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# MARKETING STRATEGIES IN TOURISM-LED REAL ESTATE SALES AND DEVELOPMENT: CASE OF GEORGIA

*This article examines the impact of tourism marketing strategies on real estate sales and development in Georgia. It argues that destination marketing influences property markets indirectly but systematically by producing destination awareness, place familiarity, repeat visitation, perceived safety, year-round utility, and confidence in the future attractiveness of a location. The study is based on the hypothesis that these marketing-induced effects positively influence tourism-related real estate demand and development, although their strength depends on urban, institutional, and market conditions. These mechanisms can transform a temporary visitor into a repeat tourist, a market observer, a mixed-motive user, and eventually a buyer or partial resident. The hypothesis is examined through a structured review of high-impact tourism, urban economics, housing, and regional-development research, combined with secondary analysis of official Georgian statistics and sectoral market evidence for 2019–2025, with particular attention to Batumi. The analysis applies comparative, trend-based, and case-study approaches to identify the principal mechanisms linking tourism marketing with property-market outcomes. The study introduces two original analytical tools: a tourist-to-buyer conversion ladder and a bidirectional tourism-real estate transmission matrix. The findings indicate that branding, digital*

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# МАРКЕТИНГОВІ СТРАТЕГІЇ У СФЕРІ ДЕВЕЛОПМЕНТУ ТУРИСТИЧНОЇ НЕРУХОМОСТІ: КЕЙС ГРУЗІЇ

*У статті досліджено вплив маркетингових стратегій у сфері туризму на продаж і розвиток нерухомості в Грузії. Обґрунтовано, що маркетинг туристичних дестинацій опосередковано, але систематично впливає на ринки нерухомості через формування обізнаності про дестинацію, місцевість, стимулювання повторних відвідувань, відчуття безпеки, можливості використання об'єктів упродовж усього року та впевненості в майбутній привабливості певної локації. Дослідження ґрунтується на гіпотезі, що ці ефекти, зумовлені під впливом маркетингової діяльності, попиту і розвитку нерухомості, пов'язану з туризмом, хоча сила такого впливу залежить від міських, інституційних і ринкових умов. Завдяки цим механізмам тимчасовий відвідувач може перетворитися на туриста, який повертається, спостерігача за ринком, користувача з кількома цілями перебування, а згодом – покупця або особу, яка частково проживає в цій місцевості. Гіпотезу перевірено за допомогою структурованого огляду провідних наукових досліджень у сферах туризму, міської економіки, житлової нерухомості та регіонального розвитку, а також вторинного аналізу офіційної статистики Грузії й галузевих ринкових даних за 2019–2025 рр. з особливою увагою до Батумі. Для визначення основних механізмів взаємозв'язку між туристичним маркетингом і результатами функціонування ринку нерухомості застосовано порівняльний, трендовий та метод дослідження окремого випадку. У дослідженні запропоновано два оригінальні аналітичні*

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*reputation, de-seasonalization, events, accessibility communication, and segment-specific marketing can increase the perceived use value and income potential of property. However, positive spillovers are conditional on construction quality, urban planning, institutional credibility, housing affordability, and consistency between promoted image and lived experience. The article concludes that tourism strategy, investment policy, housing-market monitoring, and municipal planning should be coordinated through an integrated governance framework for sustainable destination and property-market development nationally.*

*Keywords:* tourism marketing strategy, destination branding, real estate sales, tourism-led development, visitor-to-buyer conversion, short-term rentals, second homes, Batumi; Georgia.

*інструменти: модель послідовного перетворення туриста на покупця та матрицю двосторонньої взаємодії між туризмом і нерухомістю. Результати дослідження свідчать, що брендинг, цифрова репутація, подолання сезонності, проведення заходів, інформування про транспортну доступність і маркетинг, орієнтований на конкретні сегменти, можуть підвищувати сприйману споживчу цінність нерухомості та її потенціал генерування доходу. Водночас позитивні побічні ефекти залежать від якості будівництва, міського планування, інституційної довіри, доступності житла за ціною та відповідності між сформованим рекламним образом і реальним досвідом перебування в певній місцевості. Зроблено висновок, що туристична стратегія, інвестиційна політика, моніторинг ринку житла та муніципальне планування мають бути скоординовані в межах інтегрованої системи управління, спрямованої на сталий розвиток туристичних дестинацій і ринку нерухомості на національному рівні.*

*Ключові слова:* маркетингова стратегія у сфері туризму, брендинг туристичних дестинацій, продаж нерухомості, розвиток під впливом туризму, перетворення відвідувача на покупця, короткострокова оренда, друге житло, Батумі, Грузія.

**JEL Classification:** M31; Z33; R31; R58; L83.

## Introduction

Tourism marketing is normally evaluated through indicators such as destination awareness, arrivals, overnight stays, expenditure, conversion rates, and brand sentiment. Yet successful destination communication also affects markets outside the formal tourism sector. It can alter how non-residents evaluate neighborhoods, coastal zones, resort corridors, and mixed-use developments; it can increase the perceived utility of owning or repeatedly using property in a destination; and it can influence developer expectations concerning future demand. The central proposition of this article is therefore that marketing strategies have a measurable, although mediated, influence on tourism-led real estate sales and development.

