

**AZERBAIJAN REPUBLIC**

*On the rights of the manuscript*

**ABSTRACT**

of the dissertation for the degree of Doctor of Philosophy

**EVALUATION OF THE COMPETITIVENESS OF HEALTH  
TOURISM IN AZERBAIJAN AND ITS PERSPECTIVES OF  
DEVELOPMENT**

Specialty: 5312.01-Area Economics

Science: Economy

**Applicant: Anar Dostali Abdullayev**

**Baku - 2024**

Institute of Economics of the Ministry of Science and Education of the Republic of Azerbaijan

**Dissertation supervisor:** Doctor of Economics, Professor  
**Rufat Mammad Kasumov**

**Official Reviewers:** Doctor of Economics, Professor  
**Arzu Najaf Hasanov**

PhD in Economics  
**Firuz Karakhan Abbasova**

PhD in Economics  
**Ramil Teyyub Aliyev**

Dissertation Council ED 1.10. The Higher Attestation Commission under the President of the Republic of Azerbaijan, operating on the basis of the Institute of Economics under the Ministry of Science and Education of the Republic of Azerbaijan.

Chairman of the dissertation  
council:

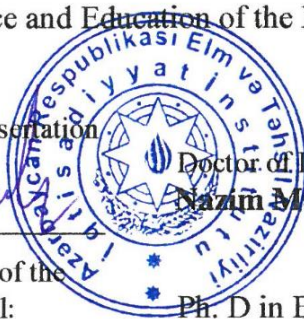
Doctor of Economics, Professor  
**Nazim Muzaffarli (Imanov)**

Scientific secretary of the  
Dissertation council:

Ph. D in Economics  
**Sevdə Mammad Seyidova**

Chairman of the  
Scientific Seminar:

Doctor of Economics, Professor  
**Tarbiz Nasib Aliyev**



## OVERALL WORK QUALITY

**Relevance of the topic and degree of development.** In recent years, the protection of human health has become one of the most important issues before the world community. The emergence of new factors in the development of civilization—scientific and technological development, automation of production, urbanization and globalization, changes in the ecological state of the planet—made the implementation of health protection measures inevitable.

Also, the fact that the demographic problem is one of the most urgent problems for many countries in the world and the emergence of new, more dangerous diseases that modern people are fighting every day has created the need to implement targeted measures to protect the health of the population.

One of the measures implemented in the direction of protecting the health of the population is the development of health tourism. Successive measures carried out for this purpose is the "The socio-economic development Strategy of Republic of Azerbaijan in 2022-2026". One of the priorities of Strategy is the development of the specialized tourism sector.

The existence of natural resource potential in our country, as well as the presence of a large number of sanatoriums and medical centers to use these resources, as well as the fact that this field has historical roots as a traditional field for our country, increases the importance of the work to be done in order to organize the activity of health tourism in accordance with modern requirements.

It should also be noted that the reconstruction and creation of the health and resort tourism areas in accordance with the requirements of the market economy and the implementation of targeted measures for their development and integration into the international tourism family, on the one hand, determine the solution to the urgent issue of restoring the health of the population and, on the other hand, strengthen the economic potential of the country.

Thus, since the 20th century, health tourism has become transnational in terms of, on the one hand, the expansion of the geography of their services by tourism agencies in order to increase their income and, on the other hand, the attractiveness, potential profitability, and strong foreign investment flow of this type of activity. The rapid growth of health tourism over the past decade has attracted the attention of both the public and private sectors.

Statistics and marketing studies of recent years show that the number of foreign visitors who want to come to Azerbaijan and get to know our country better in order to ensure treatment and recovery of health has increased significantly compared to previous years [81]. Also, the acceptance of Azerbaijan by the World Tourism Organization, considering tourism as one of the important areas of the economy in the socio-economic concept of our country, the formation of state policy in the field of tourism, and the and the location of Azerbaijan in the transport corridor where Europe and Asia intersect reflect the strong tourism potential here.

A comprehensive study of the problems in the field of health tourism in the country is necessary in order to increase the efficiency of the relevant work to be carried out in this field and to determine future development goals. It is for this reason that it is important to study the theoretical and methodological aspects of health tourism, to determine the role of the field in the economic growth of the country based on these aspects, and to comprehensively examine its importance in increasing the competitiveness of the country's economy. All these factors dictate that the research work is an important problem.

Despite the fact that consistent and purposeful work was carried out during the Soviet period regarding health tourism problems in Azerbaijan, this field was almost completely forgotten in the first years of independence, and only in the last few years has attention been paid to solving this problem. In recent times, the theoretical and methodological foundations of health tourism in Azerbaijan, the role of the state in the implementation of national

tourism, the legal basis, and many aspects of financial issues have been discussed by A.G.Askerov, A.D.Aslanov, X.M.Nadirov, M.M.Huseynov, F.M.Huseynov, A.A.Salmanov, A.N.Hasanov, G.X.Samadova, F.Q.Abbasova, S.T.Yeganli, A.D. Eyyubov, N.T.Efendiyeva, S.H.Abasova, Ch.M.Abbasov, B.A. Bilalov, A.Q.Alrzayev, A.M.Asadov, F.I.Gurbanov, E.C.Imanov, H.B.Soltanova, Sh.H.Huseynova, and others. investigated, and scientific works were published in different directions on this problem.

