

**Czech University of Life Sciences Prague**

**Faculty of Economics and Management**

**Department of Economics**



**Bachelor Thesis**

**Event tourism in the South Ural**

**Pastukhov Egor**

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# CZECH UNIVERSITY OF LIFE SCIENCES PRAGUE

Faculty of Economics and Management

## BACHELOR THESIS ASSIGNMENT

Egor Pastukhov

Economics Policy and Administration  
Business Administration

Thesis title

**Event tourism in the South Ural, Russia**

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### Objectives of thesis

The main objective of this thesis is to propose event aiming at development of tourism in the Southern Urals (Chelyabinsk region, Russia). A partial objective is to provide literature overview about event tourism.

For this, solutions to the following research questions are required:

- 1) Analysis of the economic condition of the region
- 2) Market overview analysis
- 3) project and financial plan of the festival organised by the author

### Methodology

Literature review will be conducted using literature, professional articles, web resources. Analytical section will be done using methods of both qualitative (descriptive) as well as quantitative analysis using own findings and consultations.

**The proposed extent of the thesis**

40-50 pages

**Keywords**

South Ural, Russia, tourism, event, development, domestic tourism, business, festival,

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**Recommended information sources**

Andrades, L., Dimanche, F., (2015) *Tourism in Russia : A Management Handbook*, Emerald Publishing Limited

Dwyer, L., Wickens, E., (2012) *Event Tourism and Cultural Tourism : Issues and Debates*, Routledge

Kruzhalin, V., Mironenko, N., Siegern-Korn, N., Shabalina, N., (2014) *The geography of tourism (Geografiya turizma/География туризма)*, Federal Tourism Agency (Federal'noye agentstvo po turizmu/Федеральное Агентство по Туризму)

Singh, M., (2008) *Tourism Management and Marketing*, 1 & 2, Himalaya Publishing House

Stabler, M.J., Papatheodorou, A., Sinclair, M.T., (2010) *The Economics of Tourism*, Routledge

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### **Declaration**

I declare that I have worked on my bachelor thesis titled “Event tourism in the South Ural” by myself and I have used only the sources mentioned at the end of the thesis. As the author of the bachelor thesis, I declare that the thesis does not break copyrights of any other person.

In Prague on 30.11.2020

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## **Acknowledgement**

I would like to thank Ing. Pavel Kotyza, Ph.D., my parents and some of my friends, for their advice and support during my work on this thesis.

# Event tourism in the South Ural

## Abstract

The present study looks into the tourism potential of a business idea of the festival-forum “Pritesy” in the South Ural (Chelyabinsk region, Russia). Existing studies of event tourism have mostly concentrated on boosting of the local tourist infrastructure in terms of betterment of facilities and improvement of transport linkages among other factors. The bachelor thesis proposes to utilize the potential of using a creative ecosystem of musicians, directors, designers, photographers, theater and film actors, choreographers, artists as a viable tourist attraction to boost the event tourism potential of a particular region.

The bachelor’s thesis starts off with look at existing literature on tourism, focusing mostly on event tourism and highlighting the economics of tourism in the Russian context. The thesis then goes on to compare the dynamics of different festivals (of varying sizes) mostly across the region before going on to analyse the unique characteristics and economic dynamics of the festival “Pritesy”.

The thesis concludes by showing how this business plan of event tourism is unique and viable in a managerial and economic sense.

**Keywords:** Tourism, event tourism, business plan, Russia, Southern Urals, Chelyabinsk region, festival, developing.

# Eventová turistika v Jižním Uralu

## Abstrakt

Tato studie se zabývá turistickým potenciálem festivalu „Pritesy“ v Čeljabinské oblasti. Stávající studie eventového cestovního ruchu se většinou soustředily na posílení místní turistické infrastruktury, pokud jde o zlepšení zařízení a zlepšení dopravních spojení mezi dalšími faktory. Bakalářská práce navrhuje využití potenciálu využití kreativního ekosystému umělců jako životaschopné turistické atrakce k posílení potenciálu turistického potenciálu daného regionu.

Bakalářská práce začíná pohledem na existující literaturu o cestovním ruchu, zaměřuje se především na eventový cestovní ruch a zdůrazňuje ekonomiku cestovního ruchu v ruském kontextu. Práce dále porovnává finanční dynamiku různých festivalů (různých velikostí) po celém světě a poté analyzuje jedinečné vlastnosti a ekonomickou dynamiku festivalu „Pritesy“.

Závěrem práce je ukázat, jak je tento model eventového cestovního ruchu jedinečný a životaschopný v manažerském a ekonomickém smyslu.

**Klíčová slova:** Turistika, eventová turistika, Rusko, Jižní Ural, Čeljabinská oblast, festival, vývoj.



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## **List of abbreviation**

GRP – Gross Regional Product

OECD - Organisation for Economic Co-operation and Development

PR – Public relations

RUB – Russian currency (ruble)

UN – The United Nations

UNWTO – The United Nations World Tourism Organisation

US – The United States

# 1. Introduction

Tourism is one of the most profitable industries in many countries. It takes a leading place in national development for many governments. Also, tourism is an important part of the socio-economic development of countries, including the following sectors: agricultural economy, industry, health, education, etc. It should be noted that tourism creates a large number of new jobs, thereby reducing unemployment.<sup>1</sup>

Nowadays, one of the most popular and dynamically developing directions of tourism is event tourism. Therefore, this industry is required to effectively and efficiently manage the sector to ensure sustainable development and growth in the future.<sup>2</sup>

Event tourism is a type of tourism where tourists visit a country with a specific goal. For example, the main goal of tourists in 2018 to visit Russia was the FIFA World Championship.<sup>3</sup> Event tourism assumes the satisfaction of a person's needs in visiting a specific event. It gives greater interest for potential tourists and gives unlimited space for the creativity of the organizers for this type of tourism. The resource supply of event tourism is varying and depends on a specific event. Events can be very diverse. The main advantage of event tourism is massive infrastructure development and upliftment of the local economy. The regions which promote event tourism experience a huge development of amenities including the creation of comfortable accommodation facilities, organization of sports and related infrastructure. Development also comes in the form of improvement of tourist spots, entertainment complexes, development of transport infrastructure of the region to cater for the sightseeing requirements. In the period of the events, there is a revival of local cultural traditions, customs, and the development of folk art.

The modern tourist is no longer satisfied with the “sea-salt-beach” formula. He does not want to passively rest and simply devour the sight of attractions. He wants to participate in something.<sup>4</sup>

The South Ural region is rich in events. The present work is relevant because the development of event tourism is a priority in the Russian Federation, and the South Ural has a huge potential in this regard. The South Ural region is a developing area with a rich natural

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<sup>1</sup> Hall C. M., Pro-poor Tourism: Who Benefits? Perspectives on Tourism and Poverty Reduction, 2007, Clevedon - 13p

<sup>2</sup> Yeoman I., Robertson M., Ali-Knight J., Drummond S., McMahon-Beattie U., Festival and Events Management : An International Arts and Culture Perspective, 2003, Routledge – 25p

<sup>3</sup> 2018 FIFA WORLD CUP RUSSIA™, Sustainability Report

<sup>4</sup> Goodall B., Ashworth G., Marketing in the Tourism Industry (RLE Tourism) : The Promotion of Destination Regions, 2012, Routledge – 39p

and historic-cultural heritage. Due to these features it has the potential to be a perfect candidate at the center of the event tourism boom.

Considering the potential of the South Ural region and its territories, aspiration for the development of event tourism can be considered justified. Strategic importance in the development of domestic and inbound tourism at the federal level also determines the relevance of the thesis and reiterates the importance of the research.<sup>5</sup>

The importance and relevance of this thesis are also confirmed by the possibility of using this study for practical purposes, for example, in the business sphere.

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<sup>5</sup> Decree of the Government of the Russian Federation of 08.12.2018 No. 2227-r “*On approval of the Strategy for innovative development of the Russian Federation for the period until 2035*” // Collection of legislation of the Russian Federation. - 02.01.2019. - No. 1. - Art. 216.

## **2. Objectives and Methodology**

### **2.1 Objectives**

The main objective of the thesis is to propose an event aiming at the development of tourism in the Southern Urals (Chelyabinsk region, Russia). A partial objective is to provide a literature overview of event tourism.

For this, solutions to the following research aims are required:

- 1) Analysis of the economic condition of the region
- 2) Market overview analysis
- 3) Questionnaire survey
- 4) A festival-forum business plan

### **2.2 Methodology**

In this part qualitative and quantitative methods were used. Furthermore, the course of research is presented, where the selected technique of data collection is presented.

Different information can be identified and evaluated using two different methods: qualitative and quantitative. Statistical regularities can be found using secondary quantitative data. Based on the information obtained, it is possible to create a table or graph and clearly show numerical data. It is not clear which method is better, because each has its own pros and cons. A researcher can use qualitative and quantitative methods at the same time to achieve the most accurate results.

The advantage of the quantitative method is, above all, the possibility of examining a large number of people. This is not time-consuming and the data is more accurate compared to qualitative methods. For using the quantitative method, a deductive approach is required. The deductive approach involves the use of an existing model or even a developing theory, stating a hypothesis and collecting data to test it. The qualitative method uses an inductive approach, which aims to collect data, understand the problem and then develop the theory. This method provides a lot of information even about a small number of people, but it can be time consuming. The disadvantage of this method is subjectivity, because the research results often depend on the opinion of the researcher.<sup>6</sup>

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<sup>6</sup> R. Durbarry, *Research Methods for Tourism Students*, Routledge, 2017 – 203p.

This bachelor thesis is divided into two parts. The first part consists of a **literature overview** of tourism, explaining its theoretical aspects. Basic data, terms, concepts and definitions are compiled from relevant publications, online sources and consultations with specialists. **The practical section** is constructed from the analysis and creation of a business plan for a festival of creative people. The analytical section will be done using methods of both qualitative (descriptive) as well as quantitative analysis using relevant sources, own findings and consultations.

The following research methods were used:

### **1. Information overview, statistics;**

Materials relevant to the topic of the bachelor's thesis have been studied. Further, **an overview of the economic, tourist and cultural components** of the Chelyabinsk region was compiled.

### **2. Geographical analysis**

Also, statistical data were obtained from the Ministry of Culture of the Chelyabinsk region to conduct a marketing review of the region's festivals through *quantitative and geographical methods* of analysis.

### **3. Questionnaire analysis**

In order to get more accurate information about the target audience, it is necessary to analyze the questionnaire. The survey was compiled on the basis of previous experience in organizing the festival.

### **4. Business plan for a festival**

In this part, *the analysis of the target group* of the festival participants is carried out, *a budget plan* and the *expected development* of the event in the future are drawn up. The location of the event was carried out according to the author's criteria. Description of the festival program is presented.

#### **4.1. Market analysis**

Information about direct and indirect competitors was collected, and an analysis was carried out to identify the needs of potential participants. Although it was important for calculations of average values (number of participants, prices). After *competitor analysis*, *SWOT-analysis* of the festival and *SWOT-strategies* were carried out.

#### **4.2. Marketing plan**



In this part, a pricing policy has been selected, a promotion plan has been drawn up using *a sales funnel*. A sales funnel is a marketing model that describes the prospective customer's "journey" from the first acquaintance with an offer or product to a real purchase.

#### 4.3. Operational plan

The operational plan part contains *a schedule of project tasks* and *deadlines*. Further, *the selection of employees* is performed.

#### 4.4. Financial plan

The initial investment, investment sources and operating costs are compiled.

Also, the expected income, financial statements (*Balance sheet, Income statement, Cash Flow from operating activities*) were drawn up. In capital budgeting, *net cash flow from operating activities* and *cumulative net cash flow* were compiled. The data from these calculations were used to obtain the key results of the financial plan:

**Payback period** (Return on investment)

$$PB = t + \frac{b-c}{d-c}, \text{ where}$$

b – initial investment

c – cumulative cash flow during the year "t"

d – cumulative cash flow in "t + 1" year

t – last year where the cumulative net cash flow is less than initial investment

**Net Present Value** (Profitability of the project)

$$NPV = PVNCF - NINV$$

PVNCF – Present Value Net Cash Flow

NINV – Initial Investment

$$\sum_{t=1}^n \frac{NCF_t}{(1+k)^t}, \text{ where}$$

t – year

k – cost of capital in % (loan interests paid + inflation rate)

n – project life

**Profitability index** (How much return on investment)

$$PI = \frac{\sum NPV}{NINV}, \text{ where}$$

PI = Net present value of cash flows / Initial net investments

**Break-even analysis** (How many tickets need to be sold to cover all costs)

$$Qb = \frac{FC}{p - VC \text{ per unit}}, \text{ where}$$

FC – fixed costs

p – price per unit

VC – variable cost per unit

### 3. Literature Review

#### 3.1 Tourism

The definition of tourism is quite widespread, but most opinions agree that tourism is a visit to a certain place for sightseeing, visiting friends or relatives from other places.<sup>7</sup> For example, in the Cambridge Academic Content Dictionary, the following definitions of the words “*Tourism*” and “*Tourist*” are indicated:

*“Tourist - a person who travels and visits places for pleasure and interest”*

*“Tourism - the business of providing services, such as transportation, places to stay, or entertainment, for tourists”*<sup>8</sup>

According to the UNWTO glossary, a tourist is a temporary visitor, that is, a person who is in a country that is not his country of residence. The reason for staying in another country may be any purpose, but not the implementation of the paid activity. A tourist is a person who has been out of permanent residence for at least 24 hours and no more than a year.<sup>9</sup>

Tourism is:

- A special mass kind of travel with clearly defined tourism goals, made by the tourist himself,
- Activities for the organization and implementation (maintenance) of such trips - tourist activities. This activity is carried out by various enterprises of the tourism industry and related industries.<sup>10</sup>

Tourism – the temporary movement of people from their place of permanent residence to another country or other locality within their own country in their free time. The goals of temporary movement can be different: for pleasure and relaxation, wellness and medical, guest, educational, religious or for professional and business purposes. Temporary work paid from local finance sources cannot be considered tourism.<sup>11</sup>

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<sup>7</sup> Smith S., *Discovery of Tourism*, 2010, Emerald – 11p.

<sup>8</sup> Cambridge Academic Content Dictionary, 2017

<sup>9</sup> United Nations World Tourism Organisation, Glossary of tourism terms - <https://www.unwto.org/glossary-tourism-terms>

<sup>10</sup> Adriotis K., *Degrowth in Tourism: Conceptual, Theoretical and Philosophical Issues*, CABI, 2018 – 18p.

<sup>11</sup> Grzywacz R., Zeglen P., *Principles of Tourism and Recreation*, Wydawnictwo Uniwersytetu Rzeszowskiego, 2014 – 12p.

Tourism is a branch of the economy of the non-production sphere, the enterprises and organizations of which satisfy the needs of tourists for tangible and non-tangible services, the main function of which is to provide full and rational rest for a person.<sup>12</sup>

According to Goeldner R. and Ritchie B. the following tourism benefits and costs are established in table 1 (It should be noted that examples of pros and cons below depend on the direction, type of tourism and other specific reasons.). On the minus side is a number of problems that can be created by tourism, especially by its overdevelopment.<sup>13</sup>

Positive Sides	Negative Sides
Provides employment opportunities, both skilled and unskilled, because it is a labour-intensive industry	Develops excess demand for resources
Generates a supply of needed foreign exchange	Creates the difficulties of seasonality
Increases incomes	Causes inflation
Creates increased gross national product	Can result in unbalanced economic development
Can be built on existing infrastructure	Creates social problems
Develops an infrastructure that will also help stimulate local commerce and industry	Degrades the natural physical environment and creates pollution
Can be developed with local products and resources	Degrades the cultural environment
Helps to diversify the economy	Increases the incidence of crime, prostitution, and gambling
Tends to be one of the most compatible economic development activities available to an area, complementing other economic activities	Increases vulnerability to economic and political changes
Spreads development	Threatens family structure
Has a high multiplier impact	Commercializes culture, religion, and the arts
Increases governmental revenues	Creates misunderstanding
Broadens educational and cultural horizons and improves feelings of self-worth	Creates conflicts in the host society
Improves the quality of life-related to a higher level of income and improved standards of living	Contributes to disease, economic fluctuation, and transportation problems
Reinforces preservation of heritage and tradition	
Justifies environmental protection and improvement	

<sup>12</sup> Holden A., *Tourism Studies and the Social Sciences*, Routledge, 2004 – 39p.

<sup>13</sup> R. Goeldner R. and Ritchie B., *Tourism: Principles, Practices, Philosophies* (11<sup>th</sup> edition), 2009, – 31p.

