3.5. The role of SMEs in the development of tourism in Russia[1]

3.5.1. Main trends in the development of tourism in Russia

The development of small and medium-sized enterprises (SMEs) in the tourism sector directly depends not only on the overall economic situation, which is barometrically reflected in the SME sector, but also on current trends observed in the tourism industry.

As of 2025, the tourism sector in Russia accounts for about 2.9% of GDP. Meanwhile, the government has set a goal to increase this figure to 5% by 2030.[2] To this end, the Russian authorities intend to invest around Rb400 bn over the next five years, which is approximately 50% more than the amount of support provided to the tourism sector over the previous period. The planned funds will be directed primarily towards modernizing tourism infrastructure, introducing modern technological solutions and improving the level of services in the industry.[3]

According to Rosstat data, more than 30 subjects of the Russian Federation have a share of gross value added from the tourism industry in gross regional product (GRP) that is higher than the Russian average. The largest share of tourism in GRP is observed in the Altai Republic (8.6%), the Chechen Republic (8.6%), the Tver oblast (7.7%), the Republic of Dagestan (6.8%), and the Kostroma oblast (6.5%).[4]

Between 2019 and 2025, the Russian tourism sector underwent significant changes caused by both the consequences of the COVID-19 pandemic and restrictions imposed by a number of countries, which affected direct flights, visa policy, and other aspects of international tourism.

One of the most noticeable effects was a significant reduction in the volume of inbound tourism and a transformation in its structure (*Fig. 24*). In 2024, the number of foreign tourists visiting Russia stood at 9.1 mn, which is a 63% decrease compared to 2019. The largest decline was observed among visitors from EU countries and other countries that imposed restrictions on Russia: tourist traffic from Finland decreased by 99%, from Japan by 97%, from the UK by 96.4%, from Austria by 96.4%, and from the Republic of Korea by 96%. At the same time, the number of tourists from countries such as the UAE (+169%), Uzbekistan (+166%), Georgia (+155%), Bela-

1. Authors: *Barinova V.A.,* Candidate of Economic Sciences, Senior Researcher, Center for Real Sector, Gaidar Institute; *Gvozdeva M.A.,* Researcher, Development Economics Studies Department, IAES RANEPA.
2. Chernyshenko said that the share of tourism in GDP in 2025 grew to almost 3% // Interfax. URL: https://www.interfax.ru/business/1036656
3. How the share of tourism in Russia's GDP could increase to 5% by 2030 // Vedomosti. URL: https://www.vedomosti.ru/analytics/trends/articles/2025/10/14/1146891-za-schet-chego-vozmozhno-uvelichenie-doli-turizma-v-vvp-rossii-k-2030-godu
4. Data is provided as of 2023. At the time of publication of this review, no more recent data is available // Rosstat. URL: https://www.rosstat.gov.ru/statistics/turizm

rus (+144%), and Tajikistan (+68%) increased. According to the results for January–September 2025,[1] the number of tourist trips by foreign citizens to Russia decreased by 10.4%[2] compared to the same period in 2024.

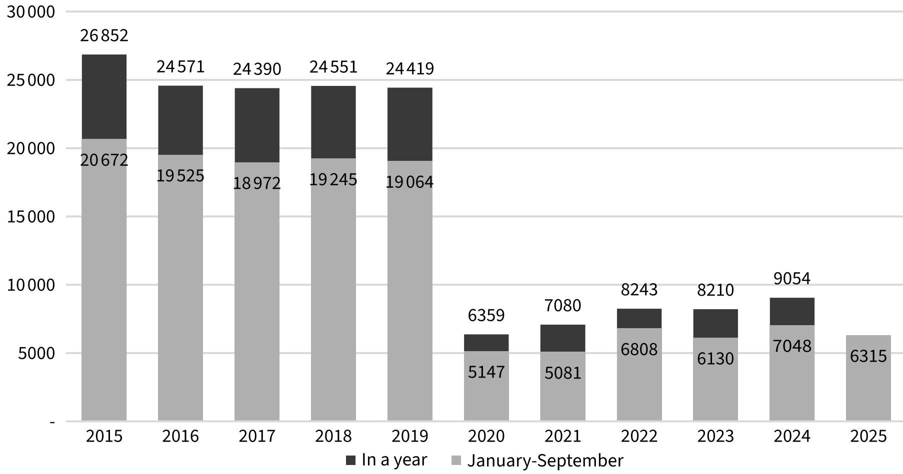


Fig. 24. **Dynamics of inbound tourist trips by foreign citizens to Russia**

Source: according to Federal Service of State Statistics.