The mechanism is not equivalent to direct property advertising. Destination organizations rarely promote apartments, villas, or branded residences. Their influence operates at an earlier and more fundamental stage of decision-making. By communicating accessibility, safety, lifestyle, culture, environmental quality, and year-round experiences, destination marketing creates a cognitive and emotional frame within which later investment decisions become plausible. Meta-analytical tourism research shows that destination image strongly shapes behavioral intentions and loyalty, while urban-economic research demonstrates that tourism intensity and short-term rental activity may become capitalized into residential rents and prices (Afshardoost & Eshaghi, 2020; García-López et al., 2020; Mikulić et al., 2021).

Recent studies reinforce this connection from a broader spatial and investment perspective. Yang et al. (2024) show that second-home tourism can contribute to the emergence of distinct urban tourism enclaves and reshape the socio-spatial structure of destinations, while Rainer and Steiner (2025) demonstrate how tourism demand, short-term accommodation, external investment, and real-estate financialization may become mutually reinforcing within tourism-intensive locations. These findings extend earlier work on destination image, housing prices, and short-term rentals, but they still leave insufficiently explained the intermediate process through which destination marketing itself may influence property consideration and development decisions. This unresolved mechanism is particularly relevant in emerging destinations where tourism promotion, foreign visitation, residential construction, and investment narratives evolve simultaneously.

Georgia offers a particularly revealing case. During the pre-pandemic decade, the country expanded international connectivity, strengthened digital promotion, diversified source markets, and increased the visibility of Tbilisi, Batumi, mountain resorts, wine regions, and heritage destinations. At the same time, residential and mixed-use construction intensified, especially in Tbilisi and Batumi. The COVID-19 shock interrupted tourism income and exposed the vulnerability of visitor-dependent property models, while the subsequent recovery restored demand, expenditure, and investor interest. The co-movement does not prove that tourism is the only cause of property-market change, but it makes the transmission mechanisms analytically important.

Batumi concentrates these dynamics. It combines a strong leisure image, an established summer season, growing shoulder-season activity, sea-view and central-city price premiums, substantial apartment construction, foreign-buyer participation, and the widespread use of residential units as short-term accommodation. It is therefore an appropriate location for examining how public destination communication, private project marketing, platform visibility, and investor expectations interact. At the same time, Batumi illustrates the risks of unbalanced growth: seasonality, congestion, uneven construction quality, pressure on long-term rental supply, and the possibility that speculative narratives may outrun actual use value.

The research problem can be stated precisely: existing tourism studies explain how image, satisfaction, experience, and electronic word of mouth affect visitation and loyalty, whereas housing and urban-economic studies explain how tourism and short-term rentals affect rents, prices, and neighborhood change. Less attention has been given to the connecting process through which destination marketing contributes to property consideration and development decisions, particularly in small emerging economies. The article addresses this gap by joining the two literatures and applying them to the Georgian context.

The purpose of the article is to develop an explanatory framework that identifies the behavioural, market, and spatial mechanisms through which tourism marketing strategies influence tourism-related real estate demand and development in Georgia, with particular attention to Batumi, and to determine the conditions under which these effects support sustainable

destination development. The study proceeds from the hypothesis that tourism marketing has an indirect but systematic positive effect on tourism-related property demand through destination awareness, repeated visitation, place familiarity, perceived safety, year-round utility, and confidence in the future attractiveness of the destination, while the strength of this effect depends on accessibility, urban quality, institutional credibility, construction standards, housing affordability, and wider market conditions. The hypothesis is assessed through a structured synthesis of recent peer-reviewed research and secondary analysis of Georgian tourism and real estate evidence for 2019–2025. The analytical sequence first identifies theoretically established transmission mechanisms, then compares them with observable Georgian indicators and the Batumi case, and finally evaluates whether the available evidence supports, qualifies, or limits the proposed relationships. The study relies on triangulation between peer-reviewed literature, official statistics, and market reports; its principal limitation is that aggregate secondary data cannot establish buyer-level causality or isolate destination marketing from other macroeconomic and property-market determinants.

The study asks four research questions: (RQ1) Through which mechanisms do tourism marketing strategies influence real estate consideration, sales, and development? (RQ2) How does the visitor experience evolve into a tourist-to-buyer conversion process? (RQ3) How do tourism recovery, destination image, and property-market expansion interact in Georgia and Batumi? (RQ4) Which governance arrangements can maximize positive investment spillovers while limiting affordability, spatial, and reputational risks? Consistent with this logic, Section 2 develops the conceptual foundations of the tourism–real estate relationship, Section 3 explains the research design and analytical framework, Section 4 examines Georgia's post-pandemic tourism–property dynamics, Sections 5 and 6 assess marketing transmission, crisis effects, and governance implications, and Sections 7 and 8 synthesize the findings, conclusions, recommendations, limitations, and directions for further research.

