Geojournal of Tourism and Geosites
ISSN 2065-0817, E-ISSN 2065-1198

Year XIX, vol. 65, no. 2, 2026, p.1141-1148
DOI 10.30892/gtg.65247-1752

INSTITUTIONAL CHALLENGES AND OPPORTUNITIES FOR TOURISM DEVELOPMENT: ARMENIA'S CASE

Margarita YEGHIAZARYAN [1], Tatul MANASERYAN [2], Nairi SARGSYAN [2], Alina BADULESCU[3*], Mushegh HAKOBYAN [1], Arman MARTIROSYAN [4]

[1] Armenian State University of Economics, Department of Economics, Yerevan, Armenia; m.yeghiazaryan@ysu.am (M.Y.); mushsasun@mail.ru (M.H.)
[2] Public Administration Academy of the Republic of Armenia, Chair of Management, Yerevan, Armenia; tatoulm@gmail.com (T.M.) nsargsyan@auditors.am (N.S.)
[3] University of Oradea, Department of Economics and Business, Oradea, Romania; abadulescu@uoradea.ro (A.B.)
[4] Yerevan State University, Department of Economics and International Economic Relations, Yerevan, Armenia; martirosyan.arman@ysu.am (A.M.)

Citation: Yeghiazaryan, M., Manaseryan, T., Sargsyan, N., Badulescu, A., Hakobyan, M., & Martirosyan, A. (2026). Institutional challenges and opportunities for tourism development: Armenia's case. *Geojournal of Tourism and Geosites*, 65(2), 1141–1148. https://doi.org/10.30892/gtg.65247-1752

Abstract: The article examines institutional challenges and development opportunities of tourism sector in Armenia within the context of sustainable economic growth. The research focuses on the influence of institutional quality, governance effectiveness, infrastructure development and adaptive tourism strategies on tourism performance in Armenia. A mixed-methods approach was used, combining comparative analysis, econometric modeling and institutional assessment, using data from the Statistical Committee of Armenia and the World Bank for the period 2007–2022. The findings confirm that tourism plays a significant role in Armenia's economic development. Regression analyses show that tourism income significantly contributes to GDP, and institutional variables such as government effectiveness and infrastructure quality are strong predictors of tourism sector development. The study identifies three institutional models: infrastructure, adaptive and imitation models, as the most applicable frameworks for strengthening Armenia's tourism competitiveness. The infrastructure model highlights the importance of transport, digital connectivity and hospitality systems, while the adaptive model emphasizes resilience to external shocks and changing tourism demand. The imitation model supports cooperation, clustering and the adaptation of international best practices to local conditions. The findings indicate that strengthening institutional capacity, improving governance quality and promoting public–private partnerships are essential for increasing tourism competitiveness and ensuring sustainable tourism-led growth in Armenia. The study also highlights the importance of regional tourism development, innovation and sustainable infrastructure investment for enhancing Armenia's position in the international tourism market.

Keywords: tourism industry, economic models, developing countries, institutional challenges, tourism trends

* * * * * *

INTRODUCTION

The tourism industry has emerged as one of the most dynamic and complex sectors of the global economy, increasingly intertwined with a wide array of related industries. Despite global uncertainties, tourism continues to serve as a major driver of sustainable growth and sustainable development (Brown, 2006; Sharpley, 2000). In rural contexts, tourism serves as a vital mechanism for poverty alleviation and balanced development by stimulating local economies and creating employment opportunities (Jenkins & Fan, 2025). Regions with limited agricultural potential, including mountainous areas in Italy, Greece, Portugal, Spain, Armenia, and Georgia, exemplify how tourism mitigates social and economic vulnerabilities by incentivizing small and medium-sized enterprises to diversify and innovate in their service offerings.

Tourist preferences are undergoing a paradigm shift. Personalized tourism, characterized by self-designed itineraries and immersive experiences, is increasingly supplanting traditional group tours. Niche markets such as gastro-tourism integrate culinary experiences with cultural participation, including local festivals and traditional rituals, offering alternatives to mass tourism. Moreover, the luxury and VIP tourism segments are experiencing significant growth, offering exclusive services such as bespoke private tours, yacht charters, and high-end accommodations designed to cater to individualized preferences and expectations (D'Sa, 1999; Boto & Baños, 2024). Ecotourism has emerged as a prominent segment in response to growing environmental consciousness among travelers. Increasingly, tourists prioritize eco-friendly destinations and activities that align with sustainable practices, such as visits to protected areas,

* Corresponding author

eco-lodges, and community-based conservation projects (Wheeler, 2005). Similarly, wellness and medical tourism continue to grow as travelers prioritize health and well-being. In Armenia, medical tourism in areas such as dentistry and cosmetic surgery has become a notable driver of international arrivals. Addressing the complex challenges and emerging opportunities in global tourism requires a targeted analysis of the institutional frameworks and structural determinants shaping its development. This article aims to evaluate how institutional quality influences Armenia's tourism performance and identify models that strengthen competitiveness. The results are expected to inform public agencies, tourism enterprises, and researchers by providing empirical evidence and strategic frameworks.

