

Lake Kanas

in the Altai Mountains -

A world-class destination?

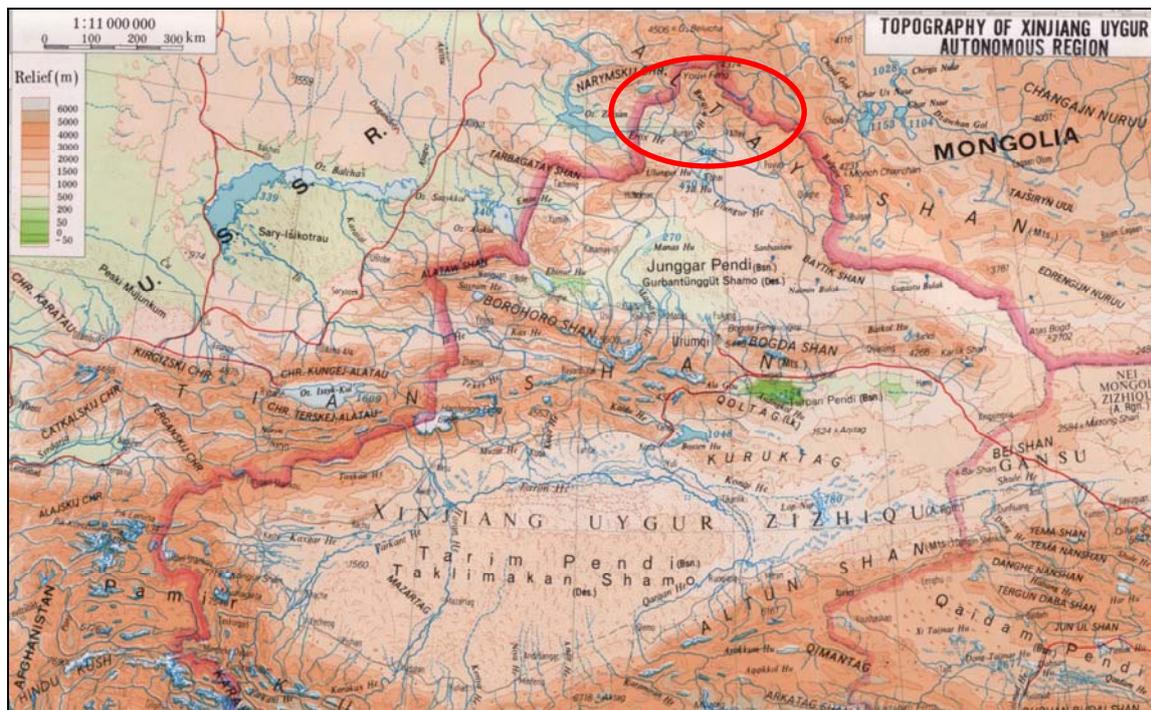
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1. Introduction. Lake Kanas in the Altai Mountains

The Altai, while mostly known as a Russian mountain range, marks the boundaries of China, Mongolia, Kazakhstan and Russia. Its highest peak of about 4500 m is located at the Kazakh-Russian border, but there are mountains of similar size at the Russo-Mongolian and Sino-Mongolian borders. Between China and Kazakhstan the Irtysh River has created a natural gateway, which has been used by the Kazakh herdsmen to extend their settlement area well into present-day China. Nowadays, there is no considerable cross-border traffic from China to any of the three countries in the Altai region. Only between Russia and Mongolia, a major highway has been routed through the mountains, and it has recently been decided to add a branch into China, which is significant for our project, because it would bring major disturbances to the Kanas Lake area. Overall, the Altai is extremely peripheral for all the four countries and therefore lacks in development. It is furthermore one of the most continental areas of the world – thousands of kilometres away from any ocean. In contrast to the surrounding steppe and desert areas, it does however not suffer from water shortage. Due to its height and exposed position there is enough precipitation, and the melting ice cover lets major rivers such as Ob and Irtysh originate from the Altai. The Chinese side of the mountains drains into the Irtysh, the only river flowing from China into the Arctic Sea.