## 1. Literature review and conceptual foundations

### *1.1. Destination image, loyalty, and extended forms of place consumption*

Destination image is commonly understood as a combination of cognitive beliefs, affective evaluations, and an overall mental representation of place. Cognitive image concerns attributes such as accessibility, infrastructure, prices, safety, climate, and attractions; affective image concerns feelings such as excitement, comfort, prestige, or attachment. Afshardoost and Eshaghi's (2020) meta-analysis of 87 studies demonstrates that image is a significant predictor of tourist behavioral intentions, with affective and overall image showing particularly strong relationships. Zhang et al. (2014) similarly find that destination image contributes to loyalty through satisfaction and perceived value.

These findings matter for real estate because buying property abroad is not only a financial calculation. It is a high-involvement form of place consumption. The prospective buyer evaluates whether the destination is understandable, emotionally attractive, accessible, safe, and likely to retain its appeal. Marketing therefore reduces the psychological distance between the consumer and the place. A destination that is repeatedly encountered through coherent campaigns, favorable media coverage, user-generated content, and personal visits becomes cognitively easier to evaluate and emotionally easier to trust.

Familiarity is a critical intermediary. First-time visitors rely heavily on generalized destination cues. Repeat visitors acquire more granular knowledge of districts, transport, seasonality, service standards, and everyday costs. This experience lowers information asymmetry and allows the consumer to compare ownership with repeated accommodation expenditure. Past experience also increases resilience of image during crises, because familiar visitors can distinguish temporary shocks from the destination's long-run qualities (Rasoolimanesh et al., 2021).

### *1.2. Tourism intensity, housing prices, and affordability*

Urban and regional research provides evidence that tourism can be capitalized into housing markets. Mikulić et al. (2021), using Croatian municipal data, show that tourism activity affects housing affordability and that the consequences depend on accommodation intensity, seasonality, and local vulnerability. Cró and Martins (2024) report that tourism activity can influence house-price dynamics in tourism-dependent countries. These studies establish that visitor economies affect not only hospitality revenues but also the cost and distribution of residential space.

Short-term rental platforms create a direct conversion mechanism by allowing residential property to generate tourism income. García-López et al. (2020) find that Airbnb expansion in Barcelona contributed to increases in rents and transaction prices, particularly in areas with high platform activity. Koster et al. (2021) use regulatory discontinuities in Los Angeles County and show that restrictions reduced listings and produced measurable housing-price effects. Franco and Santos (2021) identify positive effects of Airbnb intensity on Portuguese residential values and rents. Together, these studies show that expected tourism revenue can be embedded in property prices.

The literature therefore supports a dual interpretation. Tourism can stimulate regeneration, construction, and neighborhood investment, but it can also intensify rent gaps, displacement pressures, and platform concentration. Xu M. and Xu Y. (2021) show that home-sharing may affect neighborhood investment, illustrating that the built environment can improve alongside affordability pressures. For policy, the relevant question is not whether tourism affects housing, but under which regulatory and spatial conditions benefits exceed social costs.

### *1.3. Second homes, mobility, and hybrid consumers*

Second-home research complicates the conventional distinction between tourist and resident. Hannonen et al. (2024) argue that the pandemic renewed interest in second-home mobilities, flexible residence, and the changing relationship between work, leisure, and place. An owner may spend several weeks or months in a destination, work remotely, host relatives, rent the property during absence, and purchase local services repeatedly. This person is neither a conventional tourist nor a permanent resident.

The hybrid consumer combines experiential, financial, and mobility motives. Experiential motives include climate, scenery, gastronomy, culture, social networks, and personal attachment. Financial motives include expected appreciation, rental yield, currency diversification, and portfolio strategy. Mobility motives include visa rules, air connectivity, travel time, and the capacity to use the property flexibly. The relative weight of these motives changes across the consumer journey.

For Georgia, the hybrid-consumer perspective is more useful than a binary tourist-versus-investor model. A foreign buyer may first discover Georgia through leisure travel, later purchase for mixed personal and rental use, and continue generating tourism expenditure after acquisition. Conversely, an investor who has never visited may be attracted by developer marketing but remain dependent on destination-level reputation. Both pathways demonstrate that tourism and property demand share information channels and place-based expectations.

### *1.4. Real estate development as part of the tourism product*

Real estate is not merely a passive recipient of tourism demand. New projects can expand accommodation-like capacity, create leisure and retail clusters, improve public space, and alter the visual identity of a destination. Serviced apartments and branded residences combine residential ownership with hotel-type management. Mixed-use developments integrate lodging, food, entertainment, offices, wellness, and retail. These formats influence length of stay, expenditure distribution, and the spatial concentration of visitors.

Well-designed projects can reinforce a destination brand by adding architecture, pedestrian environments, conference facilities, cultural venues, and reliable services. Poorly integrated projects can produce congestion, shadowing, infrastructure pressure, fragmented public space, or visual inconsistency. The marketing spillover is consequently reciprocal: a strong destination image supports project sales, while completed projects either validate or damage the image.

