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Tourism and Recreation Department

FINAL QUALIFYING PAPER

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«Competitive tourism product design on EU market»

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INTRODUCTION

PART I. THEORETICAL AND METHODOLOGICAL BASIS OF COMPETITIVE TOURISM PRODUCT DESIGN

1.1. Essence of competitiveness in tourism

1.2. Phases of competitive tourism product design

Conclusions to part I

PART II. ANALYSIS OF COMPETITIVE TOURISM PRODUCT OF UKRAINE ON EUROPEAN UNION MARKET

2.1. Characteristics of tourism potential of Ukraine

2.2. Analysis of international tourism market of Ukraine

2.3. Assessment of competitive tourism product of Ukraine on EU market

Conclusions to part II

PART III. IMPROVEMENT OF COMPETITIVE TOURISM PRODUCT OF UKRAINE ON EUROPEAN UNION MARKET

3.1. Actions to improve competitive tourism product of Ukraine on EU market

3.2. Effectiveness of the proposed measures to improve competitive tourism product of Ukraine

Conclusions to part III

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7. Time schedule of the paper

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9. Scientific adviser of the research

Mykhailichenko G.I.

10. Manager of the educational program

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11. The task received by the student

Kniazkova V.O.
(Nikolaenko)

12. Resume of a scientific adviser of a final qualifying paper

Student Kniazkova V.O. (Nikolaenko) prepared final qualifying work fully in accordance with the ratified plan and chart of work.

In the first part of work it was described the theoretical and methodological basis of competitive tourism product design, essence of competitiveness in tourism, phases of competitive tourism product design.

In the section 2 author gives an analytical analysis of competitive tourism product of Ukraine on European Union market; characteristics of tourism potential of Ukraine, analysis of international tourism market of Ukraine, assessment of competitive tourism product of Ukraine on EU market.

At the end, in the Part 3 of work student is offered: the project of improvement of competitive tourism product of Ukraine on European Union market: actions to improve competitive tourism product of Ukraine on EU market and calculation of effectiveness of the proposed measures to improve competitive tourism product of Ukraine.

A final qualifying paper by authorship Kniazkova V.O. (Nikolaenko) can be admitted to defense in the Examination Board.

Scientific adviser of a final qualifying paper _____ Mykhaylichenko H.I.
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13. Resume about a final qualifying paper

A final qualifying paper Kniazkova V.O. (Nikolaenko) can be admitted to defence in the Examination Board.

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_____, _____, 2019

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INTRODUCTION

Actuality of research. The travel and tourism sector is one of the fastest growing industries in the world, with arrivals dramatically rising from a mere 25 million in 1950 to 1323 million in 2017. In many countries, tourism is a major source of economic growth and foreign exchange earnings, with international receipts booming from US\$ 2,1 billion in 1950 to US\$ 1340 billion in 2017. This industry accounted for more than 10 % of the global GDP, providing 1 from 10 jobs of the total employment worldwide [36].

Notwithstanding the rapid expansion of tourism, the growth path is neither linear nor proportional. As globalisation and technological innovation remove the final barriers to travel mobility, and as new emerging destinations seek to exploit this financially and economically lucrative industry, maintaining tourism competitiveness becomes a formidable challenge for many destinations..

Purpose and tasks of research. The purpose of the research paper is to study of theoretical and practical aspects of competitive tourism product design on EU market and develop recommendations for its improvement. To achieve the purpose the research has to solve the following tasks:

- to determine the essence of competitiveness in tourism;
- to study the phases of competitive tourism product design;
- to analyze the international tourism market of Ukraine;
- to give the characteristics of tourism potential of Ukraine;
- to evaluate competitive tourism product of Ukraine on EU market;
- to create recommendations and suggestions to improve competitive tourism product of Ukraine on EU market;
- to evaluate effectiveness of the proposed measures to improve competitive tourism product of Ukraine.

The subject of this research is process of competitive tourism product design on EU market.

Object of the research can be determined as theoretical and practical of aspects competitive tourism product design on EU market.

Methods of research. During the research were used the methods of theoretical generalization and comparison, methods of logical generalization (forming of conclusions), system approach (the analysis of indicators of tourism development) and other. For this study were also used such approaches as evaluation of scientific publications (textbooks, methodical textbooks and scientific periodicals) analysis and synthesis of selected information, logical method of research evidence collected their comparison and optimization.

Theoretical and methodological basis of final qualifying paper is such information database as – electronic resources and printed scientific researches and publications (textbooks, manuals and scientific periodicals) of domestic and foreign scientists, Laws of Ukraine, statistical reports and financial information provided by World Travel & Tourism Council, World Tourism Organization, World Economic Forum and etc.

The scientific novelty of the work is the study of the scientific materials about the competitive tourism product design and promotion. Due to the fact that there is not a lot of researches that are exploring the competitive tourism product design and its influence on the tourism destination in this work are provided guidelines and direction for the development, creation and promotion of new competitive tourism product “Discover Ukraine”.

Practical value of results. The practical value of results is that the conducted research consists of the recommendations for the development of the new competitive tourism product “Discover Ukraine” that can be used by the national tourism body for the tourism promotion of Ukraine. This research paper is theoretically important because it can be in future used by Tourism and resorts department of Ministry of Economic Development, Trade and Agriculture of Ukraine: directions of tourism development program; public-private partnerships in tourism; promotional tools of competitive tourism product of Ukraine.

Practical approval of research results. Research results of the competitive tourism product design on EU market, partially prefilled in the scientific article «Theoretical and methodological basis of competitiveness in tourism» in the collection of scientific articles of KNUTE students (appendix A).

Structure of the paper. The final qualifying paper consists of three parts, introduction and conclusions, references (46 titles), 2 appendices and also contains 13 tables and 5 figures.

PART 1.

THEORETICAL AND METHODOLOGICAL BASIS OF COMPETITIVE TOURISM PRODUCT DESIGN

1.1. Essence of competitiveness in tourism

Competitiveness is a key concept in the relation between environment, territory and population. Its definition is based upon the Organization for Economic Co-operation and Development's – OECD position, in which it is referred as the ability of a place to deliver goods and services (considering free and fair conditions) in global markets while simultaneously maintaining and expanding the real incomes of its people over the long term [21].

On the other hand, according to Crouch and Ritchie [8], the problem in the definition of competitiveness resides in the fact that it is a comparative concept (competitive compared to what) and multidimensional (which salient characteristics). In the center of this problematic Porter [23] has become an initial major influence, the author considers competitiveness as essential to the success of both companies and territories.

The economics and business literature has no shortage of competitiveness definitions but none of these conceptualisations provide a generally acceptable meaning of the phenomenon. That this rich diversity of meaning only reflects the particular biases and perspectives of the diverse disciplines from which competitiveness is derived. The problem in defining competitiveness emerges from its broad, multidimensional, multi-level aggregation, and multi-objective nature. That is, its meaning and measurement depend on the choice of object and criteria for comparison; the unit of analysis; the multiplicity and variety of factors and dimensions that determine competitiveness; and the end goals of its pursuit. Table 1.1 lists some of the most cited definitions of competitiveness.

Ritchie and Crouch define competitiveness as the ability to increase tourism expenditure, to increasingly attract visitors while providing them with satisfying,

memorable experiences, and to do so in a profitable way, while enhancing the well-being of destination residents and preserving the natural capital of the destination for future generations [8].

Enright and Newton propound that, a destination is competitive if it can attract and satisfy potential tourists and this competitiveness is determined both by tourism-specific factors and by a much wider range of factors that influence the tourism service providers. There is mention of similar elements within the definition of Hong, the competitive position (with high profits and constant growth) of the tourism industry of a nation relative to the global market of tourist industries in other nations, whether developed or developing countries, which therefore increases the real income and standard of living of its citizens [6].

