How can the Russian Far South-East improve itself in order to attract more international adventure tourists?

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Abstract

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Title: How can the Russian Far South-East improve itself in order to attract more international adventure tourists?

Problem: The region is very attractive for adventure tourism due to its unique nature sights and wildlife. However, there are several problematical areas both when it comes to regions economy and marketing of its tourist sights abroad.

Purpose: The purpose of this thesis is to outline why international adventure tourists decide not to choose the Far South-East as their travel destination and to suggest possible ways of developing the region and its marketing in order to make this place more attractive for international adventure seekers. Given suggestions can later be used in development of a new regional marketing strategy.

Method: Way of managing content in this thesis consists of two main and two supporting processes, which follow the main ones. Information collection in the two main processes leads to analysis and then further to the recommendation part. Data sources used are of two types: primary and secondary data. Both qualitative and quantitative types of data are being used.

Conclusion: After have been studying current problems with attracting potential tourists to the region and evaluating existing possibilities for adventure tourism in the Far South-East, authors have come to a conclusion. This would be that modern marketing strategy for expansion of international adventure tourism has to be created by travel agencies of the region as well as some suggested practical improvements have to be done in order to make foreign adventure seeking individuals feel more convenient and comfortable.
Acknowledgements

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Västerås, 2008-09-29.

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How can the Russian Far South-East improve itself in order to attract more international adventure tourists?

1. Introduction

Background information about Russia and its Far South-Eastern region is given in the introduction. The definitions of tourism and adventure tourism are described in the introduction part as well tourism contribution to Russia in general and the Far South-East in particular.

1.1 Background information about Russia

Russia is the biggest country in the world with an area of 17,075,400 square kilometers. It occupies most of Eastern Europe and north Asia, stretching from the Baltic Sea in the west to the Pacific Ocean in the east, and from the Arctic Ocean in the north to the Black Sea and the Caucasus in the south. It is bordered by Norway and Finland in the northwest; Estonia, Latvia, Belarus, Ukraine, Poland, and Lithuania in the west; Georgia and Azerbaijan in the southwest; and Kazakhstan, Mongolia, China, and North Korea along the southern and south-eastern border. The population of the country is officially counted to 141,377,752 inhabitants. Most of the country’s population is situated in big and medium sized cities, which means that large areas of the country have a low population density. A vast area of tundra, taiga woodlands, and steppe stretches across the Eurasian continent - Russia is a country that spans 11 time zones. The Russian Federation consists of 87 regions. The biggest city, which is also the capital of the country, is Moscow with an official population of 10,672,000 inhabitants. It is also the biggest city in Europe.

Most important sources of income for Russian economy are mining and extractive industries producing oil, gas, coal, chemicals and metals, all forms of machine building from rolling mills to high-performance aircraft and space vehicles, defense industries including radar, missile production, and advanced electronic components, shipbuilding, road and rail transportation and communication equipment. Tourism is therefore not an important source of income for Russian Federation. However, it has an enormous potential to become a worldwide tourist attraction because of its geographical position, historical background and cultural factors.

1 http://www.infoplease.com/ipa/A0107909.html
2 http://www.infoplease.com/ipa/A0107909.html
1.2 Background information about the Far South-East
The region of Primorye is situated in the far south-eastern part of Russia. “Primorye” means “situated near by the sea” in Russian, which is true. It’s coastline to the Japanese sea is situated in the east and south parts of the region. At land the region borders with China and North Korea. The total area is 165.9 square kilometers which is about 1% of the total area of Russia. Region is mostly covered by forests (90% of the region area), bogs and mountains. Primorye is located in the temperate monsoon area with warm, sometimes rainy summers and mild winters. The biggest city of the region is Vladivostok with approximately 800 000 inhabitants. It is a centre for trade, education, tourism and culture of the entire Far South-East Russia.

1.3 What is tourism and adventure tourism?
According to The World Tourism Organization³, “tourism is deemed to include any activity concerned with the temporary short-term movement of people to destinations outside the places where they normally live and work, and their activities during the stay at these destinations.”⁴ Tourism is important for many countries, since it provides emerging possibilities for local businesses by creating demand for their goods and services.

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³ http://www.tiac-aite.ca/english/glossary.asp
⁴ Middleton, Victor T.C., Marketing in travel and tourism – 3rd Ed. ISBN 0 7506 4471 0.
Furthermore, it gives the opportunity for employment in the service industries associated with tourism. These service industries include transportation services, accommodation, entertainment venues and some other branches.

However, we are focusing on a specific kind of tourism in this thesis - adventure tourism. It is an aspect of tourism which involves searching and travelling for the purpose to discover the new and unknown, remote and exotic areas in places which are sometimes hard to access by regular means of transportation. This type of tourism can be associated with risk and unexpected difficulties. According to the U.S. based global Adventure Travel Trade Association\textsuperscript{5}, "adventure travel" may be any tourist activity including two of the following three components: a physical activity, a cultural exchange or interaction, and engagement with nature. Adventure tourism becomes more and more developed in modern travel society. It is one of the fastest growing but still undervalued forms of international tourism.

1.4 Problem formulation

It is true that Primorye has much to offer the tourists, since there are a lot of things to see and discover. But many international tourists desist from going there and choose to visit other destinations instead. There could be several explanations for this. Various negative aspects associated with region’s economical and social development as well as inefficient and discontinuous marketing activities that tour organizers and governmental institutions perform outside Russia\textsuperscript{6}. The aim of this thesis is to investigate both of the named factors. The main question to be solved in the region’s tourism industry is how to increase the amount of international adventure tourists in the area. What should be improved in the marketing performance of the region in order to create a positive image of the Primorye and make it more attractive to international tourists? What practical improvements are needed in the region’s economical and social spheres?

1.5 Purpose

The purpose of this thesis is to study why international adventure tourists decide to avoid visiting the Far South-East. Other aims are to give suggestions that can later be used in development of a new regional marketing strategy and to outline social and economical areas in the region that are in need of development in order to meet the requirements of international adventure travelers.

\textsuperscript{5} http://www.adventuretravel.biz/releases/ac_growth_supply_0108.htm

\textsuperscript{6} Interview with Taimen Tour manager Lev Antonov, see Appendix 2 for further information.
1.6 Target group
This investigation will be interesting for government authorities of the Primorye region and various tourism related businesses of the region as well as the Russian Tourism Association. Adventure tourists planning their trip to the region might also benefit from reading this thesis.

