

**Kyiv National University of Trade and Economics**  
**Tourism and Recreation Department**

**FINAL QUALIFYING PAPER**

**on the topic:**

**«LUXURY tourism product development strategy»**

Student of the 2<sup>nd</sup> year, group 13am,  
242 Tourism,  
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for a final qualifying paper**

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*Purpose of the paper* is to determine the strategy of LUXURY tourism product development.

*The object* is the basis of LUXURY tourism product.

*The subject are* the innovation LUXURY tourism product development strategy effectiveness on "Travel Professional Group" activities and possible ways to improve this process for the enterprise.

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

INTRODUCTION

## CHAPTER 1. CONCEPTUAL BASIS OF LUXURY TOURISM PRODUCT DEVELOPMENT STRATEGY

- 1.1. Luxury tourism products, its' peculiarities and role in the scientific research
  - 1.2. Innovative approaches in the implementation of luxury tourism product development strategy on the market
- Conclusions to Chapter 1

## CHAPTER 2. AN ANALYTICAL REVIEW OF LUXURY TOURISM PRODUCT DEVELOPMENT STRATEGIES IN UKRAINE

- 2.1. Characteristics of luxury tourism products in Ukraine
  - 2.2. Assessment of the luxury tourism products' role in the economic activity of "TPG" LTD
  - 2.3. Analysis of international market in luxury tourism segment
- Conclusions to Chapter 2

## CHAPTER 3. THE PROJECT OF INNOVATIVE LUXURY TOURISM PRODUCT DEVELOPMENT STRATEGY BASED ON "TPG" LTD

- 3.1. Key stakeholders of the innovative luxury tourism product development strategy on "TPG" LTD
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  - 3.4. Evaluation of the innovative luxury tourism product development strategy effectiveness on "TPG" LTD
- Conclusions to Chapter 3

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## INTRODUCTION

Luxury refers to everything that can be obtained, differentiated, unique and exclusive. It does not respond to demand, does not satisfy the desires of the masses and does not seek positioning; it is a good or service that is offered to everyone, but not all of them can achieve.

Similarly, luxury in the field of tourism is formed so much that instead of price, the emphasis is on value, which is now measured by consumer experience.

Undoubtedly, one of the most important activities that has succeeded in luxury travel in recent decades is trade tourism.

As global wealth expands and new entry and exit markets continue to emerge, the luxury travel industry is facing disruptions from a new generation of well-educated, discerning travel consumers. To answer, the hospitality industry has been forced to rethink both the definition of luxury and its role as a service [2].

A new report on trends from Skift shows that this rethinking revolves around the "5 luxury travel", a group of principles that emotionally and physically engage consumers before, during and after travel.

5 C luxury travel: culture, cuisine, community, content and settings - are not news in themselves. However, leading travel brands include and use each of these C in new ways to meet industry requirements and maintain brand relevance.

Luxury, according to the Merriam-Webster dictionary, is a state or condition of prosperity or great lightness and comfort; it's something that adds pleasure or comfort, but not quite necessary. Luxury is an abstract concept because its meaning is determined by personal and interpersonal dimensions. In a multidimensional perspective, rare and rare products are available are considered luxuries (Nueno and Quelch 1998). Significant consumption means costs which are used solely for honorable purposes to enhance the ego, not for the costs incurred comfort or use (Veblen 1899).

Despite the democratization of the leisure market, tourism can be Russia's privilege minority. Moreover, Riley (1995) argues that luxury tourism is a destination that is perceived as unique, but it also depends on the way people travel. That means that tourism is also associated with luxury, whether it is the attitude of tourists or the destination visited. One way or another, it is crucial to define what constitutes luxury tourism strengthening this niche in the market. However, it is not easy to understand the importance of proper luxury to its subjective nature. The subjectivity of this design depends on the nature of the tourist motivation.

Generally speaking, products are seen as symbols, not just a package of utilities.

However, we can also assume that luxury takes different forms for different people and is depending on the characteristics of the consumers themselves (Wiedmann, Hennings and Siebels 2009). A previous study examined the socio-demographic characteristics of consumers and their attitude and preference for luxury. Other studies have examined consumer luxury buying motives, people's opinions about luxury and consumer attitudes to the concept.

In addition, the concept of noticeable consumption may explain the tourist's desire to show off their economic success and status to impress others by going in luxury destinations such as Dubai, Paris or London. Demonstrating the economic ability to visit a prestigious. A resort or destination represents a heightened social image of oneself for others and can improve its position in society.

The phenomenon or practice of luxury may be more meaningful to some than to all tourists. Those who attach great importance to improving the social situation and demonstrating the social status due to the purchase and consumption of products or services will be more frequent areas that are more prestigious, noticeable and noticeable. Notable tourism is still a subject that deserves more attention from researchers, in particular, attention to deriving a scale to measure



the level of luxury achieved for each destination and prestige which is achieved by the social and cultural background of such tourists.

**Purpose of the paper** is to determine the strategy of LUXURY tourism product development.

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## **CHAPTER 1. CONCEPTUAL BASIS OF LUXURY TOURISM PRODUCT DEVELOPMENT STRATEGY**

### **1.1. Luxury tourism products, its' peculiarities and role in the scientific research**

In the scientific literature and mass media, much attention is currently paid to the development of social tourism, which allows to involve the most vulnerable segments of the population in tourism. Therefore, the statement about the relevance of the development of elite tourism in a country where the poverty rate is 24.1% may seem paradoxical. But it really is [1].

The luxury segment of the market of services, including tourism, is practically underdeveloped in Ukraine. Wealthy people meet their needs for VIP services abroad not only because it is fashionable and prestigious, but also because it is almost impossible to do so in Ukraine. The number of very well-off people in Ukraine is insignificant. But even based on the data published annually by FOCUS magazine, we estimate that the total wealth of the 200 richest people in Ukraine is only 3-4 times less than the state budget revenues. However, the number of VIP service users is not limited to this list: there are many more. These include representatives of the political, administrative, religious, economic, military, cultural, sports and scientific elite.

The urgency of the development of elite tourism in Ukraine is evidenced by the following socially significant functions that it is able to perform.

**Political.** It consists in strengthening the prestige of the state, establishing good neighborly relations, ties between the representatives of the political elite.

**Economic.** The elite belongs to the most affluent sections of the population and concentrates considerable wealth in their hands. Each country seeks to develop luxury tourism to increase income from tourism, which is known to have a multiplier effect on other sectors and sectors of the economy, increases the overall well-being of the population. Ukraine should strive to develop domestic elite tourism. This will help reduce the export of foreign currency and help fill the

budget and use the funds spent for the benefit of the Ukrainian people. It is clear that in this connection there should be an interest in the development and entry of elite tourism. In addition, a significant part of the trips of the economic and business elite are business trips, which are aimed at establishing business contacts, concluding contracts, presenting the company's products abroad, etc., which also contributes to the growth of welfare, both personal and national, in which this business is developing.

**Inductive.** The development of elite tourism can contribute to the development of other industries and sectors of the economy. It can give impetus to the development of depressed and unpromising areas. Gives life to new types and forms of tourism. Involves new, sometimes unexpected, objects of natural and anthropogenic origin in recreational and tourist resource use.

**Developing.** On the one hand, this function is a continuation of economic and inductive functions, as it affects the development of services, recreational and tourist infrastructure, new types of tourism and so on. On the other hand, it is related to the importance of tourism for travelers [3]. Traveling to different countries, choosing different ways and means to meet their needs for recreation, communication, self-improvement and self-expression, tourists develop as individuals, expand their worldview, deepen education, acquire new knowledge and impressions.

**Improving.** Servicing VIPs requires training of professional skills of service personnel, transfer of experience to the younger generation, improving the quality of services, which extends to mass tourism. Many of the findings made to improve service have been used successfully to meet the needs of other populations. For example, in resort hotels the system "all inclusive" reminds club service enjoys insane success, services of the beauty industry, etc. are in demand.

**Communicative.** The geography of elite travel is broader than in mass tourism. It promotes the establishment of contacts between representatives of different nations, the emergence of interest in other peoples and their cultures,



makes countries more famous in the world. Therefore, the communicative function, which is inherent in tourism in general, in elite tourism is manifested more deeply.

**Representative.** This feature is closely related to the previous one. Traveling to other countries, VIP-tourists to a greater extent than usual represent their country, its culture, values. The method and place of rest serve representative purposes, indicate the status, position of the person, his prestige.

**Educational.** Traveling, members of the elite can give lectures, give concerts, performances, organize workshops, creative meetings, bringing culture to the masses. Communicating with people who have received an elite education and upbringing is extremely useful in terms of education.

**Trend-forming.** The tastes of the elite are characterized by perfection, diversity. They have access to the best resources. They are always in the spotlight, the eyes of many people who seek to imitate them are fixed on them. Therefore, the representatives of the elite are the legislators of fashion in many spheres of public life. This also applies to tourism. Many of the types of recreation initiated by VIPs have become fashionable among the general population.

**Partiotic.** Applies to both domestic and outbound tourism. While vacationing in their home country, members of the elite learn to love and appreciate it and their people, see the problems of its existence and seek to help solve them. Resting abroad, they feel like representatives of their people, observe different aspects of life in foreign countries, gain new experience, seek to introduce it in the homeland.

## **1.2. Innovative approaches in the implementation of luxury tourism product development strategy on the market**

Tourism business is the main type of economic activity that has a positive impact on economic growth and employment in the country. Tourism appears as a complex intersectoral complex that requires a systematic approach to the regulation of socio-economic relations of sectors of the economy at both state and

regional levels. This business attracts entrepreneurs with a small start-up capital, a quick payback period, a steady increase in demand for travel services, a high level of profitability. The phenomenal success of tourism is also due to the fact that it is based on the satisfaction of the constant aspirations of mankind to know the world around them [4]. This knowledge through tourism has made it possible to increase the living standards of the population in many countries, the development of transport, information and other technologies, globalization in general.

According to the statistics of the World Tourism Organization, tourism accounts for 10% of gross national product, 7% of total investment, 5% of all tax revenues. At the present stage of development of tourist activity the formation and effective implementation of the system of innovation management is essential. Despite the difficult economic situation of most tourism enterprises, in modern conditions there is a tendency to increase their innovation activity, especially in the field of technological innovation. According to the course of social development of countries characterized by polarization of economic and social processes, there is a transition from the model of livelihood to the model of diversification of leisure time, when the role of tourism grows and expands its functional significance.

Recently, significant steps have been taken towards the application of innovation management in the tourism industry. However, much remains to be done, as a number of experts continue to believe that little progress has been made in the application of management theory in the tourism industry in general and the management of innovations in tourism in particular. Today, many scientific developments are devoted to the problems of innovative development in the tourism business. The development of modern tourism largely depends on the development and implementation of innovative technologies aimed at improving customer service and expanding service tourism opportunities. That is why the introduction of scientifically sound tools of innovation management in order to ensure the efficiency and effectiveness of this area of services is of particular importance [5]. In a market economy, all tourism organizations are aware of the

need to develop new goods and services other than the goods and services of competitors, and the associated benefits. It is the timely entry of a new product into the market that can attract new customers and ensure the growth of the main performance indicators of economic activity of the enterprise. Calculating the future expected profit from a new tourism product is the main task of innovation management. Innovation management is a combination of different functions, such as: marketing, planning, organization, development, control.

The specificity of innovation in tourism is determined by:

- 1) the use of advanced information technology in the provision of traditional transport, hotel and other services;
- 2) filling with new properties of traditional services and introduction of new services; 3) development of new tourist resources;
- 3) the use of modern forms of organizational and managerial activities in the field of production and consumption of traditional tourist services;
- 4) identification and use of new markets for tourist services and goods.

The motives and reasons for the development and implementation of innovations in the tourism industry in different countries are different and have their own characteristics. The Ukrainian tourism business has the following characteristics:

- intensification of competition;
- the need to restrain the departure of citizens of Ukraine to places of rest, similar in terms to domestic regions;
- harmonious combination of attractive conditions of rest and travels for full satisfaction of needs of the most exacting tourists;
- the transition from a supply economy to a demand economy.

At the present stage, innovative processes have begun to take place in interstate and national tourism management systems; the time has come to master and apply new technologies (e-commerce, creation of virtual travel companies); forms of marketing and creation of a tourist product are improved. Innovative



activity in the field of tourist services is developing in several directions. The first direction is the release of new types of tourist product. Other areas are: use of new tourist resources; change in the organization of production and consumption (application of advanced principles of marketing and management); identification and use of new markets, as well as the use of new equipment and technology. It is in the latter direction that I would like to focus, because it is the use of new technologies that has a great effect on the activities of the tourism industry.