## 2. Research design and analytical framework

### *2.1. Method, scope, and evidence selection*

The study uses a structured conceptual synthesis combined with descriptive case analysis. The literature review prioritizes peer-reviewed research from high-impact journals in tourism management, urban economics, regional

science, housing, marketing, and tourism geography. Sources were selected where they provide a clearly identifiable mechanism relevant to destination image, loyalty, short-term rentals, housing prices, second homes, platformization, or crisis transmission.

The Georgian evidence covers the period from 2019 to 2025, with occasional reference to early 2026 releases that report full-year 2025 results. Official data are drawn from the National Statistics Office of Georgia, the National Bank of Georgia, the Georgian National Tourism Administration, UN Tourism, and published market reports. The analysis distinguishes visitors, visits, tourist-type visits, receipts, expenditure, business turnover, investment flows, apartment transactions, prices, rents, and yields. These indicators are not interchangeable and are interpreted according to their official definitions.

The design is intentionally non-causal. A national or city-level increase in tourism and property transactions does not prove that marketing caused the increase. Real estate is also influenced by interest rates, migration, exchange rates, construction costs, household income, geopolitical conditions, regulation, and investor sentiment. The study therefore uses process tracing: it identifies theoretically supported channels, checks whether Georgian evidence is consistent with those channels, and specifies mediating conditions.

The tourist-to-buyer conversion ladder conceptualizes the gradual transition from destination awareness and first-time visitation to property consideration, acquisition, and repeated post-purchase use. It reflects the assumption that real estate demand in tourism-oriented destinations may emerge through successive stages of familiarity, experience, perceived utility, and investment evaluation rather than through a single purchase decision. The stages of this process and the dominant decision problem associated with each stage are presented in *Table 1*.

*Table 1*

Tourist-to-buyer conversion stages in tourism-led real estate demand in Georgia, 2019–2025

| Stage | Dominant behavior and decision problem |
|---|---|
| 1. Destination-aware audience | Recognizes Georgia or Batumi through paid, earned, shared, or owned media; has no immediate property intention |
| 2. First-time experiential visitor | Tests the promoted promise through actual travel and forms initial judgments about safety, service, accessibility, and value |
| 3. Attached repeat visitor | Returns, develops place familiarity, compares seasons and neighborhoods, and begins to imagine longer use |
| 4. Property-aware observer | Monitors prices, projects, rents, legal conditions, and management options without a final commitment |
| 5. Yield-sensitive hybrid user | Combines lifestyle utility with expected rental income, capital appreciation, or portfolio diversification |
| 6. Buyer or second-home owner | Acquires property for personal use, rental use, or a mixed strategy |
| 7. Partial resident and destination advocate | Returns repeatedly, hosts others, consumes local services, and may generate positive or negative word of mouth |

*Source:* developed by the author based on (Afshardoost and Eshaghi, 2020; Hannonen et al., 2024; Yang et al., 2024), and the analytical framework of this study.

The ladder explains why destination marketing may influence real estate without explicitly promoting investment. Different stages require different information. Awareness campaigns matter at the beginning; service quality and authenticity matter during visits; transparent market information matters during observation; legal clarity, management standards, and financing matter near purchase. A failure at any stage can stop conversion.

The model is probabilistic rather than deterministic. Most visitors will never buy property, and many buyers may enter through networks or investment promotion rather than tourism. Nevertheless, the ladder identifies measurable transition indicators: repeat-visit rate, property-search behavior, requests for legal information, intention to stay longer, inquiries about management services, purchase conversion, and post-purchase visitation.

The bidirectional tourism–real estate transmission matrix is designed to show how tourism and property-market dynamics interact across the principal domains of demand, pricing, development, reputation, and crisis transmission. The framework emphasizes that the relationship operates in both directions: tourism and destination marketing can influence property demand, value expectations, and development feasibility, while real estate expansion can reshape accommodation capacity, visitor experience, urban quality, and destination resilience. The main transmission channels and the mediating conditions that determine their strength are summarized in *Table 2*.

*Table 2*

Bidirectional tourism–real estate transmission mechanisms in Georgia, 2019–2025

| Domain | Tourism/marketing → real estate | Real estate → tourism | Key mediators |
|---|---|---|---|
| Demand | Awareness, repeat visitation, lifestyle aspiration, and investor confidence increase property consideration | New units create accommodation supply and attract owner-visitors | Income, air access, visa regime, legal simplicity, trust |
| Pricing | Destination attractiveness and expected visitor income create locational and yield premiums | Higher land and housing costs affect hotel feasibility, labor, and visitor prices | Seasonality, platform regulation, interest rates, exchange rate |
| Development | Year-round campaigns and events improve feasibility expectations for mixed-use and serviced projects | Projects add services, public realm, venues, and spatial concentration | Planning quality, infrastructure, construction standards |
| Reputation | Positive experience and eWOM reduce perceived destination and investment risk | Completed projects validate or undermine the promoted image | Delivery quality, reviews, consumer protection |
| Crisis | Travel shocks reduce occupancy, yields, sales, and project finance | Property distress, unfinished construction, or rent inflation damage destination quality | Reserves, diversification, regulation, coordinated response |

*Source:* developed by the author based on (Mikulić et al., 2021; García-López et al., 2020; Hannonen et al., 2024; Rainer and Steiner, 2025), and the analytical framework of this study.

