



# MARKETS AND COMPETITION

---


**How to cite this paper:** Tovmasyan, G. (2023). Tourism Development Trends in the Republic of Armenia after COVID-19 Pandemic and in the Context of Russian-Ukrainian War. *Messenger of ASUE*, 1(73), 37-49.

DOI: 10.52174/1829-0280\_2023.1-37

**Received:** 13.03.2023. **Revision:** 16.03.023. **Accepted:** 09.06.2023.

**GAYANE TOVMASYAN**

*Associate Professor, Senior Researcher at AMBERD  
Research Center of Armenian State University of Economics,  
Lecturer at Public Administration Academy of the  
Republic of Armenia, PhD in Economics*

 <https://orcid.org/0000-0002-4131-6322>

## **TOURISM DEVELOPMENT TRENDS IN THE REPUBLIC OF ARMENIA AFTER COVID-19 PANDEMIC AND IN THE CONTEXT OF RUSSIAN-UKRAINIAN WAR**

*Covid-19 pandemic brought many problems to the world. Tourism sphere suffered a lot. In Armenia the number of tourists decreased by 81% in 2020. In 2021 and 2022 tourism sphere began to recover gradually. The Russian-Ukrainian war brought new problems to the world economy. In 2019, Russian spending on travel abroad reached US\$ 36 billion and Ukrainian spending US \$8.5 billion. Concerning tourism destinations, Russia and Ukraine account for 4% of international tourist arrivals in Europe but only 1% of Europe's international tourism receipts. The number of Russian tourists to Armenia increased in 2022. The article analyzes the impact of the influx of Russian tourists to the Armenian tourism sector due to the Russian-Ukrainian war. The surveys show that Russian tourists are very satisfied with Armenia, so it is necessary to develop attractive tourist packages to different destinations in Armenia for Russians.*

*The correlation analysis between total tourists of Armenia and restaurants and hotels revenue is 0.52, between total tourists and employment is 0.14 and between total tourists and GDP is 0.37. Tourism should contribute to the sustainable development of the country, so aggressive marketing policies should be implemented to promote incoming tourism in Armenia after pandemic.*

**Keywords:** tourism, Covid-19 pandemic, GDP, marketing, Russian-Ukrainian war

JEL: L83, M38

DOI: 10.52174/1829-0280\_2023.1-37

**Introduction.** Tourism is one of the fastest growing industries in the world, which suffered a lot because of Covid-19 pandemic in 2020. However, in 2021 it began

recovering. In 2021 the number of international tourists in the world was about 415 million people (in 2020 it was 381 million people), which is still 72% lower compared to 2019. In 2022 many countries cancelled travel restrictions; they admitted tourists without vaccination certificates or tests. Due to this in 2022 over 900 million tourists travelled internationally which is still 37% fewer than in 2019. 72% of UNWTO experts expect better performance in tourism sphere in 2023. However, most experts (65%) think that international tourism will return to 2019 levels in 2024 or later (UNWTO World Tourism Barometer, 2023).

Tourism is one of the priority areas of Armenian economy. In 2022 the number of incoming tourists was 1665658 increasing by 90.2% compared to 2021 (The social-economic situation in the RA, 2022).

In 2022, when the war between Russia and Ukraine broke out, the number of Russian tourists in Armenia started to grow. Traditionally, the number of Russian tourists in Armenia was high and now it is even higher.

### Literature review.

#### 1. Tourism in Armenia.

According to the „Law on Tourism and tourism activities” of the RA, “Tourism is the travelling activity of citizens from their permanent residence country to another place (country) for a maximum of one year for cognitive, leisure, health, sports, religious, visit to relatives, professional, business and other purposes” (The law of the RA on “Tourism and tourism activities”, 2003).

*Tourism has high significance for the Armenian economy.* It can bring new opportunities to the Armenian economic development, thus, providing the integration of the Armenian economy to the global economy (Davtyan, n.d.).

*Recent studies in the sphere show that domestic and incoming tourism will continue to grow in future years (Poghosyan & Tovmasyan, 2021; Tovmasyan, 2021). The main steps for tourism development must be taken towards attracting investments (Tovmasyan, 2021a), improving the efficiency of marketing and branding of the sphere (Tovmasyan, 2020), increasing the quality of hotel services (Tovmasyan, 2020a), increasing the satisfaction level of tourists (Tovmasyan, 2019), composing new touristic routes (Avetisyan et al, 2021), developing different types of tourism: eco, agro, scientific, urban, cultural, healthcare, gastronomic, wine tourism, etc.*

**Armenia has more than 2400 religious sites and churches and religious tourism has great opportunity to develop in Armenia (Tovmasyan, 2016).**

**Besides religious tourism, Armenian historical-cultural heritage gives the opportunity to develop cultural tourism (Tovmasyan, 2021b).**

Armenia is rich in scientific and astronomical tourist sites, including astronomical archaeological sites, medieval universities, modern scientific institutions, and science related museums. Armenia also has an astronomy and space science museum. So astronomical tourism may be developed in Armenia as well (Farmanyan & Miskaelian, 2019). In general scientific tourism has many development opportunities in Armenia (Minasyan & Nalbandyan, 2015, Tovmasyan G. & Tovmasyan R., 2018).

Armenian tasty cuisine and old winemaking histories make an opportunity to develop gastronomic and wine tourism (Tovmasyan, 2019a).

Agro-tourism has prospects for development in Armenia and it can contribute to the development of different villages and communities in the Republic of Armenia (Vardanyan et al, 2021’ Tovmasyan et al, 2020).