Among the many small but strong rivers flowing south from the Chinese Altai into the Irtysh are the Habar, Kanas and Hemu Rivers. They have created beautiful landscapes with rich vegetation and plenty of water bodies, which owing to the remote location are breathtakingly unspoilt. It is therefore no wonder that this area has started to attract many tourists. The focal point of the tourists' attention is Lake Kanas, a 24 km long and less than 3 km wide glacial lake, comparable in size, geomorphological formation and beauty with Lake Como in Italy or Lake Lucerne in Switzerland. Lake Kanas has become a novel, but increasingly popular destination for the growing number of middle-class domestic tourists, mainly from Beijing, Shanghai and Guangdong. The visitor numbers in the whole Altai region have risen from 124'000 in 1998 to 360'000 (2000), 580'000 (2002) and 857'000 (2004), those at Lake Kanas from 46'000 in 1998 to 120'000 (2000), 200'000 (2002) and 466'000 (2004). Even though the number of international tourists is very limited, there is the expectation that the recent domestic success can eventually be extended to include visitors from other Asian countries and Europe. Especially the European market is seen as interesting, because the region is "only" about 6,000 km away from Central Europe, compared to about 4,000 km from the Chinese big cities in the East. This report, will assess the chances of such a development and make recommendations as to the target groups and marketing strategies.



Location of the Lake Kanas region within Xinjiang and the Altai mountain region.

2. Resources. Potential for a world-class destination

During our fieldwork in the region, it has been mentioned several times that Lake Kanas is a "world-class" destination. This classification implies two things: the high rating of the resources and the possibility to attract international tourists. The idea may have been that resources which are really world-class, such as the Angkor ruins in Cambodia or the Matterhorn in Switzerland will attract international tourists, even though they are inconveniently located. The first step is therefore an assessment of the resources.

The landscapes



Landscape diversity

The Chinese Altai region is outstanding mainly because of its landscape. The cool and continental climate and high altitude favour a taiga-like vegetation with coniferous woods, which are mixed with broad-leaf trees and rich grasslands full of herbs and flowers. In the lower altitudes, the grassland should be addressed as cultural landscape, because forests have been cut to gain grazing areas for the herds of the mainly Kazakh population. Their land-use is nomadic or at least seasonal. This is quite typical for Alpine landscapes, as is the type of vegetation and the small rivers and glacial lakes. In this sense, the landscape around Lake Kanas is unique in China but not on a world-scale. This does not immediately support the claim to become the world-class destination. While domestic tourists will not find a similar landscape elsewhere in the country, Europeans could as well visit the Alps.

The claim of being “the only Swiss landscape in Asia” will be instrumental in attracting Asian tourists, but much less in attracting Europeans. They may want to see the area out of curiosity when they are in the West of China, but the attraction will not be strong enough to bring them over from Europe – probably not even from the East of China. A second unique point is the possibility to see very diverse landscapes in close proximity to each other. Within short distances we can find glaciers, sandy deserts, steppe, forests and rich meadows. This is certainly a special constellation and another selling point, but probably not a sufficiently strong and unique one either.

The real unique point is not the landscape as such, but its extremely pure and unspoilt state due to the remote location close to the border. Because of this near-natural character, the landscape value is actually much higher than that found in Switzerland or other Alpine countries. The only way to attract European tourists would therefore be to limit physical development such as roads and overhead high-voltage wires, and to protect the natural and cultural landscape carefully. This includes a very detailed assessment of the visual, acoustic and ecological impact of all developments. It must be kept in mind that as soon as the area is as developed as Switzerland, there will be no reason anymore for people to travel all the way from Europe.

The cultures



Tuva and Kazakh cultures

The main attractions in the Altai region are definitely the landscapes and natural beauty. There are comparatively less cultural tourism resources, partly because the local cultures are nomadic and less inclined to leave artefacts such as buildings and sculptures for the tourist to appreciate. The nomadic culture is however crucial as an element of the cultural landscape. Foreign visitors will appreciate the colourful yurts and the herds on the grassland. These add considerable value to the landscape and will capture the tourists' attention and interest. This can be seen by their eagerness to take photographs of the yurts, the people and the horses. European visitors will furthermore be interested to get in contact with those people, eat and stay in yurts, ride the horses and watch performances of horsemen. Personal contact to foreign cultures is a major incentive for travelling abroad.

The local cultures are mostly Kazakh, Tuvinian and Mongol. Especially the Kazakhs are very visible and very open for contacts to foreigners. Their language is similar to Turkish, their religion is Muslim and their lifestyle dominated by migration and by riding horses and now motorcycles. Tuvinians and Mongols are nomads as well, but apart from this, all three cultures are very different. Mongols believe in Lamaism (Buddhism), Tuvinians in shamans and nature religion. Their languages are from two different branches of the Altaic language family. Compared to the Kazakhs, the Tuvinians tend to live in more remote areas and seem to be less interested in contacts to foreigners. Their culture however is richer and more unique. Mongols are very few in the region. The Kazakh heartland is to the West of our study area, the Mongol heartland to the East, and the Tuva heartland to the North. All three cultures have festivals, which are attractive for visitors to watch.