To make the link between the research questions, the evidence used in the analysis, and the corresponding directions for empirical verification explicit, *Table 3* provides a research-question and evidence map. It complements the analytical framework by showing how each research question is connected to the principal evidence discussed in the article and to a suitable approach for subsequent empirical testing (*Table 3*).

*Table 3*

Research questions and evidence map

| Research question | Principal evidence | Suggested empirical test |
|---|---|---|
| RQ1: Marketing mechanisms | Image, eWOM, seasonality, events, segmentation, accessibility | Structural-equation model linking image and experience to property consideration |
| RQ2: Conversion process | Tourist-to-buyer ladder | Visitor and buyer surveys; transition probabilities; longitudinal tracking |
| RQ3: Georgia and Batumi | Official tourism data, market reports, spatial indicators | District-level panel models; difference-in-differences where policy changes permit |
| RQ4: Governance | Affordability, planning, consumer protection, crisis monitoring | Dashboard evaluation and comparative policy analysis |

### *2.2. Suggested empirical model*

A future quantitative study can define property consideration, purchase intention, actual purchase, or owner-visit frequency as dependent variables. Explanatory variables may include cognitive destination image, affective image, repeat visitation, satisfaction, perceived safety, accessibility, year-round utility, expected rental potential, institutional confidence, and digital word of mouth. Controls should include age, income, nationality, prior foreign-property ownership, exchange-rate exposure, financing access, and travel motivation.

A parsimonious specification is: Property consideration = f(destination image, repeat experience, accessibility, perceived safety, year-round utility, expected rental potential, institutional confidence, and individual controls). The effect of marketing should be treated as mediated by experience and moderated by institutional trust. A multi-group model can compare first-time visitors, repeat visitors, property observers, buyers, and owners.

For spatial analysis, district-level apartment prices and rents can be related to tourism intensity, platform listings, distance to attractions, public-space improvements, and major events, with fixed effects and appropriate controls. Where a clear regulatory or infrastructure intervention exists, quasi-experimental designs should be preferred to simple correlations.

## 3. Georgia's post-pandemic tourism-real estate dynamics

### *3.1. Tourism collapse, recovery, and renewed confidence*

In 2019 Georgia recorded more than USD 3.2 billion in international travel receipts, confirming tourism's importance for foreign-exchange earnings and service-sector activity. The pandemic then produced an exceptional discontinuity. Border restrictions and mobility collapse reduced

receipts to roughly USD 0 54 billion in 2020. The shock affected hotels, restaurants, transport, guides, attractions, and informal suppliers, but it also removed the income base of apartments and developments that depended on short-term visitors.

The property effect was transmitted through expectations. Existing owners faced lower occupancy and weaker rent, while prospective buyers revised yield assumptions. Developers confronted uncertainty about foreign demand, construction schedules, and project finance. Even where nominal prices did not immediately fall, the risk premium increased. The episode demonstrated that tourism-linked property is exposed not only to housing-market cycles but also to mobility shocks.

The recovery restored the core conditions for tourism-related property demand. Geostat reported 5.8 million international visitors in 2025, 7% more than in 2024, and 5.5 million tourist-type visits. International visitors made 6.9 million visits and generated approximately GEL 15.0 billion in expenditure, with average expenditure of about GEL 2 187 per visit. Leisure remained the largest purpose, and Tbilisi and Adjara were the most visited territorial units (Geostat, 2026a).

### *3.2. Business activity, investment, and real estate expansion*

Business statistics show synchronized expansion in visitor-facing services and real estate activities after the shock. Turnover in hotels and restaurants increased strongly during the recovery period, while real estate activities also expanded. Co-movement is consistent with a common recovery in consumption, construction, and investment, although it does not isolate a single causal direction.

Foreign direct investment adds another dimension. Real estate has remained a visible recipient of foreign capital in Georgia, while hospitality investment is sometimes embedded in the same projects through hotels, serviced apartments, branded residences, or mixed-use complexes. UN Tourism's investment guidance for Georgia emphasizes the country's tourism assets and investment potential, demonstrating how tourism narratives and capital-attraction narratives are institutionally connected.

### *3.3. Batumi as a concentrated tourism-property system*

Batumi is the clearest Georgian example of tourism-led real estate formation. Its sea-front location, walkable central areas, subtropical identity, architecture, events, and proximity to mountain Ajara create a differentiated destination proposition. These attributes are repeatedly used in public destination promotion and private project marketing. The city consequently functions both as a tourism destination and as a transnational property product.

Market reports show high transaction volumes, substantial new supply, and visible foreign-buyer participation. Galt & Taggart reported 3 670 registered apartment transactions in the second quarter of 2024 with a market value of approximately USD 229.7 million and an indicative rental

yield near 9.4%. In the second quarter of 2025, sales reached 4 018 units; reported primary- and secondary-market prices and standard-apartment rents also increased. The figures should be treated as market-report estimates rather than official causal evidence, but they confirm the scale of tourism-facing property activity.

