STATE OF DEVELOPMENT OF THE HOSPITALITY INDUSTRY IN THE NUR-SULTAN CITY

Abstract. In this paper an assessment of the state of the hospitality industry of Nur Sultan city is given. The authors note that there is a positive dynamics of the increase in the hotel room inventory in the industry in the period under review, at the same time they note that there is a low degree of workload in accommodation facilities for guests of the capital of Kazakhstan in comparison with the capitals of other countries. The analysis of the subjects of the hospitality industry of the city by the indicators of their number, the distribution of their belonging to the category were carried out. It was revealed that in the structure of the accommodated guests, Kazakhstanis coming from other regions are dominated. At the same time, the analysis shows a gradual increase in the share of foreign tourists in the overall structure of accommodated guests in hotel facilities. As a constraint to the development of the hospitality industry in the capital the unfair competition in the market has been marked, due to the presence of the daily rent apartments illegally handed by individuals. First of all, this circumstance makes it difficult to conduct a real assessment of the market size of the hospitality industry in Nur-Sultan city, secondly, deprives guest accommodation of potential customers due to lower prices for illegal daily rent of apartments. In addition, the results of the analysis of the pricing policy of the capital's accommodation facilities show the inadequacy of pricing for their services.

Key words: hospitality industry, tourism, hotel facilities, accommodation facilities.

Introduction. Tourism is a priority for the development of the economy of Kazakhstan, and primarily because of its non-resourceful orientation. Successful implementation of strategies and programs for the development of this industry will significantly strengthen the country's economy, its positive image in the world, and reduce the problems of employment [1]. The present area includes a number of important components, the degree of development of which affects the efficiency of the entire industry. The most important of these is the hospitality industry. Today, the hospitality industry in Kazakhstan has been little studied, despite the fact that, in combination with tourism, it is a priority in the country's economy.

Since gaining the status of the capital, the flow of tourists from other regions of Kazakhstan and other countries for various purposes has naturally increased in Nur-Sultan city. In this regard, the demand for hospitality industry facilities has increased, while the requirements for the quality of service in them by tourists have increased markedly. Thus, the hospitality industry market began to increase, and competition between tourist accommodation facilities intensified. However, the development potential of this industry is not fully utilized due to the imperfection of the hospitality industry management and a number of other problems. In our study, in the function of a hotel industry, we understand the type of economic activity, including the provision of services and the organization of short-term accommodation in hotels, motels, camp sights and other accommodation facilities for remuneration [2]. The purpose of present article is to assess the state of the hospitality industry in Nur-Sultan city and determining the prospects for its development. The object of the study are accommodation facilities for tourists Nur-Sultan. The subject of the study is a system of organizational and economic relations arising from the provision of tourist accommodation services in hotel facilities.
**Methods.** The study is based on the use of methods of comparison, analysis and synthesis, induction and deduction. The research information base was compiled by the Department of Statistics for Nur-Sultan city of the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan.

**Results and discussion.** Currently, the home industry of hospitality of Nur-Sultan city undergoes qualitative changes in terms of the diversity of service and comfort, in improving the technological processes of service. Today, the hospitality industry is one of the important sectors of the city’s economy that are developing dynamically (Figure 1).

![Figure 1 - Dynamics of the number of hotel facilities in Nur Sultan city in 2013-2017, units](image)

As presented in Figure 1, in 2014-2015, 160 hotels were operating in Nur-Sultan city; in subsequent years, their number has been constantly growing. As one can see, despite the slowing pace of economic development, income loss of the public, new hotel facilities are entering the market. So, already in 2017 their number reached to 218 units. Visual data on the structure of these objects are presented in Figure 2.

![Figure 2 - The structure of hotel facilities in Nur Sultan city by category](image)

As the data in Figure 2 demonstrate, the increase in the number of hotel facilities in the city is due to an increase in hotel facilities that do not have a category or other places of residence. So, if in 2013 the number of objects without categories was 105 units, then in 2017 it increased by more than 30%, amounting to 137 units. It can be assumed that these properties are in demand due to a more affordable pricing policy. Other places of residence include daily rented apartments, campsites and hostels. If in 2013-2014, there were no last ones, in 2017, 19 hostels and campsites were provided services. As for hotels with categories, average growth rates show 3 and 4 star hotels. 1-star hotels on the market of Nur Sultan city is completely absent.
Number of 5-star hotels in the Nur Sultan city is 8 units as of 01.09.2019. They are - The St. Regis Astana Beijing Palace Soluxe Astana, Rixos President Astana, Radisson Hotel Astana, Apartment on Kunäeva Astana Marriott, Ritz Carlton Astana, and Hilton Astana. As experts of the DAMU Research Group establish the research agency state, the appearance of the latter in the future will affect the occupancy of hotels of this category, which may decrease by 40-50%. As for hotels without stars, they do not meet the requirements of the hotel for business people who are most visited by these cities. All these factors work against this business in Kazakhstan [4].

