

Abstract

This bachelor thesis focuses on identifying the key factors affecting international tourism demand. Additionally, it provides an assessment of the economic impact of tourism, which is followed by an overview of possible interpretations of the terms “tourism” and “tourist” and their evolution in time. Based on a review of existing literature, the next part discusses the meaning of the term “tourism demand”, the ways how this demand can be measured and on its main determinants. The last chapter of the thesis is dedicated to an econometric analysis of the determinants of the demand for tourism to the Czech Republic from thirty-eight different countries. The data on the number of guests registered in collective accommodation establishments collected by the Czech Statistical Office was used as a measure of tourism demand. The period between years 2000 – 2012 was investigated. The model was specified in a dynamic form, which allowed us to account for the Word-of-Mouth (WoM) effect and to reflect the importance of tourists’ loyalty. The Arellano-Bond generalized method of moments (GMM) estimation method was used to estimate the model. One of the main conclusions of the analysis is that 31% of the tourist arrivals are attributable to habit formation and the WoM effect. The results further show that tourism demand is both income and price inelastic which means that it is not heavily dependent on the economic situation in the tourist generating countries.

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