Azzopardi defines tourism competitiveness in the context of destinations as the ability of the destination to identify and exploit comparative advantages and enhance competitive advantages to attract visitors to a destination by offering them a unique overall experience for a fair price that satisfies the profit requirement of the industry and its constituent elements, as well as the economic prosperity objective of the residents, without jeopardizing the inalienable aspirations of future generations [2].

Porter's Diamond Framework suggests four main attributes that are important to drive competitiveness, i.e., factor conditions; demand conditions; firm strategy, structure and rivalry; and related and support industries (clusters). Porter's framework has been applied by Crouch and Ritchie's Calgary's Model or the Conceptual Model of Destination Competitiveness in the tourism context, which was later followed by a number of scholars in the tourism literature, including Dwyer and Kim Integrated Model of Destination Competitiveness, and Gooroochurn and Sugiyarto's Tourism Competitiveness Monitor. There are three considerations emanating from Porter's work that oppose trade theory. First, Porter's firm strategy, structure and rivalry entails competition at the international level – not only among firms, but also among countries. Thus, according to this view, trade engagement is a zero sum game. Second, Porter's Diamond Framework concentrates on country specific advantages in which location plays a pivotal role, while comparative advantage focuses on the

sectoral composition of trade between countries. Thus, a country may have a strong 'diamond', but may be wanting in comparative advantage. Third, Porter's framework implies that firms pursue monopolistic positions, which may conflict with well-being as the ultimate goal of competitiveness. Unlike Porter's implication, comparative advantage is shrouded by the pursuit of well-being through trade as the ultimate goal of competitiveness [6].

Competitiveness models can be divided into three main research areas. In the first place, there are a group of models that have the aim of diagnosing competitive positions of specific destinations. There are a second group of models that focus on particular aspects of a destination's competitiveness, as the destination's positioning or management systems. The third and last group aggregates general models and theories that are not centered in specific attributes or destinations. Probably as a result of a demand for wide range application models, the most broadly used type is concentrated in the third group, with emphasis in the major works developed by Crouch and Ritchie, Dwyer and Kim, World Economic Forum and, recently, Sánchez and López [22].

The most extensive work on destination competitiveness has been published by Crouch and Ritchie. The authors have developed a model that embraces a broad range of determining factors. Being that it is essential for destinations to create comparative and competitive advantages, four factors are considered: supporting factors and resources (foundation for building a successful tourism industry), core resources and attractions (primary elements of destination appeal), destination management (activities that can influence the other components) and qualifying determinants (factors that can modify the influence of the previous three elements). All these factors are influenced by internal and external drivers. Later, a fifth factor was included: destination policy, planning and development. The ultimate goal and importance of destination competitiveness is, according to the authors, to provide a high standard of living for the residents. This means that it is directly dependent on the level of economic, social and environmental conditions available to its residents [8].

Dwyer and Kim bring together the main elements of national and firm competitiveness supported by an initial integration of the Crouch and Ritchie model, but progressively concentrating and emphasizing other aspects, namely recognizing the demand conditions as an important determinant of destination competitiveness. It also recognizes that competitiveness is not an ultimate goal, but an intermediate goal into achieving regional or national economic prosperity. In their model, the following are explicitly acknowledged: the destination's resources (divided into endowed and created resources), situational conditions (forces in the wide external environment that impact competitiveness), destination management (activities of destination management organizations), and demand conditions (three main elements of demand, awareness, perception and preferences) as a means to achieve destination competitiveness and socioeconomic prosperity [10].

Based on the existing representations, Sánchez & López developed a model for the Spanish Mediterranean coast where they elect as main indicators factors as tourist arrivals, tourist expenditure and tourist satisfaction and their possible effects on a destination competitiveness. It is expected that higher values should create employment, add value for the economy and increase the country's wealth [24].

According to literature review and discussion, competition is inherent to societies and tourism destination territories are not an exception. It is assumed that a competitive advantage requires the management's ability to balance the multidimensional components of the tourism system. The fundamental task of destination management is to understand how a tourism destination's competitiveness can be enhanced and sustained, particularly merging the tourist experiences and the territory attractions as an instrument to improve the residents' quality of life

1.2. Phases of competitive tourism product design

The necessity of creation of competitive tourism product at home market and world markets is indicated in the concept of development of tourism and is regarded as one of the factors ensuring integrated regional development. Research of competitiveness in the tourism industry is based on a strategic approach and is closely

associated with notions of competitiveness of the tourism product, tourism enterprises, marketing of destinations, strategies of competition of tourism enterprises and destinations. Strategic approach to tourism development should be directly consistent to the project approach, which allows converting strategic plan into specific projects and programs of territory development.

At the standpoint of manufacturer tourism product is a combination of a quantity and quality of products and services predominantly recreational character prepared in the very time for the implementation for specific customers and fixed in tour program. For consumers, the tourism product (potential demand) – is an abstract product, consisting of benefits, the sources of which are in the nature (climate) in the material (buildings, infrastructure, goods of tourist destination) and immaterial (services, social environment) form which is offered on the market and the potential opportunity for its acquisition and consumption exists [15].

The totality of travel products from an economic point of view is represented in the international document on Statistics “Tourism Satellite Account” (TSA), which is developed by the UNWTO on the position of demand. Typical tourism products include services of temporary accommodation, drinks and food, passenger transport services, travel agents, tour operators and tourist guide services in the field of culture, recreation and entertainment, and other services (financial and insurance, rental of tourist goods and services).

A tourism destination needs a good product portfolio strategy to be able to develop tourism and specialise the existing supply of the destination. The portfolio should be based on the existing attractions and resources, but it should also take into account the essential infrastructures, facilities and services needed to make the development come true. During the process other criteria will be needed to help in the accurate evaluation of the real success potential of the different products. These criteria can be economic, social, cultural, environmental or political, among others. Some examples can be the market potential assigned to the product, the image creation and positioning of a destination, the attractiveness of public or private

investment, the foreseen level of investment, the expected results, the social cost-effectiveness of the demonstration effect that can mean the creation of new products.

Following this idea, the creation of a complementary supply can help in the definition of an adequate product portfolio for a destination. But, always bearing in mind a clear and coherent development strategy that will try to specialise the services, to be able to be differentiated from the competition, and taking into account the needs of the different actors present through the process of development and creation of new products. Once the product portfolio is defined and the destination is specialized, it will be time to create products and services to complement the basic tourism supply of accommodation and restaurants. Anyway, the creation of products follows a process that includes different elements specified in the table 1.2.

The process to create tourism products is complex and it requires the existence of a management organization that should lead, coordinate, structure, develop and implement the process. It will also be necessary that all the different issues related to the process of product creation are coordinated to be able to guarantee its success, always taking into account the economic perspective, social development and protection of the environment.

Although there are different theoretical approaches to the measurement of competitiveness, three well known indices such as Global Competitiveness Report prepared by World Economic Forum (WEF), The World Competitiveness Yearbook prepared by Institute for Management Development (IMD) and Business Competitiveness Ease of Doing Business Report prepared by International Finance Corporation (IFC) are substantially prominent. However, owing to different definitions, indices and data sources they use, rankings of competitiveness of countries are different.

WEF's annually published Global Competitiveness Report carries out respective computations of the competitiveness index by different indicators. Global Competitiveness Report focuses on economic welfare and increasing standards of living while making computations and rankings of the countries. Hence, indicators used in this yearbook are strongly regarded as the factors which are crucial for

achieving high growth levels. In WEF's Global competitiveness Report (GCR), 116 lowest level variables are used for 142 countries and then these 116 variables are grouped into 12 pillars. These 12 pillars are the sources of national competitiveness according to WEF's Global Competitiveness Report. These 12 pillars are as follows: Institutions, Infrastructure, Macroeconomic Environment, Health and Primary Education, Higher Education and Training, Goods Market Efficiency. Labor Market Efficiency, Financial Market Development, Technological Readiness, Market Size, Business Sophistication, Innovation [13].