1.7 Limitations
This thesis will only consider some of the negative factors with marketing of the region to international adventure tourists, which the authors think are the most important. Due to the time limitations and physical distance to the region, no field research in Primorye is going to be carried out. Another limitation is related to the statistical information received from secondary research. Due to lack of recent information, some data used can be considered outdate, from 2003 or even earlier. Furthermore, some statistical figures consider all kinds of international tourism, not only adventure tours. Reason for this could be that there was no official investigation in this subject made in Primorye.
2. Methodology

Theoretical framework used for this thesis is evaluated in this part as well as the choice of the topic. Ways of collecting primary and secondary data are assessed and the study and research models are presented in this chapter.

2.1 Primary data

This thesis is focusing on economical improvements and marketing planning. Therefore, it is of great interest for authors to consider different perspectives on one issue, one from the customer side and one from the service business deliverer. Customers opinion is gathered by using a questionnaire and travel organizers opinion are considered by performing an interview. Primary data for this project consist therefore of both quantitative and qualitative components.

2.1.1 Qualitative data

This data involves an in-depth interview with a manager at the Russian travel company “Taimen Tour”. Method of in-depth interview allows interviewer to collect a broad range of necessary information and move the conversation into any direction in order to discuss the significant issues of the subject. The data is acquired during a telephone conversation on 28 of May, 2008 and written down at the same time. Questions were asked and recorded in Russian and afterwards translated to English. Questions about current development of adventure tours and future plans of the company are considered during this telephone conversation. Answers from this interview were used as a base for creating the quantitative survey with 12 questions.

2.1.2 Quantitative data

This data was mainly gathered from the questionnaire distributed to people in different age groups in Eskilstuna, Stockholm and Västerås. Places for data collection were: Shopping centers in Eskilstuna and Stockholm as well as at University campuses of Västerås and Eskilstuna. Activities of collecting data were made between 15 and 25 of May, 2008. In order to make respondents more comfortable with the questionnaire it was translated into Swedish, so only the Swedish version was distributed and submitted. The created question sheets consist of 12 structured and unstructured questions. The structured ones can be divided into dichotomous questions and questions based on the measurement level. Questions about gender (2) and visiting opportunities to the Far South-East (11) are dichotomous while others, except number 10 and 12, are constructed to measure the level of different values. Question 9 is designed according to the Likert Response Scale. It is a unidimensional scaling method which allows us to measure the one-dimensional concepts which are of certain importance for
international adventure tourists visiting a new destination. To measure the various aspects we decide to use a 1-5 scale where option 1 is a “strongly disagree” option and option 5 is “strongly agree” option. Characteristics which tend to be the “disagree attributes” are classified as inhibitors while ones tending to be the “agree attributes” are sorted as facilitators. Question responses with no tendency towards facilitator or inhibitor attributes are considered as either facilitators or inhibitors.

Quantitative data limitations

Due to time limitations, totally 60 questionnaires were distributed. Participants were randomly selected in the shopping centers and university campuses of Eskilstuna, Stockholm and Västerås. These cities were chosen due to the combination of respondent variety and geographical nearness of author’s living location.

2.2 Secondary data

Secondary data was mainly collected from different websites and theory books. Literature reviewed consists of Marketing in travel and tourism by Victor Middleton\(^7\) and Marketing management by Philip Kotler\(^8\). Websites used to collect information belong to Russian Federal Agency of Tourism\(^9\), various Russian travel agencies\(^10\) and different internet based reports, magazines and information websites\(^11\). Purpose of gathering secondary data is to get an understanding of current tourism marketing gaps and provide a basement for further research in the area. Secondary data used was of both qualitative and quantitative character. However, no clear distinction between these two types of data is made due to combined usage in the future. Secondary sources data should always be somewhat criticized because of low liability to certain secondary data sources, especially to the ones aimed to promote travel and tourism possibilities in Primorye. Information from secondary sources that authors considered to a certain extent liable was balanced with other sources containing similar data in order to find out if certain figures are correct or not. Secondary data for this thesis was gathered before the primary one because of the need to use secondary information available when constructing questionnaire and interview questions for the research.

\(^7\) Middleton, Victor T.C. Marketing in travel and tourism. – 3\(^{rd}\) ed. ISBN 0750644710.
\(^10\) http://www.ecotours.ru/russian/tours/far_east.htm
\(^11\) http://www.fegi.ru/prim/.
2.3 Thesis structure
The method of managing information in this thesis was evaluated in the continuous steps shown below.

2.4 Research model
In order to reach the final result, authors of this work carried out topic research which consists of two main processes and two following ones (numbered 3 and 4 in the model figure below). The main parts are: topic investigation from secondary sources and primary research by using questionnaire and interview methods. The two following processes are analysis of information, which was gathered in two main steps before and recommendations based on the analysis. Some of these steps were performed simultaneously since many of these processes are supplemental to each other\(^\text{12}\). Later on, these parts are not presented according to how they were performed but according to the adequacy of information.

![Figure 2. Model of practical research. Authors’ design.](image)

\(^{12}\) This model reflects the way the work was performed in practice and does not show the way thesis is organized. See chapter 2.3 for thesis structure model.
3. Theoretical framework

Aim of this chapter is to show the way of choosing and evaluating important theoretical resources for this thesis. Models and theories for this work are presented together with their literary origin.

3.1 Choice of theoretical framework

Important theories for this thesis can be found in “Marketing in travel and tourism” by Victor Middleton and “Marketing management” by Philip Kotler. When it comes to Kotler, his description of differences between goods and services marketing as well as evaluation of services nature itself seemed important to authors. The four basic components of the “Marketing mix” model by Philip Kotler\(^\text{13}\) were used as well. When it comes to Victor Middleton\(^\text{14}\), some parts of “The marketing planning process” model was chosen to analyze the topic. This model was simplified by using diagnosis, prognosis and marketing objectives steps to explore the situation, instead of using all seven steps of the model. In order to find out existing marketing problems with bringing the beauties of Primorye to the adventure seeking people all over the world, authors decided to focus on the current and previous marketing activities and at the same time consider image that the region has today in the Western society.

3.2 Destination as a marketed product

According to Middleton, a tourism destination could be positioned according to some features and attributes that characterize it as a product. One of these attributes could be visitor’s recognition which means that visitors are seen as customers purchasing a certain product, in our case a destination visit. Middleton means that “developing successful images and implementing them effectively requires detailed consumer research and creative flair in relation to a destination’s intrinsic attractiveness to visitors”\(^\text{15}\). Authors consider process of developing an image of a destination to be stepwise with some core points. A first such point would be target audience identification. These potential customers must be profiled in detail including a broad analysis of their media habits. As soon as these habits are mapped creative planning is to be done. This involves a creative execution of the marketing idea. Then media planning process starts taking place. Both costs and ways of media usage are to be considered. Afterwards it is of great importance to measure the effectiveness of every marketing activity

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\(^{15}\) Middleton, Victor T.C. Marketing in travel and tourism. – 3\(^{rd}\) ed. ISBN 0750644710, page 337.
in order to make necessary changes in the future. When it comes to using these marketing assumptions in marketing process of the Far South-East as a tourist destination, several elements are often missing. This will be considered later on in this thesis.

