

Czech University of Life Sciences Prague

Faculty of Economics and Management

Department of Economics



Bachelor Thesis

Development of tourism in Kazakhstan

Beksultan Kuandykuly

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Economics Policy and Administration
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Thesis title

Development of tourism in Kazakhstan

Objectives of thesis

The main objective of the thesis is to analyze the development of tourism in Kazakhstan.

These are partial aims:

1. Study literature and gain appropriate knowledge about tourism industry
2. Analyze the statistical data of the tourism industry using statistical methods and interpret the results
3. Review the tourism in Kazakhstan
4. Make final recommendation to the tourism industry in Kazakhstan

Methodology

The thesis will be divided into 2 parts – theoretical and practical. For the theoretical part, relevant Kazakh and World literature on tourism industry will be reviewed.

The practical part will be based on data on the tourism. Also, quantitative data collection about tourism will be sourced from available public sources.

Data will be analysed by statistical methods such as (Regression analysis, correlation, Annual Average Growth Rate, SWOT analysis. Final recommendation will be formulated on the bases of final discussion of gained results.

The proposed extent of the thesis

40-50

Keywords

Tourism, Hospitality, Development, Kazakhstan

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Barrow, W., Powers, T., Reynolds, D. (2012) Introduction to the Hospitality Industry. [Canada]: John Wiley
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The Bachelor Thesis Supervisor

Ing. Pavel Kotyza, Ph.D.

Supervising department

Department of Economics

Electronic approval: 2. 3. 2020

prof. Ing. Miroslav Svatoš, CSc.

Head of department

Electronic approval: 3. 3. 2020

Ing. Martin Pelikán, Ph.D.

Dean

Prague on 23. 03. 2020

Declaration

I declare that I have worked on my bachelor thesis titled " Development of tourism in Kazakhstan" 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 their person.

In Prague on 23.03.2020

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Rozvoj cestovního ruchu v Kazachstánu

Souhrn

Hlavním cílem bakalářské práce je odhalit pojem cestovního ruchu v Kazachstánu a jeho vývoj za 10 let, doporučení pro budoucí pokrok v cestovním ruchu v Kazachstánu budou vycházet ze získaných výsledků.

Bakalářská práce obsahuje 2 části: teoretickou a praktickou. Teoretická část popisuje celkové obecné aspekty světové a kazašské literatury. Praktická část je zaměřena na sledování výsledků vývoje cestovního ruchu v Kazašské republice pomocí statistického softwaru jako SAS a Excel. Podle SWOT analýzy dospěly výsledky rozvoje cestovního ruchu k závěru, že cestovní ruch v Kazachstánu se bude rozvíjet, proto by měl Kazachstán přispět více peněz do cestovního ruchu. Pokud jde o hotelnictví, pozorování po dobu 10 let a poté nám ukázala, že mnoho hostů dává přednost luxusním hotelům, protože pozitivní hodnocení je také potvrzeno. Z celkových výsledků je patrné, že hlavním problémem cestovního ruchu v Kazachstánu je infrastruktura cestovního ruchu a její přínos. Turisté stále nemají zájem nebo nevědí o Kazachstánu.

Závěrem práce je, že cestovní ruch Kazachstán potřebuje zlepšení infrastruktury cestovního ruchu a přispění k cestovnímu ruchu, aby získal lepší výsledky. Zejména kazašský cestovní ruch v kontextu světové ekonomiky má příležitosti rozvíjet se v oblasti cestovního ruchu

Klíčová slova: Cestovní ruch, pohostinství, rozvoj, Kazachstán

Development of tourism in Kazakhstan

Summary

The main aim of the bachelor thesis is to discover the concept of tourism in Kazakhstan and its development in 10 years, recommendations for the future progress in tourism in Kazakhstan will be based on gained results.

The Bachelor thesis contains 2 parts: Theoretical and Practical. The theoretical part describes the overall general aspects of the world and Kazakh literature. The practical part is aimed to follow the results of the development within changes in tourism in the Republic of Kazakhstan, using statistical software such as SAS and Excel. By SWOT analysis, the results of the development of tourism conclude that tourism in Kazakhstan is going to be developed, for that purpose Kazakhstan should contribute more money in tourism. For the hotel industry, observations through 10 years and after showed us that many guests prefer luxury hotels as by positive reviews it is also confirmed. By overall results, it is observed that the main problem of tourism in Kazakhstan is tourism infrastructure and its contribution. Tourists are still not interested or do not know about Kazakhstan.

The thesis concludes that tourism Kazakhstan needs an improvement of tourism infrastructure and contribution to tourism to gain better results. Especially Kazakh tourism in the global economy context has opportunities to be developed in the sphere of tourism.

Keywords: Tourism, Hospitality, Development, Kazakhstan

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List of Abbreviations:

GDP- Gross Domestic Product

UNWTO- United Nation World Tourism Organization

WTTC - World Travel & Tourism Council

CIS - Commonwealth of Independent States

BN- billion

MN- million

KZT- Kazakhstan Tenge

USD- United Stated Dollar

1 Introduction

In the 21st century tourism is important on global economy context. Kazakhstan as one of the biggest country in the world with lakes, rivers, forests, mountains and deserts give a beautiful landscape which tourist may wish to see. Opportunity of Kazakhstan Tourist Travel Destinations is suggestable for tourists to discover an ancient beauty and the nature of Kazakh places. Republic of Kazakhstan is one of the newest country for the inbound tourism, especially the capital of Kazakhstan called as Astana now {Nur-Sultan} counts as one of modern and young capital in the world. Ten years ago, Kazakhstan was not so famous in the world, but in 2019 nowadays, many of people from around the world started to know. Problems of tourism in Kazakhstan was because of very low number of tourists and that reason happened cause infrastructure of tourism was not developed, absence of investment

into tourism differs from getting revenues on tourism. The thesis represents about development of tourism in Kazakhstan.

2 Objectives and Methodology

2.1 Objectives

Main objective of the thesis is to analyse the development of tourism in Kazakhstan.

These are partial aims:

1. Study literature and gain appropriate knowledge about tourism
2. Analyse the statistical data of the tourism using statistical methods and interpret the results
3. Review the tourism and in Kazakhstan
4. Make final recommendation to the tourism in Kazakhstan

Research Questions:

1. What is the development in tourism in Kazakhstan?
2. What is the main problems and prospects in the tourism of Kazakhstan?
3. How has EXPO 2017 affected to the tourism in Kazakhstan?

2.2 Methodology

The thesis will be divided into 2 parts - theoretical and practical. For the theoretical part relevant Kazakh and World literature on tourism will be reviewed.

The practical part will be based on data on tourism. Also, quantitative data collection about tourism will be sourced from available public sources.

Data will be analysed by statistical methods such as (Regression analysis and Correlation used by SAS Enterprise Guide 7.1, Annual Average Growth Rate by GEOMEAN function in Excel).

Definitions in the practical parts:

Data range: 2006-2017; Sources: Ceicdata and Indexmundi

GDP: Gross Domestic Product (GDP) is the total monetary or market value of all the finished goods and services produced within a country's borders in a specific time period.

International tourism expenditures: Expenditures of international outbound visitors in other countries, including payments to foreign carriers for international transport. These expenditures may include those by residents traveling abroad as same-day visitors, except in

cases where these are important enough to justify separate classification. For some countries they do not include expenditures for passenger transport items. (Indexmundi)

International tourism receipts: Expenditures by international inbound visitors, including payments to national carriers for international transport. These receipts include any other prepayment made for goods or services received in the destination country. They also may include receipts from same-day visitors, except when these are important enough to justify separate classification. - the number of guests defines as quantity of persons who visited and stayed the hotel through the whole period. (Indexmundi)

Visitor exports (Foreign Spending) is the spending within a country by international tourists for leisure and business travel. This includes spending on transport. (Statista)

Average amount of guests = Total number of guests/Number of hotels number of hotel guests divided by number of hotels by each stated hotel shows quantity of guest per hotel, which means the average of total guests per each hotel by each stated hotel.

Accommodation places: Accommodation places used to refer to buildings or rooms where people live or stay. The government will provide temporary accommodation for up to three thousand people. Prices include flights and hotel accommodation. Rates are higher for deluxe accommodations. (CollinsDictionary)

Formulas:

In the table 1, there is an exchange rate numbers which is calculated in Excel by average function, to see the averaged exchange rate for a whole year.

The average annual growth rate (AAGR) is the average increase in the value of an individual investment, portfolio, asset, or cash stream over the period of a year. It is calculated by taking the arithmetic mean of a series of growth rates. To calculate Annual Average Growth Rate in Excel: Geometrical Function (Geomean):

(%) Changes in 2006-2016: Changes= (Present-Past) / (Past)

Final recommendation will be formulated on the bases of final discussion of gained results.

3 Literature Review

3.1 Tourism

Definition of tourism

It is moderately simple to agree on specialized definitions of specific categories of 'tourism' or 'tourist', but the wider concept is sick defined. First, it is imperative to recognize that tourism is fair one frame of action undertaken during a period of relaxation. Recreation is characterized as 'free time' or 'time at one's disposal'¹ and therefore can be taken to grasp any action separated from work and compulsory duties. Leisure can involve dynamic engagement in play or entertainment or else more detached pastimes such as observing tv or indeed resting. Sports exercises, diversions, pastimes, interests – and tourism – are all shapes of diversion and optional employments of our recreation time. (Christopher, 1988)

Tourism, mutually component of leisure, involves the movement of an individual or persons away from their traditional place of residence: a method that typically incurs some expenditure, although this is often not essentially the case. Somebody sport or hiking within the country on an inhabitation weekend within which they carry their food might build no economic contribution to the world within which they travel however will however be counted as a holidaymaker. Many other examples may well be cited within which expenditure by the holidaymaker is lowest. We can say, then, that business enterprise is a one side of leisure that typically, however not invariably, incurs some expenditure of financial gain which, further, cash spent has been earned among the worlds of normal residency, instead of at the destination. (Christopher, 1988)

The term 'tourism' is any refined because the movement of individuals removed from their traditional place of residence. Here we discover our initial downside. Ought to shoppers travel short. An introduction to commercial enterprise distances of many kilometres be thought-about tourists? Is it the aim or the distance? that is the determinant factor? Simply, however, so much should individuals travel before they will be counted as tourists for the aim of official records? What this growing band of individuals travelling often between their initial and second homes, generally disbursement equal time at each? Clearly, any definition should be specific. Within the U.S in 1973, the National Resources Review Commission established that a domestic holidaymaker would be 'one UN agency travels a minimum of fifty miles (one way)'. That was confirmed by the USA agency, which defined commercial

enterprise eleven years later as a trip of a minimum of a hundred miles. However, the Canadian government defines it as a journey of a minimum of twenty-five miles from the boundaries of the tourist home community, whereas land a commercial enterprise Council projected a live of not but 20 miles and three hours' journey time removed from home for a visit to represent a leisure trip, so, consistency has by no means that however been achieved. (Christopher, 1988)

Tourism is the temporary short movement of individuals to destinations outside the places wherever they unremarkable live and work, and activities throughout their lodge in these destinations; it includes movement for all functions, furthermore as day visits or excursions. Tourism contains the activities of persons move to and staying in places outside their usual setting for less than one consecutive year for leisure, business or other functions. (Christopher, 1988)

Tourism within the read of the majority is related to recreation, new experiences, pleasure. He firmly entered the lifetime of a person along with his natural want to get and find out untapped lands, monuments of nature, history and culture, customs, and traditions of various nations. Less accepted is that touristy is one in all the most important high-yielding and most dynamic sectors of the economy. Over 250 million folks area unit used in touristy, i.e. each tenth employee within the world. It accounts for seven-membered of total investment, Martin mas of world shopper outlay, five-hitter of all taxes revenues and a 3rd of world change services. touristy contains a vast impact on such key economic sectors as transport and communications, trade, construction, agriculture, commodity production and lots of others, acting as a catalyst for socioeconomic development. Per consultants, the twenty-first century are going to be the century of touristy. Analysis of this state of the market of holidaymaker product and services, its development prospects, and also the contribution of touristy to the globe and financial system is very necessary. However, before diving into these issues of the holidaymaker business, it's sensible to reveal the content of the thought of "tourism." (Lickorish & Jenkins 1997)

1. History
2. Types of Tourism
3. Advantages and Disadvantages of Tourism
4. UNWTO

3.1.1 History

Tourism history as it appears in much tourism literature can be summarized briefly. It is largely concerned with the activities of the affluent, occurring in particular tourism settings such as resorts or lengthy tours. These forms of tourism are prestigious events which occurred periodically in people's lives and their significance is generally assessed in quantifiable terms such as length of visit and economic outlay. But, fundamentally, this is a history of western cultural experience; beginning with the leisured elites of ancient Greece and Rome, the reemergence of tourism in the Renaissance, and the development of spas and Grand Tours in the 17th and 18th centuries. The story continues with the seaside resorts of the 19th century and the spread of international tourism through the agency of Thomas Cook and his successors. From the mid-20th century, the whole movement is accelerated by the jet aeroplane and charter flights. Within this process, view of tourism history relates to tourism research itself. Most research (including historical work) takes place in Britain, other parts of Western Europe and North America. This work has both defined and dominated studies of the subject. Research from other regions is rare and linguistic barriers compound the western focus of research. In addition, links between tourism studies and history are poor. Much of the best work on tourism history has come from historians investigating leisure but their findings rarely penetrate tourism literature. Thus, social history has suggested important local and regional variations in leisure practices as well as questioning simplistic notions of class emulation. There may also be an element of what Green (1994) terms 'metaphorical tourism', in the preferences of researchers for particular eras and forms of leisure. Certainly, in the more popular historical studies of tourism there has been a strong nostalgic streak for 'golden ages' of travel. (Towner, 1995)

3.1.2 Types of Tourism

Tourism refers to the business of providing accommodation & associated services to the people visiting places. Tourism involves two elements i.e. the journey to the destination & stay.

Tourism is a temporary short term movement of people to destinations outside the place of their residence. Tourism is undertaken for recreation, sight seen, pilgrimage for medical reasons, for adventure etc.

The different categories of tourism are as under: Adventure Tourism, Birth Tourism, Business Tourism, Recreational tourism, Culinary Tourism, Environmental tourism, Cultural Tourism, Dark Tourism, Disaster Tourism, Doom Tourism, Drug Tourism, Eco Tourism, Genealogy Tourism, LGBT Tourism, Medical Tourism, Nautical Tourism, Religious Tourism, Sex Tourism, Slum Tourism, Space Tourism, Sports Tourism, Virtual Tourism, War Tourism, Wellness Tourism.

