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## Tourism Potential and Development Forecast in the Bukhara Region

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### ABSTRACT

The paper presents an econometric and forecasting-based approach to improving the efficiency of tourism potential utilization in the Bukhara region. The research is based on the author's PhD dissertation and focuses on identifying key determinants of regional tourism development, assessing the dynamics of tourist flows, and forecasting tourism-related expenditures. The study emphasizes the need for evidence-based strategic planning of tourism development at the regional level and proposes analytical tools for predicting tourist demand and estimating the expected economic impact. The forecasting results demonstrate a stable growth trajectory of tourism activity in the region and provide quantitative justification for policy measures aimed at strengthening the tourism sector and related industries.

**Keywords:** tourism potential, regional tourism efficiency, econometric modeling, forecasting, tourist flows, tourism expenditures, Bukhara region.

Tourism has become an increasingly important driver of regional socio-economic growth in destinations with strong cultural and historical resources. The concept of tourism potential is widely used to describe a region's capacity to attract visitors, develop tourism infrastructure, and generate economic benefits for local communities. However, a high level of tourism potential does not automatically translate into high efficiency of its utilization. In practice, regional tourism systems may face constraints such as limited service diversification, uneven seasonality, insufficient marketing capacity, and inadequate coordination between tourism stakeholders.

The Bukhara region is among Uzbekistan's leading tourism destinations due to its unique cultural heritage resources and its established position in key travel routes. Empirical results from the dissertation confirm that Bukhara often acts as a central point in multi-city tour programs and that the average duration of stay is approximately 2 nights (about 3 days). Such characteristics imply that the region is capable of generating multi-day tourist consumption, thereby increasing the potential economic return from tourism.

Given these factors, improving efficiency requires analytical tools that support decision-making through measurable forecasts and quantified effects. In particular, econometric modeling and forecasting of tourist expenditures allow the region to plan tourism infrastructure, service

capacity, and investment policy in a more evidence-based way.

The objective of this paper is to substantiate an analytical and forecasting framework for improving the efficiency of tourism potential use in the Bukhara region. The study applies an econometric approach to identifying factors influencing tourism development and forecasting tourism expenditures for the medium-term period.

Methodologically, the research relies on statistical analysis of tourism development indicators, comparative evaluation of regional dynamics, and the use of economic-mathematical modeling tools. A key empirical block of the dissertation is the forecast of tourist expenditures for 2024–2026, constructed in line with the official development trajectory reflected in national tourism policy documents.

The PhD dissertation provides quantitative evidence that the Bukhara region demonstrates a sustainable growth pattern in tourism activity. The forecast of tourist flows for 2024–2026 indicates an increase in tourism intensity and confirms that the region will remain a strategically important destination in Uzbekistan's tourism economy. Specifically, the expected number of tourists is projected to grow from 4.1 million in 2024 to 4.6 million in 2025 and 5.0 million in 2026.

Forecasting tourist expenditures is particularly important for assessing the economic return from tourism. The dissertation-based forecast shows that tourist expenditures in the Bukhara region may increase from 390.02 million USD in 2024 to 459.95 million USD in 2025 and 524.59 million USD in 2026. These values reflect the potential for tourism to become a stronger income source not only in the hospitality sector but also across related service industries.

The forecasting model provides an analytical basis for evaluating expected economic effects and for comparing alternative development scenarios. It also supports the formulation of investment priorities for accommodation capacity, transport accessibility, service quality improvement, and marketing initiatives.

From a regional policy perspective, the efficiency of tourism potential use can be interpreted as the ability of the destination to convert its available resources and attractiveness into stable socio-economic outcomes. In this context, several key directions can be highlighted.

First, tourism potential should be managed through integrated planning that links supply-side development (infrastructure, services, enterprises) with demand-side activation (marketing, tourist experience quality, destination branding). Second, efficiency is increased when tourist expenditures per visitor day rise due to service diversification, improved quality, and development of value-added tourism products (cultural tourism packages, gastronomy routes, crafts, event tourism). Third, intersectoral linkages play a major role: tourism development stimulates trade, transport services, catering, cultural industries, and employment growth.

Econometric forecasting contributes to efficiency management by allowing policymakers to quantify expected outcomes and to evaluate whether investments and measures correspond to the projected growth in tourist demand. In addition, forecasting supports risk management: in the case of external shocks or demand fluctuations, the availability of alternative scenarios and monitoring indicators improves strategic resilience.

Based on the dissertation logic, the following strategic measures are recommended for improving efficiency in the Bukhara region:

- (1) strengthening investment planning using forecast-based evidence of tourist expenditure growth;
- (2) improving service quality standards and expanding the range of tourism products to increase average spending;
- (3) accelerating digitalization of tourism services (online booking, e-payments, digital guides) as a supportive efficiency factor;

(4) improving regional coordination mechanisms between government, private tourism enterprises, and cultural heritage institutions;

(5) developing marketing and branding instruments aimed at international markets and high-value demand segments.

The dissertation results imply that even moderate increases in tourist flows can generate a significantly higher economic effect if the region shifts toward value-added services and more efficient tourism management. Therefore, the focus of regional tourism policy should be placed on improving the quality and economic productivity of tourism potential utilization.

The paper confirms that improving the efficiency of tourism potential use in the Bukhara region requires methodological support through econometric analysis and forecasting tools. The dissertation-based forecast indicates stable growth of tourist flows and expenditures for 2024–2026, providing a quantitative justification for strengthening regional tourism strategy. Implementation of forecast-informed policy measures can enhance tourism's contribution to regional income, employment, and development of related service sectors, ensuring sustainable socio-economic benefits for the Bukhara region.

To strengthen the scientific depth of the approach, the concept of efficiency is decomposed into operational and strategic dimensions. Operational efficiency reflects the productivity of tourism infrastructure and enterprises (occupancy, service capacity utilization, revenue per tourist, and stability of demand across months). Strategic efficiency reflects the ability to institutionalize tourism development through coherent governance instruments, investment prioritization, and long-term competitiveness. In the dissertation, the analytical emphasis is placed on linking forecasted demand and expenditures with policy planning, which allows decision-makers to avoid underinvestment or overinvestment and to manage tourism development as an integrated regional system.

Another important analytical implication of the 2024–2026 forecast concerns the multiplier transmission of tourism income. An increase in visitor spending does not remain within the accommodation sector. It spreads through local supply chains including food services, transport, retail, handicrafts, cultural entertainment, and other micro-enterprises. Therefore, forecasting tourist expenditures provides not only a measurement of tourism revenue but also a proxy estimate of broader regional economic impact. The dissertation-based values (USD 390.02 million in 2024; USD 459.95 million in 2025; USD 524.59 million in 2026) can be used as an empirical benchmark for calculating expected fiscal effects and employment formation.

Finally, the study underlines that a regional tourism strategy should incorporate monitoring indicators derived from the forecast model. Such indicators may include: (i) tourist flow dynamics, (ii) expenditure per tourist day, (iii) service diversification index, (iv) international vs domestic demand share, and (v) the share of digital transactions in tourism services. Even though the dissertation focuses primarily on econometric forecasting, the integration of digital service indicators is methodologically justified as a supportive factor for efficiency growth. This makes the proposed framework applicable for both academic research and practical destination management.

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