3.3 Marketing planning of a tourism product
There are several differences when it comes to the marketing process of a tourism product in comparison with other kinds of marketing. Major components of a tour product are services. Kotler mentions\(^\text{16}\) that services themselves are “essentially intangible and does not result in the ownership of anything”. This means that tourism branch offers have certain characteristic that are typical for services only.

*Inability to store*
For example, free rooms in a hotel or unfilled seats on a flight cannot be stored for their future realization. It is possible to touch the aircraft seat itself but you can not touch the service of flying in an aircraft. Since many of the tourism components are perishable, it is necessary to strain and stimulate a demand on these services in the short-run.

*Seasonal demand*
Marketing activities will differ depending on the season, whether it is a season of low or high demand. Some additional activities are necessary to carry out in the period of low demand, such as lower prices, additional services or product offer diversification.

*Difference between purchase and use moment*
Purchase process for tourism services is usually made several weeks or even months before the starting point for their usage. In this case, printed or electronic promotional material, which shows concrete and actual information about the purchased product, is of great importance. Great attention from the customers’ side is usually paid to the liability of information given and to the product quality, especially when it comes to the relation between price and expected value. However, the process of production and consumption of a trip is done at the same time. At this moment expected quality turns into perceived quality.

Variability

Every travel agency has some individual features that others do not have. This is due to the people that work there and have certain perceptions of various processes. Quality of services provided mainly depends on the people involved in performing these procedures. In a research made rather recently\(^{17}\), 17% of respondents mentioned high service culture and 11% mentioned the professional qualifications of personnel as the most important factors when choosing a tour operator for the journey. It is important to have in mind that marketing process of a tour should be done as a single concept, where every participant, such as a hotel, transporter or a guide’s interests are included. This is essential because tourism is a complex correlation of economical, political, sociological, cultural and environmental interests. Therefore it is of great importance to perform a tight marketing coordination. In the short run many tourist service suppliers do not count on interests of their partners, when developing a marketing strategy. In practice, this kind of short term marketing planning often shows a negative result in the end\(^{18}\).

3.4 The 4 P:s Model

The 4 P:s model is also known as the Marketing mix model. It is one of the key elements in planning and performing modern marketing activities. According to Kotler, this model represents “the set of marketing tools that the firm uses to pursue its marketing objectives in the target market”. The main elements of this model are:

**Product**

The product aspect of marketing deal with the specifications of the actual good or service, and how it relates to the target users needs and wants. The scope of a product generally includes supporting elements such as warranties, support and after sales service.

**Price**

This refers to the process of setting a product price, including discounts and special offers. The price is not always monetary, it can also be what is exchanged for the product or services, e.g. time, energy, psychology or any other value.

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\(^{18}\) http://toursmarket.ru/?Marketing_v_turizme
Placement
This includes advertising, public relations and branding. Product placement is about various methods of promoting the product, brand, or company. Placement activities usually create a niche for the product on the market, so that the main target group recognize it easily.

Promotion
Shows possibilities of reaching out to potential target group. Promotion refers to how the product gets to the customer; for example, point of sale placement or retailing. This fourth P has also sometimes been called Place, referring to the channel by which a product or a service is sold (e.g. online vs. retail), which geographic region or industry and to which target segment. Promotion also refers to how the environment in which the product is sold in can affect sales and consumption. When it comes to tourism services, placement and promotion aspects are often tightly connected to each other and it is often hard to draw a clear border between them. Sometimes, Marketing mix theory is being expanded with another factors, important in marketing, such as people, customer affecting elements (convenience, communication, solution etc). However, it is always dependent on the essence of business.
4. Empirical data

Current situation in travel industry of the Far South-East is presented here. Information from secondary sources, as well as from primary ones is shown and issues discussed correspond to the questionnaire content and interview questions.

4.1 Why international adventure tourism?

An adventure tour is a great way to explore the surrounding world with benefit for your body and soul. It is currently a fast growing branch of tourism since people are interested in more active and healthy lifestyles, and outdoor pursuits in general become more fashionable and mainstream. Since adventure is associated with something extraordinary, many travelers decide to combine physical activity with a visit to another country. According to Middleton\(^{19}\), tourists that come to one country from another “are usually treated by governments as the most important market sector of tourism because, in comparison with domestic tourists, they typically spend more, stay longer at the destination, use more expensive transport and accommodation, and bring in foreign currency which contributes to a destination country’s international balance of payments”. This means that governments, businesses and population of the host country benefit from international tourist arrivals. On the other hand, tourists themselves benefit by getting their wants fulfilled: physical activities in combination with seeing new places and discovering the far corners of the world, is the way of traveling and spending vacation that more and more tourists go in for. However, adventure tourism is not just physical challenges. It can as well be about experiencing cultural surprises or just living the way of life you do not normally do.

4.2 Why adventure tourism in Primorye?

According to World Trade Organization (WTO)\(^{20}\), during the past 20 years tourism expansion has progressed much more in developing countries rather than in the ones with old and established economies. Primorye in Russia is one of the regions that faced this change. “There is no accounting for tastes” is an old proverb. Different people are interested in different ways of discovering the surrounding world. Some prefer nature-based relaxation, others like adventure with bicycling, climbing and paddling while some prefer discovering new cultural sites. However, this issue will deal with adventure tours. On the other hand, adventure and extreme tourism can easily be combined with seeing new cultural heritages if

\(^{19}\) Middleton, Victor T.C. Marketing in travel and tourism. – 3\(^{rd}\) ed. ISBN 0750644710, page 5.

\(^{20}\) http://botsad.ru/p_papers8_4.htm
tourists choose the Russian Far South-East. Why is adventure tourism in Primorye so exciting? Tourists go to the Russian Far South-East mainly for the unique and untouched nature. The Primorye is distinguished by a specific variety of plants and animals that can not be found anywhere else in Russia. This is basically due to its geographic position and absence of surface glaciations during global cooling periods in the age of Quaternary. As a result, hot- and cold-loving plants and animals are closely situated to each other in the Russian Far South-East. In Russia, the leopard lives only in Primorye, which is also the principal habitat of the tiger. Again, over 350 bird species have been registered here in addition to 149 rare and disappearing vascular plant species.

But Primorye is not only flora and fauna. It is a unique corner on the Earth with picturesque mountains and plateaus covered with river valleys, lakes and taiga as well as seashore with sand beaches and unique underwater world. There are more than 520 various unique nature objects like lakes, waterfalls, ancient extinct volcanoes and caves in the region. All these sights could be discovered by adventure tourists from different countries of the world.

