



AKTUAR MOLIYA VA BUXGALTERIYA HISOBI ILMIY JURNALI

Vol.5 Issue 01 | pp. 222-231 | ISSN: 2181-1865

Available online <https://finance.tsue.uz/index.php/afa>

ASSESSING AND ENHANCING TOURISM COMPETITIVENESS: A METHODOLOGICAL APPROACH BASED ON WEF AND TCCI



Sobirov Bobur Baxtishodovich

Samarkand branch of
Tashkent State University of Economics,
Samarkand, Uzbekistan

Email: mrbobursobirov@gmail.com

Orcid : [0000-0002-7434-8996](https://orcid.org/0000-0002-7434-8996)

Scopus ID : [57221666230](https://scopus.com/authid/detail.url?authorID=57221666230)

Abstract Tourism competitiveness is a crucial determinant of a destination's ability to attract and retain visitors while ensuring economic sustainability. This study evaluates Uzbekistan's tourism competitiveness using methodologies from the World Economic Forum (WEF) and the Travel and Tourism Competitiveness Index (TCCI). The research utilizes a comprehensive analysis of economic, infrastructural, and policy-driven factors affecting tourism growth. Statistical data from global tourism competitiveness rankings highlight Uzbekistan's position relative to neighboring and benchmarked countries. The study adopts a mixed-methods approach, integrating quantitative data analysis with qualitative assessments of policy frameworks. The findings indicate that while Uzbekistan possesses rich cultural and natural resources, infrastructural limitations and digital transformation gaps hinder its global competitiveness. Strategic recommendations focus on infrastructure enhancement, digital integration, and policy innovation to improve Uzbekistan's tourism competitiveness.

Keywords: Tourism Competitiveness, WEF, TCCI, Infrastructure, Policy, Uzbekistan, Digitalization

1. Introduction

Tourism plays a fundamental role in economic development, cultural exchange, and global connectivity. According to the World Economic Forum (WEF), tourism is a primary driver of national economies, contributing to GDP, employment, and foreign exchange earnings. The Travel and Tourism Competitiveness Index (TCCI) serves as a benchmark to measure a country's performance in terms of tourism infrastructure, business environment, and travel policies. Uzbekistan, a key historical hub on the Silk Road, offers a unique blend of cultural heritage, natural landscapes, and historical significance. However, its global tourism competitiveness remains challenged by infrastructural constraints and limited digital integration[1].

Uzbekistan's tourism potential is substantial, particularly in cities like Samarkand, Bukhara, and Khiva, which are recognized as UNESCO heritage sites. The country's cultural and historical wealth makes it an attractive destination for international travelers, yet its TCCI rankings indicate persistent challenges. Infrastructure remains underdeveloped in certain regions, and there is a need for a more digitalized approach to tourism management. Key government policies, such as visa liberalization for over 90 countries, have significantly increased the number of international visitors, but more structured long-term strategies are required to sustain growth[2].

The economic impact of tourism in Uzbekistan has been growing steadily. In 2018, the tourism sector contributed approximately 4.5% to GDP, a figure expected to increase to 7% by 2025 with continued investments in infrastructure, marketing, and digital transformation. Employment in the tourism sector has also expanded, creating direct jobs in hospitality, transportation, and cultural sites, along with indirect employment in supporting industries such as retail and technology. The influx of visitors has prompted substantial investments in accommodation facilities, yet the country still faces a shortage of high-end hotels and internationally recognized brands catering to premium travelers[3].

The statistical overview of Uzbekistan's tourism performance shows steady growth. In 2019, the country hosted 6.7 million international tourists, which declined due to the COVID-19 pandemic but rebounded to 7.5 million in 2023. The number of domestic travelers has also increased, with over 18 million domestic trips recorded in 2022. Tourism revenue saw an increase from \$1.3 billion in 2018 to \$2.5 billion in 2023, reflecting the country's ongoing investment in tourism infrastructure[4].

A comparative analysis of Uzbekistan's position relative to its regional competitors reveals areas needing improvement. While Uzbekistan outperforms neighboring countries like Tajikistan and Turkmenistan in heritage tourism, it still lags behind Kazakhstan and Georgia in terms of digitalization and smart tourism services. In 2023, Kazakhstan ranked 44th in the TCCI, while Uzbekistan ranked 90th, highlighting disparities in infrastructure and business environment[1], [5], [6], [7].