Different Types of Tourism: Domestic Tourism, Inbound Tourism, Outbound Tourism.

([Indiastudychannel](#))

Domestic Tourism

Domestic tourism comprises the activities of residents of a given country travelling to and staying in places inside their residential country, but outside their usual environment for not more than 12 consecutive months for leisure, business or other purposes. ([stat.fi](#))

Inbound Tourism

Inbound tourism is defined as comprising the activities of non-residents travelling to a given country that is outside their usual environment, and staying there no longer than 12 consecutive months for leisure, business or other (corresponding) purpose. ([stat.fi](#))

Outbound Tourism

Outbound tourism comprises the activities of residents of a given country travelling to and staying in places outside their country of residence and outside their usual environment for not more than 12 consecutive months for leisure, business and other purposes. ([stat.fi](#))

3.1.3 Advantages and Disadvantages of Tourism

Tourism is the act of travel for the purpose of not only recreation, but also the provision of services for this act. It might occupy local services such as entertainment, accommodation and catering for tourists. It may seem, that tourism brings only benefits, but further consideration shows that it also has disadvantages. ([Harrison, 2001](#))

Generally, many countries depend greatly upon travel expenditures by foreigners as a source of taxation and as a source of income for the enterprises. Therefore, the development of tourism is often a strategy to promote a particular region for the purpose of increasing commerce through exporting goods and services. ([Harrison, 2001](#))

Secondly, it provides direct employment for the people associated with occupations in bars and hotels. Thanks to it, the average standard of living of people increases well and at the same time unemployment is on the decrease. (Harrison, 2001)

However, tourists cause environmental damage through forest fires, destruction of sand dunes and pollution. Consequently this serves negatively as increased pollution disturbs local residents and also it may discourage tourists from further entering the country.

After this, tourism undermines culture by commercializing it and this is often connected with increasing litter, graffiti, vandalism and noise – tourists do not always respect traditional cultures, which is sad but true. In general, tourism is an extremely profitable process in loads of countries, especially those in which the process of development continue to depend on this industry because this industry does not require a lot of literacy and also it yields maximum profits with less investment. (Harrison, 2001)

3.2 World Tourism Organization

The World Tourism Organization (UNWTO) is the United Nations agency responsible for the promotion of responsible, sustainable and universally accessible tourism.

As the leading international organization in the field of tourism, UNWTO promotes tourism as a driver of economic growth, inclusive development and environmental sustainability and offers leadership and support to the sector in advancing knowledge and tourism policies worldwide.

UNWTO encourages the implementation of the Global Code of Ethics for Tourism, to maximize tourism's socio-economic contribution while minimizing its possible negative impacts, and is committed to promoting tourism as an instrument in achieving the Sustainable Development Goals (SDGs), geared towards reducing poverty and fostering sustainable development worldwide.

UNWTO generates market knowledge, promotes competitive and sustainable tourism policies and instruments, fosters tourism education and training, and works to make tourism an effective tool for development through technical assistance projects in over 100 countries around the world. (World Tourism Organization)

UNWTO's membership includes 158 countries, 6 Associate Members and over 500 Affiliate Members representing the private sector, educational institutions, tourism associations and local tourism authorities. (World Tourism Organization)

Tourism in Kazakhstan

General information: Kazakhstan is the 9th largest country in the world. Area of the country is 2,724,900 km² and population is around 18.5 million people. Capital of the Kazakhstan is Nur-Sultan (previous renamed from Astana in 2019).



Source: www.colourbox.com

Through this map it is possible to define in which regions located all main cities:

South Kazakhstan main cities: Almaty, Shymkent, Taraz, Kyzylorda

North Kazakhstan main cities: Astana (Nur-Sultan), Pavlodar, Kostanay, Petropavlovsk

East Kazakhstan main cities: Uralsk, Aktoobe, Atyrau, Aktau

West Kazakhstan main cities: Oskemen, Semey

Central Kazakhstan main cities: Karaganda, Zhezkazgan

Kazakhstan Travel Destinations

Southern Kazakhstan - Zhetysu (the arrive of Seven Rivers) The arrive with wonderful title Zhetysu (the Arrive of Seven Waterways) keeps numerous secretive privileged insights. For centuries it had been the put where streets and authentic destinies of numerous tribes crossed. As the result, risen the Incredible Silk Street, a huge area of which ran through this arrive.

At display, it speaks to the special complex of authentic, engineering, and town-planning memorials. Around Almaty Historically, due to numerous reasons a awesome assortment of interesting sights shaped within the domain of Almaty locale, and its well-developed infrastructure made it conceivable to form comfortable traveler courses for nature-lovers. As it were 60 km from Almaty, adjacent a little town of Issyk, lovely Lake Issyk is covered up in one of the pleasant gorges of the Zaili Alatau at a stature of 1,800 m over ocean level. On the 7th of July 1963 the lake was struck by a lamentable occasion - a capable mudflow devastated this magnificent lake. Right now Lake Issyk is being restored and will become a popular place for recreation and hiking in the near future. (advantour)

Neighboring Lake Issyk is the amazing glut of the Turgen Stream. It's one of the foremost wonderful and scenic gorges. Here you'll appreciate pleasant nature and waterfalls, see popular Sacae burial-mounds dating back to 1000 BC , and antique greenery fur-groves developing on permafrost. Among the mountain ranges of the Jungar Alatau, the rivers Kora, Chizhe and Tekeli carry their clear waters and after, that connecting, donate birth to a unused river - the Karatal. Picturesque Arrive of Seven Rivers The Kora stream glut is likely one of the foremost picturesque in Semirechye (Arrive of Seven Streams). The stream rises tall within the mountains, within the kingdom of interminable ice sheets. Unpleasant and persistent, pressed between rocks, it carries its smooth water. Burkhan-Bulak waterfall is the greatest in Semirechye. The stature of its three layers comes to 90 m. Loud stream containing tons of frigid water surges down springling everything around with millions of splashes. (advantour)

Valley of Castles East of Almaty, 200 km down interstate, there's the breathtaking Valley of Castles of the Charyn stream. The Charyn Canyon could be a long contract glut highlighting soak sheer rocks with a surging river streaming between them. Beneath the impact of winds and water the sand rocks assumed fanciful shapes reminding of intriguing figures and fairy-tale characters. That's why the canyons are moreover called the Valley of Castles, the Devil's Glut and the Apparitions Gorge. Kungei Alatau lakes The most beautiful lakes within the mountain extend of the Kungei Alatau are the Kolsai lakes. They comprise three lakes: the Moo est, the Center and the Upper Kolsai. Each lake has it's one of a kind charm. Encompassed by the mountain edges, the Kolsai lakes, famous for their precious stone blue waters, are a territory for regal fish-rainbow trout. The Kaindy lake is set within the Kungei Alatau, close the more popular Kolsai lakes. The one of kind nature of the Kaindy lake is in

extraordinary charm, and new excellence of this region. The glut itself contains an artificial birch forest culminate ly fitting within the canifer landscape. At the western goads of the Jungar Alatau edge there's the Altyn-Emel National Stop, the greatest protect in Kazakhstan. The region of 460,000 hectares is set for conservation of rare species of creatures and plants. Here you'll be able appreciate the see of one of a kind colored mountains, and the white mountains of Ak tau, the sand mountains of Katutau where fossils of warm blooded creatures and dinosaurs are some time found. The Stop suits a few chronicled commemorations - Skythian burial hills of Bes-Shatyr dating back to the 1st thousand years BC and Tamgaly-Tas highlighting over 4,000 antiquated shake drawings, the most punctual dating back to the 16-14 centuries BC . Here, on the correct bank of the Ili river, is Singing Barchan, which emanates moo organ-like sounds in sunny climate. Whereas taking part in safari, you'll be able come over various creatures possessing the Altyn-Emel Stop: Siberian mountain goats - teles, Sand gazelles - jeiransonagers (kulans), arkhars; such birds as berkut, borodach, mountain partridge - keklik, black- bellied hazel-grouse, sadj and many others, most of which are in the World and Kazakhstan Red Book. (advantour)

Chronicled sights Kazakhstan is the arrive of antiquated civilizations. Since times immemorial its tenants have been making extraordinary and unique culture. Nowadays the admin istrative, social and mechanical center of the locale is Shymkent, the third biggest city in Kazakhstan (420,000 individuals). South Kazakhstan Locale is popular generally for its chronicled commemorations - burial hills, locales of antiquated settlements, for tresses, sepulchers and old towns.

Special is the design and history of the antiquated town of Turkestan (16-18th centuries), the political, exchange and social center of the Kazakh khanate. The style and excellence of the Esim-khan catacombs is striking, as is the complex of a Sufi advocate - Hodja Ahmed Yassau (a town until the 16th c.) and sultan's Ondan. The antiquated town of Ispijab, presently Sairam, found to the east of Shymkent, is popular for its tombs of Ibragim- Ata (17-20th centuries) and Karashash-Ana (17th c.) The Otrar National Archeological Museum-Preserve is locat ed here. It incorporates 12 medieval destinations of antiquated settlements. One of a kind are the archeological unearthings of antiquated towns of Sygnak, Otrar and neighboring commemorations, such as Kuiryuk- tobe, Altyn-tobe, Kok-mardan, the Baba-Ata Mosque-Mausole um, the sepulcher of Baba-Tukti Shashaty Aziz (19-20th centuries), the Karabura Tomb (18-19th centuries), the mauso leums of Baidibek-ata and Domalak-ana,

and the chronicled and social protect Ordabasy. Where semi-desert and the Kyzylkum leave meet, on the Kyzylkum waterway, the town of Arys is found. Agreeing to the most recent archeological information, this region contains the classical test objects of agrarian and cattle-breeding societies of South Kazakhstan - the antiquated settlement of Zhuantobe (the Arys stream bowl) and the Borizhar burial ground.

The magnificence of the Western Tien-Shan South Kazakhstan Locale is wealthy not as it were in its authentic reminder rials but moreover in its one of a kind and brilliant nature of the Western Tien-Shan. The Aksu-Dzhabagly Common Protect highlights interesting archa timberlands, juicy snow capped glades, profound streams and streams, and thorough rocks in its domain of over 850 sq. km. Over 1,400 sorts of bloom plants develop here. Numerous of them are included within the Universal Ruddy Book. The protect is the territory for over 238 species of fowls and 42 species of well evolved creatures, numerous of which are too near to termination (Egyp tian vulture, berkut, dark stork, blue feathered creature, brown bear, arkhar, heaven flycatcher, snow panther, Central Asian lynx and others.)

On the border of Kazakhstan, Kyrgyzstan and China there is the world famous peak of Khan-Tengri(7,014 m). Its dazzling beauty attracts not only climbers but also adventure-seekers. (advantour)

Western Kazakhstan - Interesting Places

It is found among the northwest of the republic. Prodigious traditional assets, the Advantageous geographical region, created money joins with various Russian cities and alternative nations build favorable conditions for effective improvement of out-of-doors money activity. Western Asian nation incorporates Atyrau, Mangystau and Aktubinsk Oblasts. The region is organized among the foremost extreme west and south-west of the Republic. Its tremendous region extends for 1200 metric linear unit from the north to the south, and for 1300 metric linear unit from the west to the east. The most rivers ar the Ural, the Emba. The biggest lakes ar Inder, Aralsor, Kamis-Samarskiye. the foremost necessary role is competed by the Caspian Sea. boring, and has been developing for a hundred years during this region. Atyrau is the center for the assembly and conservation of the black caviar. The climate here is sharply continental, dry. (advantour)

The Great Silk Road well-versed the full territory of Mangystau for 2000 years. currently, it's become a really attention-grabbing tourist route. The presence of the enticing landscapes, in conjunction with an excellent diversity of fauna of the Ustyurt Reserve, the distinctive

historical, and cultural likewise as natural monuments during which Mangystau abounds, the picturesque places of the Caspian space represents a substantial interest in a possible tourist (advantour)

Aktyube Locale is one of the foremost noteworthy industrial regions of Kazakhstan. It involves the range of approximately 300,000 sq. km. Aktyube Locale borders on Russia within the north and Uzbekistan within the south. It is curiously that within the east and west three Kazakhstani locales on each side border this zone. Within the east these are Kostanai, Karaganda and Kyzylorda Locales; within the west - Atyrau, Mangistau and West Kazakhstan Regions. Atyrau Locale is the kingdom of so-called 400-m inclines (chinks) and completely white, flawlessly formed stone circles of almost 2 m in diameter across. This saved area speaks to a limestone level, once the foot of an ancient sea. The Caspian and Aral oceans are its remains. Arid steppe zone meets with lowlands of the Ural waterway (Zhaik in Kazakh) which here and there takes after the swamps of Florida. This is often genuinely a paradise for different waterfowl. As it were discussed watercraft are allowed here. Herds of swans, ducks and geese clear over the heads of astonished tourists who are struck by the greatness of their number. (advantour)

The Treasure Peninsula. This is however an individual's decision one among the richest areas of Kazakhstan - Mangystau Region. This land is wealthy in oil, gas, construction materials, varied ores and minerals. It's additionally true that the current Mangystau is termed the land of a business enterprise and recreation resources with wealthy cultural heritage.. (advantour)

The unique natural sceneries of Northern Kazakhstan

Northern Kazakhstan includes Pavlodar, Akmola and Kostanay Oblasts. This region is situated in the utmost northern part of the Republic, in the basin of the Esil, the Tobol and the Obagan rivers. From the west to the east, Northern Kazakhstan occupies the territory of more than 1300 km, and from the north to the south – about 900 km.

The main rivers are the Irtysh and its two tributaries – the Esil and the Tobol. The largest lakes are Kusmurin and Sari Kopa in Kostanay Oblast, Tengiz and Korgaljin in Akmola Oblast, Shagala, Shortan and Burabay in North Kazakhstan Oblast. (advantour)

A few of the lakes are popular for their sedated mineral salts and muds (Moyildi Lake in Pavlodar Oblast and Maybalik Lake in North Kazakhstan Oblast). The climate here is strongly mainland, be that as it may, it contrasts from the other locales of the Republic in milder summer and lower winter temperatures. Unique scenes of Kokshetau mountains, woods and lakes, arranged on the region of “Burabai” National Nature Stop; extraordinary caves of Bayanaul in south, abundance of greenery and fauna of Korgaldjin Nature Save can give you a genuine chance to feel yourself a portion of a virgin nature. (advantour)

RELIEF

A few parts of Kokshetau Slopes are: Kokshetau mountains (the most noteworthy top is 947m), Ereimentau (899m), Zhaksy-Zhangyztai (730m); Atbasarska and Siletinskaya planes; and Tengiz-Korgalzhin empty are arranged within the region of the Republic. Flora and soil Usual, southern and carbonite dark soils with feather-grass greenery and birch-coniferous forest massifs are within the north portion of the oblast. The dim chestnut, chestnut and light chestnut soils with feather-grass flora, little islands with pine-birch woodlands are within the south portion of the oblast. (advantour)

A large recreation zone together with sanatorium health resort advanced of the republic suggests that was supported on the bottom of mountainous pine forests. There also are such reserves as: Korgalzhin park, Ereimentaui, and Atbasarsky; Borvskoye and Zerendiskoye looking farms, wherever hunters settle and conform completely different types of animals and birds. The rivers, lakes, and reservoirs represent the water objects of the oblast.