4.3 Why are improvements needed?
Adventure tourism is one of the most democratic types of tourism, since it covers most customer segments: different age groups, interests and income. Nowadays, more than 100 various tracks, for 2 to 10 days of duration, are developed for tourists in Primorye, but few of these are discovered by international travelers. Even institutions in countries situated close to Primorye understand the importance of adventure tourism development for the region. Japanese Research Institute of Fudzi Sogo Kankuse\(^{21}\) states that it is possible to increase the amount of visiting Japanese tourists by 1.7 times and raise the revenue from services in this branch to more than 2 billion US dollars. Japanese researchers imply that wild Russian nature is worth the high prices for tourism services in the region. So, there could be possibilities to change current ways of inveigling international adventure tourists to the region, in order to raise both volumes and revenues from these important customers. Nowadays, most travel agencies create rather small marketing activities for their short-term offers. Due to the small size of these businesses and lack of resources, these activities are mainly made for the domestic adventure tourists and in rather ineffective ways. Many tour organizers would prefer that more of the tourists came from abroad\(^{22}\) and without continuous and well-planned marketing this can hardly be achieved.

\(^{21}\) http://botsad.ru/p_papers8_4.htm

\(^{22}\) Interview with a manager of a travel company ”Taimen Tour”, see appendix 2.
4.4 Russia as an international tourism destination

As stated in a proposition\textsuperscript{23} by World Travel and Tourism Council (WTTC), tourism branch have possibilities to significantly affect future economical and social development in Russia until year 2016. In nearest 10 years, Russian tourism market will have a growth rate of 5,1% related to country’s GDP\textsuperscript{24} and this development will be more rapid than in European Union in nearly all figures. Research made by WTTC shows that there is an irregular tourism development in the country. For example, only 1/5 of country’s area is used for tourism purposes and more than a half of all hotel rooms in Russia are situated in Moscow.

President of WTTC, Jean-Claude Baumgarten, suggested that Russia has a good potential to become on of the leaders on the global market of travel and tourism in nearest 10 years. He made a suggestion, that in order to achieve this goal, dynamic cooperation between government authorities, private businesses and non-commercial organizations is to take place.

Other outlines and recommendations, which WTTC came up with in order to optimize international tourism potential in Russia, are:

1. It is important to carry out a broad information campaign among the population in the country, in order for Russian citizens to understand the importance and see the benefits of international tourism development.
2. One of the conditions for successful tourism development is a new governmental national strategy for tourism expansion since it is important to set long-term goals.
3. “Russia” as a brand should be marketed by a number of marketing activities.
4. Ways of collecting national statistics should be modernized.
5. Idea of responsibility for keeping cultural and ecological sights should be actively promoted by Russian government authorities.

Nowadays, two years after these suggestions were stated, Russia has a new strategy with long-term goals for tourism development, including separate chapters for international tourism development. Marketing of Russia as a global brand has also started, with great help of recent achievements in sports. Last of the suggestions stated above, is not an easy task. Everybody interprets word “responsibility” in his or her own way, so it could be seen as a matter of general education. Accessibility is another factor, affecting Russia’s appearance in the world’s international tourist market. Accessibility involves all aspects of getting to a

\textsuperscript{23} http://www.travelgazette.ru/news/wttc.htm
\textsuperscript{24} Gross Domestic Product.
destination, including infrastructure, customs formalities and information about transportation alternatives. It is stated in a proposition by Russian Transportation Ministry\textsuperscript{25} that “transportation condition and development is of great importance for the Russian Federation”. It is furthermore assured that stable transport and accessibility development is a guarantee for liberated goods and services transportation, competition and the freedom of economic activity, including tourism services. When it comes to reaching Primorye, tourists from Europe or America usually use the fastest public transportation mean, airplane. On the other hand, those that want to experience something extraordinary can choose to make a train trip from Moscow through the Transsiberian Railroad, as some of the questionnaire respondents mentioned. This journey from Russian capital to Primorye takes approximately 11 days.

4.5 International tourism development in the Far South-East

According to a study\textsuperscript{26} by Lubov Komelkova, docent at the Far-Eastern State University, the most considerable amount of trips made to the region from abroad have tourism as a purpose. Tourism trips correspond to about 70\% of all trips made by foreigners to the region, which is certainly a positive figure for the regional economy. On the other hand, recent situation analysis has shown that there is a tendency towards a decrease of trips with tourism purpose. However, these statistics should be considered with some criticism since many tour operators offer tourist visas to their customers, while in practice foreigners may visit the region with other purposes.

\begin{figure}
\centering
\includegraphics[width=\textwidth]{figure3.png}
\end{figure}

\textsuperscript{25} http://www.mintrans.ru/pressa/Trans_Strateg_12052005.doc.

\textsuperscript{26} http://www.cfin.ru/press/practical/2003-11/07.shtml
Chart above shows that there is a significant increase of tourist arrivals to Primorye from abroad between year 1995 and 2000. From year 2000 till 2002 the amount of travelers arriving from abroad remained quite unchangeable. Decrease in tourist entrances from 1998 to 1999 is due to an economical crisis that Russia faced in the second half of 1998. Many travel agencies and other tourist service businesses closed down due to financial problems.

When it comes to distribution of tourist arrivals depending on the country, China stands for nearly 93% of all arrivals from abroad in 2002. It is not surprising, since China is bordering with Primorye and the country is as well one of the international tourism leaders in the world. China is the main partner of the Russian Far South-East in many economical and social areas, as well as in tourism. Close geographical position, huge population, market economy development and growth of living standards are some of the factors that contribute to these close relations.

As we can see from the table, other countries from which foreigners come to Primorye are Japan, South Korea, North Korea, USA, Canada, Australia and others.

International tourism development is of great importance for different spheres of the Far South-Eastern economy. Tourism makes both small local and regional businesses develop without significant governmental donations and stimulate growth of other economical areas, such as trade, building, agriculture, communications, transportation and so on. Tourism development is attractive for new entrepreneurs in many ways: low start-up costs, growing demand for tourism services, high efficiency and short payback time.

### 4.6 Tour operators of the Far South-East

Market of tourism services is quite well developed in the region. As current research in the area showed, 68% of all tourism enterprises of the region have been on the market for 4

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27 [http://businessrest.ru/content/document_r_85E7249C-DC3B-42CE-B6AC-633E0A92003E.html](http://businessrest.ru/content/document_r_85E7249C-DC3B-42CE-B6AC-633E0A92003E.html)

years or more. From all travel agencies, approximately 58% are dealing with international tourist arrivals from abroad together with other kinds of tourism services, such as tours within the region and international tourism departures.

