

THE ROLE OF CITY TOURISM FOR REGIONAL DEVELOPMENT

Alidiya Seitzhanova, Henrietta Nagy

ABSTRACT

Cities become world's greatest tourism destinations. Tourists take a certain part in statistics reports as they have a high impact on socio-economic figures of the city and the country in general. Whenever the city bodies try to involve more visitors, it leads to improvement of the city itself. As tourists' preferences and expectations change, so do cities, with tourism triggering constant investment in infrastructure, promotion and conservation, benefiting tourists and local residents alike. Some cities develop more as they become tourist destination for some historical or unique heritage advantages. However, there are another type of tourism development, where the new city is built. It involves labor force for the construction of the city, then the local migrants and the different activities and events in the city makes it a main player of the tourism industry of the country. In this case the city gains not only for its own development, but also in a regional scale. This paper observes why cities are the important figure of tourism statistics. The study presents the case study of Astana city which is located in a flat step area, which has nothing to offer for tourists from the first look, however the statistical analysis and the research shows that the city built just a decade ago already plays a major role for a regional development.

KEY WORDS

Tourism. Tourism development. Sustainable development. City tourism. Smart city.

1 INTRODUCTION

1.1 Theoretical background

Cities provide new opportunities and have a great impact on the local economic growth, for instance becoming a key element to reduce poverty. Urbanization does indeed play a positive role in the overall poverty reduction, particularly where supported by well-adapted

policies (UN HABITAT State of the World's Cities 2010/2011 - Cities for All: Bridging the Urban Divide).

The city is a social and economic center; it is the most sophisticated cultural product for civilized coexistence. The city is part of the culture, the history; it's the epicenter for many of traditions. As society is in constant change so are cities, trying to adapt and meet the needs of residents and visitors as well as making it an attractive destination for future visitors. This is a unique economic and social opportunity; it brings dynamism and vitality, growth and development, and becomes an important element in people's lives.

Cities are constantly changing; they are built, transformed and continuously growing. Cities are also occupied by different types of groups and each uses the city in a different way, generating a spatial organization, some kind of residential differentiation that also creates invisible borders reflecting how that society is structured.

But cities can also help to reduce transaction costs such as infrastructure and services; they behave like social networks providing information and facilitating the diffusion of knowledge. Ever since they first formed, cities have served as bridges between cultures. They have been engines of innovation since the days when the great philosophers argued in the Athenian marketplace. Cities indeed bring together their most intelligent citizens and are hubs for the transmission of ideas, information and knowledge; and the ideas and the strength that emanate from human collaboration constituting the ultimate source of wealth creation. The need to understand and study more closely the city as a dynamic and organic element in people's lives becomes crucial not just for marketing or product purposes but also to be able to organize its society, infrastructure and institutions in the most effective and economic way. We not only live in or visit cities, we evolve together with them.

Tourism therefore is a very important element in all policies related to urban development, it is not just a strategy to provide a competitive product to meet visitors' expectations but a way to develop the city itself and provide more and better infrastructures and bring conditions to residents.

UNWTO refers to urban tourism as trips taken by travellers to cities or places of high population density. The duration of these trips is usually short (one to three days) therefore it can be said that urban tourism is closely linked to the short - breaks market (Tourism 2020 Vision, UNWTO 2002).

Large metropolitan areas are, in general, more productive. According to United Nations data, in all countries there is an almost perfect correlation between urbanization and prosperity. But cities also prosper as centers of consumption, pleasure and leisure.

1.2 The aim of the paper

The aim of the study is to see how the city development drives on regional and tourism development of the country. As a result, to conclude the main factors.

1.3 Objectives

Therefore, to reach the targeted goal, here are the following *objectives*:

- To review the scientific studies of confirmed tourism bodies regarding the urban tourism;
- To compare the parallels between city tourism development and the regional development based on statistic data;
- To give a case study on one concrete city.

2 CITY TOURISM

On a planet with vast amounts of space, cities are the places where people desire to live. Today, more than half the world population is urban.

According to the UN, the world's urban population is expected to grow by 61% by 2030, the volume of people living in cities will rise to 5 billion by 2030 and this will have a considerable impact on urban tourism as a key factor not only in the city development but also in its economy.

