

**TOURISM AS PART OF ECONOMIC GROWTH IN
KAZAKHSTAN**

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EXECUTIVE SUMMARY

Purpose

This study aims to evaluate challenges and opportunities of Kazakhstan's tourism industry. Our research investigates the required path to reach the government's goals of increasing the tourism industry's role in economy and rise to the top 50 global ranking in the Travel and Tourism Development Index (TTDI) by 2029. Two significant questions are addressed by this research:

1. What are the primary challenges hindering the growth of tourism in Kazakhstan, and
2. How can these obstacles be addressed to improve the country's tourism industry and economic prospects?

Problem

Kazakhstan's tourism accounts for about 1.4% of GDP, overshadowed by predominant sectors such as oil and agriculture. Principal issues encompass insufficient infrastructure, subpar service quality, elevated domestic travel expenses, and restricted entertainment alternatives. Outbound tourism significantly surpasses inbound tourism, resulting in a negative trade balance in tourism. In 2023, domestic tourism rose by 11.2%, though merely 26% of these trips were for leisure purposes, highlighting a shortfall in local options. Post-pandemic and geopolitical issues further challenge the sector. To address these issues, the government's revised 2023–2029 strategy prioritizes sustainable development, infrastructure, and digitalization, aiming to attract 11 million domestic and 4 million inbound tourists by 2029 while integrating 100% of hotels into the “eQonaq” system.

Literature review

The research demonstrates that tourism is a vital catalyst for economic growth, diversification, and international trade. Study underscores the influence of tourism on economic growth, particularly in developing countries, through employment, investment, and revenue generation. Nevertheless, research reveals considerable problems, including infrastructural inadequacies, income disparity, and the necessity for sustainable development. Successful models, such as Japan's integration of transportation networks with tourism and Singapore's strategic approach, signal extensive opportunities for the Kazakhstan's tourism sector. Case studies from Abu Dhabi and Korea underscore the necessity of expanding market access and diminishing reliance on conventional sectors.

Insufficient infrastructure, bureaucratic procedures, and low service quality impede tourism's potential in Kazakhstan. Resolving these difficulties requires innovative strategies, especially in improving immigration procedures, enhancing human capital via sufficient training, and utilizing digital marketing. Equitable tourism development through policies ensuring fair revenue distribution is essential for mitigating inequality and promoting social engagement. By adopting international best practices and leveraging Kazakhstan's unique natural and cultural resources, the nation can enhance its tourism sector as a crucial economic engine while promoting sustainability and intercultural collaboration.

Methodology

The research utilizes a mixed-methods approach, integrating qualitative, quantitative, and comparison analyses to conduct a thorough assessment of Kazakhstan's tourism sector from different perspectives:

- Qualitative analysis: interviews were conducted with seven key stakeholders, including representatives from Kazakh Tourism, municipal tourism bureaus, and tour operators to gather expert level insights.
- Quantitative analysis: Tourism data from 2008-2022 were obtained from Kazakhstan's National Bureau of Statistics to conduct correlation analysis and identify key relationships between tourism consumption, employment, and Gross Value Added (GVA) in tourism.
- Comparison analysis: Kazakhstan's tourism performance was benchmarked against regional counterparts, including Georgia, Uzbekistan, and Mongolia, using data from WEF TTDI rankings to identify strengths and opportunities.

Findings

1. Inadequate infrastructure and service quality: The lack of mid-range accommodation, poor transport networks, and insufficient recreational facilities limit tourist experience and deter both domestic and international visitors. Astana, for instance, has insufficient affordable hotels, while many regions suffer from poor road conditions and limited entertainment options.
2. Low regional collaboration: Coordination between governmental bodies and regions is weak, leading to fragmented marketing campaigns and missed opportunities for collaborative tourism packages. Astana, despite its role as a gateway city, does not effectively promote other parts of the country, such as Almaty and East Kazakhstan.

3. Underdeveloped cultural tourism: Kazakhstan's rich Silk Road heritage and unique traditions remain underexploited. Unlike neighboring Uzbekistan, which has successfully leveraged its UNESCO World Heritage sites, Kazakhstan lacks sufficient interactive cultural destinations, traditional craft workshops, and immersive experiences.
4. Domestic tourism challenges: Many locals prefer international travel, viewing it as a status symbol. High domestic travel costs, limited entertainment options, and low service quality further hinder the growth of domestic tourism.
5. Talent shortages: The tourism sector faces significant skill gaps. Academic programs and student preferences for other faculties do not align with industry needs. This results in a shortage of workers in hospitality, destination marketing, and tour operators.
6. Seasonality issues: Kazakhstan's tourism is highly seasonal, with limited activities during the off-peak months. This volatility reduces the industry's ability to sustain consistent economic contributions year-round and indicates opportunity for exploration of winter tourism.
7. International competitiveness: While Kazakhstan scores well in technological factors, price competitiveness, and safety among regional peers, it lags in promotion of cultural aspects, openness (visa policies and entry requirements), as well as environmental sustainability practices compared to regional counterparts.

Recommendations

1. Infrastructure development:
 - Investment in mid-range accommodations, transport systems, and recreational facilities.
 - Investment in road infrastructure and public transit in tourist-dense areas to improve accessibility.
 - Establishment of various attractions to encourage extended visitor stays, including interactive museums, heritage centers, and eco-tourism camps.
2. Year-round tourism:
 - Expand offerings with winter sports in mountainous regions and eco-tourism during the summer.
 - Indoor recreational facilities and cultural events that operate year-round.

- Marketing of Kazakhstan's natural environments and adventure tourism opportunities.
3. Enhancing cultural tourism:
 - Development of Silk Road heritage sites, traditional craft workshops, and cultural festivals.
 - Participation in international cultural events to advance the global presence of Kazakhstan's cultural tourism.
 4. Developing domestic tourism:
 - Promotional campaigns to reveal the country's rich travel destinations.
 - Development of affordable travel packages and incentives to encourage local travel.
 - Emphasizing the quality and diversity of domestic travel to address psychological barriers.
 5. Enhancing regional collaboration:
 - Developing national brand and fostering collaboration and a unified approach among regions in tourism initiatives.
 - Creating joint tourism packages that allow visitors to explore multiple destinations within Kazakhstan.
 - Improving coordination between the Ministry of Tourism and other state entities to align marketing efforts and streamline visa processes.
 6. Development of human capital:
 - Aligning academic programs with industry needs, focusing on practical skills like hospitality management and destination marketing.
 - Providing scholarships and training programs in tourism sector.
 - Partnering with international organizations for certifications and capacity building.
 7. Improving international marketing and accessibility:
 - Optimizing visa processes and organizing visa-free travel agreements.
 - Digital marketing campaigns and participation in international tourism exhibitions.
 - Developing diplomatic relations to deliver bilateral travel agreements and attract foreign direct investment.

8. Promoting sustainability and eco-tourism:

- Executing sustainable tourism strategies to conserve natural and cultural resources.
- Establishment of eco-tourism programs to leverage Kazakhstan's natural landscapes while ensuring conservation.
- Involvement of local communities in sustainable tourism projects to maintain equitable economic gains.

Conclusion

The tourism sector in Kazakhstan has immense potential to emerge as a significant economic player and regional leader. By resolving essential infrastructural deficiencies, utilizing cultural and natural assets, and enhancing service quality, the nation can bring in an increased number of domestic and foreign tourists. A robust strategy emphasizing sustainability, regional cooperation, and year-round initiatives will establish competitive edge for Kazakhstan in the global tourism industry, fulfilling its 2029 objectives of augmented GDP contribution, higher inbound tourist arrivals, and improved international positioning.

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ABSTRACT

The tourism industry in Kazakhstan exhibits great potential yet encounters obstacles, including inadequate infrastructure, a trade deficit, and insufficient cooperation among regions and governmental entities. Although its position improved from 66th in 2021 to 52nd in the 2024 WEF Travel and Tourism Development Index, tourism's contribution to GDP remains minimal at 1.4%. The research incorporated correlation analysis to reveal strong positive correlations between tourism consumption and Gross Value Added (GVA). However, deficiencies in infrastructure, psychological impediments to domestic tourism, and the underutilization of cultural tourism resources hinder further growth. Recommendations to solve these obstacles encompass the expansion of tourism infrastructure, enhancement of service quality, promotion of regional collaboration, prioritization of cultural tourism, development of human capital, and strengthening international marketing initiatives. With appropriate investment and a comprehensive strategy, Kazakhstan might emerge as a primary tourism destination by 2029 in the region.

1 INTRODUCTION

In his September 2023 annual address, President Tokayev emphasized the need to boost Kazakhstan's tourism through investment and local business engagement with government support (Askarov, 2023). Currently, Kazakhstan ranks 52nd among 119 countries in the Travel and Tourism Development Index 2024 (TTDI 2024), fewer steps higher than 66th in 2021 (WEF, TTDI, 2024). While this progress is praiseworthy, Kazakhstan's tourism industry remains underdeveloped considering that its GDP of 261.4 billion USD is higher in comparison to countries ranked high in TTDI 2024 (World Bank, 2023).

Earlier in 2019, the government established a tourism development strategy targeting the top 50 countries in the global WEF ranking and tourism's GDP contribution of 8% by 2025 (Resolution No. 360, 2019). While Kazakhstan's current ranking suggests feasibility of the top 50 goal, the effects of the post-pandemic economic landscape and regional geopolitical tensions have posed challenge to meeting the GDP target (Kainazarova & Baimagambetova, 2023). Kazakhstan's tourism sector has recovered to pre-pandemic levels in 2023 thanks to active organization of international events, however challenges in the service quality and infrastructure in remote areas still remain (Satubaldina, 2024). In 2023 10.5 million Kazakhstan citizens traveled abroad, which is 37.2% higher than in previous year, and 9.6 million travelled domestically, showing increase by 11.2% from the previous year (Energyprom, 2024). However, only 26% of domestic tourists travelled for leisure, signaling the local preference for outbound tourism (Energyprom, 2024). According to expert analysis, the low levels of domestic tourism in Kazakhstan can be attributed to high local costs and low service quality relative to international offerings, seasonality, insufficient infrastructure, and lack of entertainment options (Abuev, 2023). Currently, tourism contributes around 1.4% to Kazakhstan's GDP (OECD 2020), overshadowed by other key sectors, such as oil, gas, mining, and agriculture (Bureau of National Statistics, 2023). Economists suggest that using Gross Value Added (GVA) instead of GDP might provide clearer insights into industry-specific growth by excluding taxes and subsidies (Deccan Herald, 2022). Consequently, the government has revised strategy to focus on sustainable domestic tourism, infrastructure, and service quality through technological advancements (Adilet, 2023). In March 2023 Kazakhstan introduced a new tourism development strategy for 2023–2029 (Adilet,

Resolution No. 262, 2023), identifying core challenges and goals for sector growth as follows:

No	Problems in tourism	Goals
1	inadequate infrastructure and logistics development	rise in tourism's gross value added to 6.3 billion tenge (or 13.2 million USD)
2	unfavorable environment, low service quality and insufficient digitalization	increase in employment in the tourism sector of up to 800,000 people
3	Lack in promotion of tourism potential at the regional and international levels	growth in investment of up to 260 billion tenge (or 548 million USD)
4		increase in travel services' exports of up to 5.5 billion USD

By 2029, the government aims for 11 million domestic tourists and 4 million inbound tourists, 100% hotel integration with the "eQonaq" information system, and a 50th-place ranking on the WEF tourism index. The strategy outlines a detailed action plan for Kazakhstan's tourism growth from 2023 to 2029 with 45 objectives and set timelines. The quasi-state Kazakh Tourism NC JSC is responsible for achieving 15 of these objectives.

1.1. Kazakh Tourism NC JSC

Established in 2017 by the Ministry of Culture and Sports, Kazakh Tourism National Company JSC aims to promote Kazakhstan as a global tourism destination, attract investors, and implement government objectives. The company adopted the 4E concepts—eco-tourism, ethno-tourism, event tourism, and entertainment—with eco-tourism focused on environmental preservation and ethno-tourism on indigenous cultural experiences (McDonough, 2009). Kazakh Tourism has launched global campaigns, organized industry training, and developed the national travel site Kazakhstan.Travel. During 2019–2021, it introduced online platforms for market connections and worker training, as well as the eQonaq and eShagym systems to support hotels and gather tourist feedback. Initiatives also include the “Kids Go Free” domestic travel program and development of five major routes: Almaty Fourth Season, Great Silk Road, Mangistau, Saryarka, and Altai.

