



TOURISM & HOSPITALITY ARMENIA

2024

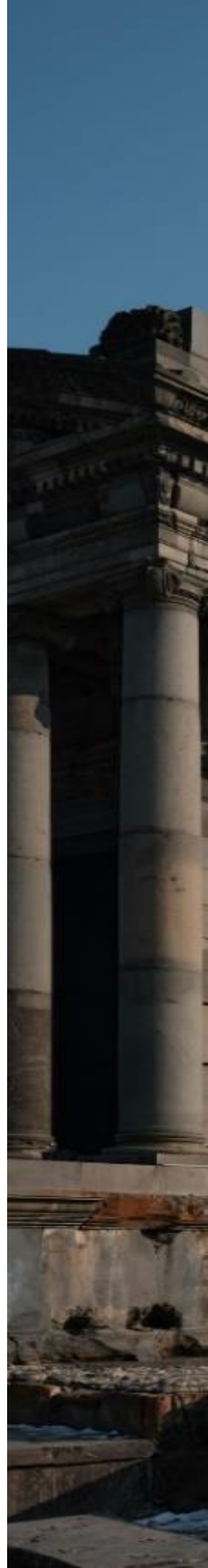


ARMENIA: A TIMELESS DESTINATION OF CULTURE, NATURE, AND HOSPITALITY

Armenia, one of the world's oldest civilizations, captivates visitors with its rich historical heritage, cultural landmarks, and stunning natural landscapes. The country is symbolized by the iconic Mount Ararat, a deeply cherished emblem of Armenian identity. Yerevan, the vibrant capital, seamlessly blends modern urban life with deep-rooted traditions, establishing itself as a dynamic center for culture, history, and hospitality.

The country offers a diverse range of tourist destinations, each highlighting Armenia's unique charm. Tsaghkadzor, a premier ski resort, attracts winter sports enthusiasts with its well-developed infrastructure and breathtaking alpine scenery. Jermuk, known for its mineral-rich thermal waters, serves as a wellness retreat for visitors seeking relaxation and rejuvenation. Lake Sevan, one of the world's largest high-altitude freshwater lakes, is a popular summer destination, offering picturesque landscapes and a variety of recreational activities.

Beyond its natural and cultural attractions, Armenia boasts a rich culinary tradition, featuring signature dishes such as khorovats (barbecue), lavash (traditional flatbread), and a thriving wine culture that traces its origins back thousands of years. The country's warm hospitality, and seamless fusion of history and modernity position Armenia as an exceptional destination for leisure, adventure, and cultural exploration.





ARMENIA'S ECONOMIC GROWTH

Armenia's economy has been steadily expanding, supported by efforts to diversify key industries and improve infrastructure. The rapidly growing IT sector has emerged as a major force driving economic progress, while the revival of tourism and ongoing infrastructure projects continue to create employment opportunities and boost revenues. Additionally, the Armenian diaspora remains a significant contributor to economic stability through remittances and investment inflows.

Between 2018 and 2023, Armenia's GDP saw significant growth, nearly doubling from \$12.5 billion to \$24.2 billion, while GDP per capita rose from \$4,220 to \$5,570. After experiencing a sharp 7.2% contraction in 2020 due to the pandemic, the economy rebounded strongly, achieving 12.6% growth in 2022 before stabilizing at 8.3% in 2023. Preliminary estimates for 2024 indicate continued expansion at 6.5%. Projections from the National Bank of Armenia, IMF, and EBRD suggest GDP growth will range between 5.8% and 6.5% in 2024, supported by strong domestic demand and favorable regional trends.



	2018	2019	2020	2021	2022	2023	Q1 2024	Q2 2024
GDP at market prices, million drams	6,017,035	6,543,322	6,181,903	6,991,778	8,501,449	9,453,175	1,922,940	2,289,186
GDP at market prices, billion USD	12.5	13.6	12.6	13.9	19.5	24.2		
GDP growth rate, percentage change	5.2%	7.6%	-7.2%	5.8%	12.6%	8.3%	6.6%	6.4%
GDP per capita, thousand USD	4.22	4.56	4.26	4.53	5.12	5.57		
Indicator of economic activity, percentage change	5.6%	7.8%	-7.5%	5.8%	14.2%	9.8%		

