

## BEST PRACTICE: PRAGUE, CZECH REPUBLIC



### Key Challenge

Deterioration of the destination image.

### Type of Solution

Adoption of a tourism strategy and monitoring framework; Stakeholder participation and management; Promotional campaigns; Digital solutions.

### Case Classification

**Type of Destination** | Urban

**Territorial Level** | NUTS 2

**Size of the Tourist Area** | 496.21 km<sup>2</sup>  
(Metropolitan area 11,425 km<sup>2</sup>)

**Population** | 1,384,732 (Metropolitan  
area 2,267,817) in 2024

**Type of Tourism** | Cultural; City; MICE.

**DMO** | Joint-Stock Company; 100% owned  
by the city.

**Main Stakeholders Affected** | Local  
residents; Tourists; Accommodations;  
Local farmers and producers; Local  
businesses.

**Additional Challenges Covered** |  
Creating local added value from tourism;  
Growth-oriented mindset of destination  
stakeholders; Spatial and temporal  
concentration of visitors; Deterioration  
and congestion of infrastructure including  
commercial gentrification.

### Context & Background

The tourism sector currently accounts for around 8% of GDP and 15% of employment which suggests problems in the realisation of tourism value creation. With almost 7.3 million tourist arrivals (78.6% of which are from abroad) and 16.9 million overnight stays in 2023, overcrowding and its negative consequences have been a problem for years.

### Key Challenge

The image as a party destination with cheap prices and cheap flights leads to overcrowding on the one hand, and to low tourism added value on the other. In order to increase tourism added value, a comprehensive image change is needed towards a higher-quality travel destination with unique, high-quality tourism experiences that also enable higher prices to be charged.

**Implementation of Solutions:** An intensive rebranding process from 2020 to 2023, guided by a comprehensive tourism concept and its implementation plan, was carried out with the aim of protecting the interests of Prague citizens, maintaining the public space and finding solutions to the negative impacts of tourism.

## SOLUTIONS

*Comprehensive tourism concept and rebranding.* The identified target markets are domestic tourists, repeat visitors and tourists with high quality expectations. The measures implemented include:

- [\*Collaboration with local artists and craftsmen\*](#) to displace cheap souvenir shops (e.g. DMO giveaways are only products of the registered artists; DMO setting up a souvenir shop in the Old Town Hall that only sells products of local artists).
- Official registration of *tour guides as ambassadors* of the city, who have priority in bookings and website announcements. The tour guides receive special training on how to present the city and how to deal with guests, which is intended to ensure the quality of the tours and improve the image of the city.
- The [\*Official City Partner programme\*](#), a system of contractual partnerships with selected, verified partners who must meet strict criteria regarding quality, sustainability, high level of service and authenticity. This supports cooperation with tourism stakeholders and drives certification efforts and quality measures.
- Three *long-term sustainability campaigns*: (1) Stay in Prague – focusing on incoming tourism; (2) At home in Prague – focus on domestic tourism; (3) Enjoy, Respect – awareness campaign focusing on sustainable travel and visitors' behaviour.
- *Increase in the previously low city tax* (from one to two euros), with still considerable scope for increase, taking into account the size of Prague's tourism business and the expenditure on city administration (e.g. public areas, public transport, waste disposal, etc.).
- *Rebranding Prague as a sustainable MICE destination*, though the rebranding of the Prague Convention Bureau. The entire rebranding process took three years and also includes a new [\*website platform\*](#) (launched in June 2024) and the development of mobile applications (launching in October 2024).
- *Measuring quality standards* using extensive data management to ensure the success of the measures. Data from credit card payments, visitor passes, social media analyses, etc. are primarily used to control visitor flows and to measure tourist satisfaction rates.

**Replicability potential:** Medium (requires strong political will and high amount of resources)

**Cost & funding source:** About €640,000 per year for the three campaigns through public (municipal) and private (corporate) funding; the average annual investment in data resources is about €100,000. It also requires highly qualified staff financed from corporate budgets; the total budget for the rebranding is several million euros.

## Success Factors & Barriers Regarding the Implementation

*Success Factors:* Changing the mindset of decision-makers and reducing the importance of quantitative aspects for tourism development in favour of a sustainable and high quality tourism offer; Agreement including many negotiations with the town hall on the implementation of the measures; Financial support.

*Barriers:* The strategy and measures had to be discussed also with the other 20 municipalities of the metropolitan region; Difficulties in enforcing regulations due negative attitude; Timing, as the rebranding process started during Covid and investments were difficult to attract (Covid compensation in the tourism sector was low).

## Results and Impacts

- The *visitor structure has changed*: fewer party guests, more domestic tourists (which increases resilience), more MICE guests due to higher quality offers.
- *Higher visitor satisfaction* rates with regard to various tourism services.
- *Higher quality of hotels, restaurants and other tourism products and services* and *better added value* through cooperation with the growing number of official tour guides and approximately 100 artists/craftsmen.
- In the period 2022-2023, there was a significant *increase in tourism spending* of almost 40%, which is well above the 15% inflation rate.
- Through redistribution strategies (e.g. Prague Visitor Pass) the *tourist load* in the city centre was *reduced* by 7%.
- *Tourist programs that allow locals to learn more about the city* are usually sold out.

### Takeaways

- Data is extremely important for argumentation, but it is important to think carefully about which data is useful.
- Finding partners is a challenge and a risk, but with determination and perseverance you will find them in the end.
- To build up the network of artisans, it is advisable to have some well-known artists at the start.

## Useful Links

- [Prague](#) | [Sustainable Tourism Strategy](#) | [At Home in Prague](#) | [Enjoy respect](#) | [Prague City Tourism](#)

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