1.2. Research Components

Kazakhstan’s tourism strategy emphasizes infrastructure, service quality, investment, and travel services, with a focus on boosting domestic and inbound tourism. This emphasis responds to the current state of the industry and national priorities. A Kazakh Tourism representative notes that a tourism trade deficit, driven by higher outbound than inbound

tourism, negatively impacts export values and GDP. However, there is a belief that inbound tourism growth relies on a well-developed outbound sector, along with open-door policies, improved visa processes, and stronger diplomatic ties.

This research identifies obstacles to Kazakhstan's tourism growth, drawing on expert insights from Kazakh Tourism and other industry stakeholders. We aim to answer:

1. What are the primary challenges hindering the growth of tourism in Kazakhstan, and
2. How can these obstacles be addressed to improve the country's tourism industry and economic prospects?

In conclusion, tourism development is central to Kazakhstan's plans, though it has yet to reach the top 50 in global tourism rankings. This study seeks to identify factors limiting tourism growth and propose solutions through literature review and expert analysis.

2 LITERATURE REVIEW

The World Economic Forum highlights the importance of travel and tourism growth for global economic recovery (WEF, 2022). Our research is designed to contribute to the study of tourism impact to the economic growth in Kazakhstan and discover the obstacles that hinder tourism growth. We have collected literature to investigate the connections between tourism and economic growth, trade balance, diplomatic relations, diversification and inequality, as well as identify international best practices to explore challenges and opportunities for Kazakhstan's tourism industry.

2.1. Tourism and Economic Growth

The literature highlights the magnitude of tourism for economic development, particularly in developing countries. Faber and Gaubert (2019) emphasize significant local economic gains, market integration and positive spillovers on manufacturing from tourism development based on Mexican microdata. Paramati et al. (2017) support the prevailing hypothesis of tourism-led economic growth while examining dynamic relationships among tourism, economic growth, and CO2 emissions. Colak and Lu (2022) found that China's Belt and Road Initiative (BRI) stimulated market forces and promoted tourism growth in the Chinese regions along the route that led to higher per capita tourism revenue and receipts. According to Dayoub et al. (2024) China's BRI has brought economic and cultural benefits to Kazakhstan, but authors emphasize that sustainable growth requires careful governance, equitable collaboration, and balance between

tourism expansion and cultural preservation. Piotrowski et al. (2009) find a positive relationship between tourism specialization and economic growth, providing evidence for its viability as a development strategy. According to Pulido-Fernández and Cárdenas-García (2021), tourism expansion boosts economic development in nations where tourism succeeds, determining tourism as an instrument to economic development. However, according to Du, Lew, and Ng (2016), developing tourism alone is insufficient for the country's economic growth because its contribution to long-term growth stems from its integrity with broader development strategy that focuses on standard income determinants, such as efficient infrastructure, skilled labor force, and government support. Whereas Fahimi et al. (2018) note that tourism's contribution to export revenues and GDP has decreased over time in small island developing states despite the prevailing concept of tourism-induced growth in such micro states. The authors suggest that policymakers should instead prioritize human capital development as an alternative strategy for growth in terms of tourism sector through effective mechanisms, such as marketing, affordable accommodation, stable economic and political environment, and strong legislation on ecological issues. In this regard, Calero and Turner (2020) suggest integrating tourism into regional economic development models for policymakers. This indicates that tourism alone is not a panacea for economic growth, but it is an essential component of a country's complex multifaceted development model that must be addressed in a systematic and integrative manner.

2.2. Tourism and Diversification

From the perspective of economic diversification, tourism serves as a crucial instrument for attracting investments and foreign reserves, favoring technology transfer, generating income, creating job opportunities, reducing poverty in countries that are not reliant on natural resources and manufacturing (Manzoor et al., 2019). The literature suggests that policymakers should develop balanced tourism development strategies that align with broader economic diversification objectives. Sharpley (2002) highlighted Abu Dhabi's successful utilization of MICE (Meetings, Incentives, Conferences, Exhibitions), climate, high-quality facilities, cultural and natural sights to diversify its economy away from oil dependency through tourism development, despite facing challenges like geopolitical positioning and perceptions about limited liberality. Saboori et al. (2023) explored the impact of tourism market diversification on economic growth across countries with varying income levels, finding it to be more pronounced in low and lower-middle-income

nations compared to high-income ones. Shevyakova et al. (2019) and Panzabekova (2018) note Kazakhstan's tourism diversification efforts and their positive correlation with economic development, emphasizing the importance of diversifying markets, products, and services to enhance adaptability and contribute to economic growth. Furthermore, Peng et al. (2023) demonstrated the potential of tourism market diversification in stabilizing the industry by reducing reliance on specific markets, thus stabilizing tourist numbers and revenues.

2.3. Tourism and Equality

While fostering economic growth and diversification, tourism can intensify issues with income inequality and disparities that require measures for equitable revenue distribution to ensure sustainable economic development (Kinyondo & Pelizzo, 2015). Kinyondo and Pelizzo (2015) examined Tanzania's tourism industry, highlighting its potential for diverse prospects in cultural, beach and eco-friendly tourism. Despite its positive economic impact, challenges such as income inequality and foreign ownership persist, emphasizing the importance of redistributive policies to benefit local communities. Similarly, Akbar and Yang (2022) investigated tourism revenue sharing in Kazakhstan, revealing disparities in revenue distribution that contribute to community dissatisfaction with tourism development. The authors advocate for effective revenue mechanisms to foster sustainable tourism and community engagement. On other hand, Mahadevan, Amir, and Nugroho (2017) found that while tourism growth reduced poverty levels, it has also widened income inequality, particularly in rural areas of Indonesia. Nguyen et al. (2021), on other hand, revealed that international tourism reduces inequality while domestic tourism requires institutional reforms to mitigate negative effects, particularly in lower-income countries. Domestic tourism in low-income economies often weakens income inequality because it mainly benefits urban businesses, leaving rural or marginalized communities behind, unless reforms like redistributive policies are implemented to spread equity (Nguyen et al., 2021). As such, tourism development, though beneficial for income growth, can impair income inequality highlighting the importance for policymakers to implement balanced measures ensuring equitable distribution of tourism revenues.

2.4. Tourism, Balance of Trade and Cooperation

Balli, Do, and Uqaili (2023) use tourism demand theory to examine the influence of cultural and trade patterns on tourism exports, stressing the significant economic impact

of tourism receipts on government's balance of trade driven by the net export revenues. Consequently, Salihova, Bayramli, and Aliyeva (2019) explore the positive correlation between tourism and export revenues in Kazakhstan, highlighting its significant contribution to the country's export-based economic growth and foreign exchange inflow. In analysis of international tourism receipts, expenditure, and balance worldwide Kester (2005) finds that Europe is the largest earner and spender, accounting for over half of the world's total. Spain has the greatest tourism surplus, followed by France, Turkey, Italy, and Greece, while the UK, Russia, and the Netherlands have large deficits. In the Americas US and Mexico have the highest net receipts, while Canada, Argentina, and Venezuela experience the largest deficits in the region (Kester, 2005). This data indicates a lack of correlation between a country's development and tourism deficits or receipts. In other words, the earnings, economic activity and the country's tourism induced resources play a pivotal role in the development of tourism. In this regard, Vietze's (2011) study of the socio-economic factors that influence outbound tourism expenditures indicates positive impact of all economic factors, such as per capita income and openness to trade, on tourism expenditure per capita, as well as on tourism expenditure per GDP. Notably, the study conducted by Kumar et al. (2019) highlights the positive impact of trade on tourist inflows and the lagged relationship between tourist receipts and economic growth, which provides new perspectives for policymaking in the tourism industry.

Interestingly, Vietze (2011) also finds that countries with high inbound tourism receipts per capita also have high outbound tourism expenditures per capita, and that democratic countries, which are generally richer (Lipset, 1959; Przeworski, Alvarez, Limogni and Cheibub, 2000), display high spending tendencies on traveling abroad. This indicates that a growing willingness to pay for outbound travel corresponds to a rising income per capita. As such, the development of tourism industry goes beyond the local focus in inbound or domestic tourism development. Incidentally, Kim, Prideaux and Timothy (2016) illuminate range of economic and non-economic factors that influence bilateral tourism flows based on the case of China and Japan. Authors suggest that active tourism flows between the two countries depends on peaceful diplomatic conditions, since trust at the government-to-government and people-to-people levels enable long-term and significant bilateral travel (Kim, Prideaux and Timothy, 2016). Moreover, Quer's (2021) study on location decisions of Chinese multinational firms in the global tourism industry exhibits that recent diplomatic relations have increased Chinese outbound visitor flows

and stimulate outward foreign direct investments from China in those countries. Diplomatic relations associated with official trips of Chinese officials and relaxed visa requirements signal Chinese tourists suitable travel destinations (Quer, 2021).

The literature indicates that the focus on inbound tourism alone is insufficient. Fostering trade, international cooperation, and diplomatic relations, particularly with the developed nations, could encourage Kazakhstan's tourism development and attract foreign investment, thereby stimulating the economic activity.

2.5. Tourism in Kazakhstan: Challenges and Opportunities

Kazakhstan's tourism offers variety of experiences, from outdoor activities to explorations of culture (Journal of Nomads, 2024). Stunning landscapes, such as Ile-Alatau National Park, Medeu and Shymbulak attract outdoor and adventure enthusiasts, while ancient Silk Road cities (Almaty, Turkestan, and Shymkent) provide cultural experiences (Tourism Teacher, 2024). Notable attractions such as Big Almaty Lake and the Khan Shatyr in Nur-Sultan further enhance Kazakhstan's appeal (Tourism Teacher, 2024). Tourism's growth contributes to economic development but requires sustainable management to protect local resources (Tourism Teacher, 2024). Overall, Kazakhstan's blend of natural beauty, rich history, and warm hospitality makes it an enticing destination for travelers (Journal of Nomads, 2024).

Tourism plays a crucial role in driving economic growth and development in Kazakhstan. The OECD reports that tourism contributed 1.4% of Kazakhstan's GVA in 2017, with 463,700 jobs, representing 5.3% of total employment (OECD, 2020). In terms of investment and revenue growth, Kazakhstan's tourism industry has experienced substantial development. Between 2020 and 2022, the sector attracted \$4 billion in investments, leading to the development of over 400 tourism-related facilities. Tax revenue from tourism also exhibited a notable 10.4% increase in the first half of 2023 compared to the same period in 2022 (Qazmonitor). The WTTC forecasts continued growth, emphasizing tourism's pivotal role in GDP, employment, and investment in accommodation and food services (WTTC). This underscores tourism's substantial and promising impact on Kazakhstan's economy.

Multiple studies have highlighted the present obstacles faced by Kazakhstan's tourism sector. Kazakhstan's tourism industry faces challenges due to uncertainty surrounding the global economic slowdown and geopolitical tensions that draw increasing skepticism and disinterest among foreign tourists and investors towards Kazakhstan (Makenova et al.,

2020). Moreover, with growing global focus on sustainable practices, the government's failure to recognize the importance of sustainable tourism and limited grasp of the sustainable principles are impeding the industry's growth (Allayarov et al., 2018).

At the fundamental level, the low quality of service, bureaucratic processes, and high cost of visas contribute to Kazakhstan's weak tourism industry (Kuralbayev et al., 2017). On other hand, Tleuberdinova et al. (2022) suggest that the environment, government support for the tourism industry, transport infrastructure, and tourism's inadequate contribution to the country's GDP are the four macro-factors affecting competitiveness. The authors also conclude that historical sites, safety, and natural resources highly contribute to Kazakhstan's tourism appeal, while language barriers, pricing regulations, and professionalism among industry workers deter its competitiveness (p.12). Without a doubt, Kazakhstan's tourism growth potential is hindered by inadequate infrastructure and limited transportation route expansion (Dmitriyev et al., 2021).