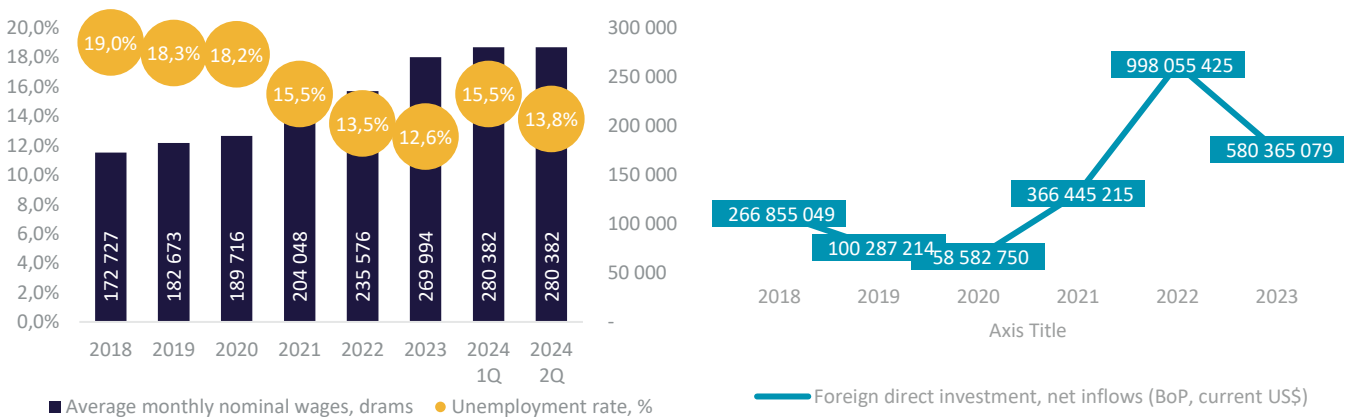
Source: UN Tourism, Armstat





Armenia has seen steady foreign direct investment inflows over the past five years, peaking at \$998 million in 2022 before decreasing to \$580 million in 2023. The key investor countries included the UAE, Luxembourg, Russia, Canada, and the U.S., with investments primarily directed toward financial services, energy, mining, air transport, and real estate.

Unemployment has steadily declined from 19% in 2018 to 12.6% in 2023, though it briefly rose to 15.5% in early 2024 before settling at 13.8% in the second quarter. At the same time, average monthly wages grew from 172,727 drams (Approx. \$360) in 2018 to 280,382 drams (Approx. \$700) in 2024, reflecting broader economic growth.



