Russian tourists as a perspective resource market for Czech tourism

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Abstract

This article deals with incoming tourism in the Czech Republic. It focuses on increasing the number of Russian tourists. In this article, we determine the main attractive characteristics of the Czech Republic for Russian tourists. Materials about tourists’ satisfaction and loyalty are studied. We also purpose some recommendations for increasing the number of Russian tourists and frequency of their attendance to the Czech Republic.

The research is conducted using the secondary data analysis from different science articles, Czech and Russian Statistical Offices, Czech Tourism agency and Association of Russian Tour Operators.

Key Words

Tourism industry, incoming tourism, the Czech Republic, Russian tourists, satisfaction, loyalty

Introduction

Tourism industry is the biggest and the most developed industry in the world. Tourism creates GDP, increases number of employed people, protects historical and culture sights. The total contribution from Travel & Tourism to the world GDP grew by 3.0% in 2012\(^{1}\). This was faster than growth of the world economy as whole (2.3%), and also faster than growth of a number of broad industries including manufacturing, financial and business services and retail.

A similar situation can be observed in Czech Republic which is the most attractive destination in Eastern Europe. In this country tourism is a profitable industry in economy. According to

\(^{1}\) In http://www.wttc.org/research/economic-impact-research/
the balance of payments of Czech National Bank data, foreign tourists in Czech Republic spent 137.8 billion CZK in 2012, which was 2.1 billion more than in the previous year\(^2\). State income from foreign tourism increased due to increasing demand from foreign tourists. Last year arrived in total 7.2 million tourists to Czech Republic, which was about 14% more than in 2009. The rise in income in last year was also caused by a growing demand of Russian tourists.

The most of foreign guests are from Germany and Russia (“see Tab. 1”). However, the tendency of German tourists is stagnated and declined in the last ten years. Therefore Russian tourists become the main largest group of foreign tourists in Czech Republic. Furthermore, they spend longer time in Czech Republic, approximately 7 days, comparing with other tourists. Each one of them spends around 2300 CZK not including the accommodation and transport\(^3\). Therefore, for developing Czech incoming tourism and increasing the amount of tourists from Russia, it is necessary to study the brand and the most attractive characteristics (historic and natural attractions, food, price etc.) of Czech Republic for Russian tourists. Certainly, we should not forget about tourist satisfaction and their loyalty.

| Table 1: Foreign guests at collective accommodation establishments in Czech Republic |
|---------------------------------|-----------------|
| Germany                         | 1 418 161       |
| Russia                          | **698 040**     |
| Slovakia                        | 383 069         |
| Poland                          | 371 421         |
| U.S.A.                          | 367 312         |
| Italy                           | 353 671         |
| UK                              | 346 973         |
| France                          | 275 759         |
| Other asian countries           | 247 803         |
| Austria                         | 203 657         |

*Source: Czech Statistical Office*

**Objectives and methodology**

The aim of this article is researching for the most attractive characteristics in Czech Republic for Russian tourists. Materials about tourists’ satisfaction and loyalty are studied. The research is conducted using the secondary data analysis from different science articles, Czech


\(^3\) In http://ekonom.ihned.cz/c1-54458620-zajem-ruskych-turistu-o-ceskou-republiku-rapidne-stoupa
and Russian Statistical Offices, Czech Tourism agency and Association of Russian Tour Operators.

The main data resources are collected from Czech Tourism agency investigation “How Russian tourists perceive Czech Republic”. This investigation was done using the questionnaire survey for 5000 respondents through telephone interviews and group discussions in the biggest cities of Russia (Moscow, Sankt-Petersburg, Novosibirsk, Yekaterinburg, Nizhny Novgorod, Perm etc.) during September - December 2011.

**Results and discussion**

There are many clear economic advantages of Russian tourists effect the Czech tourism. One of the most important factor is that each year over 0.5 million Russian tourists arrived and spent approximately 8 billion CZK\(^4\).

Czech Republic is one of the most attractive destinations for Russian tourists. It occupies the 13th position in top 20 countries which are chosen by Russian tourists (see Tab. 2). Therefore, the amount of Russian tourists arrived to Czech Republic are increased. The growth reached 30 %\(^5\) in first six months in 2013 year. According to the investigation that was done by marketing agency “Stem/mark” 16 % of Russian respondents didn’t visit the Czech Republic, but planning to do that during the next five years.

On the research basis of the Czech Tourism agency “How Russian tourists perceive the Czech Republic”, the category of tourists who has visited Czech Republic for the last 5 years was women of middle age with high level of education and average level of wealth. Often tourists came for vacation with partners, relatives and friends. They prefer rest in Prague and Karlovy Vary more than other cities.