The studies offer few ideas for the development prospects of Kazakhstan's tourism industry. Aliyeva et al. (2019) and Kuralbayev et al. (2017) suggest that Kazakhstan should streamline visa procedures, organize international flights, and enhance service quality for foreign tourists. Additionally, the government should foster human capital development through vocational training for industry professionals, while tour companies should employ digital marketing to promote Kazakhstan's sites (Abubakirova et al., 2016; Allayarov, 2022). Kazakh Tourism NC JSC and other players in the industry have been actively using social media to promote Kazakhstan as tourism destination. The industry requires more innovative approaches to attract tourists. Kenzhebekov et al. (2021) suggest that Kazakhstan's tourism industry can benefit from the 'experience economy' that focuses on capturing travelers' experiences, emotions, and impressions through historical and cultural aspects, such as ethnotourism. Interestingly, Makenova et al. (2020) found that Kazakhstan can boost its tourism through cultural expositions and infrastructure development, drawing a parallel between international tourism development and the Almaty region. Similarly, Syzdykbayeva et al. (2015) suggest that Kazakhstan's tourism strategy should focus on economic growth centers and a 'cluster approach', integrating local businesses and communities to combines tourism efforts, such as 'Borovoe' near Astana and 'Medeo' in the Almaty region. As such, literature highlights the urgent requirement for infrastructure development, renovation, community integration, cultural and historical enhancements, as well as streamlined processes for visas and travelling.

2.6. Best Practices Around the World

To develop a better understanding of the opportunities and challenges for Kazakhstan's tourism exploring tourism in other nations highlighted current trends and opportunities. Kurihara and Wu (2016) show that the Shinkansen network of high-speed railway lines in Japan increased the tourist traffic around the stations. The authors highlight how the railway network strategy enabled promotion of tourism in Japan through health facilities, such as hot springs in Ibusuki, tourist information centers and advertising boards, local food and souvenir spots, and distribution of media and books in foreign language among citizens. Besides, Japan has established a wide-ranging strategy to enhance sustainable sport tourism development by hosting major international sporting events, promoting local community involvement, and fostering collaborations among government organizations, stakeholders, and local communities (Hinch and Ito, 2018). Singapore's tourism strategy, on other hand, involves regulation and licensing of tour operators and guides, venturing into different types of tourism, such as shopping, incentive, conference, and educational break, as well as executing marketing campaigns along with regular international missions, while preserving its history and culture (Zhaowen and Zhaoqin, 2010).

According to Koo et. al. (2015), Korea is leveraging 'smart tourism' strategies by disseminating real-time information via social media platforms like SNS, offering customized maps, transportation options, and recommendations based on guests' time, location and situation. The Korea Tourism Organization (KTO) is focusing on individual and family visitors while diversifying its appeal to international travelers, including those in medical, MICE, and tourism sectors, by improving tourism communication channels and promoting traditional Korean culture through 'Hallyu Tourism' initiatives that involves promotion of traditional Korean culture through movies and dramas, visits to actors and filming locations (Koo et. al., 2015).

Regarding the West, London's tourism sector benefits from its diverse and customizable packages, which cater to a wide range of interests and preferences, enhancing visitor satisfaction and destination competitiveness (Xie & Gartner, 2017). The city's multicultural neighborhoods further enrich the tourist experience by showcasing its cultural diversity, contributing to destination branding (Gustafson & Higham, 2017). London's strategic investments in event tourism infrastructure bolster its attractiveness as a host for prestigious events, necessitating effective planning and collaboration to

maximize benefits (Bowdin et al., 2011). New York's well-established tourism infrastructure serves as a significant revenue generator and employer, contributing to its economic growth through diverse offerings and strategic development initiatives (Kim et al., 2015). New York benefits from a robust transportation network facilitating accessibility to its attractions (Fennell, 2014; Buckley, 2012).

In contrast, Kazakhstan's emerging tourism industry holds vast potential for economic contribution, particularly with its rich cultural heritage and nomadic traditions offering a unique opportunity for cultural immersion (Nyaupane & Timothy, 2014). The appeal of Kazakhstan's natural landscapes and rich cultural heritage could be further enhanced through event tourism and tourism packages, overcoming linguistic obstacles, and improving its infrastructure. Moreover, sustainable tourism practices are essential for environmental conservation, with ecotourism initiatives in Kazakhstan showcasing its pristine natural landscapes and promoting conservation efforts (Fennell, 2014; Buckley, 2012). Additionally, successful tourism marketing and branding are crucial for destination enhancement and image building, a strategy Kazakhstan is actively pursuing by leveraging its talents like Dimash Kudaibergen and Gennady Golovkin (Pike, 2008). These efforts underscore the potential of tourism not only as an economic driver but also as a vehicle for promoting cross-cultural understanding and environmental sustainability.

2.7. Concluding Remarks

The literature review underscores the critical importance of tourism for nation's economic development and global competitiveness. Despite its rich cultural and natural heritage, Kazakhstan faces significant challenges in infrastructure limitations, bureaucratic processes, and high visa costs. Primarily, the literature suggests the significance of a comprehensive and balanced approach to tourism development. While tourism alone is not a panacea for economic growth, it is an essential component for nation's multifaceted development system, requiring investment in infrastructure, human capital, streamlining visa procedures, improving service quality, and ensuring sustainable practices. The studies also signal that the tourism industry transcends beyond inbound tourism towards development of bilateral travel and increased foreign investments through strengthening of diplomatic ties with other nations. Diverse approaches in international arena, from Japan's high-speed rail network eco-system to London and New York's focus on event tourism infrastructure, offer valuable insights for Kazakhstan to capitalize on its resources.

3 METHODOLOGY

3.1. Research Setting

We conducted expert interviews to explore challenges and opportunities in Kazakhstan's tourism, selecting stakeholders based on relevance and roles in governance, operations, and sustainability. The representative from Kazakh Tourism has helped us with the selection of industry experts and contacts. We have managed to gather input from seven experts in interviews for our research.

3.2. Methodological Approach

According to Bryman (2012), a case study entails intensive analysis of a location, community, or organization. Since our research concerns the tourism industry in Kazakhstan in terms of its current situation, challenges and opportunities, our study can be identified as a case study. Moreover, based on Bryman's classifications (p.70) this study is a *representative case* since this research attempts to capture a common aspect such as unveiling patterns of the tourism industry within Kazakhstan's context. Our research focuses on identifying challenges and opportunities, and it is likely to contribute to the broader concept of the tourism industry in terms of international framework. Consequently, our research aims to reveal perceptions of experts in Kazakhstan's tourism industry to enrich understanding of the sector from stakeholders' perspective.

On the other hand, our study also focuses on the outcomes, impacts and results related to the tourism industry in Kazakhstan at macro level. According to Kellaghan and Madaus (2000) outcome evaluation refers to the measurement of the effectiveness or results of a program at state, national or industry level. Therefore, research can also be categorized as an *outcome evaluation*.

In terms of the research design, according to Bryman (2012) inductive approach involves drawing conclusions and theories based on the observations and analysis. In this regard, our research involves *inductive approach* due to study's goal to challenges and opportunities for Kazakhstan's tourism industry. Inherently, our research design is based on *mixed methods* incorporating both qualitative and quantitative components given the span of the research topic. This would provide additional triangulation that entails several approaches to enhance greater validity, and capture combination of outcome evaluation based on quantitative analysis and a 'sense of the process' with qualitative approach provide insight on tourism industry in Kazakhstan (Bryman, 2012).

3.3. Research Design Components

Our study relies on the expertise of the industry experts to determine causes and remedies for the tourism in Kazakhstan. As such, the study seeks to answer the following *research questions*: What are the primary challenges hindering the growth of tourism in Kazakhstan? How can these obstacles be addressed to improve the country's tourism industry and economic prospects?

Research project design involves unit of analysis that refers to the focus of the study and unit of observation that reflects items observed or studied to offer insight into the unit of analysis (DeCarlo, 2018). The *unit of analysis* for this research is the tourism industry in Kazakhstan, specifically focusing on its primary challenges and the opportunities for the growth of tourism in Kazakhstan. The *unit of observation* in the context of our research is industry experts' perceptions and experiences, as well as data from the National Bureau of Statistics, and international reports to analyze factors influencing tourism development.

3.4. Data Collection

Since our research incorporates mixed methods with both qualitative and quantitative components we gathered data from various sources. Insight on perceptions and experiences associated with tourism obstacles and opportunities in Kazakhstan was gathered from the interviews conducted with seven tourism industry experts for our qualitative analysis. For the interviews, we incorporated *cluster sampling* due to the selection of respondents from different organizations (Bryman, 2012) in purposeful manner, ensuring representation from various sectors to capture diverse angles: the quasi-state organizations, such as 'Kazakh Tourism' national company and non-profit organization 'National Chamber of Entrepreneurs of Kazakhstan 'Atameken', tour operators Visit Aqmola and Kompas, Al-Farabi Kazakh National University, municipal Astana Development Center and Almaty Tourism Bureau. A representative from Kazakh Tourism facilitated us with interviewees' contacts. Interviews involved open-ended discussions, allowing for uninterrupted insight into the complexities of the industry. The interviews were conducted online to better suit the availability and proximity of the experts. We have recorded our interviews, obtaining the interviewee's consent.

Stahl and King (2020) suggest that triangulation methods from various sources like data, methodology, or information can validate researchers' interpretation. We triangulated qualitative research with quantitative findings to ensure validity, credibility and assessment of factors influencing tourism growth. We believe that the interview data

facilitates us with selection of the variables for the quantitative analysis to provide a macro-level understanding of the Kazakhstan's tourism outcome. At this stage, given the available data we applied variables for tourism output in our correlation analysis. The statistical information for the period of 2008-2022 was selected from Kazakhstan's National Bureau of Statistics. The details of the correlation are covered later in more detail.

The research was further enhanced by comparing Kazakhstan's tourism indicators to other countries. This comparison analysis highlighted the competitive edge of countries with similar geographic, economic, or cultural conditions for tourism development. The details are covered in the comparison analysis section.

3.5. Data Analysis Methods

According to Bryman (2012), writing marginal notes on interview transcripts and refining them into codes for qualitative data analysis might help with evaluation and contextualization of data into categories. We carried out *prompt coding*, particularly with interviews, to improve comprehension and systemize the vast data. As per Bryman (2012), we decided to use *open coding* to examine, break down data into concepts and group them into categories.

As per Humble and Mozelius (2022) we applied *thematic analysis* to categorize qualitative data related to aspects that influence tourism growth and *content analysis* to identify new recurring patterns and insights of the industry stakeholders on the current condition and prospects for tourism development. The data is presented using charts and visualizations to highlight thematic categories and key terms that came up in interviews. In terms of quantitative component of our research, we have decided to use correlation analysis of variables with tourism in GVA as an indicator of tourism output. The selected factors that can impact tourism: domestic tourism, inbound tourism, outbound tourism, accommodation placements and employment in the tourism industry. The data retrieved from the national statistics was analyzed using statistical software to indicate correlations, evaluate the statistical impact of each variable on tourism GVA, and understand the nature of relationships (Bryman, 2012).

Additionally, Kazakhstan's tourism performance indicators were compared to indicators of other countries using comparison analysis. Rankings, business environment, infrastructure, employment, tourism exports and other indicators were examined from the WEF Travel & Tourism Development Index (WEF, 2024).

3.6. Handling Missing Data

Bryman (2012, p.333) warns about ‘missing data’ issues during data analysis, particularly when respondents may intentionally or accidentally fail to answer questions in the interview. Therefore, it was important for us to mindfully draft interview questions or omit missing values.

Another issue that arose was the missing, non-relevant or insufficient data from the national statistics on the chosen variables as factors that affect tourism growth during our correlation analysis. We had to omit periods before 2008 due to the missing values.

3.7. Research Ethics

According to Booth et al. (2012) research challenges us to make ethical choices that involve balancing self-interest with truth, fostering ethical cooperation that benefits the researchers and readers. Ethical principles in research revolve around four main issues: harm to the participants of the research, lack of informed consent, invasion of privacy, and deception (Bryman, 2012). It was important for us to preserve minimal harm to our interviewees by ensuring and maintaining the confidentiality of our records and identities of the participants (Bryman, 2012). We made sure to include informed consent for our participants in our interviews, disclose their right to withdraw from participation at any moment (Bryman, 2012). Additionally, we provided details about our research’ purpose, methods, future uses, participation requirements, and potential risks (Bryman, 2012).

Another important consideration for our research is to avoid deception during our study as it is not only unacceptable but can negatively impact credibility (Bryman, 2012). As such, we avoided deliberate data manipulation.