City tourism is a visit to large settlements - cities for tourist purposes (cognitive, business, medical, pilgrimage, etc.)

City tourism is one of the fastest growing travel segments worldwide and the changing nature of city tourism becomes increasingly apparent in many cities. Facilitated by mobile access to information, tourists are increasingly seeking, finding and consuming 'local experiences' and the boundaries between tourists and residents become increasingly blurred. While the impact of the proliferation of information and communication technologies (ICTs) on the travel industry as well as on tourist behaviour and the travel experience has been widely acknowledged (Egger J Hosp Tour Technol 4(2): 119–133, 2013), (McCabe et al. Tour Manage Perspect 4: 36–44, 2012), (Stamboulis and Skayannis Tour Manage 24: 35–43, 2003), [13, 18, 19, 24], (Ye et al. Comput Hum Behav 27: 634–639, 2011), the implications of this new type

of tourism for future urban development have received little attention (Füller and Michel Int J Urban Regional 38(4): 1304–1318, 2014).

Urban tourists can bring substantial economic benefits to cities; it is a fact that the economic impact on any major city dominates over the social and political impact and this may well be a consequence of the need to quantify the return of every investment, especially in terms of employment and economic impact [2, 22, 23].

Tourism brings new patterns and changes to the urban landscape, such as globalization, a phenomenon that impacts not only big cities but also medium and small size ones.

Cities are constantly growing and in a constant state of change to provide its visitors the experiences and products they expect and these products and experiences are also constantly changing in order to adapt to an increasing demand. All this triggers a constant investment in infrastructure, promotion and conservation ultimately benefiting tourists and local residents.

Based on the information from countries with data available, tourism's contribution to worldwide gross domestic product (GDP) is estimated at some 5%. Tourism's contribution to employment tends to be slightly higher and is estimated in the order of 6-7% of the overall number of jobs worldwide (direct and indirect). For advanced, diversified economies, the contribution of tourism to GDP ranges from approximately 2% for countries where tourism is a comparatively small sector, to over 10% for countries where tourism is an important pillar of the economy. Therefore, the role of cities are significantly important for regional development [20,21,22].

3 METHODOLOGY

3.1 GVA methotology

The study uses alternative GVA Methodology. Regional gross value added is the value generated by any unit engaged in the production of goods and services. As the study is focused on tourism which is mainly based on services, not production I adapted the methodology to another alternative one. Instead of production figures I give events and activities done. GVA per head is a useful way of comparing regions of different sizes. It is not, however, a measure of regional productivity.

Calculation of economic impact reconciles two aspects: all the renovations and reconstructions in the city first, to observe the infrastructure improvement. Secondly, events

done in the city for domestic and international tourists. Results from the two sides are used as cross-checks to refine assumptions and derive a final combined estimate.

Sectoral output by city is the starting point for analysis. Tourism ratios consistent with country level estimates are imposed to understand the proportion of output generated by tourism activity.

As an example, if a city has a high concentration of activity in the hotels and restaurants sector then it is fair to assume that a large proportion of this activity is generated by tourist spending.

Data presentation.

3.2 R Commander

This study uses R commander program for data analysis. The R Commander (Fox, 2005, 2017) provides a graphical user interface (“GUI”) to the open-source R statistical computing environment (R Core Team, 2016).

3.3 MFA

Another method for data analysis and result visualization is multiple graphs. Multiple Factor Analysis (MFA) is used to simultaneously analyze several tables of variables, and to obtain results, particularly charts, that allow to study the relationship between the observations, the variables and the tables.

4 ASTANA CITY ESTABLISHMENT

Astana is the capital city of Kazakhstan. It is located on the banks of the Ishim River in the north portion of Kazakhstan, within the Akmola Region, though administered separately from the region as a city with special status (Figure 1). The 2017 official estimate reported a population of 1,290,556 within the city limits, making it the second largest city in Kazakhstan, behind Almaty [3].

Modern Astana is a planned city, like Brasília in Brazil, Canberra in Australia, and Washington, D.C. in the United States [10]. After Astana became the capital of Kazakhstan, the city cardinally changed its shape. The master plan of Astana was designed by Japanese architect Kisho Kurokawa [10]. As the seat of the Government of Kazakhstan, Astana is the site of the Parliament House, the Supreme Court, the Ak Orda Presidential Palace and numerous

government departments and agencies. It is home to many futuristic buildings, hotels and skyscrapers [11] [12] [13]. Astana also has extensive healthcare, sports and education systems.