At the same time, Batumi is affected by variables beyond tourism. Migration after 2022, regional capital movements, exchange-rate conditions, construction costs, interest rates, and geopolitical risk influenced rents and transactions. A rigorous account must therefore describe tourism as a major reinforcing factor, not an exclusive explanation. The strength of the tourism channel varies by district, project type, buyer segment, and season.

### *3.4. Comparative evidence and lessons for Georgia*

International cases provide useful analogies but should not be copied mechanically. Barcelona demonstrates how high platform intensity in dense central districts can raise rents and prices and provoke strong regulation. Lisbon and other Portuguese cities show how tourism demand, foreign investment, and short-term rentals can interact in heritage areas. Croatian coastal municipalities demonstrate the importance of seasonality and housing affordability. Los Angeles County shows that regulation can produce measurable market effects. These cases identify mechanisms, not predetermined outcomes for Georgia.

## 4. The impact of marketing strategies on real estate sales and development

### *4.1. Destination branding as a value-creation mechanism*

Destination branding creates a coherent promise about what a place offers and why it is distinctive. For tourism-led real estate, the promise influences value through three routes. First, it increases awareness and reduces search costs. Second, it attaches symbolic meaning to location, such as coastal lifestyle, cultural authenticity, safety, prestige, or creative energy. Third, it creates expectations about future demand, which can be translated into occupancy and resale assumptions.

A strong brand does not automatically raise every property value. Capitalization is selective. The effect is likely to be strongest in locations and projects that embody the promoted attributes. If Batumi is communicated as a walkable sea-and-city destination, properties near the boulevard and active urban areas benefit more than disconnected projects. If Ajara is positioned as a four-season sea-and-mountain region, developments with real access to year-round experiences gain greater credibility than projects relying only on generic imagery.

Brand consistency is crucial. The visitor compares promoted image with actual experience. Clean public space, mobility, service, architecture, events, and environmental conditions either confirm or contradict the campaign. When experience confirms communication, satisfaction and

positive word of mouth reinforce both destination and property confidence. When the gap is large, marketing can accelerate reputational damage because expectations have been raised.

### *4.2. Digital marketing, electronic word of mouth, and investor search*

Digital communication compresses the distance between tourism discovery and property search. A user can encounter a destination video, compare flights, examine neighborhoods through maps, read reviews, view construction progress, estimate short-term rental prices, and contact a broker within the same information environment. This convergence makes destination and property marketing mutually visible even when they are produced by different organizations.

Electronic word of mouth has special importance because it is interpreted as experience-based evidence. Ratings, photographs, comments, and creator content can validate claims about cleanliness, service, safety, views, walkability, and atmosphere. Lee et al. (2023) show that tourist experiences can modify destination image, emphasizing that image is dynamic rather than fixed. For property buyers, this means that post-visit digital evidence continues to influence evaluation after travel.

An effective strategy separates inspiration from verification. Inspirational content generates interest; official portals provide accurate information on seasons, access, events, and destination services; property actors provide project documents, management contracts, fees, and realistic performance scenarios. When these layers are transparent, digital marketing reduces uncertainty. When they are blurred, consumers may interpret public destination credibility as a guarantee of private return.

### *4.3. De-seasonalization and the perceived profitability of property*

Seasonality is one of the most important channels linking marketing strategy to property feasibility. A unit that can be rented only during a short summer peak carries higher vacancy risk than a unit located in a destination with business, cultural, sports, gastronomic, educational, wellness, and remote-work demand throughout the year. De-seasonalization campaigns therefore affect not only monthly visitor distribution but also expected annual property utilization.

The mechanism operates through risk perception. Stable shoulder-season demand reduces dependence on a few weeks of peak pricing, supports permanent employment, and improves the viability of year-round services. Buyers and lenders can form more credible cash-flow assumptions. Developers can justify amenities and management systems designed for continuous operation rather than seasonal closure.

For Batumi, a four-season strategy should combine indoor and outdoor products. Conferences and business events support weekdays and cooler months; cultural programming and gastronomy support city breaks; sports and wellness create thematic demand; mountain Ajara adds nature, rural tourism, and winter possibilities; educational and remote-work products

increase longer stays. Marketing must be matched by schedules, transport, operating hours, and weather-resilient infrastructure.

### *4.4. MICE, events, and urban investment signalling*

Meetings, incentives, conferences, exhibitions, festivals, and sports events can influence real estate through both direct demand and signalling. Directly, they generate room nights, food expenditure, transport use, and demand for flexible accommodation. Indirectly, they communicate that a city has venues, organizational capacity, connectivity, safety, and an active calendar. These attributes matter to investors evaluating year-round use.

Events expose new audiences to the destination. A business visitor may not have selected Batumi for leisure but can become familiar with the city through a conference. Delegates often belong to income and professional segments with greater capacity for property acquisition or business investment. The event therefore acts as a high-information trial visit.