Provides employment for artists, musicians, and other performing artists because of visitor interest in the local culture, thereby enhancing the cultural heritage	
Provides tourist and recreational facilities that may be used by a local population	
Breaks down language barriers, sociocultural barriers, class barriers, racial barriers, political barriers, and religious barriers	
Creates a favorable worldwide image for a destination	
Promotes a global community	
Promotes international understanding and peace	

**Table 1 Benefits and Costs Source: R. Goeldner R. and Ritchie B., *Tourism: Principles, Practices, Philosophies* (11th edition), 2009, – 31p.**

### 3.1.1 Classification of Tourism

Tourism providing a tenth of the world's gross national product, and this means that it takes one of the leading places in the global economy. At the moment, tourism is manifested in various phenomena, which determines the need for its classification. This means that it is necessary to group tourism according to separate homogeneous signs, depending on certain practical goals. Classification of tourism has scientific and practical importance. It helps with organizing knowledge and a deeper understanding of the essence of world tourism exchange. Requirements for the volume and quality of tourism services are changing, new types and forms of tourism appear, so the classification is always in the process of improvement and cannot be completed totally.<sup>14</sup>

The classification of tourism is determined by dividing it into types, categories, kinds and forms. The type of tourism is determined by the nationality of tourists.

In accordance with the recommendations of the UNWTO for a particular country, the following three types of tourism are distinguished<sup>15</sup>:

- domestic tourism - traveling of citizens within the state borders of their own country;
- inbound tourism - traveling of non-residents within the state borders of any country;

<sup>14</sup> Singh, M., *Tourism Management and Marketing*, 1 & 2, 2008, Himalaya Publishing House – 47p

<sup>15</sup> Scranton P., Davidson J. F., *The Business of Tourism: Place, Faith, and History*, University of Pennsylvania Press, 2007 - 195p.

- outbound tourism - travel of residents of one country to any other country.

The indicated types of tourism are combined in different ways, forming the following categories of tourism<sup>16</sup>:

- tourism within the country includes domestic and inbound tourism;
- national tourism includes domestic and outbound tourism;
- international tourism includes inbound and outbound tourism;

The indicated categories can be used in relation to a given country, to a region in a given country, or to a region that includes several countries. The functional classification forms of tourism are determined by the purpose of travel. In accordance with these signs, the following main classification forms of tourism are distinguished<sup>17</sup>:

- recreational;
- health-improving;
- informative;
- business/convention;
- sports/adventure;
- ethnic;
- religious;
- incentive;
- educational

**Recreational tourism** is very diverse and may include entertainment, fishing, music and art, attending sporting events as a spectator, etc. It is determined by tours with a purely medical purpose, for the therapy of any serious diseases, rehabilitation after injuries, accidents, operations. Other options may include medical and health tours, in order to maintain youthfulness, beauty and health, relieve stress and fatigue.<sup>18</sup>

**Cultural and educational (excursion) tourism** includes trips which are related to acquaintance with natural and historical - cultural sights, museums, theatres, traditions of peoples in the visited country.<sup>19</sup>

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<sup>16</sup> Dale G., BTEC national travel & tourism, Book 1, Heinemann, 2005 – 2p.

<sup>17</sup> Kruzhalin, V., Mironenko, N., Siegern-Korn, N., Shabalina, N., The geography of tourism (Geografiya turizma/География туризма), Federal Tourism Agency (Federal'noye agentstvo po turizmu/Федеральное Агентство по Туризму), 2014 – 34p.

<sup>18</sup> Ryan C., Recreational Tourism: A Social Science Perspective, Routledge, 1991 – 5p.

<sup>19</sup> Rojek C., Urry J., Touring Cultures: Transformations of Travel and Theory, Routledge, 2002 – 9p.

**Business tourism** covers travel for business or professional purposes without generating income at the place of temporary residence. It is a participation in congresses, scientific congresses and conferences, production meetings and seminars, fairs, exhibitions, salons, as well as for negotiations and contracts, installation and configuration of equipment. Business tourism includes business travel, congress and exhibition tourism and incentive tourism. Incentive tourism is traveling provided by the company's management to its employees free of charge as a bonus for good work.<sup>20</sup>

**Sports tourism** involves traveling for sporting events in certain countries and regions. It can be divided into professional and amateur tourism.<sup>21</sup>

**Ethnic tourism** is a visit to a place of birth or family origin, as well as the place of residence of relatives and / or folks. This type of tourism is also called nostalgic. Priority to this type of tourism is for the countries where there is a large diaspora of people who come from other countries.<sup>22</sup>

**Religious tourism** is based on the religious needs of people of various faiths. Religious tourism can be called the most ancient, its roots go back to time immemorial. It has two main variants: pilgrimage tourism (It can be distinguished as a spiritual pilgrimage direction) and religious tourism of excursion and educational orientation. Religious tourism in individual denominations has its own characteristics.<sup>23</sup>

**Educational tourism** involves tours lasting from 15 days to 3 months in order to improve skills or for more in-depth study of various disciplines. Educational tourism is a journey with the reason for studying abroad. Usually this is implemented trips to developed countries in order to improve the language, get a business education, study special disciplines. As part of educational tourism, individual countries usually have their own specialization.<sup>24</sup>

Depending on the method of organization, it is possible to find differences between **organized** and **unorganized** tourism.

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<sup>20</sup> Bellini N., Pasquinelli C., *Tourism in the City: Towards an Integrative Agenda on Urban Tourism*, Springer, 2016 - 42p.

<sup>21</sup> Saayman M., *Introduction to Sports Tourism and Event Management*, African sun media, 2012 - 110 p.

<sup>22</sup> OECD, *The Impact of Culture on Tourism*, OECD Publishing, 2008 - 25p.

<sup>23</sup> Morpeth N. D., Raj R., *Religious Tourism and Pilgrimage Festivals Management: An International Perspective*, CABI, 2007 - 9p.

<sup>24</sup> Dr. Ritchie B., *Managing Educational Tourism*, CVP, 2003 – 13p.

**Organized tourism** involves a pre-designed and organized travel company travel program for tourists or tourists according to their wishes and budget. Before the trip, a travel company reserves and pays for all travel services along the route, draws up all the necessary exit documents.<sup>25</sup>

**Unorganized tourism** suggests that tourists organize their trip without the participation and / or mediation of a travel agency. Tourists independently develop a travel route, determine objects for excursion visits, plan places for lodging for the night, draw up exit documents, etc. Unorganized tourism is very popular in the world. First of all, in countries whose citizenship allows you to travel to other countries without an entry visa (for example, citizens of the Schengen countries can travel throughout Europe completely freely, US citizens also do not need an entry visa to the countries of the Schengen agreement). Relatively short distances, a good transport network, the ability to freely cross the borders of neighboring states, the presence of many sightseeing sites and other important factors.<sup>26</sup>

According to the duration of travel, the following types of tourism are distinguished: short-term (weekend tours, trips up to 7 days), medium-term (tours lasting from 9 to 12 days) and long-term (tours for a period of 15 to 30 days). The following types of tourism can be distinguished by the use of transports involved in the trip: railway, aviation, motor/water (sea and river), automobile, bus, bicycle and using of other types of transportation.<sup>27</sup>

According to the intensity of visits, tourism can be divided into **regular** and **seasonal**. Under **regular tourism** should be understood relatively uniform visiting tourist areas and facilities for the whole calendar year. **Seasonal tourism** means visiting the tourist regions, the frequency of which depends on the climatic conditions of the region and the subjective characteristics of the tourist object. Seasonal traveling includes recreational tourism, congress and exhibition tourism. The seasonality of tourism is also influenced by the type of tourism. There are high, medium and low seasons. High season is characterized by the terms of the fullest use of tourism resources by tourists. The

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<sup>25</sup> Banaszkiwicz M., *Anthropology of Tourism in Central and Eastern Europe: Bridging Worlds*, Lexington books, 2018 - 126p.

<sup>26</sup> Arbuzov A., *Geography of tourism*, Akademiya, 2011 – 58p.

<sup>27</sup> Jayapalan N., *Introduction To Tourism*, Atlantic Publisher, 2001 - 94p.



seasonality of this or that type of tourism is significantly affected by natural and climatic factors, national and religious holidays, vacations, and mass events.<sup>28</sup>

**Massive and elite** tourism. The peculiarity of the modern stage of tourism development is revealed through the concept of “mass tourism”. It reflects the process of democratization and expansion of tourism. In Western countries, more than half of the population are consumers of tourism goods and services. The concept of “mass tourism” was introduced and is used as an alternative to aristocratic tourism of the 19th century, individual expensive types of tourism, targeted at a chosen audience. It is also used as an alternative to tourism in developing countries, where access to tourist benefits of the local population is limited due to low living standards.<sup>29</sup>

Unlike mass tourism, elite tourism is designed for a wealthy clientele. For this category of consumers, market prices are not a priority, but they have increased requirements for the quality of the goods and services offered. In this regard, it should be noted the role that tourism plays in the upmarket development of the tourism business in general. Here it is given impetus to the entire tourism industry. It contributes to the adoption and dissemination of new higher standards of service and, ultimately, helps to improve the quality of life of the population. Therefore, upmarket tourism is often referred to as “the engine of tourism”.<sup>30</sup>

### **3.1.2 United Nations World Tourism Organisation (UNWTO)**

The rapid development of the leisure industry began in the post-war period. In the economic turnover involved more and more new countries of all continents. Over 35 years, the number of tourists traveling to other countries has increased almost 13 times (from 1938 to 1985 - about 27 times), tourism income - 55 times.<sup>31</sup>

There are several reasons for this increase:

- Political. During this period, there were regional wars in the Middle East, Korea, Vietnam, but still, the main part of the world was in peaceful relations with each other. And peace is a necessary condition for the development of tourism.

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<sup>28</sup> Alekseeva O.V., Event tourism and event management [Sobytiynyy turizm i ivent-menedzhment] (Russian Journal of Entrepreneurship - Volume 12. - No. 6), 2011

<sup>29</sup> Boniface B.G., Cooper C., Worldwide Destinations: The Geography of Travel and Tourism, Elsevier, 2009 - 13p.

<sup>30</sup> Perez, E. A., Juaneda, S. C., Tourist expenditure for mass tourism markets. Annals of tourism research, 2000 - 624p.

<sup>31</sup> Zuelow E., A History of Modern Tourism, Macmillan International Higher Education, 2015 – 56p.

- Economic. People worked hard and earned more. Due to the intensification of labor processes, the psychological burden on working people has increased. It also led to an increase in earnings. As a result, the population's need for recreation and purchasing power has increased.
- The spread of culture and education, which always generates interest in the knowledge of other peoples and civilizations.
- Increasing the duration of vacations and generally a free time of a working person. For most people, it became possible to divide the vacation into two or three parts or go on a trip for the weekend.
- Success in the development of transport, especially civil aviation. It became possible to quickly travel to the most remote corners of the world.
- Media development. The distribution of television had a huge impact on potential tourists.<sup>32</sup>

The widest sections of the population have joined tourism. This has sparked widespread demand for full-service economic travel organized by travel agencies, the number of which has grown rapidly in the world. Charter air flights and cruises have become widespread as well.<sup>33</sup>

The date of formation of the UNWTO is considered to be January 2, 1975. On this day, the statutory rules and rules officially endorsed, which were approved (ratified) by the necessary majority (51) of the member countries of this organization.<sup>34</sup>

The development of international tourism is becoming an increasingly relevant topic. Every year the number of foreign tourists is growing, more than 1 billion people travel from one country to another. In such conditions, inevitably there are problems and difficulties associated with crossing borders, with travelers completing border and other tourist formalities. In this regard, the acute question arises about the regulation of tourism within not only a single country and its neighboring countries, but also the world community as a whole. Therefore, a significant part of the work is carried out by UNWTO, the leading intergovernmental organization in the field of tourism. This organization represents the interests of nearly 150 full member countries; 5 territories - associate

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<sup>32</sup> Sharpley R., Tefler D. J., *Tourism and Development in the Developing World*, Routledge, 2015 - 45p.

<sup>33</sup> Dwyer, L., Wickens, E., *Event Tourism and Cultural Tourism : Issues and Debates*, Routledge, 2012 – 84p.

<sup>34</sup> Aramberri J., *Modern Mass Tourism*, Emerald Group Publishing, 2010 - 25p.

members, as well as more than 400 affiliate members (members of the UNWTO Business Council).<sup>35</sup>

The main goal of the UNWTO is to contribute to the development of tourism as the main factor in ensuring international peace and understanding, world trade and strengthening world economic relations between states. Important directions of the UNWTO activity are: “Simplification of tourist exchange and formalities; determination and coordination of the legislative procedure for regulating tourism, including in case of emergency (epidemics, natural disasters, etc.); assistance in the development of state policy in the field of establishing rational interaction between the parties involved in tourism.”<sup>36</sup> UNWTO is the only intergovernmental organization open to the operational tourism sector (private travel agencies). The organization’s document states that “*UNWTO acts as an important forum for meetings of government and tourism industry representatives to discuss and resolve issues of mutual interest.*”<sup>37</sup> The UN is collaborating with UNWTO in the exchange of relevant recommendations, information and documents. It also includes conducting joint consultations and meetings, coordinating work, bilateral representation at meetings of bodies, and cooperation on statistics.<sup>38</sup>

### **3.2 Theoretical concepts of event tourism**

The past few decades have become increasingly popular for event tourism. Although many tourists and travelers may not even suspect its existence. The tourist market demonstrates the growing interest in events and festivals. It is caused by the fact that the emotions received when visiting events / festivals, much deeper and richer than the emotions arising from standard beach rest, even with all excursion programs.<sup>39</sup>

Event tourism is a type of tourist activity that attracts tourists with diverse social events of cultural or sports life that contribute to the development of tourism infrastructure, integration of different layers of society and the formation of a positive image of the territory.<sup>40</sup>

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<sup>35</sup> UNWTO - Affiliate members (<https://www.unwto.org/affiliate-members>)

<sup>36</sup> UNWTO - Global code of ethics for tourism (<https://www.unwto.org/global-code-of-ethics-for-tourism>)

<sup>37</sup> Federal agency for tourism of Russia, Cooperation in international organisations, World tourism organisation – (<https://tourism.gov.ru/en/contents/deyatelnost/international-activities/cooperation-in-international-organizations/world-tourism-organization-unwto-/>)

<sup>38</sup> UN – International recommendations for tourism statistics ([https://unstats.un.org/unsd/publication/seriesm/seriesm\\_83rev1e.pdf](https://unstats.un.org/unsd/publication/seriesm/seriesm_83rev1e.pdf))

<sup>39</sup> Camilleri M. A., Travel Marketing, Tourism Economics and the Airline Product, Springer, 2017 - 51p.

<sup>40</sup> Getz D., Event tourism: Definition, evolution, and research, 2007 – 403p.

Events that attract tourists, can also relate to the sphere of business, education, etc., but more often it is sports and cultural events. The main goal of event tourism, as mentioned earlier, is to satisfy people's needs to visit particular places.

Formation of the sphere of event tourism is a component of the overall tourist strategy of the region. Event-related activities can act as a catalyst for the tourism sector itself, the development of social movements and the formation of a positive image and investment attractiveness of the territory (both the country and a single region).<sup>41</sup>

When forming the tourism sector (including the event) it should be remembered that tourism is an economic category, since it is directly related to sales of services, profit-making, creation of jobs. Moreover: tourism is a serious export item, affects the socio-economic situation of the regions, is of great importance for industries like communication, transport, construction, production of consumer goods.<sup>42</sup>

So, the functions of the developed sphere of tourism include:<sup>43</sup>

- Enrichment of social and economic infrastructure and interregional cooperation;
- Increase in the employment of the population and, as a result, improvement of the standard of living of the population;
- The organization of leisure of the population, the possibility of more rational use of free time;
- Helping a person restore strength and ability to work;
- Increase of cultural, sports and educational level of the population;
- Dissemination of cultural values.

Thus, it can be said that the significance of event tourism is not only in attracting an additional tourist flow, it is more extensive. The organizational sphere of event tourism includes several blocks: functions that are implemented during the event; ensuring the employment of the population during the event and organizers of the event.<sup>44</sup>

Event tourism has different types of impact on the economy, commerce and tourism. The table below shows the positive and negative aspects of the event's influence.

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<sup>41</sup> Clark G., Local Development Benefits from Staging Global Events, OECD, 2008 – 26p.

<sup>42</sup> Fossati A., Panella G., Tourism and Sustainable Economic Development, Springer Science & Business Media, 2012 - 143p.

<sup>43</sup> Cudny, W., Festival tourism—the concept, key functions and dysfunctions in the context of tourism geography studies. Geographical Journal, 65(2), 2013 - 105p.

<sup>44</sup> Bowdin G., O'Toole W., Allen J., Harris R., McDonnell I., Events management, Taylor & Francis, 2004 – 28p.

