Kyiv National University of Trade and Economics

Tourism and Recreation Department

FINAL QUALIFYING PAPER

on the topic:

«Digital technology design for self-organized tourism on international market»

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Kyiv, 2020

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Task
for a final qualifying paper

Koverha Kostiantyn

1. Topic of a final qualifying paper: "Digital technology design for self-organized tourism on international market"
(Based on example of Tour Operator Tripway.com (ONLINE BOOKING LTD) in Zaporizhzhia city)

Approved by the Order of KNUTE of November 04, 2019 № 3755.

2. Term of submitting by a student his/her terminated paper: 20.11.2020
3. Initial data of the final qualifying paper

Purpose of the paper is to design of online distribution system of package tours for self-organized tourism on international market

The subject is is theoretical, methodological and practical basis of digital tourism product promotion.

The object is process of designing of online distribution system of package tours for self-organized tourism on international market (on the example of Tripway.com).

5. Consultants of the research and titles of subsections which were consulted:

Section	Consultant (last name and initials)	Date and signature	
		The task given	The task received
Part 1	Mykhailichenko H.I.		
Part 2	Mykhailichenko H.I.		
Part 3	Mykhailichenko H.I.		

6. Contents of a final qualifying paper (list of all the sections and subsections)

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7. Time schedule of the paper

No.	Stages of the final qualifying paper	Terms of the final qualifying Paper	
		de jure	de facto
1.	Choosing and approval of the final qualifying paper topic	01.09.2019-04.11.2019	3.11.2019
2.	Preparation and approval of task for the final qualifying paper	05.11.2019-05.12.2019	4.12.2019
3.	Writing and pre defense of the 1st part of the final qualifying paper	06.12.2019 -22.05.2020	21.05.2020
4.	Writing and preparation of scientific article	до 22.05.2020	21.05.2020
5.	Writing and pre defense of the 2nd part of the final qualifying paper	23.05.2020-15.09.2020	15.09.2020
6.	Writing and pre defense of the 3rd part of the final qualifying paper	16.09.2020-01.11.2020	29.09.2020
7.	Preparation of the final qualifying paper (title, content, introduction, references, appendences), presentation of master diploma paper on the department and pre defense in the committee	02.11.2020-08.11.2020	7.11.2020
8.	Presentation of the final qualifying paper on the department and on the deanery, receiving of referrals for external peer review	09.11.2020-19.11.2020	18.11.2020
9.	Additional processing, printing, preparation of material to final qualifying paper defense	до 20.11.2020	20.11.2020
10.	Defensing of the final qualifying paper in the Examination Board	According to the schedule	

Date of receiving the task: 18/11/2019

8. Scientific adviser of the research _____ Mykhailichenko H.I.

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10. The task received by the student _____ Koverha K.Y.

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12. Resume about a final qualifying paper

A final qualifying paper by authorship **Koverha Kostiantyn** can be admitted to defense in the Examination Board.

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_____, _____, 2020

CONTENT

INTRODUCTION

Actuality of research. With development of informatization and globalization of the processes the quantity of devices which will be connected to the Internet will rise nearly three times to the global population in the next 10 years**.** Based on that many spheres started to be more digitalized on their business approaches. Developing of innovative solutions in online sales, tourism as one of the pioneers in this field has many opportunities to adapt these tools. The website, digital promotion instruments, the creation of the latest distribution systems – all of that allow the travel company to remain competitive in its niche and attract more and more of new customers. In the field of self-organized tourism, the share of tourists is growing more and more with every year. In the upcoming years, this target audience will grow both in quantity and expenditure they occur during travelling. Accordingly, it is necessary to create updated opportunities in the market that will take into account the nuances of the audience and present the products of companies. Since that digital technology design for self-organized tourism on international market remains relevant today.

Purpose of the paper is to design of online distribution system of package tours for self-organized tourism on international market.

The objectives of the research are:

to describe digital technologies in tourism as an object of scientific research;

to determine methods and strategies of promotion for the development of digital products in tourism;

to make marketing research of international market in segment of self-organized tourism;

to study stakeholders of distribution systems;

to develop and evaluate of the effectiveness of designing distribution system of package tours of self-organized tourism on international market based on Tripway.com.

The object is process of designing of online distribution system of package tours for self-organized tourism on international market (on the example of Tripway.com).

The subject is theoretical, methodological and practical basis of digital tourism product promotion.

Methods of research. To meeting previously mentioned objectives we have used the number of qualitative and quantitative methods. The process of the scientific research implemented for the writing of qualifying paper comprised the review of the existed literature on this topic, analysis of current state of Tripway.com and its main indicators, studying of the competitors experiences in this sphere, etc. In the process of qualifying paper writing, the next research methods were used: analysis, systematization, and classification. What is more, the first theoretical part of the paper required the use of deduction and observation. In the second part, analytical methods were actively used. The third part of the paper was created with the usage of case studies and SWOT-analysis.

Scientific innovation. In this scientific work the design of distribution system was developed and was proposed the complex of improvement measures for tourism industry.

Practical value. Implementation of proposed measures will lead to the significant improvement of business. Moreover, the realization of developed tourism product will help to diversify the tourism offer at the market and will support the economy.

Publications. As the result of investigation of the final qualifying work was published the article «Digital technology design for self-organized tourism on international market» (appendix A).

Paper structure. Final qualifying paper consists of 3 chapters, introduction and conclusions, references (31 titles), 2 appendices and also 4 tables and 18 figures.

CHAPTER 1.
CONCEPTUAL PRINCIPLES OF DIGITAL TECHNOLOGIES DESING FOR SELF-ORGANIZED TOURISM ON INTERNATIONAL MARKET

1.1. Digital technologies in tourism as an object of scientific research

The Internet has become a vital tool in building any business in today's World. The World Wide Web also contributes to tourism to achieve the goals of large or small tourism enterprises as well as building Internet empires not only for national but for international market level too. This tool undoubtedly provides new opportunities and prospects for business and creates new value for consumers.

Thus, in the new era of information, a new virtual sector of the economy is formed that did not exist previously. The Internet is becoming a mediator in various communications and a platform for intensive interaction between consumers, businesses, and vendors. Global informatization, characterized by recent decades, has contributed to the expansion of market segments of travel services, and increasing the impact of the tourism business on macroeconomic indicators of national economies. Informatization exists as a component of the globalization process, and the problem of development and the consequences of the introduction of information technology are directly related to techno globalism and theories of innovative development of the world economy. Recently the tendency to paying more and more attention by the Governments and national bodies to the digital influence on business and economics is only increasing. Countries started to build new strategies taking into consideration virtual opportunities for the business.

Nowadays Europe occupies one of the leadership positions on Internet penetration rate into internal and external markets at all spheres. Due to the European Commission, Europe has created a single digital market that ensures economic movement of goods, personas, services, and finances where businesses can easily access and conduct online activities under fair competition. [1] The approach allows to unlock the full potential of the single market and not to be focused not only on one

country but on the whole EU and more on searching for new target audiences. In tourism perspective there are four focus sets of initiatives aimed to support the tourism activities which is interconnected between (figure 1.1.).

The main idea is in improving the business environment by upgrading the existent investment opportunities and finding new ways of money flows to the business will allow boosting digitalization for the qualitative development of the market. On this site using marketing and distribution tools, industry has a vital opportunity to ensure meeting high expectations of the clients and giving new plank in the level of tourism services. In order to improve career prospects, businesses need to enhance the skills and competencies of workers. Combining all the mentioned leads to raising the profile of Europe as a tourism destination for attracting more tourism flows to the destinations. Working only in synergy helps business to ensure prosper growth at business using the Internet for business. [2]
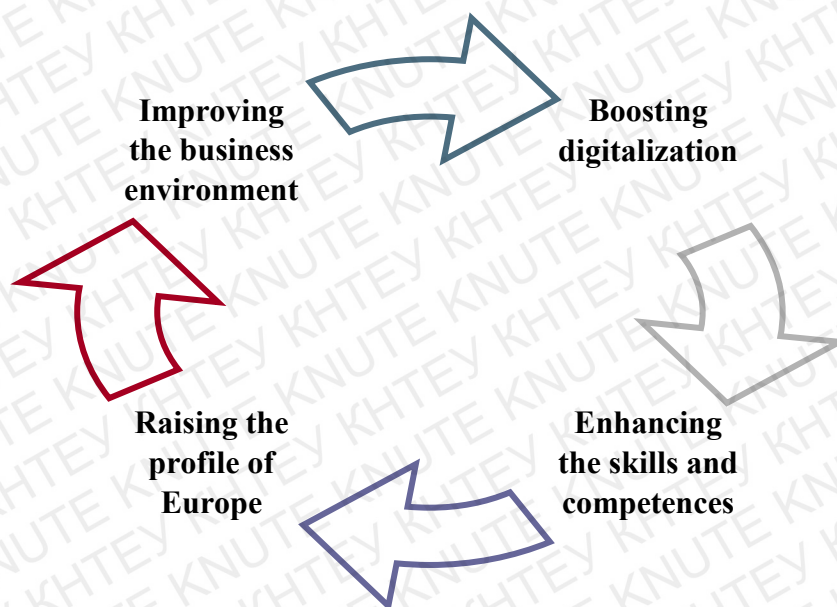
Fig.1.1. European Commission targets for The Single Digital Market Strategy for Europe development
Source: own elaboration on the base of [2]

Increasing the number of audiences with an online presence continues to increase the demand for online travel services. Tourism as a service business will increasingly depend on technology. Therefore, the correlation between households

that generally have access to the Internet and can purchase travel services online and incomes is vital. As a result, large online sales and online market penetration vary by country in this case, each business needs to know more about the preferences of each user in the target audience. Markets where online sales are lower compared to others, there is a lower level of internet penetration (table 1.1) The statistics shows that in these markets that a smaller share of enterprises that use e-commerce not only in tourism but in all areas of business. [3]

Table 1.1.