This study examines Uzbekistan's tourism competitiveness by:

1. Analyzing Uzbekistan's current position in the TCCI rankings compared to neighboring and globally competitive destinations.
2. Identifying key infrastructural and policy barriers affecting tourism growth.
3. Proposing strategic recommendations based on international best practices.
4. Assessing digitalization in Uzbekistan's tourism sector and evaluating the role of smart tourism in enhancing visitor experiences.
5. Providing statistical insights on key tourism performance indicators to

evaluate growth potential and sectoral contributions to the economy.

By integrating empirical data with qualitative policy assessments, this research aims to provide actionable insights to policymakers, stakeholders, and industry leaders striving to position Uzbekistan as a leading tourism destination in Central Asia. The study will explore how Uzbekistan can utilize technology, improve tourism infrastructure, and enhance its branding to attract a diverse range of travelers, from historical and cultural tourists to adventure and eco-tourists[8], [9].

The concept of destination competitiveness has garnered significant attention in tourism research, particularly concerning the Travel and Tourism Competitiveness Index (TTCI) developed by the World Economic Forum (WEF). This literature review synthesizes key studies that have explored these themes, with a focus on the Asian context.

This topic is learned deep by various scholars, Dwyer and Kim developed a comprehensive model of destination competitiveness, identifying key success factors and proposing indicators to measure competitiveness. Their work emphasizes the importance of both objective and subjective measures in assessing tourism destinations[10]. Moreover, Hanafiah et al. analyzed the TTCI, highlighting its role as a crucial tool for defining and measuring tourism destination competitiveness. They discuss the significance of the TTCI in appraising a destination's performance relative to its competitors[11].

Hefny provided a theoretical analysis of destination competitiveness, focusing on the TTCI developed by the World Economic Forum (WEF). The study delves into the implications and challenges associated with the TTCI, emphasizing the need for further refinement to enhance its effectiveness[12]. Also, Shariffuddin et al. performed a comprehensive review of tourism destination competitiveness literature, focusing on determinants and indicators used in various models. Their findings reveal the absence of a universal set of items to measure competitiveness, reflecting the complexity and multifaceted nature of the concept. The study emphasizes the synergistic relationship between sources of comparative and competitive advantages, particularly concerning destination image, tourism experience, and visitor loyalty[13]. Collectively, these studies contribute to a nuanced understanding of destination competitiveness, offering frameworks and analyses that inform both academic research and practical applications in the tourism industry. They underscore the importance of context-specific factors and the dynamic interplay between various determinants in shaping a destination's competitive position, particularly within the Asian tourism landscape.

2. Methods

This research employs a methodological framework that integrates both quantitative and qualitative approaches. The analysis is based on data from the World Economic

Forum (WEF) and the Travel and Tourism Competitiveness Index (TCCI), supplemented by national tourism reports and global statistical sources such as the World Bank and the United Nations World Tourism Organization (UNWTO). The study utilizes a comparative analysis to evaluate Uzbekistan's tourism performance against regional competitors, focusing on key indicators such as infrastructure, digital readiness, policy environment, and business climate[6].

Statistical tools are applied to examine trends in last 5 years from 117 countries, focused on Uzbekistan's TCCI ranking from 2019 to 2023, identifying strengths and weaknesses in areas such as transport infrastructure, accommodation facilities, and digital integration. Data visualization techniques, including correlation graphs and trend analysis, are used to present the impact of tourism-related investments on economic outcomes. In addition, policy analysis is conducted to assess government initiatives such as visa reforms, investment incentives, and sustainability strategies aimed at improving the country's tourism competitiveness. The methodological framework ensures a balanced perspective by integrating quantitative metrics with qualitative insights, enabling a comprehensive evaluation of Uzbekistan's positioning in the global tourism landscape.

