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# INNOVATIONS IN TOURISM: THEORETICAL AND PRACTICAL ASPECTS

Monograph

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## INTRODUCTION

In recent years, the sphere of tourism in Ukraine has been going through difficult times. The Covid-19 pandemic has become a challenge for the tourism industry, making domestic travel more popular in Ukraine, as it will take some time to resume international tourism. In the conditions of the coronavirus pandemic and the need to adhere to quarantine restrictions and social distance, it became expedient to develop such types of tourism as green (rural) and ecological tourism. To this end, the “Guidelines (Protocol) for the provision of rural green tourism services (rural hospitality) in the corona- and post-coronavirus period” were developed, which states that: “Within 2020 – the year of tourism development in rural areas, NGO Rural Green Tourism in Ukraine” in cooperation with the National Tourism Organization of Ukraine joined the global initiative of the World Travel and Tourism Council (WTTC) #Safe travels. Experts of the Union and the EU Project Geographical Indications in Ukraine and partners developed a Protocol to adapt the work of farmsteads with priority to protect human health and effectively mitigate the effects of the COVID-19 pandemic. Its implementation will allow the owners of rural estates that provide rural green tourism services: to take effective practical measures to reduce the risk of coronavirus disease COVID-19 as owners of rural estates, their families, and tourists; to gain additional competitive advantage, guaranteeing the tourist increased attention to the protection of his health; to improve the quality of rural green tourism services (rural hospitality) taking into account the sanitary and hygienic requirements and the requirements of social distancing.

The next terrible event for Ukraine was the war. On February 24, 2022, the Russian Federation launched a full-scale, aggressive war against Ukraine on the land, sea, and the air using units of the armed forces, heavy ground weapons, including long-range artillery, missiles, naval ships, and military aircraft. The invasion has already resulted in significant civilian casualties, mass destruction, and damage to Ukraine’s infrastructure and natural heritage. Russian troops are attacking peaceful Ukrainian towns and villages from various directions, including the temporarily occupied Donbas and Crimea and the north-eastern region. This is an act of war, an

attack on the sovereignty and territorial integrity of Ukraine, and a gross violation of the UN Charter and fundamental norms and principles of international law. Russia's military action is undoubtedly an unjustified and unprovoked act of aggression against independent and sovereign Ukraine, as well as a violation of all existing norms of international law on nature protection, sustainable development, humanitarian law, basic morals, and principles of human coexistence. In addition to the most obvious consequences of the war in many regions of Ukraine, such as deaths, destruction of homes, general destruction, and poverty, the war worsens the country's economic situation, threatens the environment, and worsens social living conditions.

Therefore, at the current stage of economic development and given the current situation in the world, it is important for the survival of businesses in the war in Ukraine is the search for modern methods and tools for managing business processes, which should be based on the principles of their adaptation to changing conditions innovative technologies. Service companies respond extremely quickly to changes and new challenges, which are characterized by a significant level of dynamism, diversification of offers in the services market, and fierce competition. Therefore, innovations are transformed into a decisive factor in determining new technologies for managing business processes of enterprises in the service sector of the regions, in particular the hotel and restaurant and tourism business.

Henderson I. L., Avis M. and Tsui W. K. T., Wikhamn W., Armbrrecht J. and Wikhamn B. R., Sipe L. J., Verreyne M. L., Williams A. M., Ritchie B. W., Gronum S. and Betts K. S., Thomas R. and Wood E. are considered the application of innovation potential and substantiation of economic need for innovations. Charkina T. Yu. Martseniuk L.V. Zadoia V.O. and Pikulina O.V., Smyrnov I., Liubitseva O., Kulinyak I., Zhigalo I., Yarmola K., Hrebeniuk H., Charkina T., Martseniuk L., Pikulina O. have proposed some solutions in the innovative management of enterprises and the formation of the technological component through the introduction of information systems and models, economic mechanism of sustainable tourism, marketing management of tourism enterprises, and organizational aspects of

the tourism market, partially highlighting innovation strategy. The works of these authors are a significant contribution to the development of the theory of innovative management of tourism enterprises. However, today there are a limited number of publications on the development of innovations in tourism in wartime.

The paper contains a review of various scientific approaches to definition of the term «innovation in tourism», to classifying innovations and evaluating the innovation activity of enterprises, to find out their applicability in the tourism industry. The author's review of the literature sources allows for outlining the features of innovations in tourism, originating from their service character and the focus on improving interactions with consumer, for the best possible satisfaction of consumer needs, and for determining their role in increasing the competitiveness of enterprises in the tourism industry. In order to achieve the goal, the following tasks have been defined: to investigate the categorical apparatus of the concept of “innovation in tourism” (it will define the essence of this category); to offer a classification of types of innovations in the tourism business on the basis of the views of both domestic and foreign scholars; to provide a basic model for the development of innovations in the field of tourism services.

The essence of the innovative approach in tourism is the creation of new and improvement of existing services, development of new markets, strategic business alliances, active introduction of modern information technology, new forms and methods of management. The effective use of innovations will lead to the creation of competitive tourism products and services both in the national and international markets. The expert evaluation study results of the innovation implementation state by tourism enterprises of the region are presented, the essence of which is the need to significantly expand and strengthen the innovation activity sphere, which should fulfil a connecting function between science, tourism business, state authorities and local governments. The practical application of such a proposal in the innovative development of the tourism sector will not only increase the competitiveness of the enterprise but also evaluate the feasibility of introducing new types of tourism products and services.

# **CHAPTER 1. THEORETICAL AND METHODOLOGICAL ASPECTS OF THE RESEARCH OF INNOVATIONS IN TOURISM**

## **1.1. Theoretical review of the definition of innovation in tourism**

The growth of the competitiveness of enterprises involved in tourism largely depends on their innovation activities. To ensure proper operation, travel companies must constantly use innovations both to combat crises and to develop to survive in a market of free competition. Innovative processes taking place in tourism affect not only tourism companies directly, but also a large number of infrastructure organizations. Therefore, their study is relevant and of considerable scientific and practical interest.

Over the last fifteen years, there have been several publications examining tourism innovation as one of the most promising innovation sectors in the service sector. A lot of the scientists [4-7] consider in their works various aspects of innovation in tourism. However, despite the recognized importance of innovation in the tourism industry, many aspects remain understudied and need to be considered and clarified.

To date, there is no single definition of the term “innovation in tourism”, there is no single classification of such innovations, insufficient attention is paid to sources of information on which to study them, as well as methods of assessing innovation activity of tourism enterprises [5].

The lack of targeted planning and support for tourism in the regions of Ukraine, a fragmented and selective approach, and the turbulence of the external environment lead to the stagnation of the tourism business. It is in these conditions that it is appropriate to create regional markets for tourist services based on innovation and investment policy and effective innovation management, which will make it possible to activate the development of the domestic tourism sphere and overcome negative trends through the introduction of innovations in the tourism business. World experience indicates that the application of innovations leads to the creation of competitive tourist goods and services both on the national and

international markets. Many scientific publications are devoted to the problems of tourism business development from the point of view of various approaches. We are interested in the achievements of both foreign and domestic scientists who consider the application of innovative management for the development of tourism business both in the country and in its regions.

Thus, V. Novikov examined the function of innovations and management of innovative activities in tourism, revealing the principles of its sustainable development [34].

G. Mykhailichenko [32] substantiated the model of innovative tourism clusters as a factor in increasing the competitiveness of regions and the country in general.

I. Mazurkevych and T. Dzyuba [30] analyzed the available approaches to justifying the feasibility of innovations in the field of hospitality and determined the directions of innovative activity in this field depending on the elements of tourism.

T. Tkachenko [58], S. Melnychenko [31], and V. Kyfyak [24] made a great contribution to the development of the theory of innovations in the field of tourism. In their works, the problems of managing competitive organizations based on the use of innovative methods, the formation of mechanisms for ensuring and evaluating the innovative development of enterprises, and the identification of the peculiarities of the development of tourist enterprises in the modern economic conditions of the development of the regions of Ukraine are considered.

O. Kalchenko [21] and O. Shapovalova [46] singled out eight principles of innovation in tourism, substantiated the positive and negative factors that affect the process of implementing innovative activities in tourism, and also provided a classification of innovations in tourism. However, despite its relevance and a significant number of scientific developments of domestic and foreign scientists regarding the implementation of innovative approaches in the development of the tourism sphere, they are not yet sufficiently studied.

There is no consensus among scholars who study tourism to define it. Some researchers characterize tourism mainly as an industry, others as a field of activity,

but today more and more scientists consider tourism as an industry (for example, Charkina, T.Yu. Martseniuk, L.V. Zadoia, V.O. and Pikulina, O.V. [6]).

Modern tourism as an area that meets the needs of people who travel, has become an industry – part of the world economy, a powerful economic complex of national economies, operating in close cooperation with the environment, economic system, and society as a whole [10]. The tourism industry produces, sells, and consumes travel services for people who are temporarily away from their place of residence and do not carry out paid activities at their place of residence.

The tourism industry includes enterprises belonging to various types of economic activity, the main purpose of which is to organize a comfortable and high-quality provision of requirements and wishes of the tourist. The functions of such enterprises are the creation, implementation, and organization of consumption of services and goods for tourism [11].

Based on this, the tourism industry is a set of hotels and other means of accommodation, means of transport, catering facilities, objects, and entertainment facilities, objects of cognitive, medical, health, sports, religious, religious, business, and other purposes, organizations that carry out tour operator and travel agency activities, as well as provide tourist and excursion services [7].

One of the key factors in the development of both the economy in general and the tourism industry, in particular, is innovation. The term “innovation”, which means “innovation” in English, was introduced into scientific circulation by the Austrian scientist J. Schumpeter [46]. In his work “Theory of Economic Development”, he identified five areas of innovation: the introduction of new products; the introduction of a new method of production; the opening of a new market; the conquest of a new source of raw materials or semi-finished products; introduction of a new organizational structure of production.

Analysis of the scientific economic literature on innovation in tourism indicates the existence of different approaches to the definition of this term. Given the fact that tourism includes a large number of different enterprises, there is a difficulty in the substantive definition of the essence of this concept.

Taking into account the fact that a large number of various enterprises belong to tourism, there is a difficulty in objectively defining the essence of this concept. The views of various scientists on the definition of the term “innovations in tourism” are presented in table 1.1.

In particular, Lee C., Hallak R. and Sardeshmukh S. R. [25] in their work by innovation means the process of creating, adopting, and implementing new ideas, processes, products, or services, as well as the ability to change and adapt. While Verreyne M. L., Williams A. M., Ritchie B. W., Gronum S. and Betts K. S. [6] define them as the process by which a new idea or practice becomes useful, new ways to solve various problems to meet people’s needs.

Table 1.1.

Definition of the term “innovations in tourism”

Author	Definition
V. Novikov [34]	The result of actions aimed at creating a new or changing an existing tourist product, developing new markets, using advanced information and telecommunication technologies, improving the provision of tourist, transport and hotel services, creating strategic alliances for the implementation of tourist business, introducing modern forms organizational and management activities of tourist enterprises.
O. Davydova [8]	The result of using a new product in the tourism industry with increasing its efficiency and obtaining, first of all, a commercial effect, which should ensure sustainable functioning and development of the industry.
O. Ilyina [29]	Various organizational and management innovations consisting of purposeful changes that are made at different levels of the tourism industry.
N. Vlasova, V. Smirnova, N. Semenchenko [65]	System measures that are qualitatively new, that lead to positive changes, and also ensure the functioning and development of the industry in the region.
T. Tkachenko, S. Melnychenko, M. Boykota and others. [58]	Innovations developed and implemented in the activity, which allow to receive benefits in the form of economic or social effect and other positive results.
O. Yakushev [69]	The use of new technologies and techniques in the creation and provision of traditional services, the introduction of new services with new properties, changes in the organization of the processes of production and consumption of traditional tourist services, the use of new tourist resources, the identification and use of new markets for the sale of tourist products.