**Ecotourism also has development resources and opportunities in Armenia (Galyan, 2007).**

Healthcare tourism industry in Armenia includes medical and spa-resort tourism. Armenia has 10 resort zones which all have natural curable resources (Tovmasyan, 2021c). Besides, medical tourism has development perspectives. Competitive prices, professional doctors and medical equipment play a vital role in attracting medical

tourists to Armenia (Arutyanyan & Dokholyan, 2018). However, further growth of the medical tourism sector hinges on international accreditation of local health care organizations, efficient promotion of the country in the global medical tourism market (Sargsyan 2014).

**In recent years sustainability issues have become decisive in tourism, as well as in Armenia (Amiryan & Goretti, 2013) and many steps should be taken for insuring sustainable tourism development in our country (Tovmasyan, 2019b).**

## **2. The impact of Covid-19 pandemic and Russian-Ukrainian war on economy and tourism sector worldwide.**

Many studies analyze the impact of pandemic on the tourism sphere in the world. The study by Khalid et al. (2021) shows that countries with larger tourism sectors have adopted more aggressive economic stimulus packages to mitigate the impact of COVID-19 pandemic and reinvigorate floundering economies.

The study by Roman et al. (2021) shows that in 31 European countries the main touristic indicators have decreased due to pandemic. Other studies also prove the negative effect of pandemic on tourism (Varzaru et al, 2021; Kamata, 2021; Orindaru et al, 2021).

The Russian-Ukrainian war has brought a devastating flow of economic instabilities all around the globe at the most difficult time when the world was recovering from the damaging impacts of the pandemic (Singh, 2022).

Pereira et al. (2022) state that the war will have an impact on sustainable development goals. The war caused a number of negative consequences for the world economy in general leading to a significant humanitarian catastrophe, the growth of emigration, the impoverishment of the population, as well as the growth of the global food crisis.

Climate change, natural resources depletion, COVID-19, and wars are all potential global health threats (Barchielli, 2022).

**Methodology.** *The main purpose of the article is to analyze the development trends of tourism in Armenia in recent years, taking into account the impact of Covid-19 pandemic, and to explore the impact of Russian – Ukrainian war on the tourism development trends in Armenia.*

**In order to accomplish the above-mentioned purpose, the following methods were used in the article:** quantitative (data analysis, gathering, tabulating, and manipulating data, finding and testing relationships, **micro and macro analysis**, statistical methods such as correlation analysis), and qualitative (interview method).

**Micro and macro analyses allow to evaluate the growth rates of tourism and its impact on macro level: GDP, employment.**

**Correlation analysis was used to evaluate the impact of tourist numbers on employment, GDP and restaurants' and hotels' revenues.** The data are based on the publications of the Statistical Committee of the RA; quarterly data for 2006-2022 were taken (the range is 66). The time series of indicators were logarithmized (on a natural basis), then, taking the first-order differences, the trend component was excluded from the series.

**The interview method was used to accomplish a survey among 100 Russian tourists in Armenia, based on open questions, to find out their degree of satisfaction with Armenia.** The interview was conducted in the streets of Yerevan, in public catering facilities, in hotel facilities, where a large number of Russians could be found. The survey was done in March 2022, the general population size from the number of Russian tourists (108976) in January-March 2022 was considered as monthly data are not available. The margin of error was 8%, confidence level 90% (calculations were done via <http://www.raosoft.com/sample.html>).

## Analysis.

### ***1. Tourism sphere in Armenia before and after Covid-19 pandemic***

***In 2022 1665658 tourists visited Armenia. Before the pandemic, in 2019, the number of incoming tourists was 1894377 (table 1).***

Table 1

*Incoming touristic visits to Armenia by purpose, 2018-2022*

<i>Year</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>
Number of incoming tourists	1651782	1894377	360338	875772	1665658
Number of incoming tourists who stayed at hotel facilities	307473	550289	97550	278393	645233
From which by purpose	100%	100%	100%	100%	100%
business	27,3 %	15.9 %	15,8%	25.8%	26.5%
rest and entertainment	48,8 %	55.4 %	50,3%	52.3%	55.0%
medical	1,4 %	0.5 %	0,4%	0.5%	0.2%
other	22,5 %	28.2 %	33,5%	21.4%	18.3%

**Source:** *The table was composed by the author based on the reports of the Statistical Committee of the RA about "The social-economic situation in the RA" for 2019-2023 years*

As it is seen from Table 1, in 2019 only 29% of incoming tourists stayed at hotel facilities, the others stayed at rented appartements or at relatives' houses. In 2020 27% of incoming tourists stayed at hotel facilities, in 2021 – 32%, and in 2022 – 39%.

***In 2020 the number of incoming tourists was 360338, 307590 of which visited in the first quarter, before the closure of borders because of pandemic. Moreover, in 2020 the 44-day war was in Artsakh, but as the flights were not fully restored then, and the world was still in pandemic, so, the main decline in tourism in 2020 was because of pandemic. Of course, the war and after that the tense situation at the borders of Armenia had their influence on tourism, especially in the regions of Syunik, Gegharkunik, Vayots Dzor, Ararat.***

In 2022 1665658 tourists visited Armenia, which is twice more than last year (The social-economic situation in the RA in January, 2023).