The biggest rivers are: Ishim, Nura, Siley, Kulanotpes; the lakes are: Tengiz (1162sqkm), Kypshak (64,7sqkm), Kerei (63sqkm), Kozhakol (60,7sqkm); the reservoirs are: Viacheslavskoye (the space is sixty,7sqkm, the capability is 410,9mln cubiform meters), and Siletinskoye (the space is thirty-six,3sqkm, the capability is 221,8mln cubiform meters). The most minerals are: ores of non-ferrous and black metals, uranium; it's the place of such deposits of building materials as: a coal, cobalt, and kaolin; and mineral waters and healthful mud. (advantour)

Eastern Kazakhstan in the center of Eurasian continent

Eastern Kazakhstan is arranged within the center of Eurasian landmass. That's stamped by comparing commemoration. Hybrid point of 79 th and 49 th latitudes and meridian. Furthermore, East Kazakhstan contains a one of a kind geopolitical position. The locale is

found within the part where four expansive states are crossed: Mongolia, Kazakhstan, China and Russia. An curious quirk of East Kazakhstan is the plausibility to watch on its region about all sorts of Central Asia scene on moderately little zone. Its region can be got over by one visit. Here one has an opportunity to see sandy forsaken scenes, clay canyons, classical steppes, mountain steppe scenes, deciduous timberlands and taiga, elevated knolls and mountain crests, which tallness is up to 4500 meters over ocean level (such as the most noteworthy point of Altai and Siberia – Belukha Mountain). (advantour)

The one of a kind geological and geopolitical position, as well as scene differing qualities caused blending of societies and conventions. Amid a visit anybody encompasses a plausibility to relate with classical migrant Kazakhs, agents of Kazakh angling subculture, Ancient Devotees and to visit maral nursery (classical occupation of ancient devotees). All this in add up to gives an curious, changed and energetic trip plan for tourists. The wealthiest bio-diversity is kept up by 24 nature saves, which range sums to 6% from add up to region of East Kazakhstan. Uncommon and endemic creatures, which can be met here draw in nature darlings: birdwatchers and butterflywatchers. The ostensible border between Asia and Siberia fauna is get over the region of East Kazakhstan. (advantour)

Uncommon thought need to be paid to the domain of Kazakhstans Altai, that is portion of Altai-Sayanskiy eco-region. By its scene individualization and organic variations it's an area to two hundred would like worldwide eco-regions, characterised by the Universal company WWF Living Planet. Up to the show this region maintained a strategic distance from dangerous urbanization. Hence, East Asian country venue is also a venue, wherever traveler objects of worldwide individuation area unit accessible. Scene differing qualities associate degreed social mix is an viable affirmation of human potential of the region. it's doable to form a particular holidaymaker product characterised by high dynamics of holidaymaker objects sorts changes.

Accessibility

One will reach the venue by plane, prepare or by automotive. plane terminals acceptable for landing of worldwide lines airplanes area unit accessible in Ust-Kamenogorsk and Semipalatinsk. In summer there area unit coordinate flights Europe – Ust-Kamenogorsk (Gannover–Ust-Kamenogorsk). The lines interfacing Ust-Kamenogorsk with the Worldwide terminus in city (Moscow) area unit operating amid the whole year. In like manner, there exist or even fast variations for inbound at East Asian country by discuss transport from Europe. (advantour)

Additionally, one can reach East Kazakhstan by railroad. Railroad transport fits in ecological tourism ideology as the most nonpolluting. And sometimes using of railroad is more appropriate as compared to air transport. In this case it is possible to transit tourists from Almaty (where international airport is available) to Semipalatinsk or Ust-Kamenogorsk. Auto transport can also be used. The trip from Almaty to Ust-Kamenogorsk lasts 21 hours. The most convenient way to travel through the territory of East Kazakhstan is by car. Railroad can be used for tours through Kazakhstan, East Kazakhstan being part of this tour.

Alakol (Colorful Lake) is one of the rarest lakes in Kazakhstan. It is located in the southeastern part of the republic, on the border with China. Alakol Lake is the largest lake in the Alakol Lakes chain. It is unique in its beauty and pristine nature. The lake is located at an altitude of 347 meters above sea level. It reaches 104 km in length and 52 km in width.

The shore of the lake is secured with special dark mending stones. The water of Lake Alakol has the same structure as the ocean: sodium sulfate-chloride. The water of the lake is warm, the normal summer temperature is 26 degrees. Lake water has valuable properties for skin infections: psoriasis, skin inflammation, neurodermatitis, urticaria - it has been demonstrated in hone, it features a great restorative impact for joint pain and infections of the apprehensive framework. The superb waters of the lake moreover move forward the by and large physical condition of a individual. The Alakol lake valley is in a zone of inadequately stickiness. This contributes to the advancement of great conditions for patients with pneumonic maladies. Sightseers coming to Alakol Lake can stay at the Arktur Amusement Center, found within the North-East of Almaty, on the south-west coast of the lake. (advantour)

3.3 Hotel Industry

The hotel industry as a type of economic activity includes the provision of hotel services and the organization for paying for short-term stays in hotels, campgrounds, motels, etc.

In international practice, adopted a standard classification of accommodation of tourists, developed by WTO experts. According to it, all funds are divided into two categories: collective and individual.

Collective accommodation means “any object” that regularly or sometimes provides tourists with accommodation for spending the night in a room or some other room, and the number of rooms that it has should exceed a certain minimum determined by each country

independently (for example, Russia - 10 numbers, in Italy - 7 numbers). All rooms in this company must comply with the unified management, be grouped into classes and categories in accordance with the services provided and the equipment available.

The collective accommodation facilities for tourists include hotels and similar accommodation facilities, specialized establishments and other accommodation facilities. According to the WTO definition, a hotel is a collective accommodation facility consisting of a certain number of rooms, having a unified guide, providing a range of services (at least bedding, room and bathroom cleaning) and grouped into classes and categories in accordance with the services and equipment provided. (Barrows; Powers; Reynolds; 2012)

3.3.1 Hotels

Hotel, building that provides lodging, meals, and other services to the traveling public on a commercial basis. A motel performs the same functions as a hotel but in a format designed for travellers using automobiles. (Encyclopedia Britannica, 2019)

The main classes of hotels square measure transient, resort, and residential. Hotels square measure classed as “mainly transient” once a minimum of seventy-five % of their guests aren't permanent residents. The guest during a typical transient building will expect a space with personal bathtub, telephone, radio, and TV, additionally to such client services as laundry, valet, and cleansing and pressing. A bigger institution typically contains an eating place, feeding space, saloon or cabaret, and a present look or newsstand-tobacco counter. (Encyclopedia Britannica, 2019)

The modern building was to an oversized extent the results of the railroad age; quicker travel eliminated the requirement for the inns serving the recent coach routes, and lots of those were forced out of business as a result. On the opposite hand, several new and bigger hotels were productively designed on the point of railroad stations. As is travel for pleasure became progressively common throughout the nineteenth century, a brand-new category of resort hotels was inbuilt several countries. On the French and Italian geographic areas resort hotels were created to serve loaded vacationers, World Health Organization often came for the complete summer or winter season. Luxury hotels presently created their look within the cities; in 1889 the savoy cabbage building in London set a brand-new commonplace with its own electricity and its host of special services for guests. (Encyclopedia Britannica, 2019)

The main classes of hotels are transient, resort, and residential. Hotels are classed as “mainly transient” once a minimum of seventy-five percent of their guests don't seem to be permanent residents. The guest in an exceedingly typical transient building will expect a space with non-public bathtub, telephone, radio, and tv, additionally to such client services as laundry, valet, and clean up and pressing. A bigger institution typically features a coffee bar, eating area, bar or nightspot, and a present look or newsstand-tobacco counter. The resort building could be a luxury facility that's supposed primarily for vacationers and is typically situated close to special attractions, like beaches and seashores, scenic, or historic areas, ski parks, or spas. Although some resorts treat a seasonal basis, the bulk currently attempt to operate all year-round. The residential building is largely House giving maid service, an eating area, and area meal service. Residential hotels vary from the luxurious to the moderately priced. Some resort hotels treat the alleged American plan, during which the value of meals is enclosed within the charge for the area. Others treat the ecu set up, during which the speed covers solely the area and guests create their arrangements for meals. Transient hotels typically treat the ecu set up. ([Encyclopedia Britannica, 2019](#))

3.3.2 Motels

Motel, conjointly known as court, Motor Court, court, or hotel, originally an edifice designed for persons travel by automobile, with convenient car parking zone provided. Motels serve industrial and business travellers and persons attending conventions and conferences also as vacationers and tourists. Motels originated as a series of separate or hooked up wayside cabins, severally operated; however, once skilled management took over, their size exaggerated, and also the chain construct became common. Franchising operations, during which a private is allowed to travel into business for himself below the wide publicized name of a series of motels, so realizing the advantages of a chain operations with comparatively modest investment, has achieved exceptional growth for many chains. ([Encyclopedia Britannica,2019](#))

3.3.3 Apartments

An apartment (American English), flat (British English) or unit (Australian English) is a self-contained housing unit (a type of residential real estate) that occupies only part of a building, generally on a single story. There are many names for these overall buildings, see below. The housing tenure of apartments also varies considerably, from large-scale public

housing, to owner occupancy within what is legally a condominium (strata title or commonhold), to tenants renting from a private landlord.

Types of apartments: Studio Apartment, Garden Apartment, Basement Apartment, Secondary Suite, Maisonette, Loft Apartment and etc... ([Encyclopedia Britannica, 2019](#))

4 Practical Part

The practical part will be based on data on tourism development in Kazakhstan. Also, quantitative data collection about tourism will be sourced from available public sources. Data will be analysed by statistical methods such as(Correlation and Regression Analysis using by SAS, Annual Average Growth Rate calculated in Excel by Geomean function, and SWOT analysis). In the practical part, only main data is used related to tourism.

4.1 Tourism Statistics in Kazakhstan

Table 1: Tourism data indicators

	GDP (USD in bl)	Tourism expenditures(USD in bl)	Tourism receipts (USD in bl)	Exchange Rate (1 USD=KZT)	Number of tourists (USD in ml)	Visitor Exports (USD in bl)
2006	81	1.06	0.000973	126.07	4.707	1.12
2007	104.85	1.396	1.214	122.22	5.311	1.20
2008	133.44	1.361	1.255	120,29	4.117	1.21
2009	115.31	1.319	1.185	147.51	3.774	1.14
2010	148.05	1.489	1.236	147.34	4.097	1
2011	192.63	1.831	1.524	146.62	5.685	1.02
2012	208	2.023	1.572	149.11	6.163	1.02
2013	236.63	2.147	1.779	152.14	6.841	1.07
2014	221.42	2.163	1.701	179.12	6.333	1.11
2015	184.39	2.155	1.734	222.25	6.431	1.39
2016	137.28	1.769	1.716	341.76	6.509	1.9
2017	162.89	1.886	1.99	333.92	7.701	1.94

Source: Table created by author based on Ceicdata; Statista; Worldbank

GDP in Kazakhstan was 81 billion US dollars in 2006 and it was increasing stable until 2009, GDP in this period amounted to 115.31 billion US dollars, which is lower than in 2008. From 2010 it started rapidly growing 2013, and after this period, GDP was decreasing until 2016, and valued at 137.28 billion US dollars. Through the whole period time its value reached 1763 billion US dollars. The difference between 2006 and 2016 is 56.28.

The lowest number of tourists 3.774 million is in 2009, and the highest is in 2013, 6.841 million tourists came to Kazakhstan. In 5 years, around 3 million of tourists got interested to visit this country. Foreign spending reached 174.70 billion dollars in 2009, and 122.66 billion dollars for 4.707 million tourists in 2006, that means outbound spending was less than people visited in 2006, in 2009 less tourists were attracted but spending for them was more.

International tourism expenditures does not justify the receipt on international tourism, as it obvious on the table, for the whole period from 2006 to 2017, expenditures was more than receipts and only exception was when in 2017 there are more receipts, that means income for resident country, and on of the reason for that could be influence of inbound tourism during the EXPO-2017 exhibition.

The lowest currency period amounted at 120.29 Kazakh tenge per 1 dollar, when in 2014 one dollar costed 179,12 tenge and after 1 year its number reached 222.25, it has difference around 42 tenge. In 2016, 341.76 KZT tenge costed per 1 US dollar, and its difference around 120 tenge. In 2017 exchange rate decreased till 333.92 tenge per dollar and the reason for that is devaluation.