LITERATURE REVIEW

Tourism's potential for local economic and social transformation is substantial (Katircioglu, 2009). Tourism, by attracting foreign currency and creating jobs, acts as an invisible export, driving national output (Dwyer et al., 2004). According to Balassa (1985) and Feder (1983), export-led growth occurs when the expansion of export sectors leads to broader economic growth. Extensively tested in empirical literature (Brida & Risso, 2008; Katircioglu, 2009; Badulescu et al., 2018), the Tourism-Led Growth Hypothesis (TLGH) asserts that tourism is a long-run driver of economic growth.

Institutional quality, which includes elements such as voice and accountability, political stability, government effectiveness, regulatory quality, control of corruption, and the rule of law, significantly impacts tourism demand and economic growth. Countries with higher tourism openness benefit more from tourism-led growth (Hunter, 1997).

Romer (1990) and North (1991) highlight the role of institutions, human capital, and innovation. In the context of tourism, good governance, stable regulatory frameworks, and effective public services are critical to sustaining growth. While some experts focus on the role of institutional quality (Sun et al., 2025), considering tourism as a vital catalyst for economic growth, and compare it in developing and developed countries (Zielinski et al., 2020), others focus on tourism and welfare, ethics, responsibility and sustained well-being (Hall & Brown, 2006) as well as the impacts of tourism on various fields of life (Ratz & Puczko, 2002; Remenyi, 2004; Ashley & Mitchell, 2007). Also, many experts pay particular attention on the peculiarities and the political economy of developing countries in boosting tourism industry (Britton, 1982; Hong, 1985; Pattullo, 1996; Harrison, 2001). Finally, youth travel is also examined as a growing niche in tourism industry (Simpson, 2005).

The scientific literature identifies a variety of institutional models of tourism development, including Government-led, Market-led, Public–private partnerships (PPPs), Mixed-Institutional, Cluster, Infrastructure, Adaptive, etc. Comparative studies suggest that collaborative and place-sensitive governance models are better suited to sustainability objectives, while purely state-led or market-driven modes may prioritize rapid growth over long-term inclusivity (Telfer & Sharpley (2015). Public–private partnerships (PPPs) facilitate resource mobilization, infrastructure development, and crisis response. However, their effectiveness depends heavily on institutional quality, transparency, and inclusiveness.

Destinations with robust PPPs demonstrated stronger recovery capacity after crises such as the COVID-19 pandemic (Shahedul Alam, 2023). Conversely, weak institutional oversight risks reinforcing short-term and unequal tourism growth. In addition, scholars discuss mixed-institutional models, which blend public, private, and community-based mechanisms. Cluster models emphasize cooperation and synergy among tourism enterprises.

Emerging scholarship increasingly turns to adaptive governance and adaptive co-management models to address the complexity of tourism as a socio-ecological system (Islam & Nursey-Bray, 2017).

Empirical studies in resource-sensitive contexts, such as coastal or heritage destinations, demonstrate that adaptive governance fosters resilience and strengthens the integration of local knowledge. Infrastructural approaches highlight the importance of complementing physical investments with institutional capacity building, such as destination management organizations, legal frameworks, and human capital institutions.

Strong institutions enable infrastructure to generate sustainable outcomes, while weak governance may lead to enclave-style, extractive tourism (Fayard, 2023). Likewise, the Tourism Area Life Cycle (TALC) model (Butler, 2024) has been revisited by scholars who integrate institutional dynamics, noting that institutional adaptability strongly influences whether destinations move toward stagnation or renewal.

Strategic Models for Tourism Development in Emerging Economies

As in many developing countries, Armenia seeks to identify key pathways for sustainable economic growth. Among the most traditional and promising sectors is tourism, which faces the ongoing challenge of defining its niche in the global tourism market. While Armenia has long been recognized for its historical and cultural tourism, recent strategic initiatives have prioritized investment in emerging segments such as gastro-tourism, adventure tourism, and ecotourism.

Additionally, experts highlight significant potential in medical tourism (particularly dental and recreational services), educational tourism, agro-tourism, and niche markets such as birdwatching and adventure-based travel. To leverage these opportunities, it is critical to adopt suitable models of tourism development that enhance competitiveness and align with Armenia's comparative advantages. Recent studies emphasize the importance of infrastructure, sustainability, and institutional support in tourism development (Ginting et al., 2021; Kálmán et al., 2024).

This approach involves institutional perspectives to materialize identified strengths in the sector. Among the most applicable frameworks are the infrastructure model, the adaptive model, and the imitation model.The infrastructure model emphasizes the foundational role of infrastructure in enabling tourism growth and competitiveness.

As Adeya & Lisle (2024) argue, tourism is both infrastructure-dependent and infrastructuring, meaning that it relies on and simultaneously contributes to the development of infrastructure systems. The model focuses on enhancing

physical and service infrastructure in high-demand destinations, recognizing that inadequate infrastructure is a critical constraint on tourism sector expansion (Edensor, 2001). For Armenia, implementing this model necessitates multi-stakeholder collaboration to assess and address factors influencing the utilization of national tourism assets, with particular attention to transport networks, hospitality facilities, and digital connectivity.