In 2019 incoming tourists were mainly from Russia, then Germany, France, USA, Iran. In 2020, 2021 and 2022 the proportion of Russian tourists increased (Table 2). According to the Statistical Committee of the RA the number of Russian tourists in Armenia in 2022 was 790397, while the number of Ukrainian tourists only 18149 (The social-economic situation in the RA in January-December, 2022). The source of this statistical data is the information database of the RA Border Electronic Management of the RA National Security Service. According to the methodology of the United Nations World Tourism Organization international tourist is considered any person who travels for rest and leisure, medical treatment, visiting relatives, business, religious or other purposes from his/her main place of residence to another place for no less than 24 hours and not more than 1 consecutive year. That is, the main purpose is to travel, and not to be engaged in work activities, when the payments for the trip would be made at the expense of funds received from work activities at the place of arrival. So, the numbers reflect only people considered as tourists and not temporary migrants from Russia and Ukraine.

Table 2

*Geographical distribution of incoming tourists in Armenia\*, 2018-2022*

<i>Country</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
In which					
<b>Countries of Commonwealth of Independent States, from which</b>	<b>24.4</b>	<b>26.2</b>	<b>44.4</b>	<b>48.6</b>	<b>55.1</b>
Ukraine	1.9	1.6	2.1	1.9	1.1
Russian Federation	21.0	22.7	<b>39.0</b>	<b>41.5</b>	<b>51.9</b>
CIS other countries	1.5	1.8	3.3	5.2	2.1

<b>EU countries, from which</b>	<b>26.8</b>	<b>26.1</b>	<b>17.1</b>	<b>13.5</b>	<b>11.8</b>
Netherlands	0.9	0.9	0.4	0.9	0.8
Italy	2.9	2.8	1.7	0.9	0.7
France	5.2	6.6	5.1	3.8	3.0
Germany	6.4	8.3	4.1	3.1	3.3
EU other countries	8.4	7.5	5.8	4.8	4.0
<b>Other countries, from which</b>	<b>48.8</b>	<b>47.7</b>	<b>38.5</b>	<b>37.9</b>	<b>33.1</b>
USA	13.9	6.1	6.5	7.8	8.0
Iran	6.8	5.0	6.9	11.0	6.8
Georgia	2.3	1.5	1.5	2.0	2.1
Turkey	1.0	0.2	0.4	0.1	0.2
Canada	1.8	1.3	0.7	0.7	0.9
Other countries	23.0	33.6	22.5	16.3	15.1

\* The data reflect the number of the tourists registered in the hotel facilities (hotels, hotel-type resorts, resorts, rest houses, etc.).

Source: The Table was composed by the author based on the reports of the Statistical Committee of the RA about "The social-economic situation in the RA" for 2019-2023 years

In 2022 the number of Russian tourists coming to Armenia increased which is connected with Russian-Ukrainian war. 790397 Russian tourists came to Armenia, 2.2 times more than in 2021 (The social-economic situation in the RA in January, 2023).

Most of the incoming tourists were in 36-63 age group. Also, men exceeded the number of women tourists (Table 3).

Table 3

#### Incoming tourists by age and gender

By age	2021 January- December			2022 January- December		
	By gender					
	Total	Women	Men	Total	Women	Men
Total	875772	355857	519915	1665658	756308	909350
Up to 15 years old	93540	44794	48746	178167	86237	91930
16-17	10541	5469	5072	20480	10520	9960
18-25	70188	36073	34115	147316	73459	73857
26-35	199358	80029	119329	393074	177912	215162
36-63	447498	163274	284224	813546	351758	461788
64 and elder	54647	26218	28429	113075	56422	56653

Source: Statistical Committee of the RA, "The social-economic situation in the RA for 2022 January-December"

The total number of overnight stays has increased in 2022, and the overnight stay of Russian tourists has increased by 121 % (Table 4).

Table 4

#### Incoming tourists of the RA according to the number of overnight stays and the average duration of the visit

By citizenship	Overnight stay, days	Average visit duration, man-day	Overnight stay, days	Average visit duration, man-day
	2021 January- December		2022 January-December	
	Total		Total	
Total	27568422	31	51257969	31
Russian Federation	8881949	25	19618448	25
Ukraine	402301	18	495271	27

Source: Statistical Committee of the RA, "The social-economic situation in the RA for 2022 January-December"

Financial inflows and outflows from tourism are reflected in the balance of payments. In 2020 the volume of exports of tourism services amounted to 286.9 million US dollars, which is 1248.0 million US dollars less than in the previous year (in 2019 it amounted to 1534.9 million US dollars). In 2021 the volume of exports of tourism services amounted to \$ 802.8 million (about \$ 515.88 million more than in 2020). In 2022 January-September the volume of exports of tourism services amounted to \$ 1746.5 million (Table 5).

Table 5

*Some indicators of the balance of payments of the Republic of Armenia,  
2020-2022, million US dollars*

Indicator	2020	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2021	2022 Q1	2022 Q2	2022 Q3
<b>Travel and tourism services</b>	34.1	25.4	55.0	153.9	110.1	344.4	106.0	306.8	450.1
<i>credit</i>	<b>286.9</b>	73.7	130.2	346.3	252.5	<b>802.8</b>	247.6	<b>520.0</b>	<b>978.9</b>
<i>debit</i>	252.8	48.3	75.3	192.4	142.5	458.5	141.5	213.2	528.7

Source: The table was composed by the author based on the report of the Central Bank of the RA about "The balance of payments of the RA" for 2020-2022 years

During pandemic Armenia had some travel restrictions for incoming tourists, but since May 1, 2022, all travel restrictions have been cancelled.

The number of domestic tourists in Armenia has been growing in recent years. In 2019 the number of domestic tourists was 1544600, increasing by 41.4% compared to the previous year.