Today, these technologies are mainly computerized, globalized and the transition to electronics. E-business opens up great opportunities for development for any enterprise. This is a new form of market relations based on the use of the latest telecommunications technologies and the Internet. This trading system is acceptable for both the buyer and the seller. But the main thing is that tourism has an important advantage over other sectors of e-commerce - its consumer receives the goods directly at the place of its production, in the tourist center. Today in the tourism industry are widely used innovative technologies - electronic booking programs and tours. The appearance of a new program of this type allowed not only to reduce the cost of communication, but also gave the opportunity to work to all participants in the tourism market as a single office.

Working with such programs allows the agency to receive prompt and reliable information about prices and the number of vacancies at any time, as well as to be able to monitor the progress of the order at all stages of its implementation. There are different booking systems, they differ from each other in the set of services offered and the technology of their work. For example, the most popular programs in the world are Galileo, Amadeus, Saber, World span and many others. Amadeus is the leading transaction processor for the global tourism and airline industry.

The peculiarity of the development of innovative activities in tourism is the creation of a new or change of an existing product, improvement of transport, hotel and other services, development of new markets, introduction of advanced

information and telecommunication technologies and modern forms of organizational and managerial activities. The success of the enterprise in the field of tourism largely depends on innovation management. The practical application of innovations in the tourism sector will not only increase the level of competitiveness of the enterprise, but also assess the feasibility of introducing new types of services. Investing small investments in innovation gives a great economic effect in the form of profit, on the one hand, and savings of own funds - on the other. And the application of innovations in general gives a significant breakthrough in the development of the travel company.

Innovative activity in tourism is embodied in the creation of new or improvement of existing tourism products, improvement of transport, hotel and other services, development of new markets, introduction of leading information and telecommunication technologies, modern forms of organizational and managerial activities, new approaches to tourists.

The Law of Ukraine "On Innovation" defines innovations as newly created and improved competitive technologies, products or services, as well as organizational and technical solutions of production, administrative, commercial or other nature that significantly improve the structure and quality of production and social sphere. Accordingly, innovative activity is an activity aimed at the use and commercialization of research and development results and leads to the release of new competitive goods and services. Innovations in tourism should include primarily those innovations that are accompanied by: - recovery and development of spiritual and physical strength of tourists; - qualitatively new changes in the tourist product; - increasing the efficiency of tourism infrastructure; - increasing the efficiency of the processes of formation, positioning and consumption of tourist services, progressive changes in factors of production [6].

Characteristic features of the emergence of innovations in tourism for any country are:

- 1) the growing needs of the population to get acquainted with life in other regions and gain new knowledge;
- 2) a large number of classic and traditional destinations (destinations);
- 3) intensification of competition, growth of supply;
- 4) the need to restrain the departure of its citizens to regions with similar conditions;
- 5) a harmonious combination of attractive recreation conditions to fully meet the needs of the most demanding tourists;
- 6) technological revolution and expansion of services in the economy;
- 7) 7) the transition from a supply economy to a demand economy.

### **Conclusions to Chapter 1**

The introduction of product, resource, technical and technological, organizational and marketing innovations in the practice of domestic enterprises of the tourism industry will not only attract additional tourism, improve economic performance of tourism enterprises and increase their competitiveness in both domestic and foreign tourism markets, but also provide improving the quality of guest service, more complete satisfaction of their needs, taking into account the specific needs of individual groups of consumers. Thus, innovative technologies in the tourism industry are a requirement of the time, which allows not only to improve the quality of services, but also to rationally use all available resources for both tourists and tourism business owners [7]. With the development of scientific and technological progress, innovative technologies in the tourism industry will develop, which allow to open new opportunities for innovators and make tourism accessible to different categories of the population.



## **CHAPTER 2. AN ANALYTICAL REVIEW OF LUXURY TOURISM PRODUCT DEVELOPMENT STRATEGIES IN UKRAINE**

### **2.1. Characteristics of luxury tourism products in Ukraine**

The luxury segment of the market of services, including tourism, in Ukraine is practically undeveloped. Wealthy people meet their needs for VIP services abroad not only because it is fashionable and prestigious, but also because it is almost impossible to do so in Ukraine. The number of very well-off people in Ukraine is insignificant. But even based on the data published annually by FOCUS magazine, we estimate that the total wealth of the 200 richest people in Ukraine is only 3-4 times less than the state budget revenues [8]. But the number of users of VIP services is not limited to this list: there are many more. These include representatives of the political, administrative, religious, economic, military, cultural, sports and scientific elite.

In the full sense of luxury, it is not exactly a luxury, it is something higher. It is the feeling, sensation or pleasure of getting or being in luxury. That luxury which is embodied in the product or service by the high master from the genius-developer.

Recently, many high-end hotels have added the word Luxury to their name. There is also a catering system in Luxury All Inclusive hotels. The concept of hotels is the transition to a new, exclusive level of service. The Luxury level can also be found in airlines. A Luxury consumer is often an extraordinary person with a good sense of taste, status, possibly demanding and capricious.

Luxury goods and services are something very expensive, perhaps unobtrusive, but very solid and "close". Luxury can be characterized as "chamber" cozy and closed from others. There will never be sales for Luxury products or services, this is the exclusive one that is waiting for its owner and is sure to find it.

Luxury vacation for tourists in 2021:

- Maldives. White sand, warm Indian Ocean, an atmosphere of privacy and tranquility the best option for a luxury holiday. Luxury hotels Maldives - a favorite vacation spot of Hollywood and domestic celebrities.
- Cuba. Walking through the original streets of Havana, the aroma of Cuban cigars, the taste of real rum and crocodile meat dishes - all this is exotic and unique Cuba.
- Mexico. Holidays in Mexico are endless sandy beaches, diving and exploring ancient civilizations.
- UAE. Skiing in the mall, police on Ferrari, automated subway, luxury hotels with an outrageous level of comfort, the sun all year round, nature reserves and camel races all this is the United Arab Emirates.
- Positioning of the tourist product is carried out on the basis of the collected socio-demographic and psychographic data, criteria are developed for the assessment of the specific tourist market and comparison of the target markets. Next, you should choose the compared attributes of the tourist product (style, image, quality level, prices, etc.). The evaluation of the tourism product is carried out in three-dimensional space, the coordinates of which are the market segment, purpose and positioning [9].

The choice of the target market takes place in several stages:

1. determining the potential of the market segment. The potential of the tourist market is characterized by its quantitative parameters, the main of which is the market capacity. The segment must be large enough for the firm to recoup its costs.
2. assessment of the availability of the market segment. Here it is necessary to obtain information on what barriers to activity exist in the market, whether consumers of tourist services are achievable.
3. assessment of the materiality of the market segment. It involves determining how realistic it is to assign market consumers to the segment with which the

firm intends to work. It is also necessary to find out whether the needs of tourists are stable in order to know which tourist product to offer them - conservative or with variable characteristics.

4. analysis of opportunities for market segment development. Analysis of development opportunities involves: risk assessment; identifying the positions of major competitors; determining the possible reaction of competitors to the emergence of a new firm; forecasting the possible volume of sales and profits.

Ukraine is currently at a rather difficult stage of development due to unpredictable and sudden challenges to its security, independence and unity. However, there is a question of development of luxury tourism important economically, socially, and that is enough relevant - and in political terms. Enough in this aspect assistance at the state and regional levels is relevant tourism development. Transition to each subsequent stage of world tourism development carried out under the influence of innovative technologies. Undoubtedly, that and further development of tourism will be determined by technology solutions, primarily the development of the Internet and mobile technologies. However, it should be noted that there are a number of other innovations which significantly transform the tourism industry and define further development of tourism:

1. dynamic packaging and pricing of tours;
2. automated control systems for tourists;
3. standards of social responsibility of the tourist business;
4. interactive service of tourists;
5. trade in the privacy of tourists;
6. artificial tourist intelligence;
7. interfaces for tourists "brain-computer";
8. integrated management systems for tourist centers;
9. development of self-driving vehicles;
10. holographic support of tourists [10].



The above list is not exhaustive, however, generally characterizes vector of world tourism development. Consider some examples:

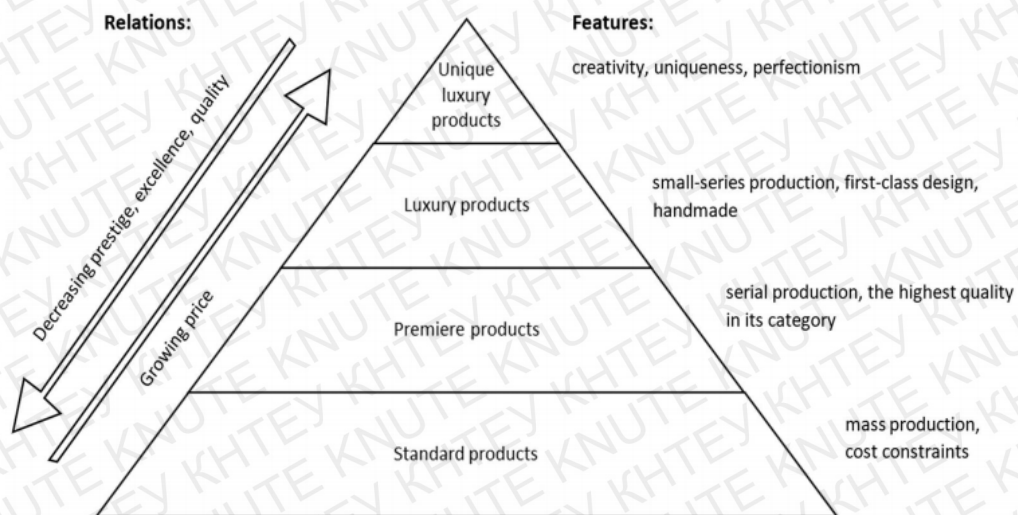
- a) Social standards of tourism business. Having crossed the line in billion tourist arrivals per year, the global tourism industry is aware of the responsibility for the damage caused environment and cultural heritage sites.
- b) Artificial tourist intelligence. It is already predicted that in the next ten years, most office workers have replace machines. Artificial intelligence is able to solve time-consuming clerical tasks, read and understand the meaning of documents, accept simple solutions. This process also challenges the professionals involved in tourism, because analytical tools are mobile Internet devices, applications and cloud Internet services will be perfected to the point of surpassing human ability.

Modern tourism is becoming a global factor in development civilization, one of the components of the economy, social sphere, spiritual culture. Processes occurring in the tourism industry world, also affected the development of tourism in Ukraine. State tourism documents define it as one of the priority areas development of national culture and economy. New understanding culture in social development and awareness of the need the preservation of cultural diversity in the world is expanding prospects for luxury tourism as a resource for development at the international level, as well as the impact on the social and cultural sphere, ecology, foreign economic activity and international relations. It due to the fact that in the modern world, tourism is predominant economic phenomenon becomes a social and cultural phenomenon. The current situation in Ukraine needs intensification of tourism problems at different levels of Ukrainian society. As you know, our country has significant potential for development luxury tourism.

The term “luxury” has been used so often recently that it may seem its original meaning is disappearing. One of the reasons might be the consistent global rise in the modern luxury market and globalization, a second reason might be the relativity and subjectivity of the term itself. The products and services that extend

beyond the boundary of an elementary need, and with their price, quality, aesthetics and rarity exceed the general character may be considered luxurious [11]. When deciding to buy luxury goods, the desire of the consumers to be part of the luxury market plays an important role. Yet, a high price level of such products and services influence the number of consumers who can afford to buy them. The majority of ordinary consumers thus never or very rarely reach such products or services. For this reason, most people perceive the luxurious goods as “psychologically further away” than the necessary goods.

Regardless of all definitions of luxury, it is necessary to consider that the term is subjective and that luxury is derived from the perception of the consumer. Even though the status of several products might be considered luxurious from the perspective of the society, it is highly probable that not all individuals will agree whether the goods or the service is a luxury or a necessity, and therefore it is necessary to take this paradox into consideration. Within the luxury market, there is a vast range of potential levels (Fig. 2.1.)