There are international standards for hotels regardless of the star category to which the hotels belong. But many metropolitan entities in the hospitality industry do not adhere to these rules. Regardless of which star category the hotel belongs to, its name and category should be indicated on the facade and must be displayed in the night-time [5]. Here you can often see just the inscription "hotel", without a name and an indication of the star category. Many hotel buildings are rented in residential buildings, many look gray, faceless and monotonous. And this is only a small part of those requirements that are often ignored.

Nevertheless, the dynamics of the development of hospitality industry in Nur Sultan city is positive. If in 2013 the number of visitors to the hospitality industry amounted to 608,317 people, then according to the results, their number for the first time reached to 989,205 people (Figure 3).

![Graph showing the number of visitors served in hotels of Nur Sultan city]

Note - compiled from the data [3]

Figure 3 - The number of visitors served in hotels of Nur Sultan city

There is an increase in visitors both from the regions of the Republic of Kazakhstan and from abroad. Moreover, residents of the Republic of Kazakhstan prevail in the structure of visitors to hotel facilities. However, the ratio of residents and non-residents among visitors to hotel facilities changes every year: if in 2013 it was 4.53 to 1, then in 2014 it was 3.7 to 1, 2015 was 3.38 to 1, 2016 - 2.57 to 1, 2017 - 2.36 to 1. In other words, in 2017 for 100 non-resident visitors to hotel facilities in the capital, there were 236 resident visits, whereas in 2013 for 100 non-residents, there were 453 residents. Thus, the analysis made it possible to establish a noticeable increase in non-resident visitors. This could be facilitated by such factors as the holding of various kinds of events for recognizing the capital, as well as the international specialized exhibition EXPO-2017, the annual Astana Economic Forum, the appointment of Nur-Sultan city is a meeting place for delegations to resolve international conflicts, expanding the boundaries of international cooperation between universities in Nur Sultan city, etc.

From the presented Figure 4 it can be seen that 32% of the capital's guests or 315,640 people in 2017 preferred to stay in hotels without category. In the category of 3-star and 4-star hotels, 23% of all guests of the capital were accommodated. 19% of the guests of the capital used the services of top-class hotels, when only 1% of the guests stayed in 2-star hotels. The remaining 2% of guests or 20598 people were accommodated in rented apartments, hostels and campsites.
Note - compiled from the data [3]

Figure 4 - The number of visitors served in accommodation facilities by category

Number of room inventory of Nur-Sultan city in 2017 increased by 50.1% compared to 2013, amounting to 8244 units (table 1).

Table 1 - Utilization of the hospitality industry facilities of Nur Sultan city

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>Rates of growth,%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of rooms,</td>
<td>5492</td>
<td>6383</td>
<td>5949</td>
<td>7002</td>
<td>8244</td>
<td>150,1</td>
</tr>
<tr>
<td>One-time capacity, guest nights</td>
<td>9134</td>
<td>10346</td>
<td>9326</td>
<td>12183</td>
<td>14917</td>
<td>163,3</td>
</tr>
<tr>
<td>Provided room-nights</td>
<td>783985</td>
<td>999689</td>
<td>888202</td>
<td>1023830</td>
<td>1692712</td>
<td>215,9</td>
</tr>
<tr>
<td>Workload,%</td>
<td>33,9</td>
<td>27,7</td>
<td>26,9</td>
<td>27,6</td>
<td>31,4</td>
<td>92,6</td>
</tr>
</tbody>
</table>

Note - the table is compiled from the data [3]

Despite the dynamic increase in the number of room inventory and the number of guest nights in accommodation facilities for guests in Nur-Sultan city, there is a low workload in the number of room inventory. So this indicator for Nur-Sultan city in 2017 amounted to only 31.4%. For comparison, the figure present in Moscow city is - 76.6% [6], in Prague city - 71 %, in Budapest city - 76%, in London city - 81% [7].

Due to the low occupancy of the room inventory due to insufficient demand, the question arises of a tough pricing policy for hotel complexes. Data on the average cost of room-nights in guest accommodation facilities are shown in Figure 5.

The data in Figure 5 show the non-intended dynamics of changes in the average cost of guest nights. If in 2014 it increased by 2256 Kazakhstan tenge in comparison with the previous year, then in 2016 prices were below the level of 2013. From our point of view, this is due to the entry of 22 new hotels without category into the market and 9 other guest accommodations, the cost of which is much lower. In 2017, the average cost of guest nights increased by 25.3%, amounting to 12388 Kazakhstan tenge. And this is happening against the background of an increase in the number of both budget hotels and hotels with category.

