

Versatility in Hospitality Industry around the Globe A Case Study on the Development and Challenges of Azerbaijan

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Abstract: Azerbaijan Hotel Association (AHA) encourages and leads the implementation of international standards by sharing the best international and domestic practices among hotels in order to promote improvements in quality and ensure fair competition within the hospitality industry. From major global brands to the small independent hotels, AHA provides one voice that brings together the industry's majority of constituents. AHA speaks for an industry that represents 37% of Employment, 6% of businesses and 3% of GDP in the tourism value chain. [1] AHA actively tracks globally implemented sustainability measures and encourages members to implement international standards. The Sustainability working group has been created under the AHA Executive Board, to share best practice and expertise from the industry. In the framework of this working group, AHA and its member hotels participated in the Water Saving Award program introduced by UNDP. From this year, AHA will work together with local industry and the Memory Psychology Center which has been working since September 2011 to rehabilitate children suffering from various neuropsychiatric disorders. The Hotel system recognises the quality level of service, infrastructure and equipment in hotels throughout Azerbaijan and guarantees guests the appropriate level of services offered at each hotel. Established by Azerbaijan Tourism Board (ATB) in partnership with Azerbaijan Hotel Association (AHA), it is a transparent control system for maintaining and improving the international competitiveness of Azerbaijan's hotel industry. This system allows hotel accommodation establishments to position themselves clearly in the market, while helping customers to assess properties based on quality and amenities. Hotels communicate a simple and clear message which characterises a hotel's level of equipment and services. This message can easily be integrated into digital reservation systems and contributes to booking decisions.

Keywords: Food Industry, drinks, client

I. INTRODUCTION

Azerbaijan has a rich history of cultural, religious and religious traditions, as well as a strong cultural heritage. It is a member of the Eurasian Economic Union (EEU). Although Azerbaijan is still considered an exceptional destination in Europe, it is also a charming destination, blessed with a rich history, beautiful landscapes and superb food and drink (Seyidov, Adomaitienė, 2016). One can see that tourists visiting Azerbaijan are usually from the Middle East, North Africa, Asia, Europe, South America, Africa and the Asia-Pacific region.

In 2018, there was a significant increase in visitors from the Gulf states, in particular from Saudi Arabia, Bahrain, Kuwait, Qatar, Oman, the United Arab Emirates and Bahrain. One can also see a spike of tourists from Israel (see Fig. 1 that follows below). Ecological tours in Azerbaijan often include hiking, trekking, climbing routes and other outdoor activities such as mountain biking and hiking.

This contributes to Azerbaijan's reputation as one of the world's most environmentally friendly countries. One of its cities called Ganja has a history dating back to 494 B.C. and is of great interest to tourists, but one needs to leave the capital and head to one of the country's most popular tourist attractions, the ancient city of Baku (Dargahov, Karimov, 2014). N.R. Rza-Zadeh, M. Dvořák / Journal of Institutional Studies, 12(4), 126-137 131 The ancient city of Baku in



Azerbaijan, home to some of the world’s most famous monuments and museums, attracts visitors from all over the country and around the world.

Azerbaijan has a history as a Silk Road trading post, is home to sites that speak to its surprising Jewish, German, and Polish heritages, and has an abundance of riches when it comes to art, architecture, craft, food and drink, and more. Its welcoming, tolerant spirit offers the open-minded traveler myriad reasons to reflect on the various ways it’s been shaped by historical forces.[1]

“Azerbaijan is a country that possesses deep traditions of hospitality, tolerance, and multiculturalism. Our main mission as Azerbaijan Tourism Board is to illustrate these features through exciting tourism products,” said Florian Sengstschnid, CEO of Azerbaijan Tourism Board.

Here, SkiftX looks at some of the Azerbaijani sites and traditions that can be traced back to key moments throughout the country’s history.



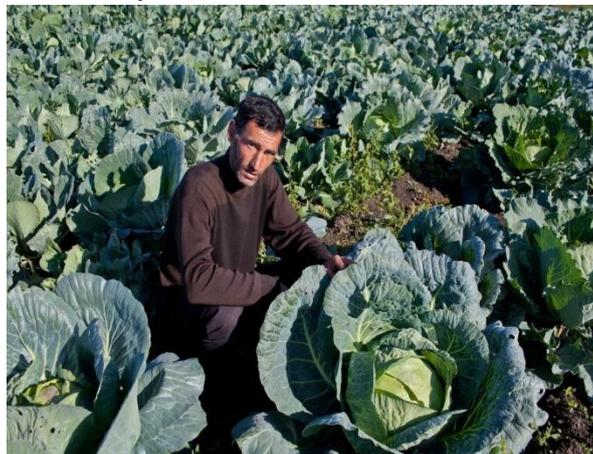
II. HISTORY

In ancient and early medieval times, eastern Transcaucasia was populated by Iranian speakers, nomadic Turkic tribes, Kurds, and the Caucasian Albanians, who converted to Christianity in the 4th century and came under the cultural influence of the Armenians. After Arab incursions in the 7th century, Islamic polities were established under local rulers called *shahanshahi*.