The approach also requires a comprehensive evaluation of competencies to identify the most effective tools and methods for improving tourism infrastructure. Emerging technologies, particularly AI-driven solutions, are expected to play a transformative role in planning and managing infrastructure development.

The infrastructure model integrates the functional-cost approach across tourism-related sectors, including government agencies, municipalities, and private enterprises. It also includes educational institutions such as universities, training centers, and research organizations, which play a crucial role in developing human capital for the industry. Within the context of the green economy, the model aligns with sustainable development principles by prioritizing eco-friendly infrastructure investments and enhancing the capacity of local communities to provide tourism-related services.

For Armenia, practical application involves comparative analyses of anticipated services and infrastructure against actual performance metrics to evaluate alignment with tourist expectations. The model's effectiveness is particularly relevant across Armenia's ten marzes (regions), where infrastructure quality significantly determines destination competitiveness. In the Armenian context, disparities across regions create uneven tourism development. Yerevan benefits from relatively advanced transport, accommodation, and digital networks, while peripheral regions, such as Syunik, Tavush, and Shirak, often face infrastructural deficits that limit their competitiveness despite rich cultural and natural assets. Gaps persist in hospitality facilities, quality standards, and sustainable waste management at major attractions.

Importantly, infrastructure in Armenia must also align with sustainability principles. Mountainous ecosystems are vulnerable to environmental stress, requiring eco-friendly investments in renewable energy, green transport, and waste management in tourist-intensive areas like Lake Sevan and Dilijan National Park. Thus, the infrastructure model provides both a foundation for economic competitiveness and a safeguard for ecological and cultural sustainability.

The adaptive model emphasizes flexibility and responsiveness to uncertain conditions—a particularly relevant approach for Armenia given its geopolitical context, seasonal tourism patterns, and vulnerability to external shocks. It is particularly valuable for forecasting short-term changes and adjusting strategies in response to dynamic market trends (Hutagalung & Hermawan, 2024). Historical and cultural destinations such as Garni Temple, Geghard Monastery, and Khor Virap have demonstrated strong but fluctuating tourist flows, influenced by regional stability, exchange rate fluctuations, and global health crises. In practice, Armenia has begun experimenting with adaptive approaches through scenario-based forecasting and real-time monitoring of visitor flows. Time-series models, combined with big data from online platforms, allow tourism agencies to anticipate peak seasons and adjust service provision.

For example, during the COVID-19 pandemic, adaptive strategies were used to shift promotion from international to domestic tourism, supporting rural guesthouses and ecotourism initiatives (World Bank, 2021).

Nevertheless, adaptive capacity remains constrained by limited institutional resources and uneven data infrastructure across the regions. Strengthening adaptive governance requires deeper integration of public–private partnerships, particularly to mobilize investments in smart tourism technologies and digital platforms that enable rapid adjustments.

Furthermore, adaptive planning could be applied to climate-sensitive tourism in mountainous regions, where changing snowfall patterns affect winter sports and local livelihoods.

The model's strength lies in its capacity to adjust to fluctuations in tourist flows and external shocks, such as geopolitical tensions or health crises. However, it also faces limitations, particularly when abrupt changes exceed its capacity for rapid recalibration. Despite these challenges, the adaptive model has proven effective for designing short-term projects, long-term strategies, and efficient management frameworks for the tourism sector. Its implementation requires robust public–private partnerships to ensure responsiveness and resilience.

The imitation model emphasizes the strategic replication of successful practices within the tourism industry, fostering cooperation and synergy among firms and stakeholders. This approach has been notably effective in countries such as Norway, where clustered tourism enterprises engage in collective learning and resource sharing to strengthen their competitive positioning (Staber, 2010). The imitation model focuses on strategic learning and replication of best practices, making it highly applicable for a small economy such as Armenia. Given its limited market size, Armenia can benefit significantly by emulating successful regional models while tailoring them to local conditions.

For instance, Georgia's development of wine tourism clusters has inspired parallel efforts in Armenia's Areni and Vayots Dzor regions, where wineries, restaurants, and cultural operators collaborate to attract both domestic and international visitors. For Armenia, adopting the imitation model involves fostering networks among tourism enterprises, including hotels, restaurants, car rental services, and cultural operators. Such collaboration can enhance the overall value proposition to tourists by enabling co-production and coordinated delivery of complementary services.

As Haugland et al. (2011) and Ramirez (1999) highlight, synergistic partnerships allow tourism firms to leverage each other's strengths and reduce inefficiencies.