The Republic of Turkey has made significant progress in the field of health tourism and has gained a significant share in the world by occupying a unique place. It has become a world-renowned destination for offering the fastest medical services that meet the highest standards. S.Kaya, H.Yıldırım, S.Karsavuran , Ö.Özer , D.Aydın, C.Constantinides, C.Mike, C.Yılmaz, A.Genç, A.Lanyi, H.Ozkurt, C.Aktepe, Ü.Altunkaya and other scientists can be mentioned as among the scientists who made a special contribution to the development of this field by conducting serious scientific research in Turkey. Foreign scientists B.Hans, L.Dwyer, J.Kim, M.Enright, J.Newton, De Keyser, N.Vanhove, E.Johnson, K.Mihalic, P.Hassan, R.Crouch, T.Long, C.Nijkamp, I.T.Balabanov and others conducted research on the development of tourism, especially health tourism.

In addition to highly appreciating the results of the mentioned authors and other studies or scientific research, despite the fact that tourism-recreation potential was studied in separate directions in those studies, scientifically based research studies were conducted on the contributions that the organization of health tourism and the assessment of its competitiveness can make to the economy of Azerbaijan. . All these points provide a basis for choosing the researched dissertation topic and determining its appropriate tasks to achieve the set goal.

The **object** of research is the developing sphere of health tourism in the Republic of Azerbaijan.

The **subject** of the research is the analysis and evaluation of the possibility of effective use of the potential of health tourism in the Republic of Azerbaijan.

**The main purpose of the research work is to** evaluate the current state of health tourism in the republic and to prepare scientifically based proposals on the perspective of competitive development based on the analysis of the network of health-sanatorium tourism establishments and natural resources in the territory of the republic. To achieve the mentioned goals, the following tasks have been defined:

- Based on the study of the development of the service areas of tourism and its impact on the socio-economic development of the country, the evaluation and theoretical-methodological principles of the organization of activity in the tourism sphere under the conditions of modern market were determined.
- Looking at the development stage of health tourism, the factors affecting this type of service, its structure, and the tourism sector have been classified.
- For the development of health tourism, the methods and models applied to increase its competitiveness and measure its competitive power, as well as the calculations on the competitiveness index, were evaluated.
- The countries where health tourism is developing in the modern market economy and the directions for using their experience have been determined.
- The characteristic features of the development directions of the health tourism of our country and the factors affecting its development and the main natural resources, as well as the competitiveness, which is one of the main factors in the evaluation of the tourism sector, were analyzed.
- The prospective development directions of competitive health tourism in Azerbaijan and the motivational factors driving the development of this field, as well as the results of the survey and SWOT analysis, were evaluated.

**Research methods:** Research methods such as scientific abstraction, analysis and synthesis, comparative, economic-statistical analysis, induction and deduction, and modeling (econometric analysis) were used in the research work.

**The main provisions defended** are as follows:

1. Based on the principle of a scientific approach, the requirements of objective economic laws should be taken into account in the organization of activities in the tourism sphere, and each step taken should be based on certain scientific foundations. Only in this case, it is possible to establish a long-term and successful activity.

2. As in other countries, millions of dollars can be obtained from health tourism in Azerbaijan every year. The potential of our country in this field is high and some progress has been made. The achieved achievements will allow our country to increase its competitiveness in the world market in that field.

3. It is possible to determine and develop the current state of health tourism as a result of evaluating the methods and models used in increasing competitiveness and measuring competitive power, as well as calculations on the competitiveness index.

4. The countries where health tourism is developing in the conditions of modern market economy and the directions of using their experience have been determined. Turkey, Malaysia, India, Thailand among the countries where health tourism is developed, Japan, Tajikistan, Vietnam, Israel, South Korea, Egypt, India, Mexico, Chad, Albania dominate the competition in travel tourism.

5. Azerbaijan is ranked 71st among 136 countries of the world in the "Travel and Tourism Competitiveness Index" for the development of health tourism. The large number of main natural resources, especially naphthalene therapeutic oil, which has no alternative in the world, the number and location of our resort-sanatorium centers, and our natural-geographical environment allow this field to be competitive.

6. A detailed explanation of the motivational factor that spurs the development of health tourism, the survey, the result of the SWOT analysis prepared for the assessment of competitive

perspective development directions in Azerbaijan, provides a basis for further development of this field in the near future.

**The scientific novelty of the study** is that the role and directions of health tourism in Azerbaijan were comprehensively analyzed and evaluated in light of the conditions of the formation of the market economy. The scientific novelty of the dissertation work is as follows:

For the first time in Azerbaijan, the development level of health tourism was comprehensively studied;

- Based on the statistical data of the State Statistical Committee of the Republic of Azerbaijan, a dependence was established in the linear regression model that allows to assess the effects of tourists who came for business, entertainment, recreation, treatment, and other purposes on the non-oil gross domestic product;
- The econometric dependence of the influence of word-of-mouth marketing on the choice of tourists planning trips for medical purposes was established;
- A SWOT analysis was conducted, and a TOWS matrix was prepared to develop strategies for Azerbaijan's potential resources;
- Problems related to the functioning of health tourism development mechanisms have been identified, and scientifically based proposals for their improvement have been developed.