The Enabling Environment subindex, which captures the general settings necessary for operating in a country: Business Environment, Safety and Security, Health and Hygiene, Human Resources and Labour Market, Information Communication Technology Readiness. The Travel & Tourism Policy and Enabling Conditions subindex, which captures specific policies or strategic aspects that impact the Travel & Tourism industry more directly: Prioritization of Travel and Tourism, International Openness, Price Competitiveness, Environmental Sustainability. The Infrastructure subindex, which captures the availability and quality of physical infrastructure of each economy: Air Transport Infrastructure, Ground and Port Infrastructure, Tourist Service Infrastructure. The Natural and Cultural Resources subindex, which captures the principal reasons to travel: Natural Resources, Cultural Resources and Business Travel.

Conclusions to part 1.

1. Tourism competitiveness is the ability of the destination to increase tourism expenditure, to increasingly attract visitors while providing them with satisfying, memorable experiences, and to do so in a profitable way, while enhancing the well-being of destination residents and preserving the natural capital of the destination for future generations.

2. Competitiveness models can be divided into three main research areas. In the first place, there are a group of models that have the aim of diagnosing competitive positions of specific destinations. There are a second group of models that focus on

particular aspects of a destination's competitiveness, as the destination's positioning or management systems. The third and last group aggregates general models and theories that are not centered in specific attributes or destinations.

3. Tourism product is a combination of a quantity and quality of products and services predominantly recreational character prepared in the very time for the implementation for specific customers and fixed in tour program. Typical tourism products include services of temporary accommodation, drinks and food, passenger transport services, travel agents, tour operators and tourist guide services in the field of culture, recreation and entertainment, and other services.

4. Travel & Tourism Competitiveness Index (TTCI) measures the set of factors and policies that enable the sustainable development of the Travel & Tourism sector, which, in turn, contributes to the development and competitiveness of a country. TTCI measures four broad factors of competitiveness: Enabling Environment, Travel & Tourism Policy and Enabling Conditions, Infrastructure, Natural and Cultural Resources.

PART 2.

ANALYSIS OF COMPETITIVE TOURISM PRODUCT OF UKRAINE ON EUROPEAN UNION MARKET

2.1. Characteristics of tourism potential of Ukraine

Ukraine is one of the biggest European countries (area of 603700 km²) located in the Eastern Europe. Its capital and largest city is Kyiv. Border countries are: Belarus, Hungary, Moldova, Poland, Romania, Russia, Slovakia. Ukraine lies within moderate latitudes and has ports on the Black sea and the Azov sea (figure 2.1).

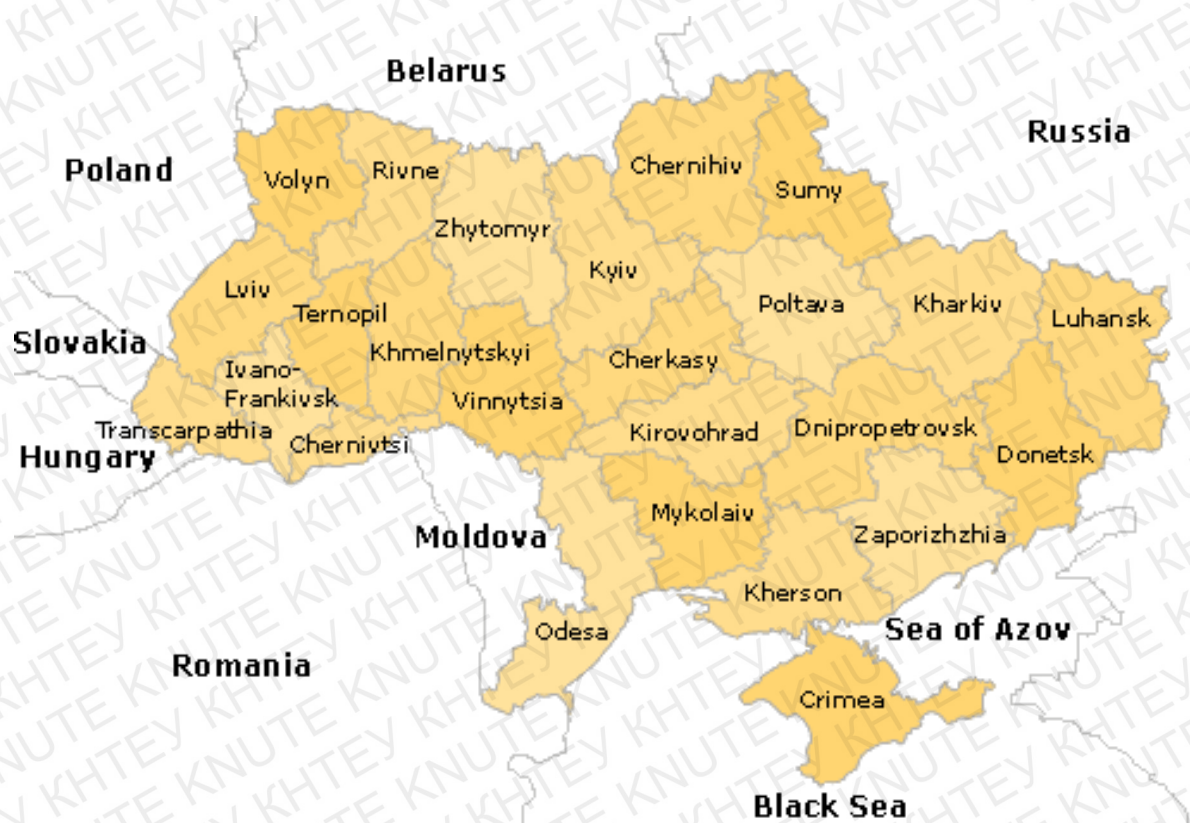


Figure 2.1. Political Map of Ukraine

Natural scenery of Ukraine is picturesque. Recreational landscapes occupy an area of 9,4 mln hectares. Forests cover about 14 % of Ukraine's territory. The longest mountain range in Ukraine is the Carpathians stretching for 270 km. The highest mountain is the Hoverla (2061 m). Over 70000 rivers flow through Ukraine. The major rivers are the Dnipro (third longest in Europe), the Dniester, Southern Buh,

Siverskiy Donets, Prut, the mouth of the Danube is situated in Ukraine. There are over 3000 natural lakes and about 22000 artificial water reservoirs in Ukraine, as well as many sources of mineral water and medicinal mud which are used to treat many diseases [17].

Ukraine has a mostly temperate climate. The climate is influenced by moderately warm, humid air coming from the Atlantic Ocean. Average winter temperature is from -8° to -12° C. In the Southern regions average winter temperature is 0° C. Average summer temperature is from $+18^{\circ}$ to $+25^{\circ}$ C, although maximum temperature can be more than $+35^{\circ}$. The Carpathian climate is also mild, with warm winter and rainy summer. Best time to visit Ukraine is summer, late spring and early autumn [31].

Citizens of more than 50 countries including the countries of the European Union, the United States, Canada, Japan, Israel, Brazil, Turkey, Russia can enter Ukraine without visas for up to 90 days during any 180-day period. Citizens of more than 30 countries including Australia, China, India, Mexico, Saudi Arabia can enter Ukraine by receiving visas upon arrival at Kyiv-Boryspil airport, Kyiv International Airport (Zhulyany) and Odessa International Airport for a stay of up to 15 days. To get a visa upon arrival, tourist will need to provide one of the following documents: an invitation or documents confirming the tourist purpose of your trip or a document confirming investment in the economy of Ukraine.