In terms of cooperation with organizations, it is important to avoid intrusion and influence on our values during the process of the research (Bryman, 2012). Additionally, politics often take part in qualitative research in terms of the influenced objectivity of the researchers, aligning with management’s preference to preserve company’s image (Bryman, 2012). Therefore, it was important for us to maintain objectivity and neutrality during the whole process. Incidentally, our research focuses on the concept of the tourism industry, without any specific connection to an organization. Our aim is to identify and share insights into the industry rather than evaluate effectiveness within any organizational context.

3.8. Concluding remarks

Our research aims to identify the challenges and opportunities within Kazakhstan's tourism industry through a mixed-methods approach. We intend to gain qualitative insights based on the perceptions of the industry experts from interviews. The quantitative research, encompassing critical aspects such as inbound and outbound tourism, accommodation, and employment, enable us to discern major relationships that affect tourism output. Conducting a comparative analysis of Kazakhstan's tourism indicators against countries in the region facilitate the assessment of the country's performance relative to its counterparts and identify opportunities for growth.

4 FINDINGS

4.1. Interviews

We have managed to get interviews from seven experts from the following tourism industry organizations:

1. KOMPAS tour operator that has been operating in the tourism market since 2005 (Kompastour, n.d.).
2. Atameken National Chamber of Entrepreneurs of Kazakhstan, a non-profit organization that functions as an agent between local businesses and state (Atameken, n.d.).
3. Almaty Tourism Bureau – operator of the ‘Visit Almaty’ brand, marketing department under the city administration that functions to promote Almaty as a tourist destination (Visit Almaty, n.d.).
4. Kazakh Tourism – a quasi-state company with a mission on promotion using marketing tools, foreign investment attraction, industry analysis and monitoring (Kazakh Tourism, n.d.).
5. Al-Farabi Kazakh National University (also called KazNU) – responsible for development of human capital, including tourism industry professionals (Al-Farabi Kazakh National University, n.d.).
6. The Astana Development Center, under city administration, focuses on Astana's tourism and investment through business, medical and event tourism (Astana Development Center, n.d.).
7. ‘Visit Akmola’ focuses on promotion and development of tourism potential in the Akmola region (Aqmola Region Tourism Portal, n.d.).

Seven experts of the industry highlighted key issues such as inadequate infrastructure, regional collaboration challenges, untapped cultural tourism potential, and talent shortages, all which impact tourism growth and competitiveness in the country.

1. Inadequate Tourism Infrastructure as a Constraint.

Many interviewees emphasized that the issue of tourism facilities in Astana hinders the development of tourism. One of the interviewees pointed out that while Astana is a hub for business and medical tourism, the lack of a wide range of accommodation options limits its capacity to a wider range of tourists. The shortage of three- and four-star hotels is particularly worrying, as upscale hotels are often out of reach for many tourists.

Another interviewee mentioned that the city transportation infrastructure is not keeping up with the increasing number of visitors. "There are still roads that need development, and the public transportation system is not very accommodating to tourists," he noted. One significant discovery is that Astana doesn't offer a variety of entertainment and cultural attractions to keep visitors around longer. Typically, tourists spend 2 to 3 days in the city for business reasons. Interviewee carrying out event planning functions mentioned that visitors frequently share their disappointment about the lack of options, as the city is not diverse enough to stay longer and explore. This discovery indicates that besides enhancing its infrastructure quality Astana should also focus on creating recreational offerings to boost visitor engagement and improve overall tourism income. Similarly, Visit Aqmola emphasized that inadequate infrastructure, such as poor road conditions and limited hotel availability, reduces the region's attractiveness for international tourists

2. Lack of Regional Collaboration and Interdepartmental Coordination.

Many interviewees highlighted concerns about cooperation among different regions in Kazakhstan and subpar coordination among government offices there. One of the interviewees shared insights as a tourism department director by pointing out that although Astana boasts business and medical tourism attractions, it has yet to fully capitalize on its role as the country's main gateway to showcase other parts of Kazakhstan. For instance, regions like Almaty and East Kazakhstan, known for their beauty and cultural richness, tend to be promoted from Astana without tapping into potential collaboration opportunities.

Additionally, during the interviews it was mentioned that while the Ministry of Foreign Affairs has taken steps to streamline visa procedures to boost Kazakhstan's reach, the

detachment between the Ministry of Tourism and other governmental bodies remains. The communication gap has hindered the development of plans for Kazakhstan's promotion, leading to disjointed marketing campaigns.

3. Cultural Tourism's Untapped Potential.

The interviews also pointed out a lot of untapped potential for cultural tourism. Several interviewees mentioned Kazakhstan's rich cultural history and the special role played by some cities as a trading post on the Silk Road. However, according to one of the interviewees, the cultural tourism sector in the country is not as developed compared to neighboring countries such as Uzbekistan.

Astana has the potential to leverage its history by creating cultural destinations, like interactive heritage sites and museums, along with traditional craft workshops that offer hands-on experiences for visitors looking to immerse themselves in the local culture. Interviewee F highlighted the desire of tourists to connect with community traditions and noted the lack of opportunities for them to do so. Expanding these offerings could significantly elevate the appeal of tourism in Kazakhstan and draw in discerning travelers from Europe and North America, as suggested by various industry experts.

4. The Role of Domestic Tourism and Social-Psychological Barriers.

It was also noted that domestic tourism and the influence of psychological factors on travelers play significant roles in the study's findings. One interviewee highlighted that a significant number of tourists from Kazakhstan tend to choose travel over options because they perceive foreign trips as a status symbol. This preference for travel has hindered the growth of tourism in Kazakhstan since many local travelers do not see the country's tourist attractions as competitive compared to international destinations.

Interviewee D also mentioned that local tourists often expect services more than visitors when traveling domestically because they tend to compare them to services in other countries with higher standards and reputations. He says, "Many people think domestic trips are not as luxurious or high quality." To address this issue effectively and boost tourism within Kazakhstan's borders, public awareness campaigns highlighting the country's unique travel spots can help inspire locals to discover their nation more actively.

5. Talent Shortages in the Tourism Industry.

During the interviews conducted on Kazakhstan's tourism industry, one concern that emerged was the lack of professionals in the sector, as noted by Interviewee B. It was pointed out that although Kazakhstan universities offer tourism management programs, a

notable disparity exists between the education provided and the practical skills required in the field. Interviewee B highlighted the scarcity of individuals in fields like destination marketing, tour guiding, and hospitality management.

The research reveals that Kazakhstan's lack of workforce poses a hurdle as it aims to enhance its service quality to accommodate a growing number of foreign tourists. To address this issue effectively and attract talent to the tourism sector, the suggestion is that both the government and private sector increase their investments in training initiatives and scholarships.

6. The Various Ways Tourism Develops in Astana.

One common point mentioned by those interviewed was the focus on the approaches that Astana is taking to enhance its tourism sector growth paths. In an interview with Interviewee A from Astana Development Center, it was highlighted that the city prioritizes business, medical, and event tourism. Being a capital city, Astana lacks natural attractions like mountains or beaches that typically draw vacationers seeking relaxation; however, it makes up for this by positioning itself as a location for hosting international conferences, exhibitions, and business gatherings.

Interviewee A mentioned that since Astana joined the International Congress and Convention Association (ICCA) in 2016, the city has been the venue for more than 50 international conferences and exhibitions, such as EXPO 2017 and the Global Tourism Organization Summit. These gatherings have not just attracted international guests but have also made a substantial impact on the local economy by boosting sectors like hospitality services, dining options, and transportation facilities. A notable discovery is that business travel plays a role in boosting the economy of Astana's tourism sector due to its propensity for expenditure. Interviewee B supported this by highlighting a surge in hotel occupancy rates during conferences, resulting in full capacity. This indicates that Astana's emphasis on business-related tourism has successfully attracted visitors who contribute to the local economy.

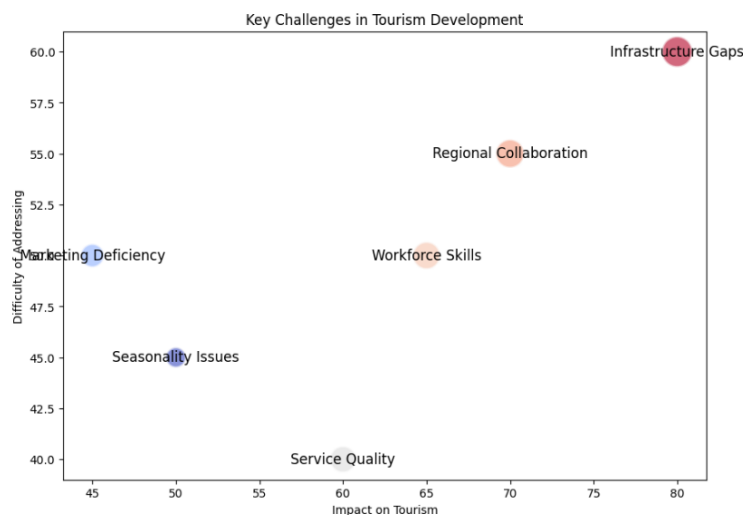
7. The Emergence of Medical Tourism and other specialized tourism.

The need for the development of specialties in tourism is another important finding. One of the interviewees highlighted that Astana's reputation in healthcare, including cardiac surgery, reproductive technology, and neurosurgery, international accreditation for its hospitals, has made it a reliable medical center, particularly for patients from neighboring countries. In 2023, Astana attracted 5,000 international patients, with an anticipated

increase from 1,500-2,000 annually. This indicates its potential in medical tourism. However, there are obstacles in attracting more tourists. Interviewee C noted that despite the advances in Astana's services, there are gaps in promotional campaigns, and communication barriers for patients who are not fluent in Russian. The main recommendation in this regard was for Astana to focus on attracting patients from regions that lack medical services and technology, such as Uzbekistan, Tajikistan, and Kyrgyzstan.

In summary, tourism development in Kazakhstan is impacted by several factors, including inadequate tourist facilities, underdeveloped transportation, lack of leisure activities, poor communication, preference for international vacations among citizens, and shortage of skilled labor in the tourism industry that hinder capacity and service quality. To effectively address these issues, infrastructure development is required, particularly in such areas as accommodation, transportation, and recreational facilities. Cooperation between businesses, regional municipalities and government bodies is also necessary to develop a joint marketing plan. Promotional campaigns to showcase the beauty of tourism and provide training for tourism staff would help to boost Kazakhstan's tourism industry.

Figure 1: Bubble Chart: Key Challenges in Tourism



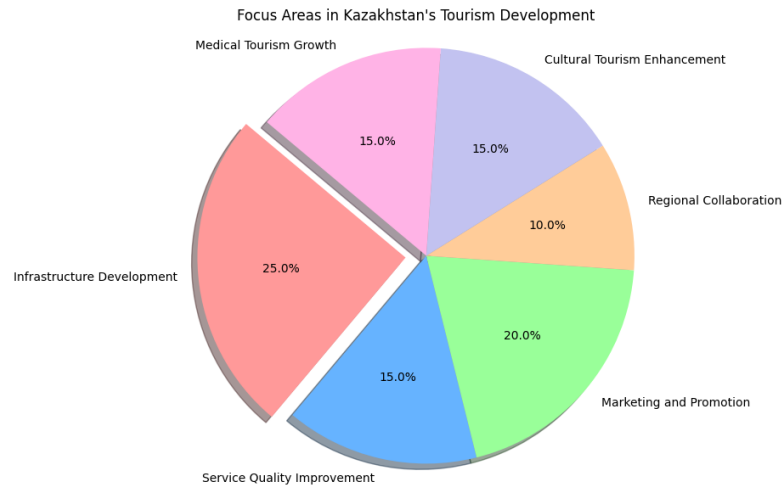
X-axis: How strongly the challenge impacts the tourism sector.

Y-axis: How difficult it is to resolve the challenge.

Bubble Size: Represents how severe each challenge is.

The bubble chart in Figure 1 highlights key challenges in Kazakhstan's tourism from the perspective of industry experts, with larger bubbles representing more significant issues such as infrastructure gaps and collaboration.

Figure 2: Pie Chart: Focus Areas in Kazakhstan's Tourism Development



The pie chart in Figure 2 illustrates key areas for development, showing the distribution of priorities like infrastructure development, marketing and promotion.