Since establishment of the new Astana there were many constructions and changes: downtown of the city with more than 50 new futuristic buildings; airport; railway station; over 200 new roads; over 20 new road forks; 8 new universities; over 200 schools; 12 shopping malls and many other city facilities. The examples some the large events held in the city: Congress of World Religions, SCO Astana Summit, Universiada 2017, EXPO2017 and others.



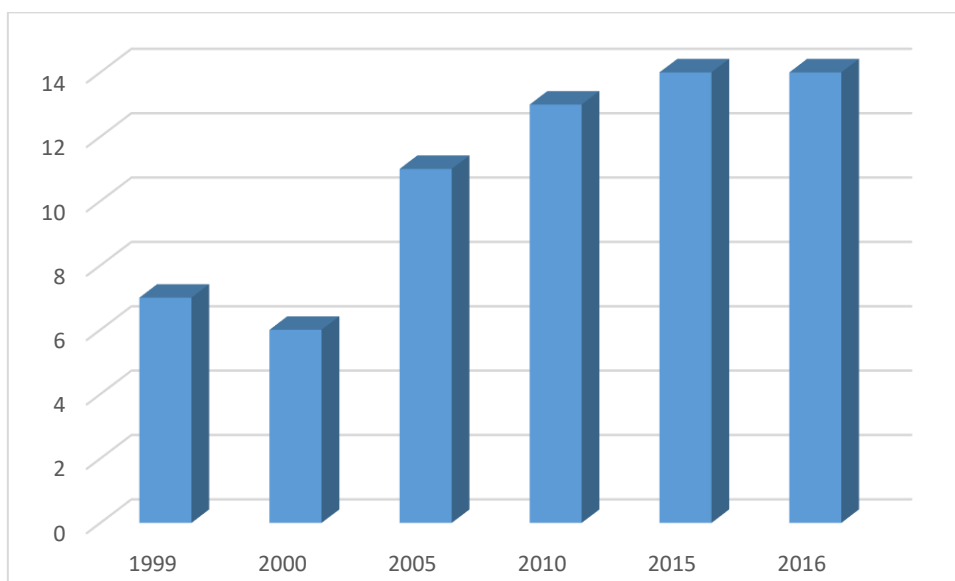
Figure 1 Astana city

Source: Tourism page of MID (<http://dep-turizm.mid.gov.kz/en>), 2018

5 STATISTICAL ANALYSIS RESULTS

Here I would like to give an overview of statistics what was changed in the city in terms of Social and Demographic development. And the statistics for tourist arrivals in Astana city and the neighboring regions to see the influence of the city for tourism and regional development in general.

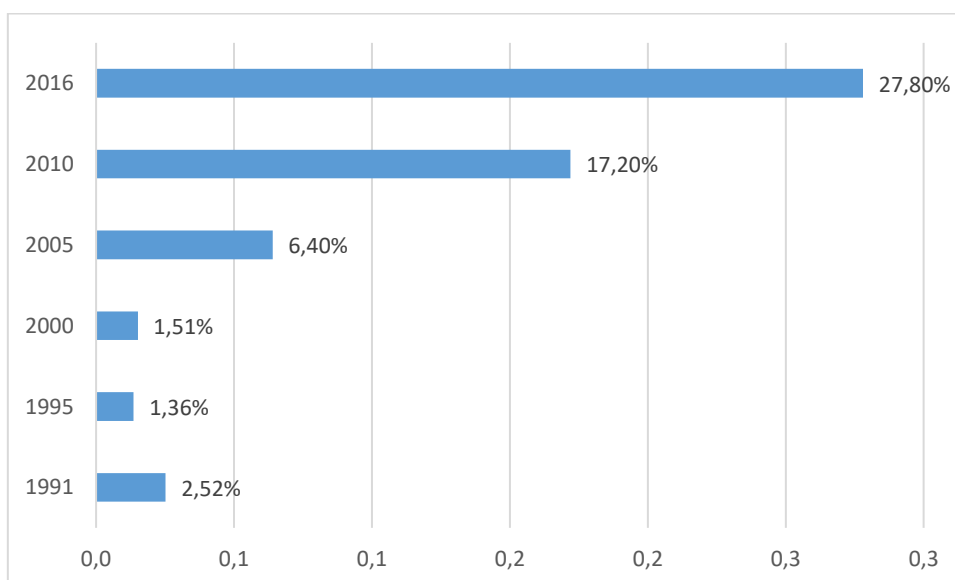
Since 1997 in Astana 8 more universities were built and also, 6 existing were renovated. The government of Republic of Kazakhstan has an education focused strategical development (Graph 1), for example, the authority bodies increases the number of scholarships every year.