Ukraine has numerous tourist attractions: mountain ranges suitable for skiing, hiking and fishing; the Black Sea coastline as a popular summer destination; nature reserves of different ecosystems; churches, castle ruins and other architectural and park landmarks; various outdoor activity points. Kyiv, Lviv, Odessa and Kamianets-Podilskyi are Ukraine's principal tourist centres each offering many historical landmarks as well as formidable hospitality infrastructure (table 2.1).

The sphere of tourist interests in Ukraine includes both active types of recreation and sports tourism, such as rock climbing and skiing, and travel with cognitive purposes – exploring the rich archaeological and religious history of Ukraine, its culture and nature. Also, the numerous medical resorts located literally in

all regions of Ukraine are gradually becoming more popular. Ukrainian cuisine is very diverse and delicious.

The purpose of the tourism brand of Ukraine is to consistently form an image of an extremely interesting country, which should be explored, with the help of adequate tourist products and communications, caring for the positive experience and impressions of tourists during the trip. The main tasks of the tourism brand of Ukraine are:

- increase in the number of tourists in comparison with previous periods;
- increase in investments in hospitality industry of the country as a whole;
- increase in the number of events of the MICE (congresses, exhibitions, etc.) of the international level;
- increase in the number of repeated visits to the country;
- increase in the number of positive publications and references about Ukraine as a tourist destination [28].

Development of existing Ukraine's tourism brand was implemented by the State Agency of Ukraine in Tourism and Resorts with a grant from the German Society for International Cooperation (GIZ) in Ukraine. The project was a group of team "WikiCityNomica", design studio "Korolivski Mitci" and agency "Brandhouse". The presentation of the brand took place on March 21, 2014 in Kyiv during the conference "Popularization of Ukraine's image and its tourism opportunities" (table 2.2).

2.2. Analysis of international tourism market of Ukraine

Ukraine is a country with great tourism potential. Up to 2014, more than 20 million foreigners visited Ukraine annually, primarily from Russia, Moldova, Belarus, neighboring countries of Eastern Europe, as well as the United States, Uzbekistan, and Israel. Based on the results of 2014, in Ukraine, the record reduction of the tourist flow (49,17 %) was observed due to the annexation of the Crimea peninsula that traditionally generates about one third (6-8 million) of all tourist potential of the country, flare-up between Russia and Ukraine, and conducting

warfare in the eastern part of Ukraine. Reduction continued in also 2015 by – 1,5 % up to 13025 million people (figure 2.2).

According to the State Statistical Service of Ukraine, based on the results of 2016, more than 14150000 foreigners and stateless persons visited Ukraine, which is 8,6 % more than in 2015 – the stabilization and the first prerequisites for recovery of the positive image of Ukraine are observed. In 2017, the number of foreign tourists continued to increase (0,6 %) to 14229642 foreigners [26].

The annexation of the Autonomous Republic of Crimea resulted in the change of the tourist flow structure: the leading Russian Federation, which adds about 10 million visitors to Ukraine's account in 2013, made only 1,46 million people in 2017. The number of visitors from Republic of Belarus partially recovered: in 2014 – 1,59 million people, in 2017 – 2,72 million people, but still significantly below the level of 2013 – 3,35 million people. The top 10 countries whose residents visited Ukraine in 2017 are: Moldova, Belarus, Russia, Poland, Hungary, Romania, Slovakia, Turkey, Israel, Germany (table 2.3).

The number of Ukrainians traveling abroad increased in 2017, when the country was granted the visa-free travel with almost all European Union states. From 2013 to 2016, Ukrainians traveled abroad 23–25 million times a year. But in 2017, there were 28,5 million foreign trips. Top 10 countries that Ukrainian people prefer to travel: Poland (9990978), Russia (4376423), Hungary (3118758), Moldova (1680353), Belarus (1186466), Turkey (1185051), Romania (1045424), Slovakia (854657), Egypt (733597), Germany (344150). But many Ukrainians still prefer domestic vacations. Responding to the rise in domestic tourism, regional authorities have over the last five years created departments to market their territories and attract more visitors. However, domestic tourists often don't bring much money with them. Ukrainians prefer individual tourism and avoid using tour operators — they travel alone, book cheap accommodation online, and buy their own food.

The direct contribution of Travel & Tourism in Ukraine to Gross Domestic Product (GDP) in 2017 was UAH 39,6 bn. (1,5% of GDP). This is forecast to rise by 8,0 % to UAH 42,8 bn. in 2018. This primarily reflects the economic activity

generated by industries such as hotels, travel agents, airlines and other passenger transportation services (excluding commuter services). But it also includes, for example, the activities of the restaurant and leisure industries directly supported by tourists. The total contribution of Travel & Tourism to GDP (including wider effects from investment, the supply chain and induced income impacts) was UAH 147,2 bn. in 2017 (5,7 % of GDP) and is expected to grow by 7,2 % to UAH 157,8 bn. (6,0 % of GDP) in 2018 [37].

Travel & Tourism in Ukraine generated 228000 jobs directly in 2017 (1,4 % of total employment) and this is forecast to grow by 6,6 % in 2018 to 243000 (1,4 % of total employment). This includes employment by hotels, travel agents, airlines and other passenger transportation services (excluding commuter services). It also includes, for example, the activities of the restaurant and leisure industries directly supported by tourists. The total contribution of Travel & Tourism to employment (including wider effects from investment, the supply chain and induced income impacts) was 856,000 jobs in 2017 (5,1 % of total employment). This is forecast to rise by 6,4 % in 2018 to 910500 jobs (5,3 % of total employment).

Leisure travel spending (inbound and domestic) generated 89,4 % of direct Travel & Tourism GDP in 2017 (UAH 116,5 bn.) compared with 10,6 % for business travel spending (UAH 13.9 bn.). Leisure travel spending is expected to grow by 7,1 % in 2018 to UAH 124,8 bn. Business travel spending is expected to grow by 10,4 % in 2018 to UAH 15,3 bn. Domestic travel spending generated 66,5 % of direct Travel & Tourism GDP in 2017 compared with 33,5 % for visitor exports (foreign visitor spending or international tourism receipts). Domestic travel spending is expected to grow by 6,3 % in 2018 to UAH 92,2 bn. Visitor exports are expected to grow by 9,8 % in 2018 to UAH 48,0 bn. [37].

The direct contribution of Travel & Tourism to GDP in the World in 2018 was USD 2750,7 bn. (3,2 % of GDP). The total contribution of Travel & Tourism to GDP was USD 8811,0 bn. in 2018 (10,4 % of GDP). Travel & Tourism generated 122891000 jobs directly in 2018 (3,8 % of total employment). The total contribution of Travel & Tourism to employment (including wider effects from investment, the

supply chain and induced income) was 318,811,000 jobs in 2018 (10.0% of total employment). Money spent by foreign visitors to a country (or visitor exports) is a key component of the direct contribution of Travel & Tourism. In 2018, the world generated USD 1643,2 bn. in visitor exports. In 2019, this is expected to grow by 4,0 %, and the world is expected to attract 1484910000 international tourist arrivals. Leisure travel spending (inbound and domestic) generated 78,5 % of direct Travel & Tourism GDP in 2018 (USD 4475,3 bn.) compared with 21,5 % for business travel spending (USD 1228,0 bn.). Domestic travel spending generated 71, 2 % of direct Travel & Tourism GDP in 2018 compared with 28,8 % for visitor exports [36].

The main purpose of visit to Ukraine by foreign citizens in 2017 are: private visit; cultural event and sport event; business trip and organised tourism (table 2.4).