Figure 3: Word Cloud: Most Commonly Discussed Themes in Interviews



The word cloud in Figure 3 visually emphasizes frequently discussed themes, such as infrastructure, service, investment and seasonality discussed during the interview process.

4.2. Comparison Analysis

To expand our search of insights to tourism development further we have decided to investigate situation with tourism outside Kazakhstan for understanding Kazakhstan's standing in key tourism development areas. This comparative analysis aims to assess the

performance of Kazakhstan's tourism sector in comparison to regional counterparts utilizing the World Economic Forum's (WEF) Travel and Tourism Development Index (TTDI) 2024, as well as UN Tourism's global and regional tourism performance. This analysis might identify best practices, possibilities, and areas for enhancement that could strengthen Kazakhstan's strategic objectives in expanding its tourism industry.

This analysis encompasses nations that are either geographically proximate to Kazakhstan or possess similar characteristics, including comparable historical contexts, cultural legacies, economic development, natural terrains, or tourism potential. Table 1 shows basic considerations and justifications for selecting countries to compare with Kazakhstan:

Table 1: Justification for selecting countries to compare with Kazakhstan

Country	Reason for Comparison	Tourism Focus	Sources
Uzbekistan	<ul style="list-style-type: none"> - Historical/cultural: similar background. - Regional: part of Central Asia and the ancient Silk Road, Post-Soviet 	Cultural tourism, Silk Road heritage, historical monuments, and culinary tourism. Well-developed UNESCO heritage promotion.	Uzbekistan Tourism Portal. (2023).
Georgia	<ul style="list-style-type: none"> - Regional: Post-Soviet country. - Geographical: similar mountainous landscapes. 	Adventure tourism, eco-tourism, wine tourism.	Georgian National Tourism Administration. (2023)
Azerbaijan	<ul style="list-style-type: none"> - Economic: heavy reliance on oil and energy sectors. - Regional: Post-Soviet country, neighboring Caspian Sea. 	Business tourism, cultural tourism, event tourism (Formula 1, global conferences).	Azerbaijan Tourism Board (2023).
Mongolia	<ul style="list-style-type: none"> - Geographical: shares a large steppe with Kazakhstan, similar rugged landscape. - Historical: nomadic heritage having origins within the Mongol Empire (Golden Horde) 	Nomadic and cultural heritage tourism, eco-tourism, adventure tourism	Visit Mongolia. (n.d.)
Kyrgyzstan	<ul style="list-style-type: none"> - Regional: Central Asia and Silk Road connections. - Geographical: Mountainous landscapes. 	Adventure tourism, trekking, eco, and experience tourism, cultural tourism, nomadic tourism	Kyrgyzstan Tourism. (n.d.).
Armenia	Regional: Post-Soviet country with shared historical legacy.	Religious tourism, cultural and historical tourism.	Armenia National Tourism. (2023)
Kazakhstan	Strategic: Central Asia's largest economy and landmass.	Aspiring to develop adventure, culture and eco-tourism	Kazakh Tourism NC JSC. (2023)

The WEF’s TTDI rankings establish a framework for comparison, emphasizing critical factors such as business environment, safety and security, health and hygiene, human resources, ICT (Information, Communication, Technology) readiness, openness to tourism and travel, price competitiveness, and tourism infrastructure. Additionally, the economic indicators from UN Tourism’s global and regional tourism performance, such as tourism receipts, tourism exports, tourism in total exports and outbound tourism are incorporated in the comparison table. Comparison analysis of these indicators across nations will provide insights into how Kazakhstan may enhance its tourism competitiveness by capitalizing on its resources.

Comparing the travel and tourism development of Kazakhstan with that of Uzbekistan, Georgia, Azerbaijan, Mongolia, Kyrgyzstan, and Armenia in Table 2 reveals significant insights across various indices. Kazakhstan ranks 52nd in the TTDI 2024, placing ahead of most countries in the region, but behind Georgia ranked 45th. This reflects Kazakhstan’s significant strengths as well as opportunities for reaching tourism potential and global competitiveness.

Table 2: Comparison table

Indicators	Kazakhstan	Uzbekistan	Georgia	Azerbaijan	Mongolia	Kyrgyzstan	Armenia
WEF TTDI Rank (2024)	Rank #52	Rank #78	Rank #45	Rank #56	Rank #85	Rank #102	Rank #72
Business Environment	4.1	3.7	4.2	3.8	3.4	3.5	4.0
Safety and Security	5.0	4.4	5.1	4.5	4.0	4.2	4.5
Health and Hygiene	5.4	3.8	5.1	4.9	4.2	3.7	4.6
Human Resources and Labor Market	4.8	4.2	4.6	4.3	4.1	4.0	4.3
ICT Readiness	5.0	3.9	4.8	4.5	4.1	3.9	4.4
Openness to T&T	3.9	3.7	4.3	3.9	3.5	3.6	4.0
Price Competitiveness	5.1	5.4	4.8	5.2	5.1	5.3	4.9
Air Transport Infrastructure	4.2	3.8	4.5	4.0	3.8	3.7	4.0
Ground and Port Infrastructure	3.8	3.5	4.2	3.9	3.6	3.6	4.1

Indicators	Kazakhstan	Uzbekistan	Georgia	Azerbaijan	Mongolia	Kyrgyzstan	Armenia
Tourist Services and Infrastructure	4.3	4.1	4.6	4.2	3.9	4.0	4.5
Natural Resources	4.0	4.2	4.5	4.0	4.1	4.0	4.3
Cultural Resources	3.9	4.3	4.6	4.1	4.0	4.0	4.3
Non-Leisure Resources	3.7	3.5	4.0	3.8	3.6	3.5	4.1
Environmental Sustainability	4.0	4.2	4.5	4.0	4.2	3.9	4.3
T&T Socioeconomic Impact	4.0	3.7	4.3	3.9	3.6	3.6	4.0
T&T Demand Sustainability	3.9	3.8	4.4	4.0	3.8	3.7	4.1
Prioritization of Travel & Tourism	4.2	3.9	4.5	4.0	3.7	3.5	4.2
Tourism receipts (USD billion)	2.3	2.2	4.1	1.5	0.5	1	3
Tourism Exports (USD billion)	2.6	2.6	4.5	1.6	0.6	1	3.1
Tourism in Total Exports	3%	10%	33%	4%	3%	19%	21%
Outbound Tourism (USD billion)	3.4	2.5	0.5	1.1	1.3	0.2 (2022)	1.6

Source: WEF's Travel & Tourism Development Index 2024 report, UNWTO's (World Tourism Organization) Global and regional tourism performance for 2023.

Business environment is an indicator of the ease in business operations, which is crucial for tourism development and investment. Kazakhstan scores high 4.1 in this area in comparison with the scores of Uzbekistan (3.7), Azerbaijan (3.8), Mongolia (3.4), Kyrgyzstan (3.5), and Armenia (4.0). Georgia leads slightly in this category with a score of 4.2. Kazakhstan's relatively favorable business environment reflects country's efforts to encourage tourism-related business and foreign investment. However, Georgia's advantage demonstrates that there is room for further improvement, particularly in simplifying regulations and enhancing investor protection in the tourism industry.

Safety is an essential condition for both international and domestic tourists. In terms of security, Kazakhstan scores well with 5.0, close to Georgia (5.1) and higher than

Uzbekistan (4.4), Azerbaijan (4.5), Mongolia (4.0), Kyrgyz Republic (4.2), and Armenia (4.5). This positioning puts Kazakhstan as one of the safer options in the region, which is advantageous for promoting various tourism niches, including adventure or nature tourism in remote areas.

In the post-pandemic setting health and hygiene are particularly important factors for travelling. In that regard, Kazakhstan leads the region with a score of 5.4 in health and hygiene, surpassing Georgia (5.1), Azerbaijan (4.9), and other regional counterparts. Kazakhstan's comparative advantage in the regions is its healthcare infrastructure and proactive approach to public health.

Skilled human resources and an efficient labor market are underlying conditions for high-quality services in tourism. Kazakhstan performs well in that department with a score of 4.8, compared to Uzbekistan (4.2), Azerbaijan (4.3), Mongolia (4.1), Kyrgyz Republic (4.0), and Armenia (4.3). Georgia remains competitive with a score of 4.6. Kazakhstan's relatively high score indicates a strong workforce. However, further efforts could be made to train and retain talent in hospitality and the tourism industry to ensure high quality and great customer experience.

ICT (Information, Communication and Technology) readiness refers to proficiency in adopting digital technologies and infrastructure, which play a critical role in modern tourism and business, from online bookings to digital marketing, as well as smart tourism solutions. In terms of ICT readiness, Kazakhstan scores highest 5.0, ranking above Uzbekistan (3.9), Azerbaijan (4.5), Mongolia (4.1), Kyrgyz Republic (3.9), and Armenia (4.4), and just slightly ahead of Georgia (4.8). This indicates good digital infrastructure in Kazakhstan. However, there is still potential to enhance digital services and marketing in the tourism sector for tourist attraction and efficient operations.

Openness to T&T (Tourism and Travel) is an indicator of visa policies, bilateral agreements, and ease of entry for international travelers. Kazakhstan scores 3.9, similar to Azerbaijan (3.9) and slightly lower than Georgia (4.3) and Armenia (4.0). Kazakhstan's moderate performance indicates room for improvement in easing entry restrictions, simplifying visa procedures (Aliyeva et al, 2019; Kuralbayev et al, 2017), as well as fostering stronger bilateral agreements and diplomatic ties with other countries, to boost inbound tourism and foreign investment (Quer, 2021; Kim, Prideaux and Timothy, 2016). Price competitiveness, particularly in accommodation, food, and travel services, is an important factor for tourists seeking affordable travel experiences. Kazakhstan shows

strong price competitiveness with a score of 5.1, which is critical for attracting budget-conscious travelers. Comparable with Uzbekistan (5.4) and Kyrgyz Republic (5.3), and Azerbaijan (5.2), while far better than Georgia (4.8) and Armenia (4.9), this makes Kazakhstan attractive destination for regional and global tourists.

Kazakhstan's ranking in air transport infrastructure (4.2) and ground and port infrastructure (3.8) are moderate, indicating continuous efforts to enhance connectivity and transportation within the nation. Uzbekistan (3.8 and 3.5), Mongolia (3.8 and 3.6), and Kyrgyzstan (3.7 and 3.6) underperform, whilst Georgia (4.5 and 4.2) excels in this domain. This indicates that Kazakhstan has achieved significant advancement relative to its land area, although it needs further investments to boost transit infrastructure and improve tourism accessibility. Kazakhstan's tourism services and infrastructure receive a score of 4.3, surpassing Uzbekistan's 4.1 and Kyrgyz Republic's 4.0, although trailing behind Georgia's 4.6.

Natural and cultural resources: Kazakhstan scores 4.0 for natural resources and 3.9 for cultural resources, which are relatively moderate compared to Georgia (4.5 and 4.6, respectively) and Armenia (4.3 and 4.3). While Kazakhstan has significant natural and cultural tourism potential, including its vast landscapes and rich history, the country has yet to fully capitalize on these assets compared to regional counterparts like Georgia, which has made significant strides in promoting its heritage to attract tourists.

Environmental sustainability and socioeconomic impact: Kazakhstan's score of 4.0 in environmental sustainability reflects its moderate efforts to balance tourism growth with environmental protection. Georgia (4.5) and Armenia (4.3) perform better in this category, suggesting a need for Kazakhstan to prioritize sustainable tourism development to protect its natural heritage and ensure long-term tourism growth. Additionally, T&T socioeconomic impact and T&T demand sustainability show moderate scores for Kazakhstan (4.0 and 3.9), suggesting that while tourism contributes to the economy, there is potential for greater economic integration and sustainability.

The economic implications of tourism for Kazakhstan and its counterparts are indicated through such metrics as tourism receipts, tourism exports, tourism's proportion of total exports, and outbound tourism expenditure. Kazakhstan's tourism receipts amount to \$2.3 billion, comparable with Uzbekistan's \$2.2 billion, but considerably less than Georgia's \$4.1 billion. High tourism receipts in Georgia signifies its success in capitalizing on its cultural and adventure tourism. Azerbaijan's receipts (\$1.5 billion) reflect its focus on

commercial and cultural tourism, although lower than in Georgia and Kazakhstan. Given Kazakhstan's economic revenue from major industries such as mineral resources, agriculture, manufacturing, and construction (Bureau of National Statistics, 2023, *GDP by method of production*), the moderate level of tourism receipts may support government's initiatives to diversify the economy via tourism development as one of the programs.