In 2020, due to the pandemic, the number of domestic tourists decreased by about 33% compared to the previous year, amounting to 1045756 people. About 73% of them travelled with the purpose of rest and entertainment.

Table 6

*Number of domestic tourists in Armenia, 2018-2022*

Number/ Year	2018	2019	2020	2021	2022
tourists*, from which by purpose	1092322	1544600	1045756	1595826	1929940
business	207761	280542	150649	247843	383873
rest and entertainment	781668	1112305	765100	1229224	1412388
medical	58339	52006	53500	67325	67298
other	44554	99747	76507	51434	66381

\* The data reflect the number of tourists registered in the hotel facilities (hotels, hotel-type resorts, resorts, rest houses, etc.).

Source: The table was composed by the author based on the reports of the Statistical Committee of the RA about "The social-economic situation in the RA" for 2019-2022 years

In 2021 the number of domestic tourists was 1595826 increasing by 52.6% compared to 2020 and by 3% compared to 2019. In 2021 the travel purpose of 77% of domestic tourists was rest and entertainment.

In 2022 the number of domestic tourists was 1929940, which is 21% more than in 2021 (The social-economic situation in the RA in January, 2023).

According to statistical data, the volume of accommodation and catering services in 2022 January-December amounted to 241531.3 million AMD, having increased by 32% as compared to the previous year, the volume of activity of travel agencies has also increased (Table 7).

Table 7

*Volume of organization of some tourism services, 2020-2022*

<i>Type of service</i>	<i>2020 January-December, total, million AMD, at current prices</i>	<i>2021 January-December, total, million AMD, at current prices</i>	<i>2022 January-December, total, million AMD, at current prices</i>
Accommodation and Catering, including	108245.1	182107.8	241531.3
Accommodation	13786.0	33409.4	51833.4
Catering	94459.1	148698.4	189697.6
Activities of travel agencies and operators, reservation of seats and other services in the sphere of tourism	5241.5	9504.3	16737.5

**Source:** *The table was composed by the author based on the reports of the Statistical Committee of the RA about "The social-economic situation in the RA" for 2020-2022 years*

Thus, in 2021 the tourism sector began to restart gradually after pandemic. In 2022 a great flow of Russian tourists came to Armenia, which had significant impact on the sphere. The increase in the volume of activities of travel agencies, accommodation and catering also proves it.

## **2. The impact of the inflow of Russian tourists on the tourism sector in Armenia following the Russian-Ukrainian war**

The Russian-Ukrainian war currently has and in the future will have a negative impact on the world economy as well. The sanctions against Russia by different countries lead to many problems. The level of prices of consumer goods has increased in many countries.

As a source market, Russia and Ukraine represent a combined 3% of global spending on international tourism as of 2020. In 2019, Russian spending on travel abroad reached US \$36 billion and Ukrainian spending US \$8.5 billion. In 2020, these figures were down to US \$9.1 billion and US \$4.7 billion, respectively. As tourism destinations, Russia and Ukraine account for 4% of international tourist arrivals in Europe but only 1% of Europe's international tourism receipts (UNWTO Tourism Market Intelligence and Competitiveness Department, 2022).

In 2022 various countries have imposed sanctions on Russia, suspended flights and closed their airspace to Russia since February 24, 2022.

Since then, many flights were organized to Armenia and many Russians came to Armenia.

Thus, along with the negative impact, we can talk about the possible positive impact, which can be seen in the field of tourism in Armenia with the growing number of tourists.

**In 2022 the number of outgoing tourist trips of Russian citizens was 22486,5 thousand, from which 5401.6 thousand went to Abkhazia, 4622.2 thousand went to Turkey, and 789.1 thousand came to Armenia** (Socio-economic situation of Russia, 2023) (Table 8).

Most of Russian tourists in Armenia stay in hotel facilities, in rented apartments, some in relatives' houses, some managed to buy an apartment. Of course, as a result, apartment rents have increased. For example, in the "Centre" administrative district of Yerevan, the rent prices for 2-3-room apartments start from \$1,000 and go up to \$ 6,500. Many people take the opportunity to artificially raise the rent prices of apartments, which harms the market (Tert.am, n.d.).

Table 8

*Number of outgoing tourist trips of citizens of Russia, 2022*

	<i>2022, thousand</i>	<i>% to 2021</i>	<i>For reference, 2021 in % to 2020</i>
<b>Total</b>	22486,5	117,1	155,3
including in: foreign countries	17475,3	112,4	155,4
In which:			
Abkhazia	5401,6	105,1	183,3
Turkey	4622,2	97,8	2,3 times
United Arab Emirates	1159,0	199,8	161,2
Egypt	900,5	96,5	64,9 times
Georgia	830,5	7,0 times	110,4
Finland	769,0	3,3 times	30,0
Estonia	620,9	3,0 times	51,6
Tailand	208,3	11,8 times	3,7
Litva	179,0	165,9	82,4
Mongolia	138,3	77,2 times	11,9
Maldives	114,0	70,7	3,8 times
Poland	104,5	135,5	35,2
Serbia	96,8	99,2	4,0 times
Israel	94,6	2,1 times	65,1
Dominican Republic	88,0	53,1	2,6 times
Latvia	67,5	142,4	46,1
Qatar	60,1	172,3	87,5
India	49,6	4,8 times	13,1
Germany	49,2	18,7	99,5
Kuba	45,7	33,7	2,1 times
<b>CIS member states</b>	<b>5011,2</b>	<b>137,3</b>	<b>154,9</b>
of them:			
EAEU countries	<b>3632,5</b>	<b>3,1 times</b>	<b>138,6</b>
Kazakhstan	2443,7	4,9 times	80,2
<b>Armenia</b>	<b>789,1</b>	<b>182,5</b>	<b>3,0 times</b>
Kyrgyzstan	399,7	171,2	3,1 times
Belarus	-	-	-