The policy boundary remains important: destination authorities should promote the city's event capacity and ensure service quality, while individual projects must substantiate claims about event-driven occupancy. Public event branding should not be used as an implicit guarantee of private investment performance.

### *4.5. Segmentation and conversion-oriented marketing*

Generic destination marketing assumes that all visitors respond to the same value proposition. Conversion-oriented strategy recognizes that different segments have different pathways toward longer use and ownership. Segmenting only by country is insufficient; motivation, life stage, travel frequency, digital behavior, and desired use pattern are equally important.

Repeat family visitors may value safety, healthcare, schools, parks, walkability, and larger units. Remote professionals may prioritize internet quality, workspaces, international access, flexible stays, and community. Lifestyle buyers may focus on climate, gastronomy, views, culture, and personal attachment. Yield-sensitive investors prioritize transparent occupancy evidence, management fees, regulation, liquidity, and resale demand. Retirees may emphasize healthcare, accessibility, quiet neighborhoods, and long-term legal certainty.

Each segment requires different content and different proof. Emotional destination storytelling is effective at awareness stage, but later conversion requires practical evidence. A repeat visitor evaluating ownership needs neighborhood information, year-round service availability, legal guidance, and realistic cost estimates. Segment-specific information reduces friction without making speculative promises.

### *4.6. Alignment between destination and developer marketing*

The strongest positive spillover occurs when destination-level communication and project-level delivery are aligned but institutionally distinct. Destination organizations promote the territory; developers explain

the specific product. Alignment means that projects reflect the destination's credible strengths through design, services, location, and management rather than merely copying campaign imagery.

A virtuous cycle is possible. Public marketing reduces place-level uncertainty and attracts visitors. Good projects convert part of that demand into longer stays and ownership. Owners and guests generate expenditure and positive reviews. New services improve the destination. The strengthened destination brand then supports future investment. Each stage depends on actual performance.

A vicious cycle is also possible. Aggressive sales advertising may overstate guaranteed returns, use unrealistic occupancy assumptions, or present incomplete projects as extensions of the official destination brand. If units are poorly managed or infrastructure is inadequate, owners become dissatisfied, online reputation deteriorates, and unfinished or low-occupancy buildings weaken urban quality. The damage then returns to tourism demand.

Governance should therefore require accuracy in developer advertising, disclosure of fees and assumptions, escrow or completion protections where appropriate, transparent management contracts, and building-maintenance standards. These measures do not restrict legitimate marketing; they protect the credibility of the entire tourism-property system.

## 5. Crisis transmission, social risk, and integrated governance

### *5.1. How shocks move between tourism and real estate*

Crisis transmission is the clearest test of interdependence. A pandemic, border closure, airline withdrawal, geopolitical escalation, natural hazard, or severe reputation event can reduce arrivals and occupancy within weeks. Tourism-linked apartments then experience lower income, buyers delay decisions, resale liquidity declines, and developers face weaker pre-sales. If projects depend on continuous sales for construction finance, the shock can affect completion.

The reverse channel is equally important. A property crisis can produce unfinished buildings, reduced maintenance, bankrupt management companies, litigation, and visible urban deterioration. These outcomes weaken destination image and visitor satisfaction. Rapid rent inflation can also raise labor costs and displace workers from central areas, reducing service quality in tourism businesses.

Shocks are amplified by concentration. Dependence on one source market, one season, one airline, one project type, or one rental platform creates common exposure. Diversification of markets and use formats is therefore not only a tourism objective but also a property-risk strategy. Projects capable of serving residents, long-stay visitors, and short-stay tourists are more resilient than units designed around a single optimistic scenario.

### *5.2. Affordability, carrying capacity, and resident welfare*

Tourism-led real estate growth creates benefits only when resident welfare remains part of destination competitiveness. Housing affordability is

not external to tourism. Workers in accommodation, food service, transport, culture, retail, and maintenance need access to suitable housing. If wages do not keep pace with rents, labor shortages, commuting burdens, turnover, and service deterioration follow.

Carrying capacity should therefore include residential and infrastructure indicators. Visitor numbers alone cannot show whether growth is sustainable. District-level monitoring should include rent-to-income ratios, long-term rental availability, seasonal vacancy, platform density, water and wastewater capacity, traffic, public-space pressure, waste, school and healthcare demand, and resident attitudes.

Affordability policy should be proportionate to evidence. Possible tools include registration of short-term rentals, differentiated taxation, primary-residence exemptions, enforcement against illegal conversion, zoning in high-pressure districts, incentives for long-term rental, and requirements for workforce or affordable housing in large developments. The correct instrument depends on local market conditions.

### *5.3. An integrated governance model for Georgia*

Georgia's institutional structure separates tourism promotion, municipal planning, construction regulation, statistics, finance, taxation, and consumer protection. Administrative separation is normal, but analytical separation is costly. A cross-sector governance model should create shared indicators and regular coordination without merging institutional mandates.