Tourism exports underscore the potential for economic expansion. Kazakhstan and Uzbekistan both generate \$2.6 billion, while Georgia tops with \$4.5 billion. In nations such as Armenia and the Kyrgyzstan, tourism represents a substantial portion of overall exports (21% and 19%, respectively), highlighting its role as a crucial economic driver in smaller, tourism-dependent countries. Kazakhstan, with tourism constituting under 3% of overall exports, possesses potential for expansion by enhancing its emphasis on diversification through tourism and promoting its offerings to the world.

The disparity in outbound tourism expenditure, with Kazakhstan's \$3.4 billion far surpassing Georgia's \$0.5 billion and Kyrgyz Republic's \$0.2 billion, signifies a tourism trade deficit. This underscores the necessity for Kazakhstan to bolster domestic tourism to retain a greater portion of expenditure within the nation. By enhancing service standards, showcasing its varied attractions, and fostering domestic tourism, Kazakhstan might augment the sector's contribution to the national economy, thus narrowing the outbound tourist deficit and elevating foreign exchange earnings.

Overall, Kazakhstan performs well but can enhance infrastructure, openness, culture, and sustainability. Cultural services and air transport infrastructure may increase growth compared to regional peers. Kazakhstan has good business, safety, healthcare, digitization, HR, and price competitiveness. Streamlining visa regulations and improving bilateral and diplomatic relations would enhance foreign tourism to Kazakhstan. To protect its vast natural and cultural resources, Kazakhstan should invest in sustainable tourism by improving its environmental sustainability. Kazakhstan might capitalize on the growing demand for adventure, ecological, and cultural tourism with targeted marketing and promotion. Service quality, domestic tourism, and sustainable tourism development should increase regional competitiveness.

4.3. Correlation Analysis

The WEF has stressed the importance of tourism in global economic recovery (WEF, 2022). Kazakhstan has a rich natural and cultural heritage, but its tourism industry has

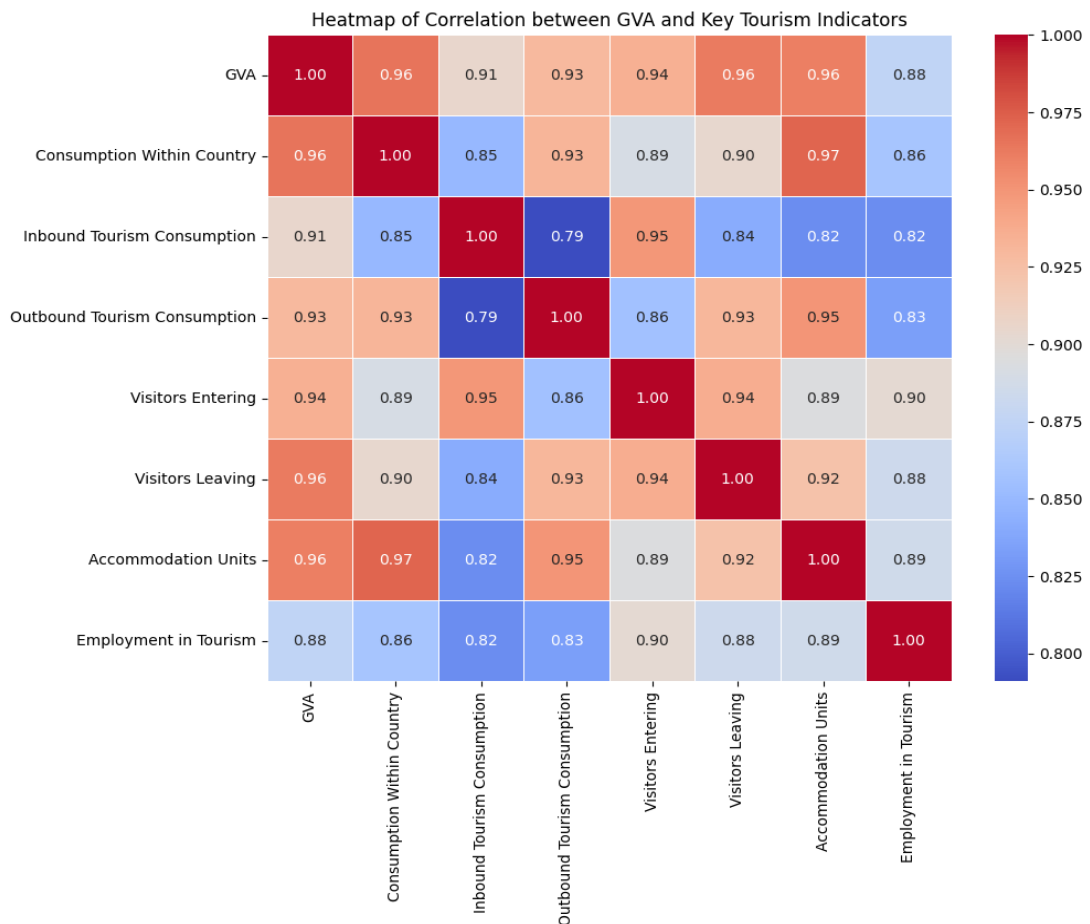
not yet reached its full potential based on the government's goals, particularly in increasing tourism GVA to 6.3 billion tenge (13 million USD) and ranking in the top 50th of WEF TTDI by 2029. National Statistics report 3 270 million tenge of GVA in 2023 for Kazakhstan, which is not yet in the WEF Travel and Tourism Development Index's top 50.

We employ correlation analysis to determine how numerous factors affect Kazakhstan's tourism industry's economic success. To understand tourism business output without taxes and subsidies, we focus on GVA. We want to determine which elements have the strongest links with tourist output and their impact on Kazakhstan's economy. Tourism consumption, visitors entering and leaving the country, accommodation availability, outbound and inbound tourism consumption, tourism employment, and accommodation units were selected based on dynamic data from the National Bureau of Statistics in the Key indicators of tourism development table for 2008-2022 (the previous periods with no data were omitted for analysis). This investigation should help identify Kazakhstan's tourist output drivers. The results are provided below in the correlation matrix (table 3):

Table 3: Correlation matrix based on Key indicators of tourism development table for 2008-2022

Indicators	GVA	Consumption Within Country	Inbound Tourism Consumption	Outbound Tourism Consumption	Visitors Entering	Visitors Leaving	Accommodation Units	Employment in Tourism
GVA	1	0.965	0.905	0.929	0.935	0.962	0.960	0.875
Consumption Within Country	0.965	1	0.849	0.932	0.890	0.904	0.972	0.859
Inbound Tourism Consumption	0.905	0.849	1	0.791	0.949	0.841	0.823	0.823
Outbound Tourism Consumption	0.929	0.932	0.791	1	0.856	0.931	0.950	0.833
Visitors Entering	0.935	0.890	0.949	0.856	1	0.937	0.894	0.902
Visitors Leaving	0.962	0.904	0.841	0.931	0.937	1	0.923	0.884
Accommodation Units	0.960	0.972	0.823	0.950	0.894	0.923	1	0.885
Employment in Tourism	0.875	0.859	0.823	0.833	0.902	0.884	0.885	1

Figure 4: Heatmap of Correlation between GVA and Key Tourism Indicators



Our correlation analysis has identified several insights into the association between tourism related indicators and Kazakhstan’s tourism GVA.

Consumption related to domestic, inbound and outbound tourism displayed a strong positive correlation with tourism GVA. While with inbound and domestic tourism it is quite straightforward – inbound and domestic tourists tend to spend considerably on local goods and services directly impacting the economy. Outbound tourism is as highly positively correlated since this is an indication of increasing earnings of Kazakhstan’s citizens and local spendings in preparations for travels (Kester, 2005; Vietze, 2011). This finding is consistent with the literature review suggesting that tourism, be it inbound, domestic or outbound, is an essential component of nation’s economy (Faber and Gaubert, Paramati et al., Colak and Lu, Piotrowski et al, ulido-Fernández and Cárdenas-Garca).

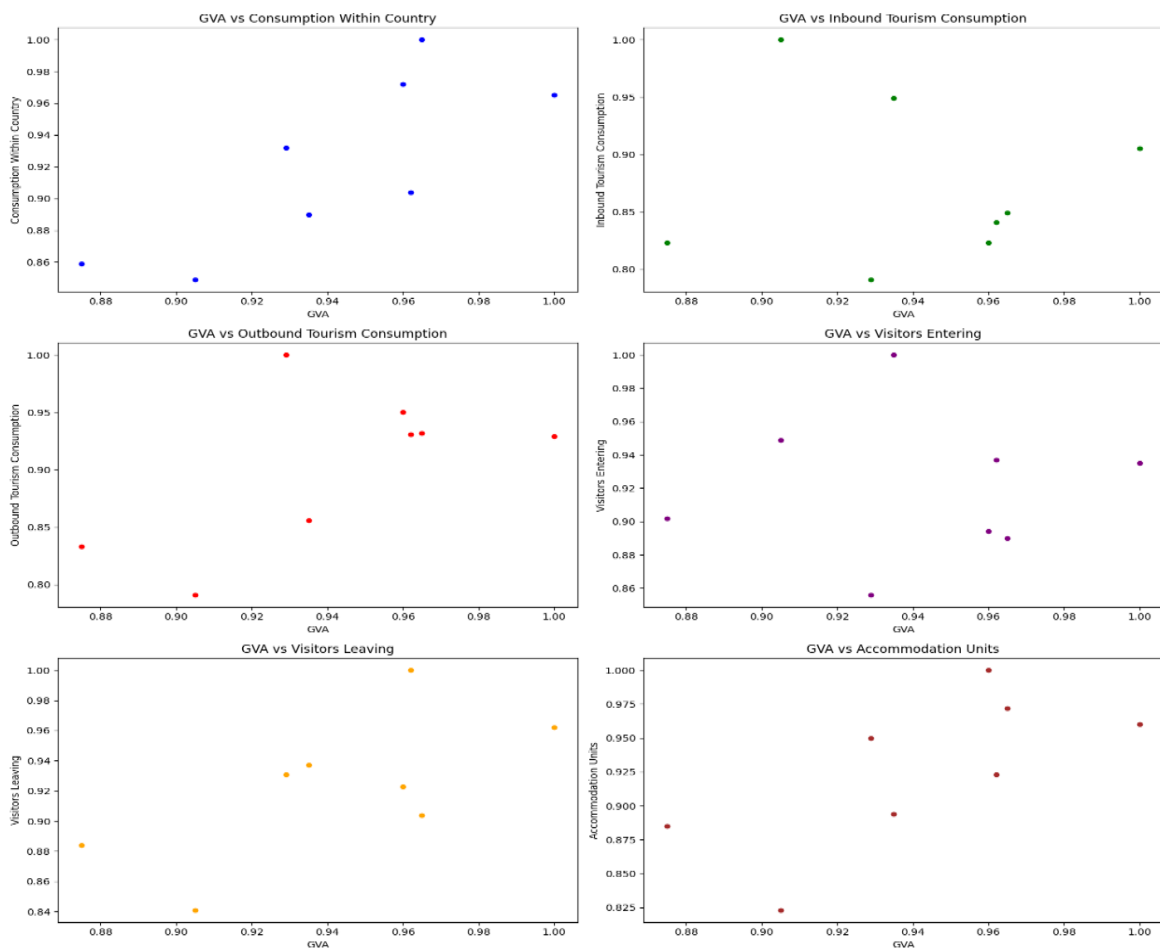
Employment in tourism and GVA also display a strong positive correlation indicating that human capital is a required component for the tourism sector development. Increased

employment in the tourism industry leads to better services and increased revenue from tourism (Du, Lew, and Ng, 2016; Fahimi et al., 2018).

The correlation between the number of accommodation units and GVA was weaker than expected. This could suggest that while infrastructure is necessary, merely increasing the number of accommodations without complementary services or demand is not enough to boost economic performance. It reflects the need for thoughtful development of tourism services and infrastructure to maximize economic returns (Quer, 2021; Panzabekova, 2018).

