

08.00.00 Economic science

08.00.00 Экономические науки

UDC 338.001.36

## LEARNING OPPORTUNITIES FOR TOURISM IN SOCHI

<sup>1</sup> *Lyudmila A. Beloslutzeva*

<sup>2</sup> *Henning Oldenburg*

1 Sochi State University for Tourism and Recreation, Russia  
Research Supervisor, Head of International Relations Department  
26a, Sovetskaya St.,  
Sochi, 354000,

E-mail: beloslutzeva@hotmail.com

Tel./fax: 8 (8622) 64-84-86

<sup>2</sup> University Heilbronn, Germany

Student of International Business-Eastern Europe

Heilbronn University

Max-Planck-Strasse, 39

D-74081 Heilbronn

E-mail: HenningOldenburg@gmx.de

Tel. 8 918 6098370

This article discusses the prospects of development of tourism in the City-resort of Sochi. Focused on prospects for tourism in view of the Olympic Games in Sochi-2014.

**Keywords:** tourism, city of Sochi 2014, the Olympic Games.

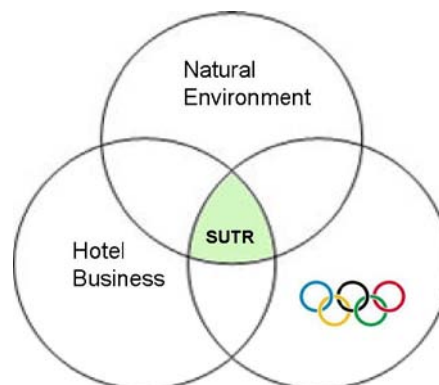
This paper reviews the current offer of Sochi University of Tourism and Recreation (SUTR) made to foreign students in the world.

From the perspective of an outsider this paper will discuss SUTR's offer and give suggestions how to make it more attractive to students interested in coming and studying in Sochi. Moreover ideas, how to "use" the fact that the next Olympic Winter Games are coming to this place, as a means of advertising for SUTR are proposed. The shown measures share the common goal of selling the "product: Studies in Sochi for Foreigners" and therefore aim to creating a vital student exchange for Sochi University. What is more the suggestions will be realistic, feasible and will not require large capital expenditures.

Review and Suggestions will be done according to the 4P's of Marketing by Jerome McCarthy<sup>1</sup> and the AIDA – model by <sup>6</sup> Elmo Lewis.

## I. Introduction

As a SUTR guest student from Germany I really enjoy my stay in Sochi and more and more find it a uniquely interesting place for student exchange. The Reasons are obvious, as the natural environment of Sochi allows summer vacation in the most northern place in Europe that has a subtropical climate. Sochi has a unique sanatorium business that is famous for its treatments and healing waters<sup>2</sup> and with the Krasnaja Poljana also offers a winter sports resort in the Caucasus Mountains. What is more Olympic Winter Games will come to Sochi in the year 2014. These factors together create a unique "Field of interest" for students from the outside. Provided that the Olympic Games are a very attracting factor to the outside I want to point out how this Attraction that Soc can be channeled hi will more and more radiate and used to build up a vital student exchange.



These factors together create a unique "Field of interest" for students from the outside. Provided that the Olympic Games are a very attracting factor to the outside I want to point out how this Attraction that Soc can be channeled hi will more and more radiate and used to build up a vital student exchange.

### ***1.1 Description of the "Field of Interest":***

A natural environment like Sochi's is rare to be found in the world. Known as the longest Resort in the world it is also the most northern place on the planet that has a subtropical climate. Sochi is located on the same latitude as Nizza, Venice and New York and it owes its unique climate to the direct sequence of high mountains behind the coast line that go up unto an altitude level of 3200 meters. This grants hot summers, very mild winters and due to that helped to become the famous Russian Riviera, the most famous Holiday resort on Russian territory. Therefore a huge hotel- and guest house business is to be found in Sochi.