Source: *The table was composed by the author based on the report of Federal Service of State Statistics of Russian Federation about "Socio-economic situation of Russia, January 2023"*

**Traditionally, there has been a large flow of tourists from Russia to Armenia, especially during the spring holidays, in winter, for winter tourism lovers, most of them were wine tourism lovers, and so on.**

Now, taking into account the restrictions applied by other countries, Armenia must take steps to attract Russian tourists in the long run. Armenia can become a country of transit tourism, when Russian tourists can travel to Yerevan in the absence of direct flights to other countries.

It is also possible to organize tours to the regions of Armenia for Russian tourists in order to reduce the infrastructural pressure on Yerevan, which will contribute to the improvement of the socio-economic situation in the regions.

Due to the pandemic, tourism in Armenia suffered significantly, after the sharp decline of the sector in 2020, in 2021 a gradual recovery took place. In this regard, the flow of Russian tourists may have a positive impact on the industry (Tovmasyan, 2022).

A short survey via interview among tourists from Russia to Armenia was conducted to find out the purpose of their visit, period of stay, satisfaction and dissatisfaction with Armenia. 106 Russians took part in the interview, which was conducted in the streets of Yerevan, in public catering facilities, in hotel facilities, where a large number of Russians could be found. As a result of the survey, it became clear that:



- Russians are very satisfied (98% of respondents) with the Armenian hospitality, the willingness of Armenians to be helpful to them, as well as Armenian food, the level of service in public catering establishments.
- Most of them have arrived in Armenia indefinitely, stating that they will stay here for some time, visit the country's tourist destinations, until the situation stabilizes and they can return to Russia.
- Some of the respondents have arrived in Armenia with their families, settled temporarily in rented apartments, work remotely from the Republic of Armenia (most of them are employees of various international organizations or IT sector and can work remotely while living in the Republic of Armenia, get international transfers from different countries for their work),
- Russians, in general, are satisfied with Armenia, in some cases dissatisfaction is connected with the high rent of apartments, which, however, according to them, is due to a sharp increase in demand as a result of arrivals from Russia.
- According to the Russians, the prices of goods in Armenian supermarkets are not high, almost the same as in Russia.
- Many Russians stay not only in Yerevan, but in other cities as well, for example in Gyumri, Vanadzor, Dilijan, etc.

Thus, Russians are satisfied with Armenia.

Besides, the surveys among some travel agencies showed that the demand for tours by Russians to different destinations in Armenia has increased, and now Russian-speaking guides are in great demand. The demand is for different types of tours.

### **3. Evaluating the impact of the number of tourists on GDP, employment and volume of tourism services.**

In order to evaluate the impact of the number of tourists on Armenian economy, correlation analyses were conducted between the total number of tourists in the Republic of Armenia (including the sum of the number of incoming and domestic tourists) and the volume of services of hotel facilities and food and beverage service activities, GDP, employment. As we know, tourism has a multiplier effect, the expenses of tourists generate revenue in other spheres, in addition tourism development may contribute to the growth of employment. Also, the statistics in tourism is very poor, and other detailed indicators for tourism sphere are mainly not available, so the chosen indicators reflect the impact of tourism on the economic situation.

Table 9

#### ***Correlation analysis between some factors***

	<i>Total tourists</i>
Restaurants and hotels revenue	0.517739957
Employment	0.142001966
GDP	0.372842025

Source: The analysis was carried out by the author via Excel, data are based on the reports of the Statistical Committee of the RA about "The social-economic situation in the RA" for 2006-2022 years

***The correlation between total tourists and restaurants and hotels revenue is 0.52, between total tourists and employment is 0.14 and between total tourists and GDP is 0.37.***

**R<sup>2</sup> between total tourists and restaurants and hotels revenue is 27%, between total tourists and employment is 0.2%, and between total tourists and GDP is 14%.**

**This means that 27 % of the change in the volume of restaurants and hotels revenue is explained by the change in the total number of tourists, 0.2% of the change in employment is explained by the change in the total number of tourists,**

and 14% of the change in GDP is explained by the change in the total number of tourists.

The results show that the correlation between employment and tourism is still very low, so steps should be taken to increase the total contribution of tourism in the sphere of employment.

The increase in total number of tourists is very good, as it will contribute to the increase of restaurants and hotels revenue, GDP, and other indicators. Tourism development should contribute to the sustainable development of the economy.

**Conclusion and recommendations.** Thus, the article discussed the trends of tourism recovery after the pandemic in Armenia and the impact of the influx of Russian tourists to the Armenian tourism sector because of the Russian-Ukrainian war.

The data of 2021 and 2022 show that tourism is gradually recovering in Armenia. Aggressive marketing policies should be pursued to promote inbound tourism using Buzz Marketing, Word of mouth and Influencer marketing strategies. The role of marketing is very important, the experience of other countries shows that even during the pandemic, extensive marketing activities were carried out on social networks to ensure a large flow of international tourists after the easing or elimination of pandemic restrictions. It is very important for Armenia to take a place in the international tourism market in the current conditions, to present new touristic offers, to have an active marketing campaign on the official tourism website and social networks in order to ensure the flow of incoming tourists.