**Theoretical and practical importance of the research:**

The theoretical and methodological basis of the research work is formed by the theoretical views and methodological approaches obtained from relevant studies in this field, the experiences of countries with achievements in the field of health tourism, and the relevant normative-legal acts and state programs adopted in the Republic of Azerbaijan.

**The practical importance of the study** is that its main provisions, results, proposed proposals, and recommendations are useful for entrepreneurs, tour agencies, regional tourism offices, existing resort centers, and researchers who want to conduct



research in the field of tourism and who want to create a tourism product to engage in health tourism in Azerbaijan. In general, it can be used by all institutions that want to deal with the tourism sector.

**Research information base:** Statistical publications of the State Statistics Committee of the Republic of Azerbaijan, official data of the Ministry of Economy, Ministry of Culture, Tourism Agency, reports of the World Health Organization and the International Tourism Organization, Eurostat and research centers belonging to individual countries, scientific-methodical publications made it possible to form the information base of the research in the dissertation work.

**Approbation and application:** The main provisions of the dissertation work, proposed methodological and practical suggestions, and recommendations were presented at three international conferences, and the materials were published in immensity. Among them are the characteristic features of the competitiveness of health tourism in Azerbaijan (Mingachevir, December 6-7, 2019); significant features of the competitiveness of health tourism in Azerbaijan (Business University, April 30–May 1, 2020); Factors influencing the development of health tourism and its perspective on development directions // Issues of transforming economic views in the 21st century: a time of change The LXXXV International Scientific and Practical Conference (Kazan, June 27, 2020) can be cited as an example.

The results of the dissertation were published in various scientific and economic journals, as well as in a collection of scientific works, one of which is included in the list of specialized and indexed publications abroad. The results of the research and the formed recommendations were presented to "ADN Travel" LLC, and that enterprise considered the results of this research important and decided to use them practically in its future activities (Reference No. 177, May 4, 2018).

**The name of the organization where the dissertation work was carried out is the "Institute of Economics of the Ministry of Science and Education of the Republic of Azerbaijan."**

**The scope and structure of the research work:** The dissertation work consists of an introduction, three chapters, a conclusion, and a list of used literature. Introduction: 12380 marks; Chapter I: 11402 marks; Chapter II: 58669 marks; Chapter III: 450001 marks; conclusion and suggestions: 12366 marks; 156 names of references; appendices; the total volume of the dissertation is 146 pages. 249166 characters, excluding tables, graphs, and bibliographies.

# CONTENTS

## **INTRODUCTION**

### **CHAPTER I. Competitiveness of Health Tourism: Theoretical and Methodological Aspects of Evaluation**

1.1 Historical development stages of tourism and the socio-economic status of the country; theoretical basis of its effects on development essence and theoretical-methodological aspects of health tourism

1.2 Measuring the competitiveness of health tourism methodology

1.3 Foreign in the field of health tourism development: study of countries' experiences

### **CHAPTER II. Health Tourism in the Republic of Azerbaijan: Characteristics of the Current Situation and Competitiveness Features**

2.1 Competitiveness of health tourism in Azerbaijan: characteristic features.

2.2 The current state of health tourism in Azerbaijan research

2.3 Factors affecting the development of health tourism and the main natural resource analysis

### **CHAPTER III. Perspective on Health Tourism in Azerbaijan: Development Directions and Increasing Competitiveness**

3.1. In the development of health tourism in Azerbaijan, evaluation of the effect of the motivation factor

3.2. To the field of competitive advantage of health tourism in Azerbaijan, conversion possibilities

3.3. Prospective development of health tourism in Azerbaijan

## **CONCLUSION AND SUGGESTIONS**

## **LIST OF USED LITERATURE**

## **LIST OF ABBREVIATIONS**

## **BASIC SCIENTIFIC PROVISIONS SUBMITTED TO THE DEFENSE**

**Provision 1. Based on the principle of a scientific approach, the requirements of objective economic laws should be taken into account in the organization of activities in the tourism sphere, and each step taken should be based on certain scientific foundations. Only in this case, it is possible to establish a long-term and successful activity.**

The tourism sector, which is one of the fastest-growing sectors of the world economy, was characterized by rapid turnover, high profitability, etc. in the 19th century. From this point of view, it has started to be considered a phenomenon in terms of economic development prospects. Since this period, tourism has been the main sector in the general services sector, accounting for 30 percent of service exports worldwide. The development of service areas requires special skills, prompt response to changes, and flexible adaptation. Enterprises included in the tourism industry are mainly transport, travel organizations, tourism information, accommodation, etc.; they offer services like.