The structure of inbound tourism has undergone significant changes. In 2019, the main sources of tourist flow were Ukraine (31.8%), EU countries (17.6%), and Kazakhstan (14.6%). By 2024, only Kazakhstan remained at the top of this list, increasing its share to 26.2%. There was also an increase in the number of tourists from China (13.4%) and Uzbekistan (9.5%). These changes indicate a shift in priority of geographical destinations and form new benchmarks for the development of inbound tourism in Russia. In January–September 2025, 10 countries accounted for 80% of inbound tourist traffic, including 27.7% for Kazakhstan, 14.8% for China, 8.2% for Uzbekistan, 7.4% from Abkhazia, 5% from Belarus, 4.8% from Tajikistan, 3.7% from Mongolia, 3.7% from Armenia, 2.6% from Kyrgyzstan, and 2.4% from Azerbaijan.[3]

At the same time, in 2019–2025, Russian outbound tourism saw a significant reduction in the total number of trips abroad (*Fig. 25*), as well as a change in the geographical structure of tourist destinations. The number of Russian tourists traveling abroad decreased by approximately 40%, from 45.3mn to 27.4mn people. In Janu-

1. At the time of publication, data for 2025 as a whole was not available.
2. Inbound and outbound tourist trips // Rosstat. URL: https://rosstat.gov.ru/statistics/turizm
3. Calculated by the authors based on Rosstat data. Inbound and outbound tourist trips // Rosstat. URL: https://rosstat.gov.ru/statistics/turizm

ary–September 2025, outbound tourism grew by 7.4% compared to the same period in 2024.

Meanwhile, there was a sharp shift away from traditional European destinations, including EU countries and other “unfriendly” jurisdictions, toward alternative countries and oblasts. For example, the number of trips to Egypt increased 55 times (from 26,000 to 1.4 mn) and to Sri Lanka more than threefold (from 43,000 to 138,000). to Uzbekistan more than doubled (from 196,000 to 515,000), and to the Maldives and Tajikistan also more than doubled.

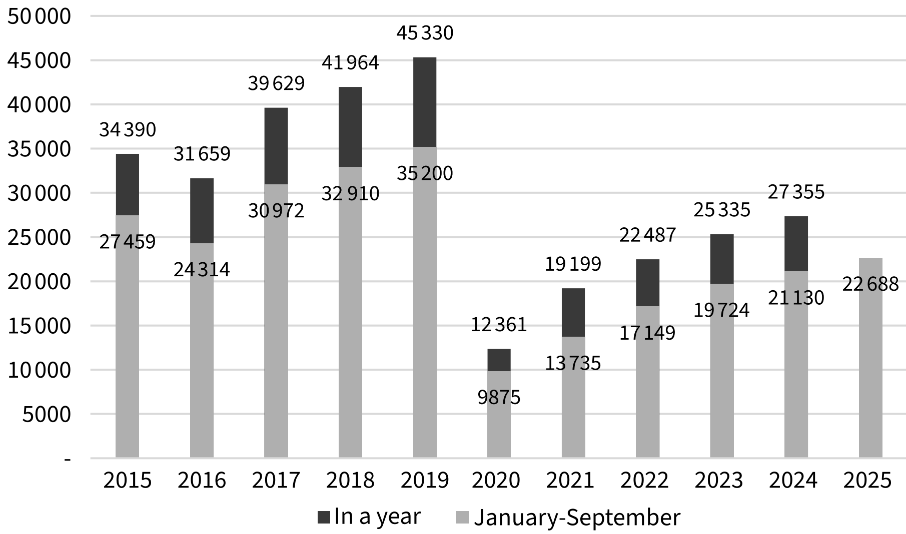


Fig. 25. **Dynamics of outbound tourist trips by Russian citizens to foreign countries**

Source: according to Federal Service of State Statistics.