Type of impact	Positive	Negative
<b>Economic</b>	<ul style="list-style-type: none"> <li>▪ Increased expenditures</li> <li>▪ Creation of employment</li> <li>▪ Increase in labour supply</li> <li>▪ Increase in standard of living</li> </ul>	<ul style="list-style-type: none"> <li>▪ Price increases during the event</li> <li>▪ Real estate speculation</li> <li>▪ Failure to attract tourists</li> <li>▪ Better alternative investments</li> <li>▪ Inadequate capital</li> <li>▪ Inadequate estimation of costs of the event</li> </ul>
<b>Tourism / Commercial</b>	<ul style="list-style-type: none"> <li>▪ Increased awareness of the region as a travel/tourism destination</li> <li>▪ Increased knowledge concerning the potential for investment and commercial activity in the region</li> <li>▪ Creation of new accommodation and tourist attractions</li> <li>▪ Increase in accessibility</li> </ul>	<ul style="list-style-type: none"> <li>▪ Acquisition of a poor reputation as a result of inadequate facilities, improper practices or inflated prices</li> <li>▪ Negative reactions from existing enterprises due to the possibility of new competition for local manpower and government assistance</li> </ul>

**Table 2 The impact of event tourism on economic and commerce. (Source: Skoultos, Sofoklis & Tsartas, Paris, Event tourism: Statements and questions about its impacts on rural areas, Tourismos, 2009 – p 293)**

Event tourism includes the following components<sup>45</sup>:

- An event as a basis,
- Infrastructure,
- Advertising and Promotion,
- Information tourist center,
- Attraction,
- Entertainment and accessibility, which are in direct interaction with environmental factors.

The event can be a one-time unique phenomenon or periodically observed: annually or at certain time periods (every few years). The tourism industry actively uses various events to formulate proposals for tourists and attract the flow of travelers to the event. As a

<sup>45</sup> Janeczko B., Mules T., Ritchie B. W., Estimating the economic impacts of festivals and events: a research guide, Queensland, 2002 – 13p.

rule, the key element in the formation of this proposal is advance planning and information, as participants in event tours can place increased demands on accommodation facilities, especially to their classic type - hotels, transport (convenience of delivery to the place of events), catering enterprises and especially to services of guides of translators.<sup>46</sup>

If there is no event in the life of a tourist object that has developed historically as a tradition, it is invented especially. Therefore, in this case, the key moment will be a PR campaign to promote a tourist product, focused on the event, attracting a lot of visitors, not only wishing to visit the area for sightseeing, but also to participate in the celebration together with the local residents. A feature of event tourism is that every year it is replenished with new events and events, which become “regular” from “one-time”. And this is the uniqueness of this kind of tourism: it is inexhaustible in content.<sup>47</sup>

The sphere of event tourism is growing at a rather rapid pace, attracting not only public and private initiatives, but also professionals who shape the region’s tourism strategy based on events. Events can take on a different form and content. Some of them represent public, corporate, mass or political events, others are created for the sake of entertainment, fun, competition. The classification of events is quite extensive and includes many approaches, because of this, the goals and tasks of different events differ radically.

In every kind of event there are specialists, because the events themselves (sports, contemporary art festival, music festival, etc.) are part of completely different industries. Event-industry is divided into many sectors, both in the nature of the event, and in the final objectives of the event. A whole area is event marketing, which includes a set of activities aimed at promoting a particular brand with bright and memorable events or events.<sup>48</sup>

On the basis of the information above, we can identify the main features that characterize event tourism and distinguish it from other types of tourism:<sup>49</sup>

- at the heart of event tourism is necessarily an event (participation in it or its attendance as a spectator);
- Tourists have different themes and focus, more often it is: cognitive, entertaining, sports and hobby-tourism;

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<sup>46</sup> Hall C.M., *Tourism: Rethinking The Social Science of Mobility „People, pleasure and places“*, Pearson Education, 2005 - 203p.

<sup>47</sup> Gibson C., Conell J., *Music and Tourism: On the Road Again*, CVP 2005 - 127p.

<sup>48</sup> Stabler, M.J., Papatheodorou, A., Sinclair, M.T., *The Economics of Tourism*, Routledge, 2010 – 14p.

<sup>49</sup> Tureac, C. E., & Turtureanu, A., *Types and forms of tourism*. Acta Universitatis Danubius., 2010 - *Œconomica*, 4(1).

- Tours are most often planned in advance, since the date of major events is known a few months before they are held.

Thus, event tourism is a promising industry with an ever-increasing number of events and their participants.

### 3.3 Event tourism in Russia

Event tourism is a unique travel offer, which includes, in addition to traditional relaxation, participation in the most interesting events around the world. Such tours becoming more popular nowadays. There are significantly more people who want to spend their holidays or weekends interestingly. The basis of event tourism in various countries are technology exhibitions, sports events, concerts and shows. It is possible to combine tours with free time.<sup>50</sup>

A striking example of event tourism in Russia as a successful project can be called the World Cup in the summer of 2018. In terms of the number of tourists visiting the World Cup and the organization of their leisure, this event exceeded all expectations. This can be considered a good example of event tourism, and proper event management.<sup>51</sup>

The development of event tourism in Russia began relatively recently. Accordingly, there are not too many events that can attract a large flow of tourists to Russia. But they will be created in the near future, since such a task has been set by the tourist authorities of the regions.

The federal government has already considered a tourism development strategy that involves the phased development of this area - from measures to create conditions for a transition to a new qualitative level to the implementation of new projects.<sup>52</sup> In the near future, more attention will be paid to the tourism industry. This is not surprising, since tourism is one of the sectors that ensure the stability of the economy, and, moreover, it is very promising for the development of entrepreneurship.<sup>53</sup>

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<sup>50</sup> Simpson M. C., Community benefit tourism initiatives—A conceptual oxymoron?. *Tourism management*, 2008 – 4p.

<sup>51</sup> New York Times, Was Russia 2018 the Greatest of All World Cups? - <https://www.nytimes.com/2018/07/13/sports/world-cup/greatest-russia-history.html>

<sup>52</sup> Federal target program “Development of domestic and inbound tourism in the Russian Federation (2019-2025)” -

<https://tourism.gov.ru/upload/iblock/b6a/%D0%9A%D0%BE%D0%BD%D1%86%D0%B5%D0%BF%D1%86%D0%B8%D1%8F.pdf>

<sup>53</sup> OECD library, Russia, Tourism policies and programmes - <https://www.oecd-ilibrary.org/sites/d9d56902-en/index.html?itemId=/content/component/d9d56902-en#section-d1e137758>

Among them are major international sports competitions (the Kremlin Cup in tennis, hockey tournaments and football games, the Sports Festival of the North in the Murmansk Region), cultural events - the Moscow International Film Festival, ethnic holidays (the Yakut holiday in honor of summer, the week of culture and art of different countries or peoples), religious (Russian pancake week - Maslenitsa), as well as a fairly widespread tour to the homeland of Russian Santa Claus (Father Frost - Ded Moroz).<sup>54</sup>

One of the most powerful events was the celebration of the 300th anniversary of the founding of St. Petersburg. Anniversary celebrations in different cities attract visitors not only from Russia, but also from abroad.<sup>55</sup>

Attractive events for Russians take place in the summer in the southern cities of the country. These are carnivals - the opening of the holiday season in Gelendzhik and Anapa, music and film festivals, etc.<sup>56</sup>

Regional tourism authorities gradually but inevitably come to search for new forms of their PR activity, increasingly using non-traditional and original moves. It is curious that at the same time separate directions become independent PR tools - such as event tourism. For example, the Russian Bast Shoe Feast, first organized by Vologda residents in the “Capital of Russian Santa Claus”. This event not only attracted more attention to Veliky Ustyug, but also laid the foundation for its principal repositioning from winter to the year-round tourist center.<sup>57</sup>

Another interesting example was Vologda, on the 100th anniversary of the first city electric lamp, a wonderful monument was erected, immediately known to the people as the “Monument to the Pissing Dog”. Now this monument attracts a considerable number of tourists to the city. In the Vologda Oblast, the festival of horses, which has been held for more than 10 years on the territory of the hippodrome of the Vologda breeding stud farm, is of constant interest to tourists. The unique event is still arousing the interest of tourists. Also

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<sup>54</sup> Sushchinskaya M. D., Cultural tourism, Publishing house of St. Petersburg. state University of Economics, 2010 – 16p.

<sup>55</sup> DW.COM, „St. Petersburg Turns 300“ - <https://www.dw.com/en/st-petersburg-turns-300/a-881985>

<sup>56</sup> Widawski K., Wyrzykowski J., The Geography of Tourism of Central and Eastern European Countries, Springer, 2017 – 414 p

<sup>57</sup> Russia Beyond, Where does the Russian Santa lives?, Anna Sorokina - <https://www.rbth.com/travel/331436-where-santa-ded-moroz-lives>



the Vologda region is of interest to the annual festival of blacksmithing “Iron Field”. It was here that the Ustyug master made a flea and invited other blacksmiths to shoe it.<sup>58</sup>

There is a positive trend: the regional tourism market in Russia has reached the stage of development that is characterized by a transition from traditional, rather primitive, methods of promoting a tourist product (such as celebrating the next anniversary of the city) to unusual methods, based on creative ideas. But it should be said that the consolidation and development of this trend are impeded by the weak information support of event tourism. Currently, event tourism has been developed precisely on the periphery. Provinces that do not have large cultural and sports facilities are trying to attract tourists to their territories with colorful performances, games, and organization of celebrations.<sup>59</sup>

As an example, the experience of the small town of Vyborg, Leningrad Region. Recently, Vyborg has become a town that regularly gathers guests on the occasion of an event. Vyborg became one of the first towns in Russia which gains positive experience in the impact of event tourism. For many years, the Vyborg festival of Russian cinema “Window to Europe” has been held annually. This event attracts a huge number of tourists from Russia and neighboring countries to the town. Another significant event that attracts tourists of all ages to Vyborg is the Knight's Tournament. It is organized by the Vyborg Castle State Museum and members of the historical clubs of St. Petersburg, which are engaged in the reconstruction of historical events. The place was not chosen randomly: Vyborg is the only town in Russia where you can see traditional medieval European buildings. During the festival, the Vyborg Castle (the main attraction of the town) is transformed and becomes a symbol of the “Chivalric code” era. The festival program includes competitions in historical fencing, an archery tournament, and chivalrous competitions.<sup>60</sup>

Taking into account useful experience of the “Knightly Tournament”, the “Festival of Scottish Culture” was organized in St. Petersburg with the same methodology. The festival included: Scottish national dances, with provided free training; traditional fun - throwing

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<sup>58</sup> Vologda oblast government official website, Department of Culture and Tourism, Blacksmith Festival in Ustyuzhna - [https://vologda-oblast.ru/en/news/news\\_from\\_municipalities/blacksmith\\_festival\\_in\\_ustyuzhna\\_hands\\_on\\_crafts\\_demonstrations/](https://vologda-oblast.ru/en/news/news_from_municipalities/blacksmith_festival_in_ustyuzhna_hands_on_crafts_demonstrations/)

<sup>59</sup> Andrades, L., Dimanche, F., (2015) *Tourism in Russia : A Management Handbook*, Emerald Publishing Limited – 45p.

<sup>60</sup> Richardson D., *The Rough Guide to St Petersburg*, Rough Guides UK, 2008 - 290p.

logs, tug of war. A bird show is also held there. The main actions of the holiday are held near the old manor, which is the main historical building of Monrepos Park. Due to great success, the event has become a tradition. Festivals not only bring huge amounts of money to the town's budget from the sale of tickets for spectacles, but also provide an influx of profits from the sale of related products and tourist services: hotel rooms, the income of catering outlets, and trade establishments.<sup>61</sup>

The Urals is such a region where the tourism potential begins to develop, this concerns the rich history and favorable geographical position of the region. Considering the Urals as a zone of tourism development, it should be noted that there are a variety of types of event tourism here such as sporting events and competitions, festivals, concerts, holidays, etc.

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<sup>61</sup> Scottish Cultural Society of St. Petersburg, Inc., Official website - <http://scstampabay.com/>

## **4 Event tourism in the South Ural (Meteorite capital of Russia<sup>62</sup>)**

In this chapter all information was taken from the government sources, such as the administration of the Chelyabinsk region, Chelyabinsk region library, The main center of culture and Federal State Statistics Service. All references are listed in the appendix.

Chelyabinsk region is located in the South Urals. The conditional border between Europe and Asia is drawn mainly along the watershed ridges of the Ural Mountains. Some cities and towns of the Chelyabinsk region are located in the European part (Zlatoust, Katav Ivanovsk, Satka), and some (Chelyabinsk, Troitsk, Miass) are in the Asian part. Magnitogorsk is located in both parts of the world. The Chelyabinsk region is placed on the eastern slope of the Southern Urals.

According to a number of development indicators, such as the digitalization level of networks, the volume of new technologies and Internet services introduced, the region is in the top ten constituent entities of the Russian Federation. It can be concluded that there will be no problems with advertising and informational notification of citizens in the region.

Chelyabinsk Region is an industrial-agricultural region of Russia, which is part of the Ural Federal District. The bordering regions are located as follows: in the north - the Sverdlovsk region, in the south - the Orenburg region, in the west - the Republic of Bashkortostan, in the southeast - the Republic of Kazakhstan.

The area of the Chelyabinsk region is 88,500 km<sup>2</sup>. The length of the Chelyabinsk region from north to south - 490 km, from west to east - 400 km. By area, the Chelyabinsk region is taking the 36<sup>th</sup> place among the Russian regions.

On January 1, 2019 the number of the Chelyabinsk region population was 3,475,753 people (10<sup>th</sup> place in the Russian Federation). Population density - 39.5 people per square kilometer. The urban population is 83.3%. The largest cities: Chelyabinsk (1,202,400 people), Magnitogorsk (416,500 people), Zlatoust (169,000 people), Miass (167,100 people) and Kopeisk (150,300 people). The population structure is dominated by the urban population. From 2008 to 2018, its share increased from 81.9% to 83.3%, which is associated with urbanization processes in the region.

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<sup>62</sup> The Moscow Times, Independent news from Russia  
<https://www.themoscowtimes.com/2013/04/03/chelyabinsk-seeks-trademark-as-meteorite-capital-a22914>

Life expectancy at birth in the Chelyabinsk region in 2019 was 72.08 years, which is slightly lower than the whole of the Russian Federation (73.5 years).

#### **4.1 Economic review of the region**

According to the results of state statistics of 2018, the Chelyabinsk region takes the 12<sup>th</sup> place in terms of Gross Regional Product among the subjects of the Russian Federation. The volume of GRP of the Chelyabinsk region from 2008 to 2018 in current prices increased 2.22 times: from 664.49 billion rubles in 2008 to 1473.7 billion rubles in 2018 (in the Russian Federation this indicator grew by 2.5 times). The largest share of Gross Regional Product is created in the following activities: Manufacturing - 35.5%, Wholesale and retail trade, repair of motor vehicles, motorcycles, household products and personal items - 12.5%, Operations with real estate, rental and provision of services - 10.6%, Transport and communications - 8.4%, Agriculture, hunting and forestry - 6.7%, Construction - 5.4%.<sup>63</sup>

In 2018, real wages in the Chelyabinsk region increased by 3.9%, while the all-Russian indicator increased by 3.5%, in the Urals Federal District - by 2.9%. The index of industrial production reached 105.5% (across Russian - 102.1%, in the Urals Federal Region - 102%). The unemployment rate in the labor market of the Chelyabinsk region in 2018 worsened to 6.6% compared to 2008 (4.4%). The value of this indicator in Russia was 5.2% in 2018 and 6.3% in 2008.<sup>64</sup>

#### **4.2 Cultural and Tourism review of the region<sup>65</sup>**

In the Chelyabinsk region in 2008 - 2018, a network of state cultural organizations was preserved: 6 theaters, 3 museums, 4 libraries, the House of Friendship of Peoples and the Center for Folk Art. In 2018, in the Chelyabinsk region 553 cultural organizations were operating in the status of legal entities, the total number - 1915.

The number of club formations in 2008 - 2018 increased by 20% (from 4952 units in 2008 to 5962 units in 2018), the number of participants in club formations in 2018 amounted to 88,006 people.

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<sup>63</sup> Federal State Statistic Service - <https://eng.gks.ru/finances>

<sup>64</sup> Territorial body of Federal State Statistics Service of the Chelyabinsk region - [https://chelstat.gks.ru/labour\\_market](https://chelstat.gks.ru/labour_market)

<sup>65</sup> Department of Culture of the Chelyabinsk region administration - <http://kultura174.ru/htmlpages/Show/otkrytyedannye/Kulturnodosugovyeuchrezhdeniy>

Since January 1, 2019, in the Chelyabinsk region, 3921 objects of the cultural heritage of the peoples of Russia (historical and cultural monuments) are registered with the state.

In the Chelyabinsk region there are more than 3,000 lakes, 2 national parks, 160 protected areas. There are 14 ski resorts of various levels of equipment in the region, in which events of the inter-municipal, inter-regional and international levels are organized. The basis of recreational tourism in the Chelyabinsk region is a large number of reservoirs, reserves of mineral water and therapeutic saprogenic mud.