Regardless of the intensity of tourism, this area is both socio-economic and ecological, etc. interacts with areas such as Thus, as a result of ensuring sustainable development in the considered countries, it creates changes in the dynamics of the tourist flow in that region, which ensures that that region gets more income in the field of tourism. The profit received from this area is also very important in terms of its economic nature, as it acts as the main capital for increasing the volume of production in the region and ensuring the development of the region.

Based on theoretical approaches, the efficient organization of tourism work can be grouped according to the following principles:

- Scientific approach;
- Systematic approach;
- Comprehensive approach;
- The principle of thrift;

- Optimality;
- Economic efficiency.

According to the principle of scientific approach, the requirements of objective economic laws should be taken into account in the organization of activities in the tourism sphere, and every step taken should be based on certain scientific foundations. Only in this case is it possible to establish a long-term and successful activity.

The essence of the principle of a systematic approach is to look at the infrastructure necessary for the organization of the normal activity of this field as a system during the organization of tourism services.

According to the principle of a comprehensive approach, it is more appropriate to approach the technical-technological, organizational, and socio-economic factors in the form of a complex in the organization of services in the tourism sphere.

According to the principle of thrift, it is necessary to use material and technical, energy, natural, labor, and financial resources with maximum economy in the organization of services in the tourism sphere.

According to this principle of optimality, the optimal option should be chosen, taking into account the diversity and multitude of decisions to be made in the organization of services in the tourism sphere. In this case, local conditions, taste and demand of tourists, ecological situation, etc. are considered among the options offered. The option that takes into account more detail is considered the most optimal.

Principle economic efficiency necessitates considering the economic efficiency of socio-economic, practical management, organizational, and coordination-regulation decisions. In the context of market relations and based on the study of tourism service area development and its impact on the socio-economic development of the country, one of the primary criteria for evaluating organizational activities in the tourism sphere is economic efficiency.

**Provision 2. As in other countries, millions of dollars can be obtained from health tourism in Azerbaijan every year. The potential of our country in this field is high and some progress has been made. The achieved achievements will allow our country to increase its competitiveness in the world market in that field.**

As an early stage of the development of health tourism, there are reports of the Sumerians traveling to pool temples four thousand years ago and building health complexes around hot springs. Switzerland's St., which has existed since the Bronze Age (2000 BC) and has been preserved until now. The use of mineral resources rich in iron and other elements of therapeutic importance, located in the hills of Moritz, can be seen as the ongoing development stage of health tourism.

Currently, compared to other tourism segments in the world, health tourism has entered a new stage of development. As a result of this development, more than 50 countries in the world claim the development of medical tourism at the level of state policy.

Health Tourism In the 20th century, the United States and Europe became the health centers of the world, being trade and industrial centers, and the American and European Health Organizations were established in 1933 and 1958. The analysis of the global medical tourism market shows that the volume of services consumed in 2016 was 46 billion US dollars, and according to experts, the average annual growth rate from 2017 to 2023 will reach 15% and will reach 165 billion dollars in 2023. is expected.

Looking at the development stages of health tourism, it is clear that the main goals of using these types of services can be summarized as follows:

- Get better quality and shorter service;
- Use of high-health technologies;
- Reduce health care costs;
- Visiting sightseeing and cultural centers along with treatment;

- Realize post-treatment rehabilitation in a more suitable climate, etc.;

In general, as in the world experience, health tourism in our country can be classified by grouping - thermal tourism, medical tourism, SPA (SalusPer Aquam) - Wellness and rehabilitation of elderly and disabled people. Such a classification can be seen more clearly from the table below.

**Table 1**  
**The structure of health tourism**

Health care and travel services	Treatment services	Rehabilitation services
<ul style="list-style-type: none"> <li>-SPA</li> <li>-Lifestyle/healthy vacation</li> <li>-Beach tourism</li> <li>-Rural tourism</li> <li>-Eco tourism</li> <li>-Recreation centers</li> <li>-Treatment with plants</li> <li>-Restoration of health</li> </ul>	<ul style="list-style-type: none"> <li>-Effective surgical operation (based on the patient's request)</li> <li>-Plastic surgery</li> <li>-Organ transplantation</li> <li>-Heart and vascular disease service</li> <li>-Eye surgery</li> <li>-Diagnostic services</li> </ul>	<ul style="list-style-type: none"> <li>- dialysis</li> <li>- sponsorship programs</li> <li>- care programs for the elderly</li> </ul>

**Source:** table compiled by the author.

As can be seen from the table, during the classification, spa, healthy vacation, beach tourism, leisure-health care and travel services, providing various surgical and diagnostic services, treatment tourism and dialysis, and various types of foster care services were attributed to rehabilitation tourism.

Looking at the development stage of health tourism, the factors influencing the types of various surgical and diagnostic services, nursing services, its structure, and the tourism sector, such as travel services, have been classified and proposed. It is

predicted that there will be more demand for these types of services.