O. Garbera [16]	Innovations, which are accompanied by: recovery and development of spiritual and physical strength of tourists; qualitatively new changes in the tourist product; increasing the effectiveness of the tourism infrastructure; increasing the efficiency of managing the sustainable functioning and development of the tourism sector in the country; increasing the effectiveness of the processes of formation, positioning and consumption of tourist services; progressive changes in factors of production; improving the image and competitiveness of enterprises of the tourism industry.
L. Maklashyna [26]	Development, creation of new tourist routes, etc. using the achievements of science, technology, IT technologies, as well as best practices and marketing, the implementation of which will allow to increase the level of employment of the population, ensure the growth of its incomes, accelerate socio-economic development and improve the tourist image of the country and regions.
S. Hall, A. Williams [67]	Creation, acceptance and implementation of new ideas, processes, products or services, as well as the ability to change and adapt.
Booyens, I., Rogerson, C.M. [5]	The process by which a new idea or practice becomes useful, new ways that provide solutions to various problems to meet people's needs.
M. Dotsenko [11]	Innovations in tourism are activities aimed at creating a new or changing an existing product, improving transport, hotel and other services, developing new markets, introducing advanced information and telecommunication technologies and modern forms of organizational and management activities. Innovations and new information technologies are becoming determining factors for the competitiveness of the tourism industry and the activation of exchanges with other sectors of the economy related to them.
Yu. Panchenko, O. Luginin, S. Fomishin [37]	Innovations in tourism are the final results of innovative activities, embodied in the form of a new or improved tourism product and introduced into circulation. An innovation can be considered an innovation only when it is accepted by a given consumer and bears signs of news.
T. Taigybova [52]	Innovations in tourism are systemic measures that are qualitatively new and lead to positive changes that ensure sustainable functioning and development of the industry in the region.
T. Frolova [14]	Innovations in tourism are a set of directions of innovative activities of tourist organizations, such as: use of new equipment and technology in the provision of traditional services; introduction of new services with new properties; use of new tourist resources that were not used before; changes in the organization of production and consumption of traditional tourist services; identification and use of new sales markets for tourist services and goods.

*Source: compiled by the author*

Smyrnov I., Liubitseva O. [49] under innovation in tourism determines the outcome of actions aimed at creating a new or changing an existing tourism product, developing new markets, using advanced information and telecommunications technologies, improving tourism, transport, and hotel services, creating strategic alliances for tourism business, the introduction of modern forms of organizational and managerial activity of tourist enterprises.

Kulinyak I. Ya., Zhigalo I.I., Yarmola K.M. [23] substantiated this term as a result of the application of a novelty in the tourism industry by increasing its efficiency and obtaining, above all, a commercial effect, which should ensure the sustainable operation and development of the industry. Kulinyak I. Ya., Zhigalo I.I., Yarmola K.M. and others [23] are defined innovations in tourism as innovations developed and implemented that allow obtaining benefits in the form of economic or social effects and other positive results.

Hrebeniuk H., Charkina T., Martseniuk L., Pikulina O. [17] consider innovations in tourism as various organizational and managerial innovations, consisting of targeted changes that are made at different levels of the tourism industry.

N. Vlasova, V. Smirnova, and N. Semenchenko [65] under the innovations in tourism consider systemic measures that have a qualitative novelty that leads to positive changes, as well as ensure the functioning and development of the industry in the region.

Consideration of different interpretations of the term “innovation in tourism” provides an opportunity to conclude that there is still no single definition. There is an ongoing debate among scholars about what to consider innovation in tourism – the result, implemented product or service, or the process of implementing an idea and its implementation in the finished result or individual stages of the process (development, implementation, commercialization, use).

Innovations in tourism include those innovations that are accompanied by the restoration and development of the spiritual and physical strength of tourists, fundamentally new changes in tourism products, improving the efficiency of the

tourism industry, improving the formation, positioning, and consumption of tourism goods and services, progressive changes in factors of production [15].

When applying innovations in tourism, it is necessary to take into account the principles of innovation in tourism, proposed in [15], namely:

- *scientific* – the use of scientific knowledge and methods for innovation, in accordance with the needs of tourists;
- *systematic* – the development strategy of innovative tourism development in the region should take into account the factors and conditions necessary to meet the needs of people in recreation and leisure; direct and indirect environmental factors;
- *compliance of innovations with the needs of tourists* – offering only such innovations that are really needed by the client, and not those that can make and implement a travel agency;
- *positive results* – prevention of unreasonable, ill-considered creation and implementation of innovations that can be dangerous for tourists, tourism enterprises, the environment and society as a whole; compliance of innovation activity and its results with the level of development of society;
- *connectivity* – each new product at a certain stage of its life cycle should evoke and stimulate the idea of creating the next innovation and provide financial support for this process;
- *safety* – the innovation must guarantee the absence of harm to humans and the environment.

Thus, the application of innovations in the tourism sector is aimed at creating a new tourism product, providing unique tourism services, and applying new marketing approaches using the latest techniques and IT technologies, which will increase the competitiveness of tourism products in national and international markets. Digital transformation, or as it is commonly called, digitalization, is changing our world as a whole. A question arises. How does this relate to the tourism industry? Humanity is going through a very difficult period, and now this issue is very relevant. The effect of surprise and absolute unpreparedness for the challenges associated with the

COVID-19 pandemic and the war in Ukraine today practically stopped the entire normal way of life, and in addition to closed borders, suspended flights, closed airports, all tourism was put on hold. It was not at all clear how the general recovery would proceed. For this, it is necessary to determine what can and should be done to restore the current situation as soon as possible and what technological and innovative technologies can help in this

Travels for all of us are, first of all, impressions. We go on trips for different reasons. It can be a business trip, family vacation, honeymoon, etc., but in any case, we are looking for positive emotions. And if we plan our trip in the right way (according to a certain algorithm) and everything goes well, then naturally we have a positive impression for a long time, and we look forward to the next trip [40].

Modern informational approaches related to travel are implemented using the digital travel cycle methodology. The methodology of the digital cycle of any journey is accepted all over the world. In general, it represents stages that symbolize certain periods of a tourist trip and are directly tied to our perception of the world due to the huge number of devices, gadgets, websites, applications, and information that we perceive (Fig. 1.1).

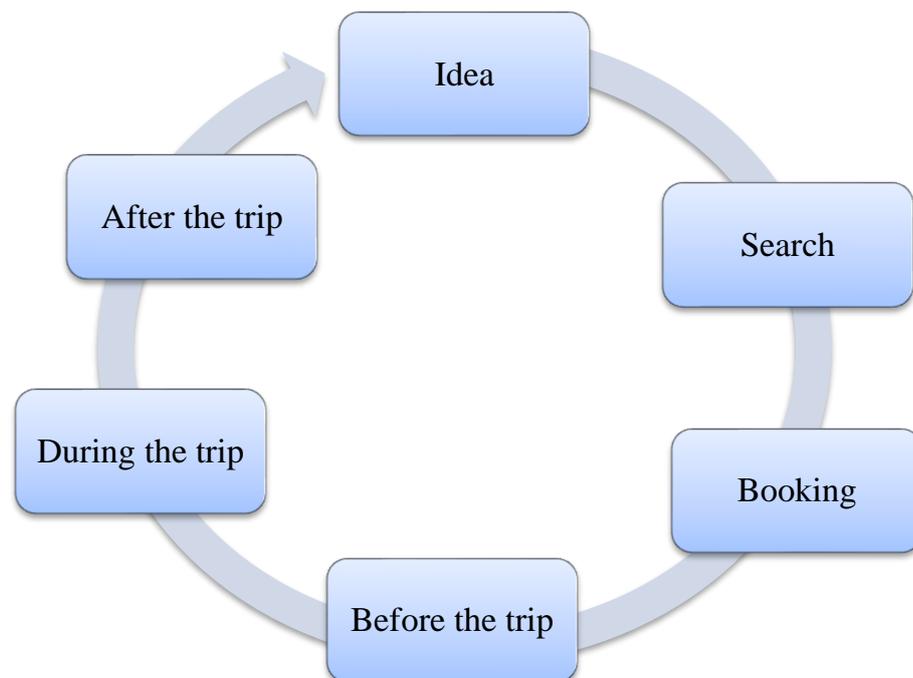


Fig. 1.1. Digital travel cycle

Source: [12]

*Idea.* Before starting any trip, a person should get a first impression of where he wants to go or fly and plan his trip. Sometimes we see an advertisement or read a post on social networks or watch an interesting movie, but actually the desire to go somewhere arises after we come across some information.

*Search.* Then begins a very long search cycle: selecting a direction, a specific flight, a specific hotel, a tourist package, additional services, whatever they are. At this stage, a person is maximally exposed to a large number of “digital interactions” (digital guides) when he has to either switch screens, or go from one site to another, or make any marks for himself. In the end, she goes back to choose what fits. Then we move on to the next cycle.

*Booking.* Today, booking is not possible without the use of all kinds of reservation systems, website technologies, which are quite accessible today. For example, the contactless check-in system (Self check-in) allows the guest to provide data remotely and everything will be prepared before his arrival (at the same time, check-in takes no more than one minute), package stay in the room, which includes a beautifully laid table for the festive dinner, room decoration to holidays, etc.

*Before the trip.* From the moment of ordering the entire trip, a fairly short period before it begins, when it is known where and for what purpose the trip will be made, and before the very fact of the trip there is a stage that must be passed through. But even at this stage, we still continue to encounter technologies. There is an opportunity to improve the level of the room in the hotel, increase the flight class in the airline, order additional services, etc. [55].

*During the trip.* Everything, or almost everything, that we encounter at this stage happens with the use of modern technology. For example, check-in at the airport, sending luggage, passing passport control, the flight itself (availability of WiFi, ordering additional services during the flight), receiving a notification (upon arrival) about the location of luggage on a specific carousel, etc.

*After the trip.* Publication of posts in social networks or reviews on the websites of relevant enterprises in the field of tourism, with the work of which direct contact was made during the trip.

At the same time, the tourist contributes to the following impressions of future tourists. And, as a result, the tourist acts not only as a consumer of services, but over time becomes a provider of services or a provider of information. The digital travel cycle model works with a huge number of tools that the consumer (the “digital tourist”) has the opportunity to use. A huge number of search engines, social networks, airline websites, mobile applications, contact centers of service providers, kiosks at airports or train stations, representatives of online travel agencies or business travel agencies, search aggregators or digital advertising aggregators - all this surrounds the consumer. It is at the center of the ecosystem. The leading provider of information technology services in the world for the field of tourism, hospitality and transport is the company Amadeus [2].

Humanity has now entered the era of the fourth industrial revolution, which has been called “digital transformation” (digitalization, digitalization). You can easily find out about this from almost all sources of information. Surprisingly, it was the pandemic that accelerated the implementation of many technologies that are used in almost all areas of our daily life. This era is quite seriously identified with large data sets, technological innovation trends and increased consumer demand.

How does a tourist perceive the surrounding world? With the help of which technologies and innovations does he consume information? What can help tourists and travel service providers in the near future and what innovations are already helping? To date, the following main trends are observed [43]:

1. Mobile devices. More than 20 years ago, mobile devices entered our lives, which constantly develop every year and provide a wider range of opportunities. And already today more than 60% of all search requests are made using mobile devices. Now all everyday life in one way or another is connected with the use of these devices. The modern tourist has come close to actively buying travel services using mobile devices. Moreover, the percentage of purchased tourist services is constantly growing and has already far exceeded the use of modern PCs.

2. Speed of consumer reaction. According to business analytics statistics obtained from various platforms, it takes no more than eight seconds for a consumer

to make a decision about a particular purchase or choose a particular offer. Moreover, the younger the consumer, the less this time.

3. Speed of request processing. The statistics of search queries show their great popularity and demand. For example, in search engines popular among tourists, the frequency of requests and the processing of these requests per second for Google Chrome is 51,667 units, for Amadeus – 20,740, for Bing - 10,115, for Yahoo – 6,205. These indicators are constantly growing naturally. Today, there is much more information in the world, and therefore the speed of its processing must increase.

4. Personalization of the tourism product. Today, there is a clearly expressed movement from the tourist product towards the approach to the consumer. Previously, the product was created product-oriented. At a certain stage, service providers began to focus on service quality (Service oriented). Today, all orientation is customer oriented. Therefore, all services, all products and all offers must be highly personalized. And the day is not far when computer systems will recognize our face, recognize us with the help of large data sets of artificial intelligence of video emotion recognition, will provide offers that are relevant only for a specific person.

5. Problems of old players in the market. Today, there are changes in the world order among service provider brands. This is due to the changes in the world of technology and the evolution that humanity is going through. And if the company does not know how to rebuild itself (in the direction of digital transformation) or does it very slowly, then it is quickly forgotten, it loses its market and disappears from the sight of buyers (up to bankruptcy), even despite its possible past great popularity and long-term experience in the world market. For example, Walkman, Minolta, Kodak, Black Berry, which did not rebuild in a timely manner, did not become “digital” and then had to catch up with their own development lag for a long time and even go through bankruptcy procedures.