4.2 Hotel Industry in Kazakhstan

Kazakhstan has all of the opportunities for the successful development of the hotel industry and hotel industry is a crucial part of tourism, because it's main of infrastructure required by travellers. The richest history of the republic, rare historical monuments, distinctive culture, political stability, relative openness and willingness to cooperate - all this has to the intensive development of both the tourism and hotel sectors. (UNWTO)

The hotel industry has already undergone significant changes. Inbound tourism in 2017 numbered around 5 million tourists who stayed at accommodation places, and in 2018, the Statistics Agency, after analysing for the first time in accordance with UNWTO standards and definitions, says that in inbound tourism, Kazakhstan achieved quite good result. That is, the growth rate of inbound tourism exceeded the growth rate of outbound tourism indicators. Net budget revenues from tourism activities amounted to 4.7 billion tenge in 2018. (UNWTO)

The development of tourism has created the prerequisites and conditions for the development of the hotel services market in Kazakhstan. The hotel industry has already

undergone significant changes. The growing demand for hotel services is gradually changing the structure of supply. (WTCC)

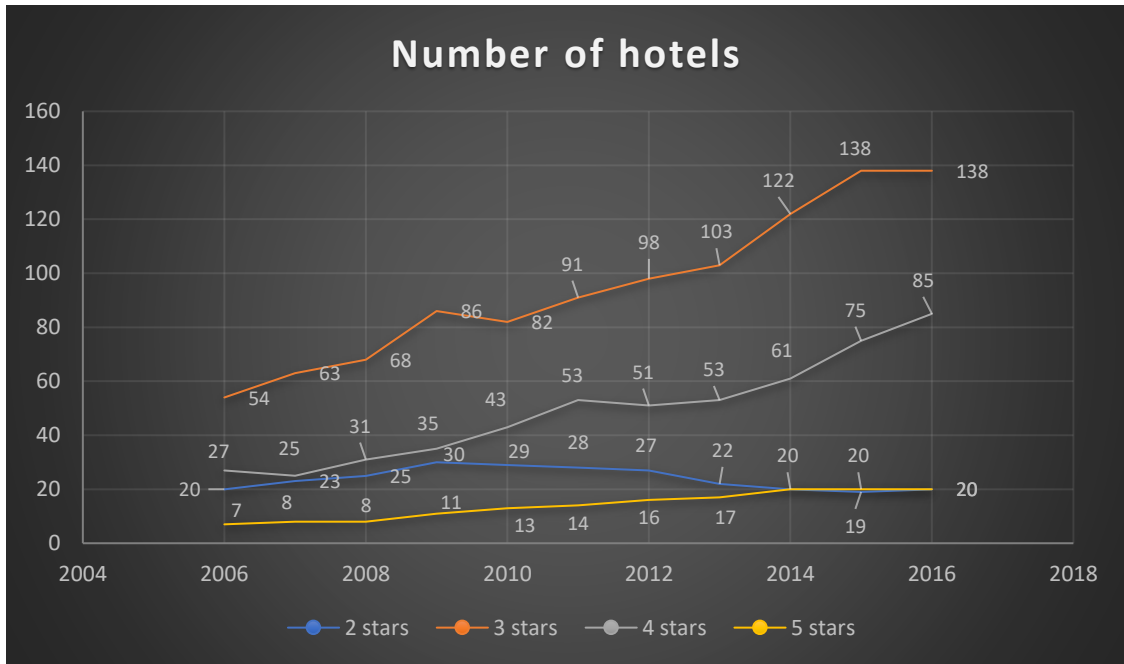
The study and analysis of the establishment and development of the hotel business in the Republic of Kazakhstan led to the following conclusions and suggestions. (WTCC)

The business of hotel services as a type of business activity turned out to be the closest to market fluctuations in supply and demand. For independent enterprises providing hotel services, there is the possibility of developing a rating system for service in the market. (WTCC)

Turning our attention now from the facilities and services associated with the hotel industry to the people who staff and manage them, let us consider the profession of the hospitality provider. The hospitality professions are among the oldest of the human professions, and they involve making a guest, client, member, or resident (whichever is the appropriate term) feel welcome and comfortable. There is a more important reason, however, that people interested in a career in these fields should think of hotel industry. Today, managers and supervisors, as well as skilled employees, find that opportunities for advancement often mean moving from one part of the hospitality industry to another. For example, a hospitality graduate may begin as a management trainee with a restaurant company, complete the necessary training, and shortly thereafter take a job as an assistant manager in a hotel. The next job offer could come from a hospitality conglomerate, such as ARAMARK. ARAMARK provides food service operations not only to businesses but also in such varied areas as recreation centers, sports stadiums, college and university campuses, health care facilities, convention centers, and gourmet restaurants. Similarly, Holiday Inns is in the hotel business, but it is also one of the largest food service companies in the United States. (Barrows; Powers; Reynolds; 2012)

4.3 Number of Hotels and Number of guests in Kazakhstan

Figure 1: Number of hotels 2006-2016 (by stars)



Source: Ceicdata; Graph created by author

According to this graph, from the period 2006 to 2016, 13 new 5-star hotels were built, in comparing with 2-star hotels, the quantity equals at 20 in 2014, in 2015, one of 2-star hotels closed. In 2006, 2 stars hotels amounted at 20 after 1- years there is no change between those periods. 4-star hotels in 2016 reached 85 hotels were realized, while 3-star hotels released 138 hotels. In 2011 and in 2013, the same difference shows 53 hotels for 4-star hotels. As it is seen on the graph, how it is slightly increasing from 2006 to 2009, what describes that 32 hotels had been building in this period. From 2011, when 91 hotels existed, after this period from 2013 up to 2014 was rapid increase of quantity of 19 new hotels. 4 star hotels in 2007 stayed at 25 hotels, which was more than other hotels, and smoothly rising until 2011, when 53 hotels existed, 28 new hotels were constructed in 4 years. By the fact, fast increasing detected among the period of 2014 to 2016, 14 new hotels realized. Through this graph and data, it is seen that number of 3-star hotels is higher than other hotels by the stars. From 2006 up to 2009, almost the same number of hotels for 2-star and 4-star, from 2013 to 2016 shows almost the same quantity among 2-star and 5-star hotels. From 2017 to 2019, number of 2-star hotels decreased from 20 to 9, 3-star hotels from 138 to 121, 4-star hotels from 85 hotels increased until 109, and 5-star hotels from 20 to 28 hotels. Overall number of hotels is 267 in 2019.

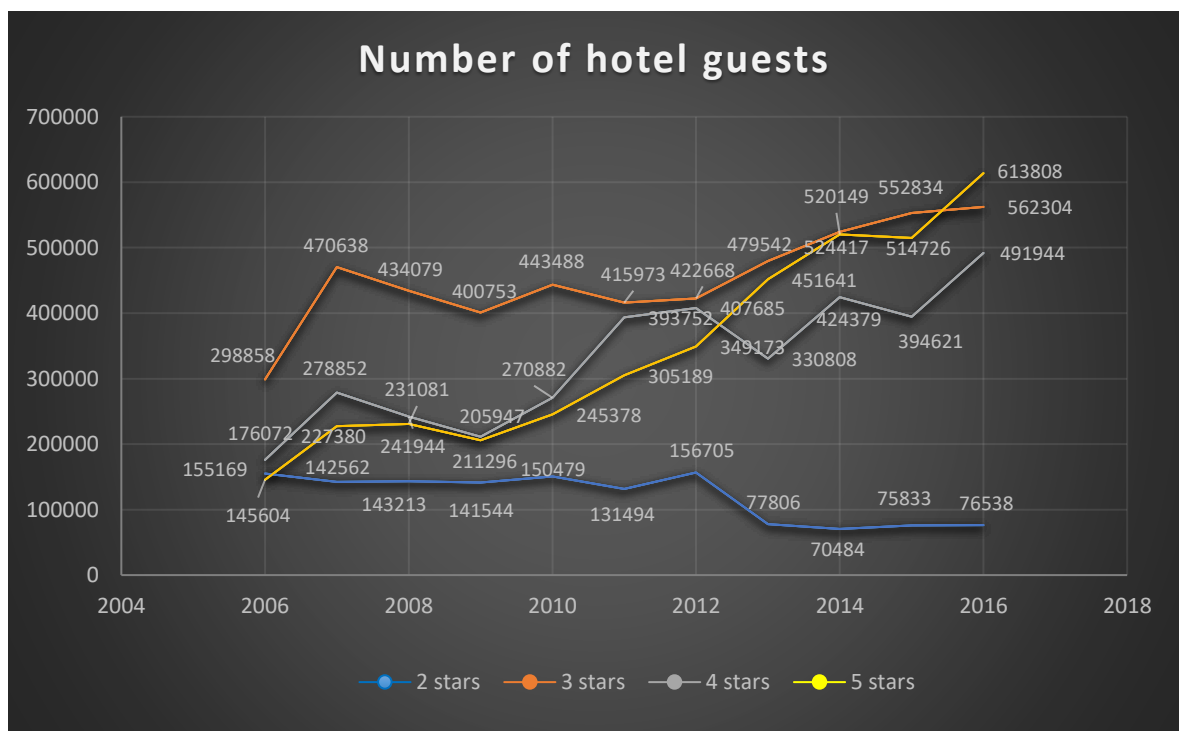
Table 2: Number of hotels Average Annual Growth Rate and Changes between 2006 and 2016

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Changes	AAGR
2 stars	20	23	25	30	29	28	27	22	20	19	20	0	0%
3 stars	54	63	68	86	82	91	98	103	122	138	138	84	10%
4 stars	27	25	31	35	43	53	51	53	61	75	85	58	12%
5 stars	7	8	8	11	13	14	16	17	20	20	20	13	11%

Source: Ceicdata; Created by author

In the (Table 5), results of AAGR are positive and represents 0% for 2-star hotel, 10% for 3-star hotels, 12% for 4-star hotels, 11% 5-star hotels, results in the period of 10 years, the approximately difference changed between each year. Highest change was for 3-star hotels, in 2006 only 54 hotels were constructed and after 10 years, 138 new hotels appeared, for 2-star and for 5-star hotel only 13 hotels appeared through 10 years, and for 4-star hotels 85 new hotels.

Figure 2: Total Number of hotel guests 2006-2016



Source: Ceicdata; Graph created by author

On the graph, it is seen that according to number of hotel guests of 3-stars and 5-stars are raising. The lowest number of guests is 70,484 in 2014, and high amount of guests was in 2016 it reached 613808 guests who stayed in 5-star hotels. Most of the guests stayed in 3-

star hotels, from the 2006 to 2007 there was a high peak when in period of 1 year around 172,000 visitors stayed in hotels, the same high point for 4-star hotels, approximately difference was 102,000 people. Visitors of the hotels were in 2-star hotels in compare with other hotels by star granting. Between 2010 and 2012, it is obvious that quantity of 4-star hotels guests were higher than 5-star hotels guest but after 2012, it rapidly grew and in 2014 number of guests per 3-star and 5-star hotels were almost the same. In 2015, 5-star hotel guests were less than 3-star hotel guest and in 2016 it is vice versa.

Table 3: Number of hotel guests in the whole period Average Annual Growth Rate and Changes among 2006 and 2016

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Changes (16-06)	AAGR
2 stars	155169	142562	143213	141,544	150479	131494	156705	77806	70484	75833	76538	-76537	-6%
3 stars	298858	470638	434079	400753	443488	415973	422668	479542	524417	552834	562304	562303	6%
4 stars	176072	278852	241944	211296	270882	393752	407685	330808	424379	394621	491944	49943	10%
5 stars	145604	227380	231081	205947	245378	305189	349173	451641	520149	514726	613808	613807	14%

Source: Ceicdata; Table created by author

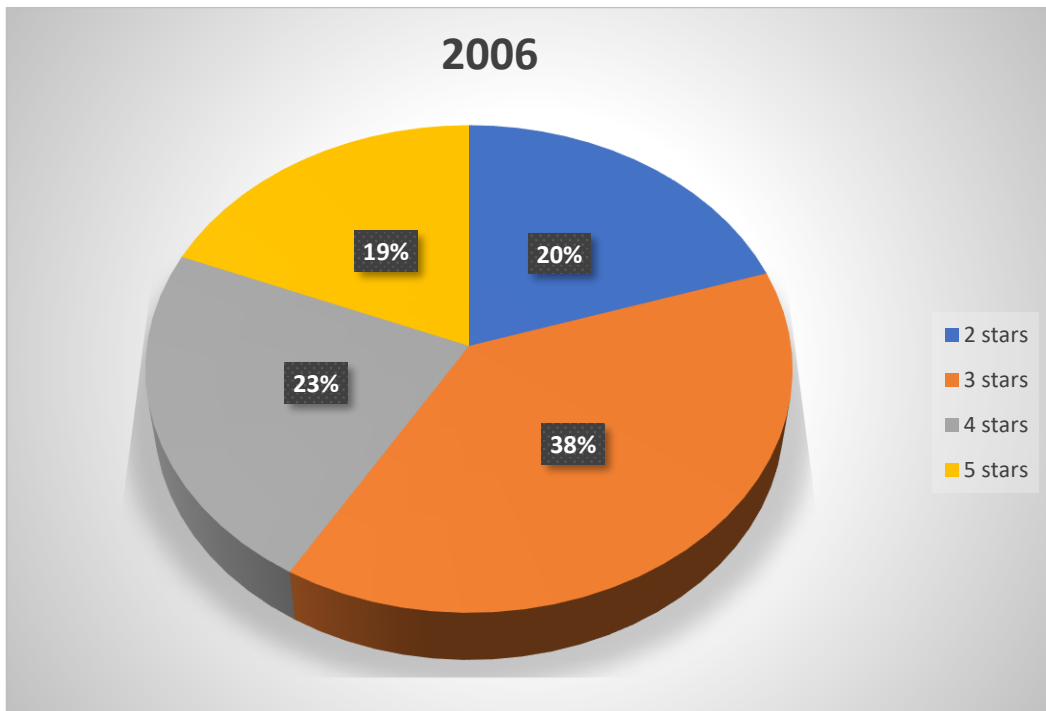
In the (Table 6), negative changes and AAGR was -76,537 guests and -6%, which means, that 155,169 stayed at 2-star hotels and 2016 only 76,538, so less people preferred to stay, from 2006 to 2009 it was slightly decreasing and in 2010 was increased, then among 2011 decreased and in 2012 increased. After 2012, the number of hotel guests fell down until 70484 and increased in 2015-2016, AAGR shows, how did the number changed in average annually, so -6% in average decrease each year in the case of 2-star hotels .

For all other hotels, only positive quantity results, mostly for 5-star hotels high amount of guests indicated in 2016 and AAGR is 14%.

Total number of hotel guests including whole hotels by star ratings in 2016 amounted 1,744,594 million people and in 2006 only 775,703 guests in total stayed in hotels. The difference in 10 years reached almost 1 million guests.