There are many interesting facts attract Russian tourists to Czech Republic. First of all, Czech Republic associates with beer, Prague and sights (“see Fig. 1”).

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\(^4\) In [http://vyzkumy.czechtourism.cz/](http://vyzkumy.czechtourism.cz/) Jak nás vnímají Rusové  
Table 2: Top 20 popular destinations for Russian tourists

<table>
<thead>
<tr>
<th></th>
<th>Country</th>
<th>Visits</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Turkey</td>
<td>2 516 136</td>
</tr>
<tr>
<td>2</td>
<td>Egypt</td>
<td>1 906 637</td>
</tr>
<tr>
<td>3</td>
<td>China</td>
<td>1 328 850</td>
</tr>
<tr>
<td>4</td>
<td>Thailand</td>
<td>885 113</td>
</tr>
<tr>
<td>5</td>
<td>Spain</td>
<td>792 084</td>
</tr>
<tr>
<td>6</td>
<td>German</td>
<td>713 096</td>
</tr>
<tr>
<td>7</td>
<td>Greece</td>
<td>690 412</td>
</tr>
<tr>
<td>8</td>
<td>Italy</td>
<td>570 764</td>
</tr>
<tr>
<td>9</td>
<td>United Arab Emirates</td>
<td>549 382</td>
</tr>
<tr>
<td>10</td>
<td>Finland</td>
<td>512 547</td>
</tr>
<tr>
<td>11</td>
<td>Cyprus</td>
<td>404 741</td>
</tr>
<tr>
<td>12</td>
<td>Bulgaria</td>
<td>389 424</td>
</tr>
<tr>
<td>13</td>
<td>Czech Republic</td>
<td>379 723</td>
</tr>
<tr>
<td>14</td>
<td>Ukraine</td>
<td>315 843</td>
</tr>
<tr>
<td>15</td>
<td>France</td>
<td>299 313</td>
</tr>
<tr>
<td>16</td>
<td>Austria</td>
<td>219 408</td>
</tr>
<tr>
<td>17</td>
<td>Israel</td>
<td>219 019</td>
</tr>
<tr>
<td>18</td>
<td>Tunis</td>
<td>207 545</td>
</tr>
<tr>
<td>19</td>
<td>Montenegro</td>
<td>192 382</td>
</tr>
<tr>
<td>20</td>
<td>Switzerland</td>
<td>177 508</td>
</tr>
</tbody>
</table>

Source: Russian Statistical Office

The second fact is combination of historic town and sights popularity, traditional cuisine and health resorts. Pleasant atmosphere, good service and attractive nature are also important for tourists (see Fig.2).
Figure 1: Russian tourists’ associations with Czech Republic (%)

- Beer: 29%
- Prague: 22%
- Architecture, sights: 19%
- Beautiful place: 7%
- Karlovy Vary: 7%
- Castles: 6%
- Restaurant and gastronomy: 3%
- Culture and tradition: 3%
- Health resort and recreation: 3%
- Typical Czech products: 2%
- Czech sportsmen: 2%
- Czech nation, hospitality: 1%
- Other: 5%
- Unknown: 23%

Source: Questionnaire survey of Czech Tourism site, 2011-2012, n=5000

Figure 2: Attractive characteristics of The Czech Republic according to Russian tourists (%)

- Historic town and sights: 92%
- Good atmosphere: 81%
- Original food and drink: 76%
- Good services experiences: 75%
- Famous health resorts: 62%
- Low crime rate: 59%
- Attractive nature: 59%
- Many UNESCO sights: 59%
- Many religious sights: 57%
- Various unique products: 45%
- Sport activities: 35%
- Golf: 15%

Source: Questionnaire survey of Czech Tourism site, 2011-2012, n=5000

The next facts hospitality of people, nice and clean environment and available prices are pleasantly surprising of tourists from Russia (“see Fig.3”).
According to the all above, we can summarize that Czech Republic perceived by Russian tourists as:

- One of the major tourist destination in Europe;
- Prague, atmosphere of historical town, architecture;
- Gastronomy and beer;
- Destination with sightseeing and medical vacation;
- Price availability.

Many researches related with Czech Tourism were done. According to marketing agency “Stem/mark” research, Czech Republic associates with positive emotions for Russians tourists. Compared with other nationalities, they are more interested in visiting Czech Republic. However, from 1026 Russian respondents 67% visited Czech Republic once, 19% twice, 6% three times and 4% four times and more. Thereby, Russian tourist prefer visit Czech Republic just once.