Table 2.4

Foreign citizens by purpose of visit who visited Ukraine in 2017 year [26]

Purpose of visit	Foreign citizens	Share, %
Placing in a job	2640	0,02
Immigration	4027	0,03
Education	4521	0,03
Organised tourism	38958	0,27
Business trip	88976	0,63
Cultural event, sport event, religion, other	348867	2,45
Private visit	13741653	96,57
Total	14229642	100

According to official statistics in Ukraine in 2016 operated 2573 certified hotels, of which 503 were rated: 1 star – 96 hotels, 2 stars – 100 hotels, 3 stars – 215 hotels, 4 stars – 77 hotels, 5 stars – 15 hotels. Hotels location are: Lviv region (9,9 %), Kyiv (9,3 %), Kyiv region (3,9), Dnipro region (7,1 %), Odesa region (5,3 %), Chernihiv region (4,1 %), Zakarpattia region (3,9 %). The occupancy rate of well-known hotels is around 35-45 % during the low season and 60–70 % during the high season. Presently, there are 15 hotels in Ukraine awarded with five stars according to Ukrainian national standards (Kyiv - Premier Palace, St Sofia Regency

Hyatt, Inter-continental and Opera, Donetsk - Donbass Palace, Dnipro – Grand Hotel Ukraine, Odesa – Otrada, Bristol, Kharkiv – Superior, Kharkiv Palace). In 2005, the first ever 5-star hotel (Rixos-Prykarpattya) was opened in Western Ukraine, followed by Royal Grand Hotel in Truskavets [31].

SWOT analysis, as a more mature analysis method and research system, has been successfully applied in many fields, such as enterprise management, educational management and so on. Therefore, It is also of practical significance to enter it into tourism management. At present, many scholars have begun to introduce SWOT analysis into tourism management. The development of these studies is beneficial to the combination of SWOT analysis into the Ukrainian tourism industry:

- Strengths – Ukraine’s tourism resources have unique comparative advantages, including not only the beautiful mountains and rivers formed naturally, but also the rich human resources;
- Weaknesses – the overall economic situation still needs to be improved, and the level of the economy is still very different from that of other countries, at the same time, the tourism industry chain is still not perfect;
- Opportunities – rich in tourism resources and great potential for tourism development, tourism is better developed under the background of Belt and Road Initiative;
- Threats – other European countries, which are as rich in natural and cultural resources as Ukraine, are the biggest challenge for Ukraine to develop its tourism industry.

So, tourism is one of Ukraine fastest growing industries. Tourism has become one of the key factors driving the Ukrainian economy. The modernization of Ukraine’s tourism infrastructure is becoming an important priority for the Ukrainian governments. During the years of independence Ukraine’s tourism infrastructure has been gradually changing ownership from government to private. The private sector is developing rapidly, especially in Kyiv, Odessa and the Carpathian region. There are wide opportunities for the development of various kinds of international tourism in Ukraine, related primarily to our historical and cultural heritage (monuments of

national and international importance), natural environment – the presence of sea coasts of the Black and Azov Seas, landscapes, especially the geographical location and favorable climate.

2.3. Assessment of competitive tourism product of Ukraine on EU market

2017 marks the eighth year in a row of sustained growth of international tourism in Europe, the world's most visited region. Arrivals grew 8 % in 2017, 52 million more than in the previous year. Growth in arrivals was mirrored by receipts which also increased 8 %. Travel demand increased from virtually all Europe's source markets, both inside and outside the region, fuelling inbound growth across Europe (table 2.5).

By subregion, Southern Mediterranean Europe led results in arrivals and receipts, driven by the recovery of Turkey and the continued strength of other traditional and emerging destinations. Italy and Spain reported an increase of six million arrivals each. In Western Europe, growth was led by top destination France and Belgium, recovering from the security incidents in previous years. Destinations in Central and Eastern Europe also posted solid growth with a few exceptions, thanks to increased outbound demand from Russia. All destinations in Northern Europe reported growth, including the United Kingdom, the subregion's largest destination, despite the terrorist attacks in London and Manchester. The depreciation of the British pound contributed to the UK's results, making the destination more affordable [35].

In 2017, Spain continues to lead the Travel & Tourism Competitiveness Index (TTCI) ranking, and Europe – with a total of six countries in the top 10 – is once again the region with the most Travel & Tourism competitive economies and with highest Travel & Tourism regional average competitiveness level. However Asia-Pacific is emerging as the most-improved region. Given the importance of the regional dimension for tourism, the following sections present country performances in the context of five regional groups: Europe and Eurasia; the Americas (headed by the United States, 6th in the overall list); Asia-Pacific, including Central Asia (headed

by Japan, 4th overall); the Middle East and North Africa (led by the United Arab Emirates, 29th); and Sub-Saharan Africa (topped by South Africa, 53rd).

Spain tops the 2017 edition of the TTCI global rankings for the second time, followed by France (2nd), Germany (3rd), Japan (4th, gaining five places), the United Kingdom (5th), the United States (6th, losing two places), Australia (7th), Italy (8th), Canada (9th, up one) and Switzerland (10th, losing four places).

Europe and Eurasia is once again the region with the strongest overall Travel & Tourism competitiveness performance, with six economies in the top 10. It continues to lead the rankings thanks to its cultural richness, its excellent tourism service infrastructure, its international openness as well as its perceived safety, despite slightly declining security perceptions in Western and Southern Europe. Significant divides remain among sub-regions, including the prioritization of the sector, environmental sustainability policies and an enabling business environment (table 2.6).

The Americas is the macro region with the second most improved performance at the aggregate level, with the United States (6th), Canada (9th), Mexico (22nd) and Brazil (27th) all ranking in the top 30.

While the majority of the countries in the region rely on rich natural resources, vast differences remain across the region. While North America should enhance its price competitiveness, environmental sustainability and infrastructure; Central and South American nations should continue improving their safety and security, create more enabling environments for business and develop their infrastructure to enhance connectivity.

Asia-Pacific consists of some of the economies that have flourished most in recent years and five out of the 15 most-improved countries in the index: Japan (4th), Korea (19th), India (40th), Vietnam (67th) and Bhutan (78th). While East Asia and Australia boasts world class infrastructure and are among the most ICT-ready economies globally, they are also relatively less price competitive than other areas in the region. Conversely, while South-East Asian and South Asian nations are more

price-competitive destinations, infrastructure and ICT readiness lags for the most part. Improving regional visa policies could further enhance travel and tourism.

Despite significant headwinds, the Middle East and North Africa, led by the United Arab Emirates (29th), has improved its Travel & Tourism competitiveness. Better ICT infrastructure, lower prices, partial improvements in international openness and some progress in nurturing cultural heritage have created better conditions to develop the Travel & Tourism sector overall. Still, natural and cultural resources remain mostly underexploited, international openness is still limited and security perceptions remain the biggest hurdle.

Sub-Saharan Africa showcases South Africa (53rd), Mauritius (55th), Kenya (80th) and Namibia (82nd) as its four most Travel & Tourism competitive economies. Despite sustained economic growth, T&T remains mostly untapped. Air connectivity and travel costs remain challenges as well as visa policies and infrastructure. While tourism in the region is mainly driven by natural tourism, there is significant room for improvement in protecting, valuing and communicating cultural richness [27].

Ukraine took 88th place in TTCI ranking 2017. But in 2019 edition of Travel & Tourism Competitiveness Index Ukraine took 78th place with overall score 3,7 (table 2.7). Travel & Tourism industry Gross domestic product was US \$1794,5 million (1,4 % of total). Travel & Tourism industry employment – 206200 jobs (1,3 % of total). International tourist arrivals was 14229600 and International tourism inbound receipts – US \$1261 million. Average receipts per arrival was US \$88,6 (appendix B).

Conclusions to part 2.