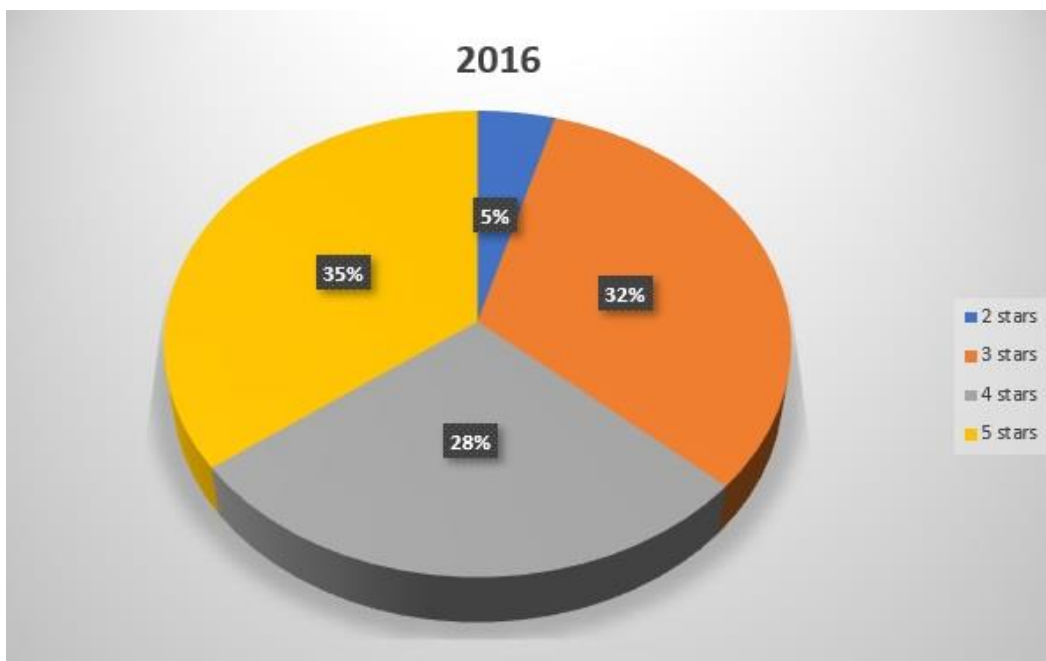
4.4 Changes of the guests preference toward hotel star ratings

Figure 3: How has changed the preference of guests toward hotel by star ratings in 2006 and in 2016?



Source: Ceicdata; Chart created by author

Figure 4: How has changed the preference of guests preference toward hotel by star ratings in 2005 and in 2016?



Source: Ceicdata; Chart: created by author

According to CEIC data, in 2006 guests 38% of guests preferred to stay in 3-star hotels more than in others. In comparison with 2016, percentage of settlement in 5-star hotels greatly increased up to 35%, the same when in 2006 it was 19%, then number of guests decreased. In 2006, 19% of guests stayed in 3-star hotels when in 2016 decreased in 6%. For 5-star hotels, 19% of guests in 2006 and in 2016 increased by 16%. Guests who preferred 3-star hotels in 2006 summary in percentage was 38%, comparing with 2016 it was decreased by 6% and sumed of 32%. 23% of guests preferred to stay in 4-star hotels in 2006, and its number increased up to 5% in 2016.

Table 4: Average number of guests per each hotel by star ratings

	Guests per hotel											Change 2006 - 2016	AAGR	
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016			Total
2 stars	7758	6198	5724	4718	5188	4696	5803	3536	3524	3911	3826	54882	-51%	-6.82%
3 stars	5534	7470	6383	4659	5408	4571	4312	4655	4298	4006	4074	55370	-26%	3.02%
4 stars	6521	11154	7804	6037	6299	7429	7993	6241	6957	5261	5787	77483	-11%	1.19%
5 stars	20800	28422	28885	18722	18875	21799	349173	26567	26007	25736	30690	595676	48%	3.97%
Total	42619	55251	50804	36145	37780	40506	369293	43012	42800	40929	46393	783411		

Source: Ceicdata; Table and Calculations: Created by author

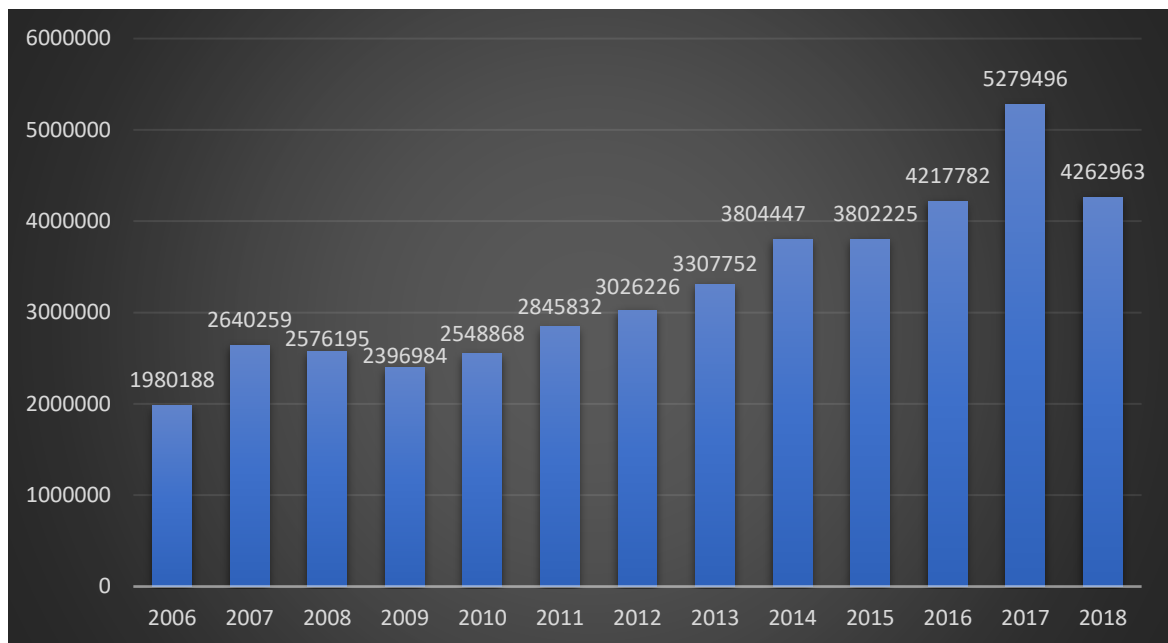
In the above table, calculated by the total number of hotel guests and divided by the number of hotels, so it shows the average number of guests per hotel. Number of hotel guests divided by number of hotels by each stared hotel shows quantity of guest per hotel, which means the average of total guests per each hotel by each stared hotel.

In this table calculated the changes of guests per hotel and annual average growth rate of guests per hotel. For 2-stars hotels and 3-stars hotels, changes in 2006-2016 recorded by percentage was negative. 2-stars hotels (-51%), 3-stars hotels (-26%), 4-stars hotels (-11%). Positive changes happens only for 5-stars hotels as it is clear in the table. Total number of guests per hotel was 783,411. Comparing the number of guests per hotel 5-stars with other, the enormous amount of guests was shown.

According to growth rate for all hotels except 5 stars was negative. Growth rate of 2 stars hotel observed by (-51%), for 3-stars (-26,4%), for 4-stars 11.3%, for 5-stars 47.55%. For 5-stars hotels, 596,676 guests preferred more through the period of 10 years. 783,411 total guests stayed in the hotels and as growth rate shows 47.55% made a sufficiently high difference.

According to (Figure 2) and (Figure 4), where we can see that in 2016 there was 613,808 hotel guests who stayed at 5-star within 35% of occupancy, and through the table above average number of guests per 5-star hotels, results converge that people more people preferred to stay at 5-star hotels within little difference of 3-star hotel guests. For the revision, level of service quality of 5-star hotels in Kazakhstan will be analysed by number of reviews in the (Table 8).

Figure 5: Number of tourists at accommodation places 2006-2018



Source: Ministry of National Economy of the Republic of Kazakhstan Statistics committee; Graph: created by author

According to QAZEXPO congress, Expo 2017 Astana was an International Exposition to attract people from all around the world and to demonstrate the development of Kazakhstan Tourism. According to highest number of tourists in 2017 was 5,279,496 million which shows significant difference comparing with 2018 and with previous period. In 2005, 1,224,618 tourists stayed at accommodation, then each year until 2007 was growing fast and its number defined as 2,540,259 tourists. Decreasing observed in 2008-2009, raise starts in 2010 and stops in 2017, and in 2018 data reported at 4,262,963 tourists. As in the (Chapter 4.6), description about guests who arrived to capital says that 5.4 million visited. On the table above, highest number of guests who stayed at accommodation places 5.2 million people, however its number indicates guests for all cities of Kazakhstan, impact of number of guests in 2017, who visited the EXPO is not excluded

4.5 Top Luxury hotels in Kazakhstan

According to the average number of guests per each hotel by star ratings (Table 4), it is determined that preference of the guests changed by star ratings (Figure 3,4).

Table 5: Reviews of all 5 star Kazakhstan hotels (valid 2020)

Kazakhstan Hotels	Staff	Facilities	Cleanliness	Comfort	Value for money	Location	Free WiFi	Total	Reviews
Rixos Almaty Hotel	8,9	9	9,1	9	8,1	9	8,5	8,8	531
Rahat Palace Hotel	8,6	8,3	8,4	8,4	8,2	8,7	8,5	8,4	1203
Kainar Hotel	9,3	9,4	9,6	9,3	9,2	9	9,4	9,3	96
The Ritz-Carlton Almaty	9,1	9	9,3	9,1	8,4	9,3	9,1	9,1	200
Sultan Palace Hotel	7,8	8,4	9,1	8,9	8,5	7,8	7,8	8,4	343
Rixos Khadisha Shymkent	9,4	9,4	9,5	9,4	9	9,3	8,2	9,3	351
Grand Hotel Victory	7,8	8	8,5	8,1	7,7	8,4	6,4	8,1	212
The St. Regis Astana	9,6	9,7	9,7	9,7	9,1	9,3	8,5	9,5	147
Royal Tulip Almaty	8,3	8,2	8,6	8,4	7,9	8,5	7,7	8,3	285
The Ritz-Carlton Astana	9,5	9,4	9,5	9,4	8,8	9,6	9,3	9,4	68
Hilton Astana	9,2	9,2	9,5	9,4	8,8	8,9	8,6	9,2	316
Astana Marriott Hotel	8,6	8,5	8,7	8,7	7,8	8,9	8,2	8,5	114
Hotel Beijing Palace Soluxe	7,8	7,6	8,2	7,7	7,2	8,7	8,6	7,9	155
The Dostyk Hotel	8,6	8,5	8,8	8,6	7,9	9	7,9	8,6	292
Grand Nur Plaza Hotel	7	7,1	7,4	7,3	7	7,1	6,4	7,2	107
Donatello Boutique	8,2	7,6	8,9	8,2	7,5	8,3	7,1	8,1	51
Intercontinental Almaty	8,5	8,2	8,4	8,2	7	8,6	8,3	8,2	91
Rixos Borovoe	8,6	8,7	9	9,1	7,9	9,2	8,1	8,7	835
Dedeman Oskemen Tavros	9,1	9	9	9	8,4	9,2	8	9	323
Rixos President Hotel Astana	9,2	9,1	9,2	9,1	8,6	9,4	8,8	9,1	593
Caspian Riviera Grand Palace	8,8	8,9	9,2	9,2	8,5	9,3	8,3	9	239
Radison Hotel Astana	8,3	8	8,5	8,2	7,3	8,4	8,4	8,1	60
Sultan Plaza Hotel	8	7,9	8,6	8,5	7,9	9,1	7,6	8,3	78
River Palace Hotel	7,3	7,9	8,3	8	7,5	8,4	8,4	7,9	205
Hotel Arai Plaza	7,8	7,5	8,7	7,9	7,6	8,2	7,7	8	79
Renaissance Aktau Hotel	8,8	8,4	8,9	8,6	7,9	9	7,9	8,6	79
Renaissance Atyrau Hotel	7,2	7,2	7,8	7,7	6	8,2	6,9	7,4	27
Marriott Executive Apartment	8,4	8,4	8,7	8,6	8,2	8,7	8,3	8,5	72
Total Average and Reviews	8,5	8,4	8,8	8,6	8	8,8	8,1		7152

Source: Booking.com; Table created by author

According to the (Figure 2 and Figure 4), it is seen that most of tourists stayed in 5-star hotels. And by the average number of guests per hotel by star rating Top 5-star of 28 luxury hotels are chosen above and by the reviews of real guests according to booking.com, level of service quality in hotel will be analysed.

In Kazakhstan 5-star hotels, most of hotel companies based on the world's famous known such as Rixos, Hilton, Marriott and etc...

By 7,152 qualified reviews, the 7 factors for each of hotel defined. Most of clients are not so satisfied by value for money and wi-fi. By total average value for money is 8 points and wi-fi 8.1 points. As it is seen in the table, about half of points are lower than 8(very good), that quality needs to improve as the same for wi-fi. But in compare with other factors, it does not make such a big difference, but it might influence on the quality level. Cleanliness

and Comfort is well rated, for cleanliness is 8.8 points and for comfort is 8.6 points. Highest number of reviews is 1203, Rahat Palace Hotel Almaty was 8.4 points in average. St. Regis Astana by 147 number of reviews got 9.5 points. Through all points of 7 characteristics, Grand Nur Plaza Hotel has the worst point observed by 7.2. With 835 number of reviews 2nd place after Rahat Palace Hotel Almaty takes Rixos Borovoe with 8.7 points. By 593 number of reviews Rixos President Hotel Astana has 9.1 points and it's 3rd after Rixos Borovoe. Staff, facilities, cleanliness, comfort and location were checked as the best 7 factors throughout 28 hotels. Depending the guests review, lowest number of guests amounted around 8.0 points for quality of service and the highest number of guests amounted around 8.5 points. All Of 28 hotels have good feedbacks what other guests could see and their choice is based on positive reviews. The most criticizing problems are the value for money and wi-fi according to the table above, those 2 factors should be improved as a reason to have the better quality of service in 5-star hotels.

4.6 EXPO 2017

Table 6: EXPO 2017 official data

Capital:	Astana (Nur-Sultan)
Period:	2017
Number of countries (participants):	115 countries
Number of visitors:	4 million people; 5.4 million people visited capital
Number of visits:	33 million times
Price:	On weekday: 4000 tenge; On weekend: 6000 tenge
Support of local producers:	89.2 billion tenge
Support of sponsors	40.6 billion tenge
Tickets sold:	4 million tickets
Souvenirs sold for:	300 million tenge
Number of projects:	8 investment projects of EXPO
Number of projects:	8 investment projects of EXPO

GDP in 2017:	162.89 billion US dollars
Total cost of investment projects	255 billion tenge
Average currency (2017):	333.92 tenge per US dollar

Source: QAZEXPO congress; Table created by author

Based on QAZEXPO congress from the local official data, during the EXPO-2017 Astana, 115 countries were the participants and 5.4 million people visited the capital, 4 million visited the EXPO objects. 1.4 millions did not visit EXPO. The goal is to analyse expenditures and revenues during the EXPO.

In total 255 billion tenge (763.655 million US dollars) in GDP share is (0.000002%), it was allocated by government to 8 EXPO objects, support of local producers and sponsors together amounted at 129.8 billion tenge, the difference between government expenditures and support of producers and sponsors made up 125.2 billion tenge. 4 million tickets were sold, average of income from tickets is around 20 million tenge, meanwhile souvenirs were sold for up to 300 million tenge, souvenirs profit is higher of 280 million tenge, in general 320 million tenge were earned.