As for the Russian-Ukrainian war, in the long run, of course, it has and will have a negative impact on the world and on the Armenian economy: currency fluctuations, export-import of goods, increase in prices in the RA real estate market, etc (as the studies in literature review prove this). Although the large influx of Russian tourists is positive for tourism sphere, at the same time, it is necessary to work on attracting Russian tourists in the long run, developing interesting, attractive, affordable packages for them. Observing different social media platforms (YouTube, Instagram, Facebook, etc.) it becomes clear that Russian tourists post various videos, pictures of different touristic destinations in Armenia. These channels and the posts have high popularity among Russian tourists and in this way Armenian tourism is advertised. So, it is vital to provide high quality services to tourists, as satisfied tourists bring news tourists with viral and word-of-mouth marketing.

## References

1. Amiryany H., Goretti S., (2013) Sustainable Tourism Development in Armenia, *International Journal of Management Cases, Special Issue*, 10th International CIRCLE Conference, Volume 14 Issue 3, 153-169, Portugal, Available at: <https://www.circleinternational.co.uk/wp-content/uploads/2021/02/15.4.pdf#page=153>
2. Arutyunyan V., Dokholyan S., (2018), Medical tourism growth perspectives in Armenia, *Economics and Management*, 11(157), 19-28, Available at: <https://www.elibrary.ru/item.asp?id=37053045>
3. Avetisyan S., Grigoryan V., Tovmasyan G., (2021), Tourism routes of the regions of the Republic of Armenia, Monograph, 305, Meknark LLC
4. Barchielli B., Cricenti C., Gallè F., Sabella E.A., Liguori F., Da Molin G., Liguori G., Orsi G.B., Giannini A.M., Ferracuti S., Napoli C. (2022) Climate Changes, Natural Resources Depletion, COVID-19 Pandemic, and Russian-Ukrainian War: What Is the Impact on Habits Change and Mental Health? *Int. J. Environment Research and Public Health*, 19, 11929. <https://doi.org/10.3390/ijerph191911929>

5. Davtyan A., Tourism Businesses Impact on the Economic Development of the Republic of Armenia, *Australian Journal of Asian Country Studies, SCIE Journals*, 12-24, Available at: [https://www.academia.edu/8324687/Tourism\\_Businesses\\_Impact\\_on\\_the\\_Economic\\_Development\\_of\\_the\\_Republic\\_of\\_Armenia](https://www.academia.edu/8324687/Tourism_Businesses_Impact_on_the_Economic_Development_of_the_Republic_of_Armenia)
6. Farmanyan S., Mickaelian A., (2019) Astronomical Tourism Sites in Armenia, *Astronomical Heritage of the Middle East. ASP Conference Series*, Vol. 520, Astronomical Society of the Pacific, 253-257, Available at: <https://articles.adsabs.harvard.edu/pdf/2019ASPC..520..253F>
7. Federal Service of State Statistics. 2023. "Socio-economic situation of Russia, January 2023", 98, <https://rosstat.gov.ru/storage/mediabank/osn-01-2023.pdf>
8. Galyan Z., (2007), *Ecotourism in the Specially Protected Natural Areas: Guide for Planning and Management*, Yerevan, "Lusakn" publishing house, 100, Available at: [http://ecotourismarmenia.com/publication/Ecotourism\\_in\\_Protected\\_Natural\\_Areas\\_ARM.pdf](http://ecotourismarmenia.com/publication/Ecotourism_in_Protected_Natural_Areas_ARM.pdf)
9. Kamata H., (2022) Tourist destination residents' attitudes towards tourism during and after the COVID-19 pandemic, *Current Issues in Tourism*, 25:1, 134-149, DOI: 10.1080/13683500.2021.1881452
10. Khalid U., Okafor L. E. & Burzynska K., (2021) Does the size of the tourism sector influence the economic policy response to the COVID-19 pandemic?, *Current Issues in Tourism*, 24:19, 2801-2820, DOI: 10.1080/13683500.2021.1874311
11. Minasyan R., Nalbandyan N., (2015), The importance of development of Scientific Tourism in Armenia, *Relation of Astronomy to other Sciences, Culture and Society. Proceedings of XIII Annual Meeting of Armenian Astronomical Society*, held 7-10 October 2014 in Byurakan Astrophysical Observatory, Armenia *Relation of Astronomy to other Sciences, Culture and Society*. Yerevan, "Gitutyun" Publishing House of the National Academy of Sciences of the Republic of Armenia (NAS RA), 401-406, Available at: <https://ui.adsabs.harvard.edu/abs/2015rasc.conf.401M/abstract>
12. Orîndaru A., Popescu M.-F., Alexoaei A.P., Căescu Ş.-C. Florescu M.S., Orzan A.-O., (2021) Tourism in a Post-COVID-19 Era: Sustainable Strategies for Industry's Recovery. *Sustainability*, 13, 6781. <https://doi.org/10.3390/su13126781>
13. Pereira P., Zhao W., Symochko L., Inacio M., Bogunovic I., Barcelo D., (2022) The Russian-Ukrainian armed conflict will push back the sustainable development goals, *Geography and Sustainability*, Volume 3, Issue 3, 277-287, <https://doi.org/10.1016/j.geosus.2022.09.003>.
14. Poghosyan K., Tovmasyan G., (2021) Modelling and Forecasting Domestic Tourism. Case Study from Armenia, *SocioEconomic Challenges*, 5(2), 96-110, [https://doi.org/10.21272/sec.5\(2\).96-110.2021](https://doi.org/10.21272/sec.5(2).96-110.2021)
15. Roman M., Roman M., Grzegorzewska E., Pietrzak P., Roman K., (2022) Influence of the COVID-19 Pandemic on Tourism in European Countries: Cluster Analysis Findings. *Sustainability*, 14, 1602. <https://doi.org/10.3390/su14031602>
16. Sargsyan S. (2014) The Problems of Medical Tourism Development in Armenia, *Bulletin of Yerevan University*, Vol. 5, N 2, DOI: <https://doi.org/10.46991/BYSU:G/2014.5.2.076>, Available at: [https://journals.y-su.am/index.php/bulletin-y-su-economics/article/view/vol\\_5\\_no\\_2\\_2014\\_076-085/vol\\_5\\_no\\_2\\_2014\\_pp076-085\\_pdf](https://journals.y-su.am/index.php/bulletin-y-su-economics/article/view/vol_5_no_2_2014_076-085/vol_5_no_2_2014_pp076-085_pdf)
17. Shcherbachenko V., Teslyk A., (2022) Analysis of changes in the world economy caused by the Russian-Ukrainian war, *Mechanism of economic regulation*, N3-4, 65-70, DOI: <https://doi.org/10.32782/mer.2022.97-98.06>
18. Singh A., (2022) Impact of Russian - Ukrainian war on the economy of south Asia, *International Research Journal of Modernization in Engineering Technology and Science*, Volume:04, Issue:10, 239-249, [https://www.irjmets.com/uploadedfiles/paper/issue\\_10\\_october\\_2022/3045](https://www.irjmets.com/uploadedfiles/paper/issue_10_october_2022/3045)