*Fig. 2.1. Kapferer's pyramid of the level of luxury [12]*

Ukraine is overflowing with a great number of both widely known and completely unknown, but yet of great beauty, tourist attractions: from the cozy old-fashioned medieval streets of Lviv to industrial architecture and breathtaking landscapes in the South part of Ukraine. The emerging economies are contributing



larger propositions of travelers and becoming increasingly popular as tourist destinations. With seven attractions being a part of UNESCO World Heritage, Ukraine possesses numerous historical, cultural sights and recreational resources, which open significant opportunities in the tourism sector. Currently, tourism accounts only for 1.4% of Ukraine's GDP, which presents enormous potential for the tourism sector and the economy. In 2019, more than 14 million foreigners visited Ukraine with an average \$526 receipt per arrival (Fig. 2.2)

## Ukraine

78th / 140

Travel & Tourism Competitiveness Index 2019 edition

### Key Indicators

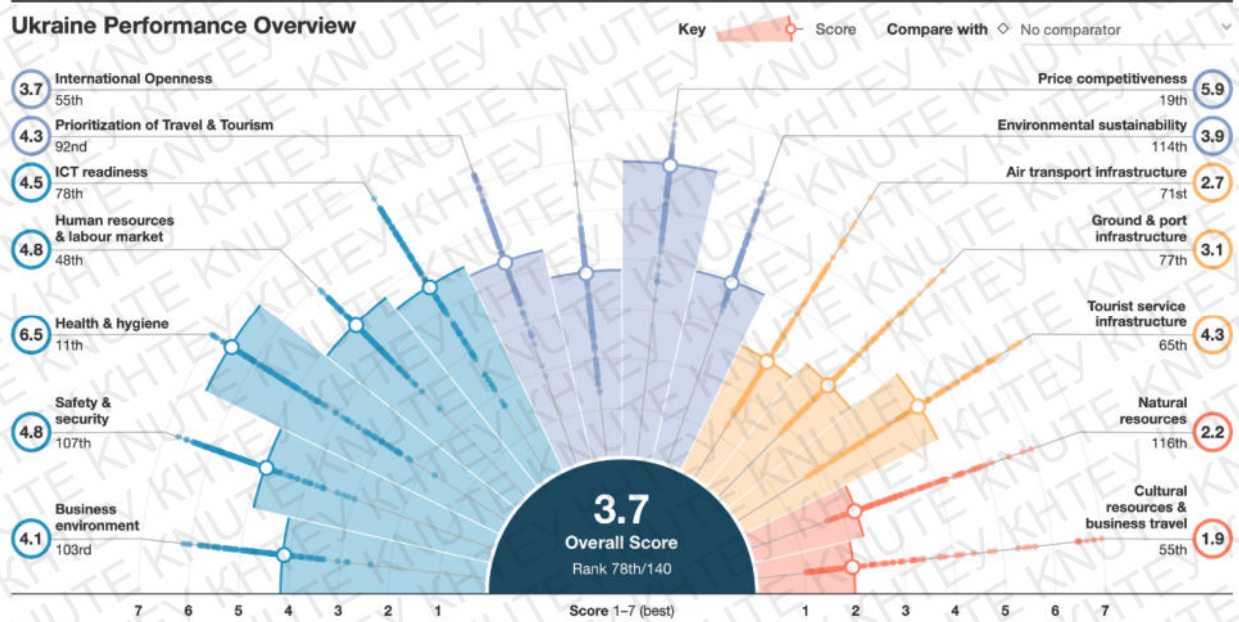
Sources: World Tourism Organization (UNWTO) and World Travel and Tourism Council (WTTC)

International tourist arrivals	14,229,600	T&T industry Share of GDP % GDP	1.4
International tourism inbound receipts	US \$1,261.0 million	T&T industry employment % of total	206,200 jobs 1.3%
Average receipts per arrival	US \$526.5	T&T industry Share of Employment % total employment	1.3
T&T industry GDP % of total	US \$1,794.5 million 1.4%		

Fig. 2.2. *Travel & Tourism Competitiveness Index 2019 edition* [13]

Since 2017, Ukraine had the fastest rate of Travel&Tourism Competitiveness Index (TTCI) score growth in the Eurasia subregion, rising 10 places to rank 78th globally. In particular, as the country stabilized and recovered economically, Ukraine drastically improved its business environment (124th to 103rd), safety and security (127th to 107th), international openness (78th to 55th) and overall infrastructure (79th to 73rd).





*Fig. 2.3. Ukraine Performance Overview [13]*

The Innovation Performance Review of Ukraine continues the series of national assessments of innovation policies initiated by the earlier Reviews of Belarus and Kazakhstan. These policy advisory exercises draw on the experience accumulated by the UNECE in the identification of good practices and policy lessons in the area of knowledge-based development, with particular reference to the problems of countries with economies in transition.

This Review presents the outcomes of an advisory project undertaken at the request of the Government of Ukraine. It aims to provide a set of recommendations and policy options to stimulate innovation activity in the country, enhance its innovation capacity and improve the overall efficiency of the national innovation system. Close collaboration with the national authorities and other experts from Ukraine throughout the project has helped in identifying issues of practical importance and in ensuring the relevance of the Review conclusions and recommendations to national circumstances.

## **2.2. Assessment of the luxury tourism products' role in the economic activity of "TPG" LTD**

Travel Professional Group in the market of tourist services since 1994. We appreciate your rest and your free time [Appendix A]. We support your desire to travel in comfort and love to discover the world. We offer a dream and make it come true with love.

Our company is an affiliated member of the largest tourist community - the World Tourism Organization (UNWTO) [14].

Our partners are tour operators from more than 40 countries. We work with the world's leading airlines: Air France, Lufthansa, Austrian Airlines, SAS, Baltic Airlines, KLM, MAU, Windrose, Fly Dubai, etc., which allows us to confirm places for our customers on the most "difficult" dates [Appendix C].

We are competent. We are always ready to help you competently develop a travel route, advise the most convenient flight option, take into account all the nuances and tell you about the specific features of your chosen country. You can always be sure of an individual approach and attentiveness to any of your wishes. Professionalism, efficiency in work, individual approach of the managers of TPG personally inspecting the offered hotels allow to organize quickly and qualitatively:

- Individual tours.
- Group and excursion tours.
- Recreation and excursion programs in Ukraine, organization of conferences, seminars, training groups.
- Education abroad (language courses in the UK, France, Malta).
- Sale, booking and delivery of air tickets (international and domestic flights).
- Sale of tickets for charter flights.
- Event tour of any complexity (wedding tours, weekend tours, trips to tournaments, festivals, carnivals).



- A separate area of the Travel Professional Group tour operator is the provision of corporate services to businesses and organizations.

We are glad to provide you with a complex of tourist services:

organization of corporate trips, conferences, seminars and trainings; registration of collective business tours; registration of separate business and private trips.

Travel Professional Group mission:

1. Tourist pleasure. We strive to make the world closer to man, to enable as many people as possible to know the world more deeply, drawing energy from it to restore their own strength. We strive to exceed tourist expectations [15].
2. Providing opportunities for full self-realization of our employees. We are responsible for recognizing the human dignity of our employees, their destiny in our success, the selection of talented and wise managers, the appropriate (highest in the industry) level of material support for those who create our product.
3. Making a profit. However, we do not pursue the goal of making a profit for the sake of profit. We need profit for our own development and realization of our goals.
4. Benefiting the society in which we work. We achieve this by creating high standards of highly professional business, hard work to meet the demands of our partners - agencies, as well as by providing assistance to those areas of public life that need it, in particular the treatment of children.
5. Affirmation of the greatness of the Ukrainian State in the international arena, ensuring respect for Ukrainians and their achievements around the world.

TPG offers a wide range of services - a variety of themed tours, namely: weekend tours, children's holidays, wedding tours, pilgrimage and author's tours, medical and spa tours, bus tours and others.

These tours include countries:

- Africa (Egypt, Kenya, Morocco, Zanzibar, Seychelles, South Africa).



- Asia (UAE, Azerbaijan, Armenia, Georgia, India, Vietnam, Indonesia, Maldives, Thailand, Turkey, Sri Lanka).
- Europe (Austria, Albania, Andorra, Belgium, Great Britain, Bulgaria, Germany, Greece, France, Spain, Italy, Switzerland, etc.)
- North America (Dominican Republic, Cuba, Costa Rica, USA, Jamaica, Mexico).

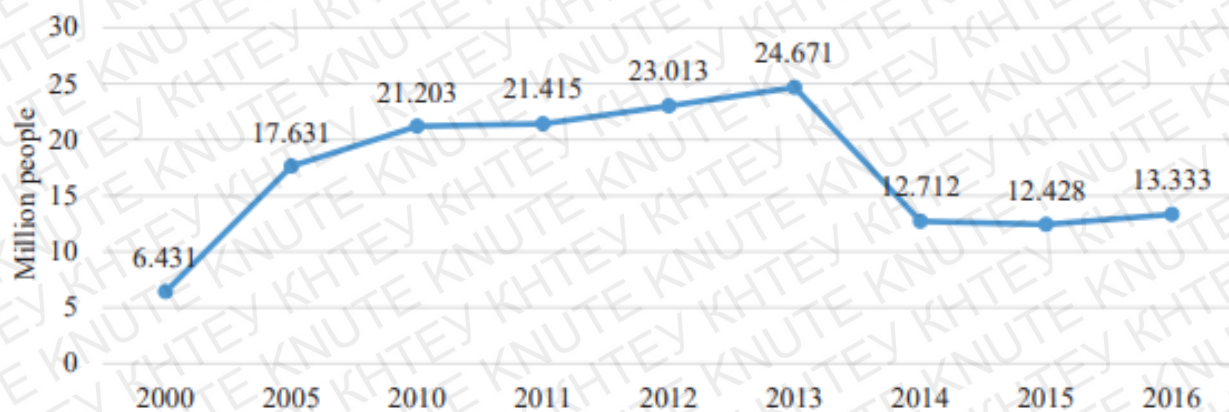
The object of research is the tourism industry of Ukraine. Ukraine has a significant lag in the development of the tourism industry from Europe. One of the most problematic places is the lack of world-class tourism resources and the inconsistency of tourism policy, limiting the growth rate of the tourism industry. The planned research will allow to assess the competitiveness of Ukraine in the tourism industry for the further development of the foundations of the tourism policy of its integration into the European tourist space. The aim of research is assessing the future development of the tourism industry of Ukraine in modern conditions of development:

1. To determine the place of Ukraine in the tourist space of Europe.
2. To investigate the effectiveness of the functioning of the European tourist space in terms of the increase in national income from the tourism industry.

The study of the main indicators of tourism activities in Ukraine in the integration conditions of its development is important in the context of determining the place of Ukraine in the European tourist space. According to the results of cluster analysis, which was conducted by 90 components of the index of competitiveness of countries in the field of travel and tourism, it was determined that Ukraine ranks in cluster.

Ukraine on the Competitiveness Index in the field of travel and tourism in 2017 received a score of 3.5 points out of seven possible and ranked 88th. The contribution of the tourism industry of Ukraine by experts is estimated at 1.3 million USD, in the Ukrainian tourism sector, employs 214.4 thousand people, or 1.2 % of the total number of employees.

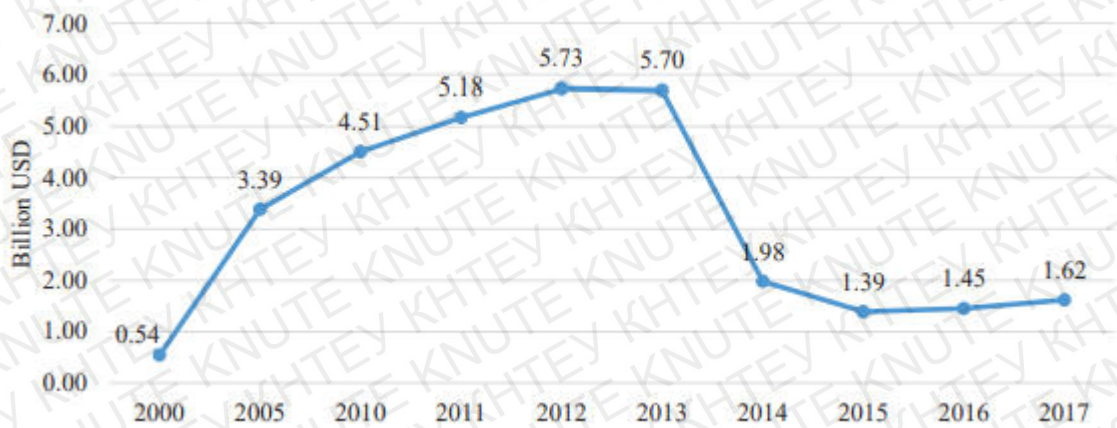
The tourism sector in Ukraine is also not considered as a priority, in particular, according to the indicator «priority of the development of the tourism sector for the government of the country», the experts assigned us 122 places. So, the prerequisites for the proper development of tourism are not sufficiently used in Ukraine. As for determining the factors influencing the development of the European tourist space in terms of its segmentation, it is possible to conclude that for Ukraine the most influential factors are: the resource component, the development of infrastructure and a favorable environment. As for the functioning of the European tourist space, Ukraine in 2016 was visited by 13.3 million tourists. However, the dynamics of changes in this indicator is unpredictable, which makes it impossible to make any predictions (Fig.2.4.).