Calculation of profit or loss: 255 billion-129.8 billion= 125.2 billion; 125.2 billion+320 million tenge= 125.320 billion tenge (374.940 million US dollars) remained profit.

Expenditures on tourism in 2017 amounted 629.77 billion tenge (1.885 billion US dollars) and 664.50 billion tenge (1.989 billion US dollars) is revenue.

Visitors arrival to Kazakhstan from different continents (by country of residence)

Table 7: Visitor arrivals

Period	Arrival of non-resident at national borders					Change (%) 2018/2014
	2014	2015	2016	2017	2018	
TOTAL (in million)	6.332	6.430	6.509	7.701	8.789	2.457
AFRICA (in thousands)						
East	2,303	2,954	2,076	2,517	2,377	74
West	197	495	351	492	453	256
South	418	472	373	531	531	113
	1,185	1,305	826	799	862	-323

North	431	512	377	464	419	-12
Central	72	170	149	231	112	40
AMERICA (in thousands)	32,973	37,343	33,191	40,915	43,228	10,255
South	1,770	1,998	1,673	2,980	3,660	1,890
North	30,684	34,658	30,908	37,170	38,906	8,222
Central	99	164	256	324	397	298
East-Asia and the Pacific	278,239	170,498	179,102	177,416	144,264	-133,975
North-East Asia	267,917	158,084	166,150	161,432	124,873	-143,044
South East-Asia	6,613	8,309	8,538	10,955	13,349	6,736
Australasia	3,679	4,091	4,395	4,960	6,014	2,335
EUROPE/CENTRAL ASIA	5,979,639	6,177,563	6,248,355	7,418,771	8,528,244	2,548,605
Central Asia/Eastern Europe	5,704,652	5,884,277	5,978,346	7,119,473	8,235,385	2,530,733
Northern Europe	29,051	30,829	26,649	29,995	29,785	734
Southern Europe	28,584	33,256	29,113	31,186	28,368	-216
Western Europe	107,044	117,927	119,359	132,666	128,373	21,689
East Mediterranean Europe	110,308	111,274	94,888	105,451	106,333	-3,975
MIDDLE EAST	4,891	5,522	5,633	8,496	9,714	4,823
SOUTH ASIA	23,816	25,521	31,313	42,970	49,325	25,509

Source: World Tourism Organization; Table created by author

On the table above, data collection about tourists from all around the world which visited Kazakhstan during the period between 2014-2018.

We can see that in 2014, 6.332 million tourists arrived and in 2018 is 8.789 million tourists. Number of tourists in 4 years raised up by 2.457 million. According to UNWTO statistics, when in 2016 the number of 6.509 million tourists were and after 1 year the quantity increased up to 600,000 tourists, but after 2017 finished and 1 million people visited Kazakhstan.

Visitors from East-Asia and the Pacific and the North-East Asia were a lot in 2014, from East-Asia 278,239 people visited the country after 2014 the difference reached around 100,000 people which more less, for the next 3 years number of visitors are the same and in 2018 only 144,264 guests came, changes in the period of 4 years shows (-48%), which is pretty high. From the North-East Asia between 2014 and 2018 difference in the number of guests is approximately 143,000 guests, negative change is (-53%). It says about that guests from these parts of Asia was visiting less.

Mostly visitors are from Europe, Central/Eastern Europe, in 2016, 5,978,346 million tourists but its quantity increased during the EXPO 2017 until 7,418,771 million tourists and its

number raised up to 8,528,244 million in 2018. As it is seen on the table that highest change is 44% for Europe and Central Asia. According to this data, in the table below it is available to see from which countries visitors are.

4.6.1 Inbound and Outbound tourism

Table 8: Expenditures of non-residents and residents inside the country (in general)

Year	2014	2015	2016	2017	2018	AAGR	Average spending (in mn)
Arrivals (in mn)	6.332	6.43	6.509	7.701	8.789	9%	
Expenditures (in mn)	2.239	1.833	2.038	2.356	2.651	2%	1.6972
Departures (in mn)	10.45	11.303	9.756	10.261	10.646	0.5%	
Expenditures (in mn)	3.771	3.046	2.58	2.695	2.852	-7%	2.9888

Source: UNWTO; own calculation

As it is seen on the table above arrivals of non-residents is at the peak in 2018, 8.789 million tourist visited Kazakhstan and rapid growth is between 2016 and 2017 for 1.192 million tourist more, and after 2017 for 1.088 million tourists. Expenditures of incoming tourists inside the country for overall is 2.651 million dollars in 2018, if we divide the number of tourists to the expenditures and multiply it by 100, and 331.53 dollars will be average spending per 1 tourist spend in the country. In 2014 average spending is 282.80 dollar, in 2015 is 360 dollars, in 2016 is 319.38 dollars and in 2017 is 326.86 dollars, so through the period of 5 years, the highest spending was in 2015 and amounted by 360 dollars that 1 tourist spend and the reason for that was good value currency.

For outbound tourism, the residents of the country spend more money outside the country and number of departures are more than the number of tourist arrivals. In 2015 is the highest number of departures which amounted at 11.300 million and expenditures is 3.771 million in 2014, in compare between these years it is obvious than less expenditures was than in 2014. 1 residents average spending was around 277.11 dollars in 2014 and in 2015 its amounted at 370.97 dollars. The average of non-resident expenditures is 1.6972 million dollars and average of resident expenditures is 2.9888 million dollars. In the (Table 8) it is determined

how much money spend non-residents in Kazakhstan and how much money spend residents abroad is around 10 dollars less or more.

Table 9: What is the contribution of inbound and outbound expenditures to GDP?

Year	2014	2015	2016	2017	2018
GDP (USD in bl)	221.42	184.39	137.28	162.89	179.34
Share of inbound expenditures in GDP (%)	1.0	1.0	1.5	1.5	1.6
Share of Outbound expenditures in GDP(%)	1.7	1.7	1.9	1.7	1.7

Source: UNWTO

On the table above, the share of inbound tourism and outbound tourism expenditures are calculated. It shows that share of inbound expenditures are growing and share of outbound stays the same which means according to GDP as it was decreasing until 2018, share of inbound is higher, that is related to resident expenditures which gives contribution in tourism.

Table 10: List of top 10 countries by huge number of visitors

	2014	2015	2016	2017	2018
Uzbekistan	2,107,177	2,297,180	2,459,757	3,344,577	4,351,413
Russia	1,757,721	1,646,568	1,587,409	1,708,873	1,737,667
Kyrgystan	1,308,139	1,359,625	1,348,709	1,273,378	1,327,877
Tajikistan	137,443	158,507	207,009	383,368	443,266
Turkey	104,986	106,301	89,611	98,840	99,351
Azerbaijan	83,174	89,296	94,846	110,98	98,330
Ukraine	84,932	97,100	73,390	66,041	65,780
Germany	79,572	88,346	90,286	99,396	99,083
Turkmenistan	66,938	69,23	63,156	63,249	39,942
Belarus	55,356	62,786	63,520	70,810	76,031

Source: World Tourism Organization Table: created by author

According to the (Table 10), most of visitors are from post-soviet union countries which borders with Kazakhstan such as Russia, Uzbekistan, Kyrgyzstan, Turkmenistan and neighbour countries with no borders are Azerbaijan, Turkey, Ukraine, Belarus, Tajikistan and only country from European Union is Germany. Many tourists came from Uzbekistan, from 2014 to 2018 the number of visitors increased of 2.3 million people, 4.351 million tourists from Uzbekistan visited Kazakhstan in 2018. The 2nd neighbor country is Russia, when in 2014 1.757 million visitors arrived, then from 2016 to 2017 during the EXPO, around 120 thousand people arrived. Kyrgyzstan is in top 3 visitors, the number of guests in 2015 amounted at 1.359 million people but after 2016 in 2017 decreased until 1.273 million. From Tajikistan 137,443 people arrived in 2014 and in 2018 amount of tourist increased to 443,266. As we can see on the table, the period before EXPO 2017 and after now always depended on influence of EXPO, many of post-soviet union countries visit Kazakhstan by the personal and work purpose. From EU, only Germany visitors in 2014 were 79,572 tourists and after each year, number of tourists were increasing slowly and reached 99,083 people in 2018. Those foreign visitors through whole history of the Kazakhstan is connected to the residents of the Republic of Kazakhstan. By the official data of 2019, in the population of Kazakhstan, percentage of residents which has other nationality compose for Germans (0.97%), Uzbeks (3.21%), Ukrainians (1.47%), Azerbaijanians (0.60%), Belarus (0.30%), Turkish (0.61%), Tajiks (0.27%), Russians (19.32%), others (1.04%).

Table 11: Number of employees by tourism industries

	2014	2015	2016	2017	2018
Accommodation Services for visitors	25,700	25,300	26,500	27,600	26,700
Other accommodation services	10,300	10,500	10,000	9,600	10,000
Travel agencies and other service activities	6,500	7,300	7,200	7,300	7,400
Other tourism activities	65,800	68,200	70,200	71,800	72,000
Total	108,300	111,300	113,900	116,300	116,100

Source: World Tourism Organization; Table: created by author

As it is seen in the table above, most of employees worked in other tourism activities, 65,800 employed people in 2014 and closer to 2017-2018 around 6-7 thousands included. Accommodation services for visitors, in 2017 there is high amount of employees, it might be related to the number of guests (Figure 5) 5,279,496 million of tourists stayed at accommodation places in 2017. Other accommodation services in 2016 and 2018 only 10,000 workers, in 2017 for 400 less. Travel agencies and other service activities employed 6,500 workers, around 800-900 were new between each year. The total number of employees

in 2017 were 116,300. Population of Kazakhstan is around 18,570,000 people, out of 18.5 million citizens around 116 thousand employees (1.54%), who works in the sphere of tourism industry.

4.7 Travel and Tourism Competitiveness Report Data related to Kazakhstan in 2019

According to World Tourism Forum 2019 Travel and Tourism Competitiveness Index, 140 countries are participants of the report and by this data it is available to see by which factors Kazakhstan is more better in Travel and Tourism nowadays.

- 1) Overall rank of Travel & Tourism: top 3 countries- Spain, France, Germany, Kazakhstan is 80th.
- 2) Enabling Environment: top 3 countries- Switzerland, Hong Kong SAR, Finland, Kazakhstan is 44th.
- 3) Infrastructure: the best infrastructure is in USA, 2nd place is Switzerland, Singapore is 3rd, Spain is 4th, Kazakhstan is 89th.
- 4) Safety and Security: Finland, Iceland, Oman are in the top safety countries, United Arab Emirates is 7th, Kazakhstan is 63rd.
- 5) Health and Hygiene: Austria and Germany are in top 2, Lithuania is 3rd, Czech Republic is in 4th place, Kazakhstan is 12th.
- 6) International Openness: New Zealand is the 1st, Australia is the 2nd, Kazakhstan is 113th.
- 7) Price Competitiveness: Iran, Brunei Darussalam, Egypt are in top 3, Kazakhstan is in 4th place. One of the main indicator why people use 5-star hotels, it's cheaper in compare with other many countries.
- 8) Air Transport Infrastructure: Canada, Australia, USA, UAE, Norway are the leaders in top five and Kazakhstan is 75th.
- 9) Tourist Service Infrastructure: Portugal, Austria, Spain, USA, Croatia are in the first five countries, Kazakhstan is 90th.

Prioritization of Travel & Tourism: Malta, Jamaica, Cyprus is in top 3; Czech Republic is 90th and Kazakhstan is 91st. According to World Tourism Forum 2019, problems of tourism in Kazakhstan are infrastructure, international openness, tourism service infrastructure, air transport infrascture which leads Kazakhstan to be in 80th position by

overall rank of tourism and travel. Two main advantages are price competitiveness and health and hygiene based on data above.

4.8 Analysis of tourism indicators

The main purpose of this analysis is to test correlations and relationships of chosen tourism indicators and determine which of them are more convenient. Such as GDP, Tourism expenditures, tourism receipts, exchange rate, number of incoming tourists and visitor exports in the period of 2006-2017. Analysis was made by data in the (Table 1).

4.8.1 Correlation Matrix

Table 2: Correlation Matrix

Pearson Correlation Coefficients, N = 12 Prob > r under H0: Rho=0						
	GDP (USD in bl)	Expenditures(USD in bl)	Receipts (USD in bl)	Exchange Rate (1 USD=KZT)	Number of tourists (USD in ml)	Visitor Exports (USD in bl)
GDP (USD in bl)	1.00000	0.92299	0.71695	0.09344	0.60013	-0.16179
Expenditures(USD in bl)	<.0001	1.00000	0.0087	0.7727	0.0391	0.6154
Receipts (USD in bl)	0.92299	<.0001	0.82672	0.37900	0.78732	0.14082
Exchange Rate (1 USD=KZT)	0.71695	0.82672	1.00000	0.55103	0.67481	0.40077
Number of tourists (USD in ml)	0.0087	0.0009	0.0633	1.00000	0.0161	0.1967
Visitor Exports (USD in bl)	0.09344	0.37900	0.55103	0.0633	0.66949	0.93630
	0.7727	0.2244	0.0633	0.0172	<.0001	
	0.60013	0.78732	0.67481	0.66949	1.00000	0.54802
	0.0391	0.0024	0.0161	0.0172	0.0651	1.00000
	-0.16179	0.14082	0.40077	0.93630	0.54802	1.00000
	0.6154	0.6625	0.1967	<.0001	0.0651	

Source:; Ceicdata; Worldbank Table: calculated by SAS

By SAS software, it can be determined that in the above we have collinearity where variables are higher than 0.8, Expenditures and Visitor Exports will be excluded from this data. As also, it is seen on the table under each collinearity variable signed by (<.0001).

Table 3: Correlation Matrix (no collinearity)

Pearson Correlation Coefficients, N = 12 Prob > r under H0: Rho=0				
	GDP (USD in bl)	Receipts (USD in bl)	Exchange Rate (1 USD=KZT)	Number of tourists (USD in ml)
GDP (USD in bl)	1.00000	0.71695	0.09344	0.60013
Receipts (USD in bl)	0.71695	1.00000	0.55103	0.67481
Exchange Rate (1 USD=KZT)	0.09344	0.55103	1.00000	0.66949
Number of tourists (USD in ml)	0.60013	0.67481	0.66949	1.00000
	0.0087	0.0633	0.0161	
	0.7727	0.0633	0.0172	
	0.0391	0.0161	0.0172	

Source: Ceicdata; Worldbank

In the table above, we have correlation matrix without any collinearity. After correlation matrix, to be sure that there is no collinearity variables, it is required to make a regression

analysis and check relationship between dependent and independent variables. For the regression analysis only 4 variables above will be used.