According to the official prices published on the Booking.com hotel reservation site, the cost of one night in a regular room with double occupancy in 5-star hotels of Nur-Sultan city is in the range from 46053 to 82,800 Kazakhstan tenge. The average prices of such rooms in 3-star hotels reaches 30,240 Kazakhstan tenge, while the same rooms in 4-star hotels can be rented for 13,662 Kazakhstan tenge [8].
The effective functioning of the hotel business today is hindered by a small number of three and four-star hotels, with attractive pricing, and having a full range of services that meet international standards. It is related to the fact that investors prefer to master the niche of elite hotels that require large investments, but also bring big dividends - 5-star hotels earn on additional services: hold conferences, receptions, presentations and other corporate events. In large cities, almost all hotels with large numbers of rooms are represented in the upper price segment and have 4–5 stars [9].

Inconsistency in price and quality of services is the main problem of the hospitality industry in Nur Sultan city. This problem is associated with the lack of qualified personnel and a competent hotel management system, as well as the lack of a unified system of qualification and assignment of category of accommodation facilities.

According to the data presented in Figure 6, in general, there is a positive growth in revenues of the capital hospitality industry: in 2013 it amounted to 13,292.4 million Kazakhstan tenge, and in 2017 reached 36,687.5 Kazakhstan tenge. Regarding fixed investment in the hospitality industry of Nur-Sultan city, then their volume increased markedly in 2016-2017. Moreover, during this period, the volume of investment in fixed assets significantly exceeded the volume of services and work performed in the hospitality industry. The appearance of new hotel facilities could influence this as a result of increasing the attractiveness of the hospitality industry for investors, due to the holding of an international exhibition.
Despite the dynamic development of the hospitality industry in Nur-Sultan city, there are systemic problems that impede the development of the metropolitan hospitality industry. As a similar problem, shady business in this industry can be noted. If foreign tourists use the services of guest accommodation facilities that work officially, the preferences of domestic tourists in this regard are heterogeneous. Individuals illegally rent their apartments for rent, offering lower prices. The prevalence of the Internet, the emergence of several intermediary and advertising sites makes it easy for resident-visitors to find in advance unscrupulous landlords of such apartments. As a result, officially operating enterprises in the hospitality industry are losing their potential customers, thereby reducing their potential revenue. Accordingly, there is a lack of taxes in the city budget.

**Conclusion.** The situation in the hospitality industry in Nur-Sultan city reflects, in our opinion, the general state of the tourism industry. It, as a separate branch of the economy, took place in form, but not in content. In addition to raising the level of Kazakhstani hotels, it is also necessary to solve problems with improving the legal framework governing tourism, the problems of accessibility and safety of transport, the formation of an attractive image of a country abroad, and improving the training system for the hospitality industry. Moreover, the state should play the most important role in the implementation of these measures.

As of today, in order to successfully compete with the well-known representative offices of hotel chains, the home business has all the necessary material and intellectual resources. The solution lies in combining the best achievements of the global hotel management with traditional cultural features. Using the accumulated world experience, it is necessary to create and develop Kazakhstani management based on a careful attitude to people, competent planning of activities, development and use of innovations and achievements in the field of high technology.

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РУР-СУЛТАН КАЛАСЫНДАГЫ КОНАЖҚАЙЫЛЫҚ
ИНДУСТРИЯСЫНЫҢ ДАМУ ЖАГДАЙЫ

**Аннотация.** Таңқырыштың әкпелілігі менеджменттін қетілдірілмесінде қаланғандағы әр тәжірибе банк мектептерінің арқылы құрылымдық және із әрекеттілігін оқұра отыр. Гүлігердің факторларын басқару үшін қолданылған міндеттер мен взаимоотношения арқылы анықта киткен. Зерттеу объектісі – Нұр-Сұлтан қаласындагы жоғарғы заманауи және қорғау кенеттік қосымшалардың қолданылуын қабылдау үшін. Зерттеу өткізілді, мүлік құрылымдарының қаржылық құрылымын, басқару үшін қаласының құрылымын. Зерттеу объектілерінің (құрылымдары) құрылымдарының материалдық және құрылымдық құрылымдарының құрылымының құрылымдарының құрылымдарының құрылымдарының құрылымдарының құрылымдарының құрылымдарының құрылымдарының құрылымдарының құрылымдарының құрылымдарының құрылымдарының құрылымдарының құрылымдарының құрылымдарының құрылымдарының құрылымдарының құрылымдарының құрылымдарының құрылымдарының құрылымдарының құрылымдарының құрылымдарының құрылымдарының құрылымдарының құрылымдарының құрылымдарының құрылымдарының құрылымдарының құрылымдарының құрылымдарының құрылымдарының құрылымдарының құрылымдарының құрылымдарының құрылымдарының құрылымдарының құр
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СОСТОЯНИЕ РАЗВИТИЯ ИНДУСТРИИ ГОСТЕПРИМИЯ
В ГОРОДЕ НУР-СУЛТАН