*Fig. 2.4. Dynamics of the number of tourist visits to Ukraine [16]*

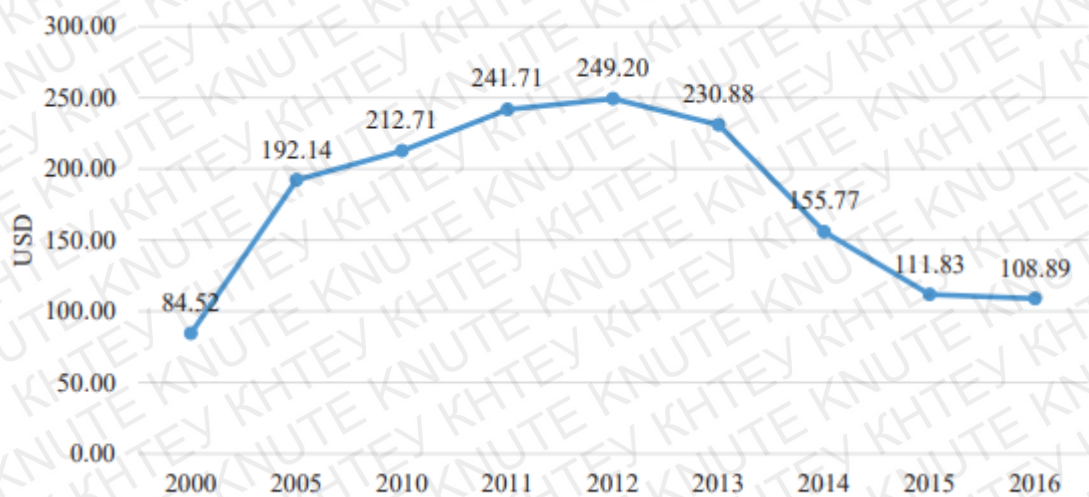
By the number of tourists, Ukraine is in the same group with such countries as Croatia, Poland and the Netherlands. Dynamics of expenditures of tourists for the period from 2000 to 2017 is also non-linear and makes it impossible to make objective predictions (Fig. 2.5.).





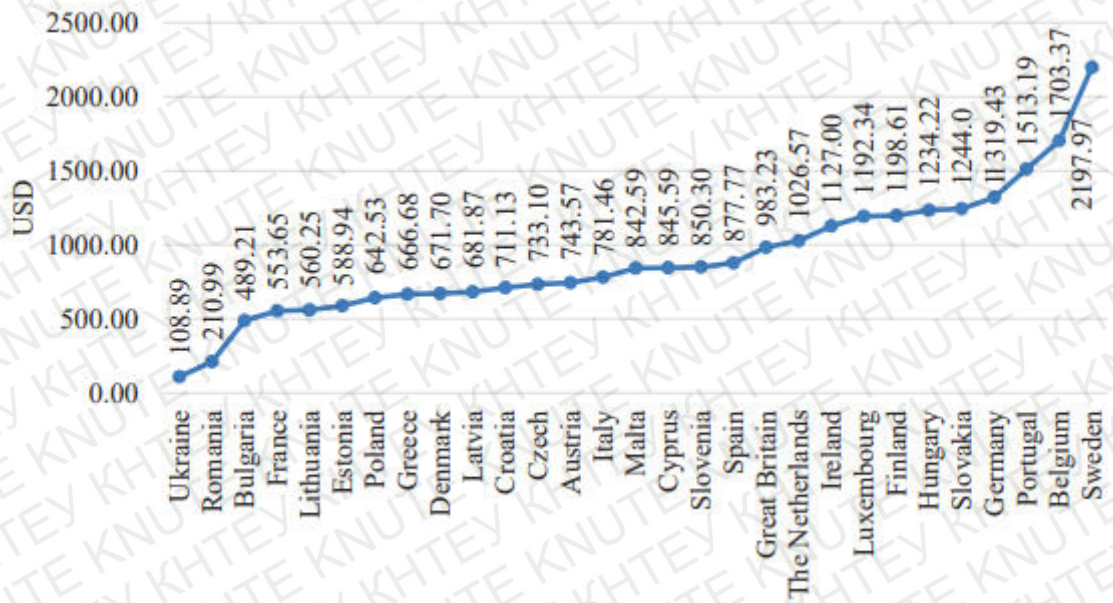
*Fig. 2.5. Dynamics of expenditures of tourists in Ukraine [16]*

However, in total expenditure – 1.62 billion USD in 2017 Ukraine is in the same group with countries such as Lithuania, Latvia, Luxembourg and Malta, which are as large as some regions of Ukraine. This indicates the priority of the tourism industry in Ukraine. The average amount of tourist expenditures in Ukraine changes annually and as of 2016 is about 100 USD. In comparison with the EU countries, this is the lowest indicator (Fig. 2.6., 2.7.).



*Fig. 2.6. Dynamics of average expenditures of tourists in Ukraine [16]*





*Fig. 2.7. Distribution of the average expenditures of tourists in the EU countries and Ukraine [16]*

The commodity market has a special niche in the world economy. Billions of newcomers are involved in this field. The active development of the world market of goods is growing in recent years and the number of its consumers is growing, who can not attract close attention to scientists and entrepreneurs. In particular, analytical research in this area that supports market trends, features of marketing strategies and tools used for expensive exclusive goods and services, characteristics and laws of development of this market, etc. In addition, the analysis of the luxury market is extremely relevant and requires detailed revision. In addition, the peculiarity of the luxury industry is that here the "rules of the game" determine the manufacturer, not the consumer. These and other characteristics distinguish this market from market consumer goods stores and determine the objective need to identify special marketing tools that increase their effectiveness when interacting with a luxury brand. In my opinion, the market luxury, or luxury market - a segment of the market, which presents high-quality, expensive, exclusive goods that are not bought out of necessity, as well as satisfied and aimed at a special target audience - very wealthy people.

In 2009, Jean-Noel Kapferer and Vincent Bastien's "Luxury Strategy: Introduce Marketing Rules to Promote Luxury Brands" was published, while mass market marketing was first opposed to marketing, and 18 laws were developed and formulated. In particular:

1. Forget about positioning, spread out with nothing to compare.
2. Make your product imperfect enough.
3. Do not satisfy all the desires of your customers.
4. Stay away from non-enthusiasts.
5. Do not respond to a growing demand.
6. It is necessary to dominate the client.
7. Make shopping a component for customers.
8. Protect customers from non-clitoris.
9. The role of advertising is not to sell.
10. Build communications with non-target audiences.
11. The price should always be higher than the actual one.
12. Luxury determines price, not price determines luxury.
13. Please review the price for only six months to increase your request.
14. Continue to increase the average price for the entire range.
15. Don't sell.
16. Keep the stars from your ads.
17. Send closeness to art for the chosen ones.
18. Do not transfer production from the country to the origin of the brand.

The above laws are widely criticized by students from different countries, in addition to deserving of their authorization, they prevail in the comparison of luxury and mass markets.

### **2.3. Analysis of international market in luxury tourism segment**

The concept of luxury is fluid and dynamic, and it has changed in the last decades due to developments in society, technology, and the rise of the experience



economy [17]. The traditional perspective of luxury refers to scarce products attached to the privileged elite, relating luxury with conspicuous consumption and gaining status. Due to the changing concept of luxury, it has been argued that luxury has transformed consumers' search for meaningfulness by shifting from “having-to-be and from owning-to-experiencing”. Simultaneously, luxury has been argued to be based more on self-interest than status.

With the rise of experiential consumption and the search for meaningfulness, luxury spending as regards services has boomed, creating prerequisites for experiential services such as luxury tourism, which is usually associated with wealthy tourists, who have substantial material resources. However, the expectations of contemporary, heterogeneous, luxury tourism consumer may be based on attributes other than the expensive material factors traditionally attached to luxury at the present. Consequently, the concept of luxury tourism has widened from traditional luxury tourism products such as five-star hotels to a broad variety of luxury experiences that offer the consumer uniqueness and authenticity.

Because of the multifaceted concept of luxury, and to accommodate this shift in consumer tastes, academics and practitioners need to understand experiential luxuries, which have been neglected in academic research; luxury research has been overlooked in service literature, and service literature is lacking in luxury literature. Scholars have not yet adequately addressed the features of luxury service, and there is a demand for further study in the area of experiential luxury in the context of hospitality and tourism.

The tourist experience concept has received remarkable attention among tourism researchers in the last two decades, and entire journal issues have been dedicated to the topic. Although there is no single definition of the tourist experience, researchers appear to agree about some of its characteristics: it is subjective, influenced by the traveler's past experiences, and may consist of both memorable peak experiences and/or ordinary everyday experiences. Tourist experience can be seen as a whole, consisting of expectations before and during the



trip and memories after it. Hence, service providers are unable to provide the experiences but only their prerequisites. However, to some extent, service providers can design, process, and facilitate tourist experiences by involving tourists, personnel, and partners in the innovation processes [18].

The research on luxury tourist experiences is still scarce. Many of the studies conducted in the luxury context refer to tourist products with a high price, high-quality service, and material elements that create the environment for luxury. However, it is argued that the material elements do not define luxury anymore, rather for the consumer it is the perceived value and the experience. Wirtz et al. argue that determining something as luxury based on physical experience elements is not possible for services, which should also be approached via subjective perceptions, determined by the customer's situational interpretation of the experience, processes, and tangible cues. Luxury tourism experiences are seen as hedonically based consumption experiences, where consumers seek emotional and aesthetic content to gain pleasure. It offers possibilities for being in the moment and opulence, supported by a superb location and setting in properties, delivering tailored attention and hospitality, where service providers' performance and co-creation are valuable parts of the product. The luxury service experience provides a high level of personalized comfort and convenience. Furthermore, the luxury tourist product is equated with details that add a sense of high quality to the experience, accompanied by valued senses of total escape, novelty, and exoticism with safety. The service providers' ultimate aim is to create prerequisites for a memorable experience (fig.2.8.).

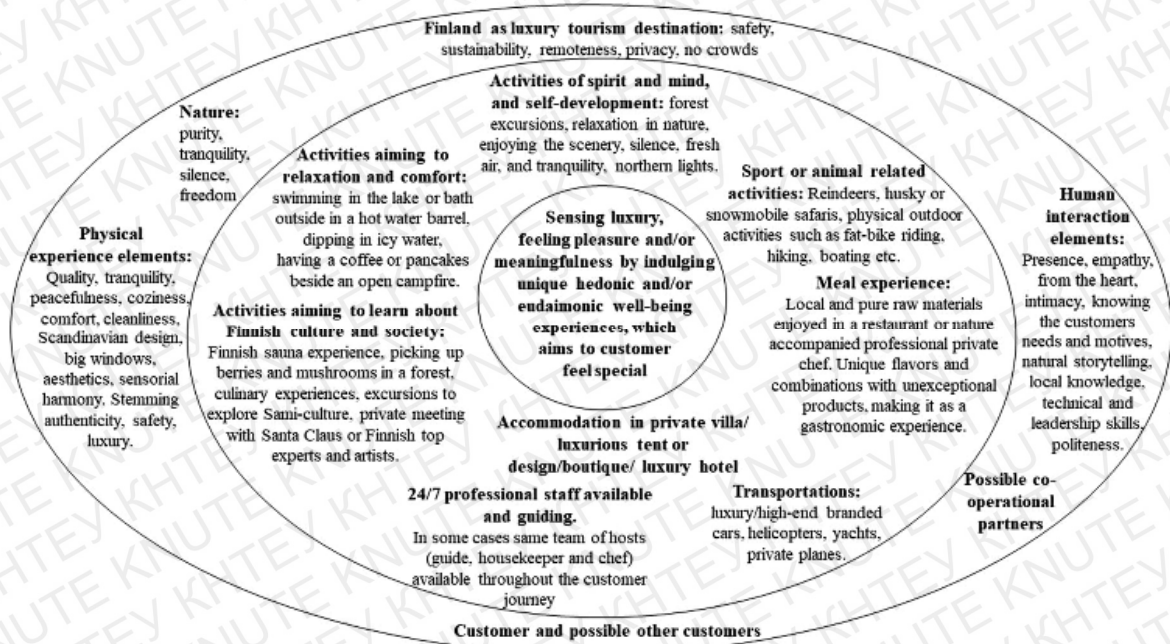


Fig. 2.8. Example of a product created for a typical luxury tourist experience [19]

According to the data of UNWTO of 2011, the participants of the luxury tourism accounted for 3% of all tourists worldwide and represented up to 20% of expenses on tourism. The essential prerequisite of the growing importance of luxury tourism is the increase in the comfort and the welfare of society and greater availability of leisure time. According to Page, the luxury tourism is defined as a consumption of high-priced and high-quality experiences following the idea that the characteristics of luxury experiences evolve during the course of time. So for example staying in luxury resorts and hotels, tailor-made package holidays or travelling by private planes belong to such experiences. The emphasis is put on comfort, relaxation and first-rate quality, while at the same time a high standard and unique and authentic services are expected. In the luxury market, the main idea is to transform dreams into reality through tailor-made experiences [20]. Such experiences are represented by stays in luxury hotels and resorts, luxury cruises, travel and luxury shopping, unique tailor-made holidays with authentic experiences or extreme experiences in unexplored places.