Online sales, demand & supply indicators by all spheres						
Country	Online turnover		Households online		Enterprises selling online	
	%	diff EU avg	%	diff EU avg	%	diff EU avg
EU 27	15		76		12	
Czech Republic	24	60%	65	-14%	15	25%
Luxembourg	23	53%	93	22%	9	-25%
Ireland	21	40%	81	7%	21	75%
Sweden	20	33%	92	1%	21	75%
Hungary	19	27%	69	-9%	6	-50%
…						
Denmark	17	13%	21	21%	19	58%
Germany	17	13%	12	12%	18	50%
Belgium	14	-7%	3	3%	20	67%
Spain	14	-7%	-11	-11%	10	-17%
France	14	-7%	5	5%	12	0%
…						
Italy	6	-60%	63	-17%	4	-67%
Cyprus	5	-67%	62	-18%	7	-42%
Greece	4	-73%	54	-29%	6	-50%
Romania	4	-73%	54	-29%	3	-75%
Bulgaria	3	-80%	51	-33%	3	-75%

Source: own elaboration on the base of [3]

In Italy, Greece and Bulgaria businesses are having likely less percentage of online selling than the average for the EU. The disbalance between online turnover and selling is creating a new opportunity for online sales increasing by more widespread industry adoption of internet sales and marketing platforms. This trend is happening due to cultural, behavioral, and economic characteristics of nations. However, talking about only travel niche, with the advent of travel aggregators such as Booking.com, AirBnB, Tripadvisor, more and more travel businesses are starting to open their own online resources and websites to increase their marketing niche.

Technologies also do not stand still, so every year there is a rapid development of tools that can be used to implement marketing and promotional activities for the sale of tourism products. Given the digital direction and trends, the tourism business will be able to keep up with the times and expand into new markets and win new customers.

Mobile integration. Now you can organize a vacation in one click. Find a service, compare it with competitors, make a reservation, even pay, or leave a review - all this can be done through the site or application. Digital check in when arriving to a hotel with a help of a terminal or even on a smartphone thanks to downloaded application, digital check out later. The same technologies within a hotel can ensure food booking, door locking and operation of a housekeeping department. There are already existing examples of successfully functioning fully digitalized hotels. In addition, mobile applications can be used for marketing and PR by sending promotional messages to potential customers. [4]

Artificial Intelligence. The level of development of robots and the latest technologies helps to integrate them into the tourism industry to replace the daily traditional functions of humans and integrate data technologies into everyday use. Reception, food service, room equipment - all these are areas that can improve the stay of customers and reduce costs. With the use of intelligence, businesses can improve their data orientation and be more flexible and predictable in terms of customer requests. An example of human-machine collaboration is Connie robot, which was introduced at the Hilton. [5] This robot provided answers to the most

common questions and solved the problems of visitors, which significantly reduced staff costs and increased the flow of tourists to the hotel through innovation.

Personalization of services and custom approach. Personalization refers to the new Internet reality in which all businesses are located. The hotel and restaurant business and tourism are starting to gather information about their visitors in order to provide them with personalized solutions when choosing products. This includes the collection of online data - likes, dislikes, references, websites that used by a target audience. All these tools will help business to offer a special solution for the buyer which will be a perfect fit. For example, if the customer has previously viewed double rooms with an extra bed for a child, it is best to use a retargeting strategy, where the buyer can see the offer again, which will increase the variability of the fact that he will book it.

Despite this, communication used in emails, social media, texts, offline touchpoints in a hotel, room, when ordering food, etc. is still showing the most effectiveness in loyalty formation.
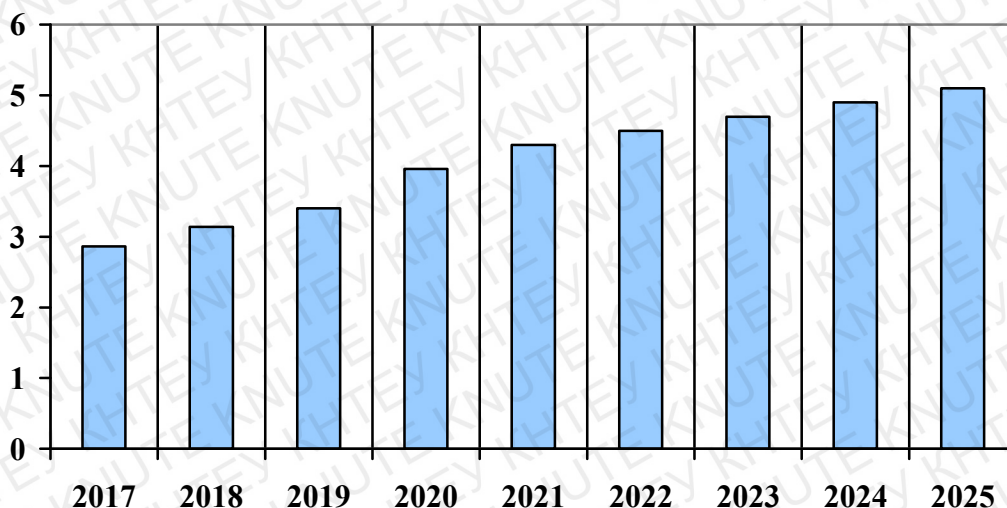
Figure 1.2. Social Media Users worldwide, billions
Source: own elaboration on the base of [16]

Strong presence of Digital Marketing. Every day more and more people appear on social networks who are a potential target audience for business. According

to Hootesuite, there are currently 3.96 billion active social media users worldwide. The growth of new users is expected to be at least +2 million annually (figure 1.2.). Content marketing will continue to gain popularity, in particular video content will continue to be on top. However, there are effective ways which will be described further as paid advertising, search marketing, banner advertising, SEO optimization, buying advertising from bloggers, etc. More and more businesses will be absorbed into the digital sphere, as it is effective and efficient in attracting new customers.

1.2. Methods and strategies of promotion of digital products

Digital advertising through the Internet developing with faster pace annually. Tourism usually a leading sphere which is a first adopter of new marketing opportunities. Adapting to new realities, more and more travel companies are doing their best to make their product available in one click.

The concept of promoting tourist services should be based on the analysis of the activity of the enterprise that was carried or planned. It includes the following stages:

- analysis of the internal and external environment enterprises.
- defining the goals of the business.
- justification of sales strategy.
- the choice of tools for marketing activities to achieve planned results.

Final stage of choosing marketing tools includes integration of 4 P's of Marketing Mix (Product, Place, Price, Promotion). Drawing attention to the last element called "Promotion", it should be mentioned that it includes the complex of marketing tools which can be used by the business to promote goods or services. [10] Elements of Promotion creating Mix divided by 5 directions: Direct Marketing, Public Relations, Sales Promotion, Personal Selling, Advertising which is interconnected with each other (figure 1.3.).

Public Relations using mass media with the goal for informing about news at the company or changing the opinion of audiences. For the tools of public relations can be mentioned media and radio integrations, press conferences, presentations,

thematical events, storytelling, sponsorships, or charity. This way of communication not involved into direct advertisement of tourism services. It is rather telling the story of the business and showing off the achievements in social sphere, sharing impact the company making for the industry and formatting loyalty of the audience.
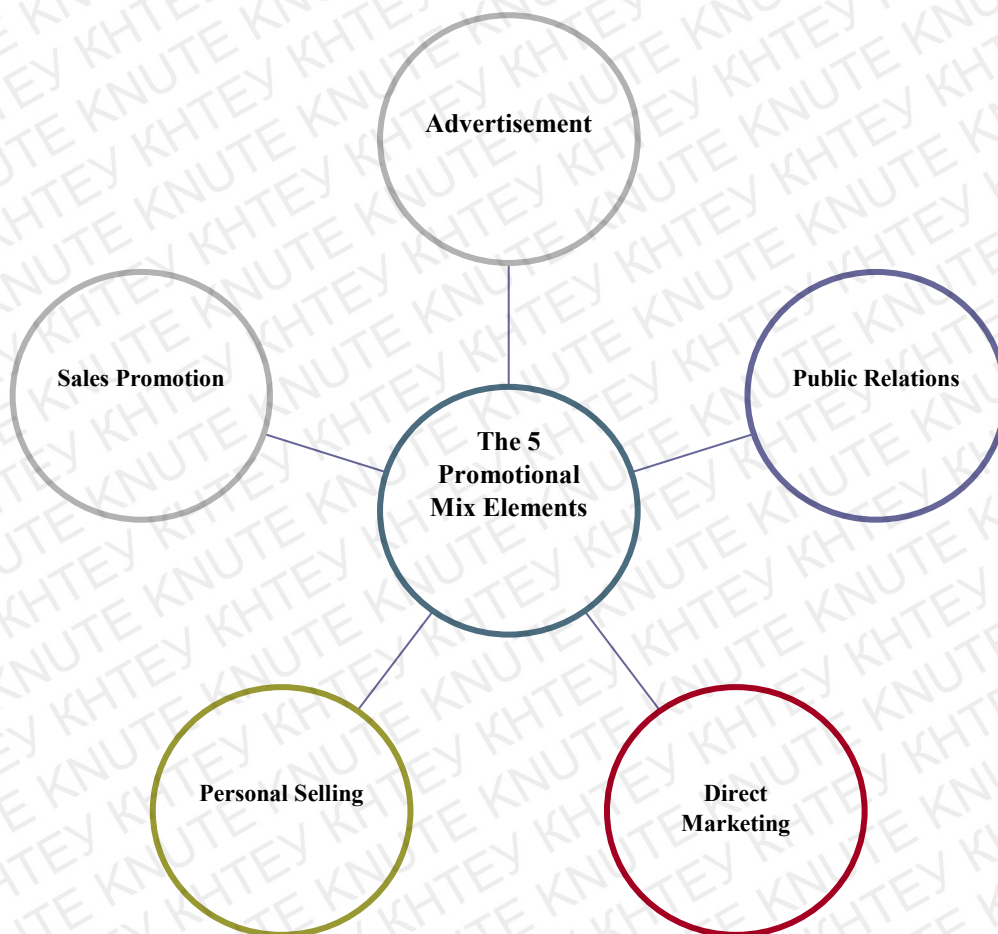

Figure 1.3. The 5 Promotional Mix Elements
Source: own elaboration on the base of [10]

Direct Marketing means reaching potential customers directly using different forms of media including printed materials. This way of marketing usually using tour operators which selling their tours by them own. Development of POS and printed materials are very expensive for companies, so usually only large tour operators with a strong financial base can issue them [11]. Speaking about digital promotion it is

effective to use E-mail or SMS marketing for direct communication with clients for increasing sales.

Personal Selling usually covering offline interaction with the client. Despite that a lot of companies using new ways of communication via Skype, Zoom or phone calls to have a better connection with clients.

Sales Promotion means the use of various tools of sales which have stimulant effects designed to accelerate or enhance the response of the market. They attract attention and contain information that may lead the consumer to the product, assume concessions, benefits, assistance, which are a value for the consumer, contain a clear an offer to make a transaction or purchase immediately.