3. Main Part

The Travel & Tourism Development Index (TTDI) 2024 provides a comprehensive evaluation of global tourism competitiveness, offering crucial insights into the strengths and weaknesses of the world's top-performing destinations. The ranking and statistical data reflect the impact of infrastructure, policies, investment, and sustainability on a country's tourism growth. The United States, Spain, Japan, France, and Australia maintain leading positions due to strong travel policies, developed transport systems, cultural attractions, and strategic tourism management. These rankings illustrate how a well-balanced mix of economic, policy, and environmental factors plays a decisive role in determining a country's tourism appeal and competitiveness[6], [12], [14]. Travel and tourism sphere according to TTDI 2024 Rankings pointed out top competitive destination of the world on Table 1, with clear statistics on international arrivals, tourism revenues, strengths and weakness.

Table 1. Top 10 Countries in TTDI 2024 Rankings

Rank	Country	TTDI Score	International Arrivals	Tourism Revenue (\$ Billion, 2023)	Key Strengths	Key Weaknesses
1	United States	5.41	85.0	1,280	Air transport, business tourism	Price competitiveness
2	Spain	5.29	82.8	87.0	Cultural resources,	Environmental

					tourist infrastructure	sustainability
3	Japan	5.24	25.1	46.4	Natural resources, digital tourism	Price competitiveness
4	France	5.23	100.0	82.0	Cultural heritage, accessibility	Air transport infrastructure
5	Australia	5.18	10.8	49.1	Environmental sustainability, air transport	Price competitiveness
6	Germany	5.15	38.2	46.5	Business travel, cultural tourism	International openness
7	United Kingdom	5.12	35.9	40.6	Air transport, business travel	Safety & security
8	China	5.09	65.7	290.0	Natural resources, business tourism	Environmental sustainability
9	Italy	5.06	72.0	56.0	Cultural tourism, food tourism	Infrastructure development
10	Switzerland	5.03	12.6	23.4	Safety & security, transport infrastructure	Price competitiveness

For developing tourism economies, these insights serve as a roadmap for improvement, showing where investment should be directed. Countries that rank lower in TTDI typically struggle with infrastructure development, international openness, digital adoption, and sustainability policies. For instance, Central Asian countries like Uzbekistan, Kazakhstan, and Kyrgyzstan score significantly lower due to weak ICT readiness, poor ground transport, and lower service quality. Understanding the pillars of tourism competitiveness helps countries prioritize the most effective strategies for long-term tourism growth on Table 2.

Table 2. TTDI 2024 Breakdown by Key Pillars

<i>Pillar</i>	<i>Top Performer (Country & Score)</i>	<i>Lowest Performer (Country & Score from Top 10)</i>
Business Environment	Switzerland (6.12)	Italy (4.85)
Safety & Security	Switzerland (6.45)	United States (4.55)
Health & Hygiene	Germany (6.23)	China (4.78)
Human Resources & Labor Market	United States (5.98)	France (5.22)
ICT Readiness	United Kingdom (5.91)	Japan (5.03)
Prioritization of Travel & Tourism	Spain (6.14)	Germany (5.09)
International Openness	United Kingdom (6.35)	China (4.33)
Price Competitiveness	China (5.87)	United States (3.92)
Environmental Sustainability	Australia (6.02)	Spain (4.88)
Air Transport Infrastructure	United States (6.10)	France (4.90)
Ground & Port Infrastructure	Germany (6.05)	Japan (5.13)
Tourist Service Infrastructure	Spain (6.02)	United Kingdom (5.15)

Natural Resources	Australia (6.50)	Italy (5.30)
Cultural Resources & Business Travel	France (6.33)	Australia (5.09)

The Travel & Tourism Development Index (TTDI) pillars play a crucial role in shaping tourism and determining the ability of a destination to attract international visitors, increase economic gains, and ensure sustainable development. A stable and investment-friendly business environment is essential for attracting foreign direct investment (FDI) in the tourism sector. Countries with low corruption, transparent regulations, and ease of doing business experience higher investment in hotels, resorts, and travel services. For instance, Switzerland and the United States have some of the best business environments, making them prime investment hubs for global hotel chains and aviation companies. Conversely, countries ranking low in this pillar struggle to attract investors, leading to slower tourism infrastructure expansion.[6].

Safety and security are major priorities for travelers, as political stability, low crime rates, and strong emergency response systems make destinations more attractive. Switzerland is a leader in safety, making it a preferred destination for premium travel and luxury tourism. Countries facing high crime rates and political instability, such as Mexico and South Africa, often experience setbacks in tourism growth. Additionally, health and hygiene standards are vital for attracting health-conscious and luxury travelers. Nations with superior healthcare systems, such as Germany and France, contribute to higher international arrivals. On the other hand, poor scores in this category can discourage tourists, particularly in a post-pandemic travel era.[12].