**Provision 3. It is possible to determine and develop the current state of health tourism as a result of evaluating the methods and models used in increasing competitiveness and measuring competitive power, as well as calculations on the competitiveness index.**

Determining a competitive advantage in the field of health tourism compared to other countries allows for collaborative work in accordance with agreed positions during the assessment. From this point of view, determining the competitive position in the tourism sector is considered one of the most urgent issues in the modern era. For about 30 years, many things have been done in the direction of measuring and evaluating the factors that can affect the competitive advantages in the field of tourism, but there are many problems in this field.

One of the approaches that allows countries to determine their competitiveness in the field of tourism is the OECD. OECD members consider the correct determination of competitiveness as a key issue for tourism politicians and entrepreneurs in all the measures and plans to be implemented. In the OECD terminological dictionary, the definition of competitiveness in global trade is mainly "a measure that determines the favorable position of the country when offering its products for sale in the world market." Thus, within this initiative, progress can be made faster and the interests of the country can be promoted.

A number of research models are used to explain the competitiveness of health tourism. One of the most important of these studies is that of Crouch and Ritkin. The purpose of this work is to develop a conceptual model based on comparative advantage and competitive theories that are relevant to the distinctive features of destination competition. In later years, Dwyer and Kim (2003) developed another destination competition model. The model developed by these authors has a world view that takes into account the theories of national competition and



firm competition. One of the works to create a single-destination competition model is a work done by a commission set up as the head of the OECD tourism unit, with another chairman, Dupeyras (2013). The purpose of this work by the OECD is to define a number of indicators that can be applied in a general framework to assess the competitiveness of countries.

The most recent study on measuring and evaluating tourism competitiveness for the development of health tourism was first developed in 2007 by the World Economic Forum (WEF). However, the latest update in 2015 is the Travel and Tourism Competitiveness Index (TRI) model. The TRI model is calculated based on the values of the subfactor indicators of the four main factors (scale 1–7); subfactor values are first determined by an unweighted average. Then, the main factor values are obtained by taking the unweighted average of the sub-factor values, and the weighted average of the four main factor values is determined.

The research for this index is based on statistics on the tourism and travel sectors of 141 countries and surveys conducted with representatives of the respective countries working with the World Economic Forum. These data and questionnaires are generally based on four main groups, 14 subgroups, and 84 indicators of these subgroups.

**Provision 4. The countries where health tourism is developing in the conditions of modern market economy and the directions of using their experience have been determined. Turkey, Malaysia, India, Thailand among the countries where health tourism is developed, Japan, Tajikistan, Vietnam, Israel, South Korea, Egypt, India, Mexico, Chad, Albania dominate the competition in travel tourism.**

In the rapidly developing tourism sector of the 21st century, the industry has a great impact on the GDP. Taking into account that the investments made in the tourism sector bring high income to the development of the economy and play an important role in solving the unemployment issue, the development of the

tourism service is considered an urgent issue. Namely, tourism as a service field differs from other service fields by its attractiveness in terms of providing spiritual food to society. Tourism is one of the leading areas of significant importance in the economic development of Azerbaijan.

Tourism is the most important sector as a source of income for a country and its people. Socio-cultural advancement can enhance the image of a nation in foreign countries. Currently, in the period of regional economies, the development of the tourism sector becomes more important for the development of a region. Local government is encouraged to explore either the potential natural resource or the potential human resource specific to each region, including the tourism sector, as a means of development for each region.

Although the road to health can be long and difficult, the scale of the economic benefits from tourism makes it worthwhile to invest in travel and tourism. One of the main factors characterizing the competitive environment in the field of tourism is the provision of health, and the other is the health care system. It is known that the effective activity of the health sector is the basis of the development of tourism. Countries can take a number of measures to revive their tourism sectors after political unrest.

If in 2020 400 million people used tourism services, in 2021 this indicator will reach 415 million people. However, according to preliminary UNWTO estimates, international tourist arrivals (overnight visitors) were still 73% lower than in 2019 before the pandemic. This is a record low for tourism in 2020, when international arrivals fell by 73%.

The decrease in the number of tourists has also had a negative impact on the income from this area. Although the economic contribution of tourism in 2021 will reach US\$1.9 trillion, up from US\$0.3 trillion in 2020, it is still US\$1.6 trillion below its pre-pandemic value.

In 2021, export earnings from international tourism were estimated to be around US\$700 billion, a slight improvement over

2020 due to higher spending per trip, but around 60 percent less than the corresponding figure recorded in 2019.

Average earnings per visit increased from \$1,300 in 2020 to nearly \$1,500 in 2021. This difference is due to accumulated savings and longer stays, as well as higher transport and accommodation costs.

According to John Connell's modern medical tourism research, "medical tourism can be defined as the process of traveling outside the country of residence for the purpose of obtaining medical care." The growing popularity of medical tourism has attracted the attention of politicians, researchers, and the media. Originally, the term referred to the travel of patients from underdeveloped countries to developed countries for treatments not available in their home countries.

**Table 2**  
**Number of JCI Certified medical facilities**

Countries	Azerbaijan	Turkiye	Malaysia	India	Thailand
Number of hospitals	2	42	10	19	32
Total number of health certificates	2	50	13	32	40

**Source:** [www.mtqua.org/medical-tourism-certification/download-medical-tourismcertification/](http://www.mtqua.org/medical-tourism-certification/download-medical-tourismcertification/)(JCI, 2020).