Source: UN Tourism, Armstat

ARMENIA'S TOURISM TRENDS

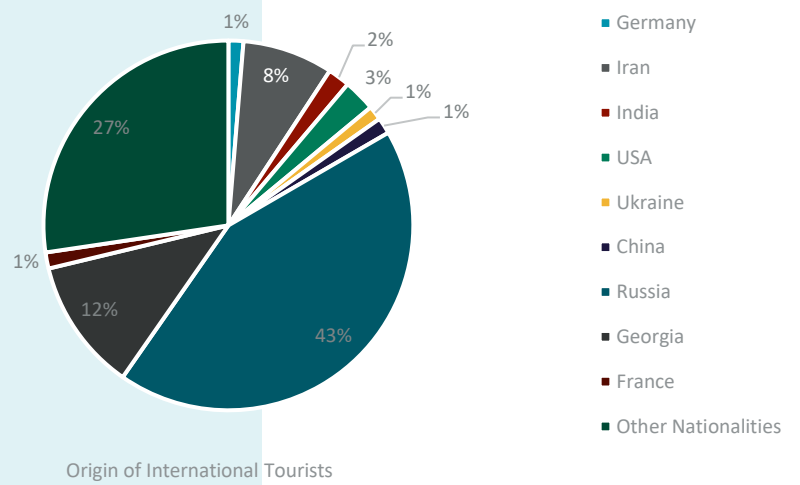
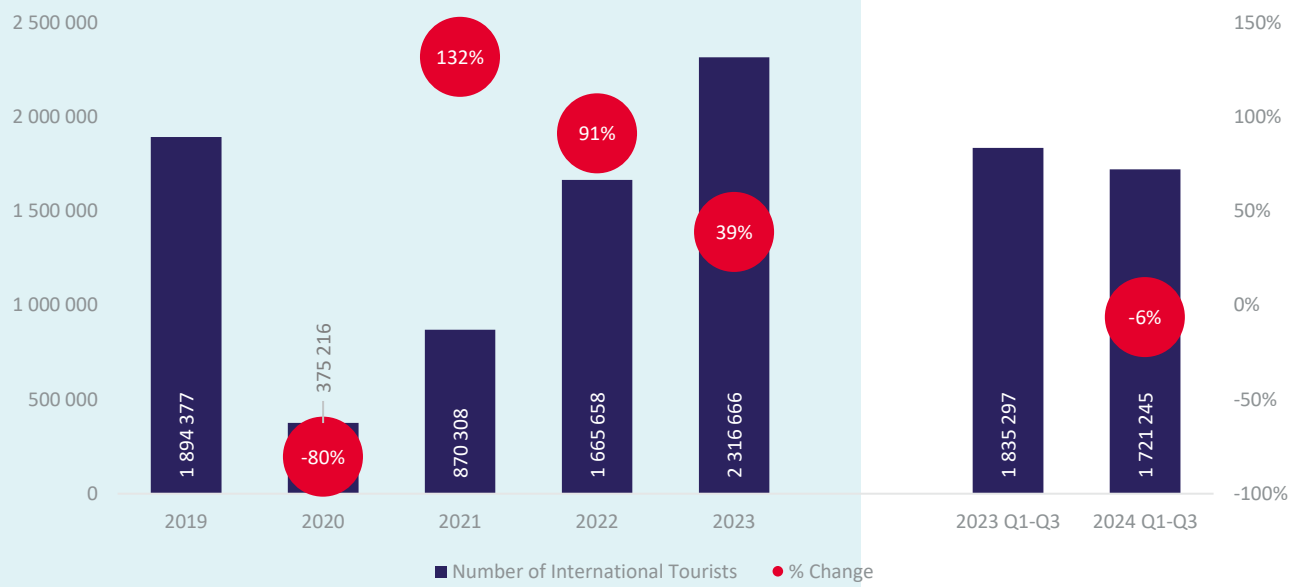
INTERNATIONAL TOURISM

Armenia has steadily gained recognition as an appealing international travel destination, with tourism experiencing consistent growth in recent years. In 2023, the country welcomed 1,835,297 international tourists, whereas the same period in 2024 saw a decrease to 1,721,245—marking a 6% drop. Despite this downturn, the outlook for late 2024 and 2025 remains positive, supported by strategic marketing efforts and ongoing infrastructure development aimed at enhancing the visitor experience.

Russia continues to be the leading source of international tourists in Armenia, followed by Georgia and Iran. While the number of Russian visitors has declined compared to 2023, the market remains a crucial one. At the same time, 2024 has witnessed a surge in arrivals from emerging markets, including India, the Philippines, and China. This diversification of tourist origins has helped balance the overall numbers. A significant proportion of visitors also comprises ethnic Armenians from the diaspora, many of whom travel to reconnect with their cultural heritage and explore their ancestral homeland.

In terms of demographics, nearly half (49%) of international visitors in 2024 fall within the 36-63 age range, a group often associated with higher spending capacity. Additionally, the 26-35 age segment represents 20% of total arrivals. The proportion of travelers under 17 has grown to 14%, while the 18-25 demographic remains steady at 8%. Notably, there has been an increase in visitors aged 64 and older, now making up 9% of arrivals—indicating a more diverse age distribution and evolving travel preferences.