More than 50 health-improving organizations comprise the following: sanatorium-resort organizations, sanatoriums, boarding houses with treatment, sanatoriums of dispensaries, balneological clinics, mud baths, rest houses.

By the volume of sanatorium-and-recreational services, Chelyabinsk Region is in 3<sup>rd</sup> place among the regions of the Ural Federal District and in 17<sup>th</sup> place among the constituent entities of the Russian Federation.

The number of foreign nationals accommodated in collective accommodation facilities increased from 24,000 in 2008 to 30,800 in 2018.

In terms of the total volume of paid services (in terms of tourism services), the Chelyabinsk region is in 2<sup>nd</sup> place among the subjects of the Ural Federal District and in 13<sup>th</sup> place among the subjects of the Russian Federation.

In terms of the volume of hotel services and similar accommodation facilities, the Chelyabinsk Region takes the 2<sup>nd</sup> place among the subjects of the Ural Federal District and the 14<sup>th</sup> place among the subjects of the Russian Federation.

According to the results of 2018, 449 collective accommodation facilities were located in the Chelyabinsk Region, which is why the region ranked 2<sup>nd</sup> place among the subjects of the Ural Federal District and 13<sup>th</sup> place among the subjects of the Russian Federation. In terms of the number of places in collective accommodation facilities (49656 units), the Chelyabinsk region takes 1<sup>st</sup> place in the Urals Federal District and 9<sup>th</sup> place in the Russian Federation.

In terms of the number of persons placed in collective accommodation facilities at the end of 2018 (954,000 people), the Chelyabinsk Region is in 2<sup>nd</sup> place among the regions of the Urals Federal District and 14<sup>th</sup> among the subjects of the Russian Federation.

## 5 Market overview of festivals in Chelyabinsk region

In this chapter an analysis of the 20 largest festivals of the Chelyabinsk region is provided. The largest festivals were held in 13 places in the Chelyabinsk region. The data used in this chapter was taken from the Ministry of Culture of the Chelyabinsk region. All tables and calculations were made by the author.

All these festival events consist mainly of five types:

- Seasonal festival - is dedicated to seasonal events that are repeated from year to year in a certain period of time.
- Art Festival - dedicated to cultural education and demonstrations of various arts.
- Religious festival - held during any events related to religious celebrations.
- Historical festival - is a different kind of event related to history.
- Gastronomic festival - aimed at the food industry.

Festivals were held in all 4 seasons: Winter, Spring, Summer, Autumn.

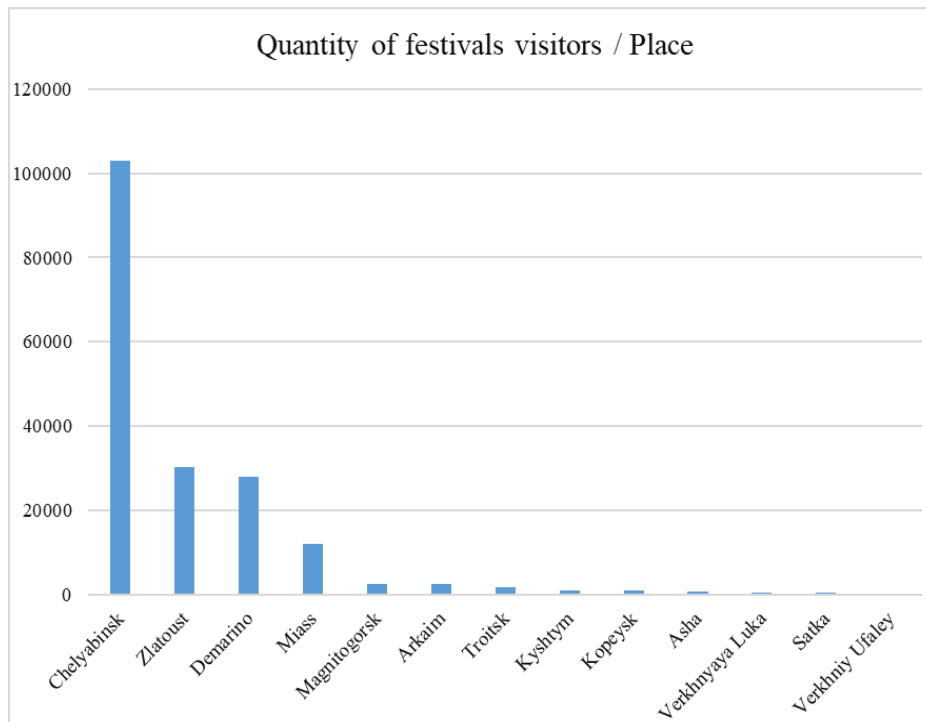
### 5.1 Quantitative analysis

The largest festivals were held in Chelyabinsk (102,900 people - 55.95% of the total number of participants), Zlatoust (30,319 people - 16.48% of the total number of participants) and Demarino (28,000 people - 15.22% of the total number of participants). The table below shows a complete list of festival venues and the number of participants.

Place	Quantity of festivals visitors	Percentage
<b>Chelyabinsk</b>	102900	55,95%
<b>Zlatoust</b>	30319	16,48%
<b>Demarino</b>	28000	15,22%
<b>Miass</b>	12000	6,52%
<b>Magnitogorsk</b>	2600	1,41%
<b>Arkaim</b>	2500	1,36%
<b>Troitsk</b>	1800	0,98%
<b>Kyshtym</b>	1060	0,58%
<b>Kopeysk</b>	900	0,49%
<b>Asha</b>	630	0,34%
<b>Verkhnyaya Luka</b>	565	0,31%
<b>Satka</b>	450	0,24%
<b>Verkhniy Ufaley</b>	200	0,11%
Total	<b>183924</b>	<b>100,00%</b>

Table 3 Number of festival visitors (Source: Ministry of Culture of the Chelyabinsk region)

The table below shows the predominant number of people in Chelyabinsk.



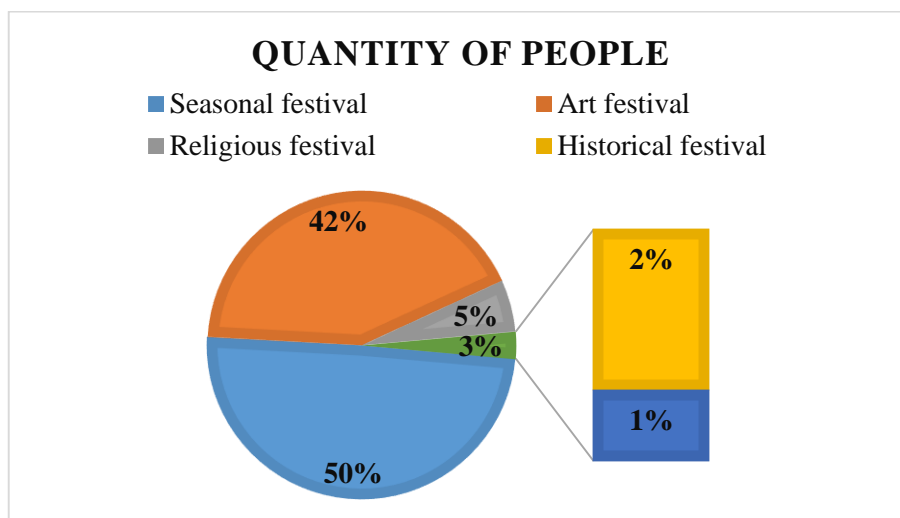
**Figure 1** Number of festival visitors (Source: Ministry of Culture of the Chelyabinsk region)

Most people chose to attend Seasonal Festivals and Art Festivals. Seasonal festivals had 49.47% of all participants (90,985 people), and art festivals were visited by about 42.31% of all participants (77,819 people). The table below represents all results.

Type	Quantity of people	Percentage
Seasonal festival	90985	49,47%
Art festival	77819	42,31%
Religious festival	10000	5,44%
Historical festival	3560	1,94%
Gastronomic festival	1560	0,85%
<b>Total</b>	<b>183924</b>	<b>100,00%</b>

**Table 4** Number of people by type of festivals (Source: Ministry of Culture of the Chelyabinsk region)

The chart below shows an illustration of the number of people by festival-type chosen.



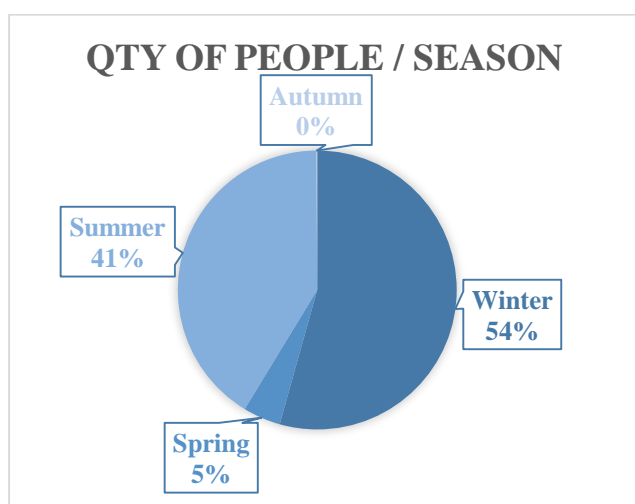
**Figure 2** Number of people by type of festivals (Source: Ministry of Culture of the Chelyabinsk region)

The main seasons of visiting the festivals were winter and summer. Winter festivals attracted most people (54.34% - 99509 people). Summer festivals take 2nd place (41.18% - 75,410 people). The table below provides further information.

Season	Qty of people	Percentage
Winter	99509	54,34%
Spring	8000	4,37%
Summer	75410	41,18%
Autumn	200	0,11%
<b>Total</b>	<b>183119</b>	<b>100,00%</b>

**Table 5** Number of people by type seasons of festivals (Source: Ministry of Culture of the Chelyabinsk region)

For clarity, an illustration is presented in the form of a chart below.



**Figure 3** Number of people by type seasons of festivals (Source: Ministry of Culture of the Chelyabinsk region)

## 5.2 Geographical analysis

Geographically, festivals can be divided into four sections:

- The Northern part of the Chelyabinsk region - Kyshtym, Verkhniy Ufaley
- The South-Eastern part of the Chelyabinsk region - Demarino, Magnitogorsk, Arkaim, Troitsk
- The Central part of the Chelyabinsk region - Chelyabinsk, Miass, Kopeisk
- The Western part of the Chelyabinsk region - Zlatoust, Asha, Verkhnyaia Luka, Satka

The most visited region through geographic analysis was the Central part of the region (115800 people or 62.96% of all festival participants). Further, the South-East part (34,900 people or 18.98% of all participants in the festivals) and the Western part (31,964



people or 17.38% of all participants in the festivals) were distributed. The results of geographical distribution are listed in the table below.

Side	Qty of people	Percentage
<b>Central</b>	115800	62,96%
<b>South-East</b>	34900	18,98%
<b>West</b>	31964	17,38%
<b>North</b>	1260	0,69%
<b>Total</b>	<b>183924</b>	<b>100%</b>

Table 6 Number of people by region of festivals (Source: Ministry of Culture of the Chelyabinsk region)

### 5.2.1 The Central part of the Chelyabinsk region

A map with the names of places, the number of people and types of festivals in the central part of the Chelyabinsk region are presented below.

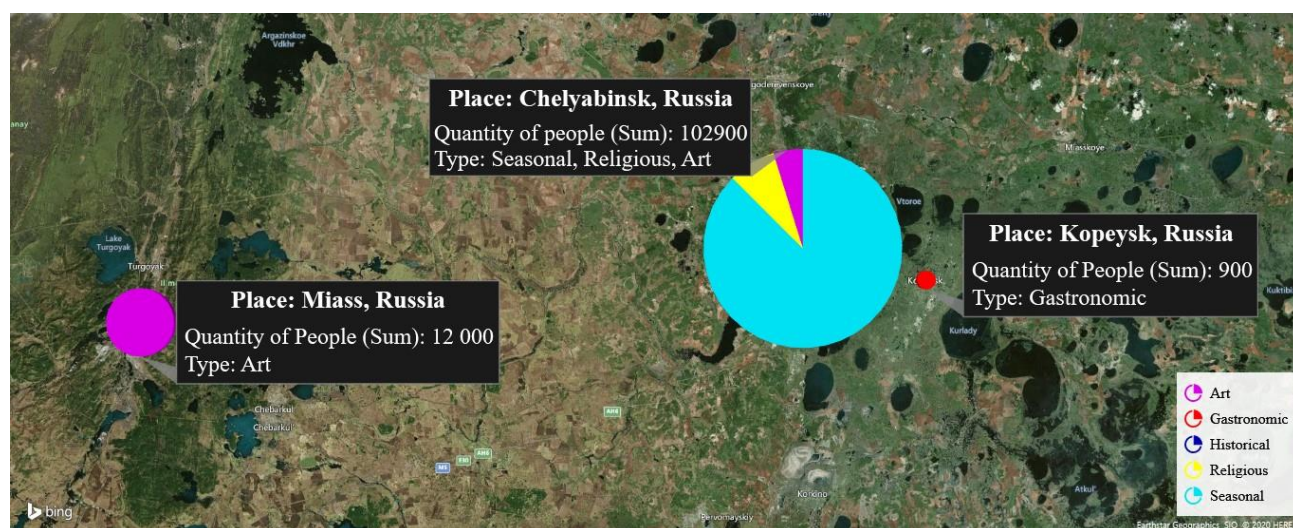


Figure 4 Number of people attending festivals in the Central region (Source: Ministry of Culture of the Chelyabinsk region)

In the central part of the region 4 types of festivals were held: Seasonal, Art, Religious and Gastronomic. Most of the people visited two types of festivals - Seasonal Festival (90,000 people or 77.72% of all participants in the central part of the region) and Art Festival (16,900 or 14.59% of all participants in the central part of the region). The table below represents these results.

Type	Quantity of people	Percentage
<b>Seasonal festival</b>	90000	77,72%
<b>Art festival</b>	16900	14,59%
<b>Religious festival</b>	8000	6,91%
<b>Gastronomic festival</b>	900	0,78%
<b>Total</b>	<b>115800</b>	<b>100,00%</b>

Table 7 Number of people attending festivals in the Central region by type (Source: Ministry of Culture of the Chelyabinsk region)

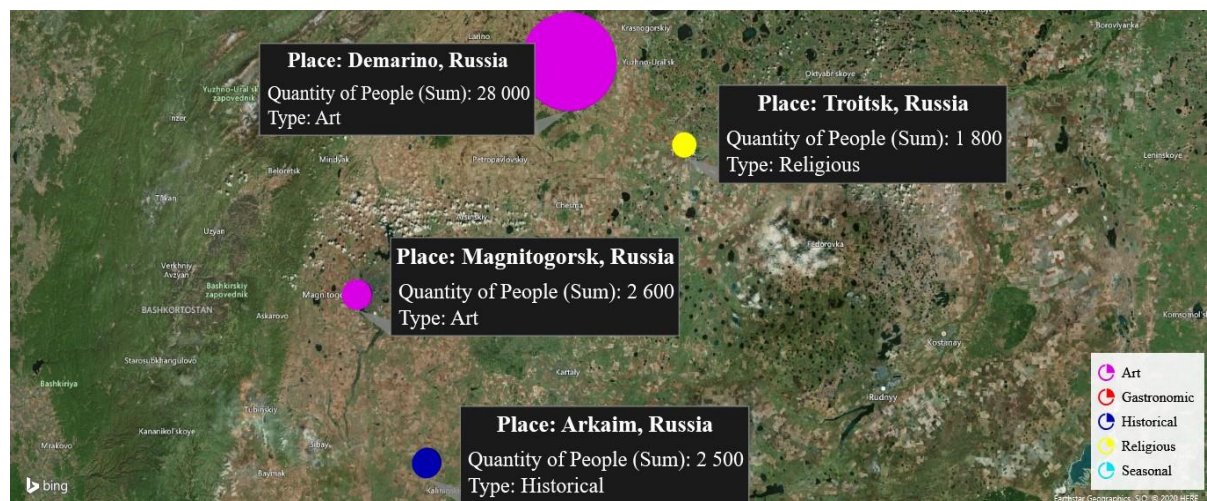
Considering attendance by season, it was found that the bulk of people come to winter festivals (98,000 people or 84.63% of all participants in the Central part of the region). In second place are Summer Festivals with 12,900 participants (11.14% of all participants in the Central part of the region). The table below shows the results of attendance at large festivals by season.

Season	Qty of people	Percentage
Winter	98000	84,63%
Spring	4900	4,23%
Summer	12900	11,14%
Autumn	-	0,00%
<b>Total</b>	<b>115800</b>	<b>100,00%</b>

**Table 8** Number of people attending festivals in the Central region by season (Source: Ministry of Culture of the Chelyabinsk region)

### 5.2.2 The South-Eastern part of the Chelyabinsk region

Festivals Map of South-East part of the region is presented below.