Graph 1 Number of Universities in Astana city

Source: own compilation based on statistic results, 2018

The number of universities increased more than double, from 6 in 1997 to 14 in 2016. It brought a lot of educational migrations and consequently, become one of the factors which had changed the demographic figures of the city (Graph 2)

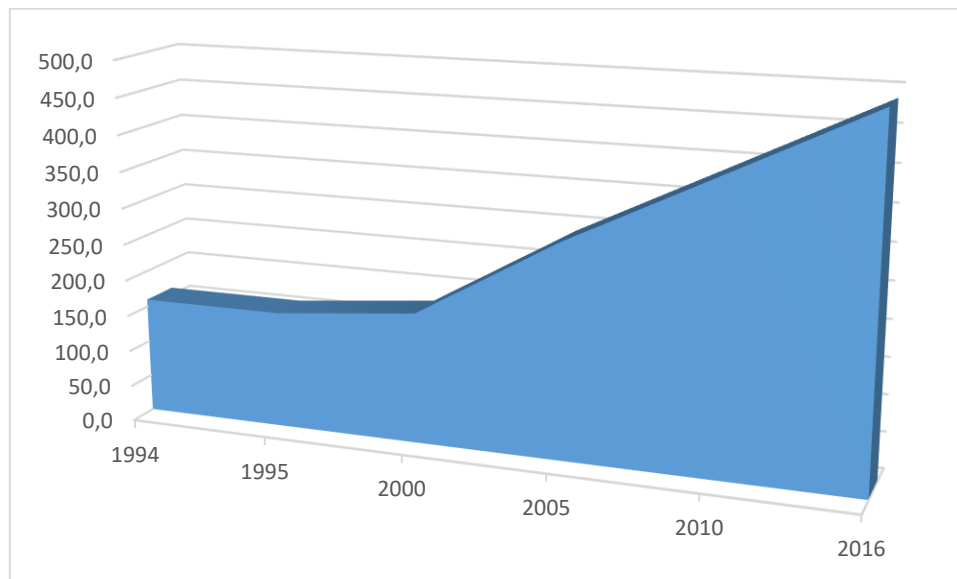


Graph 2 Percentage of Population increment in Astana city (1997-2016)

Source: own compilation based on statistic results, 2018

Population increase in Astana city is explained not only by incensement of educational institutions. The large percentage of this figure belongs to the movement of many governmental bodies from largest city of Kazakhstan Almaty city to Astana city, construction companies and work places related to it and as dynamic growth of the city also, led to the growth of the service places, which likewise involved more labor force to the city (Graph 3).

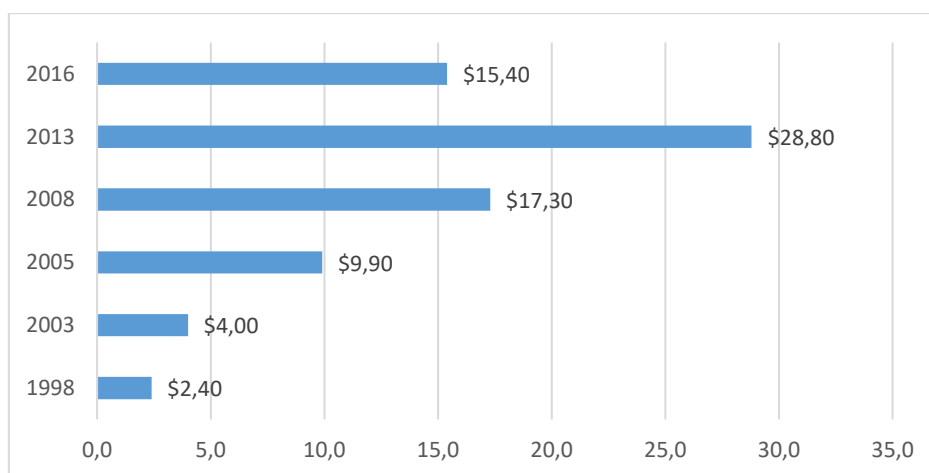
Figure 4 Number of Active Labor force (thousands people) in Astana city (1994-2016)