The most famous feature of Tuva culture is the music. Tuvinians from the Russian autonomous region of Tannu-Tuva perform regularly in Europe and are well known among people interested in music for their unique ability to sing with two voices at the same time (overtone or throat singing). The way they sing and play their instruments is very special and impressive. This would certainly be a feature that can attract and interest tourists. Unfortunately, it seems that such traditions are not well preserved in the area. In Xinjiang the local cultures mix among themselves and with the national Chinese and provincial Uyghur cultures and differ significantly from the original cultures in the respective homelands.

The climate

The climate is mild in summer and cold in winter. The annual precipitation of around 200mm (mostly in summer) is low, but thanks to a low evaporation rate and the additional supply with melting water from the mountains, aridity is not a problem. The winter could be suitable for winter sport tourism, which is in fact planned already, but so far the actual tourist season is almost exclusively in summer. The mild weather then is very attractive for Chinese tourists, who want to escape from the humid and hot summers at the East coast. This may incidentally not be the same for European tourists, who generally are more fond of sunlight than Asians, but Europeans too will find the summer climate quite suitable for travelling.

The borders

The borders in the area have surely been a major hindrance prohibiting earlier tourism development. Especially the border to the Kazakh Republic of the Soviet Union was quite sensitive and not the kind of place, where tourists were welcome. Now, however, in the context of the Shanghai-Five process, all the borders in the region are peaceful, undisputed and secured. Not only are tourists not a security concern anymore, but since the border area is open for tourists (2004) the local authorities are looking into the potential for the development of border tourism. Even without a checkpoint, the border itself can be an attraction. Any possibility for short-time local-level entry into Kazakhstan would enhance this attraction. This would ideally be a visa-free access for a limited time to the immediate border area. There is not really plenty to see on the Kazakh side, but the idea of having visited another exotic country may appeal to visitors.



The border to Kazakhstan as a tourist attraction: The fence exists since 2001, the viewing platform since 2004.

Activities

There are many possible activities, which are related to the landscape and the people of the region. These could be sport, leisure or cultural activities. Details will be discussed under Point 4 below.

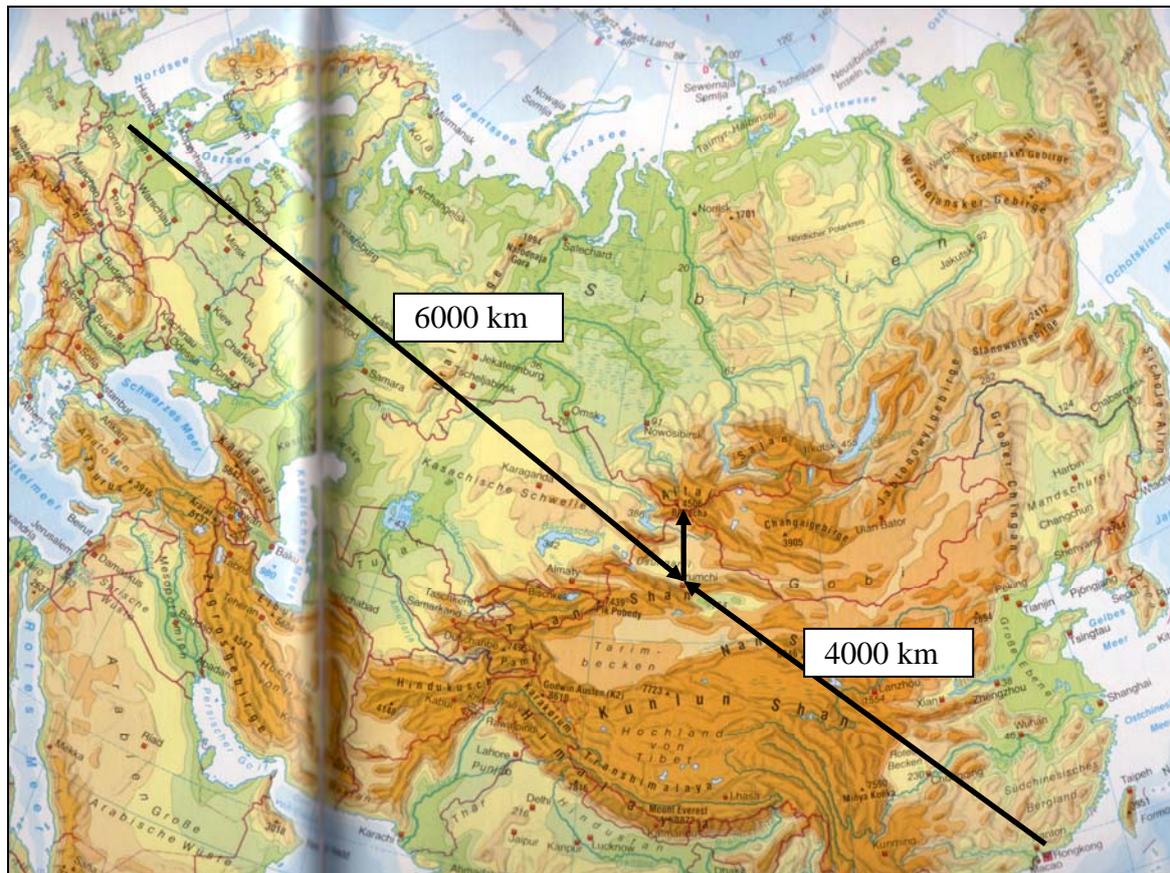
3. Problems. Poor accessibility and low recognition