**Figure 5** Number of people attending festivals in the South-Eastern region (Source: Ministry of Culture of the Chelyabinsk region)

Festivals in the southern part of the region were attended by 34,900 people. Most of the people visited the following three types of festivals in this area: Art festivals (30,600 people or 87.68% of all participants of the South-Eastern part of the region), Historical festivals (2,500 people or 7.16% of all participants of the South-Eastern part of the region) and Religious festivals (1,800 people or 5.16% of all participants of the South-Eastern part of the region). The table below represents these results.

Type	Qty of people	Percentage
<b>Art festivals</b>	30600	87,68%
<b>Religious festivals</b>	1800	5,16%
<b>Historical festivals</b>	2500	7,16%
<b>Total</b>	<b>34900</b>	<b>100,00%</b>



**Table 9 Number of people attending festivals in the South-Eastern region by type (Source: Ministry of Culture of the Chelyabinsk region)**

The largest events in the southern part of the region take place mainly in two seasons: Summer (32,300 people or 92.55% of all participants of the South-Eastern part of the region) and Spring (2,600 people or 7.45% of all participants of the South-Eastern part of the region). The table below shows the results of attendance at large festivals by season.

Season	Qty of people	Percentage
Spring	2600	7,45%
Summer	32300	92,55%
<b>Total</b>	<b>34900</b>	<b>100,00%</b>

**Table 10 Number of people attending festivals in the South-Eastern region by season (Source: Ministry of Culture of the Chelyabinsk region)**

### 5.2.3 The Western part of the Chelyabinsk region

Festivals in the western part of the region are presented on the map below.



**Figure 6 Number of people attending festivals in the Western region (Source: Ministry of Culture of the Chelyabinsk region)**

In the western part of the Chelyabinsk region, Art festivals are in great demand (30,319 people or 94.85% of all participants in the western part of the Chelyabinsk region). Other types of festivals and their results are presented in the table below.

Type	Quantity of people	Percentage
Seasonal festival	985	3,08%
Art festival	30319	94,85%
Gastronomic festival	660	2,06%
<b>Total</b>	<b>31964</b>	<b>100,00%</b>

**Table 11 Number of people attending festivals in the Western region by type (Source: Ministry of Culture of the Chelyabinsk region)**

The largest number of people visiting the western part of the Chelyabinsk region took place in the Summer season (30,210 people, or 94.51% of all participants in the

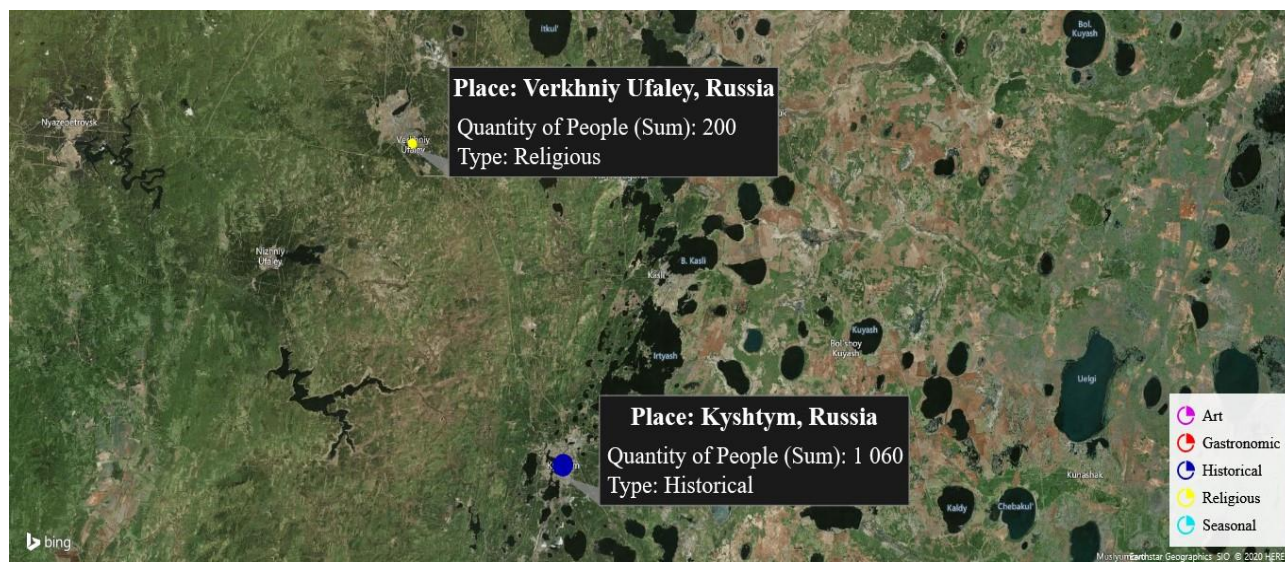
western part of the Chelyabinsk region). The table below represents the remaining information.

Season	Qty of people	Percentage
Winter	949	2,97%
Spring	805	2,52%
Summer	30210	94,51%
<b>Total</b>	<b>31964</b>	<b>100,00%</b>

**Table 12** Number of people attending festivals in the Western region by season (Source: Ministry of Culture of the Chelyabinsk region)

#### 5.2.4 The Northern part of the Chelyabinsk region

In the northern part of the Chelyabinsk region, the attendance result was the lowest (1260 people or 0.69% of all festival participants). A map with the cities, types of festivals and the number of participants is presented below.



**Figure 7** Number of people attending festivals in the Northern region (Source: Ministry of Culture of the Chelyabinsk region)

Two types of festivals were held in the Northern part of the Chelyabinsk region: Historical (1060 people or 84.13% of all participants in the Northern part of the Chelyabinsk region) and Religious (200 people or 15.87% of all participants in the Northern part of the Chelyabinsk region). The table with the results is presented below.

Type	Quantity of people	Percentage
<b>Historical festival</b>	1060	84,13%
<b>Religious festival</b>	200	15,87%
<b>Total</b>	<b>1260</b>	<b>100,00%</b>

**Table 13** Number of people attending festivals in the Northern region by type (Source: Ministry of Culture of the Chelyabinsk region)

The main seasonal indicators of the region were Winter (560 people or 44.44% of all participants in the Northern part of the Chelyabinsk region) and Spring (500 people or

39.68% of all participants in the Northern part of the Chelyabinsk region). The table with the festival attendance by season is presented below.

Season	Qty of people	Percentage
Winter	560	44,44%
Spring	500	39,68%
Autumn	200	15,87%
<b>Total</b>	<b>1260</b>	<b>100,00%</b>

Table 14 Number of people attending festivals in the Northern region by season (Source: Ministry of Culture of the Chelyabinsk region)

## 6 Questionnaire analysis of a festival conducted by the author

The author organized a festival of creative people in 2018. After the event, a survey of 134 participants was compiled. It is very important to understand the target audience of the festival, their desires and capabilities. In the future, this analysis will be useful for drawing up a business plan for re-hosting the festival in 2021. A complete list of answers and a photo report are available in the appendix.

In this chapter, the relationships between different categories of the survey were analysed.

### 6.1 Gender analysis

The results of the gender question showed that 53% (71 out of 134) of the participants were females and 47% (63 out of 134) of them were male. Among the female 91.55% (65 of 71) want to visit the festival next year. Among males, 95.24% (60 out of 63) also want to attend the event next year.

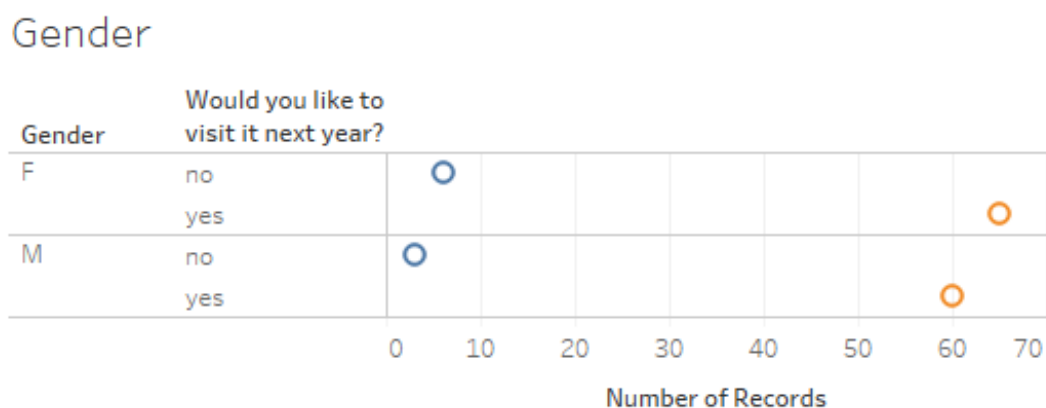
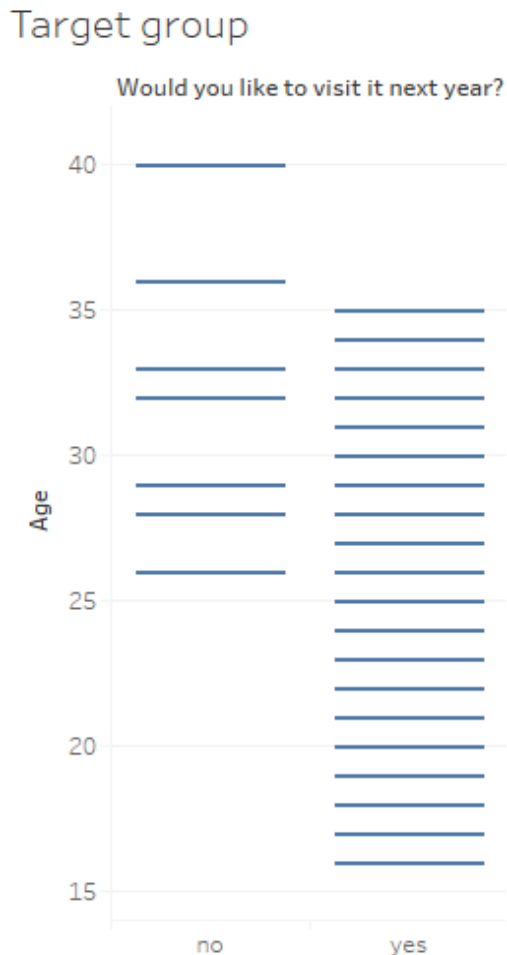


Figure 8 Number of people by gender (Source: Author)

## 6.2 Target age group.

### 6.2.1 Age / Desire to return

The first analysis describes the correlation between the age and desire of the participant to attend the festival next year.



**Figure 9 Number of people by age (Source: Author)**

The results of the table indicate that the positive answers relate to the age group of 16-35 which is 94.78% (127 out of 134) and they are the target age group of this festival. 5.22% (7 out of 134) 26-40 years old answered negatively about attending the festival next year.

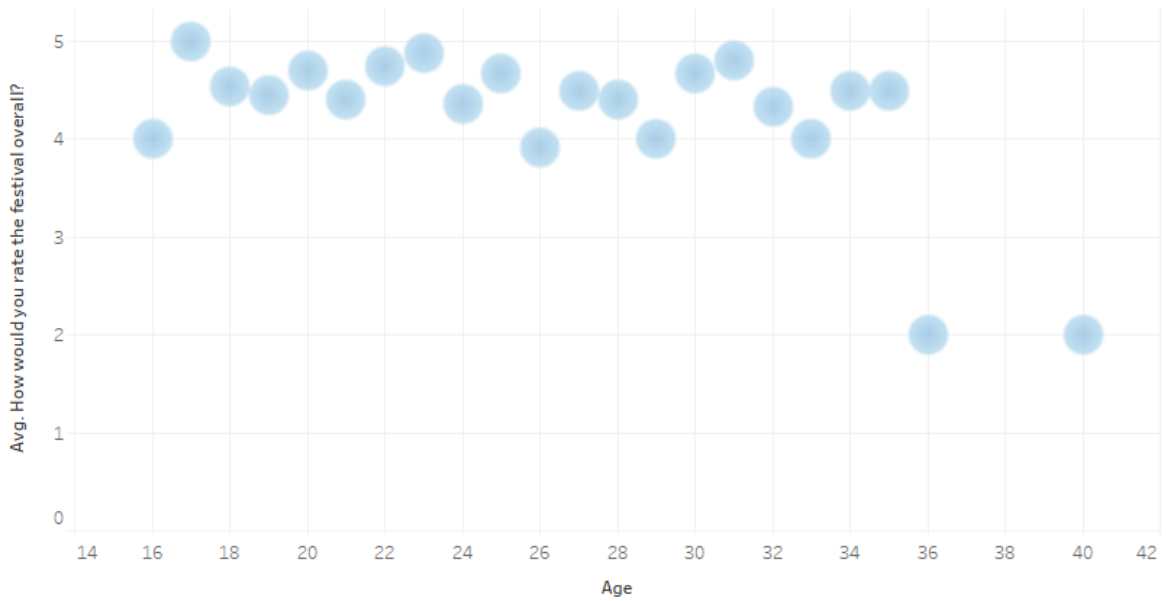
### 6.2.2 Rating to Age

Another way to determine the target age group is to evaluate the result by age and average rating given from participants. In this table, the results of the following questions were combined:

- 1) What is your age?

2) How would you rate the festival overall?

Rating-Age



**Figure 10 Rating to age correlation (Source: Author)**

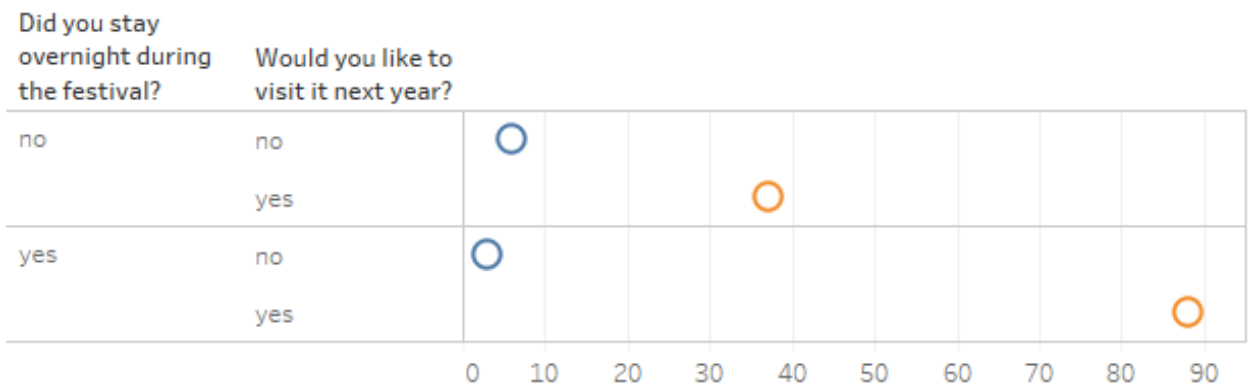
Through these results, we can conclude that the target age of the participants is mostly around **16-35 years old**.

### 6.3 The attractiveness of the place.

The attractiveness of the place can be estimated by comparing the results of the following two questions:

- 1) Did you stay overnight during the festival? (yes/no)
- 2) Would you like to visit it next year? (yes/no)

#### The attractiveness of the place



**Figure 11 Attractiveness of the place with other factors (Source: Author)**



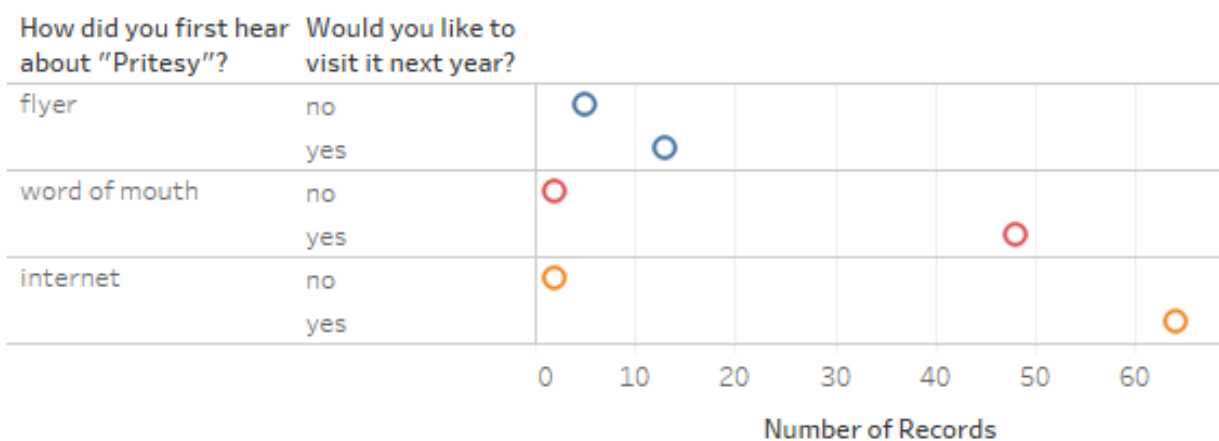
The survey results showed that 96.7% (88 out of 91) of people staying overnight want to come to this place again. This leads to the conclusion that for them **this place and festival are attractive**.