Graph 3 Number of Active Labor force (thousands people) in Astana city (1994-2016)

Source: own compilation based on statistic results, 2018

As it shown in the graph above the number of active labor force has increased more than triple: from 160 000 to 500 000 people. Half a million actively working people had changed the dynamic of the city and the region in general. One of the first indicator is gross regional product per capita (Graph 4)



Graph 4 Gross regional product per capita (mln USD) in Astana city (1998-016)

Source: own compilation based on statistic results, 2018

The graph represents how much of millions US dollars were made in the given time. It shows how the city developed economically from ninetieth to current moment. The figures have changed for more 250% [4]

How did it effect all above growth on tourism development of the city and the region is given below in the table 1

Table 1 Number of served visitors in accommodation establishments (2003-2016)

Republic of	2003	2006	2009	2012	2016
	Kazakhstan	887,4 93	1,980,1 88	2 306 084	3,026,2 27
Akmolinskaya	25,37 1	77,758	117 091	178,079	300,439
Aktubinskaya	48,90 6	53,153	60 796	80,336	84,744
Almatinskaya	56,88 4	240,964	239 406	110,504	435,239
Atyrauskaya	57,64 4	70,203	259 277	209,714	200,003
Zapadno-Kazakhstanskaya	18,44 3	39,511	43 088	49,656	86,868
Zhambylskaya	19,73 0	48,001	45 963	70,617	90,776

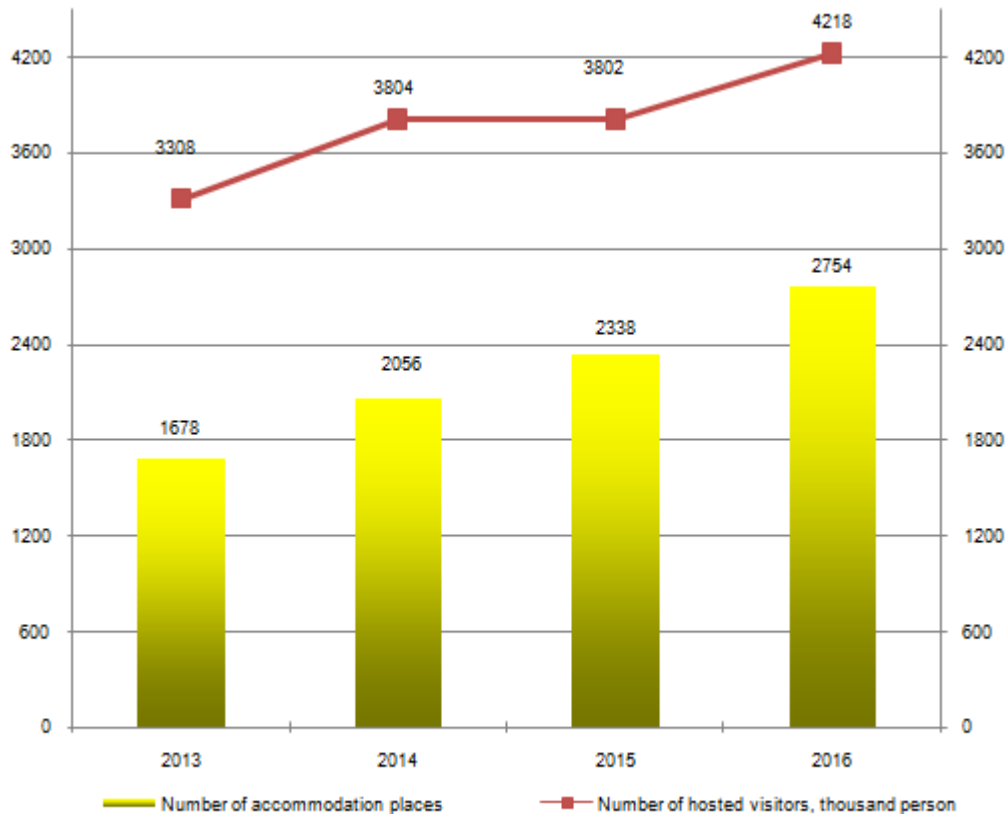
Karagandinskaya	58,50 6	176,122	230 795	212,656	241,260
Kostanaiskaya	49,57 6	51,383	67 790	153,658	146,590
Kyzylordinskaya	8,622	21,399	27 684	31,857	49,485
Mangistauskaya	25,94 1	58,298	132 929	177,452	192,081
Yuzhno- Kazakhstanskaya	51,26 0	78,901	83 055	101,877	198,515
Pavlodarskaya	25,08 3	124,235	73 062	97,285	114,057
Severo- Kazakhstanskaya	10,99 0	24,477	36 958	68,699	91,016
Vostochno- Kazakhstanskaya	98,53 8	188,045	250 637	375,410	460,878
Astana city	110,5 27	254,157	290 151	556,630	732,764
Almaty city	221,4 72	473,581	347 402	551,797	793,067