Аннотация. Актуальность темы обусловлена тем, что потенциал развития индустрии гостеприимства в столице Казахстана не используется полностью из-за несовершенства менеджмента и ряда других проблем. Целью данной статьи является оценка состояния индустрии гостеприимства в г. Нур-Султан и определение перспектив его развития. Объектом исследования являются объекты размещения туристов г. Нур-Султан. Предметом исследования является система организационно-экономических отношений, возникающих при предоставлении услуг размещения туристов в гостиничных объектах. Исследование основывалось на применении методов сравнения, анализа и синтеза, индукции и дедукции. Информационную базу исследования составили данные Департамента статистики по г. Нур-Султан Комитета по статистике Министерства национальной экономики Республики Казахстан.

В статье дана оценка состоянию индустрии гостеприимства г. Нур-Султан. Авторы отмечают положительную динамику увеличения объемов номерного фонда индустрии в рассматриваемом периоде, в то же время констатируют низкую степень загруженности объектов размещения гостей столицы Казахстана по сравнению со столицами других стран. В связи с этим, проведён анализ ценовой политики столичных объектов размещения гостей, результаты которого позволили заключить о неадекватности формирования цен на их услуги.

Выявлено, что в структуре размещаемых гостей преобладают казахстанцы, прибывающие из других регионов. Вместе с тем, проведенный анализ показывает постепенное увеличение доли иностранных туристов в общей структуре размещаемых гостей в гостиничных объектах в рассматриваемом периоде. Этому могли способствовать такие факторы, как проведение различных национальных мероприятий по узнаваемости столицы, а также международной специализированной выставки EXPO-2017, Ежегодного Астанского экономического форума, национальное г. Нур-Султан местом встреч делегаций по решению международных конфликтов. Расширение границ международного сотрудничества университетов г. Нур-Султан и т.д.

В целом, авторы отмечают положительную динамику развития индустрии гостеприимства в г. Нур-Султан. Анализ объектов размещения по их принадлежности к категориям показал, что рост количества гостиничных объектов города происходит за счёт увеличения гостиничных объектов, не имеющих категории и прочих мест проживания, к последним могут быть отнесены съёмные сутючные квартиры, кемпинги,
хостелы и др. По предположению авторов, увеличение спроса на эти объекты размещения обусловлено их более демократичной ценовой политикой. Выявлено, что отели без звезд в г. Нур-Султан не отвечают требованиям деловых людей, которые больше всего посещают данные города. Вместе с тем, почти одна треть гостей столицы предпочитают размещаться в гостиницах без категорий, а услугами отелей высшего класса гостей столицы пользуется почти одна пятая часть посетителей.

Результаты исследования показали, что эффективному функционированию гостиничного бизнеса на сегодняшний день мешает малое количество трех и четырех-звездочных отелей, с привлекательной ценовой политикой, и обладающих полным спектром услуг, отвечающих мировым стандартам. Авторы связывают это явление с тем, что инвесторы предпочитают осваивать нишу элитных отелей, требующую больших вложений, но и приносящую больше дохода – отели в 5 звезд зарабатывают на дополнительных услугах: проводят конференции, фуршеты, презентации и другие корпоративные мероприятия.

По заключению авторов, индустрия гостеприимства в г. Нур-Султан как отдельная отрасль экономики состоялась по форме, но не по содержанию. Несоответствие цены и качества услуг является основной проблемой субъектов индустрии гостеприимства в г. Нур-Султан. Эта проблема связана как с отсутствием квалифицированного персонала и грамотной системы менеджмента гостиницы, так и отсутствием единой системы квалификации и присвоения категорий средств размещения. В качестве сдерживающих факторов развития индустрии гостеприимства в столице отмечена недобросовестная конкуренция на рынке, обусловленная наличием незаконно сдаваемых физическими лицами объектов размещения гостей. Это обстоятельство во-первых, затрудняет проведение реальной оценки объема рынка индустрии гостеприимства г. Нур-Султан, во-вторых, вследствие более низких цен, лишает объекты размещения гостей потенциальных клиентов.

Ключевые слова: индустрия гостеприимства, туризм, гостиничное хозяйство, средства размещения.

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