The correlation research shows that Kazakhstan's tourist industry, including inbound, domestic, and outbound tourism, employment, and lodging units, boosts GVA and economy. Kazakhstan should focus on human capital, accommodation, and transportation infrastructure development, tourism service quality, year-round tourism to address seasonality issues, and promotional campaigns and diplomatic coordination to promote Kazakhstan as a global tourism destination.

Figure 5: Scatter plots



5 DISCUSSIONS AND RECOMMENDATIONS

Research findings suggest multiple improvements for Kazakhstan's tourism. Infrastructure deficiencies, especially in mid-range accommodations in Astana, limit accessibility for local and international travelers. Lack of transport infrastructure, especially public transportation, hinders tourists' mobility to navigate the locations. This aligns with suggestions from our comparison analysis. Substantial investment is required to address these concerns. Moreover, the mere construction of additional accommodation is insufficient without making sure that it is distributed across a spectrum of price points to accommodate a varied range of visitors. Enhancing regional connection, particularly via dependable and cost-effective transportation alternatives, will facilitate tourists' exploration of Kazakhstan beyond its principal urban centers.

Furthermore, tourism infrastructure must be enhanced to render Kazakhstan's cities more appealing as tourist destinations. Interviewees indicated that tourists frequently allocate only a few days in towns such as Astana due to an absence of recreational or cultural attractions. Investing in entertainment alternatives and cultural heritage experiences, such as interactive museums and historical tours, enables towns to promote extended stays, thereby enhancing local economies through elevated expenditures on lodging, dining, and activities.

The correlation analysis revealed the significance of seasonality in Kazakhstan's tourism sector. The volatility of tourism consumption indicates that tourism is primarily seasonal. To mitigate this issue, the government should prioritize year-round tourism initiatives, including both summer eco-tourism and winter tourism in mountainous regions. Kazakhstan can distinguish itself as a destination for travelers seeking to explore its natural landscapes, which include the Altai and Tian Shan Mountain ranges, as well as the steppes, by capitalizing on the increasing global demand for nature-based and adventure tourism, as well as country's Silk-Road history. Promotion of sustainable tourism practices and improvement of infrastructure could ensure long-term economic benefits and environmental conservation, particularly in untapped territories.

Interviewees underscored the necessity for more regional collaboration and interdepartmental coordination. The diverse areas of Kazakhstan, each with unique attractions, ought to collaborate to establish a cohesive tourism brand. Astana is designated as a business hub, although locations around Almaty region and East Kazakhstan are recognized for their natural beauty and potential for adventure tourism.

Coordinating promotional initiatives and creating joint tourism packages might entice travelers interested in exploring different locations during their visit. Furthermore, interdepartmental coordination, especially among tourism, foreign affairs, and other governmental entities, requires enhancement to guarantee that Kazakhstan's tourism policies are synchronized with international marketing strategies and visa facilitation efforts.

One of the significant challenges mentioned in the interviews was the psychological barrier for local tourists who often view international travel as a status symbol. This trend weakens domestic tourism, which has the potential to become a significant economic driver. Public awareness campaigns should be designed to highlight Kazakhstan's unique natural and cultural attractions to encourage citizens to explore their own country. Offering affordable travel packages, improving domestic transport links, and showcasing the diverse regional landscapes can help inspire locals to spend more within Kazakhstan. Additionally, efforts should be made to enhance the quality of domestic tourism experiences, as many interviewees noted that local tourists tend to have higher service expectations compared to international tourists. Addressing this issue will involve improving service quality across all levels of the tourism sector, which ties into the next recommendation regarding tourism education and talent development.

The tourism sector in Kazakhstan is hindered by a deficiency of qualified professionals. The interviews reveal a discrepancy between academic training and the actual abilities demanded in the field. This impacts destination marketing, hospitality services, and tour operations. Enhancing training programs targeted to the tourism industry's requirements and providing scholarships and incentives for students to enter tourism occupations would be essential in bridging this gap. Partnerships with international tourism organizations for training and certification can enhance service standards and connect Kazakhstan's products with global benchmarks.

The interviews also revealed that Kazakhstan is not yet fully capitalizing on its cultural tourism potential, particularly its historical significance along the Silk Road, aligning with the indications from our comparison analysis. Neighboring countries like Uzbekistan have successfully developed cultural tourism by promoting their UNESCO World Heritage sites. Kazakhstan could follow a similar path by developing heritage sites, interactive museums, and cultural festivals that attract international tourists interested in history and traditions. Promoting traditional Kazakh crafts, cuisine, and performances

will also create more immersive experiences for visitors, adding value to their overall travel experience.

The correlation analysis indicates that inbound, outbound and domestic tourism significantly influences Kazakhstan's tourism output. Kazakhstan should enhance global marketing initiatives to effectively seek boost inbound and domestic tourism. This includes improving immigration and visa procedures, expanding digital marketing initiatives, and engaging in international tourism exhibitions to promote Kazakhstan's varied attractions. Simultaneously, increasing foreign direct investment in tourism infrastructure, including hotels, resorts, and eco-lodges, could expand the industry's capacity to handle influx of visitors.

In conclusion, to tap into the full potential of Kazakhstan's tourism industry, it is necessary to develop infrastructure, improve regional cooperation, develop tourism-related human capital, and promote year-round tourism opportunities. Furthermore, strengthening focus on cultural and eco-tourism, service quality, and international marketing campaigns could ensure Kazakhstan greater number of international and domestic tourists increasing the chances of staying competitive in the global tourism market.

6 LIMITATIONS AND RESEARCH SUGGESTIONS

Research on the tourism industry in Kazakhstan is a broad concept requiring comprehensive analysis. While this study provides valuable insights into Kazakhstan's tourism sector through from quantitative and qualitative perspective, several limitations must be acknowledged.

Primarily, the correlation analysis was based on data spanning from 2008 to 2022. Although this provides a substantial timeline for understanding trends, the absence of more recent or earlier data might affect the results. Emerging trends and the long-term impacts of global events such as COVID-2019 pandemic and geopolitical situation are not fully captured in the analysis to reflect the more long-term standing in Kazakhstan's tourism industry.

Bryman (2012, p.315-316) highlights several limitations to secondary analysis from the statistics or industry reports: lack of familiarity with the data, complexity and a lack of quality control. While industry specific statistical information on a national level offers higher quality data than self-collected data, it may not meet all the specific needs to

identify real factors that influence tourism growth. The data used for correlation analysis was sourced from the National Bureau of Statistics, and while it is an official source, there may be discrepancies in how data is collected or classified.

The comparison analysis with countries in the region like Uzbekistan, Georgia, and Mongolia was primarily based on secondary data from WEF report. However, differences in the socio-economic structures, political situation, and geography may limit the extent to which their tourism strategies can be directly applied to Kazakhstan. For example, countries like Georgia and Armenia have warmer climate and different historical and cultural heritage compared to Kazakhstan, making a direct comparison challenging.

Furthermore, the data primarily focuses on economic variables and may not fully account for other important qualitative factors, such as changes in tourism policies, political stability, or consumer preferences, which could influence tourism growth. Lastly, potential multicollinearity between variables, such as visitors entering and hotel occupancy rates, might impact on the interpretation of individual coefficients, requiring caution when drawing conclusions from the analysis.

Another issue is ‘interaction of selection and treatment’ (Bryman, 2012) when we conduct interviews in terms of issues of population representation in a sample, generalization about tourists or trends for the whole country. The insights gathered from the seven expert interviews provide a valuable qualitative perspective on Kazakhstan’s tourism industry, but the sample size is relatively small. While the interviewees were selected from different sectors of the tourism industry, the diversity of opinions does not fully represent the broader industry perspective. Experiences of regional tourism operators or the perspectives of local municipals outside major cities like Astana and Almaty, were not captured. The interview is based on the personal experiences and subjective views of the respondents, which may introduce bias (Bryman, 2012).

While infrastructure was identified as a key issue through interviews, the correlation analysis did not delve deeply into specific infrastructure components (e.g., transportation, accommodation types, digital infrastructure) in a granular manner. More in-depth analysis, such as investigating different types of tourism infrastructure and their direct contributions to tourism GVA, would provide a more comprehensive understanding of the sector’s infrastructure needs.

The impact of seasonality on tourism performance was briefly noted, but this factor was not deeply analyzed. Given Kazakhstan's extreme climate conditions, understanding how seasonality affects tourism flows, spending, and infrastructure could further be explored. While Kazakhstan has made some steps in tourism promotion, the study did not sufficiently address the role of technology in boosting tourism, such as digital marketing, smart tourism, or the integration of AI in customer services. These emerging global trends could significantly shift the future of Kazakhstan's tourism sector, and thus should be studied further.

We presume that further research should be conducted for comparison of tourism balance deficits of other countries with stronger tourism given similar environmental conditions such as landlock, to identify direction for development in Kazakhstan. We also suggest exploring the environmental risks and solutions associated with tourism development in Kazakhstan for future sustainable development.

7 CONCLUSIONS

The research underscores Kazakhstan's endeavors to fulfill its tourism potential amidst the hurdles in the global competition. Kazakhstan's ranking in the Travel and Tourism Development Index has ascended from 66th in 2021 to 52nd in 2024. Yet, the nation continues to stay behind many counterparts in tourism performance indexes. Tourism contributes 1.4% to GDP, a figure overshadowed by more substantial sectors such as oil, mining, and agriculture, deterring further government initiatives for economic diversification.

The national policy seeks to address this by enhancing infrastructure, service quality, and digitalization, while establishing ambitious objectives to expand tourism's GVA and employment in the sector by 2029. Nonetheless, this research indicates that the objectives remain challenging, in competition from regional counterparts, such as Georgia, Azerbaijan, Armenia and Uzbekistan, who have utilized their geographical and cultural appeal more adeptly.

Discussions with industry experts identified critical areas necessitating enhancement, such as insufficient mid-range accommodation, poor regional cooperation, underutilized cultural tourism, and deficiencies in skilled personnel. Infrastructure and inter-departmental collaboration were recognized as significant obstacles to developing a more

unified tourism strategy. Moreover, psychological impediments among citizens, who favor international locations, have constrained the potential of domestic tourism. Furthermore, cultural tourism is not fully utilized.

This study's correlation analysis demonstrated a favorable association between inbound, domestic, and outbound tourist consumption and the GVA in the tourism sector. Nonetheless, deficiencies in infrastructure, particularly in accommodation and transportation, hinder further growth and capacity.

This research invites for a comprehensive strategy emphasizing human capital enhancement, infrastructural development, and intensified international marketing efforts. By engaging niche tourism through eco-tourism, cultural and adventure tourism, utilizing natural landscapes, and enhancing service standards, Kazakhstan can effectively establish itself as a competitive destination. Moreover, cultivating public-private partnerships, advancing digitalization, and synchronizing domestic and international tourism initiatives can be essential for the sector's sustained success.

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APPENDICES ¹

Interview format

Interview

Thank you for taking the time to meet us today. My name is _____ and I was hoping to have a conversation with you, considering your expertise in the travel and tourism sector. In particular, we are studying the discrepancies between inbound and outbound tourism in Kazakhstan so that we can find possible solutions to this problem. This interview should take less than an hour to complete. My fellow researcher will take notes during this session, however, it could be hard to keep up with the pace. As such, to make sure we don't miss any of your responses, this interview will be recorded, if you do not mind. This interview will be kept in high confidentiality and will only be shared with members of the research team. Your identity will not be disclosed in our research. Please be aware that you do not have to respond to all questions or continue the interview if you do not want to. Is it ok if we ask follow-up questions? Please let us know if you have any questions and if you would like to proceed with this interview.