The resources in the region are considerable, but in fact only a very small number of foreign tourists visits the area so far. In 2004, there were no more than 8,000 foreign visitor days recorded, among them 700 Europeans (most of the foreigners were from Asian countries). According to my interviews with the few foreign tourists found during our fieldwork and with tour operators, who run Xinjiang programmes, there are two very big obstacles. The area is not accessible and not known outside China.

Poor accessibility

The Altai area is in two ways extremely remote.

- As a border area, it is located between Russia, Kazakhstan, Mongolia and China, at the periphery of all four countries.
- Physiogeographically, it is sandwiched between the Gurbantünggüt Desert in the great Junggarian Basin in the South and the high and rather inaccessible mountain summits in the North.



The location of Urumqi and Lake Kanas between South China and Europe.

Spatially, the inaccessibility of the Altai has three dimensions, which all have to be addressed, before significant visitor numbers from abroad can be expected.

Remoteness of Xinjiang. Despite the relative geographical proximity, Xinjiang as a whole is hard to reach from Europe. Most flights even to the capital Urumqi are routed via Beijing, so the actual flight distance is greater than going to China's Eastern regions.

Most of the German tour operators interviewed stressed that it is not practical for them to fly their groups directly to Urumqi. Most of them would either fly to Alma Ata and enter Xinjiang from Kazakhstan or go via Beijing.

This situation seriously limits the potential of expanding tourism coverage of Xinjiang from Europe, especially as destinations in further distance from Urumqi such as the Altai Mountains are concerned. It is however unlikely that the situation will remain as bad as it is presently. *Three trends in Chinese aviation and air transport regulation* suggest a likely substantial improvement in the near future.

1. *Internationalisation of airports.* Whereas in the past, air connections out of China were for political reasons all concentrated in Beijing, the concerning policy is now much relaxed. Shanghai and Guangzhou are already fully-fledged international airports, and secondary airports such as Haikou, Shenzhen and Qingdao follow suit. Urumqi, for its size and strategic location, is still significantly under-internationalised, probably again due to political concerns, but it can be expected that market-forces will eventually prevail and Urumqi become a truly international airport. It is then ideally located for stopovers on the way between Europe and China and East-Asia.
2. *Consolidation of Chinese airlines.* It is the declared policy of the Chinese government to consolidate the fast-growing array of Chinese airlines into three major groups. This policy has been pushed ahead in recent years, and three leading airlines emerge: Air China (Beijing), China Eastern Airlines (Shanghai) and China Southern Airlines (Guangzhou). China Southern may be slightly less prominent than the other two, but it is the largest one and has in Guangdong the biggest home market. Among the acquisitions of China Southern Airlines in the course of the national consolidation policy is the Urumqi-based Xinjiang Airlines. The merger is almost completed, and Urumqi has become one of the three hubs of the new China Southern group of airlines (Guangzhou and Shenyang being the others). Urumqi is therefore already well positioned in the national travel market, especially with regard to tourist from Guangdong and Hong Kong. Further than that, it would not really make sense for China Southern Airlines to select an airport in such a peripheral location as its major hub, if not for a decidedly international perspective. Urumqi may be peripheral within China, but its strategic location on the Europe-East Asia route is fascinating (see the map on the previous page).
3. *Globalisation of Chinese airlines.* China's airlines have grown quickly on the domestic scale, but they are only beginning to turn into global players. In contrast to Japanese, Korean and South East Asian airlines, they are not in international airline alliances yet, but they are preparing for entry. Worldwide, three big airline alliances have emerged: Star Alliance (Lufthansa, United Airlines, Singapore Airlines, Thai Airways,...), One World Alliance (British Airways, American Airways, Cathay Pacific, Quantas,...) and SkyTeam (Air France, KLM, Delta Airlines, Korean Airlines,...). Air China is now preparing to join the Star Alliance and China Southern Airlines the SkyTeam. At the same time the Russian Aeroflot is preparing to join the SkyTeam. Urumqi will then be a major hub in the global network of this alliance, and it can be foreseen that eventually (if endorsed by Beijing) direct links, probably on code-sharing basis, to Paris, Rome, Milan, Amsterdam and many Russian cities will be established. It would strategically make sense to develop Urumqi into a feeder hub for European travellers to secondary Chinese cities. Currently, travellers to Kunming, Chengdu or Shenyang have to fly via Beijing. It could save time to change planes in Urumqi instead. With an aggressive pricing policy, China Southern Airlines could additionally even grab a significant share of traffic from Europe to Hong Kong or other East Asian destinations.