When it comes to current marketing strategies of local travel operators, most attention is paid to problems of competitive pricing and market positioning. This corresponds to what was mentioned by Taimen Tour manager Lev Antonov.29 Most of the travel company directors in Primorye, 92% mentioned, however, that it is more important for them to keep certain quality level, than to cut operational costs. In practice, this usually leads to higher prices for the customer. Authors’ opinion is that these disagreements show the lack of common marketing concept for many of Primorye’s tour organizers. They try to make every marketing aspect important, but without seeing the whole picture at the same time, their activities are many times unstructured and as a result resources are being used ineffectively.

International adventure tourists become more and more demanding to the quality of tourism services. Authors think that this is due to the globalization process which rapidly goes on. This puts a pressure on tour organizers both in Primorye and all over the world since they must not only provide by tourists expected quality but also do that to a competitive price. When CEOs and top-managers of the Far South-Eastern travel agencies describe what they typically put effort on in their “battle” against the competitors, they mentioned keeping low prices and managing discounts of different kind, remaining low costs of running the business, involving highly professional employees, offering broad range of standard and unique products, managing company’s image and resigning exclusive contracts with business partners. After considering information provided by Lev Antonov,30 following results can be drawn: Adventure travel market in Primorye is developing rather rapidly. Most of the companies are, however, targeting Russian customers as their potential target group and do not deal with receiving travelers from abroad. When it comes to competition, mostly small and newly started businesses face tough competitive pressure from the more established companies. Top-managers of well-established tour operators say that they have a “close cooperation” with other similar businesses and every company on the market has its own niche where it operates. These companies provide a wide range of tour products, has their own vehicle fleet and they can cooperate with each other if needed. When it comes to the factors, that limit small and newly started tour agencies to develop effectively, mostly external factors are named. Government legislations and corruption are some of them. A problem is

29 See appendix 2, question 6.
30 http://primamedia.ru/news/show/?id=62635&p=2
31 See Appendix 3
that they need to put their already limited resources on paying high taxes and fees as well as on going through various bureaucracy barriers, such as a special tour operator license, which is needed to run a travel company. Another problem is related to cooperation with business partners, which are as well small businesses and are therefore not always reliable. Effective marketing is therefore a secondary task for them. In general, it can be said that tour organizers of Primorye pay little attention to their competitive development and do not use long-term marketing strategies.

4.7 Adventure tourism attractions in the Far South-East

The most certain reason is its extraordinary nature. Flora of the region includes more than 1720 types of plants, almost 4% of them are endemic. These can only be found in this area. Fauna of the area is beyond comparison because of its diversity. For example, there are 690 kinds of birds living on the whole territory of Russia and 350 of them being found in Primorye. The Far South-Eastern region has a fascinating and sometimes dramatic history. Several museums and memorials in the region provide detailed and colorful information about regional history, culture, traditions and nature. Another way to discover Primorye’s history is to visit one of the accessible archeological excavations in the area. For example, Nikolayevskoe and Shaiginskoye settlements which were build in the early middle-ages, when Primorye was a part of Bohay state. Another place to visit is The House of Sukhanovyyh, where you can be dressed in traditional Tsar clothes and enjoy a home-made cup of tea, as it was prepared for the Tsar Nicolay. A sea voyage on a motor-launch with a wonderful panorama is another attraction in the region. Tourists that prefer air to the sea can enjoy trips on a small aircraft above Vladivostok and surroundings. Rafting on small rage rivers in taiga forests among the waterfalls is one more experience for adventure seeking tourists. A way to feel common with nature is to go for horse riding. Some of the beautiful places in Primorye, such as a valley of 27 waterfalls can only be reached by horse. Tiger nursery with several tiger families living on a guarded area, visit to an extinct volcano and voyages on quadrocycles are some other attractions for adventure seekers.

http://www.fegi.ru/prim/geografy/resurs.htm
5. Analysis

Analysis of questionnaire results is provided in this section using graphical figures. Results are as well presented according to the Marketing mix theory.

5.1 Results from the questionnaire

When it comes to deciding on a visit to Primorye, potential customers have various opinions regarding different aspects of the travel product. According to the survey made by authors, some mean that there are a lot of nature attractions and other sights at the destination while others say there are few of them but the quality of tourism services is not acceptable. These evaluations are connected to the aspects each customer find important for him or her personally. According to authors own experience, people have a tendency to pay more attention to the attributes which are of greater importance for them rather than to the ones of smaller value.

About 36% of all respondents which answered the survey stated that they go on an abroad vacation once per year or more often. 34% of these people go abroad once per year while 4% visit place outside country’s borders more often than once per year.

*How often do you go abroad in travel purpose (to the place you have not visited before)?*

![Figure 5. Answer results on Question 3 from Questionnaire](image)

On the other hand, there is no general knowledge on opportunities of travelling to the Far South-East among the Swedish population. Answer results on the question “Have you ever heard of adventure tour possibilities to the Far South-East part of Russia?”, less than 1/5 of

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33 Find questionnaire enclosed in Appendix 1 and questionnaire results further on in this chapter.

34 See Appendix 1 for further information.
respondents replied positively. This means that less than half (17% vs. 32%+4% in previous chart) of adventure tourists in Sweden will consider Primorye as one of the possible destinations for their trip.

*Have you ever heard of adventure tour possibilities to the Far South-East part of Russia?*

![Graph showing answer results on Question 11 from Questionnaire](image)

From the respondents that answered the questionnaire, 17% recognize the opportunity of going to Primorye in purpose of adventure travel. This means that another 83% do not know about this possibility. This and the following result shows that there is a lot of effort needed to provide people in Western Europe and in Sweden in particular with descriptive information and promotion materials on the Far South-Eastern region. Respondents mentioned some sources of information for their knowledge about visiting opportunities. These are internet, hunting and travel magazines and word-of-mouth. Both these and other medias could be used when deciding on future marketing activities in order to promote the region in Europe. However, a detailed media review and analysis is better to be carried out in this area. An interesting fact is that 96% of all respondents have not noticed any or noticed little suitable information about available tours, transportation means, destinations and activities on adventure tours to Russia.

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35 See Appendix 1 for further information.
What do you think about information about available tours, transportation means, destinations, activities etc. on adventure tours to Russia?

![Pie chart showing 98% with some information and 2% with no or little information.]

Figure 7. Simplified answer results on Question 7 from Questionnaire.