Consumer-protection institutions should address misleading yield claims, unclear management fees, delayed completion, and contractual imbalance. Transparent standards would strengthen rather than weaken the investment market by reducing adverse selection. Buyers who understand risks are less likely to become sources of reputational conflict.

A practical coordination mechanism could be an annual Tourism and Real Estate Sustainability Dashboard for Tbilisi, Batumi, and major resorts. The dashboard would combine tourism demand, accommodation supply, platform activity, apartment transactions, rents, construction pipeline, infrastructure pressure, resident sentiment, and consumer complaints. Public reporting would improve both policy accountability and investor decision quality.

## 6. Discussion

The analysis answers the title question by showing that marketing strategies influence tourism-led real estate through a sequence of mediated effects rather than a single direct causal link. Branding increases awareness and symbolic value; experience and electronic word of mouth reduce uncertainty; repeat visitation creates familiarity and attachment; de-seasonalization improves expectations of annual use; events signal urban vitality; segmentation delivers relevant information; and accurate alignment with developer communication facilitates conversion. These mechanisms affect both buyer demand and developer feasibility calculations.

For Batumi, the framework explains why sea-front image, events, digital visibility, and four-season positioning matter to real estate. They shape expectations about use and rental demand. Yet the same framework shows why promotion cannot substitute for urban quality. Infrastructure, construction standards, transparent management, and affordability determine whether marketing spillovers remain positive.

The principal theoretical limitation is that the article uses secondary evidence and process-based reasoning rather than micro-level causal estimation. The mechanisms are supported by international literature and consistent with Georgian trends, but their exact magnitude in Georgia remains unknown. The next research stage should therefore test the ladder using visitor, buyer, and owner surveys and link responses to transaction and neighborhood data.

## 7. Conclusions and recommendations

Tourism marketing strategies influence real estate sales and development in Georgia by shaping the perceived attractiveness, familiarity, accessibility, year-round utility, and future demand of destinations. Their effect is strongest in tourism-oriented locations and property formats where personal use and visitor income are combined. Batumi is the clearest example because the destination brand, residential construction, short-term accommodation, foreign demand, and lifestyle consumption are spatially concentrated.

The relationship is bidirectional. Tourism supplies attention, visitors, expenditure, rental demand, and locational prestige. Real estate supplies accommodation-like capacity, amenities, venues, services, and visible urban form. Each sector can strengthen the other, but each can also transmit crisis and reputational damage. This is why an integrated analytical and governance approach is necessary.

The stated purpose of the article is therefore achieved through the development of an explanatory framework that identifies the main behavioural, market, and spatial mechanisms connecting tourism marketing with tourism-led real estate demand and development in Georgia. With regard to the first research question, the analysis shows that destination branding, digital reputation, repeat visitation, de-seasonalization, events, accessibility communication, and segment-specific marketing influence property consideration by reducing uncertainty and increasing perceived use and income potential. In response to the second question, the tourist-to-buyer ladder demonstrates that the transition from visitor to buyer is gradual and may pass through repeated visitation, place familiarity, property observation, and mixed personal-investment motivation. The third question is answered by the Georgian and Batumi evidence, which indicates that tourism recovery, destination visibility, short-term accommodation demand, and real estate expansion interact positively but are also shaped by migration, interest rates, construction costs, exchange-rate conditions, and geopolitical risk. The fourth question is addressed through the proposed governance approach, which requires coordination between destination marketing, housing-market

monitoring, urban planning, consumer protection, and investment policy.

The hypothesis that tourism marketing strategies exert an indirect but systematic positive influence on tourism-related real estate demand and development is supported in a conditional rather than absolute form. The evidence is consistent with the proposed transmission mechanisms, but the strength of the relationship depends on accessibility, urban quality, construction standards, institutional credibility, housing affordability, financing conditions, and broader market dynamics. Because the study relies on secondary evidence and process-based reasoning rather than buyer-level causal estimation, the findings support the hypothesis conceptually and empirically without claiming that destination marketing alone determines property transactions.

Five recommendations follow. First, Georgia should build district-level tourism-housing data systems, including platform activity, long-term rental supply, construction pipeline, foreign ownership, and seasonal occupancy. Second, destination marketing should emphasize verifiable year-round value and avoid language that can be appropriated as an implicit guarantee of investment return. Third, consumer protection and project transparency should be strengthened for tourism-oriented real estate. Fourth, municipal planning should connect development permissions to infrastructure, public space, affordability, and management capacity. Fifth, market diversification and de-seasonalization should be treated as resilience policies for both tourism and property.

The two analytical tools proposed in the article can guide implementation. The tourist-to-buyer ladder identifies where information, experience, and institutions affect conversion. The transmission matrix tests each policy across demand, price, development, reputation, and crisis domains. Together, they transform a broad claim of interdependence into a set of observable mechanisms.

Future research should test the tourist-to-buyer conversion process using buyer- and visitor-level data and estimate how destination-image dimensions, repeat visitation, seasonality, and institutional confidence affect property consideration and purchase. Longitudinal and spatial analysis could further determine where tourism visibility is capitalized into rents and prices and where affordability effects are strongest.

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