Medical tourism is a biomedical field that provides services in hospitals and clinics in medical and medical institutions. We would like to note that organizations providing medical tourism services are certified by JCI, the most widespread medical tourism accreditation structure in the world. Among the countries compared, the country with the highest number of JCI certificates is Turkiye.

Turkey, Malaysia, India, Thailand among the countries where health tourism is developed in the modern market economy, Japan, Tajikistan, Vietnam, Israel, South Korea, Egypt, India, Mexico, Chad, Albania dominate the competition in travel tourism.

**Provision 5. Azerbaijan is ranked 71st among 136 countries of the world in the "Travel and Tourism Competitiveness Index" for the development of health tourism. The large number of main natural resources, especially naphthalene therapeutic oil, which has no alternative in the world, the number and location of our resort-sanatorium centers, and our natural-geographical environment allow this field to be competitive;**

Health tourism is the most important direction in the development of alternative types of tourism in Azerbaijan. While the duration of other types of tourism is short, the days of health tourism are defined as 7, 14, and 21 days. The main feature that distinguishes health tourism from other types of tourism is that it can operate for 365 days. In total, there are more than 1,500 mineral and thermal water sources, 4 mud volcanoes of therapeutic value, and 1 major oil source in the territory of Azerbaijan. Thus, as one of the measures taken for the development of tourism in our country, the "State Program for the development of resorts in Azerbaijan for 2009-2018" and the Strategic Road Map for the development of the specialized tourism industry in the Republic of Azerbaijan, approved by the relevant decree of the country's president, can be shown.

According to statistics from 2017, the number of beds in sanatoriums alone is more than 5.6 thousand. Then we can note that the coefficient of use of these beds is very small. So, if 80 percent of these beds are used, we will see that they are used for only 35 days out of 365 days.

**Table 3**

**Sanatorium-resort establishments, rest houses and recreation centers (as of the beginning of the year)**

	2014	2020	2021	2021 compared to 2014, as a percentage	2021 compared to 2014, as a percentage
Number of sanatoriums, recreation facilities and recreation bases, total (without including 1-2 days)	72	55	52	-27,8	-7,1
Beds in them	10419	8469	8146	-21,8	-4,7
number of (seats).	32	28	28	-12,5	0,0
Number of sanatoriums	5829	5 266	5266	-9,7	0,0
the number of beds in them	14	12	12	-14,3	0,0
The number of children's sanatoriums from the total number of sanatoriums	1030	860	860	-16,5	0,0
The number of beds in them	5	4	4	-20,0	0,0
Number of health centers	707	562	562	-20,5	0,0
the number of seats in them	19	10	9	-52,6	-18,2
The number of rest houses, prevention centers and boarding houses	2146	1273	1113	-48,1	-18,4
the number of seats in them	16	13	11	-31,3	-15,4
The number of recreation centers and other recreation facilities	1 737	1 368	1 205	-30,6	-11,9

**Source:** used statistical information from “Azerbaijani tourism” 2023.

## Sociological Survey

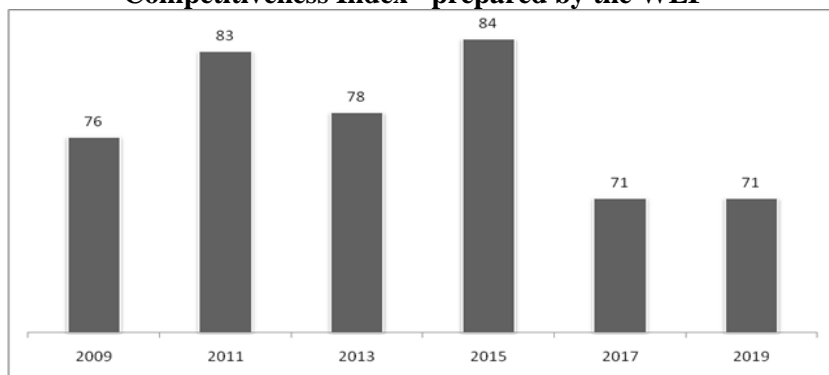
In 2017, we conducted a sociological survey among tourists covering various regions in order to determine the current state of tourism facilities serving health protection and restoration in our country and the quality of service there, as well as the innovations that tourists want to see. One hundred people participated in this survey. At the same time, we prepared a special survey for residents of the region of health and recovery centers to analyze the impact of medical and health tourism on the life, material and spiritual activities, value system, social behavior, and interests of the local population.

70% of respondents are women, and 30% are men. According to the results of the study, 44% of respondents wanted to relax in foreign resorts, but 27% spent it at home; 20% traveled to sanatoriums, boarding houses, and holiday homes; and 9% traveled to gardens and rural areas.

The sociological survey showed that 49% of respondents believe that there is a need for active advertising in domestic and foreign media; 34% stated that they are moderately satisfied with advertising; 17% said they don't need advertising, saying "it's a waste of money."