With regard to the above-mentioned findings, we may state that the luxury tourism is closely related to the so-called adventure tourism, as their common goal

is to provide consumers with experiences. The specifics of the luxury tourism lie in its cross-sectional nature interfering in other forms of tourism. In this way, we can detect luxury elements in for example spa tourism, cultural-cognitive tourism or congress tourism. The important common ground is the motivation of individuals by way of satisfying the need for holiday, regeneration, excursions or leisure time activities. Hallot points out that a luxury visitor has generally the same needs and desires as a common visitor. They undergo the same structure of experiences as it is with common tourism, which is demonstrated in (Fig. 2.9.).

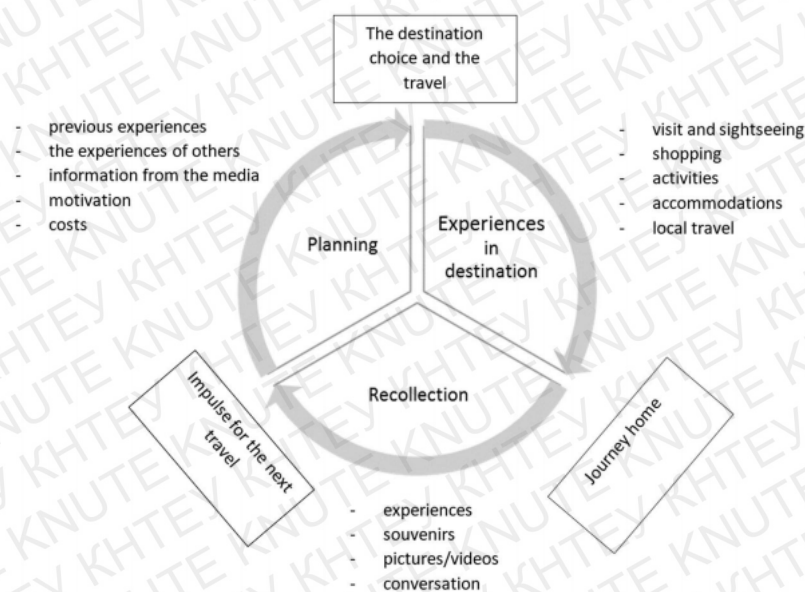


Fig. 2.9. The structure of experiences in tourism [21]

The specifics of experiences in luxury tourism depend on the level of the demands of the travellers who usually wish to get authentic, exclusive and personalized experiences with a benefit paying huge sums of money. Such experiences might include e.g. individual excursions and trips, dinners at unique places (be it in renowned restaurants or in a secluded place in the countryside), or a chance to experience traditional rituals with local inhabitants in a given destination, etc. Numerous studies in the last years were focused on examining the motivations that activate the needs for experiences and subsequently satisfy the needs by participation in tourism. Based on the analysis of the motivations in tourism, types of tourism were created. A study of demographic and socio-



economic characteristics of consumers and their psychological stimuli thus became useful not only for managers but also for businessmen who wished to comprehend the behaviour of consumers and develop successful marketing strategies. The providers of tourism services had to be able to predict the changes in motivations that predetermine the tourists to buy a package holiday or select a destination. It is obvious that the demand in the segment of tourism differs from a common segment e.g. by special interests and requirements. The specifics of the demand should be reflected on the grounds of thorough market segmentation that is the basis of the marketing strategy. The basic prerequisite is the ability to fulfil the personal requirements and provide services customised to fit the preferences of the clients. By its definition, the luxury tourism can be also perceived as a counterpart of the mass tourism. The basic characteristics of luxury and mass tourism are summarized in Tab. 2.1.

*Table 2.1.*

**The basic characteristics of luxury and mass tourism**

<b>Luxury tourism</b>	<b>Mass tourism</b>
Travelling of individuals or smaller groups	Travelling in larger groups
Representation of the older generation of travellers	Rather younger generation of travellers
Social class with a high income	Social class with lower income
Tailored products	Catalogue-based and pre-arranged products
Selective communication, selling dreams	Less selective communication, selling facts
High quality connected with higher prices	Lower quality connected with lower prices
Stressing the respect for the privacy of visitors	High concentration of visitors in the destination
Stressing the prestige and unique experiences	Stressing the economic aspect and lower costs
Hotels and resorts ****, luxury residences	Hotels *** and collective accommodation facilities
Professional and trained staff	The lower level of professionalism of the staff
High level of discreet behaviour	The lower level of privacy
Use of high-quality means of transport	Use of cheap means of transport

Developed by the author on the basis of [21]

For more than 90% of the participants of luxury holidays, the main reason to travel is relaxation, which includes exploring the nature and relaxation itself. For more than twothirds of the respondents, the main reason is to explore the destination. This is also connected to the destination's history and culture. For almost 35% of the respondents, sports activities are an essential part of the holiday, for a little fewer people it is the health improvement, entertainment or celebration of an important anniversary. Only a few people travel for business, as it was mentioned only by several individuals. An expression of their motivation is depicted in the form of a "word cloud". This is a visual representation of the most frequently used answers of the respondents in the questionnaires. The frequency is described by the font size. The word "relaxation" is repeated in 94% of the cases in total, followed by the words "attractiveness", "history", and "culture" (68%).



*Fig. 2.10. Luxury destinations* [21]

The preference to travel off-season is also related to the fact that the participants of the luxury holiday prefer exotic places. According to the respondents, luxury holidays are mostly related to the places in the Indian Ocean, along with the Caribbean Sea and the Pacific Ocean (Fig. 2.10.). We can conclude that luxury



touristic places are typical for their tropical or exotic features and a great distance from the Ukraine.

### **Conclusions to Chapter 2**

Thus, the luxury market is a market segment that presents high-quality, expensive, exclusive goods that are bought not out of necessity, but for pleasure and designed for a specific target audience - very wealthy people. In order to build a luxury brand, you need to follow these principles: have your own philosophy; create corporate symbols, monograms, colors, images that would be associated with the brand; have your own special ritual of consumption that exceeds customer expectations; create multifunctional spaces ("temples" of one brand); ensuring that customers belong to an exclusive group; telling myths about the brand; breaking the connection with the product category to which the luxury brand belongs, and reaching the level of maximum intangibility with the offer of a certain way of life. The principles of successful brand management for each of the commodity categories of the luxury market need further research.

The place of Ukraine in the tourist space of Europe is identified. It is emphasized that the national business environment does not contribute to the development of the tourism sector, the level of security in the country has a negative impact [22]. The tourism industry in Ukraine is not considered as a priority. The competitive advantages of Ukraine are the assessment of human resources and the labor market and the protection of health and hygiene. So, the prerequisites for the proper development of tourism are not sufficiently used in Ukraine.

The effectiveness of the functioning of the European tourist space is investigated and significant regional differences in the volume of increase in national income from the tourism industry are revealed. It is concluded that the leaders in income received in 2017 are countries such as Cyprus, Malta, Ireland, Luxembourg, Latvia and Lithuania, which received in 2017 approximately 250 million USD income from the tourism industry. Most countries of the European



tourist area (Great Britain, the Netherlands, France, Spain, Italy, Germany, Austria, Greece, Denmark, Portugal, Finland, Sweden, Belgium, Bulgaria, Poland, Romania, Slovakia, Slovenia, Hungary, Croatia, Czech Republic) average had a national income growth from the tourism industry of 170 million USD.

## **CHAPTER 3. THE PROJECT OF INNOVATIVE LUXURY TOURISM PRODUCT DEVELOPMENT STRATEGY BASED ON “TPG” LTD**

### **3.1. Key stakeholders of the innovative luxury tourism product development strategy on “TPG” LTD**

For tourism to be sustainable, all stakeholders must be involved. Freeman (1984) defines stakeholder as “any group or individual who can affect or is affected by the achievement or the organization’s objectives” [23]. Four main stakeholders who play roles in tourism development according to Goeldner and Ritchie (2005) are the tourist, the business providing tourist goods and services, which is entrepreneur, the government of the host community or area and the host community, that is, the residents. Each of these stakeholders is critical towards the successful tourism activities.

Tourism is a social, cultural and economic issue which involves the movement of people to different places outside their usual environment for personal, business or professional purposes (United Nations World Tourism Organization, 2008). Thus, a tourist is “someone who travels at least 80 km from his or her home for at least 24 hours, for business or leisure or other reasons” (LinkBC, 2008). The entrepreneur sees tourism as an opportunity to make profit via providing goods and services that the tourist is interested. The host community includes the local people who consider tourism as cultural and avenue for employment. The local government includes the politicians who view tourism as “a wealth factor in the economy of their jurisdiction” (Goeldner and Ritchie, 2005). They formulate policies and implement them to ensure it serves this purpose. Even though all these stakeholders are involved one way or the other in decision making and sustenance of the tourist industry, their involvement is not equal (Byrd, 2007; UNEP, 2005). For instance, the UNEP (2005) have suggested that the government has to take the leading role. This is so because the tourist industry is very fragmented, sustainability relates to areas of public concern and

lastly, the government has many of the tools that can be used to make the difference (UNEP, 2005).

The importance of innovation was long underestimated in service activities. In contrast to the radical innovations vital to growth in manufacturing sectors, innovations in services and tourism were secondary and capital-scarce, and for this reason they were excluded from the scope of government interest and action. It is interesting to note that the discourse changed with the emergence of new information and communication technologies (NICT), which have been especially influential in the realm of tourism. The dissemination of new modes of production and the resulting organizational shock waves, along with the marketing adjustments this has entailed, have been the subject of much research. Yet the issues involved in innovation in tourism are not confined to the information revolution, and many other questions remain [24].

Innovation in tourism services: what are the unique features?

Identifying the nature of innovation in tourism entails looking for features that are either shared with or distinct from those of innovations in other service industries, but it also entails comparisons with the more general models found in manufacturing. In addition, issues arising in agriculture may shed some light as well. – Comparisons of the approach to innovation in tourism and in other service industries: retailing, banking, recreation, etc. Tourism products are “experience goods” par excellence, validated ex post facto by consumers, who commit their experience to memory and build upon it. This feature seems consistent with the trend towards “customization”—i.e., “mass production of the made-to-measure”. In addition, tourism activity is deeply rooted spatially, the stage being set by the surrounding heritage, attractions and lodging facilities. Consumption also has a sequential dimension that affects the quality of the tourist’s overall experience. As a result, reference to the model for retailing can shed light on the manner in which tourism products are distributed and consumed. The tourism industry also involves activities that feature proximity to leisure industries: cultural, sporting and



recreational pursuits. Since both are affected by industrialization approaches, the development of short-term practices, the influence of innovations in urban tourism on the supply of leisure activities (casinos, museums, special events, etc.) accentuate the convergence to the point where it becomes difficult to establish a clear boundary between them.

– Unique features of services as compared to industrial models: marketing of services, the role of R&D, lack of patentability, attitude towards markets (tendency towards responsiveness), low degree of technology culture, etc. Services cannot be analysed exactly with the same analytical categories as are used to understand innovation in manufacturing industries. Taking an evolutionist approach, the taxonomy of Keith Pavitt classifies service firms, and especially those performing services for individuals, as “supplier-dominated”, being essentially users of technologies developed in the realm of manufacturing. The emphasis is on non-technological forms of innovation, such as professional know-how, brands and design, which then play a major role.

– Non-unique features: a blurry boundary between industry and services: the industrialization of tourist services and the shock of NICT are making tourism more innovative. Services are becoming more active in innovation by adopting NICT, as highlighted by the preponderance of tourism services in the development of electronic commerce.

– Classifications of innovations in tourism.

Technological and non-technological innovations.