Source: UN Tourism, Armstat

VISITOR TRENDS AND EMERGING PREFERENCES

INTERNATIONAL TOURISM

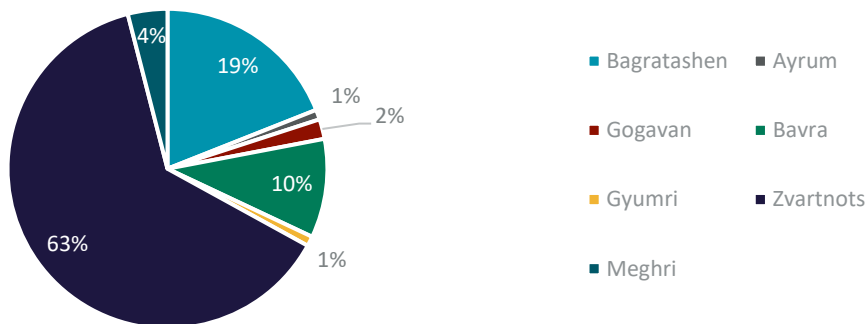
In the first three quarters of 2024, international visitors collectively spent a total of 49,669,606 days in Armenia, averaging an impressive 29 days per traveler annually*. Leisure and business remain the primary motivations for travel, accounting for the most of overnight stays. During this period, 45% of international tourists arrived for holidays, while 42.5% traveled for business. Other purposes, including personal visits and cultural exploration, made up 11.1% of arrivals. Meanwhile, medical tourism remained a niche segment, representing just 1.4% of the total, while data on educational travel was not reported.

Tourist preferences have been evolving in recent years, with a growing demand for active and adventure-based experiences. Armenia's breathtaking landscapes and rich cultural heritage have made it an emerging hotspot for extreme and outdoor tourism. Destinations such as Lake Sevan, Dilijan, Tsaghkadzor, and the Lori region have seen increasing popularity, attracting visitors eager to explore the country's scenic beauty and diverse recreational opportunities. This shift underscores Armenia's potential to expand its tourism offerings, appealing to a broader audience and strengthening its position as a dynamic global travel destination.

In 2024, Zvartnots International Airport in Yerevan remained the primary gateway for international visitors, handling 63% of all arrivals. The airport continues to play a crucial role in connecting Armenia to the global travel network, serving as the main entry point for tourists from diverse international markets.

Land border crossings also played a significant role in facilitating travel, particularly for regional visitors. The Bagratashen border crossing, situated on the Georgian-Armenian border, accounted for 19% of entries, while the Bavra crossing near Ninotsminda contributed an additional 10%. Other border checkpoints saw a smaller share of arrivals, underscoring the ongoing importance of both air and land routes in supporting Armenia's tourism sector.

As Armenia continues to develop its tourism infrastructure, enhancing both air connectivity and cross-border access remains a priority to accommodate growing visitor demand and strengthen the country's appeal as a regional travel hub.



Source: UN Tourism, Armstat

**Disclaimer: The data collected by Armenia's National Statistical Office (Armstat) provides insights into the total number of tourists visiting Armenia and the overall volume of overnight stays, categorized by nationality over a given timeframe. This enables the estimation of the average length of stay per tourist during the reporting period. However, it is important to note that this figure does not represent the duration of individual visits. Rather, the data reflects the total number of visits within the specified period, which may include multiple short visits by the same individual or a single extended stay.*

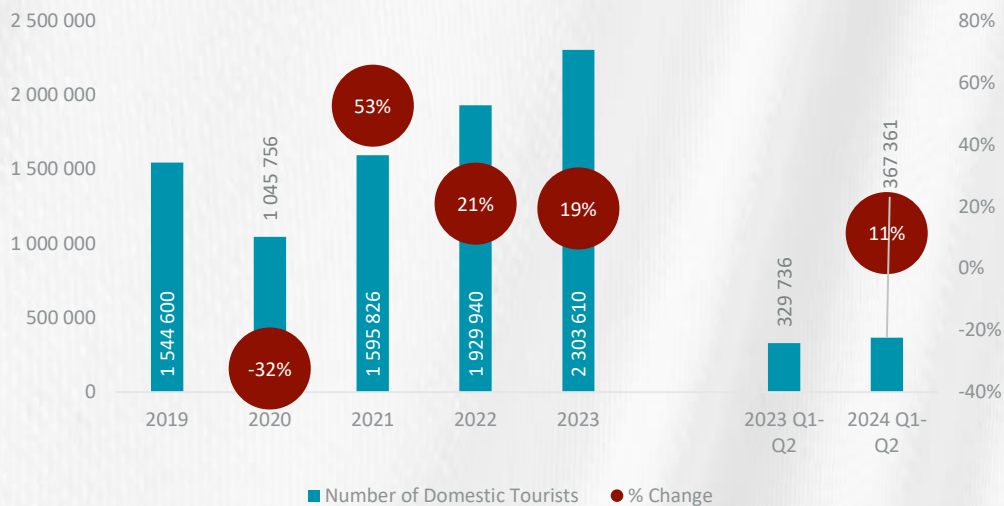


THE RISE OF DOMESTIC TOURISM IN ARMENIA

DOMESTIC TOURISM

Domestic tourism in Armenia has shown steady growth from 2019 to 2024, reaching a significant peak in 2023 when the number of local travelers climbed to 2,303,610—a 19% increase YoY.