**Figure 1**

**The ranking of our country in the "Travel and Tourism Competitiveness Index" prepared by the WEF**



**Source:** The figure was drawn by the author.

According to the opinion of 81% of the population, only cafes and restaurants operate among the entertainment infrastructure facilities in the region; trade is developing effectively; and 10% mention the presence of modern medical centers.

Based on the information shown in the "Travel and Tourism Competitiveness Index" collected and prepared by the World Economic Forum, we can note that the rating of our country increased by 13 points in 2019 compared to 2015. Thus, the specific weight of compliance with health and hygiene rules in the development of tourism was equal to 6.1 percent, and this indicator allowed our country to rise to 37th place in the ranking among 136 countries.

**Table 4**

**The most developed countries in the field of travel and tourism in 2019 according to their level of competitiveness**

Countries	place in the ranking in 2019	Change of indicator compared to 2015 (%)	Shift in ranking
Japan	4	6,18	+5
Azerbaijan	71	5,98	+13
Tajikistan	107	5,01	+12
Vietnam	67	4,8	+8
Israel	61	4,79	+11
South Korea	19	4,33	+10
Egypt	74	4,32	+9
India	40	3,86	+12
Mexico	22	3,86	+8
Chad	135	3,81	+6
Albania	98	3,8	+8

**Source:** table compiled by the author.

As it can be seen, due to the increase in competitiveness in the field of tourism, our country has achieved the highest rate of

development in this field in the world. Measures aimed at protecting health prevailed in the increase in competitiveness in this field. It should be noted that Germany took first place in the world, according to this indicator. Among the countries of the former Soviet Union, Lithuania, Russia, and Kazakhstan are ranked 2nd, 5th, and 6th, respectively.

In addition to the directions for the development of health tourism in our country, the characteristic features of the factors affecting its development were analyzed. Due to the development of health tourism, Azerbaijan is ranked 71st among 136 countries in the world in the "Travel and Tourism Competitiveness Index" (based on a survey conducted by the World Economic Forum).

**Provision 6. A detailed explanation of the motivational factor that spurs the development of health tourism, the survey, the result of the SWOT analysis prepared for the assessment of competitive perspective development directions in Azerbaijan, provides a basis for further development of this field in the near future.**

Tourism is considered the driving force behind the socio-economic development of the country. Thanks to tourism, new jobs and enterprises have opened in the country. Considering the motivational motives in the present study, four motivational factors—convenience, country knowledge and awareness, savings, safety, and security potential—were included.

Measurements of motivational factors were carried out in accordance with relevant evaluation methodologies conducted in many countries related to tourism and medical tourism. These countries include India, Malaysia, Turkey, Greece, Singapore, etc. Factors included in this work—having the necessary information about Azerbaijan, the fact that the respondent who chose this country saved more financially, the stability of public order, and security—were the main ones. In this study, accessibility was measured in terms of the transportation system and Azerbaijan's immigration policy.



Prospective development directions for competitive health tourism in Azerbaijan were measured in terms of the transportation system and the immigration policy of Azerbaijan. In this study, self-administered questionnaires were used for the database. A pilot test questionnaire determined that the questions were accurate and relevant. 32.4% of respondents participating in the survey were women, and 67.6% were men. Most of the respondents were in the age range of 46 to 55 (44.8%) and married (69.5%).

In general, the index that determines the reasons for the future behavior of tourists towards Azerbaijan among citizens of foreign countries who participated in the survey was equal to 0.612. That is, 62.2 percent of those who participated in the survey chose the country again and advised their acquaintances that they were satisfied with the service they received from Azerbaijan.

Summarizing all the research conducted in this previous chapter, let's draw up a SWOT matrix that allows us to identify competitive advantages in health tourism. According to the Strategic Road Map, by effectively using the existing opportunities and potential, Azerbaijan will become one of the most attractive tourism destinations in both regions and among other countries in the world by 2025. According to the document, in order to achieve a long-term perspective for this sector, four main goals have been defined in the country's tourism sector for the period up to 2020.

From our analysis, we can conclude that the state policy in the field of tourism in Azerbaijan has entered a new stage. In this field, the policy of the state within the framework of the Strategic Development Program gives a strong impetus to the development of tourism. The close attention and care of the state toward tourism lay the foundation for the future development of this field. It is no coincidence that the state budget is planned to be expanded due to the development of the tourism sector by 2025–2030.

### **Conclusion and Suggestions**

The main results and suggestions of the dissertation work can be grouped as follows:

## **The Conclusion**

1. Tourism agencies in the regions are developing badly.
2. Tourism infrastructure is not at the required level.
3. Prices of tourist services, including medical tourism, are higher than in Russia, Turkey and Georgia.
4. Training courses are poorly organized.
5. There is a shortage of qualified personnel in this field.
6. We use less of our natural-geographic resource potential.
7. In the modern era, the quality of services provided to patients in the development of medical tourism and sanatorium-resort networks is not satisfactory and does not meet the requirements of the modern era.
8. Most of our resort tourism facilities are poorly educated.
9. Compared to natural resources, the tourist business is very poorly developed and the great potential of the domestic market remains untapped.
10. Entrepreneurs are not given tax and other substantial benefits.