Advertisement is a paid tool for communication through media about the product with customers. Speaking of the possibilities of promoting digital travel products, it is necessary to mention the tools of digital advertisement that can help in promotion. Digital activities which should be implemented into the advertisement strategy of the tourism company for increasing:

Appropriate website of the company. Due to strong online presence, Internet page of the tourism company usually became the first touchpoint by the customer with a company and services which will be provided. [7] Website works as a digital hub for audiences delivering brand's expertise and providing first experience. Several researches says that it is important for customer to see consistent and pleasant to understanding information organized by the several rules [8]:

- Services must be clearly listed down with all needed information for helping directly or indirectly in decisions making process.
- High-resolution images will be keeping users engaged and show what is your services or facilities looks like.
- People tend to accept the information in chunks with reading from left to the right side, from the top to the bottom of the page skipping the text in the middle of the paragraph in a F-shaped pattern. [9] Using this insight companies tend to divide the content into pieces for better understanding of the information. [Appendix B]

- Following technical requirements for the design of the site is playing a vital role for the success of the marketing activities. Taking into consideration the technical aspects (download time, speed, user-friendly content) allows companies to search for tours online; establish feedback with travel agents and clients; view offers; using digital hub as an information guide.

- The website must be built with easy access for the client to buy the service without any assistance.

Social Media accounts. As was mentioned before, the global population presence on social media will be reaching 5.1 billion people till 2025 (table 1.2.). This marketing tool will help companies learn more about their customers than never imagined. The most popular social media for tourism sphere is Facebook, Instagram, Youtube etc. The use of a social network allows business to immediately determine the target audience and gives a quick feedback on the information presented. Also, the advantages are the ability to view activity statistics of the recipients of the mailing list and actively communicate with potential customers through comments, content, and survey. Moreover, advertisement at bloggers is a good option for reaching new audiences.

Email Marketing. This tool has become a powerful fundamental opportunity for attracting customers. Newsletters can inform travel agents and customers daily about news and current offers of the company with minimal costs for the tour operator. [Appendix B]

Banner and contextual ads. This kind of advertisement are similar to outdoor advertisement. The main role of that is getting to know customers about the brand and increase brand awareness. High quality of website visitors, new attention to the website, control of the budget and instant predictability with minimal risk are the main advantages of this way of advertising. Booking and AirBnB successfully launching this strategy for product promotion with retargeting placements for reviewed placements on the website.

Tourism businesses usually using different strategies with digital advertisement for client's engagement. Speaking about brand awareness, attracting potential tourist

to the website is one of the popular methods. The main goal here is not about to promote a product or firm but to draw maximum of attention to the pages with different information. On Ukrainian market websites such as www.tourua.com, www.otpusk.com, www.all-tours.com.ua, www.turysm.com.ua using banner and contextual ads for sales and increasing website traffic.

SEO and Organic/Paid search. Search Engine Optimization is the technical process based on analytics and research of the content on the platforms. Using search engines clients founds list of results which suits their reach outs and can see organic and paid results. Organic search helping to rank a travel website leading people to the site traffic. Paid search advertisement will be on top of the results on search engine and easier to click since the system charges you when the click on the link has made by potential client. According to SimilarWeb, more that 35% of total traffic of AirBnB's website in Australia are dedicated to the search methods of advertisement [12]. Also paid search takes more than 15% of overall search website traffic (figure 1.4.).
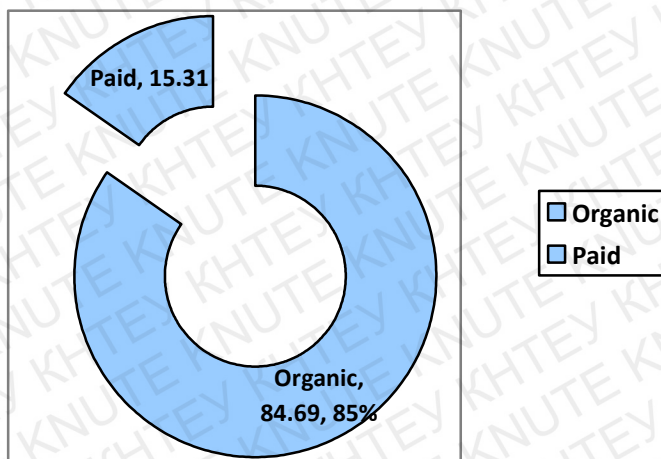

Figure 1.4. Search website traffic for airbnb.au
Source: own elaboration on the base of [12]

Focusing on the main keywords and messages will help to develop search strategy in business into new level.

Only using in synergy all the mentioned above instruments of online communications will be effective in terms of business goals.

Conclusions to Chapter 1

1. The Internet is becoming a mediator in various communications and a platform for intensive interaction between consumers, businesses, and vendors.

2. Mobile expansion, personalization, AI and digital marketing will shape nearest future of the tourism sphere.

3. Elements of Promotion creating Mix divided by 5 directions: Direct Marketing, Public Relations, Sales Promotion, Personal Selling, Advertising which is interconnected with each other. Using all of the mentioned in synergy will help in creating strong digital and media persistence of the company at the Internet which will help in tourism products promotion.

4. Web-site of the tourism company must be presented on a high level since that is the first touchpoint consumers with a company.

5. Social media, banner and contextual ads, email marketing and SEO – is the best solution for effective starting of digital persistent of the company on the Internet.

CHAPTER 2.

AN ANALYTICAL REVIEW OF DISTRIBUTION SYSTEMS OF PACKAGE TOURS FOR SELF-ORGANIZED TOURISM ON INTERNATIONAL AND NATIONAL MARKETS

2.1. Analysis of international market in segment of self-organized tourism

With the development of the Internet and unlimited access to various resources for booking and creating conditions for travel, self-organized tourism has developed over the past few years. Tourists can book, pay and determinate the tours services by themselves. So usually travel organizations and agency are not included into delivery services to person. This target audience is an important and growing sector of world tourism.

If we talk about the factors of growing demand for self-organized tourism, it is worth noting the increasing of income of households.[13] In this case, avoiding the commission of intermediaries, different target audiences are able to redistribute budget funds so as to obtain additional benefits that can be invested in travel.[14]

Also, it is important to note the decrease in the average age of travelers. Young people who are active users of mobile technologies usually interested in gamification of the process and designing a trip on their own. The younger generation has less fear of the new things, having more familiarity with online tools and a have a thirst for discovering.

Based on the statistics 25% of the EU travelers in 2018 were young people 15 – 34 years old (figure 2.1.). Moreover, Millennials in age 22-32 years are the largest generation of the world's population which is making up 31.5% of existing people according to Bloomberg. [15] Technology plays a major role in their everyday life so because of this they are likely to take a lead and book their travel arrangements by their own rather use travel agents or operators. Tourism business as an early adopter of Internet technologies rapidly developed according to this trend and offer

opportunities from air tickets booking to rental cars in one click. Because of this kind of market changes the main quantity of solo travelers located at 20-30 years age group.
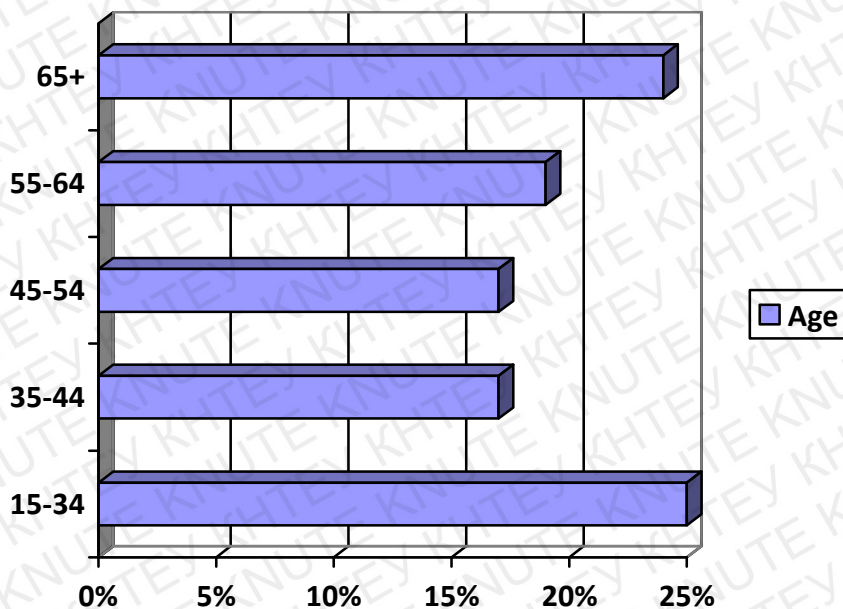

Figure 2.1. Share of different age groups in the total number of tourism nights
of EU residents in 2018
Source: own elaboration on the base of [13]

Due to the fast economics growth in China the tourism demonstrates a high level of development. According to WEF report of Euromonitor International Megatrends Shaping the Future of Travel forecasts about to growth in tourism since family incomes comes higher and people can afford travelling [13]. Thus 60% of Chinese travelers still want to travel with agency or guide, mostly because of low knowledge of foreign languages or culture shock on long-distance flights.

But more and younger visitors, especially millennials want to travel as FIT (Fully Independent Traveling). FIT-tourism is individual tourism, tour packages and tour company templates. FIT tourism aimed at satisfying the individual preferences of the client and expanding the capabilities of the traveler. This gives them the opportunity to create their own individual routes not associated with hard schedules.

This kind of tourism is more independent and aimed to personal experiencing of destinations. [18]

It all starts with Internet pages at home. Using the Internet as the initial phase of finding the necessary information for this type of tourist helps to understand customer needs. On this stage they can start to make arrangements by them own. Research is required that investigates and describes the fundamental nature of independent nature of vacation in terms of panning, decision making and clients behavior [18]. Personal trusted resources as friends and family helps them to make a decision too. Once accommodations and plans have been set, travel can commence. In FIT, the traveler moves absent of any tour group. This means for the use or arrangement of their own transportation, self-paced travel and stops, and complete independence in the enjoyment of destinations. Cars, trains, and planes fuel the FIT traveler movement. Arrived to the location, FIT travelers prefer to stay alone and not to find a new fellow travelers along their travel.

The growth of FIT travel demonstrated by evidence of increasing in the volume of rental on the Internet by the amount $ 2.1 billion, and increased of 88.6 percent in 2016. According to TripAdvisor China, almost half of Chinese FITs are planning increase the number of trips abroad and 52% and these trips will continue longer. Currently, 40% of travelers live abroad for 4-6 nights.