On the other hand, 56% of respondents meant that they are either planning to visit Russia with tourism purposes in the future or they would like to consider some kind of information about travel possibilities to the country. This means that a possible scenario would be that an individual in Sweden or elsewhere in Europe is searching for various alternatives on where to go on adventure trip and if he or she does not find any useful information on the Russian Far South-East this person will probably prefer another, more promoted destination. In authors opinion, it is important to provide not only up-to-date but also easily accessible information. Respondents mentioned that they would like to visit cultural heritage as well as go in for outdoor activities when they are on adventure vacation. Among outdoor doings, respondents mentioned hiking, mountain climbing, wild berry picking, horseback riding, canoe trips and air balloon voyages. Many of these activities are available in Primorye and could therefore effectively be used when deciding on new marketing activities in the future.

5.2 The 4 P:s model analysis of Primorye’s adventure tourism branch

Product

Primorye offers a great variety of adventure tourism products. It is individual as well as group tours and these have a various grade of difficulty. Travelers coming from abroad are usually offered so called “combined packages”, which include adventure excursions, historical sightseeing in the main cities of the region and sometimes even extreme activities.

36 See Appendix 1 for further information.

37 http://www.ecotours.ru/russian/tours/wild3.htm
This component of the Marketing mix model correspond to the b) and c) alternative on question 9. Most of respondents seem to assume that there are a lot of attractions worth visiting. When it comes to uniqueness of adventure tours, there is no common answer to outline. It could be because different respondents interpret this question differently. Alternative g) which considers quality of services provided can also be seen as a product related aspect. A general tendency here is that respondents are not fully satisfied with their perception on quality.

**Price**

Adventure tours are categorized as upper middle-class product by the travel companies in Primorye. It is a difficult variable to analyze, since most of the adventure tours in the region are created individually for each customer. The degree of comfort and service which the customer is expecting is playing the key role in forming the price of the tours. Most tour agencies do not specialize themselves on a single price segment but deal with any customer category as long as it is profitable in short-run\(^{38}\).

When it comes to price evaluation by questionnaire respondents, there is a rather freethinking situation. Most of respondents (22 out of 36) have chosen the middle or 3\(^{rd}\) alternative on this question. This could be because they do not seem to have an opinion on that issue or because they mean that there is a rather acceptable price level on adventure tours.

**Place**

Companies working with international tourism usually have their office in Primorye as their base. At the same time, they usually have a partner organization abroad, which helps them to serve foreigners in their country. It is important to notice, that both Moscow based and Far South-Eastern based companies organize adventure tours to the region. However, these firms are hardly presented in Europe\(^{39}\).

Alternative a) in question 9 shows that there is no single opinion on how the region can be accessed. Some respondents mean that it is somewhat difficult to reach Primorye while others mean that it is easier than average regions\(^{40}\).

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\(^{38}\) Interview with a manager of a travel company "Taimen Tour", see appendix 2.  
\(^{39}\) Interview with a manager of a travel company "Taimen Tour", see appendix 2.  
\(^{40}\) An opinion that one of the respondents orally expressed.
Promotion

Tours in Primorye are promoted on international level mostly by internet and on different travel fairs. However, according to Primorye’s travel businesses, these activities are insufficient. Domestic marketing is, on the other hand, well developed with modern promotion tools and creative ideas, such as the image of the Far South-Eastern tiger. This symbol is suggested to be an international brand image of the region.\textsuperscript{41}

\textsuperscript{41} Interview with a manager of a travel company "Taimen Tour", see appendix 2.
6. Evaluation

6.1 Problems of tourism development in Primorye

As the research process was finished, authors could evaluate a number of negative aspects, which are associated with tourism development progress in Primorye, both when it comes to local tourism and international arrivals.

*No detailed tourist flow planning is carried out.*

Tourist groups are being formed randomly and are not controlled by any authorization. This could be both a positive and negative factor. Positive aspect is that travel agencies themselves can form tour programs and complete the groups as the demand increase or decrease. Authors see them as the ones who monitor the market better than governmental authorities or non-commercial organizations. However, some degree of control is needed. Without coordination from above, tour operators may face problems, such as several groups in one place at the same time or inability to provide expected service due to financial problems. There is as well no controlled and calculated anthropogenic loading for different adventure trails and tracks which is important to invent if Primorye’s adventure tourism development is to be sustainable.

*No detailed calculations on tours prime cost, planned profit and expenses.*

Main travel operators of Primorye are developing rapidly but are they developing in the right way? Some travel programs are not being demanded because of their high price. On the other hand, some prices are too low, thus travel agencies do not make any profit. Many businesses operate without having any long-term strategy and stay in the business as long as it is profitable. This could be due to lack of managerial education of business owners and inability to use modern tools for predicting and forecasting economical development but also due to the permanently changing rules and legislations for acting at the market.

*Lack of branch educated guides and tour leaders.*

Guides that lead tours and excursion in Primorye today usually do not have special education in area. Their knowledge is based on living in the region and on experience of guiding visitors. When it comes to documented knowledge on flora, fauna, culture, history of the province, as well as psychology and basement of tourism itself, only few of them can not brag about having a diploma or some kind of degree in this field.
**Insufficient tourism infrastructure development.**

There are many areas of infrastructure that are in need of urgent improvement. First of all, hotel and guesthouse infrastructure is developing very weakly. Many Far South-Eastern hotels were build during the Soviet era and are nowadays difficult to modernize. New hotels are build mostly in surrounding regions of Khabarovsk and on the Sakhalin island. These are mostly adapted for business trips to gas and oil plants and not for adventure tourists. Existing hotels of Western standard are charging very high prices and can therefore not compete with other Asian regions when it comes to value for money aspect. Tourism infrastructure improvements are not supported by regional government. Scavenging of territories as well as raising special recreation areas with fireplaces, garbage collectors, children playgrounds, benches and arbors is mostly financed by non-commercial organizations and small business partnerships. Of course, this financing is not enough, because of the area of the region and locations that are in need of modernization\(^{42}\).

**Ethical norms are not kept by local tourists.**

This aspect is connected to the moral and way of living of many Russians. Many people think that nature and recreational resources are endless. Therefore, such things as cutting trees for making a fire or not picking up garbage after visiting a nature reserve are not seen as something extraordinary, more as a normal action. Even school children visiting areas outside cities act unacceptable. This factor was not discovered during the primary research process, but is authors own experience.

6.2 Problems with attracting international tourists to Primorye

*Image of the country in general and the region in particular*

This is one of the most important factors which hold potential adventure tourists back from visiting the Far South-East. Image of Russia as a country is not the best if we would put all countries of the world on a ranking list. Progress of Russian sportsmen, actors and scientists are forming country’s image as well as criminal, authoritarian political ideology and corruption. And if capital regions of Moscow and Saint-Petersburg has made a huge progress towards a highly technological and modernized society, developing more rapidly than London and New York, there are still a lot of improvements needed in the Far South-Eastern region to reach the current standards of developed countries.