With all these considerations in mind, Xinjiang is not naturally destined to be a peripheral location. It is rather in the heart of Eurasia, and the forces of globalisation may turn it into a key hub on the global air-routes if this is politically permitted.

Good examples are Dubai and Abu Dhabi in the Emirates, which are *en-route* to South-East Asia from Europe (incidentally they are also oil-rich, like Xinjiang, which makes them a good option for airlines to refill their fuel). The Emirates have mainly because of these stopovers developed a very significant tourism industry, although their tourism resources are arguably much poorer than those of Xinjiang.

Remoteness of the Altai Mountains. Even if it would become much easier to get tourists into Urumqi, Lake Kanas is still quite far from there. The considerable distance and the fact that most of the area in between is desert, make it hard to reach the Altai Mountains by land – even from Urumqi. The necessary bus trip will probably deter most European tourists. Alternative entry routes are hard to imagine, except along the Irtysh River from Kazakhstan and through the possible new border crossing from Russia, which will both not reach beyond very limited special interest travel groups, as far as European travellers are concerned. Unless a railway would be built in this region, the only viable link will be shuttle flights from Urumqi. Now already there are connecting flights from Urumqi to Altai City, and a new airport is planned closer to Lake Kanas.

The need to take another plane will naturally limit the share of Xinjiang tourists, who include the Altai Mountains in their itinerary, and it would suggest a focus on visitors with a higher budget. The latter is an important point in the light of the following discussion about how to position the destination on the value scale. From the point of view of transport, it would not make sense to put too much hope on the middle and lower income markets in Europe. The Altai area is accessible for low-income domestic travellers (and potentially border tourists from neighbouring countries) travelling overland or for higher income groups, domestically as well as internationally, who can take the plane. If a railway would be built, these considerations would change of course.

Remoteness of Lake Kanas. This brings up another serious issue. There is no scheduled public transport from Urumqi or the regional airport(s) to Lake Kanas, which is the main focus of tourism development. Currently, tourists either come by car, or they are arranged into tour groups by Urumqi travel agents and bussed to the destination as a group – mostly with mandatory stopovers. This is certainly a highly unattractive arrangement for foreign tourists, who prefer to travel individually according to their own schedule and without the hustle always caused by tour groups. It would be very useful for European tourists to find scheduled busses from both Urumqi and the regional airport(s).

Low recognition

There is little knowledge about this area outside China. Very few of my personal contacts, to whom I have mentioned Lake Kanas, had any clear idea about it. For people, who are not strongly engaged with China and tourism, it cannot be expected that they are aware of its existence, let alone have developed any interest to go there.

This was confirmed by an Internet research in English and German in spring 2005, which brought almost no result. Since then, a few websites came up mentioning about the area (e.g. http://china.notspecial.org/archives/2005/07/kanas_lake_hemu.html), but all of them are private or commercially motivated and not very comprehensive. There is no official website in English. Even major travel guidebooks such as Lonely Planet give little information, and unlike their Chinese equivalents, most travel magazines in Western countries have yet to report about Lake Kanas or the Chinese Altai region. So, it is hard to get more information, and the area remains an unlikely choice for a trip.

Recognition is also a matter of a recognisable name. By which name should this region be known in the outside world? Should it be “Lake Kanas” (and Hemu, Habar Rivers), or “North Xinjiang”, or the “Altai Mountains”, or the “Chinese Alps”,...? Certainly, it will be harder to promote the name of one lake (Kanas) or river (Habar, Hemu) than promoting the name of the province or mountain range. Lake Kanas is not known, and it would appear too small a destination to consider. While the lake may be suitable for promotions within China, it is better to refer to a larger unit for international promotion. The province name is rather unknown as well. Additionally, it is hard to pronounce and remember, and

finally Xinjiang is too vast and diverse. Images of Lake Kanas and the mountains will always be overshadowed by images of desert, Silk Road and Uyghur culture. Since the main attraction of the study area is the nature, the political unit (province) or even a culturally related term such as “Chinese Kazakhstan” are less functional.