6. Emergence of new players on the market. Today, there are completely new business models on the market. These business models grew up in the digital age, although some of them have been on the market for more than 30-40 years (Google,

Apple). They are an example to follow and copy in the field of digitization (Google, Apple, Facebook, Amazon) – the campaign of the GAF A group. These brands are absolutely global and have not just created new business models – they have created ecosystems around which their consumers revolve and all the services of these ecosystems are designed for the end consumer. Among the new business models there are also new brands that appeared no more than 10-15 years ago, and about which no one had heard before (Uber, Airbnb, Alibaba, We Chat). These are representatives of a new generation of digital transformation, when a service provider can be a consumer at the same time. For example, a taxi, car rental or sharing provider does not own a single car, the largest home or apartment rental provider does not deal in real estate and does not own apartments at all, but simply provides its own platform. The largest ecosystems buy a huge number of brands and services for their optimal state, in order to surround the end consumer with the most demanded services. Among the representatives of this cluster in the tourism market, the platforms with the largest capitalization and, accordingly, demand are: Booking, Airbnb, Uber, Expedia, CTrip, Amadeus, Yandex.

The digital transformation has also affected the tourists themselves. The concept of “digital tourist” has firmly entered everyday life. Today, the digital tourist becomes completely dependent on social networks, he is mobile in the sense that he cannot imagine his life, his movement without a mobile device (most often a smartphone), all the services he consumes are personalized, he is very pedantic about the provision and quality of services, he prefers digital services (and Online services, not Offline), he wants to have full control over what he buys or consumes and does not want to depend on any other data, he is interested in the entire trip from beginning to end (the tourist does not want , so that he has some interruptions in the journey or some stressful situations arise out of his control). This especially applies to the current situation with the coronavirus, when it is necessary to “restore” the consumer’s trust and ensure a sufficient level of health safety. Undoubtedly, technologies define the consumer experience, and he becomes dependent on them. But what is included in the concept of technology? Analysts highlight the following

annually updated list of innovative technological trends: Biometrics (biometrics), Blockchain (block chain), Robotics (robotics), AI (artificial intelligence), Big Data (big data), Cloud (cloud), VR & AR (virtual and augmented reality), Chatbots (chat bots), Voice (voice), Self-driving (self-driving), IoT (Internet of Things), Mobile (mobile). These innovations have been in use for a long time, and the further, the more a person encounters them in real life [12] (Fig. 1.2).

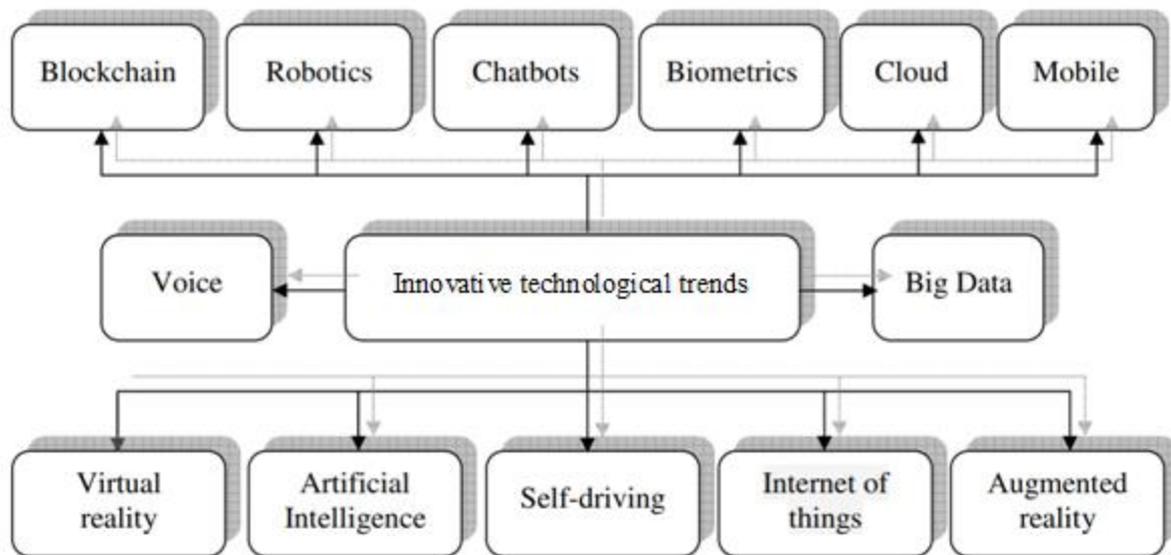


Fig. 1.2. Innovative technological trends

Source: [12]

The examples of the application of innovative digital technologies in tourism are the use of: multifunctional mobile devices, artificial intelligence, robots, chats, chat bots, etc.

Previously, when going on a trip, a tourist was equipped with a large number of various gadgets: a watch, a compass, a guidebook, a map, a camera, a player, a video camera, a radio, board games, a press, a pen or pencil, a notebook, a diary (for business people), a calculator. Today, all this and much more is in one device – a smartphone. We will see the use of robots in the tourism business more and more in the near future. In addition, the pandemic accelerates this process. To maintain social distance, the use of information kiosk robots and individual mobile robots, for example, the Pepper robot from the Amadeus company, allows you to receive information safely. The use of artificial intelligence is currently widespread [2].

Tourists are already used to various chat bots that replace call centers. Bots with artificial intelligence perceive our speech or text and respond with speech or text to requests. Voice assistants, which are integrated into various gadgets, in hotel rooms, at airports and other points of intersection with the tourist, will soon become widespread among tourists. Today, they are more often used in everyday life and at work (interfaces Alita, Siri, Echo, Home, Home Pod, Alexa, Alisa, Oleg). Chats and chat bots are fast growing communication channels. In aviation, almost all major airlines use chat bots and see this as a very significant help and a serious breakthrough. They allow you to write a request and immediately receive an answer on the universal chat or on the chat of a specific brand of transport or hotel. The introduction of self-service technologies allows to increase the efficiency of service in the hotel and makes significant changes to the procedure of registration and accommodation of guests in the hotel [55].

The use of self-check-in kiosks makes it possible to: get round-the-clock access to the service; to relieve the reception and accommodation desk and reduce the load on the staff during the hours of entry of a large number of guests; enables the hotel manager to redistribute the responsibilities of subordinates and reduce staff maintenance costs; contribute to increasing the hotel's profit; get information about hotels in the form of multimedia advertising; go through the entire cycle of registration, payment and issuance of an electronic key without the involvement of personnel in a language convenient for the guest. Its software allows you to control the accommodation of guests based on existing reservations in the hotel system, recognize scanned data of documents, certify identity, identify guests, process payments and issue electronic keys [56].

Virtual reality is experiencing its rebirth. If earlier it was mainly used in the gaming world, now by wearing virtual reality glasses you can find yourself on board a plane, in a hotel room, in a museum, on a full-fledged cruise and through perception tools (3D, VR) feel the atmosphere of any tourist destination. object of display and immerse yourself in its reality.

Augmented reality (AR) allows tourists to see at the place of visit not only what is presented to the ordinary eye, but also with the help of devices (glasses and smartphones) to see how this object of the excursion looked in ancient times (initially).

Blockchain (block chain) already allows: to track luggage, to participate in loyalty programs, to make instant payments, to pass identity identification with the help of decentralized distribution of data, which is very safe. For example, Blockchain technologies allow connecting together an airline, an airport, a handling company and a tourist in order to very clearly transfer data from one channel to another and to determine without error at what stage the luggage is. And in case of loss, how can it be found.

Voice Big Data Innovative technological trends Blockchain Robotics Chatbots Biometrics Cloud Mobile Virtual reality Internet of things Augmented reality Self-driving Artificial Intelligence Big Data technology (big data) allows you to accumulate data (according to analysts' forecasts, by 2025 the amount of data will reach 163 ZB, although still in In 2016, it was only 16.1 ZB), including tourism. This technology makes it possible to offer a tourist, based on his preferences (accumulated in the data), certain routes, hotels, visits to specific cities, historical places, places of strength. Today, Big Data technologies are actively used in the field of hospitality, in particular, in hotels. All issues of management, marketing, reputation, additional services in the hotel are available to the hospitality object (tourist) [13].

Virtual interlining or multi-modal transport is a technology that connects modes of transport that could not be connected before. It allows you to build a route consisting of flights of a full-service carrier and some low-cost budget carrier, railway and even bus. Previously, these resources could not be docked. All this allows you to build very complex routes, combine tariffs and organize transportation and the trip itself in the most convenient and rational way.

IoT (Internet of Things) today becomes IoE (Internet of Everything), when gadgets address each other. For example, communication and control of tools in a hotel room via the Internet (or WiFi) of a smartphone. And the chip, located in the

suitcase and connected via WiFi to the smartphone, weighs itself, reports its location (with construction of the shortest route), informs about its level of filling. Today, IoT is already used in hotel rooms, when the procedure for check-in and opening the door to the room takes place without a key and even without check-in, using only a mobile device. This service (Online hotel check-in & Smart Key) will be most in demand at the stage of recovery of tourism after the COVID-19 pandemic. Due to the technology of Biometrics (biometrics), biometric boarding for airplanes is being implemented everywhere. The technology of such a device is complemented by the advantage of contactless identification of the passenger by scanning his face. Among other things, these technologies allow you to pass passport control without delays on the part of representatives of the border service (at Dubai airport, the border control procedure takes 10 seconds) [13].

Modern technologies predict the use of drone taxis for tourists in the territory of “smart” cities. The use of drones as taxis (mainly for tourist purposes) is already taking place in Dubai. A few years ago, the mobile technology market was replenished with the Handy smartphone, which is designed specifically for travelers and tourists and has a built-in system for searching for the most suitable hotels and apartments. These smartphones are included in the range of services provided in the rooms and provide unlimited access to the Internet, which is in high demand among tourists. In addition, the “smartphone” gives its owner various advice on accommodation and forms a personal route for him according to his preferences. Most hotels of the Ritz-Carlton, Intercontinental and Sheraton chains offer their guests such smartphones. This service has not yet become widespread due to the high cost of the device, as well as not rare cases of their theft [60].

Each person perceives the world very individually, and each tourist has his own preferences (some like mountains, some like beach holidays, some like excursion programs). But, nevertheless, today it is absolutely clear that a trip is impossible without the use of modern technologies. A modern tourist (traveler) prefers those territories and regions where the level of technological development meets his needs and is quite high [44].

In our opinion, the implementation of projects to increase the level of technological development of the region is possible only by combining the efforts of various sectors of the tourism industry. At the same time, the entire region will be harmonized, and the sectors with a weak level of digitization will be strengthened faster by working in close contact with those sectors where the level of implementation of modern innovative technologies is quite high. Most likely, some synergistic effect will be obtained. And, as a result, the region will definitely receive an influx of tourists and additional income. Such an experiment is already taking place in Estonia with a population of 1.5 million people. In small countries, the process of digitization is much easier, faster and cheaper [44].

Digital transformation is changing our world as a whole. If we plan our trip in the right way and everything goes well, then naturally we have a positive impression for a long time and we look forward to the next trip. Modern informational approaches related to travel are implemented using the digital travel cycle methodology. In general, it represents stages that symbolize certain periods of a tourist trip and are directly tied to our perception of the world due to the huge number of devices, gadgets, websites, applications, information that we perceive. Surprisingly, it was the pandemic that accelerated the implementation of many technologies that are used in almost all areas of our daily life. A modern tourist (traveler) prefers those territories and regions where the level of technological development meets his needs and is quite high. In our opinion, the implementation of projects to increase the level of technological development of the region is possible only by combining the efforts of various sectors of the tourism industry.

## **1.2. Approaches to the classification of innovations in tourism**

One of the most important theoretical aspects of defining innovations in tourism is their classification. The complexity of developing the classification is related to the multifacetedness of the research object, as well as the fact that tourism belongs to the service sector and innovations in tourism are of a service nature.

Y. Miles [19] and a number of other researchers of innovations in the service sector [20; 21] divide researchers who study the features of innovations in the service sector into two groups. Proponents of the so-called assimilation approach do not distinguish service innovation from production innovation. In their opinion, the same approaches and methodology can be applied to the study of innovation processes in the service sector as in the field of goods production.

Proponents of the demarcation approach believe that there is a difference between service and production innovations. Service innovations are specific and different from manufacturing innovations, and as a result, proponents of this approach point to the need for specific evaluation methods and policy tools for service innovations.