1. Ukraine is one of the biggest European countries located in the Eastern Europe. Its capital and largest city is Kyiv. Border countries are: Belarus, Hungary, Moldova, Poland, Romania, Russia, Slovakia. Ukraine has numerous tourist attractions: mountain ranges suitable for skiing, hiking and fishing; the Black Sea coastline as a popular summer destination; nature reserves of different ecosystems; churches, castle ruins and other architectural and park landmarks; various outdoor activity points. Kyiv, Lviv, Odessa and Kamianets-Podilskyi are Ukraine's principal

tourist centres each offering many historical landmarks as well as formidable hospitality infrastructure

2. Ukraine is a country with great tourism potential. Up to 2014, more than 20 million foreigners visited Ukraine annually, primarily from neighboring countries of Eastern Europe. Based on the results of 2014, in Ukraine, the record reduction of the tourist flow (49,17 %) was observed due to the annexation of the Crimea peninsula, flare-up between Russia and Ukraine, and conducting warfare in the eastern part of Ukraine. Reduction continued in also 2015 by – 1,5 % up to 13025 million people. According to the State Statistical Service of Ukraine, based on the results of 2016, more than 14150000 foreigners and stateless persons visited Ukraine, which is 8,6 % more than in 2015 – the stabilization and the first prerequisites for recovery of the positive image of Ukraine are observed. In 2017, the number of foreign tourists continued to increase (0,6 %) to 14229642 foreigners. The main purpose of visit to Ukraine by foreign citizens in 2017 are: private visit; cultural event and sport event; business trip and organised tourism.

3. The annexation of the Autonomous Republic of Crimea resulted in the change of the tourist flow structure: the leading Russian Federation, which adds about 10 million visitors to Ukraine's account in 2013, made only 1,46 million people in 2017. The top 10 countries whose residents visited Ukraine in 2017 are: Moldova, Belarus, Russia, Poland, Hungary, Romania, Slovakia, Turkey, Israel, Germany. The number of Ukrainians traveling abroad increased in 2017, when the country was granted the visa-free travel with almost all European Union states. From 2013 to 2016, Ukrainians traveled abroad 23–25 million times a year. But in 2017, there were 28,5 million foreign trips. Top 10 countries that Ukrainian people prefer to travel: Poland, Russia, Hungary, Moldova, Belarus, Turkey, Romania, Slovakia, Egypt, Germany. But many Ukrainians still prefer domestic vacations.

4. Europe is the world's most visited region. International arrivals grew 8 % in 2017, 52 million more than in the previous year. Growth in arrivals was mirrored by international receipts which also increased 8 %. Travel demand increased from virtually all Europe's source markets, both inside and outside the region, fuelling

inbound growth across Europe. Spain continues to lead the Travel & Tourism Competitiveness Index (TTCI) ranking, and Europe – with a total of six countries in the top 10. Spain tops the 2017 edition of the TTCI global rankings for the second time, followed by France (2nd), Germany (3rd), Japan (4th), the United Kingdom (5th), the United States (6th), Australia (7th), Italy (8th), Canada (9th) and Switzerland (10th).

5. Ukraine took 88th place in TTCI ranking 2017. But in 2019 edition of Travel & Tourism Competitiveness Index Ukraine took 78th place with overall score 3,7. Analysing the main components of Ukraine's TTC Index in 2019 we can see that the best result has: health and hygiene (6,5), price competitiveness (5,9), safety and security (4,8), human resources and labour market (4,8). Despite the availability of resource, our country, unfortunately, cannot compete with developed touristcountries.

PART 3.

IMPROVEMENT OF COMPETITIVE TOURISM PRODUCT OF UKRAINE ON EUROPEAN UNION MARKET

3.1. Actions to improve competitive tourism product of Ukraine on EU market

The role of tourism within global economy is constantly growing. The experience of many countries demonstrates the great potential and high profitability of tourism. Therefore, the constant support for competitive tourism product from the state must be one of strategic directions of socioeconomic development of Ukraine. International tourism has a positive impact on the sociocultural development of Ukraine, stimulating the growth of the related sectors, and having a positive impact in shaping the image of Ukraine as a tourist state.

The potential of competitive tourism product development in Ukraine is really significant. Ukraine has all the prerequisites for intensive development of both international and domestic tourism, related primarily to our historical and cultural heritage (monuments of national and international importance), natural environment – the presence of sea coasts of the Black and Azov Seas, landscapes, especially the geographical location and favorable climate etc. The UNESCO World Heritage is also a component of the tourist attractiveness of Ukraine. There are 981 object of the world cultural and natural heritage from the UNESCO list of which 7 are located in Ukraine [33].

These conditions are the centers of gravity that attract tourists and create a potential tourism sector in Ukraine, contribute to the formation of the investment climate and stimulate the inflow of public, private and foreign investments into the renovation and construction of tourist infrastructure facilities in order to profit from international tourism.

Effective functioning of competitive tourism product is impossible without planning, management, coordination and control of central and local executive

bodies, local authorities engaged in its development. The need for state regulation of international tourism is caused by, first, specific features of tourism as an economic activity that requires the formation of a strategy in regulation of its operation, and secondly, the main trends in the development of international tourism in today's conditions, thirdly, strengthening economic, social, cultural and political role of tourism at the national and international levels, which is of great importance.

The important thing in the development of tourism in Ukraine was the adoption in 1995 of the Law “On tourism” and in 2000 “On resorts” that are common legislative basis regulating tourism in the country. The objective of the Law “On tourism” is to create a legal framework for the establishment of tourism as a highly profitable sector of the economy and an important means of cultural development of citizens, employment, increase foreign exchange earnings, protect the legitimate rights and interests of all sides involved in tourism, the definition of their rights and responsibilities.

Tourism and resorts department of Ministry of Economic Development, Trade and Agriculture of Ukraine is the central body of executive power, which is realizing the public policy in the sphere of tourism and resorts. Main tasks of the department include: ensuring the formation and implementation of state policy in the area of tourism and resorts; ensuring the development and implementation of tourism and resorts development programs in Ukraine; promoting the development of domestic and inbound tourism; participation in representation of the country in the international tourism organizations and in the international tourism events; dissemination of information about Ukraine and its tourism opportunities in the international tourism market.

The international level of organizational and management structure allows for bodies of international organizations, especially the World Tourism Organization (UNWTO) – a leading international organization in the field of tourism, which aims to create optimal conditions for the development of tourism in all participating countries. In 1997, Ukraine became the full member of the UNWTO.

The analysis of foreign and national experience shows the need to strengthen the state's role in the formation and development of the tourism sector to improve its functioning. Development of tourism industry stimulates the growth of the related industries. The economic crisis, the consequences of which affected Ukraine, has shown that many sectors of economy have exhausted their potential. Ukraine needs new points of economic growth, which would become the new major sources of replenishment of the national budget and would also help create jobs. According to many experts, international tourism is the sector of Ukrainian economy, the potential of which has not yet been implemented, and which can demonstrate the needed accelerated growth.

The analysis results obtained indicate that the main problem today is the lack a unified targeted tourism development program in the state of justification not only benefits the tourism industry in the country and a clear strategy spelled out a list of effective measures at the national, regional and local levels. Some other negative factors influencing the development of competitive tourism product of Ukraine can be pointed out:

- inadequacy of the regulatory framework, which should be based on consideration of the accumulated international experience, but with amendment according to the national specifics of the tourism industry;
- lack of transport and services;
- need to improve the system of staffing in the sector, to increase professionalism;
- instability of the taxation system, especially with regard to investment in the tourism industry;
- the lack of consistency in managing the development and operation of the tourism industry and separate tourism organizations in their interaction with other entities (transportation companies, hotels etc.);
- the absence of a clear mechanism for attracting investments into the industry and nearly none regulation of this process etc.

State regulation of the tourism industry should be aimed primarily at achieving the following objectives:

- adoption of a common target program of tourism development in the country with the release of key strategic priorities and activities;
- develop an integrated concept of tourism, international tourism industry in Ukraine based on financial needs, as well as real and consistent action;
- development of regional tourism development programs and their alignment with the general purpose of the tourism development program;
- formation of regulatory support for international tourism business, and Ukraine's membership in international specialized organizations, associations and structures, signing and implementing bilateral intergovernmental agreements with respect to tourism;
- achievement of the needed quality of training in the tourism industry through changes in the education system in order to meet the needs of particular regions with consideration the peculiarities of their development;
- acceleration of the transition to a higher level of tourism organizational management and service, improving the quality of tourist services;
- a gradual increase in the number of tourists entering the country and growth in domestic tourist traffic;
- encourage investments in the tourism industry.