There is no doubt that the Chinese outbound travel market is growing in absolute numbers and became a leaders in tourism industry with and shifting towards new and exotic and less crowded routes. In 2017, the overall number of border-crossings out of Mainland China reached a new peak of 145 million, registering a growth of around 6%, which should remain stable in 2018 according to COTRI's forecast, resulting in 154 million border crossings in the current year. By 2030, 390 million outbound trips will originate in Mainland China, with most of them going beyond Greater China. Half of the additional outbound travelers in next decade will be Chinese.

Chinese outbound travels took off only 20 years ago. The unprecedented growth in departure numbers out of the Mainland China astonishes the world, but

there were also many trials and errors along the earlier phases of market development. The most significant issue among many was the low-cost and low quality "zero-dollar group" packages in which tourists are coerced to do excessive shopping. Although package group travels are still popular particularly for lower tier cities' residents, visiting closer destinations or among students and senior traveller communities (figure 2.2.).
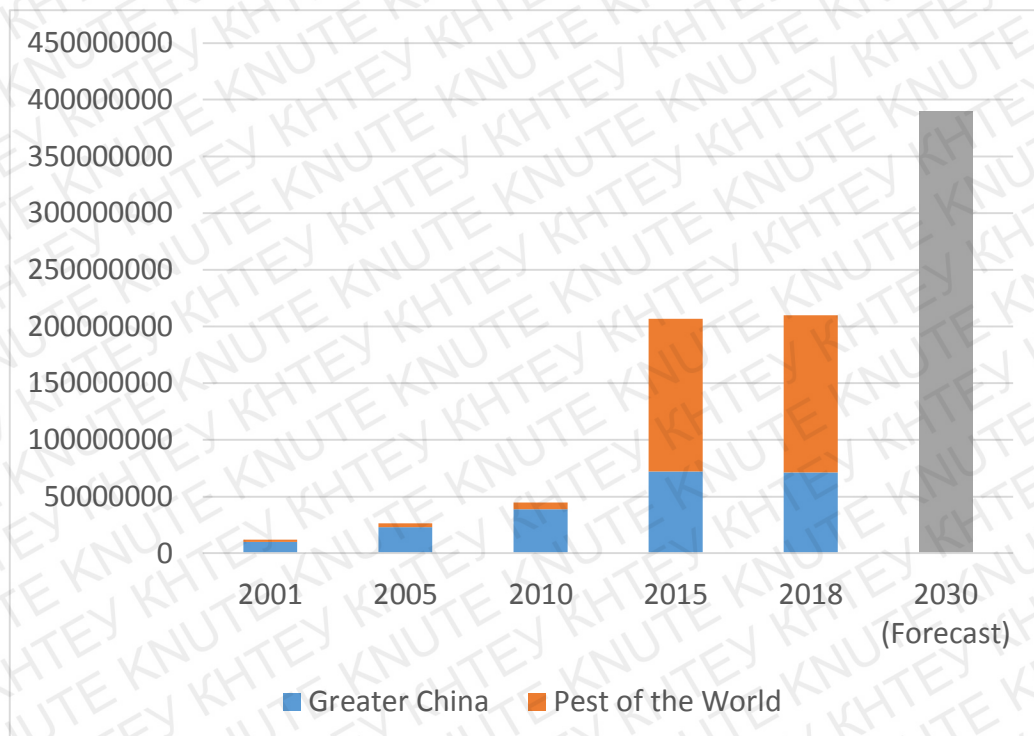

Figure 2.2. Borders-crossing from mainland China
Source: own elaboration on the base of [21]

Based on SKIFT Report, the Millennium Generation is projected to increase by up to 55% China's consumer spending over the next five years [19]. This audience is ready to pay for high-quality impressions, so the opportunity to choose eco-friendly hotels, try unusual food and visit non-trivial destinations is fundamental for them when planning their route.

This audience usually under 40 years old so they likely use internet resources before travelling to explore all travel aspects of the trip. Because they are mostly well-educated Chinese FITs can usually understand at least few words in foreign

language enabling them to communicate in different environment. Rich travel experience and independency in culture help them to cope with problems and issues arising. While travelling FITs from China are usually characterized by profile high spending tourists with interest for novelty and localization, choosing a long stay with a company they already know (figure 2.3.).

Figure 2.3. Profile of High Spending FITs from China
Source: own elaboration on the base of [20]

As at every travel situation, self-organized tourists have a lot of pros and cons of such an experience. The best way to found out whether it work or not it would be the best to start from a few shorter trips to give a chance to adjust and see how it goes. As was mentioned before FIT travelers are characterized by freedom of choosing the best possible options for them, cost-effective budgeting, cultural diversity, local-orientation and independency at schedule planning. Free independent travellers are mostly well experienced and very individualistic, which is why they try to keep some degree of freedom by not booking everything on a trip in advance. They already have enough experience to allow them to decide on sight what to visit and how to travel. They seek less group experience then other tourists, but they still want

to see the big highlights. The difference is that they do not want to visit them in an ordinary way with a big group but rather in special and unique ways. Table 2.1. briefly shows the main advantages for a FIT travelers (table 2.1.).

Table 2.1.

Advantages and disadvantages of FIT travelers

Aspect	Advantages	Disadvantages
Freedom	Independent traveler is not connected to the other people or guide which helps to fulfill immediate needs.	This way work not for everyone since tourists can be isolated from the others and it can be stressful for some types of people.
Cost-effectiveness	Self-guided option is always about the high level of freedom on cost expenditure.	The trip/excursion without proper information and organization can be weak
Cultural diversity	Being more flexible with schedule helps travelers to communicate more with locals.	Ignorance of other cultures and traditions can turn bad.
Time saving	Self-management of time allows you to spend at the location the amount of time that the tourist wants.	Poor route research can affect the wrong redistribution of time and leads to lack of time at important locations and will spoil experience.
Security	By choosing accommodation by your own, tourist can increase level of comfort and safety.	Without the supervision of a guide or group, the risk of robbery or murder in dangerous places increases.

Every tourist likes different vacation options. The fully self-organized option is suitable for those who like to control their time, expenses and company in order to enjoy the trip in full.

2.2. Stakeholders of distribution systems

At the present stage for any manufacturer in the process of manufacturing certain goods and services is important has not only a direct production process, but also distribution products and after-sales service. That means that it is also necessary to bring your product to end consumer and ensure its availability in the target market. Therefore, distribution are considered as one of many elements of the manufacturer's marketing activities.

Therefore, distribution efforts and its promotion become part of a larger marketing complex, or rather the selection of marketing tools that it is necessary to connect harmoniously with each other in order to achieve maximum influence in the market. Moreover, marketing convincingly shows that distribution should not be seen as a one-time activity, but as an element of deeply thought-out long-term strategy of the tourist enterprise. The concept of distribution policy of tourism enterprises is based on the understanding of sales, which is of paramount importance. Distribution is the main intermediate stage between the production and consumption of a tourist product, due to which the consumer receives the necessary set of goods and services in in a certain place, at a certain time and in the right amounts. [27]

The purpose of sales policy is to ensure the formation of optimal ways to sell tourism products from producer to consumer. In the process of implementing sales policy. [28]

The main category in distribution policy is the "distribution channel". According to F. Kotler, a distribution channel is a set of firms or individuals that take over or help transfer ownership of a particular good or service to someone else on the way from producer to consumer. [7] Distribution channels can be considered and structures that combine internal divisions of the enterprise with external agents and dealers, through which the sale of goods. Given the specifics of the tourism business, the sales channel (distribution) should be understood as a set of ways to organize and sales of tourist goods and services to consumers.

Correct planning of sales channels at the tourist enterprise provides a comprehensive solution two main tasks:

- timely execution of orders, taking into account the degree of their urgency;

- rational use of available material and labor resources.

The distribution network is a structure formed by partners involved in the process of competitive exchange to provide products and services to individual consumers or industrial users. [29] These partners are manufacturers, intermediaries, and end buyers. The need for a distribution network is since the manufacturer does not able to take on all responsibilities and functions arising from the requirements of free exchange, in accordance with the expectations of potential consumers. Appeal to intermediaries for the company means loss of control over certain elements of the commercialization process. Before using partners for elaboration of needed resources special assessment needs to be provided in order to have a better experience for business and clients (figure 2.3.).

- professionalism and work experience;

- target market of the intermediary;

- the territory of the mediator;

- business reputation.

- simplicity and reliability of the system of mutual settlements;

- used technologies and sales methods;

- organizational and legal status of the mediator;

Figure 2.3. The main criteria to stakeholders of distribution system

Source: own elaboration

Based on the goals and objectives of the sales strategy, the use of these criteria allows to determine the qualitative characteristics intermediaries for the organization of sales channels. At the same time, at construction of a channel for the sale of tourism products occurs the problem is not only the qualitative assessment of intermediaries, but also the determination of the number of levels of the distribution channel [24]. The level of the distribution channel is any intermediary on the way of a tourist product from the enterprise to the final consumer.

Speaking about the experience of international markets, it is necessary to mention the tourist market of England, which is also a pioneer in the proposals for self-organized tourists (figure 2.3.).

With the growth of the internet, many traditional travel distributors such as wholesalers and travel agents are taking an online approach as well as offering their services from a retail shop front. There has also been an increase in online travel agencies (OTAs) who operate solely in the online environment. Both online and traditional distribution partners have the opportunity to work with each other and directly with products and customers [21]. Therefore, it is vital to understand each partner's role and how your product can benefit from their part in the distribution network.

The main key players of the distribution system includes [22]:
- Search. Traditional and paid search helps customers and agents found the best possible options for requests.
- Retail travel agents. Retail travel agents are based in the consumer's country of origin and deal directly with consumers. Retail travel agents offer wide distribution in prominent shop front locations and are a convenient place for travellers to make bookings and buy holidays.
- Tour operators. Tour operators contract supplier product or may have it supplied by a wholesaler, or a DMC. They coordinate the reservation, confirmation and payment of travel arrangements on behalf of the consumer and may package up ground arrangements with flights.