The momentum continued into 2024, with an 11% YoY increase in domestic tourist numbers recorded in the first half of the year. Leisure remains the primary driver of domestic travel, with 71% of Armenian tourists traveling for recreation and relaxation during this period. Business travel also plays a crucial role, accounting for 22% of domestic trips. Meanwhile, other travel purposes, such as medical and educational visits, represent a smaller but notable share of overall domestic tourism activity.

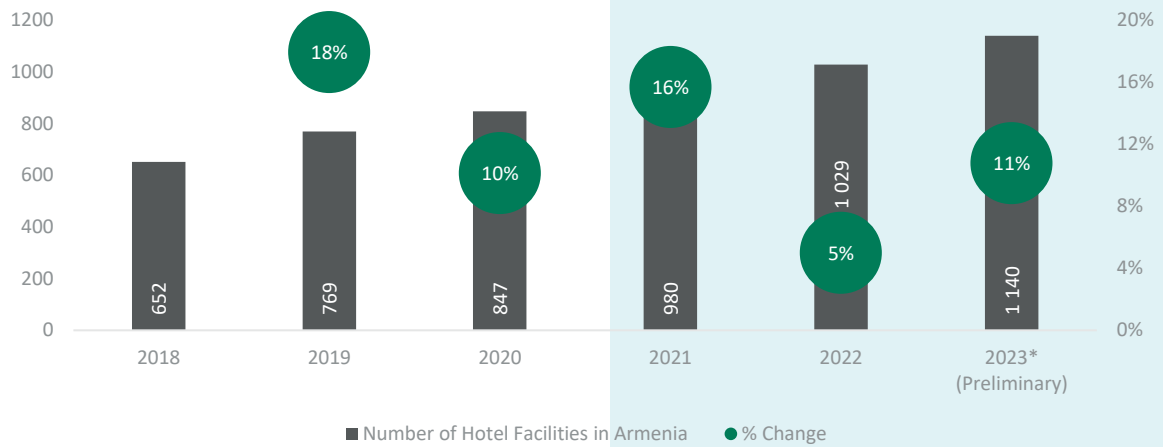




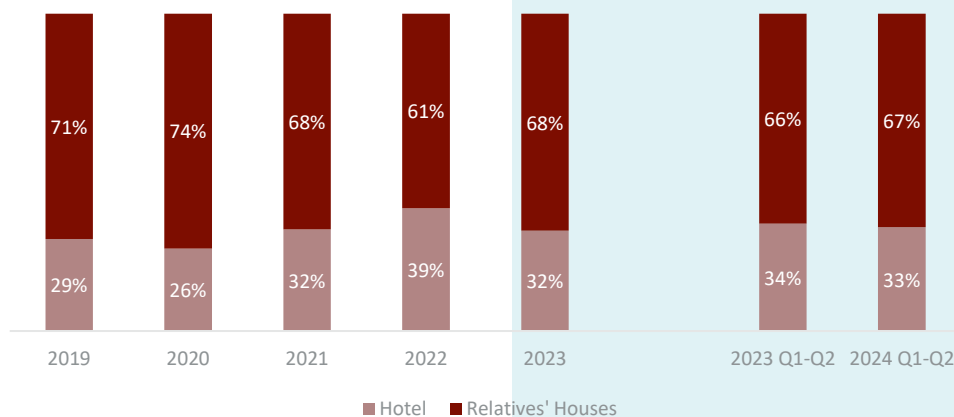
HOTEL SUPPLY

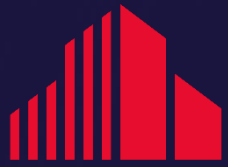
Between 2018 and 2023, Armenia’s hotel sector experienced significant expansion. Preliminary data for 2023 indicates a record 1,140 hotel establishments across the country. The number of hotel rooms has also grown consistently since 2020, reaching an all-time high of 12,507 in 2023.