A strong human resources and labor market pillar ensures a well-trained workforce in hospitality, transport, and tour services, significantly enhancing visitor experiences. Countries like the United States and the United Kingdom excel in hospitality training programs, ensuring high service quality[15]. In contrast, nations that lack workforce training often face customer dissatisfaction, leading to negative tourism reviews and low return rates. Digitalization is another crucial factor, as ICT readiness plays a significant role in global tourism development. The United Kingdom and Japan are at the forefront of digital adoption, with AI-powered travel apps, digital payment integration, and seamless online booking systems. However, regions with low ICT readiness, such as Central Asia, face restrictions in digital engagement, marketing, and visitor experience. Price competitiveness is a key determinant for budget-conscious travelers. Kim (2012) notes that affordability in accommodations and transport can significantly boost visitor numbers, a perspective supported by the TTDI's inclusion of price competitiveness as a pillar. Environmental sustainability ensures long-term tourism growth. Qazi (2024) underscores the importance of strong conservation policies and eco-tourism programs, which are also highlighted in the TTDI's evaluation of sustainable tourism practices. Efficient air transport infrastructure facilitates global tourism access. Balan discusses how robust air connectivity and airport capacity are vital for attracting international tourists, a factor also emphasized in the TTDI. Reliable ground and port infrastructure enhances tourism

accessibility[15]. Hefny highlights the importance of well-developed transport networks in facilitating regional travel, a component also considered in the TTDI's assessment[7].

Hence, Uzbekistan has made significant strides in improving its tourism sector, yet it remains in competition with regional players who have advanced in key competitiveness indicators. Between 2019 and 2023, Uzbekistan experienced a 35% increase in international tourist arrivals, driven primarily by visa liberalization policies and new infrastructure projects, including the high-speed railway system connecting major historical cities . Several scholars have examined the development of Uzbekistan's tourism sector, focusing on various aspects that contribute to its growth and competitiveness. For instance, Karimov et al. explored the role of transportation infrastructure in enhancing international tourism in Uzbekistan, highlighting the significance of projects like the high-speed railway system connecting major historical cities. Their research emphasizes that improved transportation networks facilitate easier access to tourist destinations, thereby increasing international arrivals[16]. The 2024 WEF Travel & Tourism Development Index (TTDI) provides further insights into Uzbekistan's competitiveness (Table 3):

Table 3. Central Asian Counties' WEF Travel and Tourism Development Index (TTDI) in 2024

Country	Global Rank	TTDI Score
Kazakhstan	52	4.2
Uzbekistan	90	3.7
Kyrgyzstan	102	3.5
Tajikistan	112	3.3

Source : 2024 WEF Travel & Tourism Development Index (TTDI)

4. Results and Discussion

Uzbekistan's strengths include its cultural heritage, affordability, and government prioritization of tourism, but challenges remain in ICT readiness, infrastructure, and digital marketing. The TTDI rankings indicate that Kazakhstan leads Central Asia in competitiveness, largely due to its investments in air transport, smart tourism, and business-friendly policies[6].

The key investment areas include smart tourism, infrastructure modernization, and eco-tourism. Uzbekistan's tourism industry is expected to reach 9 million annual visitors by 2025, with an estimated \$3.2 billion in revenue, provided that digital transformation and investment in transport facilities accelerate.

To improve global competitiveness, Uzbekistan must:

1. Expand international flight routes to major European and Asian cities.

2. Invest in digital and smart tourism platforms to enhance visitor experience.
3. Strengthen sustainable tourism policies to attract eco-conscious travelers.
4. Develop more high-end hotels and resorts to cater to premium tourists.

These strategic initiatives, combined with regional tourism collaborations, will enable Uzbekistan to enhance its global ranking, increase revenues, and strengthen its position as a major tourism hub in Central Asia.