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\(^{42}\) Market analysis of logistical potential of the Far South-East - http://www.4p.ru/main/research/97975/
Bureaucracy

Visa regulations is the first bureaucracy obstacle foreign tourists face when deciding on a trip to Russia and Primorye. Almost all people in the world need to apply for a visa to visit Russia and it is sometimes time consuming to arrange it. Once foreigners finally arrived the country, they need to register themselves as visitors if they are about to stay in one place for a longer period. This procedure is usually arranged by travel agency or the hotel, but if we speak about travelers that do not use any travel company to arrange their voyage they might face certain inconveniences. There are other negative aspects of bureaucracy for tourism development. Most state officers say that it is not they that serve people but vice versa. Tourists visiting Russia in general and Primorye in particular are often being repelled by the way government executives perform their duties. Russian citizens are usually used to offhand treatments from government officials, but this is not the aspect that makes foreigners come to the region several times. When travelling to the region by land from China tourists regularly face traffic congestions at the border and unforeseen delays, there are no rest places arranged at the border crossing points. Federal government authorities do not invest funds in development of border crossing points and, moreover, do not allow regional governments to do that.\[43\].

Distance

Modern communications and ways of travelling have reduced time and effort it takes to reach Primorye. However, this is still seems to be an inhibitor for visitors from countries situated rather far from the region. In authors’ opinion, this is as well a psychological aspect. Tourists from Europe do often not hesitate to visit Australia, Thailand or USA, while Primorye is seen as something very remote and unreachable. Thus, Primorye’s travel agencies mostly market their trip packages and opportunities in the bordering regions of China. The standard of these trips differs therefore from the one which European tourists are used to.

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7. Recommendations

Hence, authors of this thesis think that there is an urgent need of developing an efficient adventure tourism expansion policy in the region. This policy is to be worked out on a regional level. The new policy is to be structured as a marketing strategy plan and should involve promoting activities and opportunities for dynamic and adventure tourism in the region and at the same time it should show the positive image of Primorye. By presenting the positive picture of the region to potential tourists, these people will certainly be more interested to further consider the adventure sights the Far South-East. At the time tourism expansion policy is developed it is important to consider cooperation and activities measurement as important additions to this document:

Cooperation

As it was mentioned earlier, travel agencies of the region mostly work independent from each other. One of the steps is to create a cooperation between various tour arrangers. This could be done, for example, in the form of an association or union. This association can be a great help for both managers of the tourism sector as well as for the customers of travel agencies. It would certainly be an advantage if governmental officials supported the development of such association at its initial stages but a wider independency is to be given as it develops.

Measurement and control of marketing activities

As it was mentioned earlier, marketing activities performed by tour operators in Primorye are often chaotic and uncontinious. In order to make the implemented marketing model effective, regular effectiveness measurement is needed. Traditional ways of measuring if marketing activities are successful or not can be measured by recording and comparing sales volumes, revenue, profit, market share and usage of available capacity at various units in different comparable periods. Marketing effectiveness can as well be evaluated by following up and analyzing the external factors, which are often hard to affect. Such factors are competition level in the market niche, where the tourism product is placed; economic condition of potential target group as well as general political and economical circumstances.

A suggestion for effective measurement of customer satisfaction would be to get in contact with international adventure tourists, who visited Primorye and to ask them a few questions about their perceptions, emotions and satisfaction level. Since many travel agencies have limited resources for their marketing activities, this contact can be done through e-mail. Degree of reply will probably not be as high as when using other interview methods, but in authors’ opinion, this is the best way to get in contact with many people living on different
continents in a short period of time and in an economically affordable way. E-mail addresses can, for example, be collected when checking in at tourist overnight locations.
8. Conclusion

Tourists in the modern globalized society have a lot of choice opportunities. Adventure tourists with sufficient economic resources can particularly visit any place on the Earth. In comparison with other places, the Russian Far South-East has some negative assumptions among the travelers and provides some practical obstacles, which are holding back potential tourists and create unwillingness to visit this part of Asia. However, there is an enormous potential in the region. The most important task is to show this potential to the worlds adventure seeking individuals. There are several ways to go, in order to achieve it. One possibility is to carry out a detailed marketing research on every tourist activity or facility in order to combine all the possible strengths and suggest improvements for the weaknesses. Therefore, a suggestion to further research could be to develop a concrete marketing program for every attraction and to coordinate this small local programs into a single regional marketing strategy. This study should therefore be seen as a proposition for future research on how each marketing activity performed in the region can be improved, developed and implemented. As the research showed, people in Western Europe are interested in visiting the Russian Far South-East. But due to the lack of information, insufficient marketing activities and image of the country, they choose other destinations. It seems to the authors, that if there will be an improvement in marketing of the region, travelers will choose between Primorye and other destinations on equal circumstances. From the Primorye’s travel industry perspective, active steps forward are needed as well. Providing information, promoting existing opportunities as well as improving quality and standards of services provided will, in authors opinion, bring more sufficient revenues than minimizing expenses and not spending enough resources on international marketing activities. In modern society, adventure tourism is one of the most attractive businesses. If it is correctly organized, it does not consume any sufficient nature resources and can therefore bring in good profit during the long period of time. Authors wish that both Russian governmental officials on federal and regional levels as well as travel business operators of Primorye would soon notice the extraordinary perspectives of adventure tourism potential of the Far South-East. If they do, they will have a possibility to implement modern tools of economy and marketing to make this area another modern adventure travel resort of Russia and of the whole Asian continent.
9. Reference list

Books

Articles


Websites
www.adventuretravel.biz - Adventure Travel Trade Association; revised on May 28, 2008.
www.cfin.ru – Corporative Management Agency; revised on June 6, 2008.
www.tourprim.ru - Primorsky region administration; revised 24 June, 2008.
Appendix 1

Questionnaire (English version)

We are two students that write a thesis about tourism preferences and tourism development in Russia. We would like you to answer few questions below.

1. Age:
   □ 18-23 □ 24-29 □ 30-35 □ 36-41 □ 41+

2. Gender:
   □ Female □ Male

3. How often do you go abroad in travel purpose (to the place you have not visited before)?
   □ Once per 2 years or less
   □ Once per year
   □ More often than once a year

4. With whom do you mostly travel?
   □ Alone
   □ With my partner
   □ With my friend(s)
   □ Other, Who? _______________________

5. Have you ever been to an adventure tour to some place outside Europe?
   □ No, I am not interested in adventure tours
   □ No, but I am interested in going on an adventure tour in the future
   □ Yes, I have been on an adventure tour once
   □ Yes, I have been on an adventure tour two or more times

6. Have you considered Russia as a country suitable for adventure tourism?
   □ No, never
   □ No, but it could be an worth considering
   □ Yes, but I decided not to go there
   □ Yes, I am planning to go there in the future
   □ Yes, I have been there
7. What do you think about information about available tours, transportation means, destinations, activities etc. on adventure tours to Russia?

