

# Sofia City: It Grows but Does Not Age

Bulgaria's capital city, Sofia, is a unique tourism destination in Europe, most notably for its heritage and authenticity. With a 131-year history, a blend of old and new, it offers diversity, which appeals to different visitor types and demographics. Sofia, however, is most popular as a destination for business tourism in Bulgaria, being the financial and business centre of the country.



The global recession that rattled economies worldwide, contributed to a fall in business travelers to Sofia in 2009 when companies cut back on business travel. Recovering growth for the city's tourism industry will require effective and impactful communications and marketing to promote the city, particularly its natural and historical landmarks as well as its cultural activities.

According to Euromonitor International, Eastern Europe emerged as one of the worst-affected regions in the global economic crisis, largely due to its banking, property and financial problems. This impacted inbound tourism flows in Sofia which decreased by 3% in 2009.

Hotels in the city saw business and revenues plummet, with recovery taking at least 2-3 years. Low-cost carriers experienced a mild recession as well, with many benefiting from customers seeking budget flights.



Euromonitor International's city briefing shows that the global recession changed travel habits, with many consumers choosing only one holiday a year, or shorter breaks closer to home. "During the time of economic downturn, staying at home during vacations grew in popularity among many Bulgarians. High unemployment proved to be too much of a deterrent for travel. Therefore, Sofia remained the most visited domestic destination with 4.1 million trips," says Nadejda Popova, travel and tourism industry analyst at Euromonitor International.

Popova also notes that consumers will continue trying to find cheaper lodging alternatives, stimulating strong growth in hostels, self-catering and campsites, so trading down will be the main trend driving sales in budget travel accommodation.

Moving forward, Euromonitor International expects that improvement and development of travel and tourism in Sofia can be led by additional promotion and quality of tourist information about the city. Focusing on different travel and tourism segments such as health and thermal spa tourism, golf tourism, ecotourism, and congress and expo tourism will encourage those visiting other parts of Bulgaria to spend time in Sofia as well.

Sofia can also benefit from cultural heritage tourism since it is one of the fast-growing segments in the tourism industry worldwide. Talking about business arrivals, waiving visa requirements for Russian travellers who traditionally come to Bulgaria could boost tourism in the city enormously and provide a basis for a strong key source market.



### **Key facts:**

Sofia was the third most visited city in Bulgaria in 2009 after Burgas and Varna – sea tourist destinations on the Black Sea coast. Foreign travellers accounted for 59% of tourism in comparison to 41% domestic travellers in 2009. The top countries of origin to Sofia are Greece, Germany Italy, the UK and France, Romania. Tourists from Greece and Germany on average stayed in Sofia for 5 days. Sofia accounts for 80% of Bulgaria's air outbound market. The number of leisure departures in 2009 declined by 11%, as many holidaymakers abandoned plans to travel abroad, opting to holiday within the country, or even have no vacation at all. In 2009, a total of 22 million people visited Bulgaria's tourist attractions, marking a decline of less than 1% year-on-year, while current value sales declined by 7% to BGN97 million.

<http://www.euromonitor.com>

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