4.8.2 Regression Analysis

After correlation analysis, it is clear that there is no collinearity, we can apply our data from (Table 3) in Regression Analysis to see how independent variables are related to dependent variable.

Dependent variable (Y): GDP

Independent variables (X): Receipts(x1), Number of tourists(x2), Exchange Rate(x3)

H0: There is no influence of Receipts, Number of Tourists and Exchange Rate on
Kazakh GDP

H1: There is an influence of Receipts, Number of Tourists and Exchange Rate on
Kazakh GDP

Table 4: Regression Results

Linear Regression Results

The REG Procedure
Model: Linear_Regression_Model
Dependent Variable: GDP (USD in bl)

Number of Observations Read	12
Number of Observations Used	12

Analysis of Variance					
Source	DF	Sum of Squares	Mean Square	F Value	Pr > F
Model	3	20711	6903.59446	9.96	0.0045
Error	8	5546.99312	693.37414		
Corrected Total	11	26258			

Root MSE	26.33200	R-Square	0.7887
Dependent Mean	160.49083	Adj R-Sq	0.7095
Coeff Var	16.40717		

Parameter Estimates						
Variable	DF	Parameter Estimate	Standard Error	t Value	Pr > t	Standardized Estimate
Intercept	1	15.59705	37.61801	0.41	0.6893	0
Receipts (USD in bl)	1	66.10275	21.21755	3.12	0.0143	0.69753
Exchange Rate (1 USD=KZT)	1	-0.43043	0.13993	-3.08	0.0152	-0.68425
Number of tourists (USD in ml)	1	23.09876	9.88853	2.34	0.0477	0.58753

Source: it is made and taken by author from SAS

By regression results, it is seen that coefficient of determination (R-squared) is equal 0.78, which means that is higher than 0.60 and it shows high impact on GDP by those 3 independent variables.

Regression Equation: $Y = 15.59 + 66.10x_1 - 0.43x_2 + 23.08x_3$

If we increase GDP (Y) by 1 unit, Receipts will increase by 66.10 and if to increase GDP (Y) by 1 unit, then Exchange Rate will decrease by -0.43. If GDP(Y) will be raised by 1 unit, number of tourists will raise by 23.08.

Interpretation of Results:

Receipts: t-value= 3.12; p-value=0.0143; alpha=0.05. p-value is less than alpha, it means we accept **H1**: There is an influence of Receipts, Number of Tourists and Exchange Rate on Kazakh GDP.

Number of tourists: t-value= 2.34; p-value= 0.0477; alpha= 0.05. p-value is less than alpha, so we accept **H1**: There is an influence of Receipts, Number of Tourists and Exchange Rate on Kazakh GDP

Exchange Rate: t-value= -3.08; p-value= 0.0152; alpha=0.05. p-value is less than alpha, accept **H1**: There is an influence of Receipts, Number of Tourists and Exchange Rate on Kazakh GDP.

The given results shows the most influencing indicators to GDP in the tourism.

4.9 SWOT Analysis of Tourism and in Kazakhstan

Through overall results of tourism statistics and hotel development observations, by SWOT analysis, to check what kind of Strengths, Weaknesses, Opportunities and Threats of tourism and hotel industry could be and make recommendations.

Table 12: SWOT Analysis

Strengths (Internal)	Weaknesses (Internal)
<ul style="list-style-type: none"> 1) Price 2) Influence of receipts, exchange rate, number of tourists to Kazakh GDP. 3) EXPO 2017 in Astana 4) One of the largest country in the world, included in top 10 by area 5) Developing country in the sphere of tourism 6) Health and Hygiene (one of important aspect) 7) Quantity of tourist arrival 8) Tourist preference of 5-star hotels 	<ul style="list-style-type: none"> 1) Undeveloped tourism infrastructure for the development of inbound tourism 2) International Openness 3) Low level of service for the development of inbound tourism 4) Lack of interaction with domestic and foreign information systems, databases and etc... 5) Tourism Service Infrastructure 6) Quantity of accommodation places 7) Lack of contribution in tourism and hotel industry 8) Expenses and Revenues of the tourism 9) Mostly visitors from post-soviet union countries
Opportunities (External)	Threats (External)
<ul style="list-style-type: none"> 1) An increase number of tourists 2) Many tourism projects and exhibitions to be released 3) High amount of revenues of the country with regards to tourism 	<ul style="list-style-type: none"> 1) Decrease of the level of tourists flow. 2) Inbound tourism expenditure over GDP

4) Growth in tourists flow for inbound tourism	3) Foreign Spendings, tourists spend less inside the country
5) Tourist attractiveness in country	4) Country is not specified for tourism
6) Improvement of all hotels and accommodation places by star ratings	5) Inbound tourism receipts
	6) Competitiveness in the sphere of tourism

Table: created by author

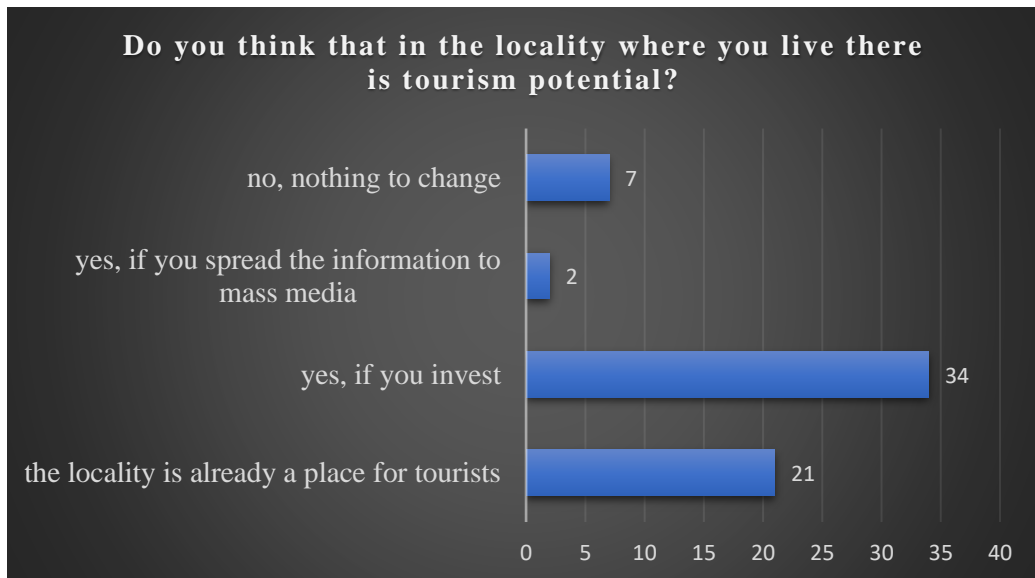
According to SWOT analysis. Kazakhstan certainly shows quite good perspectives in the development in the sphere of tourism. Especially one of the biggest strength is the number of tourist arrivals, especially in 2017-2018. One of the strong factors of Kazakhstan is the price, because by report World Travel and Tourism forum in 2019, Kazakhstan takes 4th place, which is pretty good, this fact might be included in the tourists attractiveness. By weaknesses overall it is understood that in our country we have low developed tourism infrastructure of inbound tourism, it means that country nowadays still is not for the tourism. As other weaknesses, by analysis we determined that receipts on tourism influence on GDP of Kazakhstan and contribution in tourism does not justify the revenues of tourism, which means in tourism spendings are more and only assigned for the one project such as EXPO-2017. First of all, I recommend to invest money in tourism infrastructure and attract foreign investors within interest to the Kazakhstan. As Kazakhstan tourism is becoming known in global economy context, I also recommend to make more projects and exhibitions with an investment in those projects with a high amount of revenues. As it is evident, high influence of EXPO is being attached and in fact it helps to attract more tourists even after it's finished, it is even observed in 2018 there 8.9 millions tourists and make the country more recognizable for the world. Last recommendation is according due to expenses into tourism and its receipts. Contribution in tourism is more than its revenues from the tourism.

4.10 Survey Results

As an additional information which mentioned before, survey made in touch with 60 people replies of the citizens of Kazakhstan which relies on the development of tourism in Kazakhstan and to review what citizens know of Kazakh tourism advantages and

disadvantages and its prospectives. The way of making survey are through social media and by opened questions face to face discussions.

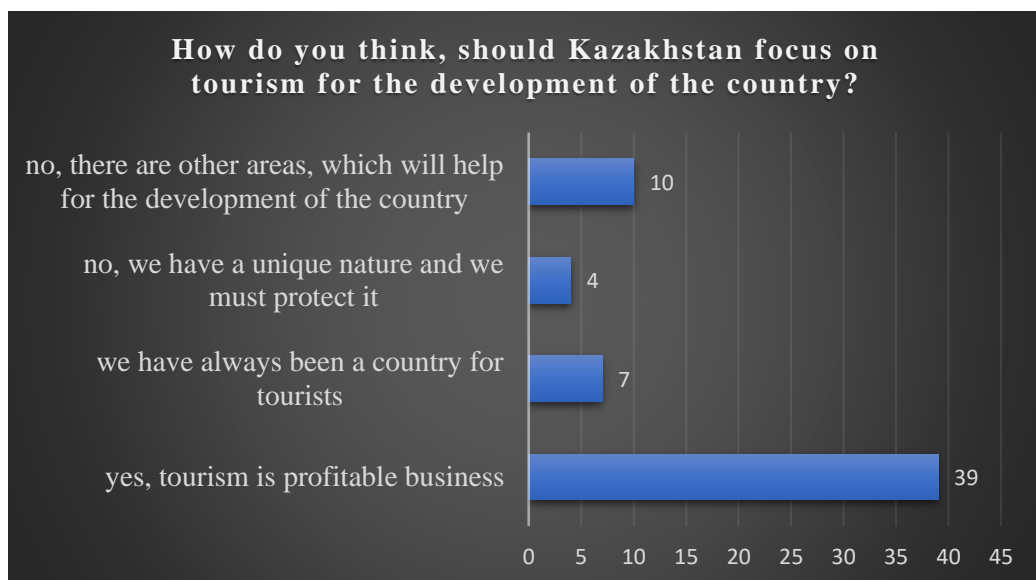
Figure 6: Do you think that in the locality where you live there is tourism potential/attractive?



Source: Own collection

Most of respondents agreed that if to invest in the tourism more, then Kazakhstan will be attractive for tourists. 21 respondents most of them from main cities (Almaty, Astana) said the country is already touristic place, but it is obviously that other cities even unknown for coming tourists. No changes required to attract foreigners to tourism was the answer of 7 people and just 2 replied that by making an advertisement, it is possible to develop the attractiveness of tourism, but in fact it shall not help so much.

Figure 7: How do you think, should Kazakhstan focus on tourism for the development of the country?

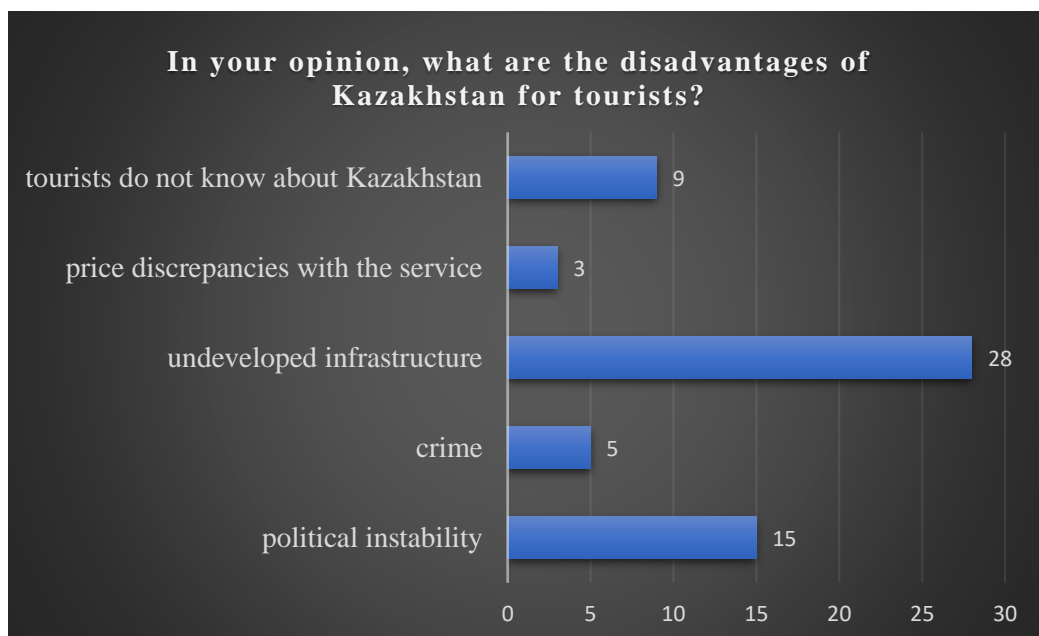


Source: Own collection

39 of respondents answered that in Kazakhstan tourism is not developed, and it would really help to national economy, as for example the European countries most of profits they've got from tourism also. The problems depends on infrastructure of tourism which plays big role, as mentioned above there should be stable investments on tourism. 10 of respondents categorically against of idea to focus on tourism, the reason for that they think government spend a lot of money on projects related to tourism and get less income from it. As Kazakhstan nowadays is getting more know and attractive for tourists, some of them thinks that Kazakhstan have always been a country for tourists it is coming from past history, when in our country there was a lot of Russians, Uzbeks, Germans, Ukrainians and other

nationalities, but nowadays there are just a few of them except of Russian and tourists from post soviet union countries. 4 participants think if the number of tourists will grow, therefore the nature of Kazakhstan will be spoiling and economy of the country will suffer.

Figure 8: In your opinion, what are the disadvantages of Kazakhstan for tourists?