Taking into account the fact that many industrial enterprises are currently acquiring service characteristics, and the production of many services increasingly resembles industry, a number of authors, both foreign and domestic [11; 19; 22–25], believe that it is necessary to combine these two opposite approaches to researching innovations in the service sector.

A synthetic approach will help to analyze internal and external differences between innovations in material production and in the service sector. This will provide an opportunity to apply the methodology for evaluating innovations in the field of material production for the service sector, adjusting it taking into account the specifics of the nature of this or that service activity.

The review of existing classifications of innovations in the tourism industry also indicated the lack of a clear definition of them. Thus, Verreyne, M. L., Williams, A. M., Ritchie, B. W., Gronum, S. and Betts, K. S. [64] focused on product innovations as key innovations for the field of tourism, as they lead to the

transformation of consumer properties of the product and its positioning on the market. Some research [27] classify innovations by content as follows: technological (related to the introduction of new types of equipment, technology, tools, as well as technical and technical methods of work and service); organizational and technological (related to new types of services, more effective customer service); complex – cover various aspects and aspects of service activity; management – focused on improving the internal and external relations of enterprises, the use of new methods and forms of management.

O. Kalchenko identified the following types of innovations in tourism: product (creation of new tourist products and services, types of tourism, directions, routes and territories), technological (use of ICT, new equipment and technologies, new forms of accounting and reporting, improvement of service quality, innovation in transport services, etc.), marketing (development of new market segments, development of the latest models of positioning and advertising of tourist products and tourist and recreational areas), organizational and management (new forms and methods of management of objects of tourist activity and their organization, improvement of information provision), service (implementation of advanced training methods, training and retraining of personnel, development of innovative models of tourist service, etc.) [21]. This qualification is supported by O. Davydova [8], but she suggests adding another type to it – logistics innovations (new solutions in supply, distribution and delivery systems and chains, including tourists).

We propose to consider the approaches of well-known researchers in this field according to a number of fundamental features (Table 1.2). The analysis of these approaches to classification makes it possible to draw a conclusion about the complex nature of innovations, to identify all areas of use of innovations as a new product, new technique, new technologies, method and method of production. The selection of innovations according to the proposed features will make it possible to identify specific requirements for their development, implementation and operation at the enterprise.

Table 1.2.

The main approaches to the classification of innovations according to various criteria

Researcher	Characteristics of classification	Types of innovations
Yu. V. Yakovets	according to the structure of changes	basic, improving, micro-innovations, pseudo-innovations, anti-innovations
	by field of activity	technological, economic, environmental, social-political, civil-legal, in the field of culture, in the field of protection and security
	by scale of activity	global, civilized, national, regional, local, point
V. V. Horshkov, E. A. Kretova	by the structure of innovations	innovations at the entrance, innovations at the exit, innovations of the structure of the enterprise as a system, which includes individual elements and mutual relations between them
	according to target changes	technological, production, economic, trade, social, management innovations
A.I. Prigozhin	by type of innovations	material and technical, social
	according to the social consequences	innovations that provide social benefits, innovations that cause social costs
	by innovative potential	basic (radical), combinatorial, complex, modified
	according to the principle of attitude to its predecessor	replacing, canceling, returning, opening, retro innovations
	according to the features of implementation	single, diffuse, completed, incomplete, successful, unsuccessful
	according to the features of the innovation process	intra-organizational and inter-organizational
	by purpose	for innovations that increase the efficiency of production and management, improve working conditions, product quality, innovations that preserve people's health, the environment, innovations that cause resource savings, ecological, multi-purpose innovations
	by place in the production	cycle providing, food
	by volume	point, system, strategic

V.S. Novikov	by field of use	scientific-technical, organizational-economic, social-cultural, state-legal
	by scale	global, national, regional, branch, local
	by character	evolutionary, radical

Regarding the classification of introduced innovations in tourism, the vast majority of studies concerned one selected type of tourism activity, which was dominated by the hotel industry [47; 48]. Booyens and Rogerson classified the results of previous studies of innovation in tourism. Research has also been conducted on the innovativeness of certain forms of tourism, including health [5].

In a number of studies [47-51], we can distinguish the division of innovations into four categories: product, process, marketing, and organizational innovations. Pikemaat and Peters classified five categories of tourism innovation: product, process, organizational, logistical, and institutional. While Rogerson and Buens identified seven types: in addition to product, marketing, organizational, and innovation processes, they distinguished between environmental, structural, and social innovation [36].

The research conducted by the Organization for Economic Cooperation and Development (OECD) [35] has made significant changes in the classification of innovations, which distinguishes between two categories: product innovation and innovation in business processes. Product innovations are defined as new or significantly improved products or services that are significantly different from previous products or services provided by the company and that have been brought to market. Product innovations create products and/or services. Services are the result of productive activities and are associated with changes in the physical and mental state of man. They include all types of services related to the organization and stay of the tourist in a particular tourist destination, such as accommodation, guide services, information. Business process innovation is a new or significantly improved business

process for one or more business functions that are significantly different from the company's previous activities and that have been put into use [42].

Thus, the systematization of the knowledge of the practical value of innovations, presented in the form of a classification, will make it possible to typify the state and nature of the innovative activity of various enterprises of the economy, to assess the demand for innovative projects, and to analyze the investment basis. In addition, this classification will enable the enterprise to make timely management decisions in the sphere of innovation activity regulation at various stages of the life cycle of innovations; construct economic mechanisms and organizational forms of management depending on the type of innovation; determine provisions, forms of implementation and promotion on the market, which are not the same for different types of innovations.

Product innovation is the introduction of a new product (tour, service, and product) into the tourist market, which is significantly different in terms of its functional features and technical characteristics. Its novelty must be obvious to manufacturers, suppliers, consumers and competitors. In the fight for a new client, for a new segment of consumers, travel firms use the strategy of an innovative product.

Process innovations involve ensuring the development and implementation of technologically new or significantly improved production methods, including methods of product transfer. They may be aimed at reducing the cost price or costs of product delivery, improving its quality, or producing or delivering new or significantly improved products [6].

Marketing innovations are aimed at better satisfying the needs of the consumer, opening new markets or winning new positions for the company's products on the market, new product sales channels to increase the volume of sales.

Organizational innovations can be aimed at increasing the efficiency of the enterprise by reducing administrative costs or operational costs, increasing employee satisfaction with the state of their jobs (and thus labor productivity), increasing access to non-marketable assets (such as uncodified knowledge from external sources), or reducing supply costs [7].

In our opinion, it is worth highlighting a separate group of tourism innovations – service innovations, which include customer service methods and sales methods. A service innovation can be defined as a new or significantly changed service concept, customer interaction channel, service delivery system, or technological concept that individually (but more likely collectively) results in one or more new service features that are new to firms and the market and do not require structurally new technological, human or organizational capabilities of the organization.

Therefore, the application of innovations in the tourism sector is aimed at the formation of a new tourist product, the provision of unique tourist services, the application of new marketing approaches, using the latest techniques and IT technologies, which will increase the competitiveness of the tourist product on the national and international markets, will lead to the emergence of new types of tourism. The degree of innovative development of the tourism industry is determined by: the market situation, the level of education and qualifications of personnel, the availability of resources in the studied territory, especially unique resources. Thus, the most widespread in the modern practice of tourism are such types of innovations as: product, technological, marketing, service and organizational – management.

### **1.3. Features of the introduction of innovations in tourism**

The development of measures to increase the innovative activity of enterprises in the tourism industry involves determining the features of innovations and assessing the impact of their implementation.

Based on the analysis of the opinions of scientists, the author identified the following features of innovations in the tourism industry [13]:

1. Innovations in tourism are characterized by a service nature; they are aimed at improving interaction with the consumer and maximum satisfaction of customer requests and preferences, which is one of the most important motivating factors for the introduction of innovations.

2. There is a direct connection between producers and consumers of tourist services, so the quality of the work of service personnel becomes an important factor in the implementation of successful innovative activities.

3. In the tourism industry, consumers are involved in the process of providing services, and as a result, the process of production and consumption of services occurs simultaneously.

4. Most of the innovations used in the tourism industry are borrowed from other activities and adapted to the tourism sector (for example, computer and Internet technologies, medical and medical equipment, passenger transportation and many others).

5. The lack of protection of innovations by patents and licenses, taking into account their interactivity, makes it possible for them to be copied by competitors.

6. Innovations in tourism have an intangible component aimed at improving the interaction between the producer and the consumer.

7. Innovations in the field of tourism concern not only tourism companies directly, but also a wide range of infrastructural organizations.

8. The sign of novelty on a global scale, the so-called radical novelty, is not key in determining innovation in tourism.

Novelty is determined within the framework of a specific enterprise that applies them. One of the most important practical aspects of the research on innovations in tourism is the evaluation of the innovative activity of enterprises working in this industry. It should be noted that although the scientific economic literature presents a large number of methods for evaluating the innovative activity of enterprises, there are no methods for enterprises in the tourism industry to date, and therefore researchers use various modifications of the methods for the production sector, adapted to different types of activities in the service sector.

The basis of the resource approach is the assessment of tangible and intangible resources that have been consumed and used for the implementation of innovative activities. The disadvantage of this approach is that it does not take into account the effects of spent resources and used assets, as well as the degree of participation of the

organization in the implementation of innovations, the advantage is the ability to characterize the resource potential. The approach is applied at the level of the enterprise, external investor, analysts, competitors, and country.

The effective approach is designed to determine the number of introduced innovations and their effectiveness. The purpose of the approach is to evaluate the effectiveness of innovative activity. Its advantage is the ability to assess the enterprise's ability to effectively implement innovations; the disadvantage is that the implementation of the method requires information that may be a commercial secret of the enterprise. The approach is applied at the enterprise level. For enterprises of the tourism industry, the use of these approaches is limited due to the complexity of measuring the costs and results of innovative activities. This is especially true for performance indicators, most of which are qualitative (for example, increasing customer satisfaction) and difficult to quantify.

In view of this, the authors of the study [42] propose to evaluate the indicators of innovative activity of tourism and hospitality industry enterprises by the method of expert survey, and to compare enterprises, to calculate the integral indicator of innovative activity.

The statistical approach allows to include organizations in the category of innovation-active (or innovation-passive) according to the selected criteria of innovation activity. The minimum required level for recognition of a new product, process, marketing method or organization as an innovation is novelty for an individual firm. According to this approach, for an individual firm to be innovatively active, the innovation must be new to the firm and be carried out at least once every three years. Such an approach is used at the country level in order to keep statistical records of innovatively active firms. The main source of data for measuring innovation using a statistical approach for European countries is the European Union (CIS) Innovation Survey [53].

In the process of CIS, information is collected according to a single questionnaire, which is developed by independent EU experts and specialists, and concerns: product, process, organizational and marketing innovations; costs and

expenses for innovation; cooperation with other enterprises (organizations) in the implementation of innovative activities; factors hindering innovative activity, etc. In addition to the main questions, some CISs include additional sections, the questions of which provide an opportunity to collect detailed information on certain aspects of innovative activity of enterprises. Thus, in the CIS conducted in 2009 (for the period 2006–2008) and 2015 (for the period 2012–2014), additional blocks contained questions about environmental (eco) innovations. The methodological basis of CIS is made up of the recommendations on the collection and analysis of data on innovations defined in the Oslo Guidelines. The unified system of concepts, the methodology of data collection and analysis, as well as the regularity of the CIS (once every two years) make it possible to conduct international comparisons for the countries involved in the survey. The data obtained from CIS is used to calculate indicators and build innovation development ratings, such as the Innovation Union Scoreboard and the Regional Innovation Scoreboard. In addition, based on CIS results, analysts receive depersonalized data on enterprises and detailed information on the state of innovative activity by types of economic activity and sectors of the economy [53].

Scientists [20], who used in their research information on innovations in tourism obtained from the results of the CIS, point to the shortcomings of this survey: the key indicators by which data are collected and their further evaluation are standardized and unified, and therefore do not take into account the peculiarities of the nature of the activity tourism industry enterprises; the information obtained as a result of the survey does not provide an opportunity to calculate the efficiency of resource expenditure and asset utilization. In addition, tourism belongs to additional types of economic activity, which, according to the CIS methodology, are surveyed on a voluntary basis, as a result of which not all countries involved in the survey cover the tourism industry.

For the development of innovative activity of tourism enterprises, the constant search for innovative ideas, comparing the results of one's own activity with the results of competing companies and leaders in terms of the level of innovative

activity is of great importance in order to intensify and improve one's own innovative activity.