The best geographical reference are probably the Altai Mountains. They are better known already, although generally seen as Russian. So, one could consider to specify the destination as the “Chinese Altai”. This may attract some people, who are interested in Russian landscapes (taiga) and cultures (Tuva), but who are deterred by the living conditions and safety situation in Russia. In fact, the best would be to market the Altai Mountains as a cross-border destination together with neighbouring countries, but the accessibility and political reality do not allow for this yet. One further reason to prefer the name “Altai” over “Kanas” is that the Altai can easily be found in every world atlas, whereas Lake Kanas is not even marked in most of the standard atlases of China.

One consideration, and in fact my preferred choice, would be to add the by-line “Altai Mountains – the Chinese Alps”. While this is an invented term, it describes the landscape values of the region quite accurately (although neither the cultural values nor the service standard!), and it creates positive, high-class associations. References to the Alps are certainly more useful for marketing a high-end product, whereas references to Russia would allow for a broader market range. A bad decision however would be to advertise the Altai as the “Chinese Alps” and then disappoint visitors with low service standards and loads of tour groups spoiling the quietness and beauty of the landscape.

4. Markets. Short-term and long-term perspectives

Given the two problems of poor accessibility and low recognition, the mainstream European market is probably for the time being not yet a promising target. Instead, the focus should be on identifying and targeting pioneer markets, which can help to build an “information bridge” to a broader group of European customers, who can then in a second phase be directly addressed. By the time the products will be communicated to the mainstream market, the “pioneers” will have raised the level of recognition, and at the same time, the destination had time to prepare itself for the needs of foreign tourists. This preparation refers to the accessibility, service and technical infrastructure, to the intercultural and language skills of the people and to marketing concepts. On both sides, the basis for communication will be better than it is now.

Who could be suitable pioneer markets? From the observation of current visitor profiles and in consideration of communication and cultural problems, I would suggest to firstly target four distinct groups as **pioneer markets**:

- **Conference visitors:** So far conference participants on organised post-conference trips are probably the biggest group of foreign visitors to Lake Kanas. They are in China anyway for their conference, and they are interested in a special experience afterwards. One advantage from the supply side’s point of view is that they are in groups already, which makes them more compatible with the existing product structures. Another advantage is, that they are mostly mixed groups with Chinese and foreign participants, which facilitates interpretation and orientation.
- **Students in China:** Foreign students, who study in China, are another group with low language barriers. They are mostly familiar with the Chinese language and with the problems facing Westerners in China. Furthermore, most of them are

really interested in different parts of China. They are more adventurous and more adaptable. In the same way as the conference visitors it is relative easy to address them, because they are in the country already, and can be found at the universities.

- **Expatriates:** Foreign employees living in China share some characteristics with the two aforementioned groups. They are slightly harder to identify for marketing efforts, and they may be less interested and adventurous to spend their holidays in China too after struggling already during their work time. However, it is a group worth targeting, especially if the area should be positioned as an upmarket and quiet destination with alpine character.
- **Backpackers:** Young individual tourists with more time and less money at hand are the most adventurous group of tourist with a strong interest in exploring new destinations. They are a natural pioneer market, because they are willing to accept some degree of hardship and inconvenience, as long as they can discover something new and different. They are generally very price-sensitive, but highly interested in the communicative aspect of tourism, including communication to other travellers and contact to locals.

From these pioneers, the news will spread to other potential tourists, while the destination will be able to adjust its service range. In the medium and long term, there will be two possible **mainstream markets** with different characteristics.