The Seljuq invasions in the 11th century changed the composition of the local population and resulted in the linguistic dominance of Oghuz Turkic languages. But, unlike the Ottoman Turks who came to dominate Anatolia

The Caucasian Muslims of Azerbaijan in the early 16th century became Shi’i, rather than Sunni, Muslims, and they continued to develop under Persian social and cultural influence.

Persian-ruled khanates in Shirvan Baku, Ganja , Karabakh, and Yerevan dominated this frontier of Şafavid Iran.





Azerbaijani dishes have traditionally been cooked with copper utensils and cookware. Copper bowls and plates are still commonly used as serving dishes.

Azerbaijani cuisine is full of different types of fruits and vegetables, such as aubergine, tomato, sweet pepper, spinach, cabbage, onion, sorrel, beet, radish, cucumber, green beans. Rice and products made from flour are widely used in national cuisine. It is famous for vegetables and greens used seasonally in the dishes. Fresh herbs, including mint, coriander, dill, basil, parsley, tarragon, leek, chive, thyme, marjoram, and watercress are very popular and often accompany main dishes. The majority of national dishes are made with lamb, beef and poultry meat. Dishes prepared of minced meat are also prevalent.

The sea, lakes and rivers of the Republic of Azerbaijan are abundant with different fish species, particularly the white sturgeon. Sturgeons are widely used in preparation of national dishes. Particularly, the Caspian Sea is home to many edible species of fish, including the sturgeon, Caspian salmon, kutum, sardines, grey mullet, and others.

Black caviar from the Caspian Sea is one of Azerbaijan's best known delicacies that is well sought after in other parts of the world, including former Soviet countries.

The typical Azerbaijani meal involves three courses. One of the most highly esteemed dishes of Azerbaijani cuisine is plov prepared with saffron-covered rice, served with various herbs and greens, a combination distinct from those found in Uzbek plov.

Other second courses include a variety of kebabs and shashlik, including lamb, beef, chicken, duck and fish (*baliq*) kebabs. Sturgeon, a common fish, is normally skewered and grilled as a shashlik, served with a tart pomegranate sauce called *narsharab*.

Dried fruits and walnuts are used in many dishes. The traditional condiments are salt, black pepper, sumac, and especially saffron, which is grown on the Absheron Peninsula domestically. The third course includes soups, of which



there are more than 30 types. These include kuftha bozbash, piti prepared of meat and dovga, ovdukh, dogramach, bolva prepared of greens and yoghurt.

Some soups are served in national or interesting and unusually-shaped bowls.

Black tea is the national beverage, and is drunk after food is eaten. It is also offered to guests as a gesture of welcome, often accompanied by fruit preserves.



Country Culture

Azerbaijani culture is a blend of East and West, with influences predominantly from Middle Eastern, Russian and Turkish cultures. Most of the population are Azerbaijani, also known as Azeri, with minority groups including Russians, Turks, Kurds, Lezgians and Talysh.

Although the majority of Azerbaijan's population is classified as Muslim, very few Azeris would describe themselves as religious. Azerbaijan is a secular state and religion is viewed as a very private matter. The country observes freedom of religion and besides Muslims, there are Christian, Orthodox and Jewish minorities. Nevertheless, it's best to be respectful about religion and around religious sites. This includes avoiding taking photos of mosques and churches, unless the photographer has explicitly asked permission.



Azerbaijan is a predominantly Muslim country; more than three-fifths of the population and about one-third is Sunni. Members of the Russian Orthodox or Armenian Orthodox Church constitute a very small percentage of the population.



Hospitality

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429



Azerbaijan is world-famous for the warm hospitality of its people. Being a compact, sunny and maritime city, Baku – the capital of Azerbaijan has a very cozy and welcoming atmosphere and displays all the peculiarities of a Mediterranean city: it is a dynamic, vivid and open-minded city which invites its guests to enjoy an unforgettable and relaxing stay. [1]

There is a saying 'A guest is a flower of the house'. Certainly, the guest is sacred in Azerbaijan and this tradition of respect has been passed down for centuries and is still taken very seriously. Our traditions of hospitality mingle naturally with the high standards of service at the convention venues, the accommodation facilities and in the streets of the old quarters of the city where visitors are assured of a heartwarming smile and a memorable welcome.