What is more the Russian Riviera is also famous for its Sanatoriums. Sea, sun and mineral springs make Sochi a conglomerate of healing factors that can be used for balneologic curing. Especially the sulfur springs of Macesta are famous for its healing powers. There are more than 60 Sanitariums to be found along the coast of Sochi.

Due to its proximity to the Caucasus Mountains Sochi also functions as a famous winter sports resort. The Skiing season in Krasnaja Poljana, Sochi's Ski resort, starts in November and ends in April.

So in total we find Sochi as a place that offers summer tourism industry as well as winter sports business and also has a famous medical recreation business. Added the fact that this place in the near future will become an Olympic city makes it one of the most interesting locations in the world to study tourism.

### **But is Sochi also a perfect place for exchange students that study tourism?**

#### **II. First of all: What is Student Exchange? Is it a good idea?**

*"A student exchange program is a program in which a student, typically in secondary or higher education, chooses to live in a foreign country to learn, among other things, language and culture."*<sup>3</sup>

Its Benefits are according to European Commission for Education and Training<sup>4</sup>:

- *"enabling students to benefit educationally, linguistically and culturally from the experience of learning in other countries;*
- *promoting co-operation between institutions and to enrich the educational environment of host institutions;*
- *To contribute to the development of a pool of well-qualified, open-minded and internationally experienced young people as future professionals."*

Benefits from the Students perspective:

- The gain in intercultural experience for both sides
- Opportunities in extending language skills

- Possibility of learning about other cultures
- Possibility of working together with people from other cultures

***Therefore the answer is “Yes”, having students from other countries can be considered as a beneficial idea!***

**III. So what exactly does Sochi (and therefore SUTR) offer to a foreign student, willing to come and study?**

***III.I Current Marketing Mix of SUTR***

**Product:**

Sochi University currently has 14 Partner Universities that offer a student exchange with SUTR. Among these are Institutes from Austria, Canada, Germany, China and Great Britain. Aside from partner Universities international students can close and individual contract with SUTR to receive education.

Exchange students can take part in the existing Curriculum of SUTR (e.g. specializations like Tourism studies or Management studies) and can also receive individual lessons in Russian language (not included in bilateral Agreements). Students from abroad will have the opportunity to take part in the international conferences that take place at SUTR periodically.

What is more being a student at SUTR offers the Opportunity to take part in the Voluntary Club who is involved in the preparations for the Olympic Games of 2014. Aside from university activities, living in the Olympic City of 2014 and also in Russia's holiday resort

No.1 is a very interesting experience for itself that few other places in the world can offer.

**Advertisement:**

The Product “Studies in Sochi for exchange students” is being promoted by two main channels- the internet and the bilateral partners abroad:

The website of SUTR is the most important marketing instrument, as the internet is free to use and accessible from everywhere. Also it is the most important tool for students to look for a prospective university to study. Further advertisement is being made by the Partner universities and therefore the coordinators who council students willing to go abroad. Therefore these coordinators function as door-openers to interested students. Their motivation to send people to Sochi is essential for a successful exchange.

**Place:**

The Place where the Product “Studies in Sochi for exchange students” is being sold is on the one Hand the office of the coordinator at the partner university, and on the other hand the international Office of SUTR (by the means of email, phone or in person) – for students from the outside that do not come via a bilateral agreement.

**Price:**

Price is a less important factor in applied 4P- Marketing for student exchange as usually no tuition fees are requested from the exchange students coming via a bilateral agreement. According to this the product itself is free. Anyway, an important matter that is making the product expensive is, of course, living cost. Prices for renting a room in the center of Sochi are in the area of 12,000 R/month. An apartment will cost up to 20,000 R/month. Due to Sochi's characteristic as a holiday resort prices will be even higher during peak season in July and august. Prices for food are more or less on the same level as in western countries. <sup>5</sup>

**IV. Problems:**

**Information:**

The current major problem is that it is very hard to find any information about studying in Sochi from the outside. For an interested student that would like to find information about SUTR as a place to study, the non - availability of English information on the website creates a feeling of not being welcome. This is a problem as a website works as the presenting window that puts a welcoming light on what the “store”- Sochi University has to offer.<sup>6</sup> What is more, there are no results for “Study in Sochi” or “Sochi University” on Google-search leading to

SUTR's website (tested were English and German search requests). And there is currently no entry on Wikipedia giving information about SUTR in any other language than Russian.