Modern views on innovation in tourism based on changes in society, which is under the influence of globalization processes has transformed into a "consumer society" and becomes the customer of new services. The number of such customers is increasing each year. Therefore, tourism enterprises also need to constantly transform. To ensure those innovation processes, it is expedient to apply the symbiosis of traditional and contemporary sections which includes: innovation focused on customer service; developing a highly innovative tourism products; the introduction of a specific innovative marketing policies; management of companies' innovation; direction of their activities towards cooperation with other representatives of the tourism industry at the local, regional and state levels.

Tourism enterprises are becoming more subject to the influence of environmental factors, and internal factors experience adaptation.

*Internal (endogenous) factors of the tourist market:* demand processes, supply and distribution of tour product, the emergence of new intra-regional tourist segments, increasing the distance of travel, the variety of holiday forms, increasing short-term stay, increasing of tourism development diversification in established tourist space, the growth partnership of large companies with small and medium businesses, creation of strategic tourism alliances, the role of media in promotion, advertising and sale of tourism products, the number of employees, professional and qualification structure, the increase of professional training importance, improvement of organization work, the increase of private tourism business role and so on.

Static external factors [28]:

➤ *territorial-geographical:* close to the sea, to mountain and forest areas, nature of coastline, the country's position in relation to the main suppliers of tourists, finding the region on important transit routes, etc.

➤ *climatic:* natural landscapes, rivers, lakes, waterfalls, seas, mountains, pleasant climate, curative mud and mineral waters, temperature and wind condition, etc.

➤ *historical and cultural*: historical monuments, memorial places, museums, unique arts and crafts, customs and traditions of local residents.

External dynamic factors [28]:

➤ *social and demographic*: the demographics of the population, age structure, degree of employment, the welfare of the population, the presence of singles and couples, the level of education and culture, the aesthetic requirements, the ratio of material and spiritual needs, urbanization, the level of performance of the health system, crime and the environmental situation, etc.

➤ *economic*: the economic situation in the country, financial stability, income levels, the share of funds allocated by society for tourism expenditure, commodity prices and so on.

➤ *political-legal*: crises, political instability, militarization of the economy, the tightening of tourist formalities, fluctuations of exchange rate, military conflicts, unemployment, cooperation in tourism sphere and other international economic relations, setting standards of tourist activities, the control of tourism through the administrative organs, etc.

➤ *logistics*: the development of accommodation, transport, service establishments, recreational areas, retail, etc.

In the XX century, a leading role in the world was first played by geographical, historical, cultural and climatic factors. Gradually, with the development of society, the leading role passed to social and demographic, economic and financial, logistical and political-legal factors. At the beginning of the XXI century, the influence of social and demographic and logistic factors markedly decreased. First place went to the economic and financial and political-legal factors. Extremely severe fluctuations in the exchange rate, the decline in prices of oil and other commodities and concerns about global security became major innovation factors that regulate the tourist flows. Therefore, it is not surprising that the USA, China, UK took first places in the world rankings of international tourism arrivals and receipts from international tourism. Steady rate of national currency in these countries allows tourists to be more secure in their desires and expenses. The energy independence of the United States, the use

of innovation in the energy saving in China and the UK allow people to save on future travel. The distance from “explosive” areas, “hot spots” of the planet and effective security measures on the part of law enforcement give confidence to tourists to implement the desired trip or journey [28].

Bright examples of product innovations in the tourism industry are tours to Antarctica, the provision of health services in hotels. The Aloft hotel in Cupertino (USA) has implemented an electronic robot butler as part of the service staff, which can independently move around the hotel, call the elevator, deliver towels, drinks, food, newspapers to guests’ rooms, and also perform the functions of a local guide who will take the visitor to the place he needs. The height of the robot is 1 meter, the weight is 45 kg, and the speed of movement along the corridors of the hotel is 45 km/h.

Examples of technological innovations in tourism are electronic reservation systems in hotels, electronic ticket sales systems, and the creation of virtual travel agencies. So, the hotel group Starwood Hotels & Resorts Worldwide launched the first mobile system in the history of the hotel industry – SPG Keyless. This system allows hotel guests to use their smartphone as a key. The new system will not only help hotel customers bypass the reception desk and save time waiting in line, but will also provide an opportunity to get instant access to their room with one click of a button on their smartphone. This innovation will also give hotel employees more time to interact with guests, which will become more personal and personalized. The official launch of SPG Keyless took place in late 2014 at Starwood hotels under the Aloft, Element and W brands, which are the chain’s leading hotels with innovative service, cutting-edge design and environmentally-oriented initiatives. These hotels include: Aloft Harlem, Aloft Cupertino, Aloft Beijing, Aloft Cancun, W New York-Downtown, W Hollywood, W Singapore, W Hong Kong, W Doha and Element Times Square. In the first half of 2015, Starwood plans to actively integrate SPG Keyless, and by the end of 2015, more than 30,000 doors will be able to be opened in 150 hotels worldwide using this system. SPG Keyless will be available to all Starwood Preferred Guest members who book through any Starwood channel. In

2016, the Hilton hotel chain also plans to use similar technology across its 11 brands (including DoubleTree, Hampton Inn, Embassy Suites and Waldorf Astoria).

Currently, the Hilton HHonor mobile application allows guests to book a room, and in the near future it will also be used as a contactless “key” to the room. It should be noted that in the Hilton network, the mobile application allows guests to access not only their room, but also the doors of the fitness center, floors, elevators and parking [8]. Marketing innovations in the restaurant business are quite relevant. If in the last century the new marketing move was calling a taxi from a cafe, booking tables by phone, a little later it became ordering food with home delivery, now it is WI-FI coverage and electronic menus that have become a communication channel between customers and restaurateurs, allowing the administration to quickly edit and update the menu.

Yes, the customer can independently place an order, taking into account the establishment’s price policy, calculate the calorie content of dishes; immediately see the final receipt of the order and, while waiting for the order, play games and read the news. One of Stockholm’s hotels is the Nordic Light Hotel, where the average price of a room is \$360. USA per day, at the end of 2014, initiated a new promotion, namely, providing the opportunity to stay in a four-star hotel absolutely free of charge to a client who is an active user of one of the popular social networks, in particular Facebook or Instagram. A Facebook user must have 2,000 friends on their profile or 100,000 subscribers to receive a free one-week stay at the Nordic Light Hotel. Those who have 100,000 followers on their Instagram profile can also count on a free hotel stay. Guests with a smaller number of friends can count on a discount at this hotel. Social networks are now one of the ways to find candidates for work in different companies. So, the hotel chain Marriott International has created an online game “My Marriott Hotel” that allows you to manage a virtual hotel. The game was launched at the beginning of 2015 on the company page and on the Facebook social network. Each player will be able to hire staff, buy products and take orders from the restaurant. For each satisfied customer, the player will receive points, which can be

lost if the service is at a low level. The management of the hotel chain believes that such a game will reveal people's interest in the hotel industry [68].

Having conducted research on the peculiarities of the development of the domestic tourism industry, the author noted that the country, having a huge potential, is significantly behind the world leaders, occupying 20th place among the countries of the world in terms of the total annual income from the implementation of tourism activities. So, in the United States of America, the total annual income from tourism is 100 billion dollars. USA, Italy, France and Spain – 40-50 billion dollars. USA, and in Ukraine – 4 billion dollars. USA [62]. The annual volume of services provided by domestic tourism entities is approximately 1% of the country's GDP (almost \$500 million), which is \$10 per inhabitant. USA. The obtained indicator is one of the lowest in Europe. One of the options for solving the outlined problems and ensuring the development of the domestic tourism industry is the use of the latest approach, in particular the logistic approach, which involves the optimization of tourist flows in tourism, increasing the quality of the provision of tourist services to world standards, optimizing the use of information and material flows, reducing the costs of production and provision tourist services.

One of the innovations in tourism logistics is the “just in time” approach at all levels of the tourism industry. This approach is also called the “Pull system”. If in the systems of industrial and trade logistics the initial link is the market demand, according to the characteristics of which goods are produced and sold, then in tourism the situation is the opposite. In the logistics of tourism, tourist and recreational resources are defined, according to the logistic potential of which the flows of tourists should be formed, and their needs, together with tourist services at the point of consumption, should be provided through the development of the appropriate tourist infrastructure. So, the “just-in-time” approach in tourism logistics is based on the innovative model of sustainable tourism development, presented in detail by I.H. Smyrnov [49]. This approach requires proper state support, in particular financial support, because the renewal or modernization of existing facilities is beyond the power of even large tourism enterprises. The application of the above-

mentioned approach will make it possible to reduce or completely eliminate the risks of deterioration of the environment, natural resources, and a decrease in the quality of the provision of tourist services. The “Pull-approach” can serve as a basis for creating a strategy for the sustainable development of tourism in the region. Thus, innovation in tourism logistics is new solutions in supply, distribution and delivery systems and chains, including tourists. Recent innovations in this area – airport “hubs” (hub systems) – a fundamentally new concept of movement through a single connecting air transport hub; integrated destination information systems [33]. A hub airport is an element of the so-called star-shaped network of routes, in which passengers travelling between airports not connected by direct flights can reach their destination by making a transfer from one flight to another. Often, the hub of an airline is located at its base airport, or at the airport of the same city as the main office [32]. In the network of airline routes, nodal points can be formed – airports that are not transfer points, but from which the airline operates several flights in different directions. Large hubs are unofficially called “secondary hubs”. In many cases, the hub airport of the airline is the largest airport in the country. An example of an innovation in logistics is the cooperation of the tour operator TezTour with the Spanish airline Spainair, which will facilitate the connection between European flights in the T-1 terminal of the Barcelona airport [52].

Thus, the key basis of the development of the tourism industry is the creation of a tourist product that is competitive on the national and international markets, able to satisfy tourist needs as much as possible, which is impossible without the involvement of innovations. Having analyzed the scientific literature, it was noted that innovations in tourism are the result of the use of new products in the tourism industry with an increase in its efficiency and obtaining, first of all, a commercial effect. The main eight principles of the application of innovations in tourism are revealed, namely the principles of: scientificity, systematicity; compliance of the innovation with the needs of tourists; positive results; immanence of investment processes; compliance of innovative activity and its results with the level of development of society; connectivity; security It was found that innovations in

tourism are the production of new types of tourist products, using the latest techniques and technologies, new tourist resources that have not been used before. It was noted that the most common in the modern practice of tourism are product, technological, marketing, service and organizational and management innovations.

Innovations are heterogeneous; they differ significantly from each other. Scientists have proposed different classifications of innovations, but the most recognized for statistical research today is the classification presented in the Oslo Guidelines, which divides them into four types. Attempts to create a classification of innovations intended for a specific type of activity, including tourism, have not yet led to a scientific consensus. The analysis of the works of domestic and foreign authors shows the insufficiency of empirical studies of innovative activity in tourism and its impact on the development of the tourism sector and the national economy. At the same time, foreign scientists point out that currently systematic monitoring of the state of innovative activity of enterprises in the tourism industry is possible only according to the CIS methodology. Other sources of information do not provide an opportunity to investigate the impact of innovation policy in tourism on the economic development of the country, as well as to evaluate the effects and effectiveness of various tools used for its implementation. As for Ukraine, one of the conditions for the implementation of the Agreement on the Association of Ukraine with the EU was the adoption of the Tourism and Resorts Development Strategy for the period until 2026 [40], which defines various directions of state policy in the field of tourism. The implementation of the Strategy is impossible without the introduction of innovations, therefore, the issue of evaluating the innovative activity of enterprises in tourism becomes important. As already mentioned above, in Ukraine, the survey of innovative activity according to the CIS methodology is carried out on a regular basis. Taking this into account, we consider it expedient to survey enterprises of the tourism industry. The analysis of the received data will provide an opportunity to develop an effective plan of measures for the implementation of the tasks envisaged by the Strategy, which will contribute to the formation of a positive image of Ukraine in the international arena and the improvement of the investment climate.

## CHAPTER 2. ANALYSIS OF THE CURRENT STATE AND TRENDS OF IMPLEMENTATION OF INNOVATIONS IN TOURISM

### 2.1. Macroeconomic conditions of tourism development in modern realities

Considering the extraordinary multiplier effect of tourism, we must consider not only sectoral innovations, but also the economic situation as a whole. Factors influencing innovation processes are equipment with the latest technologies, business climate, innovation culture, government policy and regulation, investment climate, etc. The dynamics of the main indicators characterizing the development of tourism in Ukraine is presented in the table. 2.1.