Classification according to the nature of the innovation: product or process innovation, organizational or market innovation, or “ad hoc” innovation.

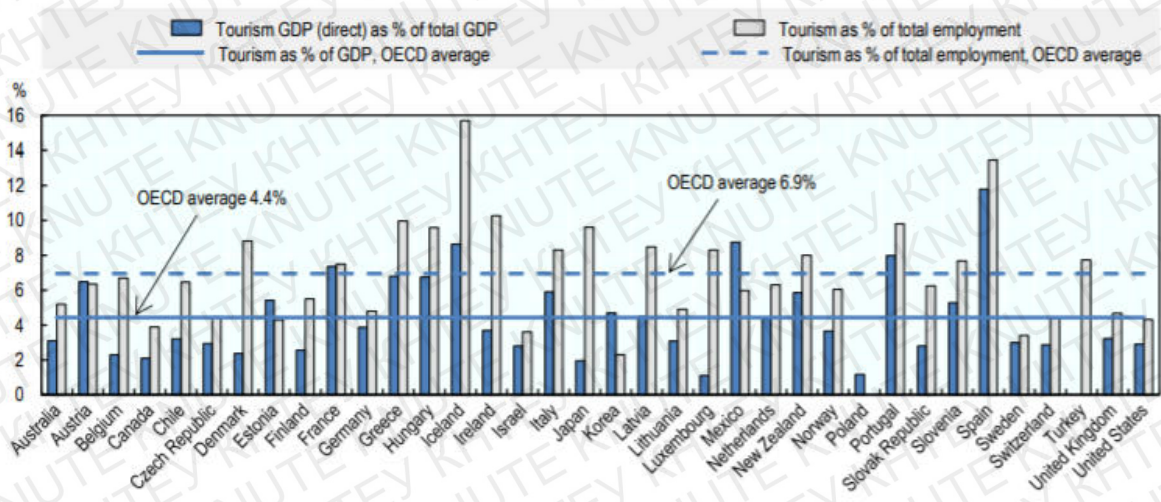
- Innovation and intensity of discontinuity: radical, incremental or architectural innovation [25].

Based on the Schumpeterian idea of “creative destruction”, the Abernathy-Clark model classifies innovations in two dimensions: intensity of obsolescence of knowledge subsequent to an innovation, and intensity of changes in industrial

linkages prompted by the innovations. The application to the tourism industry is attributable to Anne-Mette Hjalager (2002)<sup>4</sup>. It is noteworthy that certain concepts do not have the same meaning for all authors, reflecting the fact that research in this field is not yet mature.

Tourism is a highly significant economic sector globally and locally, and provides real prospects for enduring and inclusive economic growth. The sector generates foreign exchange, drives regional development, directly supports numerous types of jobs and businesses and underpins many local communities. Recent trends point to continued strong growth around the world, and this chapter illustrates the leadership role that governments are playing to optimise the potential benefits, and mitigate the associated costs [26]. The sustainable development of tourism and the digital transformation of the sector are key issues facing policy makers. On these and other issues, policy makers recognise the need for coordinated responses across government, and to work closely with the private sector. The practical challenge that remains is to ensure that developments in local tourism destinations align with the policies set in place at national level.

Tourism is an important part of OECD member and partner economies, and a key sector within a growing services economy. On average tourism directly contributes 4.4% of GDP, 6.9% of employment (Figure 1.1) and 21.5% of service related exports to OECD countries.





*Fig. 3.1. Direct contribution of tourism to OECD countries [27]*

Global tourism has steadily expanded for over six decades. Driven by strong global economic growth and new volume outbound markets, particularly from the Asia Pacific region, international tourist arrivals worldwide grew to over 1.4 billion in 2018, an increase of 5.6% on 2017. With international tourism arrivals growing ahead of the long term growth forecast, the threshold of 1.8 billion is now likely to be exceeded in advance of 2030.

### **3.2. Main components and goals of the innovative luxury tourism product development strategy on “TPG” LTD**

One of the most complex activities of today’s modern society, tourism is a dynamic system involving numerous commercial and non-commercial activities that together form a tourism offering. Changes in tourism trends as well as increasingly discerning tourism demand are driving the need for tourism offering innovation. Argue that one of the core trends in this sphere is the development and application of a variety of innovations and new elements that can serve as a powerful impetus for the development of tourism. Tourism offering innovation “introduces something new into the way of life, organization, timing and placement of what can generally be described as the individual and collective processes that relate to consumers”. Tourism offering innovation depends on creativity and refers to new ideas and new approaches to designing an offering and developing novel forms of special-interest tourism. A luxury tourism offering is the basis for developing luxury tourism that offers unique, personalized services. One of the distinctive features of luxury tourism is the fact that it is a complete opposition to mass tourism. The tourists of today differ from those of previous generations; they expect tourism services to provide quality as well as experiences. Hence, tourism destinations are under pressure to create and offer original and innovative products that will set them apart from other destinations. Innovation is not about finding new ways of doing business; it is about finding new ways to



survive in the market. Innovation and new service development are important strategic features to assure growth and sustainable wealth for every industry, but in particular for those industries where markets are saturated and clients choose products and services from all over the world, such as is the case in tourism. De Brentani refers to innovation as the designing of new products, services or processes. Schumpeter distinguishes between five areas in which entrepreneurs can apply innovativeness: creating new products or services, new production processes, new markets, new suppliers, and changing organization or management systems.

Innovations in tourism represent the introduction of a new or improved component which intends to bring tangible and intangible benefits to tourism stakeholders and the local community, improve the value of the tourism experience and the core competencies of the tourism sector and hence enhance tourism competitiveness and /or sustainability [28]. Innovation in tourism may cover potential areas, such as tourism destinations, tourism products, technology, processes, organizations and business models, skills, architecture, services, tools and/or practices for management, marketing, communication, operation, quality assurance and pricing. Tourism offering innovation, which involves all stakeholders, can prevent destructive and chaotic development and help to create a framework for integrated destination management. Innovations to the tourism offering in the form of new products and services can become a major factor of the tourist experience and a reason to travel to a specific tourism destination. Pavia & Floričić (2017) point out that new, unique and personalized services and facilities, capable of providing a specific experience and high level of satisfaction, will undoubtedly ensure repeat visits of tourists to a destination. Innovation in tourism is multifaceted and can involve (Tounta, 2015):

- product innovation with new products and services
- process innovation with new ways of delivering tourism services

- logistic innovation with new ways of supplying products or services to customers and
- market innovation focusing on new ways of marketing and on consumer behavior.

A trend in tourism is the emergence of a new luxury consumer, seeking value, uniqueness and personal experiences. In designing a luxury tourism offering, all offering stakeholders are focused on providing new personalized experiences and unforgettable moments through an offering that is authentic, impressive, unique and exclusive. In tourist destinations, social and sustainable innovations also require new planning, management and organizational structures, more embracive of local resources, local community's collective interests and quality of life and involving practices oriented towards forms of sustainable development [29]. All tourism destination stakeholders participate in designing new, innovative tourism offerings. Innovations in tourism refer to transformations that fall into the following impact categories :

1. Changing the properties and varieties of the goods and services as they are experienced by the tourists
2. Increasing the social and physical efficacy, for example, the power for the tourists to produce the benefits for themselves
3. Increasing the productivity and efficacy in tourism enterprises and restructuring the input factors such as energy, labor, capital, and land
4. Forming new destinations
5. Enhancing mobility to and within destinations
6. Altering the way of passing information within and across organizational boundaries
7. Changing the institutional logic and the power relations.

The level of luxury of tourism services is difficult to define because understanding luxury depends on the perspective of tourists; individual perceptions of luxury in general, and in particular of luxury tourism, vary greatly). In addition to the

concept of luxury being highly subjective the meaning of luxury also differs from one person to another (Monkhouse, Barnes, & Stephan, 2012). Accordingly, despite the importance of the luxury market, there is no one definition of luxury tourism and there is also a lack of one common definition for luxury travel. Luxury tourism or high-life tourism includes all categories of clients for which practicing tourism is not conditioned by the level of their earnings, in the sense that money is not an issue for them since they have more than enough. Luxury tourism is characterised by a personalised, premium offering that attracts consumers with the particular way services are rendered. A luxury offering is differentiated, unique and exclusive. Although it is a product or service that can be offered to everyone, not everyone can afford it. It is difficult to define what tourists see as superior, convenient and engaging. European luxury travellers are generally looking for such things as: personalised service, preferably one on one; good-quality beds with good-quality bed linen; reliable transport; comfortable seats when travelling, with plenty of legroom; good-quality food and wine; exclusivity; positive and professional interaction with staff. Stakeholders in a destination are often faced with a situation in which a luxury offering is not defined by exceptional quality alone, that is, quality is no longer enough to differentiate products, so that innovation to create high-quality experiences is more important than goods or service innovation. Because experiences represent a vital component in satisfying the need for enjoying luxury goods and service, many authors include this criterion in their definition of luxury. Define luxury products as high quality, expensive and non-essential products and services that appear to be rare, exclusive, prestigious and authentic and offer high levels of symbolic and emotional/hedonic values through customer experiences. According to Bakker, four major elements evoke a sense of luxury: uniqueness, prestige / social status, cost and time. A unique tourism offering is able to create a sense of luxury, as the tourist knows that the product is not in the reach of everybody and this helps tourists to express their intrinsic. Exclusive services, facilities and experiences that are unique can evoke a



sense of luxury. It is believed that tourists perceive an offering as a luxury when it gives them a certain prestige, such as staying in an exclusive destination with personalised service. When the price of a premium tourism offering is high, it is considered to be a luxury, especially if the offering has no tangible quality. Luxury services can be explained as those whose ratio of functional utility to price is low while the ratio of intangible and situational utility to price is high [30]. Luxury does not imply only pleasure but also convenience with regard to others; it is a privilege experienced by few and to the tourist it means the right balance of local insight, independence and flexibility.

Luxury tourism services exceed the boundary of satisfying the basic travel needs (luxury accommodation and food/drinks) and are tightly linked to experiences not affordable to the masses, experiences that when consumed can satisfy the highest levels of human needs – self-actualization and social status. Accordingly, a luxury tourism offering implies added value for guests, carefully designed programmes and services that are not focused exclusively on spending leisure time but also represent value that money cannot buy (affective value is greater than material value), that is, an authentic experience of staying in a destination.

### **3.3. Stages of the innovative luxury tourism product development strategy implementation on “TPG” LTD**

Information is one of the types of resources that a person uses work and life. Related to the concept of information resource the concept of information technology.

Information technology - information processing technology, which consists of a set of technological elements: assembly, accumulation, search, transfer of information to users on the basis of modern technical means.

In our time, humanity is experiencing a scientific and technological revolution in quality the material basis of which is electronic computing. Based on

this technique is a new type of technology - information. They include processes where the "source material" and "product" is information. It is clear that the information that is processed is related to certain material carriers and, therefore, these processes also include processing substances and energy processing. The main role here is played by information, not its carrier [31].

Both production and information technologies do not arise spontaneously, but in the result of the technologicalization of a social process, is purposeful active human influence on a particular industry and its transformation on the basis of machine technology. The wider the use of computers, the higher their intellectual level, the more species emerge information technologies, which include planning and management technologies research and development, experiments, design, cash operations, criminology, medicine, education, etc.

Classification of information technology on certain grounds:

1. by the method of using computer equipment during information processing:

- information technologies in centralized information systems;
- information technologies in decentralized information systems;

2. by method of implementation in information systems:

- traditional information technologies;
- new information technologies;
- high information technologies;

3. by the degree of coverage of management tasks:

- information technologies of electronic data processing;
- information technologies for automation of management functions;
- information technologies to support decision-making;
- e-office information technologies;
- information technologies of expert support;

4. by type of user interface:

- batch;

- dialogue;
  - network;
5. by the method of network construction:
- local;
  - global;
  - multilevel;
  - distributed;
6. by class of technological operations implemented:
- work with text editors;
  - work with spreadsheets;
  - work with database management systems;
  - work with graphic objects;
  - multimedia systems;
  - hypertext systems;
7. according to the models of the computational process:
- host-oriented information technologies;
  - technologies that implement the process model with distributed resources;
  - "client - server" technologies;
8. by type of subject area served:
- accounting information technologies;
  - information technologies of banking activity;
  - information technologies of tax activity;
  - information technologies of insurance activity, etc.

Tourist activity and information are inseparable [32]. Question about the trip accepted, as a rule, on the basis of information. Tour at the time of purchase – too information. For the successful operation of a travel agency is necessary use a constant flow of truthful and timely information for making important management decisions in order to achieve the expected the end result - making a profit. Due to the fact that the information participants of the tourist market are exchanged during



the day, there is a need for ability to collect, process it. Therefore, the development of information technology (IT) in tourism should be key.

