li> <li>● Non-compliance of infrastructure with international requirements</li> <li>● Lack of conditions for a one-day stay of tourists at sites of interest</li> <li>● Lack of a mechanism for subsidies,</li> </ul>

development of the tourism industry <ul style="list-style-type: none"> <li>● Digitalization of the tourism sector</li> <li>● Positive political relations with other States</li> </ul>	preferences and tax incentives for investors <ul style="list-style-type: none"> <li>● Approaches and policies of ecotourism have not been fully formed</li> <li>● Poor quality and lack of access roads to many tourist sites</li> <li>● The training program of personnel in the field of tourism industry does not meet the real needs of the market</li> </ul>
<i>Opportunities</i>	<i>Threats</i>
<ul style="list-style-type: none"> <li>● Development of various tourism directions</li> <li>● Raising awareness of Kazakhstan at the international level</li> <li>● Increasing the inbound tourist flow</li> <li>● Attracting investments, including foreign</li> <li>● Creating new workplaces</li> <li>● Improving the living conditions of the population</li> <li>● Increase in income of the population</li> <li>● Preservation and restoration of cultural and historical sites</li> <li>● Formation of a positive attitude of the local population to tourists</li> </ul>	<ul style="list-style-type: none"> <li>● Increase in the number of one-day routes</li> <li>● Reducing the volume of tourist flows due to restrictions</li> <li>● Low level of investment activity</li> <li>● Distrust of tourists country due to political instability</li> <li>● Similar tourist products in travel agencies of the country and neighboring countries</li> <li>● Strong dependence on the volume of business travel</li> </ul>

### Solution

The development of the tourism sector should begin with the improvement of infrastructure. The developed tourism infrastructure ensures not only the availability of a tourist resource, but also the comfort of a tourist's stay at the destination. In the concept of tourism development until 2026, it is planned to develop the construction of roads to tourist facilities outside settlements. Also, in order to expand the geography and reduce the cost of domestic air travel, it is planned to work out the issue with domestic airlines to open new regular air routes, reduce the cost of tickets [4].

In the course of this concept, it is planned to carry out work on improving the skills of employees of tourism industries through the organization of training events, trainings, internships, master classes, advanced training courses with the involvement of experienced local and international experts, including in an online format.

Also, in 2020, the International University of Tourism and Hospitality was opened in Turkestan with the aim of developing the country's sectoral human resources potential. It became the first Central Asian specialized educational institution for training specialists in tourism professions, following the example of international schools of tourism and hospitality. The first specialists of this university will graduate in 2024.

The closure of borders after the coronavirus pandemic pushed Kazakhstanis to rest inside the country. Most of the citizens went to the natural recreation areas closest to the cities, national parks and resort areas. This was a great opportunity to promote local tourist destinations, which we need to take advantage of. Therefore, a Map of tourist identification with the territories of the republican and regional levels was formed and approved.

According to the concept of tourism development, it is planned to introduce the Destination management organization mechanism by 2026. This mechanism is responsible for marketing and promotion of regional tourism potential [3].

The Law of the Republic of Kazakhstan dated April 30, 2021 No. 34-VII "On amendments and additions to some legislative acts of the Republic of Kazakhstan on tourism activities" was also approved. According to this law, it was decided to subsidize tour operators for a foreign tourist (15 thousand tenge). This motivates tour operators to attract foreign tourists to our country [5].

## Conclusion

Today's global tourism trends are concentrated in areas such as: deepening and expanding digitalization and automation in the tourism and hotel industries; increasing the environmental requirements for doing business in the tourism industry; shift in consumer preferences and increased popularity of eco-, agro-, and ethno-tourism in the country.

In this regard, Kazakhstani tourism industry experts have generated a number of ideas related to the implementation of digital innovations and changes in demand and consumer preferences for tourism services. Kazakhstani travel agencies will become travel consultants in the future, as most travelers will prefer to book tours and tickets online. In addition, tourism will be represented by two segments: the first is mass-produced and inexpensive as a result of the active use of innovative technologies; the second is a personalized elite segment in which a person is present at all stages of the journey, from tour selection to full escort of a tourist.

The analyses presented are not mutually exclusive, but rather complementary, and reflect the industry's potential positive and negative trajectories. It is difficult to assess the likelihood of forecasts being realized in a 10–15-year perspective, not only because of rapidly developing IT technologies that affect all aspects of society, but also because of the epidemic's unpredictability, which has a negative impact on, first and foremost, the tourism industry and people's mobility. Nonetheless, future-building technologies enable experts and key players in the tourism industry to truly shape a shared future, primarily by coordinating activity value orientations and forming a shared target vision.

As a result, we can confidently state that today, an important economic task is the development of domestic tourism in the regions which can stimulate the competitiveness in tourism. The Tourism Development Concept in the Republic of Kazakhstan envisions the development of a competitive tourism industry to ensure population employment, stable growth in the country's income by increasing the volume of inbound and domestic tourism, and the transformation of Kazakhstan into a tourism center of the Central Asian region.

## References

1. Statistics Committee of the Ministry of National Economy of the Republic of Kazakhstan. tourism statistics. URL: <https://stat.gov.kz/official/industry/22/statistic/7>
2. Internet resource: <http://reports.weforum.org/travel-and-tourism-competitiveness-report-2019/country-profiles/#economy=KAZ>
3. Internet resource: <https://legalacts.egov.kz/npa/view?id=14018347>
4. Internet resource: <https://www.zakon.kz/6008342-v-kazakhstane-razrabotali-kontseptsiiu-razvitiia-turistskoi-otrasli-do-2026-goda.html>  
Internet resource: <https://adilet.zan.kz/rus/docs/Z2100000034>

UDC 65.658.64

## MAIN DIRECTIONS OF RESTAURANT BUSINESS DEVELOPMENT IN KAZAKHSTAN

**Serikbaev Anuar Ersinovich**

*serikbay.anuar@mail.ru*

Master student of the 1st year of the EP EMBA "Hospitality and Leisure Management",  
L.N. Gumilev Eurasian national university, Nur-Sultan, Kazakhstan