- **China visitors:** These tourists are mainly sightseeing travellers, who add the destination to a longer China itinerary. They will normally not be first-time China visitors, but repeat visitors, who have been to the primary destinations already and then want to discover secondary destinations. According to the interviews with German tour operators, the only option they would currently consider is to add the Junggerian Basin and the Altai Mountains to the classical “Silk Road” trip. General China tours will not include the Altai because of its poor accessibility. Cross-border trips (linking mostly with Kazakhstan) are offered on the north and south sides of the Tianshan already, but in the Altai region they are impractical. As outlined above, in future, there may additionally be a market of trip-makers from Urumqi, who are on a stopover on their way back to Europe. Eventually this could become the largest Europe-related market for the region, but this depends on external factors and is at the moment still unpredictable.
- **Holidaymakers:** While sightseeing tourists spend only short time at any particular place, holidaymakers would visit one destination for a longer period. Holidays at Lake Kanas could be family recreation, romantic trips, honeymoons or adventure tours like horse riding, hiking or mountaineering. Holidaymakers are the most attractive group of tourists because of their long duration of stay and their higher spending per capita-day, but they also demand a high quality experience. The destination will have to compete with known destinations such as Switzerland and upcoming ones such as the Carpathian Mountains. Because of its remoteness, it has to be better than those destinations. The Altai Mountains have to offer more tranquillity, an unspoilt landscape and excellent service to be attractive for people, who come from afar. Currently, the interviewed tour operators do not see the Altai Mountains as a holiday destination that can be marketed in Europe. Major obstacles are again the poor accessibility and low recognition. Additionally, problems with infrastructure and service quality have been mentioned. However, if the pioneer tourism develops well and obstacles are gradually removed, the holiday market should not be neglected but rather preferred over sightseeing.

5. Products. What experiences to offer to the tourist?

What are products from the marketing perspective are experiences from the customer's point of view. The (European) tourist travels to other places to experience something different from the usual life. So, we should look at these experiences. While there are efforts involved on the side of the tourism industry to produce these experiences, the tourist will ideally not perceive them as products.

Heart, mind and hand - Travellers look for a holistic experience.

The experience of a holiday has three dimensions, which can be referred to as "heart", "mind" and "hand". Ideally, these three dimensions are closely linked together and the experience is a holistic one.

- **Heart** means enjoyment, appreciation and mental well-being. Such kinds of experiences are relaxation in a healthy environment, landscape appreciation (whereas landscape interpretation is more mind-oriented), appreciation of culture/music, social contacts with locals and other visitors and romance.
- **Mind** stands for learning. People want to get more information about the region, its culture and its people. They may also deepen their understanding of life and of themselves during their travels. Learning experiences can be facilitated in seminars, during guided tours and by guide books and interpretation aids.
- **Hand** refers to physical experiences such as horse riding, cycling, rafting, dancing, making music, paragliding or just walking. Some of them may be physically taxing activities, but some are not. Many kinds of physical experience can give a deep and lasting impression.

The Altai region of Lake Kanas provides many opportunities for all three experience types. Due to its beauty and tranquillity it is especially valuable for "heart" type experiences, but "mind" and "hand" related ones can easily be developed. According to German tour operators, both **wellness and relaxation** as well as **activity tourism** are in high demand in Europe. They have mentioned nature tourism, cycling and hiking as growing markets even for long distance trips. For our study region the following activity products can be feasible:

- walking, hiking, mountaineering
- boat trips on Lake Kanas
- swimming
- rafting and canoeing
- horse and camel riding
- cycling
- skiing
- paragliding (if a suitable place can be found)
- dancing
- music-making

Horse riding is an activity, which is already heavily promoted by the local Kazakh population. For them, the horses are a very central part of their lives, and they easily found out that lending the horses to the tourists can become a lucrative small business. This is a positive development because it involves and benefits the local communities and relates to the local culture. It creates contacts between visitors and locals, which are especially healthy because the locals will not in the first place act as servants but as experts (teachers, guides) to the visitors.



Another concern is the visual impact of rafters on the beautiful river landscape. It should be considered to use boats and life vests in less eye insulting colours than orange. This would not significantly compromise the safety of the visitors, but it would enhance the sightseeing experience of other visitors. A further step would be to consider tours in traditional boats instead of those currently used.

One of the most popular activities for European tourists is walking. The climate and the landscape of the Kanas area are very suitable for this activity, but the number of suitable paths is very limited. There is one very positive example, a long wooden walkway along Kanas River and Lake. Especially because of the wooden material it is not as disruptive as such a massive structure could otherwise be. It would however be desirable to provide a much greater number of simple ways for walks up into the mountains and along the shores of the lake. More important than any built structure are signage and maps to provide orientation. In Switzerland, such walkways are usually only moderately cleared from vegetation and only at certain points steps or similar aids are provided (no built walkways) but small symbols are painted on the trees and rocks along the way to guide the visitors, and maps (using the same symbols) are available everywhere.

One of the points made by some of the foreign tourists interviewed at Lake Kanas was that they would like to walk further up into the mountains but cannot find the way to get there (and return safely).



Positive example: wooden walkway at Lake Kanas (left) Area identified as suitable for paragliding (right)

On our fieldtrip we have tentatively identified an area between the Habar and Kanas Rivers as a possible site for paragliding. Further expert advice should be sought, but one concern we have is the need to collect and drive back the paragliders after their landing. The meadow visible on the picture above is moist and unsuitable for cars to drive on. It would be recommendable to do the collecting business by horse. This would be less disruptive for the grass and at the same time a way of providing tourism related employment to the local communities.