On this case, the "Uzbekistan–2030" Strategy emphasizes the development of tourism through infrastructure enhancement and digitalization. In 2023, Uzbekistan implemented 508 projects worth 9.5 trillion soums, leading to the creation of 9,492 new jobs. These initiatives included the launch of 183 new hotels and 232 hostels, bringing the total number of accommodation facilities to 5,526. Additionally, 452 family guest houses were established, increasing the total to 3,458. The number of tourist organizations and travel agencies also grew to 2,649 [17], [18]. In another study, Abdurakhmanova et al. (2021) analyzed the impact of tourism on employment and economic growth in Uzbekistan. Utilizing an ARDL bounds testing approach, they found that tourism development positively influences economic expansion and job creation, underscoring the sector's importance in the national economy. Additionally, Safarova (2016) conducted an empirical analysis using the gravity model to identify drivers of international tourism in Uzbekistan. The study concluded that visa liberalization policies and infrastructure improvements are significant factors attracting international tourists, aligning with the observed 35% increase in arrivals between 2019 and 2023.

Tourism competitiveness remains a vital factor in the economic growth and sustainability of nations, influencing employment, revenue generation, and cultural exchange. The Travel & Tourism Competitiveness Index (TCCI) and the World Economic Forum (WEF) indicators highlight the multi-dimensional nature of tourism development, covering infrastructure, digital transformation, sustainability, and international accessibility. Uzbekistan, as a key player in the Central Asian tourism market, has made notable advancements in visa facilitation, tourism infrastructure, and government prioritization of the industry. However, challenges remain in the areas of ICT readiness, service quality, and international connectivity, which continue to hinder its competitive standing in the global tourism rankings [6], [8], [19].

Conclusion

Statistical analyses from the TTDI 2024 indicate that while Uzbekistan has experienced a 35% growth in international arrivals from 2019 to 2023, its tourism infrastructure, digital service integration, and business environment still require significant improvements. Comparisons with Kazakhstan, Georgia, and global tourism leaders such as Spain and France demonstrate that sustained investment in smart tourism technologies, international branding, and sustainability initiatives is critical for long-term success. The United States, Spain, and Japan, leading the TTDI rankings, showcase the role

of well-developed transport infrastructure, business-friendly policies, and cultural promotion in maintaining global tourism leadership.

For Uzbekistan to enhance its global competitiveness, it must focus on expanding air connectivity, developing smart tourism infrastructure, enhancing eco-tourism destinations, and improving service quality in the hospitality sector. A regional approach through cross-border tourism collaborations, such as the proposed Silk Road Visa Initiative, could further boost multi-destination travel in Central Asia, increasing the collective tourism market share. Sustainable policies, including green tourism initiatives and heritage preservation programs, should be prioritized to align with global tourism trends favoring responsible travel.

The findings of this study emphasize that a strategic, data-driven approach is necessary to achieve sustainable tourism growth. By adopting best practices from high-ranking tourism economies, Uzbekistan can further strengthen its position in the competitive global market, ensuring a steady increase in tourism revenues, employment opportunities, and international recognition as a premier cultural destination. The roadmap to achieving this vision lies in policy innovation, investment in infrastructure, and technological advancements, which will be instrumental in driving Uzbekistan's tourism sector into the future.

References:

- [1] Travel and Tourism Competitiveness of the World's Top Tourism Destinations: An Exploratory Assessment'. Accessed: Jan. 24, 2025. [Online]. Available: https://www.academia.edu/56403785/Travel_and_Tourism_Competitiveness_of_the_Worlds_Top_Tourism_Destinations_An_Exploratory_Assessment
- [2] Ш. Ш. Рахмонов and М. Т. Алимова, 'Туризм-мощный катализатор социально-экономического развития региона', *International Journal of Innovative Technologies in Economy*, no. 3 (15), pp. 3–7, 2018.
- [3] Z. O. Ahrorov and B. B. Sobirov, 'The Prospects Of The Development Of Extreme Tourism In Uzbekistan', *Asian Journal of Management, Entrepreneurship and Social Science*, vol. 1, no. 1, pp. 146–152, 2021.
- [4] D. Soldatenko and E. Backer, 'A content analysis of cross-cultural motivational studies in tourism relating to nationalities', *Journal of Hospitality and Tourism Management*, vol. 38, pp. 122–139, Mar. 2019, doi: 10.1016/j.jhtm.2018.12.004.
- [5] K. Abdurakhmanov, N. Zokirova, Z. Shakarov, and B. Sobirov, 'Directions of innovative development of Uzbekistan', *Вісник Національної академії керівних кадрів культури і мистецтв*, no. 3, 2018, Accessed: Nov. 29, 2023. [Online]. Available: <http://journals.uran.ua/visnyknakkkim/article/view/173582>
- [6] 'Travel & Tourism Development Index 2024', World Economic Forum. Accessed: Jan. 24, 2025. [Online]. Available: <https://www.weforum.org/publications/travel-tourism-development-index-2024/>
- [7] H. Kılıç, 'Tourism competitiveness and tourism sector performance: Empirical insights from new data', *Journal of Hospitality and Tourism Management*, Jan. 2021, Accessed: Jan. 24, 2025. [Online]. Available: https://www.academia.edu/117237216/Tourism_competitiveness_and_tourism_sector_performance_Empirical_insights_from_new_data