Similarly, the cluster-based strategies observed in Scandinavian countries (Haugland et al., 2011) provide a blueprint for Armenian tourism enterprises. In practice, this would involve fostering stronger networks between hotels, transport providers, cultural institutions, and rural communities to co-create value-added experiences. The imitation model can also be applied in digital marketing, where Armenia could replicate Estonia's success in promoting cultural heritage

through immersive technologies and e-governance support. Moreover, the model promotes the development of shared norms and joint visions, reducing potential conflicts and fostering alignment across actors within the tourism value chain (Aarstad et al., 2018). It also supports resource integration and co-production strategies that improve destination competitiveness and service quality (Gomes-Casseres, 2003). In addition, the model highlights the role of shared norms and cooperation in overcoming fragmentation among small Armenian tourism firms.

Many family-run guesthouses and micro-enterprises lack the capacity to compete individually but could strengthen their competitiveness through cooperative branding, joint training, and collective promotion in niche markets such as hiking, birdwatching, and religious pilgrimage. Moreover, the Armenian diaspora offers a unique opportunity: imitation strategies from diaspora tourism initiatives in Israel, Ireland, and Greece could be adapted to Armenia to enhance both visitor inflows and cultural reconnection. It is of particular interest considering the possibilities of customizing success stories of different subsectors and the entire tourism industry as a long-run economic growth factor (Coelho & Dritsakis, 2004: 305–316; Chung, 2009: 82–99). Despite Armenia's reliance on cultural and heritage tourism, few empirical studies assess the institutional dimensions of its tourism-led growth. In this context it is important to reveal

(1) How do institutional quality and infrastructure affect Armenia's tourism performance?

(2) What institutional models of tourism development best align with Armenia's comparative advantages?

We consider hypothesis that tourism plays a vital role in economic development of Armenia. This hypothesis aims to investigate the extent to which tourism promote the economic growth and development of Armenia, in the context of structural-institutional changes.

MATERIALS AND METHODS

The study employs a comprehensive methodological framework grounded in the extensive use of diverse economic analysis techniques to investigate tourism development and its institutional determinants in Armenia.

The study applies comparative analysis, econometric modeling, and institutional assessment. Data are sourced from the Statistical Committee of Armenia and the World Bank, covering 2007–2022. To quantitatively assess the impact of institutional factors on tourism development in Armenia, an econometric model was employed. The model estimates the relationship betweenfig tourism inflows (dependent variable) and a set of independent variables, including infrastructure index, political stability, visa openness, GDP per capita, and government effectiveness.

RESULTS AND DISCUSSION

To quantitatively assess the relationship between tourism and economic development in Armenia, we constructed a series of regression models, using data from 2007 to 2022. The data was obtained from the World Bank, and the Statistical Committee of the Republic of Armenia. The dependent variable across models was GDPDOLAR (nominal GDP), while tourism income (TURINCOM) was introduced both independently and in ratio to GDP for deeper insight.

1. Time Trend Models

Model A: Trend in GDP

The estimated linear time-series regression model is presented as follows

$$[\text{GDPDOLAR}\_t = 8\{,\}438\{,\}246\{,\}175.2 + 420\{,\}715\{,\}595.23 \cdot t]$$

$$GDPDOLAR_t = 8438246175.2 + 420715595.23 \cdot \text{trend}$$

This model yielded an R^2 of 0.59, indicating that approximately 59% of the variation in GDP can be attributed to time-based growth (Table 1). Both the intercept and slope coefficients are statistically significant ($p < 0.01$), suggesting a consistent and meaningful increase in nominal GDP over the examined period.

Table 1. GDP Trends (Sources: Statistical Committee of Armenia (2024) and the World Bank Reports (2024) Dependent Variable: GDPDOLAR

Dependent Variable: GDPDOLAR				
Sample: 2007 2022				
Included observations: 16				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	8438246175.2	819157055.71	10.30	0.00
@TREND	420715595.23	93049988.78	4.52	0.00
R-squared	0.59	Mean dependent var		11593613139.38
Adjusted R-squared	0.56	S.D. dependent var		2599923820.21
S.E. of regression	1715757016.	Akaike info criterion		45.48
Sum squared resid	4.12	Schwarz criterion		45.58
Log likelihood	-361.84	Hannan-Quinn criter.		45.49
F-statistic	20.44	Durbin-Watson stat		1.2
Prob(F-statistic)	0.00			

The estimated linear trend model is

GDPDOLAR=8438246175.2+420715595.23t, with a coefficient of determination R-squared=0.59.

As illustrated in Figure 1, Armenia's GDP demonstrates a stable upward trend during the period 2007–2022, despite fluctuations caused by external economic shocks like global financial crisis. (2010-2011) and etc.