- Online travel agents. Online travel agents (OTAs) specialize in online distribution and deal directly with consumers and tourism product. Consumers can purchase a product or an entire holiday package online
- Online ticketing agents. Online ticketing agents contract tickets to attractions, and sell directly to the consumer online.
- Global distribution systems (GDS). A global distribution system is a computer system that holds inventory from airlines, hotels, car hire etc. Sellers (e.g. retail travel agent, online travel agent) have direct access to this inventory.
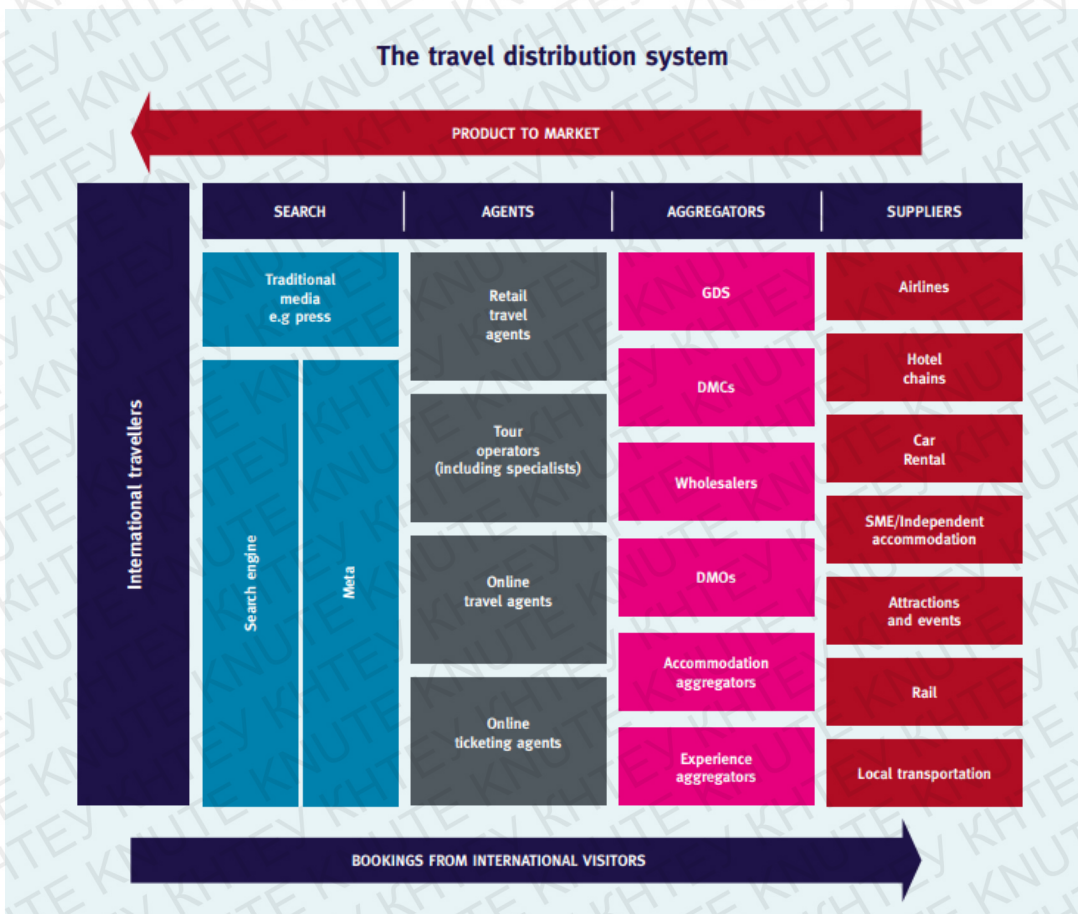
Figure 2.3. The main stakeholders of distribution system in Great Britain

Source: [33]

- Destination management companies (DMCs). A Destination Management Company normally operates in two ways: 1. As a contracting operation and

supplier of packages or itineraries which it sells B2B (e.g. via a tour operator). For example, Hotels and More supply product for Dertour, in Germany. 2. As a provider of group travel services (e.g. bespoke travel services for groups). This may involve some or all aspects of meetings, incentives, conferences and events travel (MICE). It may also involve travel for schools, or other groups. Here the DMC can be involved in a few or all elements of the group travel.

- Wholesalers. Wholesalers contract supplier product. They are B2B and act as a silent partner. They will sell these products via travel agents, tour operators, coach operators and other third parties.

- Destination management organizations (DMOs). Some DMOs have their own retail sites, for products they have contracted relevant to their geographical area.

- Accommodation aggregators. An accommodation aggregator searches across multiple websites and show the results in one place on its own website.

- Experience aggregators. An experience aggregator searches across multiple websites and show the results in one place on its own website. Documentation branding will either be that of the aggregator or the supplier, depending on the set up of the aggregator.

Depending on the market, there will be one or another scheme of distribution of the tourist product with the help suppliers which plays vital role on distribution system.

2.3. Characteristics of economic and organizational development of the enterprise Tripway.com

Travel Company "Tripway.com" operates in the tourist market of Ukraine since July 2012. Tripway.com is an online service for selling tickets for flights of airlines

that are members of the International Air Transport Association (IATA). The main goal of the service is to help plan a trip, select the best flight options, calculate the lowest fare, provide a convenient booking process and a wide list of payment methods.[24]

Having direct agreements with all airlines participating in BSP Ukraine allows company to provide with the widest selection of flight options at the best prices. Thanks to the constant monitoring of prices, analysis of possible options to reduce the cost of the ticket - airfare on their site is the best among other services in Ukraine and the CIS. [24]

The company is a legal entity, has an independent balance sheet and charter enterprises, current and other accounts in banking institutions, round seal, forms with its name, trademark for goods and services and other details. The amount of the authorized capital is UAH 2,830,000.00. [25]

The statutory fund is replenished by the profit received enterprise from economic activity, and if necessary - at the expense additional contributions of the founders.

Tripway.com enters into agreements with others throughout Ukraine and abroad enterprises, organizations, individuals in accordance with the objectives firms. The main activities of "Tripway.com" includes booking services of airline and rail tickets. Also insurance and accommodation is included. On the website attenders can found the roadmap of the flights and blog (figure 2.4).

The geography of travel organized by this company is quite wide and diverse. The company offering tickets to almost all countries of Europe, America and the islands Mediterranean Sea, Atlantic Ocean, Caribbean, Indian ocean, etc. Also it covers long-flight destinations as Latin America, Australia and Canada. As a booking service it allows to collect all possible tickets around the partnerships network for selling them.

Bringing the product to the consumer characterizes the activities of LLC "Tripway.com" to achieve the opportunity to make it more accessible to the buyer.
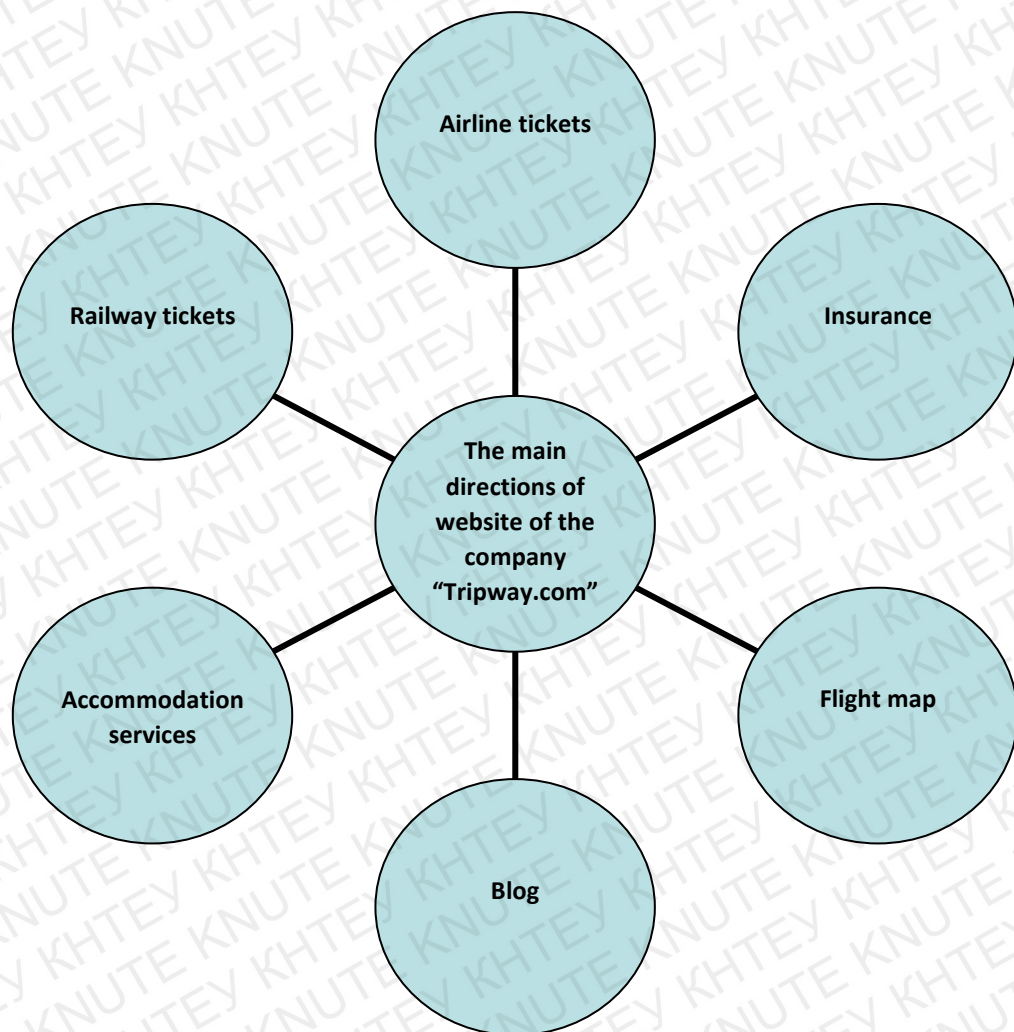
Figure 2.4. The main directions of website of the company "Tripway.com"

Source: developed by the author

This service uses the Internet Booking Engine module developed by the company's own specialists based on the central web services of the Amadeus ticket booking system (GDS). This module allows customers to find the best fares of airlines, book a ticket and pay for it in a convenient way. Possible methods of payment: by bank cards, through Privat24, bank cash desks, cash.[23]

It is worth remembering that the cheapest tickets are not always the most profitable, as in the event of unforeseen situations, there is often no possibility of return or exchange. Therefore, when choosing tickets, people should always take into account the rules of return and exchange for each flight. With the help of Tripway.com clients can greatly simplify this process. This service is the only one on

the Ukrainian market of online ticket sales, which provides its users with the most complete information about the conditions of each specific ticket. This gives you the opportunity not only to learn the rules of return or exchange of the selected ticket, but also the amount of the fine imposed by the airline for the changes.