An analysis of the structure of outbound tourism revealed a decline in the share of European destinations: while in 2019 EU countries accounted for more than a quarter of all foreign trips by Russians, by 2024 their share had fallen to 3.7%. Meanwhile, Turkey and Abkhazia saw a noticeable jump in popularity, with their share going from 14.9% to 21.9% and 10.6% to 21%, respectively. These changes reflect a major shift in Russian tourists’ preferences and set new trends for outbound tourism.

Amid a noticeable decline in international travel, there has been a significant increase in domestic tourism in Russia. The number of Russian citizens staying in collective accommodation facilities (CAF) increased from 65.2mn in 2019 to 84.9mn in 2024 (an increase of about one-third). This growth is driven not only by increased consumer interest in domestic travel, but also by the intensive development of tourism infrastructure and the expansion of the range of tourism services and products.

Between 2022 and 2024, there was a significant increase in the number of tourist trips made by Russians — from 155.5 mn to 186.9 mn trips, or approximately 20%. The majority of trips were domestic, accounting for approximately 85–86% of the total number of trips, while foreign trips accounted for no more than 15%. By the end of 2024, domestic tourist traffic reached 168.6 mn trips, exceeding the 2022 figure by 19%. However, about 94.6% of all domestic trips are made by Russian citizens.

In January–June 2025,[1] compared to the same period in 2024, tourist traffic in Russia increased by 1% (from 73.7mn to 74.5mn) (*Fig. 26*). The largest increase in tourist flow in the first half of 2025 compared to the first half of 2024 was observed in the Republic of Kalmykia (+53.3%), the Republic of Adygea (+52.7%), the Karachay-Cherkess Republic (+44.6%), and others. A decline in tourist flow was recorded in more than 30 subjects of the Russian Federation, with the most significant decline in the Republic of Tyva (−45.5%), Bryansk (−27.4%), and Tomsk (−25.9%) oblasts.

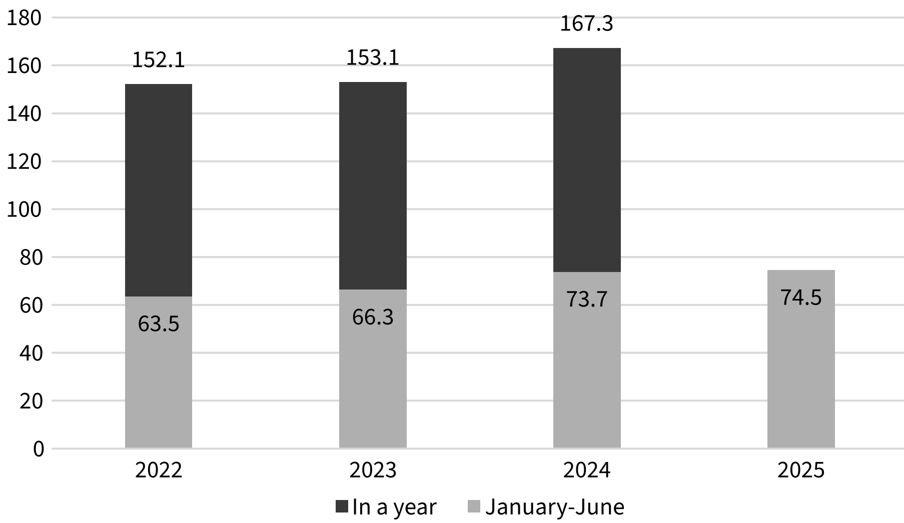


Fig. 26. **Dynamics of tourist flow in Russia, by number of trips**

Source: according to Federal Service of State Statistics.

Between 2014 and 2024, Russia's tourism industry demonstrated significant growth in both quantitative and qualitative indicators of the activities of organizations operating in this sector (*Table 21*). The number of such companies increased by 52% (from 72,700 registered organizations in 2014 to 110,800 in 2024), which indicates heightened interest in the tourism services market and an expansion of supply, primarily in the domestic tourism product market.