Source: own compilation based on statistic results, 2018 [4]

It is clear from the statistics that overall tourist visits to Astana city grew up for more than seven times. It makes more than 20% of all the visits to the country and shares almost the same percentage as the largest city of the country Almaty. Although just several years ago the figures were double less in comparison with Almaty city.

It has effected on neighboring region “Vostochno-Kazakhstanskaya oblast”, where tourist arrivals are equal to half million for 2016 year, which is 10% of total arrivals. It grew up in the same proportion with Astana city as the nearest region to the city with best logistics for transport commuting opportunities [4].

The trend of Astana city in overall dynamic of the country for tourist arrivals is the sharpest one for the last few years. While the general growth in the country is about 50% (Graph 5).



Graph 5 Number of served visitors in Astana city (2013-2016)

Source: own compilation based on statistic results, 2018

The dynamic of the tourist arrivals grew up from 3,3 million to 4,2 million which show a gradual positive trend. Where more than 20 % belongs to the new city – Astana [4].

CONCLUSION

The paper aimed to examine that the city's evolution drives and powers a local and regional and tourism development. In this purpose the flowing objectives were done: scrutiny of urban tourism; in the case study of Astana city all the stages of city development were analyzed: from city establishment to city expansion.

In order to showcase the impact of the city buildout to tourism development in local and regional statistical analysis based on the local and governmental data were given.

Firstly, a better understanding of the extent to which tourism contributes to the process of gentrification is required but also an understanding of how tourism can be used to develop deprived areas and enhance the quality of life for residents. Secondly, a large number of constructions and changes in the city brought many migrants who came for job purpose, as a

consequence it brought up domestic tourists and also international inbound tourists who came along with expats. Thirdly, the replacement of the capital from largest city in the country to a new city led not only to local migration, but also to investments and as a result to business tourism migrations. Fourthly, large scale events, such as Congress of World Religions, SCO Astana Summit, Universiada 2017, EXPO2017 and many others made the country visible in world arena and burnt the interest as the main point of Central Asian destination. Fifthly, the negotiation with Wizzair air company that was done in the period of EXPO 2017 preparation attracted many tourists interested in central Asia and it added in tourism statistics of not only Astana city, but also the neighboring cities and countries.

Thus, visitors of Astana city although is a transit stop for them on their way to largest city of the country Almaty city, still visit nearest province “Vostochno-Kazakhstanskaya oblast” with the natural attractions such as: Borovoe and Katon Karagay. Tourists stay not only in Almaty, they also try to visit Kyrgystan and Uzbekistan, and in some case even Mongolia.

All in all the city Buildup positivevly affected not only to Astana touris development, but also to neighboring cities, further cities (for example, Almaty city) and also regions in smaller and largers scales.

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CONTACT

Alidiya Zamit Seitzhanova

Szent Istvan University

Doctoral school of Regional sciences

Pater Karoly 1, 2100, Godollo, Hungary

alidiya21@gmail.com

Supervisor: Henrietta Nagy

Szent Istvan University

PhD. habil. vice-dean for international relations, associate professor

Nagy.Henrietta@gtk.szie.hu