When Russian tourists revisit the Czech Republic, Czech tourism will be more profitable and developed. That will happen when Russian tourists are satisfied with Czech Republic services. Because analysing and improving the level of tourist satisfaction is crucial for choosing tourism destinations (Campo-Matrinez & Garau-Vadell, 2010).
First of all, we give the definition of customer satisfaction. By Kotler and Keller, it is the level of a person's felt state resulting from comparing a product's perceived performance in relation to the person's expectations. Customers compare products or services with their expectations and are either satisfied or dissatisfied (Kotler & Keller, 2007).

Notoriously, the more satisfied customers will repurchase the product/service and encourage the others to become customers (Geng-Qing Chi & Qu, 2007). Therefore, customer satisfaction has always been considered as an essential business goal (Geng-Qing Chi & Qu, 2007). Furthermore, the retention and maintenance of existing customers for companies is cheaper than acquisition new customers (Reichheld, 1996). Studies have documented that a 5% increase in customer retention can generate a profit growth of 25–95% across a range of industries (Reichheld, 1996).

Secondly, tourists’ positive experiences of service, products, and other resources provided by tourism destinations could produce repeat visits as well as positive word-of-mouth effects to friends and/or relatives. Recommendations by previous visits can be taken as the most reliable information sources for potential tourists and also one of the most often sought types of information for people interested in traveling (Geng-Qing Chi & Qu, 2007). According to the investigation of the Czech Tourism agency, 42% of Russian tourists visited Czech Republic due to the recommendations of the relatives, friends and colleagues.

However, tourists which are satisfied of certain destination choose another destination to visit. To let tourists visit specific destinations again and again, we should make them loyal. According to Kotler and Keller, the connection between satisfaction and loyalty is not directly proportional. For example, we will measure the customer satisfaction with scale from 1 to 5. At the lowest level of customer satisfaction (degree one), probably customers will leave the company. From 2 to 4, customers are quite happy, but easy to go somewhere else if they get better offer. At 5th degree, customers will probably buy again and recommend this company to other customers. The same situation can be observed in tourism - the degree of tourists’ loyalty to a destination is reflected in their intentions to revisit the destination and in their willingness to recommend it (Oppermann, 2000).

We can summarize all above in few following points:

- Russian tourists are one of the main group of tourists in the Czech Republic;
- Each year the number of tourists from Russia rapidly rise;
- The Czech Republic is very attractive destination for Russians who are interested sightseeing and medical vacations;
The level of satisfaction and loyalty of Russian tourists should be increased.

On the basis of this research we made some recommendations for increasing the number and frequency of Russian tourists’ attendance to Czech Republic.

1. New programs in other regions (except Prague and Karlovy Vary) should be offered:
   - Sightseeing tours with traditional cuisine and Czech beer or other attractive factors (for example Moravian wine) to Olomouc, Telc, Lednice, Valtice etc.
   - Medical vacations in Marianske Lazne, Luhacovice etc.
   - Active vacations with biking and hiking in spring, summer, autumn and skiing and snowboarding in winter in countryside.
   - New Year holidays with skiing and snowboarding.

2. Make advertising campaign in Russia which will focus on the most attractive characteristics for Russian tourists in Czech Republic (historic sights, cuisine, beer, medical vacation etc.).

3. Do some researches for measuring the level of satisfaction and loyalty of Russian tourists.

Conclusion

Tourism industry is one of the most developed and profitable industry in Czech Republic. Many tourists around the world arrive to Czech Republic. Russian tourists are one of the main groups in Czech Republic. The number of Russian tourists who spend a lot of money in Czech Republic rapidly rises each year. Therefore, we concentrate in this paper on studying the brand and the most attractive characteristics of Czech Republic for Russian tourists.

The most attractive characteristics in Czech Republic for Russian tourists are sights, medical resorts, Czech cuisine and beer. In additional, good services, attractive nature and pleasant atmosphere are important features for Russian people. For Russian tourists Czech Republic is one of the most attractive destinations. However, they often come to Czech Republic just once. For increasing the frequency of revisits research on measuring and increasing the level of satisfaction and loyalty of tourists should be done.

On the basis of this research some recommendation for increasing the number of Russian tourists and frequency of their attendance to Czech Republic were written. We offered new programs for tourists in other regions except Prague and Karlovy Vary. These programs
include sightseeing tours, New Year holidays, medical and active vacations. We also recommended making an advertising campaign in Russia focusing on characteristics which are attractive for Russian people.

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