☐ Have not noticed any suitable information
☐ Have noticed little suitable information
☐ Have noticed some suitable information
☐ Have noticed a lot of suitable information

8. In what way have you noticed this above stated information?

☐ Internet
☐ TV/Radio/newspapers
☐ Non-travel magazines
☐ Travel magazines
☐ Travel agency (-ies)
☐ Friends/word-of-mouth
☐ Other, What way? ______________________________________________

9. What is your opinion about Russia as an adventure tour destination?

a) Communications/possibilities of travel to the country

<table>
<thead>
<tr>
<th>Poor</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>Excellent</th>
</tr>
</thead>
</table>

b) Nature attractions worth visiting

<table>
<thead>
<tr>
<th>Few</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>Many</th>
</tr>
</thead>
</table>

c) Uniqueness of adventure tours

<table>
<thead>
<tr>
<th>Not unique</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>Very unique</th>
</tr>
</thead>
</table>

d) Price level on adventure tours

<table>
<thead>
<tr>
<th>Inexpensive</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>Expensive</th>
</tr>
</thead>
</table>

e) Language

<table>
<thead>
<tr>
<th>Few speak English</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>Many speak English</th>
</tr>
</thead>
</table>

f) Safety

<table>
<thead>
<tr>
<th>Unsafe</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>Very safe</th>
</tr>
</thead>
</table>

g) Quality of tourist services

<table>
<thead>
<tr>
<th>Poor</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>Excellent</th>
</tr>
</thead>
</table>
10. If you decide to go on an adventure tour/vacation, what kind of activities would you be interested in?
________________________________________________________________________________
________________________________________________________________________________

11. Have you ever heard of adventure tour possibilities to the Far South-East part of Russia?
☐ Yes
☐ No

12. If you have heard of this, in what context?
________________________________________________________________________________

Thank you for your response! Have a nice day!
Appendix 2

Telephone interview with Taimen Tour travel agency manager

These questions were asked over telephone conversation with Lev Antonov, manager of Far South-East excursion department at Taimen Tour travel agency in Vladivostok, Russia. This travel firm organizes various “nature-related” adventure trips in the Russian Far South-Eastern region.

Questions were asked in Russian and later translated to English in order to fit the current work. The Russian version is not included here.

L.A.: Manager Lev Antonov

Interviewer: Andrey Makoveychuk

1. Interviewer: You have been organizing adventure trips in the Far South-East for several years, but only 2 years ago you have started dealing with foreign tourist groups. Is it the new trend in Western Europe and America to discover this part of Russia?

L.A.: I would not really say so, even though I would like it to be a new trend. We have got some requests from foreign travel agencies, if we could help them with creating an adventure tour for their customers and we thought: ”Why not?” We have employees that speak good English, but the most reason – we know the area very well. However, I would like to notice that our company and other travel businesses of the region I know mostly aim to organize visits to Chinese and Japanese groups, Europe and America are not the key markets for us, even if I believe they could become that.

2. Interviewer: What kind of trips did you organize for these foreigners?

L.A.: These trips were similar to the ones we usually offer to our Russian customers, though we do not have any standardized tours, everything is individual. One of the tours was a traditional fishing tour with living in wood lodges and fishing in wild places. Another one was an excursion tour with hiking in beautiful places, visiting the Tiger nursery, waterfalls and caves.

3. Interviewer: What did foreigners like and dislike with staying in Primorye?

L.A.: Most people were, of course, very fascinated with fantastic landscapes and views, that can be found in the region. Moreover, the nature itself is very untouched including the wildlife, but sometimes one can, for example, find a garbage hill near by the nature reserve. This spoils some good impressions.
4. **Interviewer:** You have already mentioned that English is not a big problem for your coworkers, but can you as a foreign tourist feel safe in the region? I guess it is not something you can affect.

**L.A.** You are somewhat wrong here. We usually have a special routine that we use when organizing a safe and convenient stay for our tourists. This is the same for both Russian and foreign tourist groups. For example, all our lodges are guarded all day round and we never let tourists leave the group without telling us when to expect them back. In general, I would not say that Primorye is less safe than Moscow or some other place. In my opinion, it is quite easy to stay on the “safe side” by following some simple rules, like not carrying around a lot of money, leaving your luggage unattended or going out without necessity in the night. But this is things you have to be aware of even traveling in western countries. This is only related to the city environment. When it comes to wild areas, be aware of bears! No, I am just kidding.

5. **Interviewer:** Do you have any idea about what foreign adventure tourists thought about price and quality aspect of the tours and of the region itself?

**L.A.** Unfortunately, we have not asked our customers personally about that. But according to what we have heard from drivers, excursion organizers, café workers etc. most of the tourists seem to be satisfied with the service. Although, they are not satisfied with “government service” given. I mean visa regulations to enter the country as a tourist, other bureaucratic procedures, infrastructure condition: roads, telecommunications etc. But many do not seem to dislike it that much since they are on an adventure tour and not on a seaside vacation. But I guess that infrastructure improvements along with bureaucracy limitations would increase the amount of tourists to the region significantly. When it comes to price level, our main target group is middle and high income customers. This means that tourists are prepared to pay for the service and quality of the tour they get. I would not say it is cheap to organize such trips, since you often have helicopters, minibuses, motorboats and other technical fleet involved. But these tours are certainly affordable to our target customers. About the price level in the region, I would say it is in general the same as in the European part of Russia.

6. **Interviewer:** Which problems do you face as a “tour creator”, when organizing and performing the trips you do?

**L.A.** It seems to me that one of the problems lies within travel agencies themselves. They are spending time and resources on creating a good image, brand name etc. but they do not support these efforts with practical actions. Pricing strategy and prestige are sometimes more important than certain tour quality, which does not live up to Western standards.

7. **Interviewer:** The last question that, are you planning to expand your offers to the foreign tourists and if yes, how?

**L.A.** First of all, we are planning to create a marketing strategy for the purpose of marketing our tours abroad. First of all, we need some “gold pieces” of Primorye, some significant and
well-known attributes, to use in marketing campaigns. People abroad need to see the way Primorye is different from other resorts. I suggest the Ussurijsk tiger to be the new brand image of the region. We are planning to concentrate on English speaking countries, like Britain and USA, but other countries are of course interesting for us as well. At the same time, we will establish closer relations with the Russian Ministry of Foreign affairs, so that we can organize visas and invitations for our customers smoothly. As you know, it is very important to have established “connections” in order to do business in Russia.
Appendix 3

Map of Primorye region