As a further problem I see that the official websites of Sochi like [www.Sochi2014.com](http://www.Sochi2014.com) and [www.Sochi.com](http://www.Sochi.com) do not offer any information about SUTR or links to the SUTR- website. Therefore one could say information about Studying in Sochi is hardly accessible for people who do not have any or have insufficient skills in Russian language.

#### **Curriculum:**

This availability problem of language also applies for the courses taught in the SUTR Curriculum, which do not content courses in English or any other language yet.

#### **Awareness about Sochi:**

A further Problem that exists is the non- awareness of Sochi among Students from the outside. Students and people in other countries in general have no idea that Russia has a famous holiday resort with subtropical warmth and nature. One of the biggest clichés that people in Western Europe carry in their heads is that Russia is of a very cold unpleasant climate.

#### **V. Chances due to the upcoming Olympic Games**

Sochi's Environment and its qualities as a holiday resort by itself make it a very interesting location to study. Added the fact that the Olympic Games will come to this place create a singular and of course temporary "Field of interest" for this place.

The Olympic Games will make this city the centre of attention to the world of sports and what is more exponentially rise the number of reports or articles in the media around the globe that are dealing about Sochi. This, under the assumption that this increase in attention will also apply on students looking for a place to study abroad, also means an exponential rise in numbers of candidates for student exchange.

Therefore we have a raise in Attention for Sochi that in this dimension could hardly be reached by traditional means of advertisement. And it is free. Considering the AIDA- Model of Elmo Luis<sup>7</sup>, this means that the first phase "Attention" of the 4 – phase- model that would usually consume high parts of the marketing budget has already been taken care of. Indeed a unique situation.

This Attention will presumably cease to emerge after the Olympic Games have ended in 2014. Due to this, the described special "Field of interest" will only exist in this form until spring of the Olympic year 2014. So in order to use the described effect, ways need to be found to channel the attention of students from the outside and form it into a vital student exchange- within the next 4 years- the earlier the better.

#### **VI. Recommendations re- applying the 4P- Model Advertising:**

As explained in point V. advertising for the product, which usually would be very costly, aiming to draw the attention of the customer target group, is free. So in the following ways will be described to channel the attention of the potential students and to lead them to sources of information about the product.

#### **SUTR Website:**

The website of a university, as it applies to a company, is its presenting window to the world<sup>8</sup>. As our target group consisting of foreign students shall be attracted and charmed by this presenting window changes need to be made:

1. The current course offer that foreign students can take part in should be shown on the website.
2. As not all international students interested in Sochi might be able to speak Russian, information should be offered in English.
3. The "Level of Annoyance" of the website should be kept as low as possible.

A student looking for a place to study will gather the information that he will base his decision on mostly from the internet. Therefore he will presumably go through at least 10 websites of universities that he is interested in. As I had to find out during my own decision process and during my research for this project, websites from different universities and

different countries tend to have completely different structures. Therefore a student gathering his information will have to face this fact. In my opinion the information that he is most interested in is: *What is the course offer of the university to foreigners?*

That data should be placed in an easy-to-find location. A clear structure of the website and an easy-to-find overview about what the actual course offer consists should be introduced. It will reduce the time the “customer” wastes in going through unknown websites – without a results. To measure this “Annoyance Factor” I counted the (least) number of clicks that a website forces me to make in search of a course list<sup>9</sup> - starting point was the standard www.-address of the university: The Average count resulted in 4, 25 clicks that had to be made in order to reach the desired information. Top count is 3, worst count was 8 clicks. (Not counted into this are universities which had an exchange program but do not offer information about their curriculum on their web-presence.)

According to this I recommend to provide information about the available curriculum and general information for interested outsiders on an easy-to-find location no further than 3 clicks away from SUTR’s homepage.