Interviewee identifier: _____ **Interviewer:** _____
Organization: _____ **Date:** _____
Position: _____ **Remarks:** _____

		Interviewee Description	Interviewee Question	Interviewer Notes
What is your company's mission and activities in terms of the tourism industry in Kazakhstan?	Context			
	General Outcomes			
	Specific Outcomes:			
What issues do you encounter in your field? Please elaborate.	Context			
	General Outcomes			
	Specific Outcomes:			
How do you solve these issues? Could there be any improvements made to minimize these problems or ease solutions?	Context			
	General Outcomes			
	Specific Outcomes:			
What do you think about government policies regarding the tourism industry development? Could you please explain what is missing and what should be included?	Context			
	General Outcomes			
	Specific Outcomes:			

¹ The interview templates are designed using Canva platform. The draft is located here: https://www.canva.com/design/DAF1je211Lc/hrn0XWvp7KZqw3_9zoluua/edit?utm_content=DAF1je211Lc&utm_campaign=designshare&utm_medium=link2&utm_source=sharebutton

		Interviewee Description	Interviewee Question	Interviewer Notes
What do you think are the key factors or problems that affect tourism in Kazakhstan in general?	Context			
	General Outcomes			
	Specific Outcomes:			
Do you think diplomatic relations with other countries are important to foster inbound tourism? If yes, could you please elaborate how it can be utilized.	Context			
	General Outcomes			
	Specific Outcomes:			
What do you think are social, cultural or psychological reasons that influence the choices of our citizens to travel abroad rather than within Kazakhstan for touristic purposes? Do you think it's bad, good or part of life experience? Could you please elaborate.	Context			
	General Outcomes			
	Specific Outcomes:			
Can you provide insights into the current state of inbound tourism in Kazakhstan? What do you think affects low inbound or domestic tourism in Kazakhstan?	Context			
	General Outcomes			
	Specific Outcomes:			
How do you analyze the current trends in the global tourism market and their impact on Kazakhstan's tourism industry?	Context			
	General Outcomes			
	Specific Outcomes:			

		Interviewee Description	Interviewee Question	Interviewer Notes
Are there emerging preferences or behaviours among tourists that the country should consider to enhance its appeal?	Context			
	General Outcomes			
	Specific Outcomes:			
Can you elaborate on specific initiatives to boost inbound tourism, especially in terms of attracting international visitors?	Context			
	General Outcomes			
	Specific Outcomes:			
C Are there targeted campaigns or collaborations with international organizations to increase the country's visibility as a tourist destination?	Context			
	General Outcomes			
	Specific Outcomes:			
How is your company collaborating with other stakeholders, including the private sector, government agencies, and local communities, to address the challenges in tourism growth? Are there any joint efforts or governmental support for the development of the industry?	Context			
	General Outcomes			
	Specific Outcomes:			

Thank you very much for your time! Your answers to our questions will greatly help us in studying our research. Would you be interested to participate in a focus group related to our research in the future?

Written Informed Consent Form

Introduction. You are invited to participate in a research study entitled Tourism as Part of Economic Growth in Kazakhstan.

Procedures.

The research aims to pinpoint constraints obstructing tourism growth in Kazakhstan. By delving into the factors hindering the development of the tourism sector, the study seeks to gain insights from industry experts, shedding light on the challenges and opportunities associated with the tourism deficit and its economic implications for Kazakhstan. Ultimately, the findings can inform policies and strategies to address these challenges, benefiting economic development, international relations, and overall tourism competitiveness. Additionally, by addressing the gaps in tourism, the research contributes to efforts toward a more balanced and sustainable tourism industry in Kazakhstan.

Experts from various organizations involved in Kazakhstan's tourism will participate in our study through individual interviews conducted either face-to-face or via online platforms like Zoom or Teams, depending on their preferences. Interviews will be held in locations chosen by participants for their convenience and comfort, such as their office or a meeting room, to ensure a relaxed and distraction-free environment. Individual sessions will be held to uphold confidentiality and encourage open expression of opinions. No specific conditions will be imposed during interviews, aside from maintaining a quiet and comfortable setting conducive to open discussion.

This interview will take approximately 1 hour to complete.

Risks. The potential risks of participating in this study are:

The potential risks of participating in this study include breaches of confidentiality, as the information provided during interviews could be sensitive and participants may be identifiable. Additionally, there is a risk of discomfort or inconvenience during the interview process, as participants may be asked to discuss challenges or personal experiences related to the tourism industry. There is also a possibility of data security breaches, although measures will be taken to safeguard participants' information. Furthermore, participants may face risks related to the content of the research findings, such as implications for their organization or industry sector. Finally, there is a risk of social or professional repercussions,

particularly if participants disclose information that could be perceived negatively by their peers or superiors.

Benefits. Anticipated benefits from this study are the potential benefits:

The anticipated benefits from this study are multifaceted. Firstly, for Nazarbayev university, it provides an opportunity to showcase its research capabilities and contribute to academic knowledge in the field of tourism industry development, enhancing its reputation as a center of scholarly excellence. Secondly, science, the study has the potential to generate new insights and contribute to the existing body of knowledge on tourism economics and development strategies, fostering further research and intellectual discourse in this area. Additionally, the participants may benefit from the study by gaining a deeper understanding of the challenges and opportunities facing the tourism sector in Kazakhstan, which could inform their decision-making processes and contribute to the improvement of their organizations or industry sector.

Compensation. No tangible compensation will be given. A copy of the research results will be available at the conclusion of the study.

A comprehensive report detailing the findings, analysis, and conclusions of the research will be compiled and made available in digital format for the relevant professors and supervisor at Nazarbayev University. The paper will be disseminated to all participants, Nazarbayev University via email or other electronic means.

Confidentiality & Privacy. Any information that is obtained during this study will be kept confidential to the full extent possible. All efforts, within reason, will be made to keep your personal information in your research record confidential but total confidentiality cannot be guaranteed.

Issues that may increase the risk of breach of confidentiality include the collection of sensitive or personally identifiable information, such as organizational processes, or personal opinions. Additionally, the use of electronic data storage and transmission methods may pose security risks if not properly encrypted or protected. Furthermore, the involvement of multiple researchers increases the potential for inadvertent disclosure of confidential information if data handling procedures are not followed consistently. Moreover, the potential for re-identification of participants based on unique characteristics or circumstances

mentioned in the data adds another layer of risk. These study-specific issues underscore the importance of robust data security protocols, stringent access controls, and ongoing monitoring and evaluation of confidentiality safeguards to mitigate the risk of breaches.

Records and data collected during the study will be stored and maintained in a secure manner to ensure confidentiality and integrity. All electronic data will be encrypted and stored on password-protected devices and servers. Physical records and specimens, if any, will be stored in locked cabinets or secure facilities with restricted access. Only authorized personnel directly involved in the research project will have access to the data. Access will be granted on a need-to-know basis, and all individuals with access will be required to sign confidentiality agreements to protect the privacy of the participants. Additionally, study-specific issues such as the sensitive nature of certain data or the potential for identification of participants will be carefully considered in the storage and maintenance procedures to minimize the risk of breach of confidentiality. Measures such as anonymization or aggregation of data, limited access to personally identifiable information, and regular monitoring of data security protocols will be implemented to mitigate these risks.

Audio Recording: With your permission, the interview will be audio-recorded to ensure accuracy in capturing your responses. The audio recordings will be transcribed and anonymized. Recordings will be stored securely and will only be accessible to the research team. Recordings will be destroyed upon the completion of the project.

Voluntary Nature of the Study. Participation in this study is strictly voluntary, and if agreement to participation is given, it can be withdrawn at any time without prejudice.

Points of Contact. It is understood that should any questions or comments arise regarding this project, or a research related injury is received, the Principal Investigator, Aizhan Akhmetalimova, +7 777 009 9045, aizhan.akhmetalimova@nu.edu.kz should be contacted. Any other questions or concerns may be addressed to the Nazarbayev University Institutional Research Ethics Committee, resethics@nu.edu.kz.

Statement of Consent.

I, _____,

Give my voluntary consent to participate in this study.

The researchers clearly explained to me the background information and objectives of the study and what my participation in this study involves.

I understand that my participation in this study is voluntary. I can at any time and without giving any reasons withdraw my consent, and this will not have any negative consequences for myself.

I consent to the audio recording of this interview: Yes No

I understand that the information collected during this study will be treated confidentially.

Signature: _____ Date: _____

Researcher:

Signed _____ Date _____

Recruitment document

8 (7172) 70 91 85
53 Kabanbay batyr Ave., Astana City
www.gspp.nu.edu.kz



To,
[Name of interviewee]
[Company name]

[Date]

Dear Mr./Ms. _____

I hope this message finds you well. My name is Aizhan, and I am a researcher currently conducting a study on the tourism industry in Kazakhstan with my team mates at Nazarbayev University, Master of Public Administration. I am reaching out to you because of your expertise and experience in the field, and I would greatly value your insights.

The aim of our research is to gain a comprehensive understanding of the challenges and opportunities facing the tourism sector in Kazakhstan, particularly focusing on the discrepancy between inbound and outbound tourism. Your perspective as an industry expert would be invaluable in informing our study and contributing to the development of strategies to address these challenges.

I would like to invite you to participate in an interview, which will last approximately 1 hour. During the interview, we will discuss various aspects of the tourism industry in Kazakhstan, including current trends, barriers to growth, government policies, and potential solutions. Your input will be treated with the utmost confidentiality and will only be used for research purposes.

The interview can be conducted at a time and place that is convenient for you, either in person or through a virtual platform (Zoom or Teams). If you agree to participate, I will provide you with further details regarding the interview process and will ensure that any questions or concerns you may have are addressed prior to the interview.

Your participation in this study would be greatly appreciated and would contribute to the understanding of tourism industry in Kazakhstan. If you are interested in participating or have any questions about the research, please feel free to contact me at aizhan.akhmetalimova@nu.edu.kz.

Thank you very much for considering this invitation, and I look forward to the possibility of speaking with you soon.

Warm regards,

Aizhan Akhmetalimova
Nazarbayev University Master of Public Administration (Student)
email: aizhan.akhmetalimova@nu.edu.kz



MPA Students

Key indicators of tourism development in the Republic of Kazakhstan in 2008-2022

Parameters	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Gross Value Added of tourism industries, billion tenge	701.1	740.7	989.5	724.8	914.7	1 127.4	1 308.1	1 630.8	1 932.3	2 089.9	2 454.6	2 771.0	2 185.5	2 871.0	3 270.1
The share of Gross Value Added of tourism industries in Gross domestic product, percent	4.4	4.4	4.5	2.6	2.9	3.1	3.3	4.0	4.1	3.9	4.0	4.0	3.1	3.4	3.2
Internal supply (issue). tourism sectors, billion tenge	1 534.5	1 601.6	2 096.8	1 601.5	1 955.7	6 683.8	7 887.9	7 736.1	9 827.6	11 382.7	13 755.6	11 202.6	6 721.0	9 828.0	13 574.5
Consumption related to tourism within the country, billion tenge	430.0	435.0	496.1	628.5	713.6	644.4	657.2	790.3	1 109.2	1 424.3	1 640.2	1 828.1	807.2	1 130.8	2 087.6
Consumption related to inbound tourism, billion tenge	151.1	175.6	182.0	170.1	192.5	270.7	304.8	384.4	587.2	768.8	915.8	1 120.1	233.1	324.5	804.4
Consumption. referring to outbound tourism, billion tenge	157.2	195.5	211.7	271.3	316.1	326.6	387.7	477.8	605.4	870.1	981.4	1 132.2	351.0	727.7	1 163.0
The number of visitors entering Kazakhstan, thousands of people	4 117.2	3 774.4	4 097.4	5 685.1	6 163.2	6 841.1	6 332.7	6 430.2	6 509.4	7 701.2	8 789.0	8 515.0	2 034.8	1 330.2	4 728.8
The number of visitors who left Kazakhstan, thousands of people	4 329.5	5 422.7	6 019.2	8 020.4	9 065.6	10 143.7	10 450.0	11 302.5	9 755.6	10 260.8	10 646.0	10 707.3	2 865.0	3 501.4	7 670.0
The number of legal entities in the tourism industry, units	12 967.0	12 119.0	12 009.0	14 949.0	14 846.0	16 162.0	17 934.0	20 975.0	22 303.0	27 760.0	48 750.0	51 482.0	39 816.0	42 301.0	47 905.0
The number employed in the tourism industry, thousands of people	307.2	313.7	333.3	329.4	353.4	354.3	412.8	428.5	414.1	442.5	463.7	469.9	458.3	463.1	488.6
Number of accommodation establishments	1 149.0	1 235.0	1 494.0	1 642.0	1 526.0	1 678.0	2 056.0	2 338.0	2 754.0	2 987.0	3 322.0	3 592.0	3 514.0	3 686.0	3 970.0

Source: Agency for Strategic Planning and Reforms of the Republic of Kazakhstan Bureau of National Statistics. (2023). Bureau of National Statistics. Tourism Satellite Account of the Republic of Kazakhstan. Key indicators of tourism development in the Republic of Kazakhstan. <https://stat.gov.kz/en/industries/economy/national-accounts/publications/84675/>