Table 2.1.

Dynamics of the main indicators of tourism development in Ukraine

	2012	2013	2014	2015	2016	2017	2018	2019
Tourism, total contribution to GDP (share, %)	7,5	7,6	5,5	5,4	5,4	5,6	5,4	5,2
Tourism, direct contribution to GDP (share, %)	2,05	2,04	1,42	1,43	1,45	1,45	1,44	1,39
Tourism, direct contribution to employment (frequency, %)	1,9	1,8	1,3	1,3	1,3	1,3	1,3	1,2
Tourism, total contribution to employment (share, %)	7,0	6,8	4,9	4,8	4,9	5,0	4,9	4,7
The share of state investments in the tourism sphere (% of total investments)	2,4	2,3	2,2	2,1	1,9	1,9	2,3	2,4
Tourism, government spending (share of total spending, %)	5,0	5,1	5,1	5,1	5,1	5,1	5,6	5,6
Spending of international tourists in the middle of the country (billions of US dollars)	5,7	5,7	2,0	1,4	1,5	1,7	2,0	2,2
International tourism, revenues (% of total exports)	6,9	7,3	3,5	3,5	3,7	3,7	3,8	4,1
Inbound tourism, revenues in billions of dollars. USA	4,82	5,08	1,61	1,08	1,08	1,26	1,45	1,62

*Source: formed by the author based on data [68]*

As the data analysis in Table 2.1 shows, the key indicators of tourism activity in Ukraine are quite low and have a downward trend. Thus, the overall contribution of tourism to GDP remains extremely low, considering the country's significant tourism and recreation potential, and has slightly decreased from 7.5% in 2014 to 5.2% in 2019; revenues from tourism decreased by almost half – from USD 5,931 million. USA in 2014 to 1,999 million dollars. USA in 2019; the total contribution of tourism to employment also decreased to 4.7% in 2019. (as opposed to 7.0% in 2012) [68].

However, all prerequisites exist for the development of tourism in Ukraine. Thus, having a favourable geopolitical location, Ukraine has significant recreational potential: favourable climatic conditions, diverse relief, a network of transport connections, cultural heritage, etc. In addition, new routes are being developed more and more frequently in Ukraine, hotel infrastructure is developing, the level of service for tourists is increasing, and the number of visitors to tourist facilities is increasing. Taken together, these prerequisites contribute to the dynamic development of the tourist business in Ukraine, as evidenced by the analysis of tourist flows (Table 2.2).

Table 2.2.

Number of tourists served by tour operators and travel agents, by types of tourism, persons

	Number of tourists served by tour operators and travel agents, total	Including		
		outbound (foreign) tourists	outbound tourists	domestic tourists
2010	2280757	335835	1295623	649299
2011	2199977	234271	1250068	715638
2012	3000696	270064	1956662	773970
2013	3454316	232311	2519390	702615
2014	2425089	17070	2085273	322746
2015	2019576	15159	1647390	357027
2016	2549606	35071	2060974	453561
2017	2806426	39605	2289854	476967
2018	4557447	75945	4024703	456799
2019	6132097	86840	5524866	520391
2020	2360278	11964	2125702	222612

Source: formed by the author based on data [50]

Analysis of the dynamics of tourist flows makes it possible to state that in Ukraine during 2010-2019 an increase in the number of all categories of tourists was observed. According to the data of the analysis, since 2018, the positive dynamics of tourist flows has resumed. Thus, in recent years, dynamic development of inbound tourism, relatively stable development of outbound tourism and stable dynamics of domestic flows have been observed in Ukraine, which may indicate an increase in the level of competitiveness of Ukraine in the international arena. In 2019, there was an increase in the number of tourists in all categories, and the number of foreign citizens who visited Ukraine increased to a greater extent (compared to 2017, their number increased by 4.6 million people, or by 18.1%). However, the impact of the COVID-19 pandemic negatively affected the dynamics of tourist flows in the country. In 2020 there is a reduction of tourists served by tour operators and travel agents by almost three times, while foreign tourists – by 7.3 times, outbound and domestic tourists – by half [50].

For Ukraine, as well as for most countries of the world, the year 2020 became a test of sustainability. The coronavirus pandemic, without exaggeration, left its mark on all spheres of social life. In the future, the fight against the coronavirus pandemic in Ukraine took place in the context of the need for rapid adaptation to the threat of COVID-19, as well as the development of effective methods of countering it. Some decisions, such as a complete lockdown in the spring of 2020, were not fully considered, some, such as the introduction of an adaptive quarantine, had a better impact on both the prevention of the pandemic and economic processes. Ambitious tasks for Ukraine will remain the continuation of the fight against the coronavirus pandemic, in particular, ensuring the vaccination of the population and countering the economic consequences of the pandemic. The easy way (cutting costs, emissions, populism) is not an effective way out of the situation. The return of tourism indicators to the pre-crisis level will not be quick [51].

The tourism sector of Ukraine provides more than 1 million jobs. It is still very difficult to predict the results of quarantine restrictions for the tourism sector of Ukraine in 2020. However, most experts believe that tourism is in complete decline and has reached only one third of the level of 2019 [39].

This is evidenced primarily by the negative dynamics among tourist enterprises. During 2019-2020, the number of tour operators and travel agents (legal entities) decreased by 236 enterprises, of which 86 units – tour operators, for 150 units – travel agents. The

dynamics among travel agents - individual entrepreneurs, where there was a reduction in the analyzed period by 338 enterprises [36] (see table 2.3), is no less negative.

Table 2.3.

The number of tour operators and travel agents in Ukraine

	The number of tour operators and travel agents – legal entities	Of them		the number of travel agents – individuals – entrepreneurs
		tour operators	travel agents	
2019	1797	538	1259	2644
2020	1561	452	1109	2306

Source: formed by the author based on data [50]

Due to the sharp drop in economic activity, workers in the tourism sector faced catastrophic reductions in working hours and job losses. In the current conditions, more than 80% of enterprises in the tourism industry had to declare a loss. 9% of these 80% went bankrupt [50] (Table 2.5).

Table 2.5.

The number and cost of travel packages sold by tour operators and travel agents

	The number of realized tourist packages, units		The cost of realized tourist packages, thousand hryvnias	
	2019	2020	2019	2020
Realized tourist packages, everything	2933680	1225131	60051850,2	27617877
including other tour operators or travel agents for their further sale to tourists	1246128	513553	16548029,0	10613354
tourists	2099044	904477	53212656,8	22143535
of them to domestic tourists for travelling around Ukraine	238402	162258	1428696,8	943509,5
outbound tourists for travel	2217583	924339	61143367,9	26265355
incoming (foreign) tourists	54551	10779	349427,7	73680,9

Source: formed by the author based on data [50]

Accommodation facilities are in an equally difficult situation. The number of accommodation establishments in 2020 was 4,523 units, while in 2019 – 5,335 units, having decreased by 812 units. The number of people staying in collective accommodation facilities in 2020 was reduced by half (by 3,581,400 people), including foreigners from 959,400 people. in 2019 to 254.4 thousand people. in 2020 (see table 2.6). With regard to tax revenues from tourism business entities on the market of tourist services, the state and local budgets received less than UAH 650 million in March-September 2020, compared to 2019, from these industries alone. Travel agencies and operators were the most affected by the introduction of quarantine. In March-September 2020, deductions from this business, compared to 2019, fell by 49%. In absolute terms, the drop in tax revenues amounted to UAH 210.6 million. [50].

Table 2.6.

Collective means of accommodation (taking into account the activities of individual entrepreneurs)

	Number of collective means of accommodation, units	The number of places, thousand units	The number of people, thousand	
			all of them	foreigners
2011	5882	567,3	7426,9	1427,7
2012	6041	583,4	7887,4	1554,8
2013	6411	586,6	8303,1	1665,1
2014	4572	406,0	5423,9	551,5
2015	4341	402,6	5779,9	665,8
2016	4256	375,6	6544,8	863,7
2017	4115	359,0	6661,2	824,5
2018	4719	300,0	7006,2	917,9
2019	5335	370,6	6960,9	959,4
2020	4523	312,1	3379,5	254,4

Source: formed by the author based on data [50]

Closed borders and the suspension of passenger air traffic led to the fact that the amount of taxes paid by travel agencies for June decreased by 3.4 times. Even despite the gradual easing of the quarantine, in the traditionally high summer season, travel agencies paid UAH 130 million in taxes to the budget, less than a year earlier [27].

According to the Ukrainian Association of Travel Agencies, a large part of travel companies operate at a loss. In the first nine months of 2020, our association members' sales have decreased by approximately 50%. Accordingly, not all firms reached the level of self-sufficiency. Most of the tours that Ukrainians bought during the quarantine summer were to Turkey. European countries and exotic destinations are still inaccessible to Ukrainian tourists [13]. Part of the situation was saved by the fact that some tourists, who previously traveled independently, now turned to travel agents for package tours.

The incomes of the hotel sector also decreased. During the six quarantine months, Ukrainian hotels and establishments that provide accommodation services paid more than half a billion hryvnias less in taxes than in March-September 2019. The sharpest drop in revenues from the industry was in April - almost three times compared to the same month of 2019. Since July, hotels have been increasing deductions to their budgets, but they are much smaller compared to the pre-quarantine period. Restaurants and mobile catering establishments reduced deductions to budgets by 23% or UAH 535.5 million. April was the most difficult for representatives of this business, after which a gradual recovery began. In September, restaurants almost reached the figures of 2019. As can be seen from fig. 2.8, since the start of the quarantine, consumption has dropped by 30-40%. Some establishments switched to such a service option as food delivery, but this did not help much. According to experts, the industry's revenues may decrease by 30% in 2020, and the market may undercount 15-20% of players. Currently, entrepreneurs have not yet recovered from the consequences of the previous strict quarantine. Most of the association's members expect to make up for the positions lost due to the lockdown within the next six months [13].

Currently, in the conditions of Russia's invasion of the territory of Ukraine, an important aspect of people's lives is confidence in their security. But no less important is the provision of economic and ecological security, which is negatively affected by the war. That is why it is important to understand how dangerous war is not only for human life but also for the ecological situation in the country.

As for the impact of wars on the environment, it begins long before them. Building and maintaining a military force consumes an enormous amount of resources. These can be ordinary metals or other elements, water, or hydrocarbons. Maintaining military readiness means preparing and extracting new resources for war. The military also needs large areas of land and sea, whether for bases and facilities or testing and training. Military lands are estimated to occupy between 1 and 6% of the global land surface. In many cases, these are ecologically important areas. Military training creates emissions, destroys landscapes, and terrestrial and marine habitats, and creates chemical and noise pollution from the use of weapons, aircraft, and vehicles.

A history of lax environmental oversight has left many countries with an environmental severe legacy of military pollution, affecting public health and high environmental remediation costs. Indirectly, the high military spending diverts resources from solving environmental problems and sustainable development. International tensions fueled by high levels of military spending also reduce opportunities for international cooperation on global environmental threats such as climate emergencies. The impact of the conflicts themselves on the environment is very different. Some international armed conflicts can be brief but very destructive. Some wars last for decades, but they are fought with low intensity. High-intensity conflicts require and consume huge amounts of fuel, leading to massive CO<sub>2</sub> emissions and contributing to climate change. The large-scale movement of vehicles and intensive use of explosives can lead to widespread physical damage to sensitive landscapes and geo-diversity. The use of explosive weapons in urban areas creates huge amounts of debris that can cause air and soil pollution. Pollution can also be caused by damage to light industry and environmentally sensitive infrastructure, such as water treatment plants. The loss of energy supply can have negative consequences that damage the environment by shutting down treatment plants or pumping systems or can lead to the use of more polluting fuels or household generators, etc. [38].

As of May 5, 2022, the NGO “Ekodiya” collected data on 216 crimes against the environment [39]. This entire list can be divided into categories: energy security,

damage to industrial facilities, nuclear danger, impact on ecosystems, impact on the marine ecosystem, livestock waste, and other military actions. Among the most high-profile crimes of the Russian army in Ukraine is the ammonia leak at the Sumikhimprom enterprise, the shelling of a polyurethane foam warehouse in the Kyiv region, the shelling of the treatment facilities of the Vasylivsk water supply and drainage plant, the Avdiyiv coke chemical plant, and the oil refinery in the Luhansk region. The most eco crimes were committed in the Kharkiv (30), Kyiv (26), Luhansk (26), and Zaporizhia (21) regions [39].