#### **Other Websites:**

During my search on the internet I realized that there are currently no search results on google.com for the searched phrases “Study in Sochi” and “Sochi University” that directly lead to SUTR’s homepage (These phrases were tested in English and in German language). As Google is the worldwide market leader among the search engines with a market share of more than 80 %<sup>10</sup>, I strongly recommend making SUTR homepage “googleable”. (Graph shows Google’s market share in Germany)

What is more I realized that there is no information to be found about SUTR on Sochi’s official websites like [www.Sochi.com](http://www.Sochi.com) and [www.Sochi2014.com](http://www.Sochi2014.com). These are websites that next to Google might help to lead a large amount of web traffic to SUTR homepage and allow people to inform themselves about Studying in Sochi.

In my opinion it would be very interesting to provide information about SUTR on the official Olympic website Sochi 2014, as this website offers an education section. Until now this section about education only holds a flyer about the “Olympic University” that is going to be founded in Sochi. This would be “the place” to provide information and due to that to advertise the possibility of studying in Sochi already today- at SUTR. These measures will help the interested students to find their desired information on the internet.

#### **Product:**

Following Improvements could be made about the Product “Studies in Sochi for foreign students:

#### **Curriculum :**

Currently all lectures at SUTR take place in Russian language. Many universities that already have a vital student exchange provide a curriculum in English for their visiting students. My recommendation is to offer parts of the curriculum in Sochi in English language as well. This would help to open up SUTR to all interested students from the outside that do not speak Russian in a sufficient level to understand and pass lectures. (>1 bn people in the world speak English<sup>11</sup> and the most frequent spoken language in the world. Russian is “only” known by app. 280 million people in the world<sup>12</sup>)

The probably easiest way to offer an English curriculum would be to change some of the existing courses at SUTR into English language. In order to decide which of these would be most favorable to change I did a research on the course offer of other universities. Researched was a peer group of 18 Universities in non- English- speaking countries. As Heilbronn University in Germany like Sochi University offers Business and Tourism studies, its network of Partner Universities is being used to evaluate the most frequent English curriculums of the according business studies. My assumption is that this peer group and their course offers represent the

average “home university” of an interested student. Therefore I gathered the course offer of these 18 universities and compared, which of these courses were to find most frequently.

The easiest way to make the program in Sochi compatible to the program of this “home university “ is simply to change the teaching language of those SUTR courses that are most likely to find at other universities. Most frequent (>40%) courses concerning business studies were:

“Introduction to Marketing”, “International Marketing”, Introduction to Business Law”, “International Business Law”, Introduction to Management Accounting”, “International Finance”, “Project Management”, “Supply Chain Management”, “Strategic Management”, “International Management”, “Human Resources Management”, “Economics”, “International Economics”, “Intercultural Communication” and “Meeting Skills”.

	Count	Frq.	
<b>Marketing</b>			
Introduction to Marketing International Marketing	13 12	72% 67%	✓
<b>Law</b>			
Introduction to Business Law International Business Law	8 10	44% 56%	✓
<b>Accounting</b>			
Introduction to Management Accounting Finance	10	56%	✓
<b>Intenational Finance</b>			
Intenational Finance	14	78%	✓
<b>Management</b>			
Project Management Supply Chain Management Strategic Management International Management	9 10 11 11	50% 56% 61% 61%	✓
<b>HRM</b>			
International Human Resources	12	67%	✓
<b>Economics</b>			
Economics International Economics	13 13	72% 72%	✓
<b>Communication/ Meeting Skills</b>			
Intercultural Communication Meeting Skills	12 9	67% 50%	✓

Most frequent courses in business offered at peer group universities. (Green marked courses also available at SUTR)

According to this my recommendation is to introduce following already existing course offers at SUTR in English : “Marketing”, “Introduction to Business Law”, “Finance”, “Strategic Management”, “International Management”, “Human Resources”, International Economics”, “Intercultural Communication”.