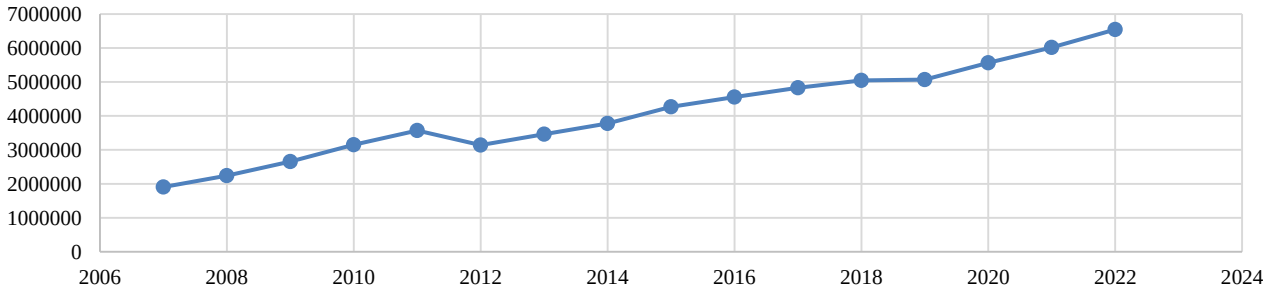

Figure 1. GDP Trends (USD) (Sources: Statistical Committee of Armenia, 2024 and the World Bank Reports, 2024)

Model B: Trend in Tourism Income

Using parallel trend analysis, we estimated the following equation

$$[\text{ TURINCOM }_t = 189{,}009{,}294.1 + 36{,}536{,}544.12 \cdot t]$$

$$TURINCOM_t = 189009294.1 + 36536544.12 \cdot \text{trend}$$

The R^2 value of 0.45 reflects moderate explanatory power, suggesting sustained growth in tourism income (Table 2), although some variability may relate to external shocks or sector-specific shifts (e.g., geopolitical tension, COVID-19).

Table 2. Trends in tourism income (development trends)
(Sources: Statistical Committee of Armenia (2024) and the World Bank Reports (2024) Dependent Variable: TURINCOM

Dependent Variable: TOURINCOM				
Method: Least Squares				
Sample: 2007 2022				
Included observations: 16				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	189009294.12	94540078.01	2.00	0.07
@TREND	36536544.12	10739031.22	3.40	0.00
R-squared	0.45	Mean dependent var		463033375
Adjusted R-squared	0.41	S.D. dependent var		258563726.14
S.E. of regression	198017951.58	Akaike info criterion		41.16
Sum squared resid	5.49	Schwarz criterion		41.25
Log likelihood	-327.30	Hannan-Quinn criter.		41.1670275321
F-statistic	11.58	Durbin-Watson stat		1.39538202876
Prob(F-statistic)	0.00			

The estimated equation looks like this: TURINCOM=189009294.1+36536544.12t.

Figure 2 illustrates trends in income from tourism from 2008 to 2022. This ratio increased steadily until 2018, dipped in 2019–2020 amid the COVID pandemic (2020-2021) and Nagorno-Karabakh war (2020) and has since rebounded post-2020. The continuing upward trend highlights tourism's resilience and growing share in Armenia's economic structure.

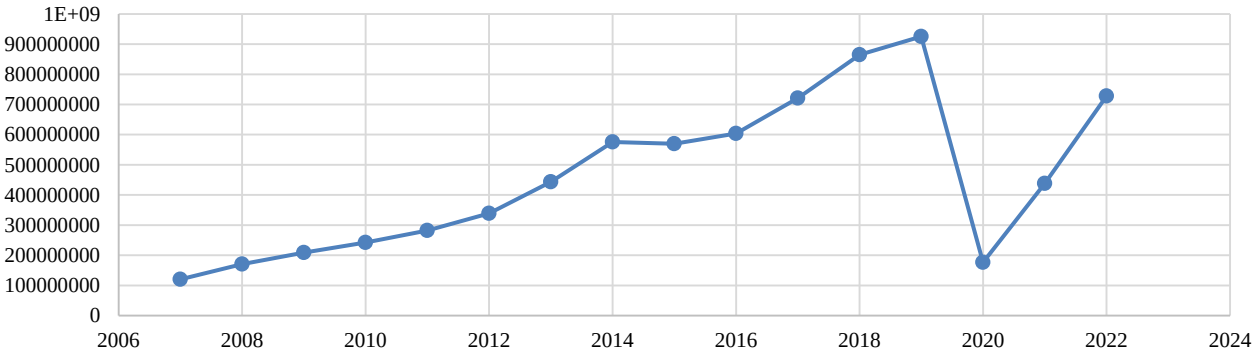

Figure 2. Trends in tourism income (USD)
(Sources: Statistical Committee of Armenia, 2024 and the World Bank Reports, 2024)

2. Tourism as a predictor of GDP

To estimate the direct economic contribution of tourism, the model regressed GDPOLAR on TURINCOM:

$$[\text{GDPDOLAR} = 9{,}268{,}383{,}646.14 + 5.022 \cdot \text{ TURINCOM }]$$

$$GDPDOLAR_t = 9268383646.14 + 5.022 \cdot \text{TURINCOM}_t$$

While the R^2 is relatively low (0.25), the coefficient is statistically significant ($p = 0.05$), suggesting that tourism income contributes meaningfully to GDP despite the influence of unobserved macroeconomic variables (Table 3). Given the limited sample size and known volatility in tourism-related indicators, this result remains policy-relevant.