- 4/final/fin\_irjmets1665040190.pdfTert.am, Armenian landlords and Russian tenants. Prices of apartments for rent in Yerevan reach up to 6,500 dollars, Available at: [https://www.tert.am/am/news/2022/03/09/vardzakalutyun/3774765?fbclid=IwAR3pn950JFVvk02ChxOJebrEjIVrws\\_6mGCejaliMkKV5wY8QrQcc6CtJSOc](https://www.tert.am/am/news/2022/03/09/vardzakalutyun/3774765?fbclid=IwAR3pn950JFVvk02ChxOJebrEjIVrws_6mGCejaliMkKV5wY8QrQcc6CtJSOc)
20. Tovmasyan G., (2016), Religious tourism development bases and perspectives in the Republic of Armenia, *Actual problems of the humanities and natural sciences*, 1-3, 7-10, Available at: <https://cyberleninka.ru/article/n/religious-tourism-development-bases-and-perspectives-in-the-republic-of-armenia>
  21. Tovmasyan G., Tovmasyan R. (2018). Scientific Tourism Development Bases in Armenia. *SocioEconomic Challenges*, 2(1), 85-90. DOI: 10.21272/sec.2(1).85-90.2018
  22. Tovmasyan G. (2019), Assessment of tourist satisfaction index: Evidence from Armenia, *Marketing and Management of Innovations*, Issue 3, 22-32, DOI: 10.21272/mmi.2019.3-02
  23. Tovmasyan G. (2019a), Prospects of Gastronomy Tourism Development in Armenia, *Messenger of Armenian State University of Economics*, 3, 148-158, Available at: <https://arar.sci.am/dlibra/publication/295439/edition/271131/content>
  24. Tovmasyan G. (2019b). Assessing some indicators of tourism sustainability: case study from Armenia. *SocioEconomic Challenges*, 3(1), 127-136. [http://doi.org/10.21272/sec.3\(1\).127-136.2019](http://doi.org/10.21272/sec.3(1).127-136.2019)
  25. Tovmasyan G., (2020) Raising the Effectiveness of Tourism Marketing and Branding: Evidence from Armenia, *Marketing and Management of Innovations*, Issue 1, 167-181, DOI: 10.21272/mmi.2020.1-13
  26. Tovmasyan G. (2020a), Evaluating the quality of hotel services based on tourists' perceptions and expectations: The case study of Armenia, *Journal of International Studies*, 13(1), 93-107. DOI:10.14254/2071-8330.2020/13-1/6
  27. Tovmasyan G., Avetisyan S., Tatosyan K., Mirijanyan L., Galustyan I., & Rushanyan A. (2020). Analysing the Demand of Agritourism for International Tourist in Armenia. *Marketing and Management of Innovations*, 4, 90-101. <http://doi.org/10.21272/mmi.2020.4-07>
  28. Tovmasyan G., (2021) Forecasting the Number of Incoming Tourists using ARIMA Model: Case Study from Armenia. *Marketing and Management of Innovations*, 2021, N3, 139-148, <http://doi.org/10.21272/mmi.2021.3-12>
  29. Tovmasyan G., (2021a) Capital investments, tourist tax and tourism development: The case study of Armenia, *Economics and Sociology*, 14(1), 199-213, DOI: 10.14254/2071-789X.2021/14-1/13
  30. Tovmasyan G. (2021b) Cultural heritage of the RA as an important factor for tourism development, *Amberd Bulletin*, 2(9), 34-41, Available at: <https://cyberleninka.ru/article/n/cultural-heritage-of-the-ra-as-an-important-factor-for-tourism-development>
  31. Tovmasyan G., (2021c) Healthcare tourism in Armenia: opportunities and perspectives of development, *Messenger of Armenian State University of Economics*, N 5, 107-126, Available at: <https://asue.am/upload/files/science/banber/2021-year-5/7.pdf>
  32. Tovmasyan G., (2022) What Impact will the Great flow of Russian tourists have on the restoration of Armenian tourism? *AMBERD Bulletin*, 2022/2, 55-64, DOI: 10.52174/2579-2989\_2022.2-55
  33. Vardanyan N., Gharakhanyan G., Ghalamdaryan A., Mryan A. (2021), Current State of Agro-Tourism and Development Preconditions in Armenia, "Katchar" *Collection of Scientific Articles*. International Scientific-Educational Center NAS RA, N2, 40-55, Available at: <http://katchar.isec.am/myfiles/files/Katchar%202021-2.pdf#page=40>
  34. UNWTO (2022) Tourism grows 4% in 2021 but remains far below pre-pandemic levels, Available at: <https://www.unwto.org/news/tourism-grows-4-in-2021-but-remains-far-below-pre-pandemic-levels>