Yerevan remains the focal point for internationally recognized hotel brands in Armenia. The capital is home to renowned global chains such as Radisson Blu Hotel, Marriott Hotel, DoubleTree by Hilton, and Holiday Inn Express. Looking ahead, Yerevan is set to introduce its first Accor-branded property, Pullman Living and Residences, further enhancing the city’s appeal as a top destination for international travelers.



In the first half of 2024, 67% of international visitors to Armenia chose to stay in hotels, while the remaining 33% opted for accommodations with relatives. This high proportion of tourists staying with family reflects the strong presence of the Armenian diaspora, whose members frequently travel to the country to reconnect with their heritage and loved ones.





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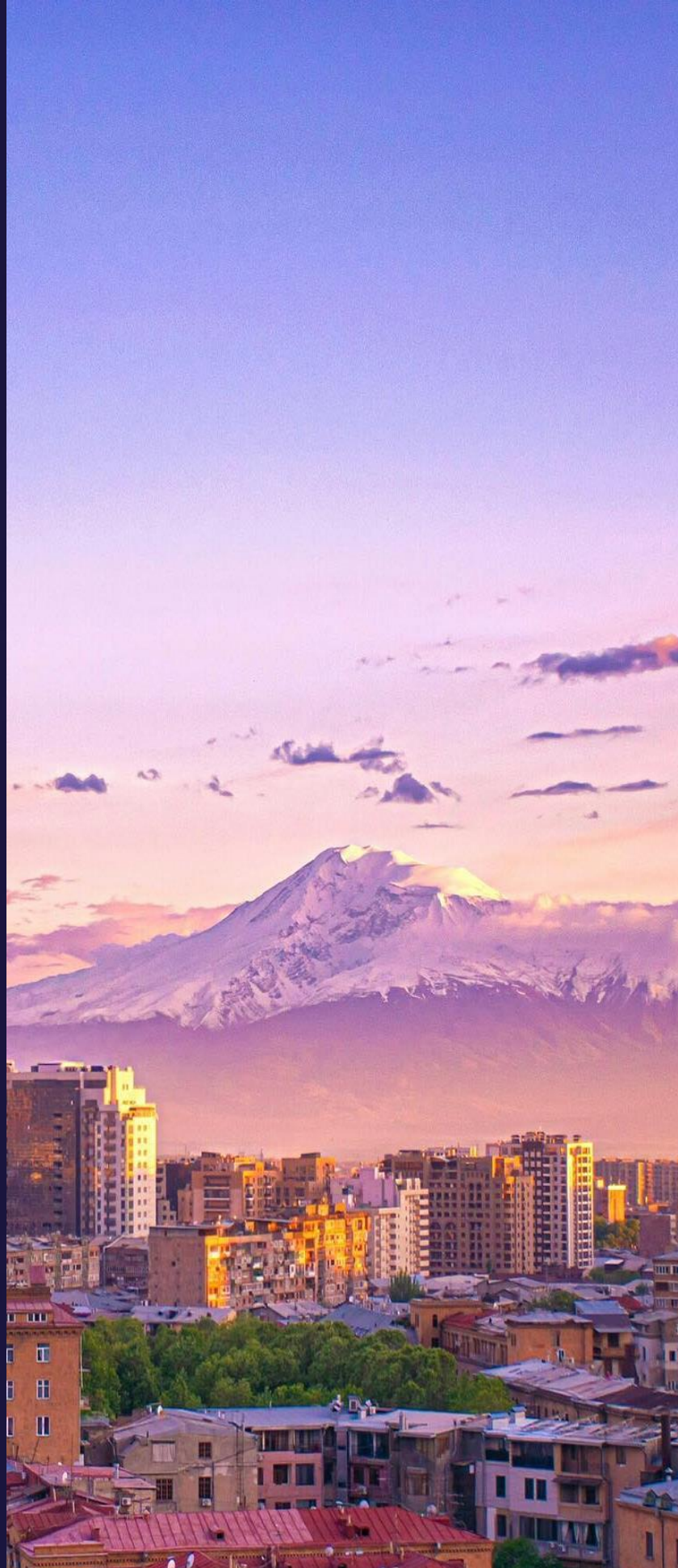
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