According to a study by the Kyiv School of Economics, infrastructural losses from the war in Ukraine have already exceeded \$105.5 billion. This is stated in the updated assessment of losses to the Ukrainian economy by the KSE Institute project “Russia will pay” with the support of the government and the Office of the President. Over the past week, direct losses to the Ukrainian economy due to the destruction and damage of civil and military infrastructure have increased by almost 3.1 billion dollars. Moreover, for the third week in a row, losses from damaged and destroyed residential buildings continue to grow. A total of 38.6 million square meters of housing was destroyed or damaged. Total losses from destruction and damage to enterprises also increased – by USD 207 million over the last week. In total, since the beginning of the war, at least 216 plants, factories, and enterprises have suffered damage worth 10.6 billion dollars. In addition, over the past week, another 75 educational institutions have been damaged, and since the beginning of the full-scale war, there have been a total of 1,067. Damages due to destroyed educational institutions amount to 1.5 billion dollars. The total number of destroyed or damaged cars is currently at least 94.5 thousand – or 1.43 billion dollars.

The total losses of Ukraine’s economy due to the war, in particular – indirect losses such as a decrease in GDP, stoppage of investments, the outflow of the labor force, additional costs for defense and social support, etc., invariably range from 564 billion dollars to 600 billion dollars. You can provide information about infrastructure losses on the “Russia will pay” website, as well as using a chatbot or the “Kyiv Digital” application [7].

During hostilities, many objects of the cultural heritage of Ukraine were destroyed, damaged, or endangered. In May, the Ministry of Culture and Information Policy of Ukraine documented 300 Russian war crimes against the cultural heritage of Ukraine [7]. Religious buildings were destroyed the most (106 units, 40 of which are recognized as monuments of history, architecture, and urban planning). According to the ministry, 17 monuments of national significance, 81 local monuments, and 6 recently discovered cultural heritage sites were damaged. The most crimes against cultural heritage were committed in Kharkiv (88), Donetsk (62), Kyiv (49), Chernihiv (33), Luhansk (21), and Sumy (20) regions [38].

Russia's full-scale military aggression against Ukraine is accompanied by the destruction and destruction of Ukrainian cultural heritage. The Ukrainian Institute of National Remembrance documents committed war crimes against cultural monuments. The collected information will also be gradually published on the official website and pages of the institute on social networks: Facebook, Twitter, Telegram #RussiaRuinsCulture #RussiaDestroys.

Volunteers created the international project "Save Ukrainian Cultural Heritage Online" (SUCHO), which aims to archive online cultural values – the content of various sites dedicated to culture. As of April 8, 25 terabytes of data were archived. The project was supported by technology companies and Internet providers. More than 1,000 librarians, archivists, and researchers participate in it; the Ukrainian Scientific Institute of Harvard University and the University of Alberta joined its implementation.

Currently, the tourism business has to either suspend its activities or reformat into another type, in particular, move, engage in volunteering and adapt to wartime conditions. Since February 24, some tourist enterprises have closed, and others have reoriented their activities to volunteering, providing their transport for the evacuation of refugees, and the purchase or transportation of humanitarian aid from abroad. Some travel companies have used their connections abroad to help the frontline and refugees. For example, the owner of the travel company "OTi Tour" Olga Soroka told ZAXID.NET that with the beginning of the war she immediately turned her office

into a volunteer headquarters. Now, instead of trips to the sea, the company's employees send dry rations and medicine to the front.

If domestic tourism, although trying to revive, is very limited, then the situation with tours abroad is even more difficult. Firstly, due to the state of war in Ukraine, the sky is completely closed, and secondly, most Ukrainians are interested in trips abroad for the purpose of evacuation, not recreation. However, the market for holiday tours abroad is also starting to recover. "Evacuation flights to Bulgaria remain the most popular now – this country provides free accommodation in hotels for Ukrainians. Therefore, there is a request for travel to Bulgaria, which costs about 85 euros. People come there and are hosted there for several weeks, this is very popular now," Taras Antoniv, owner of the Antoniv Tour travel agency, tells ZAXID.NET. Also, says Taras Antoniv, Ukrainians have also become interested in trips to the sea from neighboring Poland. Part of the Ukrainian travel agencies now cooperates with Rainbow Tours, a popular tour operator in Poland, which takes tourists to Turkey, Egypt, and other resort countries. The only thing is that Ukrainians have to get to the departure airport in Poland on their own. "Rainbow is one of the powerful tour operators who treated Ukrainians very loyally and concluded contracts with a limited number of our travel agencies. We are among the agencies that have the right to conclude contracts and send tourists through a Polish tour operator. Booking is very simple – we, being in Lviv, look for the most profitable departures from Poland – it can be Warsaw, Ryasiv, or Katowice. Tours to Turkey, Egypt, Spain, and Tunisia are popular among Ukrainians," says Taras Antoniv. According to him, the same holiday tours are now being organized from Lithuania and Moldova, as the Ukrainian tour operator, JoinUp is present in these countries. However, these destinations are not as popular as Poland, because they are located quite far away. "The best option is to leave Poland. Poles understand very well that for Ukrainians to rest, hotels should be such that there are no Russians. The Poles themselves also ask for hotels where there are no Russians. And this is a very important point, this is issue #1, no one wants to work with them [Russians]. For us, this is an additional plus," Taras Antoniv explains. As for the prices for such trips, if we are talking about a "burning" tour

when a trip is booked 2-3 days before departure, then, according to Taras Antoniv, the prices are no different from last year's prices in Ukraine. However, if you book a week or two in advance, the cost of the tour will be more expensive. "But there is a plus point that 99% of all hotels from Poland are confirmed, there is a guarantee that they will fly to the hotel they have chosen," says Taras Antoniv. Some travel agencies are starting to announce bus tours to Europe – such offers, for example, for June for several hundred euros, are already published by travel agents on their social networks. But such proposals are rather an exception, because, most likely, this summer the tourism market in Ukraine will be very limited, domestic and budgetary [38].

As you can see, tourism in Ukraine continues to function even in war conditions. Excursions are held in the cities, children are entertained with master classes and hikes, and some even go to the beach. Of course, these affordable types of tourism can only exist where there are no active hostilities. Visits to museums, food tours, bike rides, hiking, swimming, and other types of recreation are available mostly in the west of Ukraine. However, a part of the territories, in particular in the western regions, is prohibited from visiting. These are strategic objects, border areas, and some mountain and forest routes.

Currently, there is no safe area for recreation in Ukraine. In each oblast, the local government, emergency services, policemen, and military are primarily responsible for security. It is they who should be contacted to clarify whether tourism is safe in your region, and which locations can or cannot be visited. Rafting, hiking, walking, and excursions along routes near critical infrastructure, and military, and strategic facilities are prohibited throughout Ukraine. Under martial law, mass events (festivals, concerts, etc.) are prohibited. Tourist points close to the borders of Belarus are also inaccessible. Restrictions apply to visiting some mountain routes, reservoirs, and forests in various regions. In Kyiv and Kyiv region, it is forbidden to visit forests and green areas outside the boundaries of residential areas.

Swimming in Kyiv is not prohibited, but the city authorities do not recommend swimming in the capital's reservoirs, so municipal beaches are closed for now.

However, the beaches are inspected and some of them are relatively safe – for example “Central” and “Venice”. The beach season in the de-occupied territories of the Kyiv region will not take place at all due to the mining of reservoirs. In the South of Ukraine, in particular in Odesa and Mykolaiv, swimming in the sea is strictly prohibited, because the Black Sea is mined. Rest in the East of Ukraine, in particular in the front-line areas, is dangerous due to active hostilities. In general, it is worth refraining from tourism in the territories that were under occupation, in particular, in the Kyiv region or settlements in the East. There have already been requests for tourist trips to the de-occupied territories, says Maryana Oleskiv. However, such requests were isolated and tourist operators did not serve them. “People want to move around, see the places that are freed. Currently, we are working on not only creating routes to places of memory but also making them safe,” adds the head State Tourism Development Agency (STDA).

If the military-civilian administration, rescuers, and other authorized persons have allowed recreation in a certain area, this can be done. Prohibitions and restrictions may vary from area to area. For example, you can swim in Poltava Oblast, but without any watercraft, unless it is part of sports competitions. You can find out which routes are prohibited in your region on the websites of regional military administrations and the State Emergency Service.

Rest is necessary even in conditions of war. Moreover, the financing of tourism can help the Armed Forces of Ukraine. “There is a moral side to this question: is it okay to rest when there is a war in the country? Everyone answers this question independently. But you need to understand that we all experience stress in our way. There are migrant mothers with children who need to compensate for stress, rely on a sunbed by the pool in a hotel is normal,” says the head of State Tourism.

If you are in relative safety, it is important to help the Ukrainian economy work. Tourism is an industry that gives impetus to a whole chain of related industries. One job in tourism creates up to ten different jobs in other industries. “The tourist season is a certain contribution to the general coffers of our state wealth and it allows us to restore the economy quite quickly,” says Maryana Oleskiv [16].

In general, domestic tourism is gradually recovering in the rear regions, companies organize tours in Lviv, Ivano-Frankivsk, Zakarpattia, and Ternopil regions. However, these are mainly short-term outing tours for internally displaced persons. Excursion tours in museums and castles, which remained closed due to martial law, are also being resumed. As for outbound tourism, the situation is somewhat different - most Ukrainians are interested in trips abroad for evacuation, not recreation, but some book tours to Turkey, Egypt, and other resort countries.

Foreign tourists are offered to support Ukraine against the backdrop of the Russian invasion by joining the “Visit Ukraine in the Future” campaign. Travelers can book rooms in Ukrainian hotels, and the collected funds will go to charity. This is reported by the press service of the State Tourism Development Agency of Ukraine on Facebook. The campaign was launched by State Tourism together with the Ukrainian Hotel & Resort Association. Foreign tourists are offered to support Ukraine against the backdrop of the Russian invasion by joining the “Visit Ukraine in the Future” campaign. Travelers can book rooms in Ukrainian hotels, and the collected funds will go to charity. If the benefactors plan to transfer more funds, the hotel should provide an opportunity to book a room for a longer period. Details of participation in the promotion can be found on the official Telegram channel of the Ukrainian Hotel & Resort Association [52].

We will remind you that almost the whole world continues to unite in support of Ukraine. In particular, international money transfer systems canceled the commission for transfers to Ukraine. Also, almost all international money transfer systems provide additional assistance.

As a result, Turzbit in Ukraine increased by 65% in the first four months of 2022. Despite the losses suffered by the tourism sector of Ukraine due to the war, in the first four months of 2022, the amount of tourist tax amounted to 64 million 611 thousand UAH, which is almost 65% more compared to the same period in 2021 – when the budget received 39 million 206 thousand UAH.

After the STDA, the city of Kyiv and 4 oblasts are among the TOP-5 leaders in terms of tourist tax payment. The capital replenished the budget by more than UAH

18 million, while the amount of tourist tax increased by 98%. The largest growth compared to the same period in 2021 was recorded in the Lviv region – 268%. 11 million 463 thousand hryvnias came to the budget from this region. In the Transcarpathian region, the amount of tourist tax increased by 144% and amounted to UAH 6,212,000. Khmelnytskyi region earned 1 million 447 thousand UAH. A 65% increase was recorded there. Ivano-Frankivsk contributed almost UAH 6 million to the budget, and the collection increased by 48% (see Fig. 2.1).

