

# EXPERTS DISAGREE WITH PUTIN'S OPTIMISTIC VISION OF A TOURISM BOOST IN SOCHI



Throughout the run up to the Sochi Winter Olympics, there have been two different stories presented to the outside world. There is the positive view that Putin wants to highlight - the story of a wonderful, successful games that is boosting the economy and a host city that is potential tourist destination - but there is also the negative view expressed by Western media and economic experts that shows Sochi in a much less favourable light and casts doubt over this rosy future.

There is clearly a lot to consider to make Sochi a long-term success, they do not just have to make Sochi appealing to foreign visitors, they also have to create a new image for the region for domestic tourists who currently prefer to travel abroad to European destinations, but who is going to be proved right in years to come - Putin or the economic experts?

## **Putin insists that the Sochi games will transform the Black Sea resort and neighboring Krasnodar region.**

The best way for Putin to turn these Olympics into a greater, long-term success has to be to show the positive outcome on the nation's economy and the transformation of Sochi into a more appealing tourist destination. He recently gave a speech on the future prospects of the area and is quoted as saying that thanks to these Olympic games, this "gem on Russia's Black Sea" will be able to fulfil its "cultural and tourist potential". Sochi has been portrayed as a place akin to the Riviera of Russia thanks to its climate and appeal - a factor that could have been its downfall with the lack of ice and snow - and it makes sense that this warmer region should be a hotspot for tourism with the right facilities and efforts. Unfortunately, there is a big gap between assuming the so-called "Sochi effect" will happen and actual physical and economic gains.

This trend of there being two sides to the Sochi story also relates to Putin's views on tourism and many do not share his vision of the future.

Following Putin's optimistic speech, the ratings agency Moody's came back the following day with their own pessimistic take on the future of Sochi tourism and the chances of an improved economy. Moody's believe that the key to improved tourism lies within the new hotels, because this is where the majority of investments from private investors lies; however, they also calculate that hoteliers will need to attract potentially three times the number of tourists is currently sees in order to fill these new rooms. Putin's speech may have also mentioned "substantial infrastructure and hospitality options" but many will question this, including critics like Moody's who have also acknowledged the bad publicity that the games have already received due to the questionable conditions.

## **What is the future of Sochi's tourism industry?**

Whether Putin is being too optimistic or other experts are being too pessimistic, there is still a long way to go before Sochi can become the top tourist attraction Putin desires and we will know for sure who was right. The problem is that given Putin's reputation, the persistent negative coverage, the expert options and the fact that even London's boom after the 2012 games was short-lived, this projection of a fantastic tourism boom for Sochi and the Krasnodar region seems as dubious as the

snow on the ski slopes.

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