1. At the time of publication of this review, there were no data for 2025 as a whole.

Table 21

Dynamics of key statistical indicators in the tourism sector

Statistical indicators	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Number of organizations, thousand	72.7	85.1	87.0	114.8	113.0	111.9	113.8	114.0	108.6	110.3	110.8
Share of profitable organizations, %	73	74	75	76	76	76	67	75	76	78	78
Share of loss-making organizations,%	27	26	25	24	24	24	33	25	24	22	22
Revenue (excluding VAT, excise taxes, and similar mandatory payments), trillion rubles.	2.5	2.8	3.1	5.6	6.2	4.9	5.2	7.1	5.5	8.0	10.0
Net financial result (profit (loss) before tax)	13.0	–170.4	161.0	171.4	202.9	173.5	–216.8	249.8	211.8	600.4	706.7

Source: according to Federal Service of State Statistics.

Parallel to the growth in the number of organizations, there was an increase in their total revenue (from Rb2.5 trillion in 2014 to Rb10.0 trillion in 2024, i.e., almost fourfold). This indicates an increase in turnover and the economic significance of the industry in the national economy, as well as an increase in the competitiveness and efficiency of market participants.

An important indicator of the industry's development is the share of profitable organizations, which reached 78% in 2023–2024. This is the highest figure for the entire ten-year period under review, which indicates not only the quantitative expansion of the sector, but also an increase in its profitability and economic stability.

The following key aspects of tourism development in Russia can be identified.

Firstly, in the modern structure of the tourism industry, domestic tourism is the main factor determining its development dynamics. This dominance minimizes the sector's dependence on external economic and political factors related to international demand and the solvency of foreign visitors. At the same time, it is precisely this focus on the domestic market that makes tourism vulnerable to internal economic fluctuations, which imposes certain limitations on the stability and long-term sustainability of the industry. It should also be noted that the average spending of foreign tourists traditionally exceeds that of Russian travelers, which indicates the potential for increasing the gross value added of the tourism economy as the share of foreign visitors increases.

Secondly, the intensive and uncontrolled increase in tourist flows in key oblasts can lead to a number of issues that threaten the sustainable development of these areas. These include: a negative impact on the socio-economic structure of the destination, degradation of natural resources and ecological systems, and increased social tension due to excessive pressure on the local population and infrastructure.

Thirdly, approximately half of the domestic tourist flow is concentrated in only five oblasts of the Russian Federation, which puts significant pressure on their transport, hospitality and service facilities. This points to the need to diversify tourist flows in order to achieve balanced development of both traditionally popular and new, promising destinations, which will not only relieve the burden on overloaded oblasts, but also unlock the potential of less developed areas.

Finally, among the key challenges hindering the development of the Russian tourism sector are the low level of development of transport and tourism infrastructure in a number of oblasts attractive to travelers, as well as a shortage of qualified personnel in the industry. These factors limit the quality of service and service capabilities, creating barriers to improving the competitiveness of the Russian tourism industry in domestic and international markets.

Taken together, these trends form a complex challenge that requires a systematic approach, including investment in infrastructure, human resource development, and the introduction of sustainable tourism management models that can ensure the harmonious interaction of economic development and the preservation of natural and cultural heritage.

It is also worth noting that the tourism sector underwent a period of intensive development between 2014 and 2024, characterized by a significant increase in the number of market participants and their economic indicators. Sustainable revenue growth and a high level of profitable enterprises create favorable conditions for further expansion and modernization of the tourism sector. To maintain this momentum and increase competitiveness, it is important to focus on investments in infrastructure, human capital development, and the digitalization of services.

3.5.2. SMEs as drivers of sustainable tourism

Small and medium-sized enterprises act as a systemic factor in the development of tourism, ensuring diversification of the tourism sector and increasing its competitiveness and sustainability.[1] Local SMEs create unique tourism products tailored to regional specifics,[2] which contributes to the localization of economic effects (job creation, use of local resources) in contrast to the activities of large companies.[3] This, in turn, can contribute to a more equitable distribution of income.[4]

1. *Shi J., Xiao Y.* Research on the pathways to high-quality development of tourism SMEs: A perspective of value assigned by quality, standards and brand // Heliyon. 2024. Vol. 10. No. 23. P. 1–14.
2. Ibid.
3. *Gjini K.* From Tradition to Transformation: The Role of SMEs in Advancing Sustainable Tourism in Albania. In book: 8th International Thematic Monograph: Modern Management Tools and Economy of Tourism Sector in Present Era. 2024.
4. *Rahmanita M. et al.* Small and Medium Enterprises Reinforcement as a Form of Sustainable Tourism Development: A Literature Review, 4th International Conference on Tourism, Gastronomy, and Tourist Destination (TGDIC 2023). Advances in Economics, Business and Management Research 266.