The mechanism of competitive tourism product improvement in the country should assume an active influence on the situation by using the program-based method. State promotion of tourism activities in this case is realized in two areas – economic and organizational. Economic measures of state support cover direct incentives and stimulation of financial activities though (taxes, grants, investments), institutional – creating favorable conditions for tourism activities and the latter can be divided into those that define safety and those, which regulate the tourism market (easy access credit, infrastructure proximity etc).

Thus, only systemic state support and stimulation of the industry's development can provide a stable basis for the formation of a highly competitive

national market of tourist services. To ensure public support for tourism development in Ukraine we need to take a common targeted program of tourism development (figure 3.1).

Tourism Development Program 2020-2025 will create conditions for improvement of services for tourists, upgrade infrastructure and provide: increase tourist flows to Ukraine; increase the average length of stay of tourists in country; improving the image; attracting local and foreign investment in tourism sector; development of tourist infrastructure.

Tourism exhibition can be assumed as one of the solution for sustainable development because when countries attend exhibition not only they introduce their capacity, abilities, facilities and their tourism condition and amenities but also they tend to create a mutual relationship between three factors including tourist, the people of their area and the quality of destination and besides attracting tourist who are compatible with their own country's social, economic and cultural condition and satisfying them, they prevent from on informed tours and achieves the maximum advantages of this industry (table 3.1).

The development of tourism in emerging economies have been shaped by many factors among which Public-Private Partnerships (PPP) play a key role as they bring together government agencies and the public sector with representatives of the whole tourism value chain under the same goals of promoting socio-economic development, sustainability, job creation and international competitiveness through tourism.

Public-private partnership in tourism are given great importance globally, because owing to the integration of financial opportunities of regional and municipal budgets and activity of small and medium-sized businesses, many projects in services are now being implemented. Public-private partnership is an alliance between the government and the business, used to implement various investment projects, the main condition of which is to benefit the society. The state participation in such projects allows reducing the project payback period, increasing profitability or

reducing risks, which in general affects the investment attractiveness of the project (table 3.2).

3.2. Effectiveness of the proposed measures to improve competitive tourism product of Ukraine

Organization of promotional and informational tours for representatives of tourism industry of other countries must be one of the main tools of promotion of tourism potential of Ukraine abroad. We propose such type of tour – “Discover Ukraine”. It’s a small group tour for travel bloggers (10 persons) that includes for free accommodation in a hotel as well as an expert guide, insurance, meals, transport and etc.

This tour will start and end in Kyiv. This is 8 day tour package that take tourists through Kyiv and 2 other destinations in Ukraine (Lviv, Odesa). “Discover Ukraine” tour will help to find out maximum about tourism destination Ukraine. Travel bloggers will see three main “capitals” of our country: Kyiv – the capital of Ukraine, Lviv – the western “capital” and main city in Halychyna subregion and Odesa – the southern “capital” on the Black sea shore. Ethnic villages, mixed architecture, multinational food and drinks – all these will immerse tourists in special and unforgettable Ukrainian lifestyle.

Tour will include: hotel 3* accommodation (rooms for two persons) and breakfasts; insurance (medical expenses, accident); vehicle with driver during sightseeing program, night train tickets (coupe class), airport and railways transfers; museum entry tickets and attraction fee; English guide service according the tour program (table 3.3). The tour “Discover Ukraine” doesn’t include: visa fee, airplane tickets, lunches and dinners.

The travel industry is changing quickly and the way that consumers find information about destinations is evolving. Over 80% of travel planning is through the internet, with 33% of travelers using travel blogs for travel advice, a number certain to grow over time. Travel blogging is an exciting and growing part of the travel industry. But finding the right travel blogger to work with can be a challenge,

and you can spend significant cost and time going through the large (and growing) number of travel blogs out there to find the right fit for your campaign. The Professional Travel Bloggers Association (PTBA) helps solve this problem by providing a search engine that lets you find and connect with travel bloggers who meet your specific requirements.

The PTBA is a non-profit association set up by a group of travel bloggers and industry advisers. Its members consist of those travel bloggers that are serious about the profession of travel blogging – not hobbyists. Its aims are to professionalize the travel blogging industry, to ensure travel bloggers are able to meet the demands of the travel industry, and to connect the right travel bloggers to the right travel industry partners, creating solid, long lasting relationships. It has a Board of Directors elected by its membership and is open to both travel industry members and travel bloggers to join. All membership fees go toward the ongoing maintenance of the site (figure 3.2) and success of the project – no one is profiting from this venture.



Figure 3.2. Website of the Professional Travel Bloggers Association

In our current digital age, getting tourists to pay attention to a specific place is more possible than ever. Developing a marketing plan and using tools social media and other promotional materials, can all help to promote tourism in Ukraine.

Ukraine will spend UAH 240 million, or US\$9.7 million, to promote its tourism potential in 2020. This sum is stipulated in the finalized draft budget for 2020, which was submitted by the Ukrainian government to the Verkhovna Rada, parliament of Ukraine, for consideration in the second reading.

The main promotional tools of competitive tourism product of Ukraine can be:

1. Create promotional materials. These can be promotional t-shirts, hats, stickers, and flags with the town slogan and branding.
2. Organize public radio spots and television advertising. One of the best ways to promote the country is to create radio and television advertising, focusing on the slogan.
3. Make a tourist map. Another great way to promote the country is to create a detailed map for tourists and place them in airports, hotels and tourist information center.
4. Make a website and keep a blog. Make a website with a simple, easy to use template. Be sure to use high quality images and graphics on the site so it looks professional and inviting. A good way to get more traffic to the website is to create a blog section on the site and make sure it is updated regularly. Conduct interviews with locals and post the interviews on the blog, or do a post on the best activities to do in the country based on the season.
5. Create a Facebook page and post something every day. Creating a Facebook page is easier to do than building a website and allows you to make friends quickly. Post a new image of the country or a few words about an upcoming event.
6. Make a Twitter and Instagram account. Promote the country on other social media platforms like Twitter and Instagram. Post regularly and follow users with lots of followers or a high profile.
7. Start a Youtube channel. Youtube is another great way to promote country and attract more tourists. Keep the page professional and use easy to search terms in

the titles of the videos, such as the name of the country and the activity or event in the video.

8. Use an app to promote events and attractions. Partner with a developer to create a smartphone app and promote local events through the app. The app can be programmed to showcase hotels, restaurants, shopping, and events, as well as other important tourism information like directions, the location of information centers and public restrooms, and suggested itineraries.

Tourism makes a substantial contribution to a country GDP. Many countries have found innovative ways to earn foreign currency by marketing their tourist destinations abroad. To make increase tourism a country has to invest in infrastructure and provide a conducive environment for tourists. A country that does not invest in infrastructure will see their tourist numbers decline. A country needs to engage in public-private partnerships to increase bed occupancy across the country. Tourists need world-class hotels to sleep in, and this need can only be met if a country opens its borders to foreign investment. Infrastructure extends to road networks connecting several tourist attraction sites and investment in social amenities like museums and art rooms.

There many tourist attraction sites that do not receive any media coverage and this means many tourists are not aware of their existence. A country needs to invest some considerable amounts of money in marketing efforts. Brand visibility opens a countries tourist sites to the rest of the world. Marketing also involves a country engaging in global tourism exhibitions and using their heroes to promote their brands.

Conclusions to the part 3.