Table 3. The Impact of Tourism Income on GDP

Dependent Variable: GDPDOLAR				
Method: Least Squares				
Sample: 2007 2022				
Included observations: 16				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	9268383646.14	1225544759.83	7.56	0.00
TURINCOM	5.022	2.33	2.16	0.05
R-squared	0.25	Mean dependent var		11593613139.4
Adjusted R-squared	0.20	S.D. dependent var		2599923820.21
S.E. of regression	2331537662.29	Akaike info criterion		46.09
Sum squared resid	7.61e+19	Schwarz criterion		46.19
Log likelihood	-366.75	Hannan-Quinn criter.		46.10
F-statistic	4.65	Durbin-Watson stat		0.59
Prob(F-statistic)	0.05			

3. Tourism Contribution Ratio (TURINCOM/GDPDOLAR)

Figure 3 illustrates the evolution of the TURINCOM -to-GDPDOLAR ratio from 2008 to 2022. This ratio increased steadily until 2018, dipped in 2019–2020 amid external shocks, and has since rebounded post-2020. The continuing upward trend highlights tourism's resilience and growing share in Armenia's economic structure.

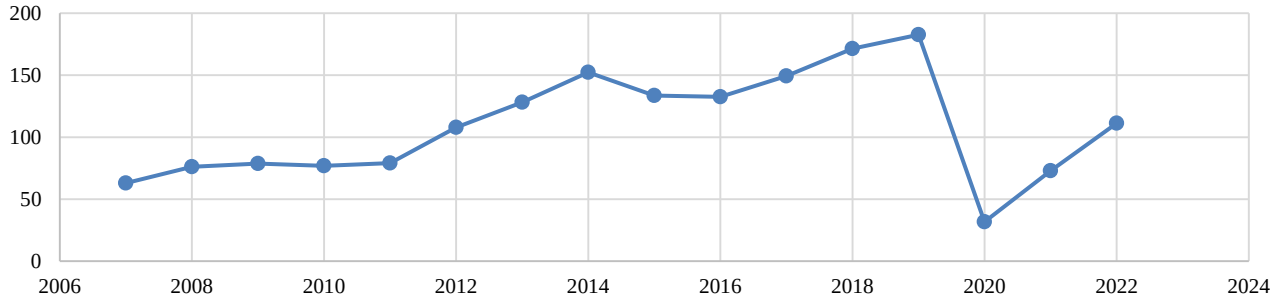

Figure 3. TURINCOM /GDPDOLAR ratio in the period 2008 – 2022
(Sources: Statistical Committee of Armenia, 2024 and the World Bank Reports, 2024)

The results from the econometric analysis confirm the significance of institutional variables. The coefficient for government effectiveness was positive and statistically significant at the 1% level, indicating that improved public sector performance correlates with increased tourist arrivals. Similarly, infrastructure quality and GDP per capita were found to be strong predictors of tourism activity. These findings reinforce the earlier qualitative assessment of Armenia's tourism potential and provide an empirical basis for prioritizing institutional reforms.

The econometric evidence supports the hypothesis that tourism plays a growing and significant role in Armenia's economic development. However, the findings also reveal limits to tourism's explanatory power over GDP variations, reinforcing the need for diversified development strategies.

CONCLUSION

This study examined the institutional challenges and opportunities shaping tourism development in Armenia. The analysis highlights three institutional models that hold particular relevance for Armenia. The infrastructure model underscores the need for sustained investment in transport, hospitality, and digital networks, especially in the regions where infrastructural gaps constrain competitiveness. The adaptive model offers a framework for enhancing resilience against shocks, allowing government bodies and enterprises to anticipate seasonal and crisis-driven fluctuations in demand. Finally, the imitation model suggests that Armenia can accelerate its tourism competitiveness through collective learning and the strategic adaptation of international best practices, particularly in cluster development and niche tourism markets. Together, these models provide a coherent framework for aligning Armenia's tourism strategy with both global market opportunities and domestic institutional capacities.

The findings demonstrate that institutional quality, especially government effectiveness and infrastructure provision, has a measurable impact on tourism performance. Regression results confirm that tourism income contributes significantly, though modestly, to GDP growth, while institutional variables such as governance effectiveness and infrastructure quality emerge as strong predictors of sectoral development. These results reinforce the importance of embedding tourism strategies within broader institutional reforms that strengthen governance capacity, transparency, and stakeholder cooperation.

As since the econometric analysis relied on a relatively short time series (2007–2022), it constrains the robustness of long-term forecasting. Expanding the dataset and incorporating more granular regional-level indicators would strengthen future analyses. In addition, the models did not fully capture informal institutional factors, such as cultural norms, trust networks, and community-based governance, which play an important role in shaping tourism practices.

Future research should include longitudinal studies assessing the effectiveness of infrastructure, adaptive, and imitation models in practice. It would allow researchers to evaluate their long-term contribution to sustainable tourism-led growth in Armenia and comparable contexts.