In addition, SMEs operating in tourism contribute to the preservation of tangible and intangible heritage through the creation of authentic tourism products, support for traditional crafts, and increased involvement of local communities in economic processes.[1]

Finally, SMEs serving the tourism sector promote sustainable business practices based on the principles of rational nature management and biodiversity conservation, due to their close connection with local ecosystems.[2]

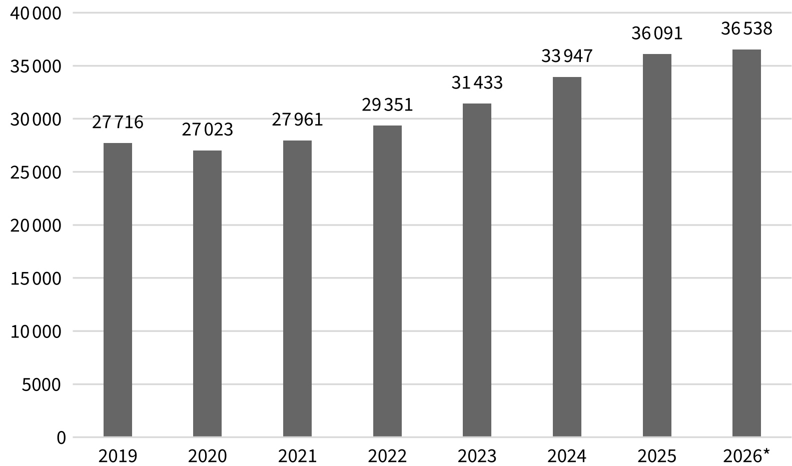
Data from the Russian Ministry of Economic Development[3] indicate that small and medium-sized businesses play a key role in stimulating growth in the tourism industry, providing a significant portion of its revenue base. According to the ministry's estimates, SMEs account for about 75% of the total revenue of all organizations operating in the national tourism industry, numbering more than 76,000. The total financial turnover of SMEs engaged in tourism in 2024 increased twofold compared to 2021 and amounted to 1.14 trillion rubles.

The largest share of SMEs are engaged in the hotel business (OKVED2: 55. Activities related to the provision of temporary accommodation) and operating as travel agencies (OKVED2: 79. Activities of travel agencies and other organizations providing services in the field of tourism), in the total number of SMEs is noted in the Altai Republic (9.9%), Kamchatka krai (4.7%), the Karachay-Cherkess Republic (3.7%), the Republic of Karelia (3.2%), and the Chukotka Autonomous Okrug (3.1%).[4]

3.5.3. MSE, operating in hospitality business

In recent years, small and medium-sized enterprises have shown steady growth in Russia's tourism sector. Against the backdrop of the industry's overall transformation, linked to digitalization and changes in consumer behavior, SMEs are becoming key drivers of domestic and inbound tourism. According to data from the Federal Tax Service (FTS), the number of SMEs engaged in tourism activities is increasing every year, especially in the tour operator, hotel, excursion, and event services segments.

1. *Komppula R.* The role of individual entrepreneurs in the development of competitiveness for a rural tourism destination — A case study // Tourism Management. 2014. Vol. 40. P. 361–371; *Maziliauske E.* Innovation for sustainability through co-creation by small and medium-sized tourism enterprises (SMEs): Socio-cultural sustainability benefits to rural destinations // Tourism Management Perspectives. 2024. Vol. 50.
2. *Gossling S., Reinhold S.* Accelerating small and medium sized tourism enterprises' engagement with climate change // Journal of Sustainable Tourism. 2025. Vol. 33. No. 5. P. 840–857.
3. Small and medium-sized businesses account for three-quarters of the revenue of all tourism companies in Russia // Ministry of Economic Development of the Russian Federation. 2025. URL: https://economy.gov.ru/material/news/na_malyy_i_sredniy_biznes_prihoditsya_tri_chetverti_dohodov_vseh_turisticheskih_kompaniy_rossii.html
4. According to the Unified Register of Small and Medium-Sized Enterprises // Federal Tax Service. URL: https://rmsp.nalog.ru/



* *As of January 10, 2026.*

Fig. 27. **Dynamics of the number of SMEs operating in the hospitality business**

Source: according to FTS.