Thus, the cost of the ticket, the conditions of return or exchange, flight class, time and place of arrival, departure, availability of transfers, various additional services to travelers - a set of parameters that determine the profitability of the ticket.
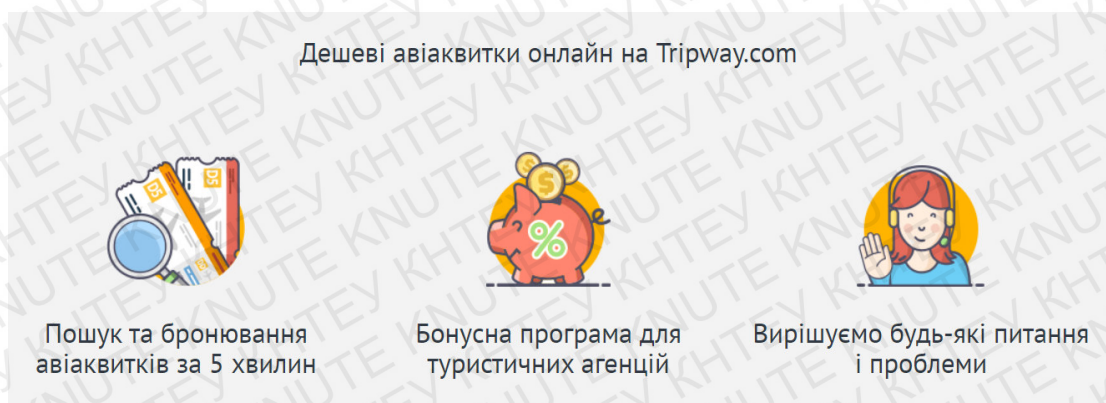

Figure 2.4. The main advantages of the company "Tripway.com"
Source: screenshot from the Website of the company "Tripway.com"

Working with different target audiences, it needs to be mentioned that the company identifies three main areas that give them an advantage over other competitors (figure 2.4.).

Search and book in 5 minutes. With the help of the service you can get your tickets in a few clicks very quickly and be sure of the reliability of payment. The company offers confirmation of quality with the necessary accreditations, certificates, and licenses. It is noted that more than 15,000 passengers have already used the service of booking and purchasing tickets.

Bonus program for travel agencies. By becoming a partner of the company you can get access to air tickets of the best airlines in the world and low-cost carriers. Working with Tripway, agencies can take part in the incentive bonus program and earn more than 50 UAH from each ticket.

Client support 24\7. The company allows to change ticket orders due to changes in plans, cancellation of flights or weather conditions. Returns, change dates, help with booking or resolving unusual situations - all this can be done with the help of support system.

As for organizational development company has vertical structure which helps to operate every process properly and managed team. Directives are passed from TOP-level managers to mid-level managers to associates. The company has their own departments that covering main directions of the company as marketing client support, operations, IT, administrations, etc (figure 2.5.). In company are clearly defined roles and areas of responsibilities.
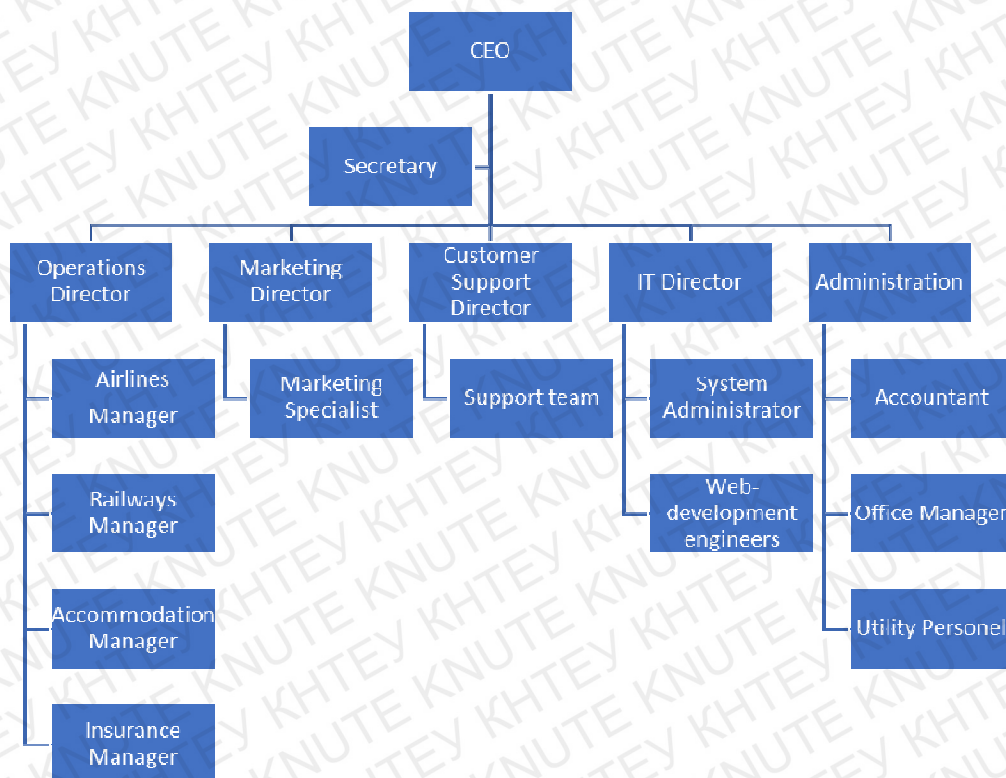

Figure 2.5. Organizational structure of the company "Tripway.com"

Source: own elaboration

The company continues to operate and is actively expanding its staff to sell tickets for travelers while providing the best possible service. Also relations with agents and tour operator is usually depending on marketing department too.

Conclusions to Chapter 2

1. According to the rapid pace of tourism development, Chinese tourists are the leading target audience that most often become FIT.
2. The average age of the main audience of travelers decreases every year and the number of online bookings of tourist products increases.
3. Properly selected distribution channels and contractors will help to quickly adjust the sales system of the tourist product.
4. Before working with partners, it is necessary to check them for professionalism, the markets in which they operate, business reputation, the technologies they use and more.
5. Tripway helps you book the best air and rail solutions, and can help choose accommodation and insurance. Also on social media and web-site blog customers can find different tips and tricks for their trips.

CHAPTER 3.
THE PROJECT OF DESIGNING DISTRIBUTION SYSTEM OF PACKAGE TOURS OF SELF-ORGANIZED TOURISM ON INTERNATIONAL MARKET BASED ON TRIPWAY.COM

3.1. Description and justification of distribution system

The main principle of marketing - meeting the needs of consumers, involves not only the production of necessary goods, but also bringing these goods to the consumer in a convenient way for him, in a convenient place and at a convenient time. [25] Distribution contribute to this. Distribution - is the activity of the firm to plan, organize and control the physical movement of materials and finished products from the place of their production to the place of use in order to meet the needs of consumers and for their own benefit. [26] As other elements of a marketing strategy, a distribution strategy should be closely related to the general goals and objectives of the tourist enterprise, to comply with the standards in force within the enterprise, and to be aimed at maximizing customer satisfaction in place, form, and time of purchase on a tourist product.

It is carried out within the distribution policy of the firm, which is planned in the following areas:

- Definition of sales strategy and sales policy of travel companies;
- Choice of sales systems and methods and appropriate types of channels;
- Determination of routes of commodity promotion;
- Ensuring sales efficiency
- Logistics issues
- The existence and development of sales activities are due to a number of objective reasons

As noted earlier, Tripway.com is already selling tickets to buyers in the airway and rail segment. Insurance and booking of housing in different directions of travel

were also sold. Also, the company works with various travel agents to expand the number of buyers in its market.

Having already a good basis to the tourist enterprise the advice is to create special division that will be able to help to sell also package tours. However, since the main audience buys tickets at retail, it is proposed to focus on package tours for self-organized tourists.

Since fit tourists can be people of all ages, genders and affluences, it is necessary to create a visual style of the site so that it can be read by all users. In the menu on the site it is necessary to create a separate section with a user-friendly interface, windows for the date and search for the necessary offers that will allow tourists to create the tour they want.

The visual reference for the website based on Anex Tour will recreate the main aspects that needs to be added to the website (figure 3.1).

Figure 3.1.: Web- page of the company "Anex Tour"

Source: screenshot from the Website of the company "Anex Tour"

Since we are talking about fit travelers, it should be noted that they may also find requiring additional services that will be a significant advantage when choosing a

platform to book their tour. FIT travel is actually beyond the traditional tourism package tours. The usual services which can be mentioned as additional (figure 3.2.).
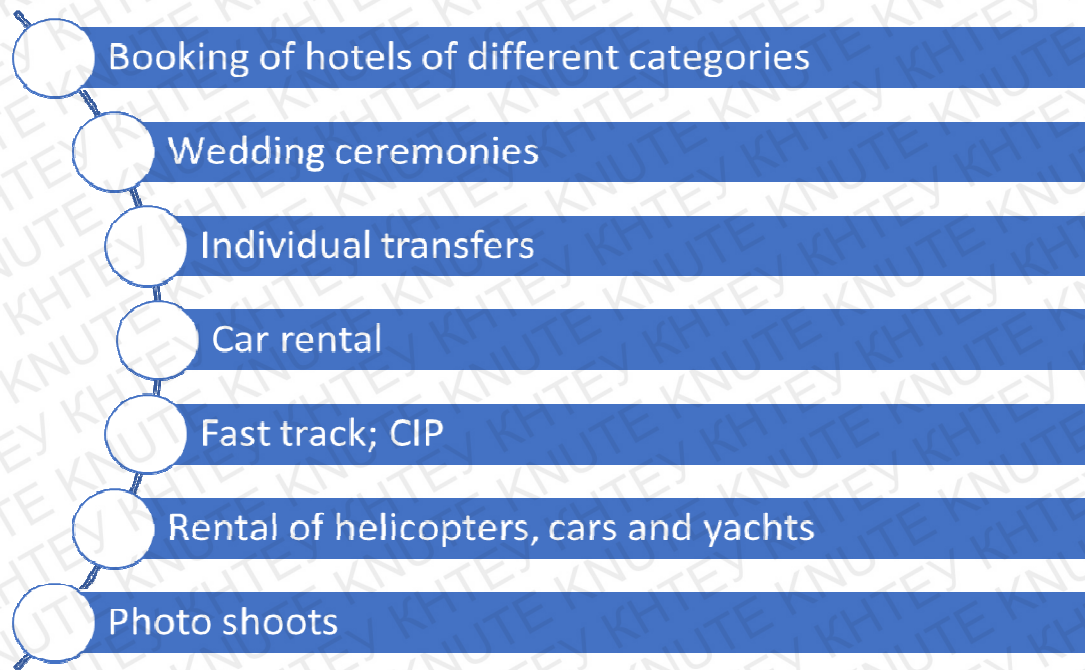
- Booking of hotels of different categories
- Wedding ceremonies
- Individual transfers
- Car rental
- Fast track; CIP
- Rental of helicopters, cars and yachts
- Photo shoots

Figure 3.2.: Additional services for FIT travelers
Source: own elaboration

As an advantages of this kind of virtual showcase are relatively low manufacturing cost, it is quite easy to find a contractor and administrate, low hosting requirements, hight profitability.