Among those who did not stay overnight, but want to visit the festival next year, 86.04% (37 out of 43) respondents also find this place **attractive**.

## 6.4 Publicity, outreach activities

Three areas of advertising were used to promote the festival: the Internet, flyers, word of mouth.

### Publicity, Outreach



**Figure 12 Results of advertisement (Source: Author)**

The survey revealed that 49.25% (66 out of 134) of the respondents were informed about the festival through the Internet. 96.97% (64 of 66) of them want to visit the festival again.

Word of mouth is not the most reliable way of advertising, but it also showed significant results. 37.31% (50 out of 134) of respondents were informed about the event through acquaintances, friends, relatives. Also, most of them preferred to take part in the next festival - 96% (48 out of 50).

A paper advertisement (flyer) was also tested. 13.43% (18 of 134) of respondents received information about the festival through a flyer. Of these, 72.2% (13 out of 18) wanted to attend the event again.

After receiving these results, we can conclude that **the most successful variant of advertising is to promote the festival through the Internet**.

#### Map analysis

Also, respondents were asked to specify the city from which they came.



Where are you from?



**Figure 13 Demographic distribution of festival participants (Source: Author)**

The map determines where the main stream of festival participants come from. After looking at the map we can conclude that most of the participants are from the nearest places. That helps to plan the location of advertising.

## **7 Business plan for the festival of creative people “Pritesy”**

After conducting research, the following problems were found: a small number of creative festivals in the South Urals (including the Chelyabinsk region); a small number of creative festivals for an audience aged 16-35; poor development of event tourism activities; lack of similar events in Chelyabinsk region. At the moment, the situation is slowly changing. Festivals appear only for a certain creative specialization; tourist festivals do not pay attention to creative activities. The festival “PRITESY” suggests a plan on how to collaborate with one another.

In this part of the bachelor's thesis, the business plan of the festival is presented, which has the potential to solve the identified problems and provide its future development.

Although it is important to mention that the currency used for calculations in this chapter is Russian rubles. The currency rate at the moment (March 2020) is 88.67 rub to 1 euro.

## 7.1 Executive Summary

### 7.1.1 Basic data

Business name:	PRITESY
Legal form:	Sole proprietorship
Subject of enterprise:	Organization of a festival for creative people, education and entertainment, development of tourism
Owner:	Egor Pastukhov
Address:	Subbotina 8, Mezhevoy, Chelyabinsk region, Russia, 495 000
Phone number:	+420 777 066 676, +7 982 278 88 88
E-mail:	egorpast@gmail.com

### 7.1.2 Objectives and goals

#### Objectives:

- Improving recreational tourism through the creation of a creative festival in a potential tourist location.
- To repay initial investment in 4<sup>th</sup> year of operation;
- Create support and development of creative initiatives that stimulate integration processes at the interregional and international levels.
- To get profitability ratio more than 1.2;
- Create a unique model for attracting regional, federal, international projects in the field of culture, public life, and education in the Chelyabinsk region.
- Accumulate ideas that allow you to develop the region as a modern open, popular territory, which offers residents and tourists new opportunities for personal development and self-realization.
- Organize cultural exchange between the regions of Russia, create conditions for professional communication, the emergence of partnerships and joint creative projects.
- Improving the image of the Southern Urals at the regional, national and international levels.

#### Goals:

- Improving recreational tourism through the creation of a creative festival in a potential tourist location.

- The participants develop the skills necessary for further activities in specific creative areas;
- Support for youth initiatives aimed at the development of culture and creativity in the regions of the Ural Federal District;
- Training project participants in technologies aimed at combining creative directions for the further development of projects;
- Creation of conditions for the further formation of initiative teams of like-minded people from different creative directions and cities.

**Advantages:**

Development in three directions: education, tourism and entertainment. There are no analogs of this event in the Chelyabinsk region.

**7.1.3 Target group**

**Participants**

Age: 16-35

Gender: Any

Priority social status: students, working youth

Location: Main cities of the Ural Federal District - Yekaterinburg, Chelyabinsk, Ufa and other cities of the district.

Profession: Any

Potential participants are interested in creativity, tourism and education. This audience was chosen as the key one since it directly relates to the identified problems of this region.

**Professionals**

The professional community is made up of creative people with rich experience in the following areas: musicians, artists, photographers, directors, theater and film actors, poets, designers, architects. This community has the opportunity to give impetus to the creative development of youth, teach certain skills and attract media attention. The Cultural Center of Mezhevoy (Satka district) assists in finding professionals.

**Business structures**

Business structures are used for additional financing of the event, attracting an audience and partner activities. It is important for business to create an image of social responsibility and advertise its own brand. The Pritesy project provides small and large

companies these opportunities. Without this structure, there is little chance of holding global events.

## **7.2 Description of “PRITESY”**

“Pritesy” is a festival-forum for the development and self-realization of creative youth; familiarizing participants with tourism activities; attracting people to care about the environment.

The festival starts on the territory of the tourist monument "Bol'shiye Prytyosy" in Satkinsky district (Chelyabinsk region) from 23 to 25 July 2021

### **7.2.1 Services**

- Education

Lectures from cultural figures, seminars and masterclasses from professionals in creative fields.

- Entertainment

The attraction of participants for recreation and entertainment purposes: musical performances, art objects, paintings, airplane flights, bungee jumping from the cliff, equipped descent into the cave, watching films from the participating directors.

- Advertising

Attracting companies, the head of the region and large organizations to support the implementation of the winning projects of the competition, sponsorship and affiliate activity.

### **7.2.2 Location**

The festival will be located on the territory of “Bolshiye Prytyosy” (touristic monument). The price of renting a place is determined by the administration of the Satka district and is provided for free, in order to support the education of young people; to popularize environmental protection and tourism activities.

Necessary criteria for choosing a location:

- Potential tourist destination
- Large and free territory
- Easy access location
- Hygienic facilities

- Camping Site locations
- Electricity and water availability
- Square of area from 400 m<sup>2</sup>

### **7.2.3 Program**

#### **07/23/2021**

- Arrival of participants (before 16:00)
- Excursion / Rafting to the venue of the festival-forum (until 16:00)
- Accommodation of participants (from 16:00)
- Entertainment activities (bungee jumping; equipped descent into the cave; flights) (until 18:00)
- Dinner (from 18:00 to 19:00)
- Networking session (from 19:00 to 20:00)
- Opening of the festival (from 20:00 to 21:00)
- Musical performances (21:00 to 23:00)
- Sleep (23:00)

#### **07/24/2021**

- Awakening (08:00)
- Yoga, Jogging, Zumba, Exercising - Choice provided (08:00 to 08:30)
- Breakfast (from 08:30 to 09:50)
- Plan of the day (from 10:00 to 10:30)
- Lecture “Prospects for the development of art in modern Russia” (from 10:30 to 12:00)
- Masterclasses in art directions (from 12:15 to 13:30)
- Lunch (from 13:40 to 15:00)
- Entertainment activities (bungee jumping; equipped descent into the cave; flights) (from 14:30 to 15:30)
- Lecture “How to Create a Successful Short Film” (from 15:30 to 16:30)
- Masterclasses in art directions (from 16:30 to 18:00)
- Project session (from 16:30 to 17:45)
- Closing of the festival (from 18:00 to 19:30)
- Dinner (from 19:30 to 20:30)
- Entertainment activities (bungee jumping; equipped descent into the cave; flights) (from 20:30 to 21:00)

- Musical performances (from 21:00 to 23:00)

- Sleep (23:00)

## **07/25/2021**

- Awakening (08:00)

- Yoga, Jogging, Zumba, Exercising - Choice provided (08:00 to 08:30)

- Breakfast (from 08:30 to 09:50)

- Plan of the day (from 10:00 to 10:30)

- Masterclasses (consultations) (from 11:00 to 12:30)

- Lunch (from 13:00 to 14:30)

- Departure of participants (from 14:30 to 16:00)

### **7.2.4 The future vision and prosperity**

At the initial stage, it is planned to hold the festival at the regional level. In this regard, the achievable number of participants was chosen - 500 people. The stages for the next years will be as follows: federal level, international level. For the further prosperity of the festival: development in all creative directions, attracting more famous figures, attracting investments to improve the educational, leisure and external component of the project.

## **7.3 Market Analysis**

### **7.3.1 Market definition**

As it was said in the Market Overview part, the Chelyabinsk region does not have a large number of events related to the creative and tourist orientation.

### **7.3.2 Competition analysis**

The analysis of competitors was made by the author's research through open sources, such as internet search for information, consultations with participants. The table of information sources is presented in the appendix.

1) "Territory of youth initiatives"

Price: 1000 rub

It is a platform for the development of creative, sports and intellectual abilities of youth associations of the Sverdlovsk region.

Minuses:

- Limited geography of the project (Sverdlovsk region);
- A small number of creative directions (vocals, choreography, original genre)

Risks and threats from their side:

- Masterclasses on soft skills (public speaking);
- Active sports events (laser tag, table tennis)

## 2) Regional forum of creative youth “MAFIA”

Price: 1500 rub

The Forum of Creative Youth MAFiYa is a regional project for young professionals who develop in the field of architecture, design and transformation of urban spaces.

Minuses:

- Paid meals;
- Paid transfer;
- Two statuses of visiting the project "participant" and "listener", where the privilege of the status "participant" is an order of magnitude higher than the status of "listener";
- There is no leisure and entertainment program

Risks and threats from their side:

- an in-depth program of study of the arts related to architecture

## 3) Festival of creative youth “Tavrída” (indirect competitor)

Price: 3600 rub

“Tavrída – ART” is the first festival of creative communities. It is a place of concentration of open opportunities for self-expression, creativity and development of young cultural and art workers. The event will become a casting ground for representatives of a new generation of creators.

Minuses:

- Location is too far from Chelyabinsk region
- Part of the festival takes place in September, making it difficult for students to attend
- The location of the objects at the festival (stages / toilets / camping) is not comfortable for the participants
- Duration of the event

Risks and threats:

- Speakers of intercultural and All-Russian level;
- Leading teachers of creative Russian universities;
- Rich educational program;

- Rich leisure and entertainment program

4) Festival of the urban environment “It's simple”

Price: 1500 rub

The festival aims to develop the urban environment through the application of culture, design and architecture.

Minuses:

- a limited number of creative directions;
- the short duration of the festival (two days);
- small geography of the project (Chelyabinsk);

Risks and threats:

- in-depth masterclasses in design and architecture;
- convenient venue for the festival

### **7.3.3 SWOT analysis**

- **Strengths**

- 1) Teaching participants in a large number of creative directions;
- 2) Integration of tourism and art;
- 3) The opportunity for participants to receive support for the implementation of their projects;
- 4) Transfer to the venue of the Festival, non-paid meals

- **Weaknesses**

- 1) Short duration of the Festival;
- 2) Some directions are not fully disclosed (due to insufficient time);
- 3) Not enough experience in many creative directions

- **Opportunities**

- 1) The unique location of the Festival site can contribute to the recreation of the participants;
- 2) Growing interest in creative activity;
- 3) Further expansion of the geography of the project, reaching the all-Russian and international levels

- **Threats**

- 1) Unfavorable weather conditions;
- 2) Unfavorable epidemiological situation



SWOT		Internal analysis	
		Strengths	Weaknesses
External analysis	Opportunities	SO Strategy (max-max)	WO Strategy (min-max)
		- organization of excursions to the natural monuments of the Satka region;	- attending seminars, lectures aimed at teaching in various types of arts;
		- attraction of leading experts in the field of culture and arts as speakers of the Festival;	- to develop a teaching methodology and regulations for holding the Festival together with teachers of creative universities and colleges, in which the participant will receive full knowledge in the areas of art that interest him
		attraction of the ministries of culture of the regions to support the projects of the participants	
	Threats	ST Strategy (max-min)	WT Strategy (min-min)
		- creating conditions not only for training, but also for the leisure of the participants;	- use modern means of protection against coronavirus infection;
		- attracting foreign speakers;	- a request from participants for certificates with test results for COVID-19;
		motivate participants to further develop in the field of culture and arts	- the use of rain protection equipment (tarpaulins, covers, etc.)

Table 15 SWOT analysis strategies (source: Author)

## 7.4 Marketing plan

### 7.4.1 Price policy

According to competitive research where festivals of the South Ural region were analyzed the average price of the ticket will be rounded to 1500 rub per person.

### 7.4.2 Promotional plan

#### ➤ A sales funnel

The improvement of ticket selling is important to use a sales funnel. The table below shows the way of engaging potential customers:

Step	Definition	Result
Ignorance	Acquaintance with the company.	People become aware of festivals through displaying advertisements, appearing in

		organic search results, or posting on any social network;
Awareness	Acquaintance with the offer.	People gets acquainted with the detailed information on the offer;
Interest	Coming into contact.	People making a call, chatting, e-mail and other communication methods;
Desire	Formed interest.	In this case, future participants identify a suitable order.
Purchase	Purchasing a service	Order payment process.

**Table 16 The structure of a planned sales funnel (Source: Author)**

Sometimes it turns out that a potential customer quickly goes through all the steps and proceeds to purchase. It also happens that a person goes through each step gradually, but does not dare to buy a product or service (a completely new product, an unobvious application of the product, a high price in comparison with competitors). For the sales funnel to work more efficiently, it is necessary to create relevant and unique content for the target group. A well-chosen target group will also increase the number of customers and, accordingly, the number of sales.

➤ **Target advertising**

Methods of the promotion will consist of internet and outdoor advertising.

**Promotion via internet**

Nowadays in every popular social network is possible to advertise any kind of products or services. To increase the amount of awareness people is important to promote communities, posts, stories (e.g. Instagram) to the targeted audience.

- SMM strategy, content creation:
  - Entertaining content – humor, memes, funny videos
  - Engaging content – video and text information about festival, what is going to be there (information about the program of the festival)
  - Contests
  - Raffle prizes
  - Polls – “What do you know about creative professions?”, “What do you expect from the festival?”, “Can you suggest something to us?”
- Advertising and creation of communities in the following social networks:
  - Facebook.com – targeted advertising

Instagram.com – targeted advertising (posts, stories)

Vk.com – targeted advertising

YouTube.com – target recommendations

- Advertising of a website in the following platforms:

Google.com

Yandex.ru

### **Outdoor advertising**

Placing flyers at the universities and workplaces of the Urals

## **7.5 Operational plan**

### **7.5.1 Personnel requirements**

- HR manager

The organization will have one HR manager. His responsibilities will include: coordinating the activities of employees, training personnel, motivating employees.

- Chefs

The chef prepares food in accordance with the rules of hygiene and safety, develops cooking technology, as well as the menu. The organization employs 8 cooks who will prepare food for 500 participants within three days, as well as for the staff, guests and speakers of the Festival.

- Brigade workers

The organization employs 11 workers. They will perform the following functions: installation and dismantling of the infrastructure of the Festival site, loading and unloading operations, as well as maintenance of technical equipment.

- Advertising agent

This employee will deliver information to the target audience about the Festival. One of the functions of an advertising agent will be: work with advertisers (newspapers, television) and the subsequent conclusion of agreements with them; presentations of the Festival in universities where students of creative specialties study, as well as control over the implementation of advertising in the media.

- Web developer

The responsibilities of the web developer will include: creating a website for the Festival and its further optimization for mobile devices, maintaining this resource in working order

and introducing new elements of the website, publishing relevant information about the Festival, as well as photo and video materials.

- SMM - specialist

The main tasks of SMM-specialist: creation and development of groups and profiles on social networks (Facebook, VK, Instagram, YouTube), content generation and design (text, photo and video materials), attracting subscribers and increasing the audience, communication with subscribers.

### **7.5.2 Project schedule**

December 2020

- Design of pages on social networks;
- Working with partners;

January 2021

- Creation and design of the Festival website

February 2021

- Informing target audience about the project in social networks;
- Submission of applications for participation in the Festival;

May 2021

- Transport logistics;
- Preparation of speakers and invited guests;
- Festival venue decoration

July 2021

- Excursion / rafting to the venue of the Festival;
- Opening of the Festival;
- Musical concert;
- “Dialogue as equals”. Prospects for the development of art in modern Russia;
- Conducting masterclasses in the areas of arts;
- Lecture: “How to create a successful short-film? Integration of various areas of art in cinematography”/ watching of short films made by young directors;
- Project session. Defense of the participants’ projects of the Festival;
- Closing of the Festival;
- Receiving feedback from the participants of the Festival;

August 2021

- Preparation of reports

## **7.6 Financial plan**

### **7.6.1 Initial investment**

#### **Registration**

Registration fee and commission for registering an individual with a territorial tax authority and further placement in the Unified State Register of Legal Entities of Russia - 12,500 rubles.