As of early January 2026, more than 36,500 SMEs were operating in the hotel business (*Fig. 27*). Over the past six years, the number of such companies has increased by almost a third (+31% in 2026 compared to 2021).

Almost half (46.3%) of all SMEs operating in the hospitality industry are registered in 10 oblasts of the Russian Federation that are popular tourist destinations: Krasnodar krai (12%), Moscow (10%), Saint Petersburg (5.4%), Moscow oblast (4.4%), Crimea (4%), Primorsky krai (2.2%), Rostov oblast (2.2%), Sverdlovsk oblast (2.1%), the Republic of Bashkortostan (2.1%), and the Republic of Tatarstan (1.8%).

Most SMEs (94.6%) engaged in the hotel business are micro-enterprises, 5.1% are small enterprises, and about 0.3% are medium-sized enterprises (*Fig. 28*).

Sixty percent of SMEs engaged in the hospitality industry are sole proprietorship, while 40% are legal entities.

In 2024, the total revenue of SMEs that are legal entities engaged in the hotel business increased by a quarter (25%) compared to 2023 and amounted to Rb444.7 bn. Revenue growth was observed in almost all oblasts of the Russian Federation, with the exception of the Pskov (−0.75%), Ulyanovsk (−3.1%), Belgorod (−6.9%), and Lipetsk (−24.9%) oblast.

The largest increase in revenue was recorded by SMEs registered in the Republic of Ingushetia — 4.6 times (from Rb82.2 mn to Rb375.9 mn); in the Jewish Autonomous oblast, the indicator grew almost 3 times (from Rb1.6 mn to Rb4.7 mn); in the Karachay-Cherkess Republic — 2.2 times (from Rb765 to Rb1,673 mn); in the Republic of Sakha (Yakutia) — 2.2 times (from Rb704 mn to Rb1,536 mn); in the Tyumen oblast — 2.1 times (from Rb7,062 mn to Rb14,711 mn).

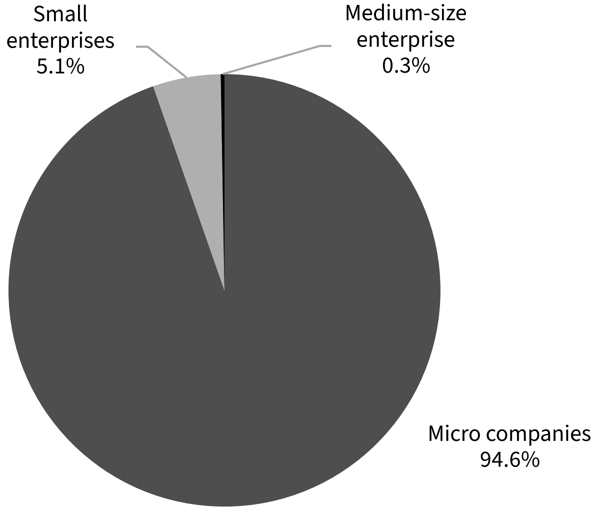


Fig. 28. **Structure of SMEs engaged in the hospitality industry by size, January 2026**
Source: according to FTS.

The total net profit of SMEs — legal entities engaged in the hotel business — grew by 39% in 2024 compared to 2023 and amounted to Rb36.9 bn. The share of companies with a net loss (negative net profit) remained virtually unchanged: in 2023, it was 28.2%, and in 2024, it was 28.9%.

The total net loss in 2023 amounted to Rb27.1 bn. The largest share of companies with a net loss in 2023 was recorded in the Magadan oblast (80%), the Republic of Crimea (55%), the Chukotka Autonomous Okrug (50%), Sevastopol (48%), and the Sakhalin oblast (48%). The smallest share of companies with a net loss was observed in the Chechen Republic (14%), the Republic of Sakha (14%), the Omsk oblast (11%), the Republic of Dagestan (9%), and the Trans-Baikal Territory (7%).