1. Ukraine needs new points of economic growth, which would become the new major sources of replenishment of the national budget and would also help create jobs. According to many experts, international tourism is the sector of Ukrainian economy, the potential of which has not yet been implemented, and which can demonstrate the needed accelerated growth.

2. Only systemic state support and stimulation of the industry's development can provide a stable basis for the formation of a highly competitive national market of tourist services. To ensure public support for tourism development in Ukraine we need to take a common targeted program of tourism development. Main directions of tourism development program in Ukraine must be: development of tourism brand and image; development and improvement of tourism infrastructure; promotion of tourism potential abroad.

3. The development of tourism in emerging economies have been shaped by many factors among which Public-Private Partnerships (PPP) play a key role as they bring together government agencies and the public sector with representatives of the whole tourism value chain under the same goals of promoting socio-economic development, sustainability, job creation and international competitiveness through tourism. Rejuvenation of the tourism destination may be encouraged through strong PPPs, because only through long-term projects with a view to the future, is the total competitiveness of destinations brought about.

4. Organization of promotional and informational tours for representatives other countries must be one of the main tools of promotion of tourism potential of Ukraine abroad. We propose such type of tour – “Discover Ukraine”. It's a small group tour for travel bloggers (10 persons) that includes for free accommodation in a hotel as well as an expert guide, insurance, meals, transport and etc. This tour will start and end in Kyiv. This is 8 day tour package that take tourists through Kyiv and 2 other destinations in Ukraine (Lviv, Odesa). “Discover Ukraine” tour will help to find out maximum about tourism destination Ukraine.

5. The main promotional tools of competitive tourism product of Ukraine can be: create promotional materials; organize public radio spots and television advertising; make a tourist map; make a website and keep a blog; create a Facebook page and post something every day; make a Twitter and Instagram account; start a Youtube channel; use an app to promote events and attractions.

CONCLUSIONS

1. Tourism competitiveness is the ability of the destination to increase tourism expenditure, to increasingly attract visitors while providing them with satisfying, memorable experiences, and to do so in a profitable way, while enhancing the well-being of destination residents and preserving the natural capital of the destination for future generations. Competitiveness models can be divided into three main research areas. In the first place, there are a group of models that have the aim of diagnosing competitive positions of specific destinations. There are a second group of models that focus on particular aspects of a destination's competitiveness, as the destination's positioning or management systems. The third and last group aggregates general models and theories that are not centered in specific attributes or destinations.

2. Travel & Tourism Competitiveness Index (TTCI) measures the set of factors and policies that enable the sustainable development of the Travel & Tourism sector, which, in turn, contributes to the development and competitiveness of a country. TTCI measures four broad factors of competitiveness: Enabling Environment, Travel & Tourism Policy and Enabling Conditions, Infrastructure, Natural and Cultural Resources.

3. Ukraine is one of the biggest European countries located in the Eastern Europe. Its capital and largest city is Kyiv. Border countries are: Belarus, Hungary, Moldova, Poland, Romania, Russia, Slovakia. Ukraine has numerous tourist attractions: mountain ranges suitable for skiing, hiking and fishing; the Black Sea coastline as a popular summer destination; nature reserves of different ecosystems; churches, castle ruins and other architectural and park landmarks; various outdoor activity points. Kyiv, Lviv, Odessa and Kamianets-Podilskyi are Ukraine's principal tourist centres each offering many historical landmarks as well as formidable hospitality infrastructure

4. Ukraine is a country with great tourism potential. Up to 2014, more than 20 million foreigners visited Ukraine annually, primarily from neighboring countries of

Eastern Europe, Based on the results of 2014, in Ukraine, the record reduction of the tourist flow (49,17 %) was observed due to the annexation of the Crimea peninsula, flare-up between Russia and Ukraine, and conducting warfare in the eastern part of Ukraine. Reduction continued in also 2015 by – 1,5 % up to 13025 million people. According to the State Statistical Service of Ukraine, based on the results of 2016, more than 14150000 foreigners and stateless persons visited Ukraine, which is 8,6 % more than in 2015 – the stabilization and the first prerequisites for recovery of the positive image of Ukraine are observed. In 2017, the number of foreign tourists continued to increase (0,6 %) to 14229642 foreigners. The main purpose of visit to Ukraine by foreign citizens in 2017 are: private visit; cultural event and sport event; business trip and organised tourism.

5. The annexation of the Autonomous Republic of Crimea resulted in the change of the tourist flow structure: the leading Russian Federation, which adds about 10 million visitors to Ukraine's account in 2013, made only 1,46 million people in 2017. The top 10 countries whose residents visited Ukraine in 2017 are: Moldova, Belarus, Russia, Poland, Hungary, Romania, Slovakia, Turkey, Israel, Germany. The number of Ukrainians traveling abroad increased in 2017, when the country was granted the visa-free travel with almost all European Union states. From 2013 to 2016, Ukrainians traveled abroad 23–25 million times a year. But in 2017, there were 28,5 million foreign trips. Top 10 countries that Ukrainian people prefer to travel: Poland, Russia, Hungary, Moldova, Belarus, Turkey, Romania, Slovakia, Egypt, Germany. But many Ukrainians still prefer domestic vacations.

6. Europe is the world's most visited region. International arrivals grew 8 % in 2017, 52 million more than in the previous year. Growth in arrivals was mirrored by international receipts which also increased 8 %. Travel demand increased from virtually all Europe's source markets, both inside and outside the region, fuelling inbound growth across Europe. Spain continues to lead the Travel & Tourism Competitiveness Index (TTCI) ranking, and Europe – with a total of six countries in the top 10. Spain tops the 2017 edition of the TTCI global rankings for the second time, followed by France (2nd), Germany (3rd), Japan (4th), the United Kingdom

(5th), the United States (6th), Australia (7th), Italy (8th), Canada (9th) and Switzerland (10th).

7. Ukraine took 88th place in TTCI ranking 2017. But in 2019 edition of Travel & Tourism Competitiveness Index Ukraine took 78th place with overall score 3,7. Analysing the main components of Ukraine's TTC Index in 2019 we can see that the best result has: health and hygiene (6,5), price competitiveness (5,9), safety and security (4,8), human resources and labour market (4,8). Despite the availability of resource, our country, unfortunately, cannot compete with developed tourist countries.

8. Only systemic state support and stimulation of the industry's development can provide a stable basis for the formation of a highly competitive national market of tourist services. To ensure public support for tourism development in Ukraine we need to take a common targeted program of tourism development. Main directions of tourism development program in Ukraine must be: development of tourism brand and image; development and improvement of tourism infrastructure; promotion of tourism potential abroad. The main promotional tools of competitive tourism product of Ukraine can be: create promotional materials; organize public radio spots and television advertising; make a tourist map; make a website and keep a blog; create a Facebook page and post something every day; make a Twitter and Instagram account; start a Youtube channel; use an app to promote events and attractions.

9. The development of tourism in emerging economies have been shaped by many factors among which Public-Private Partnerships (PPP) play a key role as they bring together government agencies and the public sector with representatives of the whole tourism value chain under the same goals of promoting socio-economic development, sustainability, job creation and international competitiveness through tourism. Rejuvenation of the tourism destination may be encouraged through strong PPPs, because only through long-term projects with a view to the future, is the total competitiveness of destinations brought about.

10. Organization of promotional and informational tours for representatives other countries must be one of the main tools of promotion of tourism potential of

Ukraine abroad. We propose such type of tour – “Discover Ukraine”. It’s a small group tour for travel bloggers (10 persons) that includes for free accommodation in a hotel as well as an expert guide, insurance, meals, transport and etc. This tour will start and end in Kyiv. This is 8 day tour package that take tourists through Kyiv and 2 other destinations in Ukraine (Lviv, Odesa). “Discover Ukraine” tour will help to find out maximum about tourism destination Ukraine.

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