Author Contributions: Conceptualization, M.Y. and A.B.; methodology, M.Y. and A.B.; software, validation, T.M. and N.S and A.K and A.M. and M.H; formal analysis, A.K. and A.M. and N.S. and M.H.; investigation, M.Y. and A.B and T. M.; data curation, A.K. and N.S. and T.M. and M.H.; writing - original draft preparation, A.K and A.M. and M.Y. and A.B and M.H and N.S.; writing - review and editing, M.Y. and A.B.; visualization A.K. and A.M. and T.M. and N.S. and M.H.; supervision, M.Y. and A.B; project administration, M.Y, A.B. and A.M; All authors have read and agreed to the published version of the manuscript.

Funding: Not applicable.

Institutional Review Board Statement: Not applicable.

Informed Consent Statement: Not applicable.

Data Availability Statement: The data presented in this study may be obtained on request from the corresponding author.

Acknowledgements: The research undertaken was made possible by the equal scientific involvement of all the authors concerned.

Conflicts of Interest: The authors declare no conflict of interest.

REFERENCES

Aarstad, D., Ness, H., Haugland, S., & Kvitastein, O. (2018). Imitation strategies and interfirm networks in the tourism industry: A structure–agency approach. *Journal of Destination Marketing & Management*, 9, 166–174. https://doi.org/10.1016/j.jdmm.2018.01.003

Adeya, P., & Lisle, D. (2024). Tourism infrastructures. *Tourism Geographies*, 25(5), 756–766. https://doi.org/10.1080/14616688.2023.2187645

Ashley, C., & Mitchell, J. (2007). *Doing the right thing morally: The ethics of pro-poor tourism.* Development in Practice, 17(1), 1–15. https://doi.org/10.1080/09614520601098100

Badulescu, A., Badulescu, D., & Simuț, R. (2018). The complex relationship between international tourism demand and economic growth: An analysis on Central and Eastern European economies. *Amfiteatru Economic Journal*, *20*(Special Issue 12), 935-950. https://doi.org/10.24818/EA/2018/S12/935

Balassa, B. (1985). Exports, policy choices, and economic growth in developing countries after the 1973 oil shock. *Journal of Development Economics*, 18(1), 23–35. https://doi.org/10.1016/0304-3878(85)90004-5

Boto García, D., & Baños Pino, J. F. (2024). The economics of second home tourism: Are there expenditure reallocation effects from accommodation savings? *Tourism Economics*, 30(4), 1–22. https://doi.org/10.1177/13548166231200441

Britton, S. (1982). The political economy of tourism in the Third World. *Annals of Tourism Research*, 9(3), 331–358. https://doi.org/10.1016/0160-7383(82)90018-4

Brida, J., & Risso, W. (2008). The contribution of tourism to economic growth: An empirical analysis for the case of Chile. *Sustainable Tourism as a Factor of Local Development*, 7–9 November, 1–5.

Brown, F. (2006). Dynamics of core and periphery in tourism: Changing yet staying the same! *Tourism Recreation Research*, 31(1), 79–81, https://doi.org/10.1080/02508281.2006.11081459

Butler, R. (2024). Tourism destination development: The tourism area life cycle model. *Tourism Geographies*, 27:3-4, 599-607, https://doi.org/ 10.1080/14616688.2024.2325932

Coelho, D., & Dritsakis, N. (2004). Tourism as a long-run economic growth factor: An empirical investigation for Greece using causality analysis. *Tourism Economics*, 10(3), 305–316., https://doi.org/10.5367/0000000041895094

Chung, J. Y. (2009). Seasonality in tourism: A review. *e-Review of Tourism Research*, 7(5), 82–99.

D'Sa, E. (1999). Wanted: Tourists with a social conscience. *International Journal of Contemporary Hospitality Management*, 11(2/3), 64–68. https://doi.org/10.1108/09596119910250640

Dwyer, L., Forsyth, P., & Spurr, R. (2004). Evaluating tourism's economic effects: New and old approaches. *Tourism Management*, 25(3), 307–317. https://doi.org/10.1016/S0261-5177(03)00131-6

Edensor, T. (2001). Performing tourism, staging tourism: (Re)producing tourist space and practice. *Tourist Studies*, 1(1), 59–81.https://doi.org/10.1177/146879760100100104

Fayard, G. (2023). Theorizing the politics of tourism: Global travel and nation-state. Journal of International studies, 51, Issue 2, 42-48.

Feder, G. (1983). On exports and economic growth. *Journal of Development Economics*, 12(1–2), 59–73. https://doi.org/10.1016/0304-3878(83)90031-7

Ginting, N., Rahman, V. N., Nasution, A. D., & Dewi, N. A. (2021). Geotourism development through the public facilities in Geotrail Bakkara, Toba Caldera Geopark. *GeoJournal of Tourism and Geosites*, 37(3), 914–920. https://doi.org/10.30892/gtg.37324-726

Gomes-Casseres, B. (2003). Competitive advantage in alliance constellations. *Strategic Organization*, 1(3), 327–335. https://doi.org/10.1177/14761270030013005

Hall, D., & Brown, F. (2006). *Tourism and welfare: Ethics, responsibility and sustained well-being*. CABI Publishing.