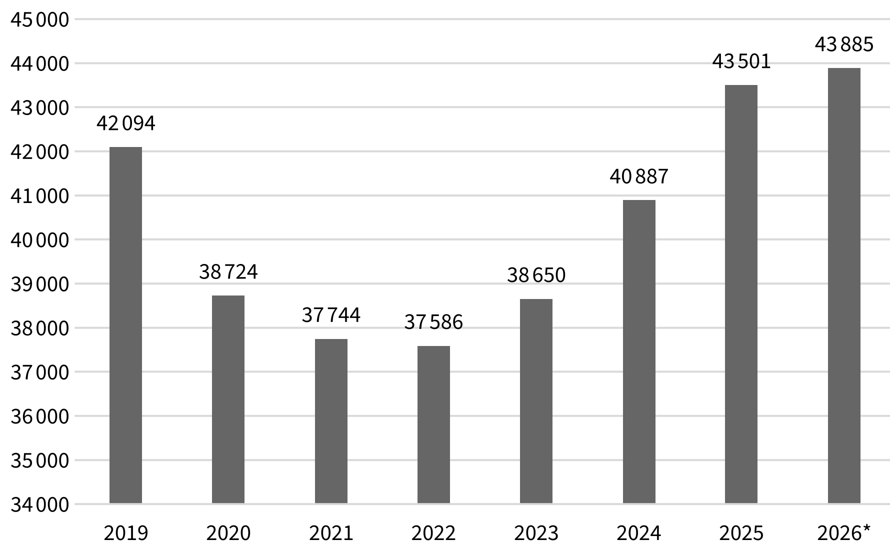
The total net loss in 2024 amounted to Rb32.4 bn, which is 19.6% higher than in the previous year. The increase in the total net loss is due to higher operating costs, such as utility bills and the purchase of raw materials (food, household chemicals, etc.) amid accelerating inflationary pressure, as well as the need for investments in modernization and digital technologies. This trend is particularly pronounced in oblasts with low operating capacity and high competitive pressure, which makes it difficult to maintain stable financial results.

The largest share of companies with a net loss in 2024 was recorded in the Chukotka Autonomous Okrug (56%), Magadan oblast (50%), Sevastopol (48%), Crimea (45%), and Kaliningrad oblast (45%). The lowest share of companies with net losses was recorded in the Republic of Ingushetia (19%), the Chechen Republic (17%), the Omsk oblast (13%), the Bryansk oblast (13%), and the Republic of Tyva (3%).

3.5.4. SMEs operating in the field of tourism services

As of early January 2026, more than 43,800 SMEs operate as travel agencies and other organizations providing tourism services (*Fig. 29*). Compared to 2021, the number of such SMEs increased by 15.3%. In 2020–2021, the decline in the number of travel agencies was due to the consequences of the COVID-19 pandemic, which caused a sharp drop in demand for tourism services and significant restrictions on movement. In 2022 , the further decline in the number of travel agencies is due to the transformation of their activities under the influence of restrictive measures introduced by so-called "unfriendly" countries. These measures have significantly changed the operating conditions of the tourism market, requiring agencies to adapt urgently, including by reorienting themselves towards domestic tourism and developing new service models.

More than half of SMEs (52.3%) engaged in the activities of travel agencies and other organizations providing services in the field of tourism are registered in 10 subjects of the Russian Federation: Moscow (16.8%), Saint Petersburg (7.9%), Moscow oblast (7.2%), Krasnodar krai (4.1%), Sverdlovsk oblast (3.9%), the Republic of Tatarstan (3.3%), the Republic of Bashkortostan (2.8%), Chelyabinsk oblast (2.3%), Samara oblast (2.1%), and Nizhny Novgorod oblast (1.9%).



* *As of January 10, 2026.*

Fig. 29. Dynamics of the number of SMEs engaged in the activities of travel agencies and other organizations providing services in the field of tourism

Source: according to FTS.