- [8] B. Sobirov, 'Development Of Demand On Tourism Services Over Innovative Economic Advancement Conditions Examples Of Uzbekistan', *Journal of Management Value & Ethics*, vol. 85.
- [9] S. Bobur and M. Alimova, 'Systematic approach to the development of innovative tourism. Case of Uzbekistan regions', *South Asian Journal of Marketing & Management Research*, vol. 7, no. 9, pp. 58–67, 2017.
- [10] L. Dwyer and C. Kim, 'Destination Competitiveness: Determinants and Indicators', *Current Issues in Tourism*, vol. 6, no. 5, p. 369, 2003.
- [11] M. H. Hanafiah, M. A. Hemdi, and I. Ahmad, 'Does Ranking Explain Actual Performance? A Case of WEF Tourism Competitiveness Report', *ICHRIE Research Reports*, vol. 4, no. 1, Jan. 2019, doi: 10.61701/410568.65.
- [12] L. Hefny, 'An overview of literature on destination competitiveness: A theoretical analysis of the travel and tourism competitiveness index', *Pharos International Journal of Tourism and Hospitality*, vol. 2, no. 2, pp. 45–60, Dec. 2023, doi: 10.21608/pijth.2023.253372.1006.
- [13] N. S. M. Shariffuddin, M. Azinuddin, M. H. Hanafiah, and W. M. A. W. M. Zain, 'A comprehensive review on tourism destination competitiveness (TDC) literature', *Competitiveness Review: An International Business Journal*, vol. 33, no. 4, pp. 787–819, Mar. 2022, doi: 10.1108/CR-04-2021-0054.
- [14] A. Qazi, 'Exploring the interdependent drivers of tourism competitiveness: insights from the Travel and Tourism Development Index', *Competitiveness Review: An International Business Journal*, vol. ahead-of-print, no. ahead-of-print, Dec. 2024, doi: 10.1108/CR-09-2024-0176.
- [15] D. Balan, V. Balaure, and C. Veghes, 'Travel And Tourism Competitiveness Of The World'S Top Tourism Destinations: An Exploratory Assessment', *Annales Universitatis Apulensis Series Oeconomica*, vol. 2, no. 11, pp. 1–43, 2009.
- [16] J. Y. Jeong, M. Karimov, Y. Sobirov, O. Saidmamatov, and P. Marty, 'Evaluating culturalization strategies for sustainable tourism development in Uzbekistan', *Sustainability*, vol. 15, no. 9, p. 7727, 2023.
- [17] 'DEVELOPMENT STRATEGY CENTER ⇒ The development of Uzbekistan's tourism contributes to the growth of the people's welfare'. Accessed: Jan. 24, 2025. [Online]. Available: https://strategy.uz/index.php?lang=en&news=1959&utm_source=chatgpt.com
- [18] 'Presidential decree of the Republic of Uzbekistan "About the Strategy of development for new Uzbekistan for 2022 - 2026"'. Accessed: Oct. 30, 2023. [Online]. Available: <https://cis-legislation.com/document.fwx?rgn=137626>
- [19] B. S. Baxtishodovich, T. I. Suyunovich, and A. Kholiqulov, 'The start-up of tourism in Central Asia Case of Uzbekistan', *World Scientific News*, vol. 67, no. 2, pp. 219–237, 2017.