In Ukraine, information systems, including in the form of electronic communications, is a new means of organizing the tourism sector, therefore they have been insufficiently studied by Ukrainian scientists.

The field of tourism requires the use of systems that are in the shortest possible time can provide information on the availability of vehicles, to provide fast reservation, the decision of a number of questions at the moment of granting tourist services. This is especially true for operators working in in the field of inbound tourism, and therefore deal with travel agencies of countries in which the spread of information technology has a long history to this day the moment develops at a faster pace.

The tourism industry is ideally suited for the introduction of modern IT, therefore, in recent decades it has been significantly influenced by science and technology progress. The IT system in tourism covers management information systems, global booking systems, multimedia, integrated communication networks. Among the most important achievements of tourism was its computerization. Personal computer and the Internet made it possible to create public, extremely information-intensive, and, compared to others information technology systems, cheap and fast information infrastructure, their availability and reliability contributed to entry into all areas societies of new information technologies that have fully provided productivity growth in services.

Twenty years ago, information technology and tourism gave up incompatible partners. Today, these two concepts are so close interconnected, that there is even a new type of tourism - "alternative tourism "or" electronic tourism ". In general, analyzing the role of and the importance of information technology for the current stage of development of society, 19 it is possible to draw well-founded conclusions that this role is strategic important, and the importance of these technologies in the near future will be grow fast. It is these technologies that play a significant role

today areas of technological development of the state. The arguments for these conclusions are a number of unique properties of information technology (efficiency, availability) which put them in a priority place in relation to production and social technologies. Among the excellent properties information technologies that are of strategic importance for development society it seems appropriate to highlight the following, the most important [33].

First, information technology allows you to activate and effectively use the information resources of society, which today are the most an important strategic factor in its development. Experience shows that intensification of dissemination and effective use of information resources (scientific knowledge, discoveries, inventions, technologies, best practices) allow to obtain significant savings of other types of resources: raw materials, energy, materials and equipment, human resources, social time.

Secondly, information technology can be optimized in many cases to automate the information processes that have taken place in recent years an increasing place in the life of society. It is well known that development civilization is moving towards an information society, which objects and results of work of the majority of the employed population become no longer material values, but mainly information and scientific knowledge.

Calculations of the financial plan of income and expenses in the new direction: Kyiv-Mombasa (Kenya)

*Table 3.1*

**Tour operator costs in a package tour for 1 person for 12 nights.**

<b>Name</b>	<b>Name</b>
Hotel + food (HB)	15 000 UAH
Air transportation	The cost of round-trip tickets is 20,000 UAH
Transfer	The cost in both directions is 200 UAH
Insurance	800 UAH
Together	36 000 UAH

Resource: developed by the author

The cost of the tour is 36,000 UAH.

To this cost is added the tour operator's service + 10% of the tour cost. Total -  $36,000 + 3,600 (10\%) = 39,600$  UAH. The average cost of a package tour to Kenya, hotel 5\*, for 1 person for 12 nights.

Today in most developed countries most of the employment population in its activities is to some extent related to the processes preparation, storage, processing and transmission of information and therefore forced to master and practically use the information corresponding to these processes technology. In fact, they play an extremely important role in ensuring information interaction between people, as well as in systems preparation and dissemination of mass information [34].

The global computer network is evolving so fast that annually the number of its subscribers and the amount of information resources in practice double. Obviously, the tourism business is not left out either.

In 2009 alone, hundreds of independent sections of travel agencies appeared on the Internet, hotels, airlines, dozens of travel reservation systems, and in 2020 year, this figure has increased tenfold.

Thus, the use of information technology in tourism is associated with using the global Internet; local computer networks; automation applications for the formation, promotion and implementation tourist product; local automation of the tourist office. Future tourism on applied systems of automation of tourist office which can ensure independence of work, a high degree of information protection, on-line exchange of information with various participants of the tourist market, integration into reservation and reservation systems, as well as global internet network.

#### **3.4. Evaluation of the innovative luxury tourism product development strategy effectiveness on “TPG” LTD**

Economic growth, ensuring sustainable economic development and raising the living standards of the population are the most important tasks modern



Ukraine. Economic failures and the consequences of the economic crisis put the country on the brink of national security and survival. In such in these conditions, Ukraine faces the task of forming a national model development that would promote the effective use of capacity and finding a worthy place in the world community. Software high rate and quality of economic development is based on general increase of competitiveness and activation innovation processes. On the development of the economic system significantly affects the development of innovation potential.

The concept of "innovative potential "became a conceptual reflection of innovation activities. Because the study did not reveal clear definition of the concept and composition of innovation potential, there was a need to formulate these basic issues in order to be effective management of innovative activity at the tourist enterprise [35].

The concept of "potential" is widely used in economics. In the general scientific context, it is most often associated with the concepts of "strength" or "strength" and therefore the term "potential" traditionally used to characterize funds, stocks, sources or opportunities that can be used to address a particular task or achievement of a certain goal in the enterprise.

At the end of the twentieth century, many publications were published on various aspects of potential and formed a theory of economic potential systems. In the economic context, the potential of the enterprise is interpreted differently: from an extremely narrow understanding as an annual volume production, which is possible under full use production capacity of the enterprise at the existing organizational and technical level, as capacity, internal resource systems, energy that can be mobilized to achieve certain goals under certain conditions and even to comprehensive categories – as socio-economic system.

Scientific and technical segment of innovation potential ensures the emergence of a new one. The educational segment makes diffusion possible new and its productive use. Investment sector turns the new directly into innovation.

Thus, the magnitude innovation potential is calculated as the aggregate total the result of the following three segments of innovation potential: science - education - investment. However, this amount does not guarantee production the desired result by the method of direct addition, and is defined as the average result of their mutual influence.

The structure of the innovation potential of tourism enterprises can be represented by the unity of its three components, which coexist mutually, anticipate and condition each other and appear when used as its triune essence:

- resource;
- internal;
- effective.

Resource component of innovation potential is a kind of "bridgehead" for its formation [36]. She includes the following main components that have different functionalities purpose: logistical, informational, financial, human and other types of resources. The resource component of tourism enterprises has basic nature, so, in our opinion, it would be appropriate to consider each of its elements separately.

1. Material and technical resources, which are the material basis, determine the technical and technological base of the tourist potential enterprise, which will subsequently affect the scale and pace innovation activity. In turn, they are formed in industries that produce means of production, which by application new technologies lay in them the potential that are realized or are not realized later.

2. Information resource of the tourist enterprise, the following component of the resource component - these are its active forms as bases knowledge, models, algorithms, programs, projects and so on. Like enzyme translates material factors from a latent state to active. This type of resource, unlike others, is practical inexhaustible. With the development of society and the intensification of use knowledge stocks of information resources are not reduced, but on the contrary, increase. Thus this kind of resources is not independent and itself on it has only potential significance for itself, only by uniting with others resources - experience,

work, qualifications, equipment, technology, energy, raw materials, it appears in the "kinetics" as a driving force innovation potential.

3. Financial resources of the tourist enterprise are a part resource component of innovation potential as an organic unity cash resources and untapped opportunities of their alternative attachments. Thus, they are characterized by a set of sources and stocks of financial opportunities that are available and may be used to achieve specific goals and objectives. With the amount of financial resources reflects the financial capacity, ability systems to participate in the creation of material goods and the provision of services. Financial resources, in addition to the function of security, perform and insurance function by directly duplicating as well as measuring y monetary units of technical, informational, human and other resources that are part of the innovation potential.

4. The human resource (capital, factor) of the tourist enterprise is the next component of the resource component of innovation capacity that doesn't just perform a providing function like everyone else previous, and acts as the main creative force, because everything it is born in people's minds. This is a set of invested socially expedient production and universal skills, knowledge, abilities possessed by man, which belong to him, are inseparable from him and practically used in everyday life [37]. The important thing is that this component has a direct impact not only on the resource component of innovation potential, but also internally and especially effective.

The main problem is the lack of necessary analytical information. This problem is caused the lack of an effective mechanism for statistical accounting of innovation activities of enterprises in various industries. So for today only for industrial enterprises provides a report on the forms: №1-innovation "Survey of technological innovations of an industrial enterprise" and №2 - innovation "Innovative activity of enterprises". But this not enough for a thorough analysis. For commercial enterprises at all no statistical reporting on innovation is envisaged activities that complicate the analytical examination of this direction of activity of



trade enterprises. It should be noted that on most of the surveyed tourism enterprises in the management and financial accounting does not provide data on innovation, that also complicates the diagnosis of innovation potential.

The second problem is directly related to the evaluation of innovation potential. It should be noted that such an analysis is quite complex and time consuming. Evaluation innovative potential of the enterprise should be implemented in in the following sequence:

- analysis of the structure of innovation potential;
- identification of the degree of use of internal innovation capabilities of the enterprise;
- assessment of the level of innovation activity of the enterprise.

From the standpoint of a systematic approach to the innovative potential of tourism enterprises are an integral part of the total potential tourist enterprise and in turn is a holistic dynamic socio-economic system.

From the standpoint of an integrated approach, the innovation potential tourism enterprises is a complex structure that consists of a set of interacting elements of varying degrees complexity and organization. The first stage of assessing the innovative potential of tourism enterprises - analysis of the structure of innovation potential – suggests study of the state of each of its elements on the basis of the method of experts estimates [38].

The higher the level of use of the components of innovation potential of tourist enterprises, especially in enterprises competitive advantages for effective innovation activities. In the table. 1 proposes a procedure for evaluating the innovation potential of the tourist enterprise.

*Table 3.2*

**Expert assessment of the state of the elements of innovation potential of the tourist enterprise**

Components	Parameters
1. Production capacity	1.1. The degree of capacity utilization

	<p>1.2. The level of progressiveness of applied technologies</p> <p>1.3. Degree of production flexibility</p>
2. Staffing opportunities	<p>2.1. Staff qualification level</p> <p>2.2. The degree of readiness of staff to change on enterprise</p> <p>2.3. Development of staff motivation system</p> <p>2.4. The degree of creative initiative of staff</p>
3. Scientific and Technical Capabilities	<p>3.1. The level of costs for research and development in the cost marketable products</p> <p>3.2. The level of costs for the use of scientific and technical achievements in the cost of marketable products</p> <p>3.3. The level of use of developments</p> <p>3.4. The share of staff engaged in research developments in the total number of staff</p>
4. Marketing opportunities	<p>4.1. Rational use of distribution channels goods</p> <p>4.2. Flexibility of pricing policy</p> <p>4.3. The level of use of advertising</p> <p>4.4. Sales system efficiency</p>
5. Organizational capabilities	<p>5.1. The degree of organizational innovation structures</p> <p>5.2. Level of compliance of organizational culture innovative development of the enterprise</p> <p>5.3. Level of competence of managers</p> <p>5.4. Development of information support system</p>
6. Financial opportunities	<p>6.1. Absolute liquidity ratio</p> <p>6.2. Rapid liquidity ratio</p> <p>6.3. Total liquidity ratio</p> <p>6.4. Financial stability of the enterprise</p>

The final stage of assessing the innovative potential of tourism enterprises involves determining the level of innovation activity enterprises with the help of a generalizing indicator - the coefficient innovative activity of the enterprise. The results of the assessment of the state of the elements of innovation potential

tourism enterprises should form the basis of development a set of measures aimed at increasing innovation activity of the enterprise.

*Table 3.2*

**Rating of tour operators of Ukraine based on data from the Ukrainian Association of Travel Agencies for 2020**

<b>Tour operator</b>	<b>Final grade</b>	<b>Flight transfers</b>	<b>Frequency not settlements</b>	<b>The work of guides</b>	<b>Order confirmation</b>	<b>Resolving disputes</b>
TEZ Tour	8.6	8.7	9.12	8.56	8.92	8.22
Coral Travel	7.76	7.84	8.44	7.7	7.92	7.14
TUI	7.48	7.52	7.86	7.62	7.62	6.54
ALF	7.06	7.26	7.58	7.26	6.84	6.76
Join UP!	6.54	5.04	7.42	6.58	7.56	6.36
TPG	6.12	6.42	6.4	6.72	5.66	5.16

Developed by the author on the basis of [39]

The main tour operators were rated on a 10-point scale. Criteria of conveniences for tourists were considered.

An important responsibility for tourism enterprises is to create a reputation for high quality guest service, which is provided by the collective efforts of employees of all services, constant and effective control by the administration, work to improve forms and methods of service, study and implementation of best practices, new equipment and technology , expanding the range and improving the quality of services provided.