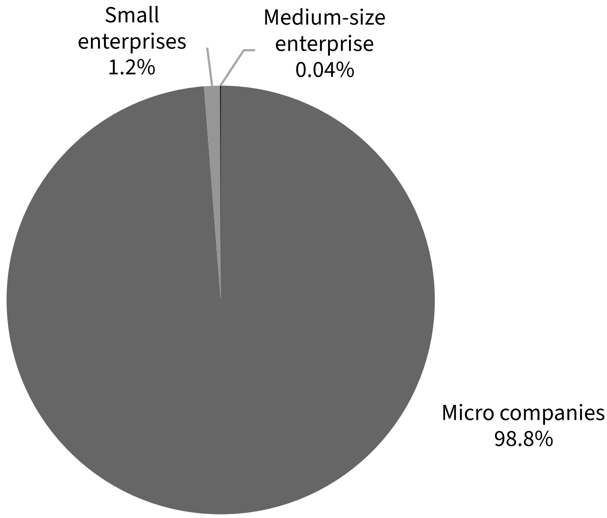


Fig. 30. **Structure of SMEs engaged in the activities of travel agencies and other organizations providing services in the field of tourism, by size, January 2026**

Source: according to FTS.

98.7% of the companies analyzed are micro-enterprises, 1.2% are small enterprises, and 0.04% are medium-sized enterprises (*Fig. 30*).

Among SMEs engaged in the activities of travel agencies and other organizations providing services in the field of tourism, 54% are legal entities and 46% are individual entrepreneurs.

The total revenue of SMEs — legal entities engaged in the activities of travel agencies and other organizations providing services in the field of tourism — in 2024 increased by 61% compared to 2023 (from Rb255.9 bn to Rb411.7 bn). The largest growth was observed in the Kaluga oblast — almost 132 times (from Rb841 mn to Rb110,995 mn), the Kamchatka krai — 6 times (from Rb2.7 bn to Rb17.6 bn), Krasnoyarsk krai — 2 times (from Rb2.5 bn to Rb6.1 bn), etc.

A decrease in total revenue was observed among SMEs — legal entities in 11 subjects of the Russian Federation, including the Kabardino-Balkarian Republic — by 50% (from Rb477.9 mn to Rb241.1 mn), Krasnodar krai — by 65% (from Rb21.8 bn to Rb7.6 bn), the Republic of Ingushetia — by 66% (from Rb151.4 mn to Rb51.8 mn), the Republic of Dagestan — by 80% (from Rb2,482.5 mn to Rb498.3 mn), etc.

The total net profit of SMEs — legal entities engaged in the activities of travel agencies and other organizations providing services in the field of tourism — in 2024, compared to 2023, increased by 42% to Rb75.1 mn.

* * *

Domestic tourism is currently a key factor in the dynamics of the Russian tourism market, helping to reduce the industry's dependence on external economic and political shocks, as well as fluctuations in international demand and the solvency of foreign tourists. At the same time, the growing importance of domestic tourism increases the sector's sensitivity to internal economic and social changes, including household income levels, employment dynamics, inflationary processes, and other macroeconomic conditions.

It is SMEs that play a key role in stimulating the growth of tourism in Russia.

The significant increase in the number of SMEs operating in the hotel business indicates their significant contribution to the development of the industry. There are also certain imbalances in the oblastal distribution of such SMEs, but these are explained by objective factors of specialization and the tourist attractiveness of oblasts and cannot be considered problematic. The growth in revenue of the SMEs under review in a number of oblasts reflects their growing popularity among tourists.

Meanwhile, in 2024, compared to 2023, there was an increase in the aggregate net loss of SMEs operating in the hotel business, which is associated with an increase in operating expenses against the backdrop of accelerating inflationary pressure. In these conditions, state support is necessary to ensure the sustainable development of the industry.

SMEs in the hotel business and tourism services are mainly micro-enterprises, which corresponds to the overall structure of the SME sector. At the same time, the average duration of small and medium-sized enterprises operating in the tourism sector is 8 years and 5 months, which exceeds the sector-wide indicator for SMEs (7 years and 7 months) and indicates the comparative stability and sustainability of SMEs in the tourism segment.

3.6. Foreign trade[1]

3.6.1. The state of world economy and foreign trade

International organizations, including the World Bank, IMF, OECD, WTO, and UN, point out that the global economy will be stable in 2025, even with a bunch of challenges. According to their estimates, global GDP growth in 2025 ranged from 2.7% (according to the World Bank) to 3.3% (according to the IMF) and will remain at this level in 2026 and 2027.

1. Author: *Volovik N.P.*, Senior Researcher, Center for Real Sector, Gaidar Institute.