3.2. Financial and operational components, economic efficiency of distribution system

The successful operation of a tourism enterprise in today's competitive environment is ensured by the use of such important tools as improving management systems of the organization as a whole, reorganization of the production process, application of new effective management methods that could optimize the means to achieve goals. It is also important to constantly monitor changes in the functional environment of the enterprise at the macro and micro levels, to determine the

direction of concentration of existing resources and potential of the organization, the development of its business activity.

Talking about website creation needs to be mention a plan which needs to be implemented during launch of the service. Since this feature is new for existing audience powerful advertisement campaign must be running too.

As this is a full-fledged launch of the project, it is necessary to involve new specialists on the side or within the team, which will allow to implement the idea. Thus, the marketing department will be joined by several more specialists who will carry out the activities provided to them (figure 2.4.). As an alternative to a team in the state, company can hire an agency that will create such a turnkey project, but it is much more expensive than hiring individual specialists.

In addition, before launching, it is necessary to create a clear framework and criteria that the company wants to achieve. This can include coverage, clicks, purchasing the product through the site, tracking it with the help of analytics. All this is done in order to make a cut of numbers at the end of the work done and look at whether it is worth continuing such a project and how profitable it is.

The costs of the development of the site includes the following items: hosting costs (the placement of existing website), payment for the work of a programmer (development and support), web-designer (adaptation of existing visuals), content manager (manager of the website), SMM-manager (as an additional feature for the company since SMM is weak now), SEO-copywriter (search engine requests and text for blog) and Targeting Manager which will help to run digital campaigns. The costs namely see in table 3.1.

The whole system will look like the program will create the necessary landing page on the already existing site and add the necessary links to the CRM the system for tracking applications. Together with the programmer, the Web designer develops a visual communication of the website and creates it based on an existing page. The content manager adds the necessary items to the system so that they are displayed correctly. After the final agreement of the visual and content part of the site, the launch of the advertising campaign begins. The first to launch announcements on all

pages in the SMM social media is a specialist and to communicate with the media and influencers. Because the site works well for search engines, the SEO copywriter provides text that is uploaded to the blog on the site, which helps to better find it in the search. At the same time, the targeting manager begins to run paid advertising on social networks and paid search channels for effective customer search.

Table 3.1.

Cost of development of the Kyiv tourism portal

№	Cost item	Cost, UAH
1.	Programmer	25000
2.	Web-Designer	15000
3.	Content manager	10000
4.	SMM-manager	8000
5.	SEO-copywriter	14000
6.	Targeting manager	15000
	Total cost, UAH:	**87000**

The whole system will look like the program will create the necessary landing page on the already existing site and add the necessary links to the CRM the system for tracking applications. Together with the programmer, the Web designer develops a visual communication of the website and creates it based on an existing page. The content manager adds the necessary items to the system so that they are displayed correctly. After the final agreement of the visual and content part of the site, the launch of the advertising campaign begins. The first to launch announcements on all pages in the SMM social media is a specialist and to communicate with the media and influencers. Because the site works well for search engines, the SEO copywriter provides text that is uploaded to the blog on the site, which helps to better find it in the search. At the same time, the targeting manager begins to run paid advertising on social networks and paid search channels for effective customer search.

Creating such a section on the site within the existing distribution system will bring many benefits in the development of this area on the site. This opportunity will

give customers the opportunity to buy tours they want and order additional services that will meet their requirements. Properly set up advertising and digital ecosystem will help the company track all clicks and requests within the site, as well as more effectively conduct sales through this site.

In this case the assessment of the effect and effectiveness of advertising activities is more complex. As it is a digital opportunity to book services, advertisement channels needs to be digital as well. To have a complete and effective advertisement campaign multy-channel communication need to be included (table 3.2.)

Table 3.2.

Calculation of tourism product advertising for launch

№	Cost item	Cost per launch, UAH
1.	Web-page development	10 000
2.	Paid Social (Facebook, Instagram, Youtube)	25 000
3.	SEM (Google search+SEO)	15 000
4.	Email marketing	8 000
5.	Display (GDN and FB)	20 000
6.	Retargeting (Website visitors)	10 000
7.	Media (PR)	20 000
8.	Influencers	25 000
	Total cost	**133 000**

The above are all the main communication channels that need to be used for proper and comprehensive communication with customers. Using a mix of free and paid ways to promote on social media, search engines, contextual and banner advertising, as well as with the support of media and opinion leaders, you can create an advertising campaign that will help attract many new customers and exceed costs several times over. In addition, a large number of opportunities of tripway.com in the digital aspects were noticed, refining which the company can expand their markets and expand their market niche.

Social Media Marketing. Content is a king in social media. People loves posts and stories created by brand. 28 833 people like Facebook page, 180 followers on Instagram page and 2 129 people following Twitter of Tripway.com. They all can be direct clients of the company. Using content creating strategies and collaborating with bloggers can help in reaching and engaging new followers which can be leads (figure 3.3.).
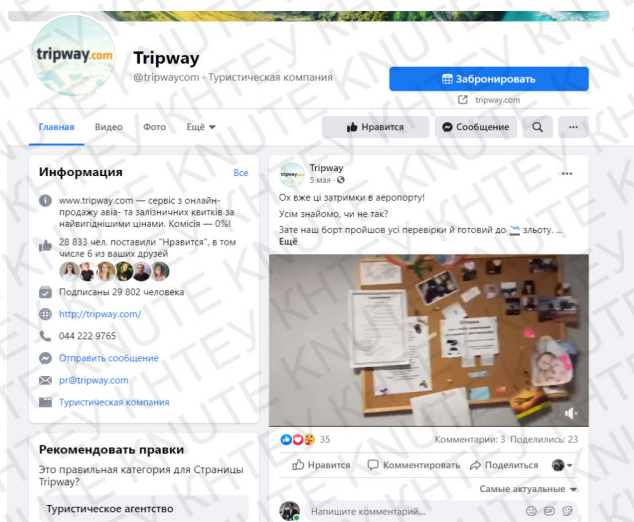

Figure 3.3.: Facebook page of the company "Tripway.com"
Source: screenshot from the Website of the company "Tripway.com"

Public Relations. PR is an easy way for getting noticed. A lot of companies in tourism and leisure using this tool for finding clients. Needs to be mentioned that using media, events or influencers for communication of the brand is not about quick money and fast result. It is working for loyalty and long-term connection with clients. On the website Tripway.com mentioned outstanding Ukrainian media that are writing about the company (figure 3.4.). But if to look to the particular publication will see that the last one was in 2014. Constantly using PR channels of communications will led to growing of database and future direct clients.

Figure 3.4.: Media publishers of the company "Tripway.com"
Source: screenshot from the Website of the company "Tripway.com"

Search optimization. Based on freely available services that help to create an understanding of the company, we can see that the keywords that find the site are tripway, double booking flight, low-cost, etc (figure 3.5.) This way SEO optimization and SEM advertisement will be a great help for the business, especially for the project with new opportunities added to the website.

Figure 3.5.: SEO analytics of the website "Tripway.com"

Source: screenshot from Serpstat

Conclusions to Chapter 3

1. The proposed way to improve the range of services on the Tripway.com need to develop their own integration to existing distribution system for tourism development. The primary focus is laying on additional customer flows that will be redirected from the Internet by digital advertisement.
2. Promotional strategy is a complex task which needs to be effective and persistent. Development of own channels of the company will help to increase customer traffic to the website.

CONCLUSIONS

Internet commerce, business on the Internet - a commercial activity carried out through the Internet. An online business can be based either on providing a certain travel product via the Internet or on receiving payment in electronic money, or in a third way, combining the first two.

This is a relatively new phenomenon in the world economy, which has caused a boom in investment. However, later it became clear that the Internet-focused business was unprofitable. One of the significant disadvantages is that it will not bring a proper profit if you focus purely on its capabilities. A company that uses all promising types of business for its type of activity, complementing them with e-commerce, can get more income based on market potential. Sometimes the profits from e-commerce can exceed those derived from standard business practices.

With every year more and more tourist prefers to choose their own elaboration of travel route rather than organize it with tour organization. As mentioned before statistic shows that FIT travelers will be the most calculated audience in couple of years. Especially China leading this sector.

Using digital technologies in development of FIT tourism helps business to smartly conducting their advertisement and to be budget oriented on campaigns management. Properly selected distribution channels and contractors will help to quickly adjust the sales system of the tourist product.

Digital communication technologies developing with tourism sphere and using them tourism businesses will achieve potential sales goals. Diverse range of different tools as SEO, SEM, SMM, PR, Paid Social, email-marketing and GDN working in synergy create a digital ecosystem for the business.

In the part 3 of this final qualifying paper, we proposed measures based on design of digital distribution system of package tours for self-organized tourists for Tripway.com. In order to promote this new feature creation of website and media-campaign running were proposed.

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APPENDICES

has become almost impossible because all communication problems have been removed. Marketing activities occupy an important place in the business strategies of modern travel agency, where the Internet has recently become an essential part of media planning. It can be concluded that modern Internet technologies help travel agencies in creating a unique identity, increasing efficiency and developing value added services.

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DIGITAL TECHNOLOGY DESIGN FOR SELF-ORGANIZED TOURISM ON INTERNATIONAL MARKET

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The article reveals modern methods of designing online sales technologies for self-organized tourism in international markets, considers the basic principles of online sales technologies, as well as the benefits of their use for tourism enterprises. An analysis of the theoretical aspects of design in tourism, as well as characterize their goals, objectives, and impact on the tourism industry.

Keywords: online marketing, internet technologies, e-commerce, digital sales systems, tourism business

У статті розкриваються сучасні методи проектування онлайн технологій збуту для самоорганізованого туризму на міжнародних ринках, розглянуто основні принципи технологій онлайн збуту, а також переваги їх використання для туристичних підприємств. Проведено аналіз теоретичних аспектів проектування в туризмі, а також охарактеризовано їх цілі, завдання та вплив на туристичну галузь.

Ключові слова: онлайн маркетинг, інтернет технології, електронна комерція, діджитал системи збуту, туристичний бізнес

Actuality. Nowadays, the Internet continues to influence more and more people's lifestyles, work, and even travel habits, opening new possibilities for businesses to expand for new markets. E-commerce and digital marketing started to be on the focus for the promotion of tourism products and engaging with new customers for formatting brand loyalty as well as sales rising of the services. However, it is bringing new challenges and opportunities for adopting new business ecosystems by entrepreneurs.