## **The Suggestions**

1. Better quality and international standards health facilities should be built.
2. In order to accommodate a large number of tourists in new hotels built by foreign and local companies, the prices should be adjusted according to the competition.
3. At local and international conferences and scientific centers, attention should be paid to personnel training and increasing the level of existing personnel.
4. For the development of tourism in the regions, investments are required within the framework of the national development program. We need to attract new investors and stimulate the offer according to this requirement.
5. Placement of recreation facilities in the future, Chukhuryurd, Isti-su, Kizilbulag, Altı-Ağac, etc., which have gained fame among the population in the foothills. should be carried out in places with mineral waters such as

6. health care sanatoriums should be rebuilt according to international standards.

7. Accommodating relatives of those receiving health care or accompanying persons (construction of cheap hotels for tourists in the area close to health facilities).

8. Taxes should be reduced and substantial concessions should be made in health care institutions.

9. At the airport, taxi, etc. The culture of service provided to tourists should be improved.

10. There is a need to take radical measures to increase the number of medical tourism-resort facilities, as well as to significantly improve the quality of services provided to patients in medical-tourism facilities. In this case, the Turkish option should be taken as the basis.

In conclusion, let's note that our country, which has a rich geographical location, has all the conditions for the development of health tourism. As citizens of the Republic of Azerbaijan, we should closely participate in the use of the services of all the medical, health, and recreation centers in our country and in the promotion of our own health.

**The main content of the research is reflected in the author's published scientific works:**

1. Milli iqtisadiyyatın formaları və ailə iqtisadiyyatı // Müstəqil Azərbaycan 20 il: Dövlət ailə, qadın və uşaq siyasəti / AR AQUPDK ; AMEA Fəlsəfə, Sosiologiya və Hüquq İn-tu “Politologiyay və Siyasi Sosaologiya” şöbəsi. - Bakı: Nurlar, 2012. - s.254-457.

2. Sağlamlıq turizmi və onun tarixi inkişaf mərhələləri // AMEA Xəbərlər. – 2016, №3, s.62-67.

3. Turizmin inkişafı və bu inkişafa təsir edən amillərin tədqiqi //AMEA Elmi Əsərlər. – Bakı, 2016, s.207-234.

4. Tibbi turizm xidmətinin təşkilatı və inkişafı // AMEA Xəbərləri, 2017, №4, s.60-67.

5. Azərbaycanca sağlamlıq turizminin rəqabətqabiliyyətliliyinə dair mövcud vəziyyət və inkişaf perspektivləri // *Strateji təhlil*. – 2018, №1-2(23-24), s.469-484.

6. Evaluation of the influence of word-of-mouth marketing on the choice of tourists planning a trip for medical purposes // *Интернаука : Международный научный журнал, Серия «Экономические науки»*. - Kiev, 2018, №3, с.42-46.

7. Azərbaycanca sağlamlıq turizminin rəqabətqabiliyyətliliyinin xarakterik xüsusiyyətləri // *Şəxsiyyət, cəmiyyət, dövlət: qarşılıqlı münasibətlərə müasir yanaşmalar respublika elmi konfransının materialları* 6-7 dekabr 2019-cu il. - Mingəcevir, 2019. – s.388-389.

8. Current state and perspective development trends of health tourism in the republic of Azerbaijan // *«Advances in Science and Technology» XXII Международная научно-практическая конференция 31 июля 2019*. – Москва: Research and Publishing Center«Actualnots.RF»,2019. – с.154-156.

9. Significant features of the competitiveness of health tourism in Azerbaijan // *Ümumilli Lider Heydər Əliyevin anadan olmasının 97-ci ildönümünə həsr olunmuş “Rəqəmsal iqtisadiyyat: Azərbaycan yeni iqtisadi inkişaf mərhələsində”*: Beynəlxalq elmi-praktik konfransın materialları ( Biznes universiteti, 30 aprel - 01 may 2020-ci il). - Bakı, 2020. – s.445-447.

10. Factors influencing the development of health tourism and its perspective development directions // *Концепции современного образования: время перемен : Сб.науч.трудов*. – Россия, Казан: ОНТ, 2020. – с.94-99.





The defense will take place 27 September 2024 at 11<sup>00</sup> at the meeting of the Dissertation Council ED 1.10 by the Higher Attestation Commission under the President of the Republic of Azerbaijan, operating on the basis of the Institute of Economics under the Ministry of Science and Education of the Republic of Azerbaijan.

Address: AZ-1143, Baku, Huseyn Javid Avenue 115.

The dissertation can be found in the scientific library of the Institute of Economics under the Ministry of Science and Education of the Republic of Azerbaijan.

Electronic versions of the dissertation and abstract are posted on the official website of the Institute of Economics under the Ministry of Science and Education of the Republic of Azerbaijan ([www.economics.org.az](http://www.economics.org.az)).

The abstract was sent to the appropriate addresses \_\_\_\_\_  
2024.

Signed for printing:05.06.2024

Paper format: A5

Volume: 34362

Circulation: 20