Hospitality in Azerbaijan has been an important sector of the Azerbaijani economy since the 1990s. According to Azerbaijan's Center for Economic and Social Development, the country is in 39th place among 148 countries in hospitality competitiveness indicators. The World Hospitality Council reported that Azerbaijan is among the top ten countries with the greatest increase in visitor exports from 2010 to 2016.

The country had the world's fastest-developing travel and Hospitality economy (a 46.1% increase) in 2017. To promote hospitality, Azerbaijan sponsored Atlético Madrid jerseys reading "Azerbaijan – Land of Fire". In 2018, a new hospitality brand and a slogan "take another look" were introduced.[1]



Challenges in Hospitality Industry

In this section, we would outline and demonstrate an empirical model for assessing the strategic risk management in Azerbaijani hospitality industry. Generally, the economy has more than 20 possible ways for forecasting risks (Chatzis et al., 2018). Each of them has its own significant advantages and specific disadvantages, so all methods of risk prediction can somehow complement each other and be used together in practice. [2]

Incapable of applying most quantitative research techniques in practice, we used such a form of estimating risks as the expert assessment process. The expert group that previously participated in the macro-environment study, consisting of hotel owners, hotel business owners, managers of hotel services, served as an advisory group. We carried out our own expert survey in order to assess the change in the influence of environmental factors.

At the first stage of the survey, the participants were asked to identify the major environmental risks. At the second stage of the survey, the respondents were asked to evaluate their impact on the business of the company on a 5-point scale at the moment, after 5 years, after 10 years.

The expert survey was carried out with 155 experts, all of them representatives of the Azerbaijan Tourism Association AZTA, Expert Council of the Association of Travel Agencies of Azerbaijan (ATAA), Azerbaijan Tourism University of Management, as well as owners and managers of hotels from all around Azerbaijan. The survey method was an Internet survey with a predominance of open questions. [1]

The survey was conducted anonymously in January 2020. Table 1 that follows below presents the findings of an expert evaluation of shifts in environmental hazard factors in a strategic perspective, taking into account their effects on Azerbaijan hospitality industry and hotel business activities (in a decreasing order of importance). [2]

II. SUMMARY

To sum up our results stemming from this study, we have to note that we carried out our analysis using a set of methods and methods of scientific knowledge. In particular, we used such widely-applied methods of empirical research as comparisons, observations, groupings, as well as such general logical methods as logical generalization, statistical analysis, and the holistic system approach.

Our research methodology included the study of the legislation of the Republic of Azerbaijan, monographic, scientific and practical, educational and methodological publications, texts of theses and auto-reforms, analytical reviews and methodological recommendations. The theoretical basis of the study was based on the works of Azerbaijani and foreign scientists on the problems of hospitality industry in modern conditions and the process of their forecasting in the organizations of the sphere of services. [2]

Our results might help to identify the important factors and sources of possible threats to the hotel enterprises and the hospitality sector in Azerbaijan. We can conclude that the risk management system should be integrated into the business processes of hotels at all possible levels - from strategic management to the operational activities and processes of its provision.

Moreover, we can note that the expediency of allocating in the organizational structure of hotels represents a division which can be assigned risk management functions. The risk management framework should be incorporated into the hotel business processes at all levels in this respect - from strategic management to organizational operations and procedures to ensure it. All in all, the need for research on the hotel industry and tracking institutional and environmental factors assess the suitability of separating units within a company's organizational structure. Constant updating of the hotel development strategy appears to be important for a qualitative assessment of their effects, taking into account changes in the external environment and the linkage of risks to the hotel business processes.

Therefore, our results might be very useful not only for tourism and hospitality professionals in Azerbaijan but also for the stakeholders in other country aiming at reforming the institutions of tourism economics and improving the tourist markets after the COVID-19 pandemic that made a devastating blow to the industry and would require time and substantial governmental subsidies to come back on track. [1]

III. CONCLUSION

Overall, it becomes clear that the use of the institutional analysis methodology makes it possible to include institutional factors related to the legal system, culture and historical features of the evolution of hospitality organizations and institutions into the analysis of hospitality management of hotel enterprises.

As the conclusion, the hospitality industry provides the good service for their client with their variety service. But still this industry needs to improve their service to achieve the target of their industry. If they improve all this the customers will get happy and will enjoy the service.

The accommodation sector, and the hotel sector in Azerbaijan, encompasses multiple business models and employs hundreds of thousands of people. A smaller, but important growing segment in hospitality is that of camping and RV accommodators. [1] As broader societal trends continue and morph, they will continue to impact the accommodations marketplace and consumer. Owners and operators must stay abreast of these trends, continually altering their business models and services to remain relevant and competitive.

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