35. The Law of the RA on “Tourism and tourism activities”, 2003, Article 2, Available at: <https://www.arlis.am/DocumentView.aspx?DocID=64659>
36. The Central Bank of Armenia. 2022 “The balance of payments of the RA”, Foreign sector statistics, Available at: <https://www.cba.am/am/SitePages/statexternalsector.aspx>
37. The Statistical Committee of the RA. 2019 “The social-economic situation in the RA in 2019 January”, 105, Available at: [https://www.armstat.am/file/article/sv\\_01\\_19a\\_421.pdf](https://www.armstat.am/file/article/sv_01_19a_421.pdf), 106, Available at: [https://www.armstat.am/file/article/sv\\_01\\_19a\\_422.pdf](https://www.armstat.am/file/article/sv_01_19a_422.pdf),
38. The Statistical Committee of the RA. 2020. “The social-economic situation in the RA in 2020 January”, 112-113, Available at: [https://www.armstat.am/file/article/sv\\_01\\_20a\\_421.pdf](https://www.armstat.am/file/article/sv_01_20a_421.pdf) 115, Available at: [https://www.armstat.am/file/article/sv\\_01\\_20a\\_422.pdf](https://www.armstat.am/file/article/sv_01_20a_422.pdf)
39. The Statistical Committee of the RA. 2021 “The social-economic situation in the RA in 2021 January”, 113-114, Available at: [https://www.armstat.am/file/article/sv\\_01\\_21a\\_421.pdf](https://www.armstat.am/file/article/sv_01_21a_421.pdf), 115, Available at: [https://www.armstat.am/file/article/sv\\_01\\_21a\\_422.pdf](https://www.armstat.am/file/article/sv_01_21a_422.pdf)
40. The Statistical Committee of the RA. 2021 “The social-economic situation in the RA in 2020 January-December”, 56-58, Available at: [https://armstat.am/file/article/sv\\_12\\_20a\\_126.pdf](https://armstat.am/file/article/sv_12_20a_126.pdf)
41. The Statistical Committee of the RA. 2022. “The social-economic situation in the RA in 2021 January-December”, 150, Available at: [https://armstat.am/file/article/sv\\_12\\_21a\\_421.pdf](https://armstat.am/file/article/sv_12_21a_421.pdf), 56-58, Available at: [https://armstat.am/file/article/sv\\_12\\_21a\\_126.pdf](https://armstat.am/file/article/sv_12_21a_126.pdf)
42. The Statistical Committee of the RA. 2022 “The social-economic situation in the RA in 2022 January”, 113, Available at: [https://www.armstat.am/file/article/sv\\_01\\_22a\\_421.pdf](https://www.armstat.am/file/article/sv_01_22a_421.pdf), Available at: [https://www.armstat.am/file/article/sv\\_01\\_22a\\_422.pdf](https://www.armstat.am/file/article/sv_01_22a_422.pdf), 141, Available at: [https://armstat.am/file/article/sv\\_10\\_22a\\_421.pdf](https://armstat.am/file/article/sv_10_22a_421.pdf)
43. The Statistical Committee of the RA. 2023, “The social-economic situation in the RA in 2022 January-December”, Available at: [https://www.armstat.am/file/article/sv\\_12\\_22a\\_421.pdf](https://www.armstat.am/file/article/sv_12_22a_421.pdf)
44. UNWTO Tourism Market Intelligence and Competitiveness Department, (2022) Issue 4, 4, Impact of the Russian offensive in Ukraine on international tourism, Available at: [https://webunwto.s3.eu-west-1.amazonaws.com/s3fs-public/2022-05/16-05-22-impact-russia-ukraine.pdf?q7kCpUZsLi4Su\\_Zlo1d2b08bH0\\_L0Pln=](https://webunwto.s3.eu-west-1.amazonaws.com/s3fs-public/2022-05/16-05-22-impact-russia-ukraine.pdf?q7kCpUZsLi4Su_Zlo1d2b08bH0_L0Pln=)
45. UNWTO World Tourism Barometer, Volume 21, Issue 1, January 2023, Available at: [https://webunwto.s3.eu-west-1.amazonaws.com/s3fs-public/2023-01/UNWTO\\_Barom23\\_01\\_January\\_EXCERPT.pdf?VersionId=2bbK5GIwk5KrBGJzt5iNPAGnrWoH8NB](https://webunwto.s3.eu-west-1.amazonaws.com/s3fs-public/2023-01/UNWTO_Barom23_01_January_EXCERPT.pdf?VersionId=2bbK5GIwk5KrBGJzt5iNPAGnrWoH8NB)
46. Vărzaru A.A., Bocean C.G., Cazacu M., (2021) Rethinking Tourism Industry in Pandemic COVID-19 Period. *Sustainability*, 13, 6956. <https://doi.org/10.3390/su13126956>