Due to rapid development of technologies and telecommunication, mobile phones, desktops, and tablets started to be a main touchpoint for most of businesses with customers. According to the

Cisco Annual Internet Report (2018-2023) the quantity of devices which will be connected to the internet will raise to nearly three times of the global population in 2023 [5]. The projection of numbers of Internet users says that it will embrace more than two-thirds of global population that can be relevant to 5.3 billion of total users of Internet compared with 3.9 billion in 2018. There is no way to hesitate internet expansion to the business and life in near future.

Ukraine is not an exception for digitalization. With every year more and more businesses going online to adopt new processes and upgrade positions on the market not only for country of origin but external markets too. According to the GfK shopping survey more than 50% of Ukrainian internet users making their decision based on online shopping experience while looking for products or information which is leading to making an order thought the web [6].

At this point needs to mention that exponential growing of users will be a bold advantage for building online distribution systems and increasing the capacities for the economics development of tourism sector through designing new digital technologies.

The purpose of the article. This article including information about current ways, methods, and trends of digital technologies in tourism for international markets. The purpose of this paper is to show how to go through process of implementation e-commerce systems for tourism businesses. To accomplish this purpose, the following tasks should be covered before:
-   to consider the challenges and opportunities of digitalization in tourism.
-   to understand how online data will affect marketing of the business.
-   to identify the main ways of implementing data and e-commerce in tourism.

The level of research. In article were used works of: Xiang, Z. & Fesenmaier, E. Velikova.D, Dredge. D., Phi, G., Mahadevan, R., Meehan, E. & Popescu, E.S.

The main material. Indeed, tourism become one of the first sectors for business processes digitalization. Online booking of flights, hotels are restaurants making this sphere the leader of digital trading. Based on several decades of consistent growth, the sphere having a large impact on the domestic and worldwide economies. Referring to Organization for Economic Co-operation and Development (OECD) Tourism Trends and Policies 2020 it contributes 4,4% of GDP and 6,9% of employment in OECD countries [1]. With the use of new technologies as Internet of things, online multi-channels of communications, mobile technology, augmented reality the world tourism ecosystem is shaping year by year.

Thus, going online helps business to expand market rich, develop custom offerings and sharpen competitive edge. Modern technology allows tourists to independently plan and organize their trips from beginning to the end: buy cheap tickets for all types of transport, book accommodation, create routes, or choose entertainment program. Recently the desires and requirements of customers for the service have grown significantly. With the appearance of solutions such as Skyscanner, Airbnb, Couchsurfing, Maps.me and low-cost travel have become even more affordable. In a globalized world, people are increasingly concerned about meeting their needs, so the relevance of e-commerce businesses where travelers can set up what they want are higher than ever.

Tourism as a leading sphere of economy experienced many transformations because of influence of globalization of information technologies. As a result, affected by technological development it is noticed phases of marketing development through the decades.

In late 1900`s tourism business usually works with simple online marketing tools which was still under development for that time: websites begun to replace paper advertisements, reservations systems started to be available and easier in access for more range of people, internet helped to continue simplifying of internal business processes [2].

Tre rapid development of internet media, search engines, and advertisement from 2000 to 2010 made Small and Medium Business (SME) be more specific with every customer and building personal, friendly connections. At this time, the main tourism arena players started to pop-up. Expedia, TripAdvisor and innovative tourism agencies started to have a new client which was earned thought the traffic from the internet pages with developing trust for online trade. *(Fig.1)*

At modern decade, the integration of internet technologies into marketing strategies beating all the records. Social media, native advertisement, WEB2.0 and collaborations are the main aspects which will be developing more for the next couple of years [2].

In case of transformations caused by digital technologies the influence goes to all aspects of business spheres:

- Internet expanded new ways of conducting businesses.
- Representatives of sharing economy niche, for example Uber and Airbnb, using their platforms to accumulate all the products inside them and facilitate visitor experiences.
- Regarding to user generated content, emotions and experience of visitors and travelers started to play vital role for the business which is more depended on client's feedbacks as never before. After digitalization decisions for every process making based on data-review process.
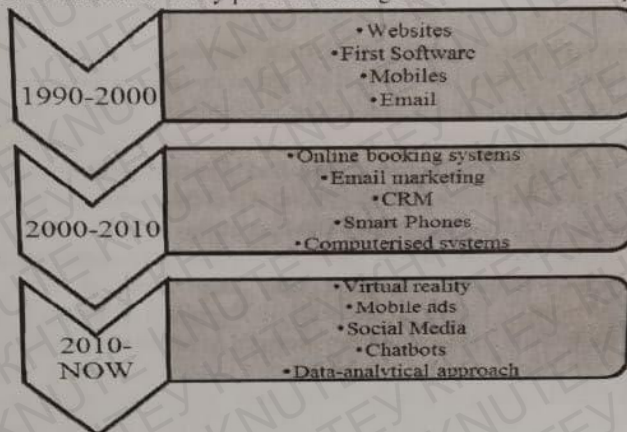

1990-2000	• Websites • First Software • Mobiles • Email
2000-2010	• Online booking systems • Email marketing • CRM • Smart Phones • Computerised systems
2010-NOW	• Virtual reality • Mobile ads • Social Media • Chatbots • Data-analytical approach

Fig. 1. Examples of digital expanding in tourism
Source: [7]

Considering all the sides of digitalization, every of them creating opportunities as well as difficulties while implementing. *(Tab.1)* Companies in tourism faced with future full of possibilities but not all of them can adapt and evolve to answer the needs and demands of a consumer.

The tourism sphere starting to be oversaturated during past several years due to changing of traveling habits of the people. Tourism markets includes large numbers of new players which have already step ahead of the old ones. The evolution of technologies allows businesses to implement new digital automations as AI or other digital technologies to improve which can be followed by the challenge of lacking budget [7].

Table 1

Main opportunities and challenges of digitalization

Opportunities	Challenges
Implementing Intelligent automation: Artificial Intelligence (AI) and data-gathering and analysis technologies	Mixing user experience, personalization, automation, and organizational capacity for ensuring quality delivery of marketing in right proportions
Aligning business model and digital technologies	Breaking old business systems that can work
Flexibility and adaptation to new opportunities	Lacking budget, knowledge, resource, uncertainty
Improving online visibility and growth of business	Rapidly pacing on the start of new implementations
Exploring of new audiences and markets;	High costs for the new technological pace;

Source: [7]

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The challenges listed above usually effects on the tourism business. Beside that for creating meaningful digitalization at micro-level there is a journey between fully offline and innovative online business with added value *(Fig.2)*.

Fig. 2. Main stages of digitalization in tourism
Source:[5]

On the first stage there is a challenge for organization to find internal innovation capacity for undertaking transformations. Digitalization often means implementation of new digital process and making business more profitable. It can be defined from upgrading pure information, upgrading sales channels or integration new business process which will include online business ecosystem. Also, it can be done through the pricing development or extending to the foreign markets [3].

Moving forward to e-commerce level meaning increasing connection between business model, tourism product, consumer, and digital platform. On that stage there is an improvement of internal and external connectivity of processes which makes work business processes more smoothly. Technology uses here for assisting and understanding of customer`s need and developing marketing. It can be done through Website-shop, Mobile App, Analytics and Web-Tracking tools, CRM or landing pages for example. The main goal of implementing deeper e-commers system as previous one is to create enough value for customer to come to the website and to make a transaction. For different businesses usually virtual marketplace is a critical success factor for economic advantage comparing to competitors [4].

The lastest popular example of e-commerce in tourism - is mobile apps for tourism businesses. According to the Cisco`s Report the overall mobility growth continuing [5]. Till 2023 estimated number of mobile users will be around 5,7 billion people vs 5,1 billion in 2018. Moreover 85% of travelers prefer to take mobile devices with them during the trip. Travel agencies developing such a mobile application independently to ensure full online service only for their clients. For example, in Ukraine tour operator Pegas Touristik launch a free application iPegas which is aiming to help clients of the agency to find necessary information and book a tourist product online through e-commerce plugin. This way the client does not need to visit physical office of the agency and will have the quality online service. It is very easy to get and very useful instrument for business with a lot of opportunities *(Tab.2)*.

Table 2

List of the services of mobile application for the client

Independently choose a product with custom features	Plan and change independent trip
Conduct analysis of price proposals	Use application as a guide on site
Take part at promotional activities	Navigation services
News and informational support	To set up a direct call for ensuring details
Having access to the reviews and feedbacks	Have access for limited offers
Be able to pay for the tour	Using additional services

Source: [5]

On the last stage of business journey towards digitalization creating strong connected destination mindset which aligned with Smart tourism. Enterprises working in this sector requires more complicated strategic point of strategy that allow them to have deeper businesses connection ties to create tourism collaborative network. At this point starting to create e-governance level where governmental bodies, business network and online technologies connecting to open new opportunities of working for development of the overall sphere.

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MANAGEMENT OF CONSUMER BEHAVIOR OF VISITORS TO ZHYTOMYR REGION AS THE TOURIST DESTINATION

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The article reveals the essence of the concept of «consumer behavior», explores the basic principles and models of managing consumer behavior of visitors to the tourist destination, and highlights its main functions. There was concluded the analysis of the theoretical aspects of the formation of consumer behavior management in the field of tourism, there was characterized goals, tasks and consequences of influencing of consumer behavior management on the development of tourist destinations, its popularization among different spheres of society.
Keywords: *consumer behavior, management of consumer behavior, tourist destination, model of consumer behavior.*

DO YOUR PART

Help spread the love not the virus by joining us in practicing our five commitments to health: wear a mask in public places, practice social distancing, wash your hands frequently, stay home when you are sick and minimize your contacts. Here are the details.

Mask up. Both state and local laws REQUIRE face coverings inside so channel your inner Butch Cassidy with a face covering in all indoor spaces and when unable to physically distance outdoors. Be sure to pack masks for you and your travel companions.

Keep your distance. Stay at least 6 feet apart from anyone not in your household.

Practice good hand hygiene. That's 20 seconds of hand washing, please. You can sing *Happy Birthday* twice or the chorus to Dolly Parton's *Jolene* once. Your choice. Keep a bottle of hand sanitizer, well, handy, although dispensers are stationed around the towns of Telluride and Mountain Village, as well as on the mountain.

Minimize your contacts. Small groups are all the rage this season.

Feeling unwell? Simple: stay home and get tested. Visitors can contact the Telluride Medical Center at (970) 728-3848 for guidance.

View our COVID etiquette video here.