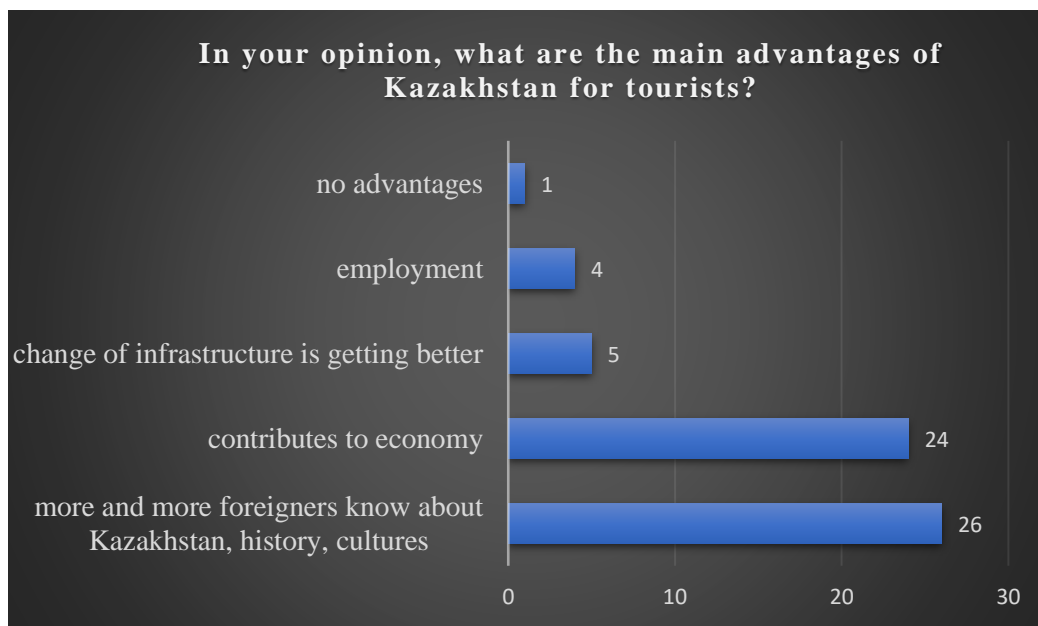


Source: Own collection

As it's mentioned before, the main problem of tourism in Kazakhstan is infrastructure of tourism, such as hotels, motels, restaurants, transportation, language, tourist guides, insurance agencies, customs and immigration, 28 of respondents said that often tourists face with those problems. One of obvious problem is language barrier that most of Kazakh citizens do not know English still, or tourists complain on services of hotels, and when they were situation during the EXPO with transportation when prices are rapidly increased for too high. Participants of this survey reminds that all of this should be taken in consideration by the government. Political instability is the second problem by the 15 respondents opinion. 9 of respondents who travelled around the world says that most of foreigners from around

the world do not know where and what is the country is Kazakhstan. Crime and price discrepancies is not a big issue for other respondents but some of them it is also scare tourists to visit the country.

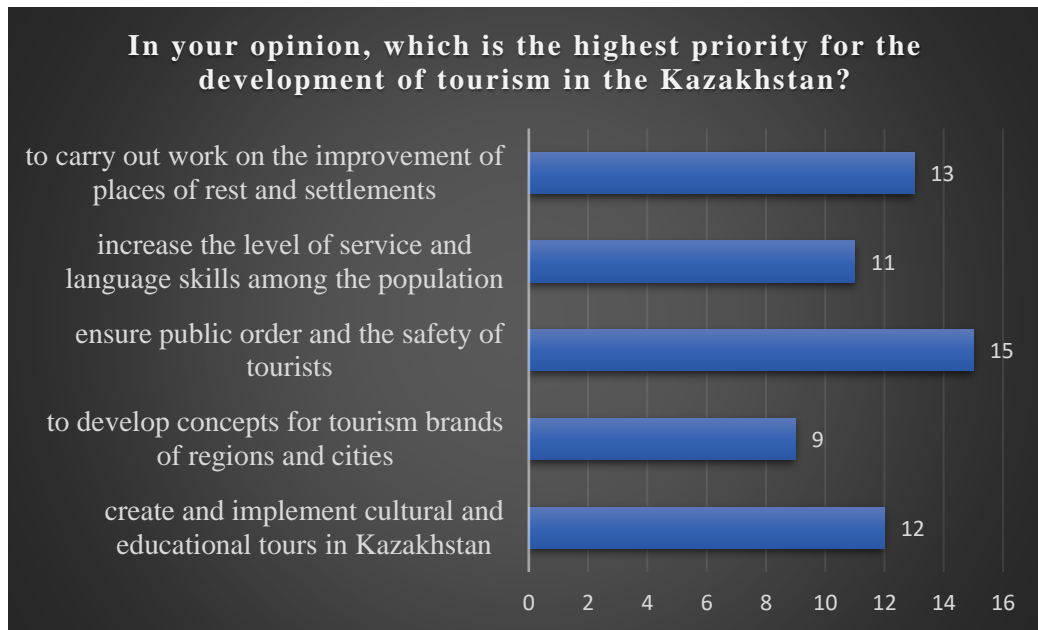
Figure 9: In your opinion, what are the main advantages of Kazakhstan for tourists?



Source: Own collection

Number of respondents who mentioned about advantages according to contribution to economy of Kazakhstan is 24 and 26 mentioned that nowadays foreigners know better about Kazakhstan depending on different factors. Infrastructure and employment are main advantages for some of participants and only 1 guest answered that there is still no advantages according to the development of tourism. By the respondents opinion the 2 advantages are contribution to economy and foreigners knowledge about the country.

Figure 10: In your opinion, which is the highest priority for the development of tourism in the Kazakhstan?



Source: Own collection

On the graph above, it is seen that for each answer number of the respondents is equal. Everything is in priority for the development, safety of tourist one of the main aspects for tourists to be sure that there is no crime and they can enjoy of being guest, also improvement of places of rest and settlements, guest should be confident that the country where they arrive is comfortable. Level of services and language skill, as it is mentioned before that tourist may complain when they do not satisfy, 11 respondents said that are main problems of tourism and this priority should be reviewed.

In conclusion of survey results, in the tourism of Kazakhstan there are more disadvantages then advantages. Level of infrastructure of tourism is low, many factors what should be improved in that areas, but anyway in compare with previous 10-15 years most of participants of the survey mentioned that tourism in Kazakhstan getting more better, each year more countries recognizing about Kazakhstan.

5 Conclusion

In the practical part, for analysing the data by statistical method main tourism indicators are chosen, results of correlation and regression analysis shows that excluded data indicators of tourism such as expenditure and visitor exports are not suitable for dependent variable, final result shows that there is an influence of receipts in tourism, exchange rate, number of tourist arrival in GDP. After this analysis, it was defined that tourists gave preference to 5-star hotels, through this result the review of 5-star hotels in Kazakhstan have problems in the tourism service infrastructure such as value for money. In the following, benefits and advantages of EXPO project in 2017 Astana showed that profit left around 374,94 million US dollars, and expenditures on tourism is 1.885 billion dollars and the revenue is 1.99 billion dollars in 2017. UNWTO reports basic data indicators of arrival of non-residents at national borders, that in Kazakhstan from 2014 to 2018, most tourists come from Europe and Central Asia, and out of these continents high amount of tourists are from post-soviet union countries. According to previous information, calculation of average non-residents tourists spending is 1.6972 million dollars and of residents is 2.988 million dollars, which means that citizens of Kazakhstan spend out of borders more than foreign visitors spend inside of national country. Nowadays tourism situation in Kazakhstan: by travel and tourism competitiveness report 2019, it is possible to describe that Kazakhstan is not good at many factors of tourism, but the price, health and hygiene shows quite great results, as price could be related to the exchange rate which in turn affect in interest of tourists arrival. In the report, it is seen than many indicators of tourism infrastructure in Kazakhstan are low. As it is mentioned in interpretation of SWOT analysis, results of the development of tourism in Kazakhstan concludes that tourism in Kazakhstan is going to be developed but the main problem which does not attract the tourists is in infrastructure of tourism, as it is mentioned and analysed above that tourism service infrastructure, level of service in hotels, and other many aspects should be taken into the consideration to have more developed in the sphere of tourism. As an additional information, survey results where 60 respondents gave their opinions lean on that tourism in Kazakhstan will be potential if to invest more money in tourism, also respondents said that tourism is profitable business for Kazakhstan, but still they mentioned the main disadvantage is undeveloped infrastructure and main advantages are that tourists recognize better of Kazakhstan and it contributes to economy. By overall results, it is observed that the development tourism and hotel industry in Kazakhstan is in

progress but the development infrastructure of tourism and contribution in tourism should be taken into consideration in Kazakhstan . Especially Kazakh tourism in the global economy context has opportunities to be developed in the sphere of tourism.

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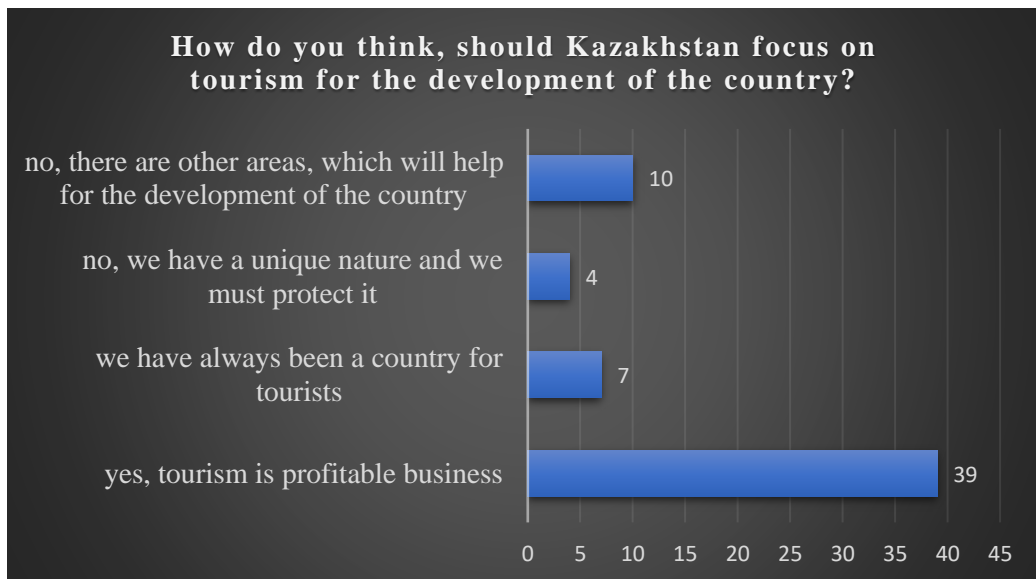
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7 Appendix

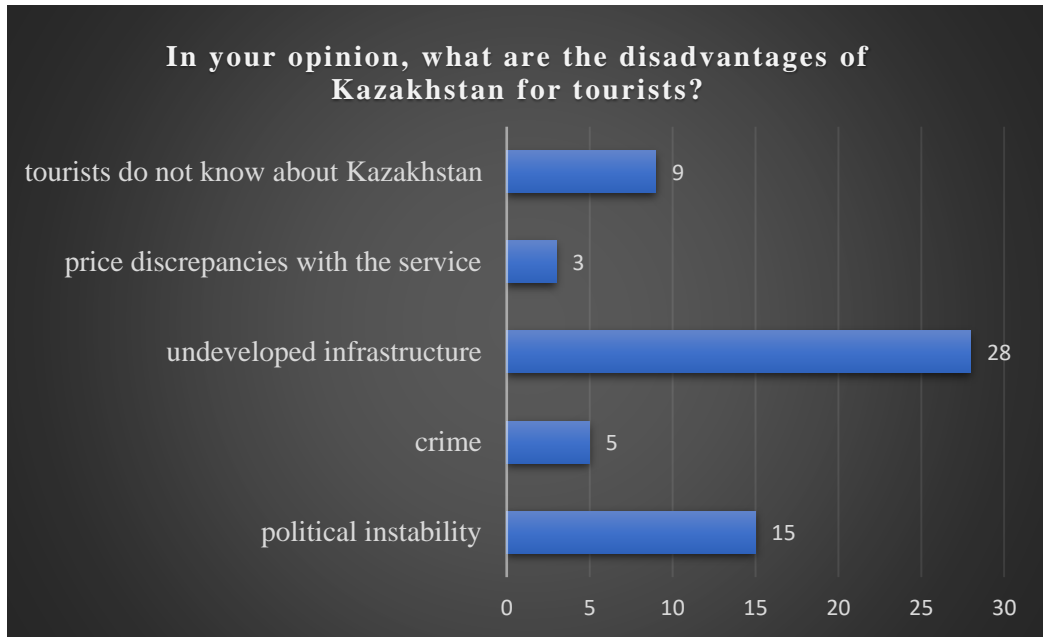
Appendix 1: Do you think that in the locality where you live there is tourism potential/attractive?



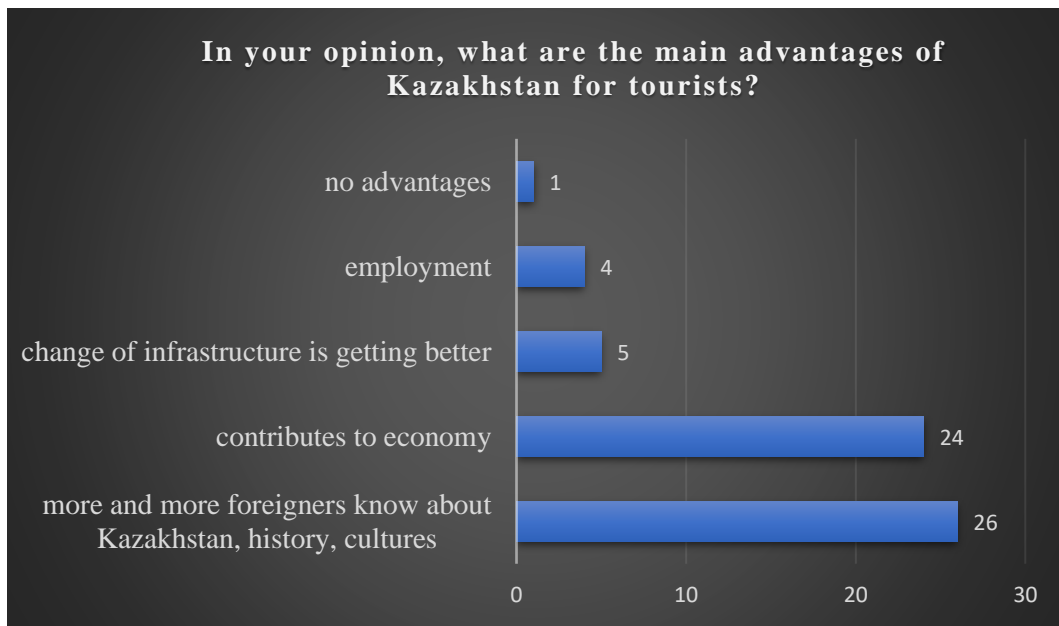
Appendix 2: How do you think, should Kazakhstan focus on tourism for the development of the country?



Appendix 3: In your opinion, what are the disadvantages of Kazakhstan for tourists?



Appendix 4: In your opinion, what are the main advantages of Kazakhstan for tourists?



Appendix 5: In your opinion, which is the highest priority for the development of tourism in Kazakhstan?

In your opinion, which is the highest priority for the development of tourism in the Kazakhstan?