In summary, the local resources and the demand of European tourists would suggest the following **tourism products** to be promoted for the area around Lake Kanas:

- **Culture** (nomadic lifestyle, yurts, food, music, dance, artefacts): participation, appreciation, information
- **Landscape** (variety of beautiful landscapes either in the region or within day-trip distance: mountains, lakes, prairie, rivers, forest, desert): appreciation, interpretation, backdrop for activities
- **Purity** (air, water, tranquillity, undisturbed visual impression): The unspoilt character and purity of the region is the most important resource for recreation, appreciation and health tourism
- **Border** (may in future include trips to the Russian border or cross-border trips to Kazakhstan): sight-seeing
- **Activities** (see above)
- **Social contacts** are a very important by-product. European visitors generally want to get to know others and have contacts on their trips. These include contacts to other travellers as well as contacts to locals. An Internet shop or western style café at Lake Kanas would become a popular meeting place of western tourists. It could at the same time become a point for contacts between western and Chinese visitors (for example from Beijing, Shanghai or Guangdong), who know English and also like to make friends with foreigners.

6. Strategies. Mass-tourism or high-class tourism?

To re-emphasise, the problem of attracting foreign tourists to the Lake Kanas area is not related to the resources, but to low recognition and perceived remoteness. It furthermore depends on the strategies for tourism development.

First of all: Xinjiang is NOT remote in a geographical sense. The perceived remoteness is a consequence of closed borders and aviation policy. In a globalised world and with the expectation of further progress in both the Shanghai-Five process and liberalisation of the air transport industry, there is a real chance that Xinjiang shifts into a central location on the Europe-China route. With this in mind, there would be realistic opportunities to develop places in northern Xinjiang into stopover destinations for Europeans. Secondly, this will not happen overnight, which is good in a way, because promotion and infrastructure development will both still need some time as well. It has been suggested above to manage this process by first specifically targeting pioneer groups. It can also be advisable to invite travel journalists and photographers to help the promotion efforts.

The main point then is how tourism development progresses during this time. My big concern (which is shared by tour operators) is that the area will meanwhile be developed into a mass tourism destination and lose its appeal to the high-value segment. One German tour operator told me that he has taken a group to this area (the only one interviewed, who

has already had a group there), and already now got the feedback that the visitors were disappointed because the area was full of Chinese tour groups and far from tranquil. So, mass tourism and high-end tourism are not necessarily compatible. A decision has to be made, which segment of the market should be targeted. If the high-end segment is to be developed, it will take a few more years, but the revenue could eventually be higher and definitely the environmental impact will be lower.

Judging from my interviews with German tour operators, there is a market for wellness, nature, activity and cultural tourism, which demands a high quality experience and is willing to pay reasonably high prices. According to one operator, their most expensive product (Silk Road) sells best. A high quality experience does not necessarily mean expensive accommodation. People are willing to sacrifice comfort to some extent for an authentic and unspoilt ambience. So, operators prefer to offer a mix of accommodation, which may as well include a stay in a yurt or home stay. Unfortunately, what is offered as home stay in the Altai region has not much to do with a “home”. Normally, little huts are rented out to Chinese operators and subdivided into small segments, which are rented to tourist groups for as little as RMB 20-40 per bed and night. There is little space, no comfort and most importantly no contact to the owner’s family. One German tour operator, who has lived and worked in Xinjiang and organised many tours all over China told me that in his opinion Xinjiang is the worst province in terms of quality awareness in tourism. He sees this as a major obstacle to tourism development at Lake Kanas.

While there is a conflict between high-end and mass tourism, it is certainly unrealistic to keep all the low-end sightseeing tourists out of the region, especially before a significant number of high-end tourists can be expected, but the crucial point then is not to destroy the resources (landscape, culture, tranquillity) before this can eventually happen. I would strongly advise to restrict the mass tourism development geographically. Most low-end accommodation should be allocated outside the nature reserve (e.g. in Jiadengyu), and sightseeing tourism concentrated on the lower end of Lake Kanas. The best way for preventing tourists from spreading much wider than this is to stop any further road building. If it is impossible to go to certain areas by tour bus, it will be easy to preserve the value of some valleys until the market for high-class resorts is mature enough.

This is crucial, because in order to attract European tourists to such resorts the landscape and purity must be superior to similar regions in Europe. These tourists will come if they view the Altai as less spoilt than the Alps, but they will rather go to Switzerland or Austria if this is not the case.



The author with one of the foreign tourists interviewed near Lake Kanas