To evaluate the courses that other universities with a specialisation for tourism offer I researched the English programmes of a peer group of 7 universities. The most frequently named courses are shown in this graph:

**English Courses Tourism:**

	Count	Frq	
Service Management	4	57%	✓
Transportation and Tourism	4	57%	
Event Management	5	71%	✓
Sustainable Tourism	5	71%	✓
Travel Agency Management	1	14%	
Toursism Planning and Policy	5	71%	✓
Tourism Economics	2	29%	✓
Toursim Management	3	43%	✓
Hotel Management	2	29%	✓

According to this SUTR should consider teaching following courses in English language: “Service Management”, “Event Management”, “Innovation in Tourism”, “Information Systems in the hotel service and tourism”, “Tourism Economics”, “Tourism Management”, “Hotel Management”.

This allows creating compatibility with the programs of other universities without severe changes in the concepts of the existing study courses at SUTR.

**Russian language courses:**

Many universities offer their foreign guest students courses in the local languages.

To close the gap of SUTR to these universities these courses should be offered at Russia's Black Sea Coast- capital as well.

**Course: Russian Culture and Society**

“Management Center Innsbruck“ an Austrian university with an international program offers its guest students a course that aims to help understanding Austrian culture and society<sup>13</sup>. A very interesting idea that applied in Sochi would help visitors to understand the culture that they are exposed to.

**Applying these recommendations so far the offer of SUTR would just be adapted to a level that almost all members of the peer group already provide to their guest students.**

**•> To be better than its competitors Sochi has to offer something unique!**

**Projects:**

This factor that makes Sochi even more special and more interesting as other places is, of course, the fact that it will become an Olympic city. This should be extensively used to attract students. Not just in offering them to stay, live and study in that place but also the unique possibility in “getting involved” in the Olympic preparations. This “getting involved” would offer the one thing that no other University in the world can offer to the interested student - but Sochi.

How could it look like?

On the internet I found a very interesting project running at the Summer University Carinthia (Austria) :

*„In Villach, Austria 44 Students from 15 countries were Planning for the Olympic Games 2014 In Sochi... They developed **Concepts for Entrepreneurships and City Development**. Results were presented to Sochi city officials....”*

**So as a matter of fact there are students working on concepts and problems concerning the Olympic Games 2014 in Austria.**

According to the website of Carinthia Summer University “... Participants learn to challenge traditional communication models to develop a mix of communication tools for the destination Sochi. In doing this they will confront theory with practice and work in international groups to finally give recommendations for destinations.”

As I found out also students from SUTR will take part in this Summer University.

This sounds like a very interesting and also singular experience for prospective young professionals.

**•\* My suggestion is to create a similar kind of program in Sochi, allowing students to plan and work on concepts for the Olympic Games 2014 in the Olympic city.**

***Just as a suggestion I give to examples how these projects could look like:***

**Approach 1:**

The university and therefore its marketing and tourism professors could formulate a setup of problems that a group of students (ideally consisting of 50% local students and 50% exchange students) would have to find a solution concept in order to pass their course. Topics could for example be: “Development of the Resort Sochi using the “Olympic Effect””, “Olympic Marketing for local companies”, “How to open up Sochi to foreign Tourists- using its uniqueness” , “Development of Sochi after the Olympic Games”

**Approach 2:**

The university asks local companies or organizations for problem tasks for their student groups to work on. Students (under supervision of a SUTR – teacher) could also develop solution concept, in this case for a real companies problems. Students could work on sth. “real” and the companies would receive valuable ideas – for free. A win-win situation, that in comparable form successfully runs at other universities – for example at Heilbronn University<sup>16</sup> where a group of local students together with some international students created a transportation concept for the Egyptian resort Hurghada.

**Place:**

The major point of sale of our “product” for students who come from a partner university is the departmental coordinator at the sending university. A large part of the motivation for students to come to Sochi will therefore also depend on what that person is telling them about SUTR in his/her counseling about student exchange. Therefore a good relation ship of that person to SUTR and its corresponding personnel is crucial.

To help the partners at other universities to do “a good job” meaning doing advertising for SUTR, they should be provided with an informative and also entertaining presentation showing what Sochi and its University have to offer.