#### **Equipment rent**

For the qualitative festival the forum requires investment in rental equipment: travel tents, a stage for performances of speakers and artists, the tents for workshops, equipment for high-quality sound, lighting equipment.<sup>3</sup>

#### **Transport, installation**

Some equipment needs to be transported to the venue and installed.

#### **Transfer**

In order for the participants of the festival to get to the venue without any problems, it is necessary to organize a transfer.

#### **Promotion, advertising**

The positive results of the festival are closely related to the mass media; therefore, it is necessary to invest a sufficient amount of money in advertising. In promotion on the Internet, the following objects stand out: creating a website, creating accounts on social networks, creating content for distribution on the Internet. It is also necessary to create printed flyers, create a logo on products for sale.

#### **Financial reserve**

In the first stage “PRITESY” will bring the loss, so it’s necessary to have some financial funds in the business account. These funds will be used as working capital.

<b>INITIAL INVESTMENT</b>	
Registration fee	12000
Website	25000
SMM-specialist's payment	60000
Advertisig agent's payment	25000
Promotion	100000
Equipment	470800
Financial reserves	165900
<b>Total</b>	<b>858700</b>

**Table 17 Initial investment (Source: Author's own calculation)**

## 7.6.2 Capital resources

- Own Capital

For today the owner has savings of 384 700 rub at the SBER (Sberbank). This will be recorded as Owner's Equity.

- Family loan

Family members provide a loan for a period of 4 years. The annual payment will be 37 500 rubles. This loan will not have an interest rate. Payment back starts in December 2022.

- Sponsorship

There're few members which are already helping with the organization of a festival. As a benefit they want to have an advertisement and get potential customers in the future.

- The center of culture (Mezhevoy, Satka district)
- Camping "Jump"

<b>CAPITAL RESOURCES</b>	
Own Capital	384700
Family loan	150000
Sponsorship	324000
<b>Total</b>	<b>858700</b>

Table 18 Capital resources (Source: Author's own calculation)

## 7.6.3 Operating costs

Fixed expenses

- Wages

From the beginning of the project payments and wages are needed for the following specialists: advertising agent, SMM-specialist, web developer.

The rest of the workers will need payments in May-July 2021.

- Rent

The contract about renting equipment will be constructed between tenants and landlord.

The rent for equipment should be paid from February 2021.

- Family loan payment

Family loan described above.

- Other operating costs

Website creation, services and other payments.

- Marketing strategy

The chosen marketing strategy is planned for the next 5 years.

Fixed expenses			
Items	Quantity	Value	Total
Manager's salary	1	10000	10000
Cooker's salary	8	2500	20000
Brigade's worker salary	11	1500	16500
Advertising agent's payment	1	25000	25000
Website payment	1	25000	25000
SMM-Specialist's payment	1	60000	60000
<b>Total wages</b>			<b>156500</b>
Audio-visual equipment rent			45000
Stage and tents rent			43000
Lighting equipment rent			25000
Kitchen equipment rent			25000
Promotion			100000
Loan payment			37500
<b>Total</b>			<b>432000</b>

Table 19 Fixed expenses (Source: Author, based on research)

Equipment for living rent.	212800
Transfer rent	120000
Cooking ingredients	119400

Table 20 Variable expenses (Source: Author, based on research)

#### 7.6.4 Expected revenue

##### Price of a ticket - 1,500 rub

This price includes:

- Transfer from Yekaterinburg, Chelyabinsk to / from the venue
- A place to stay
- Food
- Festival program

According to the results of the Market overview and Market research it is expected that the possible number of participants - 500 people. Based on this the planning number of visitors is presented below:

Year 2021 – 500 people

Year 2022 – 1000 people

Year 2023 – 2000 people

Year 2024 – 3000 people

Year 2025 – 4000 people

### 7.6.5 Financial statements

Balance sheet			
<b>Current assets</b>		<b>Current liabilities</b>	
Cash	168500	Family loan	150000
Inventory	219400		
<b>Total Current Assets</b>	<b>387900</b>	<b>Total current liabilities</b>	<b>150000</b>
<b>Fixed Assets</b>		<b>Owner's equity</b>	
Rent of equipment	470800	Capital	384700
		Sponsorship	324000
<b>Total Fixed Assets</b>	<b>470800</b>	<b>Total Owner's equity</b>	<b>708700</b>
<b>TOTAL ASSETS</b>	<b>858700</b>	<b>TOTAL LIABILITIES</b>	<b>858700</b>

Table 21 Balance Sheet in RUB (Source: Author)

Income statement					
Items / Years	2021	2022	2023	2024	2025
Cash from customers	750 000	1 500 000	3 000 000	4 500 000	6 000 000
Total revenue	750 000	1 500 000	3 000 000	4 500 000	6 000 000
Cash paid to suppliers	690 200	1 132 800	2 048 600	2 956 800	3 835 200
Cash paid to employees	156 500	167 500	265 000	340 000	375 000
Other operating costs		37 500	37 500	37 500	37 500
Total expenses	846 700	1 337 800	2 351 100	3 334 300	4 247 700
Earnings before taxes	-96 700	162 200	648 900	1 165 700	1 752 300
Rounded tax base					
Tax 13%	0	21 086	84 357	151 541	227 799
Earnings after taxes	-96 700	141 114	564 543	1 014 159	1 524 501
Profit/Loss	-96 700	141 114	564 543	1 014 159	1 524 501

Table 22 Income statement in RUB (Source: Author's own calculations)

Cash flow from operating activities					
Items / Years	2021	2022	2023	2024	2025
Sponsorship	324 000				
Own capital	384 700				
Family loan	150 000				
Cash received from customers	750 000	1 500 000	3 000 000	4 500 000	6 000 000
Total Revenues	1 608 700	1 500 000	3 000 000	4 500 000	6 000 000
Cash paid to Suppliers	690 200	1 132 800	2 048 600	2 956 800	3 835 200
Cash paid to employees	156 500	167 500	265 000	340 000	375 000



Other operating costs paid	0	37 500	37 500	37 500	37 500
Income tax paid	0	21 086	84 357	151 541	227 799
Total Expenses	846 700	1 358 886	2 435 457	3 485 841	4 475 499
Cash flow	762 000	141 114	564 543	1 014 159	1 524 501

**Table 23** Cash flow statement from operating activities in RUB (Source: Author's own calculation)

### 7.6.6 Capital budgeting

Net Cash Flow					
Items	2021	2022	2023	2024	2025
Expected revenues	750 000	1 500 000	3 000 000	4 500 000	6 000 000
Total revenues	750 000	1 500 000	3 000 000	4 500 000	6 000 000
Expected costs	846 700	1 358 886	2 435 457	3 485 841	4 475 499
Total expenses	846 700	1 358 886	2 435 457	3 485 841	4 475 499
Earnings before tax	-96 700	141 114	564 543	1 014 159	1 524 501
Tax base	0	141 114	564 543	1 014 159	1 524 501
Tax 13%	0	18 345	73 391	131 841	198 185
Earnings after tax	-96 700	122 769	491 152	882 318	1 326 316
Net Cash Flow	-96 700	122 769	491 152	882 318	1 326 316

**Table 24** Net Cash Flow in RUB (Source: Author's own calculation)

Cumulative Net Cash Flow		
Year	Net Cash Flow	Cumulative Net Cash Flow
2021	-96 700	-96 700
2022	122 769	26 069
2023	491 152	517 222
2024	882 318	1 399 540
2025	1 326 316	2 725 856

**Table 25** Cumulative Net Cash Flow in RUB (Author's own calculation)

- **Payback period**

$$PB = t + \frac{b - c}{d - c}$$

b – initial investment

c – cumulative cash flow during the year “t”

d – cumulative cash flow in “t + 1” year

t – last year where the cumulative net cash flow is less than the initial investment

t	3
b	858 700
c	517 222
d	1 399 540

$$PB = 3 + \frac{858700 - 517222}{1399540 - 517222}$$

$$PB: 3 + 0,39 = \underline{\underline{3,39 \text{ years}}}$$

The invested money is going to be returned in the 4<sup>th</sup> year of the festival organization. The payback period shows that the investment spent on “PRITESY” will be paid back and feasible.

- **Net Present Value**

$$NPV = PVNCF - NINV$$

PVNCF – Present Value Net Cash Flow

NINV – Initial Investment

$$\sum_{t=1}^n \frac{NCF_t}{(1+k)^t} - NINV, \text{ where}$$

t – year

k – cost of capital in % (loan interests paid + inflation rate)

n – project life

“Forecast of long-term socio-economic development of the Russian Federation for the period up to 2030” (developed by the Ministry of Economic Development of Russia) – 3.8% inflation rate, then

$$k = 3.8\%$$

$$NPV = \left( \frac{-96700}{1.038} + \frac{122769}{1.038} + \frac{491152}{1.038} + \frac{882318}{1.038} + \frac{1326316}{1.038} \right) - 858700$$

$$NPV = (-93160+118275+473171+850017+1277761)-858700$$

$$NPV = 1\,767\,364 \text{ RUB}$$

$NPV > 0$ , investment is planning to be very profitable. The project can be accepted.

- **Profitability index**

$$PI = \frac{\sum NPV}{NINV}$$

PI = Net present value of cash flows / Initial net investments

$$\text{Sum of NPV} = 1\,767\,364 \text{ RUB}$$

$$\text{Initial investment} = 858\,700 \text{ RUB}$$

$$PI = \frac{1767364}{858700}$$

$$PI = 2.06$$

PI > 1, which means that finances invested in this project are returning back 1.06 times.  
The project can be accepted.

- **Break-even analysis**

$$Qb = \frac{FC}{p - VC \text{ per unit}}, \text{ where}$$

FC – fixed costs

p – price per unit

VC – variable cost per unit

**2021 – 500 participants**

$$FC = 406\,500$$

$$VC_{\text{per unit}} = 904.4$$

$$p = 1\,500$$

$$Qb_1 = \frac{406500}{(1500 - 904.4)}$$

$$Qb_1 = \underline{683}$$

**2022 – 1000 participants**

$$FC = 443\,000$$

$$VC_{\text{per unit}} = 894.4$$

$$p = 1\,500$$

$$Qb_2 = \frac{443000}{(1500 - 894.4)}$$

$$Qb_2 = \underline{732}$$

**2023 – 2000 participants**

$$FC = 565\,500$$

$$VC_{\text{per unit}} = 892.8$$

$$p = 1\,500$$

$$Qb_3 = \frac{565500}{(1500 - 892.8)}$$

$$Qb_3 = \underline{931}$$

**2024 – 3000 participants**

$$FC = 655\,500$$

$$VC_{\text{per unit}} = 892.9$$

$$p = 1\,500$$

$$Qb_4 = \frac{655500}{(1500 - 892.9)}$$

$$Qb_4 = \underline{1080}$$

### **2025 – 4000 participants**

$$FC = 660\,500$$

$$VC_{\text{per unit}} = 896.8$$

$$p = 1\,500$$

$$Qb_5 = \frac{660500}{(1500 - 896.8)}$$

$$Qb_5 = \underline{1095}$$

## 8 Conclusion

An analysis of the Chelyabinsk region was carried out through the collection of data from government sources. Economic analysis showed that the economy of this area does not manifest itself in the worst way, but also does not go to the top. Industrial production predominates in this region. Among the negative indicators, it is worth noting the increased unemployment rate.

Cultural and tourist analysis showed the region's attitude towards the development of tourism activities. The main tourist flow of the region is domestic tourists and their number is gradually increasing. The opposite indicator has a visit to the region by foreign tourists. The presence of various kinds of tourist attractions and medical places still does not put the Chelyabinsk region at the top among other regions of Russia.

The main problems of the development of the region are the following factors: the predominance of industrial production over other sectors of the Gross Regional Product, the problem of environmental pollution in the central region. An increase in unemployment and a decrease in real incomes were also noted.

According to the analysis of the market of festivals in the Chelyabinsk region, it became known that in the region festival activities are poorly developed. Among the twenty largest festivals in the region, only three crossed the threshold of 10,000 participants.

A quantitative analysis of the festivals showed that in 2018, more than half of the people attended the festivals of one city. Chelyabinsk was the largest in festivals. A quantitative analysis of the types of festivals recognized that Seasonal and Art festivals are in great demand. Winter and Summer became the seasonal preferences for visiting festivals for people.

The geographic analysis showed that most people attend festivals in the central part of the region. According to geographical analysis, one can also see that seasonal festivals predominate in the Central part of the region. Most people attended winter festivals in the region. In the South-eastern part, Art festivals held in the summer predominate. In the western part of the Chelyabinsk region a similar situation. The northern part of the region was the least visited, where historical and religious types of festivals were held.

“Pritesy” was a one-of-a-kind independent event organized in the target region in the year 2018. An analysis of post-event data from the festival “Pritesy” showed a few interesting points.

A key observation from the event was that it was an almost zero-budget event with a bulk of the money being individually spent on procuring festival merchandise which ended up being put on sale. The sale of the merchandise further yielded a profit. Thus this was an example of a minimal expenditure, positive revenue model.

The analysis from the questionnaires showed that the target group for the festival was the age group between 16 to 35. This is interesting because in light of the current demography of the world, this age group constitutes the bulk of the total world population. Also a gender-wise analysis of the question “do you want to come back next year” showed that an overwhelming number of females wanted to come back apart from the males, establishing the acceptability and positive perception of the festival across all genders.

Although the financial part is drawn up according to the real planning of the project, it is necessary to take into account some points. The calculation of expected sales was carried out using competitor analysis, information from government sources and consultations with specialists. Following the financial calculations, this event will recoup the initial investment on the 4<sup>th</sup> year. Potential investors will be able to return money back by 1.06 times. To cover all costs for the first year, 183 tickets more than planned must be sold. In the future, the ratio between planned sales and required minimum will reduce. The business plan of the festival-forum is determined as economically beneficial for investment.

Thus while most events concentrate on a particular aspect in terms of arts, music and so on, a festival with a theme of getting artists to come together at a place for a few days with the end goal of providing a creative ecosystem is new and lucrative. Also while most festivals concentrate on the event and planning it, the fact that "Pritesy" is leveraging the natural beauty of the region means that it is not just a festival, it also has potential for tourist attraction. Historically, music concerts have made particular geographic sites memorable and persistent in public memory. And so the uniqueness of the event and the relative unfamiliarity of the majority of people with this portion of Russia gives this festival a potential not just to encash the cultural capital of the place for economic development but also create a tourist potential for the place in the form of a unique event tourism event.