The provided tourist services must meet the expectations and physical capabilities of consumers to whom the service is addressed, as well as the requirements that provide additional convenience for consumers, attractiveness and prestige of services. The recommended requirements for travel services and terms of service include: compliance with the destination; accuracy and timeliness of execution; complexity; ethics of service personnel; comfort; aesthetics;



ergonomics. It is necessary that the provision of tourist services provides the opportunity to obtain not only basic but also additional services that create real comfortable living conditions for consumers.

Therefore, in order to respond in a timely manner to the decline in customer satisfaction with the services provided, the company should not neglect to assess such an important indicator as the quality of services provided.

### **Conclusions to Chapter 3**

In keeping with upward trends in growing demand for luxury services in tourism, tourism destination stakeholders are aware of the need to design offerings for this category of guests. As a result, some destinations on the market are positioned as luxury destinations, presenting themselves with the quality of their facilities and services rather than with the specific types of facilities and services offered. Luxury guests are oriented towards a personalised, authentic and exclusive offering of novel experiences, the value of which exceeds the pleasure in material goods. Luxury experiences activate the highest levels of meeting human needs – self-actualisation and self-respect, with emphasis on hedonic pleasure and exclusivity (experiences unavailable to the masses). Summarising the findings of previous research and the study conducted for the purpose of this paper leads to the conclusion that luxury tourism is already established on the tourism market despite the academic marginalisation of the phenomenon (due to the perceived value of luxury itself). Preconditions to successfully designing a luxury tourism offering include strategic thinking, stakeholder education and the synchronised development of the accommodation offering and service and facilities in the destination. The potential of this form of the tourism offering is evident in opportunities for revitalising rural, pristine areas and attracting guests with greater purchasing power, thus reducing the scale of mass tourism, lessening marked seasonality and increasing tourist spending. The value of this study is seen in the obtained results that can be of help to tourism destination stakeholders in designing

a luxury tourism offering. The paper is also a contribution to the scant body of scientific literature investigating the concepts of luxury tourism offering design [28]. The theory of innovation potential as the basis of innovation tourist enterprise does not currently have a systemic nature and clear structure. There is still no final definition of "innovative potential", which could be taken as a basis. The composition of this. The basic concept also has different authorial interpretations and is controversial nature. In the presented research the definition is offered

"Innovation potential" as a general economic category is provided its structural characteristics. Elements are considered separately resource component of innovation potential. Theoretical and methodological provisions of innovation potential are needed further research and in-depth study of the material previous research. Tasks for further work should become development of a methodological concept of innovation potential as basics of management of innovative activity of tourist enterprises.

## CONCLUSIONS

The first section showed that the tourism business is the main economic activity that has a positive impact on economic growth and employment in the country. The segment of the luxury market of services, including tourism, is practically undeveloped in Ukraine. Wealthy people satisfy their needs for VIP-services abroad not only because it is fashionable and prestigious, but also because it is almost impossible to do it in Ukraine. The number of very well-off people in Ukraine is insignificant. Each country seeks to develop luxury tourism to increase tourism revenues, which are known to have a multiplier effect on other sectors and sectors of the economy, increasing the overall well-being of the population. Ukraine should strive for the development of domestic elite tourism. This will reduce the export of foreign currency and help fill the budget and use the funds spent for the benefit of the Ukrainian people.

Despite the difficult economic situation of most tourism enterprises, in modern conditions there is a tendency to increase their innovation activity, especially in the field of technological innovation.

The second section notes that developing economies are increasing the supply of travelers and are becoming increasingly popular as tourist destinations. Considered by tour operator Travel Professional Group, this company is a member of the largest tourist community - the World Tourism Organization (UNWTO). Professionalism, efficiency in work, individual approach of TPG managers who personally inspect the offered hotels, allow to organize various types of tours quickly and qualitatively. A separate direction of the tour operator Travel Professional Group is the provision of corporate services to enterprises and organizations. TPG offers a wide range of services - a variety of themed tours, namely: weekend tours, children's holidays, wedding tours, pilgrimage and author's tours, medical and spa tours, bus tours and others.



Thus, the concept of luxury tourism has expanded from traditional luxury tourism products, such as five-star hotels, to a wide range of luxury experiences that offer the consumer uniqueness and authenticity.

The tourist experience can be considered as a whole, consisting of expectations before and during the trip and memories after it.

Providers of tourist services had to anticipate changes in the motives that lead tourists to buy a package holiday or choose a destination.

The third section reveals the importance of service innovation.

Tourism is an extremely important sector of the economy worldwide and at the local level, which provides real prospects for long-term and inclusive economic growth.

Innovations in tourism offers depend on creativity and imply new ideas and new approaches to the development of proposals and the development of new forms of tourism for special interests. Innovation is not about finding new ways to do business; it is about finding new ways to survive in the market. Innovation and the development of new services are important strategic characteristics to ensure growth and sustainable wealth for each industry, but especially for those industries where markets are saturated and customers choose products and services from around the world, such as tourism. Innovative tourism, which involves all stakeholders, can prevent destructive and chaotic development and help lay the groundwork for integrated destination management. Innovations in the tourist offer in the form of new products and services can be a major factor in the tourist experience and a reason to travel to a particular tourist destination.

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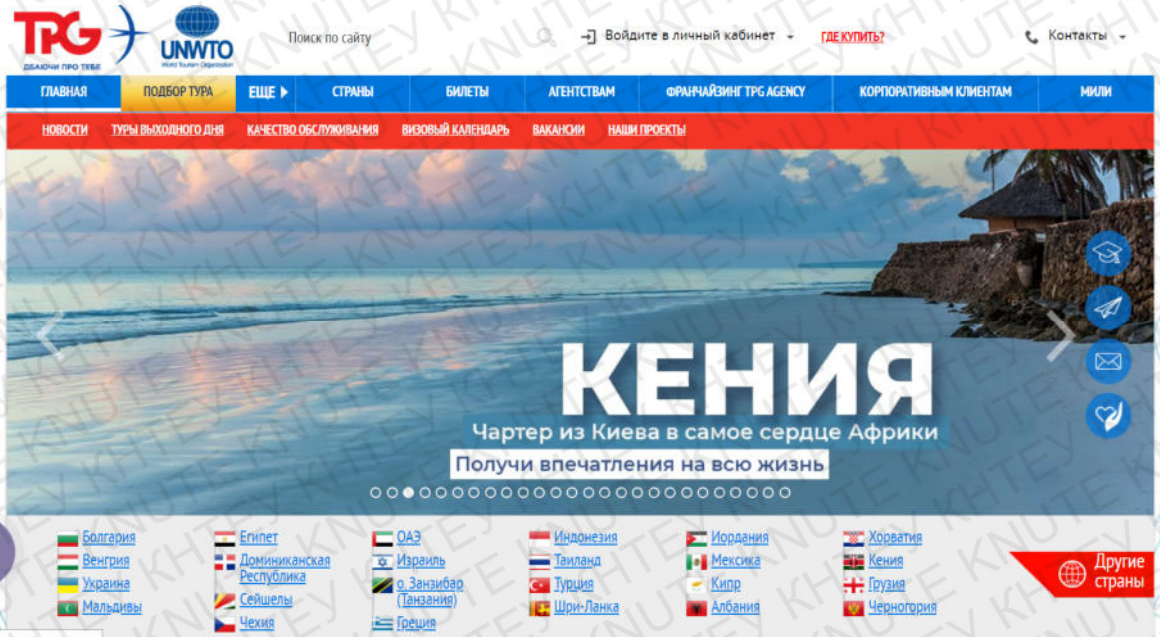


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# APPENDICES

## Appendix A



## Appendix B

### Проекты 2017



ИНСЕНТИВ В ЕГИПТЕ



КОНФЕРЕНЦИЯ В ЕГИПТЕ



ПООЩРИТЕЛЬНАЯ ПОЕЗДКА ДЛЯ СОТРУДНИКОВ КОМПАНИИ В НОРВЕГИЮ



ИНСЕНТИВ НА КИПРЕ



## НАМ ДОВЕРЯЮТ

 **CRÉDIT AGRICOLE**  **Panasonic**

 **ОРТИЦЯ**  
ОРГАНИК  
АБСОЛЮТНА ЯКІСТЬ

  
KONICA MINOLTA

 **Univest Media**

 **Ашан**  
ЛАНДТЕХНИК

  
ЛАНДТЕХНИК

 **INOVECS**

 **AEGON**  **COMFY**  
КОМФОРТ  
НАГЛЯДНИ  
ТЕЛЕВІЗИ

 **SAMSUNG**

 **ancor**

 **GRO  
VINER  
IMPORT**

 **WINNER**

 **Мирнівський  
Хлібопродукт**

 **MetLife**

 **ЕРІДОН**

 **PEPSICO**

 **PRIMEX**  
LEGAL SOLUTIONS

 **TAXLINH**  
ALL ABOUT TAXES

 **B  
A  
Y  
E  
R**

 **ASBIS**

 **DARUYOU**

 **Hansa**  
Haushaltsgeräte

 **TRG**

ВОКРУГ СВЕТА ПО ДЕЛОВОМУ • TRG CORPORATE • КОРПОРАТИВНЫЕ ВОЗМОЖНОСТИ БЕЗ ГРАНИЦ



## TRAVEL PROFESSIONAL GROUP

### национальный туристический оператор Украины

С момента основания (2009 г.) главной целью компании является создание туристического продукта наивысшего качества и обеспечение профессионального сервиса для своих клиентов.

Мы соблюдаем только самые высокие стандарты обслуживания, предоставляя Вашей компании оптимизацию затрат, комфорт и безопасность.

#### СЕГОДНЯ TPG ЭТО:

- ☑ Более 300 тысяч туристов в год
- ☑ Более 300 высококвалифицированных сотрудников-экспертов в области туризма
- ☑ Представительства компании в крупнейших городах Украины: Киев, Днепр, Одесса, Харьков, Запорожье, Львов
- ☑ Офисы компании в 10 городах Украины, а также в Польше, Казахстане, Таиланде
- ☑ 250 туристических направлений, из которых более 50 блочные и чартерные
- ☑ Партнеры в более 100 странах мира
- ☑ Сотрудничество с ведущими авиакомпаниями мира: регулярные рейсы, а также собственные чартерные рейсы
- ☑ Привилегированный партнер всемирно известных се-

- тей отелей: Four Seasons Hotels and Resorts, Mandarin Oriental Hotel Group, The Ritz-Carlton, Orient-Express, Grecotel, Marriot Hotels & Resorts, Shangri-La Hotels & Resorts, Hyatt Hotels and Resorts, Hilton Hotels & Resorts, InterContinental, Leading Hotels of the World, Starwood Hotels and Resorts Worldwide, Kerzner International Resorts
- ☑ Использование передовых технологий и систем бронирования
- ☑ Широкая франчайзинговая сеть туристических агентств Travel Professional Agency на территории Украины (более 150 агентств)
- ☑ Юридическая поддержка всех клиентов TPG во время путешествия





## Appendix E

### Школа TPG возвращается после карантина!

Обучение в школе TPG даст вам уникальную возможность разобраться в тонкостях ведения туристического бизнеса, а также:

- Вникнуть в нюансы работы отдела франчайзинга национального туроператора Travel Professional Group;
- Освоить главные туристические понятия и познакомиться с основными туристическими направлениями;
- Разобраться в алгоритмах подбора и бронирования туров, авиабилетов и сопутствующих услуг;
- Научиться устанавливать контакт с клиентом, работать с возражениями и обучиться технологиям продаж;
- Получить необходимую базу знаний по основным сезонным туристическим направлениям: когда, куда и почему (подробнее в программе обучения);
- Изучить азы юридической и финансовой составляющих ведения туристического бизнеса;
- Познакомиться с секретами успешных продаж и лайфхаками в туристической сфере от ведущих продукт-менеджеров;
- Поучаствовать в практических занятиях по подбору, бронированию и продаже туров;

Пройдя курс, вы получите сертификат, а также актуальные знания и навыки, которые можно применить на практике. С нами вы сможете начать свой путь в туристическом бизнесе.

Программа разработана для студентов туристических направлений, начинающих менеджеров по туризму, а также тех, кто планирует открыть турагентство.

#### Детали обучения:

- Киев, ул. Большая Васильковская, 34, офис «Тревел Профешнл Груп»;
- стоимость обучения – 3 000 грн., для франчайзинговых агентов сети TPG – 2 500 грн.;
- обучение проходит в течение пяти дней в режиме с 10:00 до 18:00;
- список стран, а также место проведения может измениться\*. Следите за обновлениями.