**Price:**

As pointed out the product for itself will be free, still living in Sochi is of course not free. Sochi has a living cost that is at a western European level, during summertime it will be even higher. Therefore beating other universities in the category of price will be very difficult. The only effective solution would be offering a dormitory to the visiting students. In this case probably a very costly measure.

**VII. Aida- Model:**

According to the AIDA- Model of Elmo Louis the effectiveness of the measures named above for the sale of our product “Studies in Sochi for exchange students” will be demonstrated:



**Sources:**

- <sup>1</sup> “Basic Marketing: A managerial approach” Jerome McCarthy 1960.
- <sup>2</sup> „Die Russische Schwarzmeerkueste“ Andreas Stenfeldt, Bodo Thoens 2005, Trescher Verlag Berlin.
- <sup>3</sup> Wikipedia.org; [http://en.wikipedia.org/wiki/Student\\_exchange\\_program](http://en.wikipedia.org/wiki/Student_exchange_program).
- <sup>4</sup> [http://ec.europa.eu/education/erasmus/doc892\\_en.htm](http://ec.europa.eu/education/erasmus/doc892_en.htm).
- <sup>5</sup> Both rent prices and living cost estimated by own experiences.
- <sup>6</sup> „The website of a University should be adapted to the needs of its target group“ Speech, „10 Jahre Hochschulmarketing: schon hinter uns oder noch vor uns?“ Prof. Dr. D. Mueller-Boeling Centrum fuer Hochschulentwicklung (CHE) [http:// www.che.de /downloads/AP98\\_Tagung\\_Hochschulmarketing\\_\\_07\\_AP98.pdf](http://www.che.de/downloads/AP98_Tagung_Hochschulmarketing__07_AP98.pdf).
- <sup>7</sup> Elmo Lewis 1872-1948, USA, Advertising Advocate.
- <sup>8</sup> <http://www.schubert-internet-marketing.de/webdesign.html>.
- <sup>9</sup> See enclosed Evaluation.
- <sup>10</sup> <http://de.statista.com/statistik/daten/studie/13117/umfrage/suchmaschinen-nach-anteil-der-suchanfragen-im-juni-2009/>
- <sup>11</sup> [http://de.wikipedia.org/wiki/Englische\\_Sprache](http://de.wikipedia.org/wiki/Englische_Sprache).
- <sup>12</sup> [http://de.wikipedia.org/wiki/Russische\\_Sprache](http://de.wikipedia.org/wiki/Russische_Sprache).
- <sup>13</sup> <http://www.mci4me.at/mci4me/app/main?DOCID=100132065>.
- <sup>14</sup> <http://diepresse.com/home/karriere/karrierelounge/399564/index.do>.
- <sup>15</sup> <http://summeruniversity.at/tracks/destination-management-tourism-dmt/>.
- <sup>16</sup> <http://tourismus-weblog.hs-heilbronn.de/?p=736>.

УДК 338.001.36

**ПЕРСПЕКТИВЫ ТУРИЗМА В ГОРОДЕ СОЧИ**<sup>1</sup> Белослутцева Людмила Адамовна<sup>2</sup> Ольденбург Хенинг

1 СГУТиКД, Сочи, Россия.

Начальник международного отдела

354000, Сочи, ул. Советская 26а,

E-mail: [beloslutzeva@hotmail.com](mailto:beloslutzeva@hotmail.com)

Тел./факс: 8 (8622) 64-84-86

<sup>2</sup> University Heilbronn, Germany

Student of International Business-Eastern Europe

Heilbronn University

Max-Planck-Strasse, 39

D-74081 Heilbronn

E-mail: [HenningOldenburg@gmx.de](mailto:HenningOldenburg@gmx.de)

Tel. 8 918 6098370

В статье рассматриваются перспективы развития туризма на территории города-курорта Сочи. Уделено внимание перспективам туризма с учетом Олимпийских игр Сочи – 2014.

**Ключевые слова:** туризм, город Сочи, Сочи – 2014, Олимпийские игры.