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## 10. Appendix

Appendix 1: Photo report PRITESY2018 (Source: Author)







Appendix 2: Overview of festivals (Data source: The Ministry of Culture of the Chelyabinsk region - <http://www.culture-chel.ru/>)

Place	Name	Quantity of People	Type	Season
Chelyabinsk	Shrovetide (Russian - Масленица)	90000	Seasonal	Winter
Zlatoust	Bushuyevsky festival of engraving and decorated blade weapons	30000	Art	Summer
Demarino	All-Russian Bazhov Festival of Folk Art	28000	Art	Summer
Miass	All-Russian Il'men Authors Song Festival	12000	Art	Summer
Chelyabinsk	Festival "Navruz"	8000	Religious	Winter
Magnitogorsk	International Opera Festival "Viva Opera!"	2600	Art	Spring
Chelyabinsk	International Theater Festival-Laboratory of Small Form Performances "CHELoBEK Teatra"	2500	Art	Spring
Arkaim	Festival of historical reconstruction "Flame of Arkaim"	2500	Historical	Summer
Chelyabinsk	Festival "Student Spring - 2018"	2400	Art	Spring
Troitsk	Regional national-cultural festival "Sabantuy"	1800	Religious	Summer
Kopeysk	Festival of folk drinks in the South Urals	900	Gastronomic	Summer
Asha	Family festival "Snowflake" (Snezhinka/Снежинка)	630	Seasonal	Winter
Kyshtym	Historical reenactment "Battle on the Ice" and a charity faircrafts	560	Historical	Winter
Kyshtym	Festival "My White House"	500	Historical	Spring
Satka	Regional Gastronomic Festival "The First Ural Apple"	450	Gastronomic	Spring
Verkhnyaya Luka	Fishing festival "Chub-2018"	355	Seasonal	Spring
Zlatoust	Festival-Contest "Tourism Souvenir Ural - 2018"	319	Art	Winter
Verkhnyaya Luka	Fish soup festival	210	Gastronomic	Summer
Verkhniy Ufaley	Festival "Ufalei bells"	200	Religious	Autumn

## Appendix 4: Questionnaire results (Source: Author)

Name	Place	Distance from event	Gender	Age	As part of your visit to "Philly", did you stayed overnight away from home?	How did you first hear about "Philly"?	How would you rate the festival overall?	Would you like to visit it next year?
Alexander Burmatov	Satka	55.1644 59.0083	M	34	no	flyer	2	no
Alexander Ivanov	Saint Petersburg	59.9343 30.3361	M	27	yes	internet	5	yes
Alexander Khoruzhny	Chelyabinsk	55.1644 61.4368	M	24	yes	flyer	2	no
Alexander Scherbakov	Suleya	55.13567N 58.8789E	M	23	no	word of mouth	5	yes
Alexandra Svernikova	Bakal	54.9274 58.581E	F	20	yes	internet	5	yes
Alexandra Tupina	Satka	55.1647 59.0083	F	23	yes	word of mouth	4	yes
Alexey Abramov	Satka	55.1647 59.0083	M	34	no	internet	4	yes
Alexey Muriev	Bakal	54.9274 58.581E	M	28	yes	internet	5	yes
Alina Sufhanova	Ufa	54.442N 58.931E	F	18	yes	word of mouth	5	yes
Aliyona Glazina	Chelyabinsk	55.1644 61.4368	F	21	yes	internet	3	yes
Aliyona Putintseva	Mias	55.007N 60.981E	F	24	yes	internet	4	yes
Anastasiya Kovigina	Satka	55.1647 59.0083	F	19	yes	word of mouth	5	yes
Anastasiya Shurnin	Satka	55.1647 59.0083	F	26	no	word of mouth	4	yes
Andrey Karabeynikov	Chelyabinsk	55.1644 61.4368	M	22	yes	word of mouth	5	yes
Andrey Ilyasov	Satka	55.1647 59.0083	M	24	yes	word of mouth	5	yes
Andrey Ovchinnikov	Satka	55.1647 59.0083	M	25	yes	word of mouth	5	yes
Anna Brodova	Yekaterinburg	56.7027 60.591E	F	21	yes	internet	4	yes
Anna Filizpova	Satka	55.1647 59.0083	F	40	no	flyer	2	no
Anna Golenko	Bakal	54.9274 58.581E	F	26	yes	flyer	4	yes
Anna Makarova	Chelyabinsk	55.1644 61.4368	F	26	yes	internet	3	yes
Anna Nesterova	Nyazepetrovsk	56.0374 59.361E	F	20	yes	word of mouth	5	yes
Anna Osipova	Kazan	55.7474N 49.8534E	F	20	yes	internet	4	yes
Anyka Kovt	Mias	55.007N 60.981E	F	28	yes	internet	4	yes
Arina Badrava	Chelyabinsk	55.1644 61.4368	F	18	yes	internet	4	yes
Artem Ziganurov	Satka	55.1647 59.0083	M	23	yes	word of mouth	5	yes
Arthom Sapogov	Berdyaush	56.16667N 58.1548E	M	18	no	flyer	4	yes
Daniila Gankin	Satka	55.1647 59.0083	M	30	no	flyer	5	yes
Daniila Terekhov	Chelyabinsk	55.1644 61.4368	M	27	no	internet	5	yes
Denis Bulatov	Satka	55.1647 59.0083	M	19	yes	word of mouth	5	yes
Denis Samigullin	Yekaterinburg	56.7027 60.591E	M	23	yes	internet	5	yes
Denis Utrabin	Satka	55.1647 59.0083	M	24	yes	internet	4	yes
Diana Nurlyeva	Mezhevoy	55.17027N 58.7872E	F	29	no	flyer	5	yes
Dima Vets	Satka	55.1647 59.0083	M	35	no	word of mouth	5	yes
Dmitry Abrarov	Saint Petersburg	59.9343 30.3361	M	22	yes	internet	3	yes
Dmitry Dubrovin	Mias	55.007N 60.981E	M	20	yes	internet	5	yes
Dmitry Melnikov	Satka	55.1647 59.0083	M	26	no	internet	5	yes
Dmitry Sromylov	Chelyabinsk	55.1644 61.4368	M	24	yes	internet	3	yes
Ekaterina Akabakhmanova	Satka	55.1644 61.4368	F	14	no	flyer	5	yes
Ekaterina Khramtsova	Chelyabinsk	55.1644 61.4368	F	23	yes	word of mouth	5	yes
Ekaterina Salnikova	Chelyabinsk	55.1644 61.4368	F	24	yes	internet	5	yes
Ekaterina Terzikh	Mezhevoy	55.17027N 58.7872E	F	33	no	word of mouth	4	yes
Ekaterina Trusova	Chelyabinsk	55.1644 61.4368	F	22	yes	internet	5	yes
Elena Sarasulova	Chelyabinsk	55.1644 61.4368	F	22	yes	flyer	5	yes
Elena Shishova	Bakal	54.9274 58.581E	F	30	no	word of mouth	4	yes
Evira Akhmadullina	Kopeysk	55.007N 61.311E	F	32	yes	word of mouth	5	yes
Evgeniya Luzina	Satka	55.1647 59.0083	F	36	no	word of mouth	2	no
Garina Bryantseva	Ufa	54.442N 58.931E	F	21	yes	internet	4	yes
Grigory Bely	Chelyabinsk	55.1644 61.4368	M	26	no	internet	5	yes
Grigory Shishov	Bakal	54.9274 58.581E	M	26	no	internet	5	yes
Gufrana Valeeva	Satka	55.1647 59.0083	F	32	no	flyer	1	no
Igor Kakusha	Sim	54.9274 57.421E	M	26	yes	internet	4	yes
Ilya Nikolayev	Saint Petersburg	59.9343 30.3361	M	25	yes	word of mouth	4	yes
Ilya Salkogab	Satka	55.1644 61.4368	M	24	yes	flyer	5	yes
Irina Abadi	Mias	55.007N 60.981E	F	31	yes	internet	4	yes
Irina Bekhtereva	Chelyabinsk	55.1644 61.4368	F	21	yes	word of mouth	5	yes
Irina Zubova	Saint Petersburg	59.9343 30.3361	F	18	yes	word of mouth	5	yes
Ivan Bozhin	Satka	55.1647 59.0083	M	25	yes	word of mouth	5	yes
Ivan Chichulin	Satka	55.1644 61.4368	M	19	no	internet	5	yes
Ivan Dolganov	Ufa	54.442N 58.931E	M	33	yes	internet	5	yes
Ivan Vorobyev	Yekaterinburg	56.7027 60.591E	M	31	yes	internet	5	yes
Karina Bondugajeva	Mias	55.007N 60.981E	F	25	yes	word of mouth	5	yes
Karina Medvedeva	Satka	55.1647 59.0083	F	20	yes	word of mouth	5	yes
Katerina Akhagulina	Chelyabinsk	55.1644 61.4368	F	18	yes	internet	5	yes
Katerina Datsko	Satka	55.1647 59.0083	F	24	no	word of mouth	4	yes
Konstantin Martsev	Yekaterinburg	56.7027 60.591E	M	27	no	internet	4	yes
Konstantin Marakov	Mias	55.007N 60.981E	M	24	no	internet	4	yes
Konstantin Sorokin	Mias	55.007N 60.981E	M	19	yes	internet	3	yes
Konstantin Vysotskiy	Chelyabinsk	55.1644 61.4368	M	21	yes	word of mouth	5	yes
Kristina Balasina	Yaroslavl	57.772N 39.251E	F	22	yes	word of mouth	5	yes
Ksenia Reykharf	Chelyabinsk	55.1644 61.4368	F	21	yes	internet	5	yes
Liza Gorkaya	Satka	55.1647 59.0083	F	17	no	internet	5	yes
Margarita Shakhrova	Satka	55.1647 59.0083	F	27	no	flyer	4	yes
Maria Valutina	Chelyabinsk	55.1644 61.4368	F	33	yes	word of mouth	2	no
Masha Ishakova	Chelyabinsk	55.1644 61.4368	F	24	yes	internet	5	yes
Mahvey Shestakov	Chelyabinsk	55.1644 61.4368	M	18	yes	internet	5	yes
Max Mukhamedyarov	Chelyabinsk	55.1644 61.4368	M	27	no	word of mouth	5	yes
Mikhail Kalibeshin	Yaroslavl	57.772N 39.251E	M	23	yes	internet	5	yes
Milinda Lakon	Yekaterinburg	56.7027 60.591E	M	27	yes	word of mouth	4	yes
Miliza Belova	Chelyabinsk	55.1644 61.4368	F	21	yes	internet	4	yes
Mohamed Elkalahany	Chelyabinsk	55.1644 61.4368	M	24	yes	internet	5	yes
Nadezhda Privalova	Krasnogorsk	55.007N 37.151E	F	29	yes	internet	3	no
Nastya Basharova	Satka	55.1647 59.0083	F	19	no	word of mouth	5	yes
Nastya Filizpova	Chelyabinsk	55.1644 61.4368	F	21	yes	internet	5	yes
Nikito Zinayev	Mezhevoy	55.17027N 58.7872E	M	19	yes	internet	3	yes
Oleg Onufrienko	Moscow	55.89717N 37.3772E	M	23	no	word of mouth	5	yes
Olga Ioseva	Chelyabinsk	55.1644 61.4368	F	33	yes	word of mouth	5	yes
Olga Petrova	Satka	55.1647 59.0083	F	32	no	flyer	5	yes
Olga Prokhorova	Mias	55.007N 60.981E	F	27	yes	internet	4	yes
Olga Saripova	Chelyabinsk	55.1644 61.4368	F	19	yes	internet	5	yes
Pavel Vitnevskiy	Bakal	54.9274 58.581E	M	28	no	flyer	5	yes
Rodis Goripov	Chelyabinsk	55.1644 61.4368	M	20	yes	word of mouth	4	yes
Roylya Nallyeva	Satka	55.1647 59.0083	F	34	no	word of mouth	5	yes
Ruslan Nigmatdjanov	Saint Petersburg	59.9343 30.3361	M	25	yes	word of mouth	5	yes
Sergey Polozov	Chelyabinsk	55.1644 61.4368	M	33	no	internet	5	yes
Sergey Privalov	Bakal	54.9274 58.581E	M	31	no	flyer	5	yes
Sergey Trifanov	Satka	55.1647 59.0083	M	24	no	word of mouth	5	yes
Shekun Ainur	Satka	55.1647 59.0083	M	22	no	word of mouth	5	yes
Slava Dolina	Satka	55.1647 59.0083	F	17	no	internet	5	yes
Stanislav Mamaev	Perm	56.007N 58.151E	M	29	yes	internet	3	yes
Stanislav Sharafutdinov	Satka	55.1647 59.0083	M	32	yes	word of mouth	5	yes
Stepan Bakaraev	Satka	55.1647 59.0083	M	23	no	internet	5	yes
Zhefana Gordeeva	Chelyabinsk	55.1644 61.4368	F	21	yes	internet	4	yes
Tatyana Kulikova	Satka	55.1647 59.0083	F	26	no	internet	2	no
Tatyana Shinko	Mias	55.007N 60.981E	F	29	no	word of mouth	5	yes
Timofey Shiryayev	Mezhevoy	55.17027N 58.7872E	M	20	yes	flyer	5	yes
Vadim Botyakov	Mias	55.007N 60.981E	M	25	no	word of mouth	5	yes
Valentin Chusov	Suleya	55.13567N 58.8789E	M	28	yes	word of mouth	5	yes
Valentina Bryantseva	Ufa	54.442N 58.931E	F	21	yes	internet	5	yes
Valeria Bekhtold	Mias	55.007N 60.981E	F	18	yes	word of mouth	4	yes
Valeria Shalabina	Chelyabinsk	55.1644 61.4368	F	31	yes	internet	5	yes
Valeria Zagrudnina	Mezhevoy	55.17027N 58.7872E	F	18	yes	internet	5	yes
Vasilisa Belyayeva	Chelyabinsk	55.1644 61.4368	F	19	yes	internet	4	yes
Vasya Dyakov	Mezhevoy	55.17027N 58.7872E	M	32	no	internet	5	yes
Veronika Fedotova	Moscow	55.75217N 37.6172E	F	19	yes	word of mouth	5	yes
Viktoria Kozmenko	Bakal	54.9274 58.581E	F	18	yes	internet	5	yes
Viktoria Prokhorova	Chelyabinsk	55.1644 61.4368	F	27	yes	internet	5	yes
Vladimir Dumitsev	Chelyabinsk	55.1644 61.4368	M	32	yes	internet	5	yes
Vladimir Kormiev	Mezhevoy	55.17027N 58.7872E	M	22	yes	word of mouth	5	yes
Vladimir Korsunov	Mias	55.007N 60.981E	M	28	yes	internet	3	yes
Vladimir Panomarev	Irskhazny	54.942N 58.251E	M	25	yes	word of mouth	4	yes
Vyacheslav Gankin	Chelyabinsk	55.1644 61.4368	M	20	yes	internet	4	yes
Yakov Dmitriev	Israk	56.2074 48.361E	M	18	yes	word of mouth	4	yes
Yakov Popov	Orenburg	51.477N 50.981E	M	20	no	internet	5	yes
Yana Khramtsova	Kazan	55.7474N 49.8534E	F	20	yes	internet	5	yes
Yana Matsova	Satka	55.1647 59.0083	F	25	yes	word of mouth	4	yes
Yana Safova	Chelyabinsk	55.1644 61.4368	F	18	yes	internet	5	yes
Yana Tretyak	Chelyabinsk	55.1644 61.4368	F	17	yes	internet	5	yes
Yulia Bakarova	Satka	55.1647 59.0083	F	26	no	internet	4	yes
Yulia Karneva	Saint Petersburg	59.9343 30.3361	F	35	no	word of mouth	4	yes
Yulia Korshova	Berdyaush	56.16667N 58.1548E	F	30	yes	flyer	5	yes
Yulia Saydakhtmetova	Satka	55.1647 59.0083	F	31	no	flyer	5	yes
Yulya Sava	Mias	55.007N 60.981E	F	24	no	internet	4	yes
Zhenya Myasnikov	Mezhevoy	55.17027N 58.7872E	M	22	yes	word of mouth	5	yes
Zhenya Rokitina	Chelyabinsk	55.1644 61.4368	F	25	yes	internet	5	yes

## Appendix 5: Competitive analysis of festivals

Name	Description	Minuses	Risks	Price	Qty	Source
“Territory of youth initiatives”	It is a platform for the development of creative, sports and intellectual abilities of youth associations of the Sverdlovsk region.	<ul style="list-style-type: none"> <li>- Limited geography of the project (Sverdlovsk region);</li> <li>- A small number of creative directions (vocals, choreography, original genre)</li> </ul>	<ul style="list-style-type: none"> <li>- Master classes on soft skills (public speaking);</li> <li>- Active sports events (laser tag, table tennis)</li> </ul>	1000 rub	250	<a href="https://molural.ru/">https://molural.ru/</a>
“MAFIA”	The Forum of Creative Youth MAFiYa is a regional project for young professionals who develop in the field of architecture, design and transformation of urban spaces.	<ul style="list-style-type: none"> <li>- Paid meals;</li> <li>- Paid transfer;</li> <li>- Two statuses of visiting the project "participant" and "listener", where the privilege of the status "participant" is an order of magnitude higher than the status of "listener";</li> <li>- There is no leisure and entertainment program</li> </ul>	<ul style="list-style-type: none"> <li>- an in-depth program of study of the arts related to architecture</li> </ul>	1000 rub	300	<a href="https://leader-id.ru/event/17550/">https://leader-id.ru/event/17550/</a>
Festival of creative youth “Tavrida” (indirect competitor)	“Tavrida – ART” is the first festival of creative communities. It is a place of concentration of open opportunities for self-expression, creativity and development of young cultural and art workers. The event will become a casting ground for representatives of a new generation of creators.	<ul style="list-style-type: none"> <li>- Location is too far from Chelyabinsk region</li> <li>- Part of the festival takes place in September, making it difficult for students to attend</li> <li>- The location of the objects at the festival (stages / toilets / camping) is not comfortable for the participants</li> <li>- Duration of the event</li> </ul>	<ul style="list-style-type: none"> <li>- Speakers of intercity and All-Russian level;</li> <li>- Leading teachers of creative Russian universities;</li> <li>- Rich educational program;</li> <li>- Rich leisure and entertainment program</li> </ul>	3600 rub	3000	<a href="https://tavrida.art/">https://tavrida.art/</a>
Festival of the urban environment “It’s simple”	The festival aims to develop the urban environment through the application of culture, design and architecture.	<ul style="list-style-type: none"> <li>- a limited number of creative directions;</li> <li>- the short duration of the festival (two days);</li> <li>- small geography of the project (Chelyabinsk);</li> </ul>	<ul style="list-style-type: none"> <li>- in-depth master classes in design and architecture;</li> <li>- convenient venue for the festival</li> </ul>	1500 rub	200	<a href="https://vseprostovche.com/">https://vseprostovche.com/</a>