Haugland, S., Ness, H., Gronseth, B., & Aarstad, J. (2011). Development of tourism destinations: An integrated multilevel perspective. *Annals of Tourism Research*, 38(1), 268–290. https://doi.org/10.1016/j.annals.2010.08.008

Harrison, D. (Ed.). (2001). *Tourism and the less developed world*. CABI Publishing.
Hong, E. (1985). *See the Third World while it lasts*. Consumers' Association of Penang.
Hutagalung, S., & Hermawan, D. (2024). Sustainable tourism development: A model of adaptive destination management in Lampung Province, Indonesia. *International Journal of Sustainable Development and Planning*, 19(9), 3699–3705. https://doi.org/10.18280/ijsdp.190939
Hunter, C. (1997). Sustainable tourism as an adaptive paradigm. *Annals of Tourism Research*, 24(4), 850–867. https://doi.org/10.1016/S0160-7383(97)00036-4
Islam, M. T., & Nursey-Bray, M. (2017). Adaptation to climate change in agriculture in Bangladesh: The role of formal institutions. *Journal of Environment Management*, 200, 347-358. https://doi.org/10.1016/j.jenvman.2017.05.054
Jenkins, C. L., & Fan, D. X. F. (2025). Viable and sustainable tourism for developing countries: A horizon 2050 paper. *Tourism Review*, 80(1), 260–269. https://doi.org/10.1108/TR-05-2024-0342
Malatyinszki, Sz., Kálmán, B.G., & Dávid, L.D. (2025). The role of geoparks in sustainable tourism development: A case study approach. *Geojournal of Tourism and Geosites*, 59(2), 572–586. https://doi.org/10.30892/gtg.59206-1438
Katircioglu, S. (2009). Testing the tourism-led growth hypothesis: The case of Malta. *Acta Oeconomica*, 59(3), 331–343. https://doi.org/10.1556/AOecon.59.2009.3.4
North, D. C. (1991). Institutions. *Journal of Economic Perspectives*, 5(1), 97–112. https://doi.org/10.1257/jep.5.1.97
Pattullo, P. (1996). *Last resorts: The cost of tourism in the Caribbean*. Cassell.
Remenyi, J. (2004). Poverty and development: The struggle to empower the poor. In D. Kingsbury, J. Remenyi, J. McKay, & J. Hunt (Eds.), *Key issues in development* 190–220. Palgrave Macmillan. https://doi.org/10.1007/978-1-4039-0364-5_10
Ramirez, R. (1999). Value co-production: Intellectual origins and implications for practice and research. *Strategic Management Journal*, 20(1), 49–65. https://doi.org/10.1002/(SICI)1097-0266(199901)20:1
Ratz, T., & Puczkó, L. (2002). *The impacts of tourism: An introduction*. Hämeenlinna: Häme Polytechnic
Romer, P. M. (1990). Endogenous technological change. *Journal of Political Economy*, 98(5, Pt 2), 71–102. https://doi.org/10.1086/261725
Shahedul Alam S. M. (2023). Tourism recovery strategies on Post COVID-19 Pandemic: A Review. *International Journal of Tourism and Hospitality*. 3(2), 1-8. https://doi.org/1051483/IJTH.3.2.2023
Sharpley, R. (2000). Tourism and sustainable development: Exploring the theoretical divide. *Journal of Sustainable Tourism*, 8(1), 1–19. https://doi.org/10.1080/09669580008667346
Simpson, K. (2005). Dropping out or signing up? The professionalization of youth travel. *Antipode*, 37(3), 447–469. https://doi.org/10.1111/j.0066-4812.2005.00503.x
Statistical Committee of Armenia, Yearbooks (2003-2023). https://armstat.am/en/?nid=586&year=2023
Staber, U. (2010). Imitation without interaction: How firms identify with clusters. *Organization Studies*, 31(2), 153–174. https://doi.org/10.1177/0170840609357381
Sun, Z., Liu, L., Pan, R., Wang, Y., & Zhang, B. (2025). Tourism and economic growth: The role of institutional quality. *International Review of Economics & Finance*, 98, 1–16. https://doi.org/10.1016/j.iref.2024.10.012
Wheeler, B. (2005). Sustaining the ego: A critical discussion of ecotourism and ego-tourism. *Journal of Sustainable Tourism*, 13(2), 121–129. https://doi.org/10.1080/09669580508668597
Telfer, D. J., & Sharpley, R. (2015). *Tourism and Development in the Developing World*, Routledge. https://doi.org/10.4324/9781315686196
World Bank (2025) *Development Reports*, 2007-2022, Springer, https://www.worldbank.org/en/publication/wdr/wdr-archive
Zielinski, S., Jeong, Y., Kim, S. I., & Milanés Batista, C. (2020). Why community-based tourism and rural tourism in developing and developed nations are treated differently? *Sustainability, 12*(15), 5938. https://doi.org/10.3390/su12155938

Article history: Received: 29.09.2025 Revised: 07.02.2026 Accepted: 14.05.2026 Available online: 23.06.2026