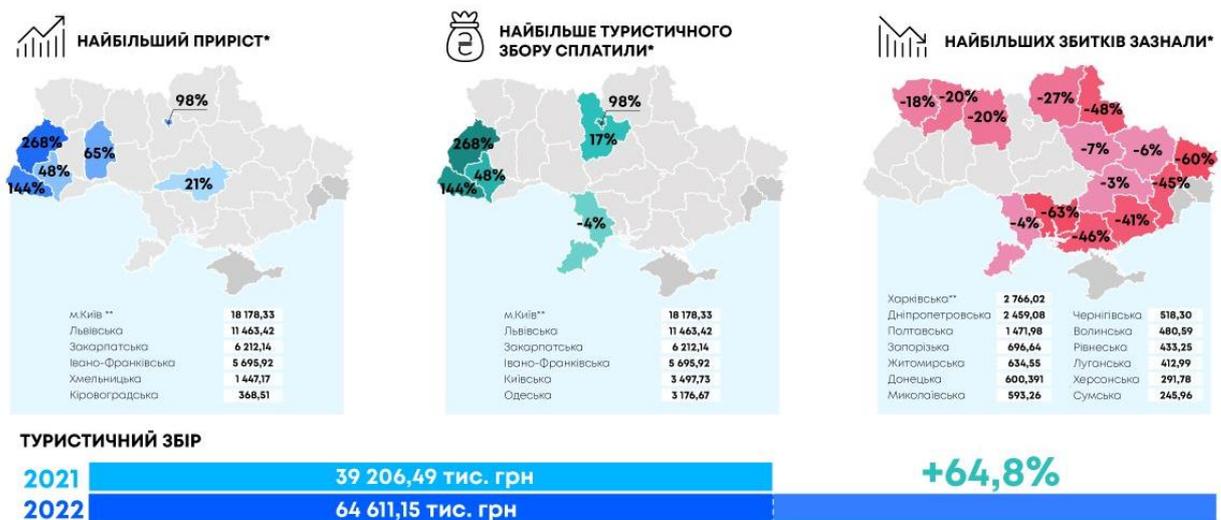


Fig. 2.1. Tourist tax in the regions of Ukraine, as of 01.05.22

Source: State Tourism Development Agency

As can be seen from fig. 2.1, such an increase is only proof that the majority of Ukrainians, fleeing from bombings and not wanting to be under occupation, were forced to leave their homes in the eastern, central, and southern regions and move to safer areas in the west. A significant drop in tourist tax was recorded in areas where hostilities have been or are currently being conducted, as well as those that have been occupied. The amount of tourist tax decreased the most – by 63% – in the Mykolaiv region, by 60% – in the Luhansk region, by 48% – in the Sumy region, in the Kherson region, there was a decrease of 46%, and in the Zaporizhia region – by 41%.

Due to the war, receipts to the state budget from the tourism industry in the first four months of 2022 decreased by 18% compared to the same period in 2021 (Fig. 2.2). The State Tourism Development Agency has calculated how much the state

budget of Ukraine has not received in taxes from the tourism industry due to the war [52].

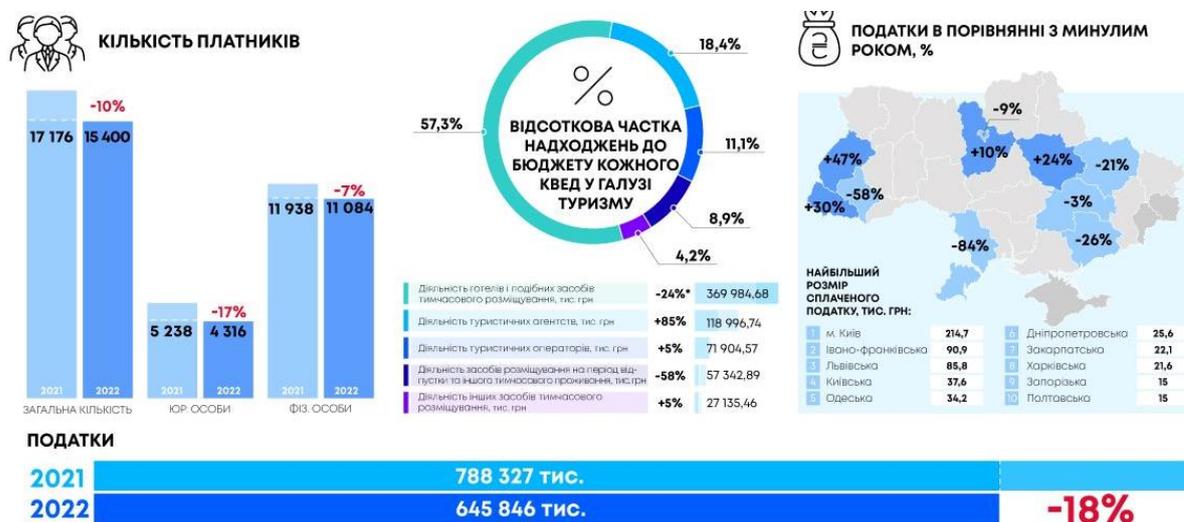


Fig. 2.2. Collection of taxes for tourist activities in the regions of Ukraine, as of 01.05.22

Source: State Tourism Development Agency

As can be seen from fig. 2, in the first 4 months of 2022, representatives of the tourism industry of Ukraine paid 18% fewer taxes than in the same period of 2021. Thus, the total number of taxpayers engaged in tourist activities decreased by 10% on average during the first months of the war. At the same time, it was recorded that the number of legal entities decreased by 17%, and the number of individuals decreased by 7%. The largest share of revenues to the state budget for the first four months of the current year was paid by hotels and sanatoriums – almost UAH 370 million. But it is still 24% less compared to the same period in 2021. A 58% decline was recorded in the activities of camping sites, campsites, and children’s recreation camps, paid – UAH 57 million in tax against UAH 137 million for the same period in 2021. A significant increase in income from the activities of travel agencies was recorded, which paid 85% more funds to the state budget than last year. Analysts attribute this to the fact that this reporting period includes the first two pre-war months of the year, which are characterized by early bookings for the New Year and Christmas holidays.

A slight increase in taxes – by 5% – was also demonstrated by tour operators and owners of private estates, who collectively paid almost UAH 100 million to the state budget [39]. The largest amount of tax paid in the first four months of 2022 was demonstrated by the city of Kyiv and 9 regions of Ukraine – Ivano-Frankivsk, Lviv, Kyiv, Odesa, Dnipropetrovsk, Zakarpattia, Kharkiv, Zaporizhzhya and Poltava regions. However, if we compare the amounts with the same period in 2021, there was a decline in Kyiv, Odesa, Ivano-Frankivsk, Dnipropetrovsk, Kharkiv, and Transcarpathian regions. Odesa (84%) and Ivano-Frankivsk (58%) regions lost the most in taxes. Growth was demonstrated by Lviv (47%), Zakarpattia (30%), Poltava (24%) and Kyiv (10%) regions [61].

According to the head of the State Tourism Development Agency Maryana Oleskiv, the country's tourism industry is just entering the period of greatest economic losses. Rehabilitation after the injuries of our defenders, as well as women and children who suffered as a result of the war, is perhaps the most important thing that the tourist and recreational infrastructure of Ukraine can provide at the moment. Part of the tourist and recreational infrastructure is occupied, and part is destroyed. The resorts of Lviv Oblast, Transcarpathia, and other recreational areas, to which foreign tourists like to go not only to relax in the bosom of nature but also to get medical treatment, will be almost empty in the summer of 2022. The medical part of these institutions will have to be put on hold, and employees will have to be sent on forced vacations. This will have an extremely negative impact both on the resorts themselves, which may lose highly qualified specialists, and on the tourism industry as a whole. Therefore, with the help of international funds, which are ready to contribute financially to such programs, it will make it possible not only to support the tourism industry of Ukraine and save jobs but also to provide the necessary assistance to the military and civilians. Sanatoriums and recreation centers in these regions will be able to receive our defenders, as well as women and children who suffered as a result of the war, for rehabilitation and psychological recovery. And the resorts of the western part of Ukraine will become the foundation that will allow the entire tourism industry to stand.

## **2.2. Evaluation of the implementation of innovations of tourist enterprises in modern realities**

The rapid development of the tourism industry in recent decades led to its significant contribution to the world economy, and before the COVID-19 pandemic, the share of tourism in the world GDP was about 10%. One of the most successful tourism industries was also in the countries of the European Union, providing 12% of employment in the labor market of the European Union and creating 23 million direct and indirect jobs. The share of tourism in the GDP of the countries of the European Union is within 9–25% (Table 2.8). In Ukraine, the share of tourism in the economy is debatable and, according to various experts' estimates, lies in the range of 1.4–11.6%. Such a significant discrepancy is explained by different approaches to calculation. In Ukraine, at the official level, approaches to statistical data in the field of tourism do not correspond to the methodological recommendations and methodology of the United Nations, which were developed in 2008. Satellite accounting of tourism has not been introduced in Ukraine, and official sources provide data on the share of tourism in GDP – 1.55 %. The president of NTOU Ivan Liptuga, referring to the methodology proposed by the UN, claims that tourism makes up 11.6% of Ukraine's GDP structure [43]. This technique makes it possible to take into account not only quantitative indicators (such as entry and exit from the country, passenger flow, beds), but also such economic indicators as the balance of payments, the aggregate offer of goods and services, employment and investment activity. International structures (UN World Tourism Organization, UNWTO) determined this share at the level of about 9% of Ukraine's GDP [62].

With the start of quarantine measures related to COVID-19, most countries around the world have travel restrictions in place, and as of June 1, 2020, 156 governments have completely closed their borders to international tourism [45], causing a drop in tourism revenues, both entrance and internal.

Most travel companies, hotels and other accommodation establishments were closed at the height of the crisis. After the resumption of activities, all enterprises of the tourism sector, hotels, restaurants work with limited capabilities. The largest

indicators of activity decline in EU countries were observed in travel agencies and tour operators (-83.6%), air travel (-73.8%), temporary accommodation (-66.4%) and restaurants (-38.4%) [13].

The governments of the countries of the world took measures to overcome the crisis, including in the tourism sector (table 2.8).

Table 2.8

Supporting hospitality and tourism during COVID-19

Country	State support of the industry
Bulgaria	Temporary Wage Subsidy Program, under which up to 60% of wages are financed from the state budget in companies that need it. The budget of the program budget is 1.5 billion Bulgarian leva (about 770 million euros). As a result, 97,000 jobs were saved.
Estonia	Business support program with a budget of 75.5 million euros. The program provides for direct grants to companies in the tourism industry to reduce losses due to the coronavirus (25 million euros).
Lithuania	Rent compensation program for companies from the retail trade, hotels and restaurants, culture and sports industries with a budget of 101.5 million euros. Funds are allocated in the form of direct grants to companies with an annual turnover of no more than 50 million euros. Significant efforts to transform the tourism sector by promoting innovation and digital technologies.
Croatia	General economic support program (tourism is included in the scope of activities of the Export Guarantee Fund in order to provide bank guarantees for loans for additional liquidity). Postponement of the payment of tourist taxes, fees, and increased liquidity.
France	The government has changed the conditions for cancellation of travel bookings to allow the refund to be replaced with a credit or voucher for an equivalent amount for a future service. The aim is to avoid an immediate outflow of cash and to help businesses through the difficult phase, as customers have the right to claim a refund after 18 months if the voucher is not used.
Poland	The government allocated 5.65 billion euros to support microenterprises in the tourism industry in the form of interest-free loans and provided the same amount for subsidies for large enterprises in the form of loans or bonds, acquisition of shares or securities. Postponement of tax payment, simplified forms and procedures for filing tax returns.
Slovakia	State guarantees of up to 500 million euros per month for obtaining loans, financial assistance to preserve jobs in the industry. Compensation for employees of companies in the tourism industry most affected by the pandemic, the minimum payment is 1,100 euros per month.

Ukraine	Law on state support of the sphere of culture, creative industries and tourism in connection with the effect of restrictive measures related to the spread of COVID-19: exemption from value added tax; income tax and social security contribution (single social contribution); land tax and tax on non-residential real estate; tax benefits for the payment of rent and communal and state-owned land; 10 percent VAT rate for tourist services. The Cabinet of Ministers allocated UAH 1 billion from the fund to fight against COVID-19 to support culture and tourism.
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*Source: [62]*

In a number of EU countries (such as Belgium and France) hotels were allowed to operate during the crisis, but many of them were closed due to low occupancy rates. As of the beginning of April 2020, the occupancy rate of hotels in Europe decreased by 84.6% compared to April 2019. In July-August, the indicator slightly improved, but nevertheless, a decrease of 66.4% and 44.6% was recorded, respectively, compared to the same period period last year [62].

An analysis of world experience shows two approaches to overcoming the crisis: the first approach is available credit lines, the second is the postponement of tax and debt payments. States that have a more developed economy focus on the first approach, as it provides an opportunity for a faster recovery of the national economy.

A number of other countries, which cannot provide the first approach, apply the postponement of obligations, which in the future can lead to negative consequences in the economy, in particular, to a budget deficit. In order to find a way out of the crisis, state governments and tourism communities are coming together to solve problems together.

One of these solutions is the decision to create travel corridors (“travel bubbles”), which make it possible to travel between two or more countries without being in quarantine. New Zealand and Australia (the Trans-Tasman Tourism Zone, free from COVID-19 program), Estonia, Lithuania and Latvia, Hong Kong and Singapore operate under this mechanism; the agreement on the opening of the air corridor was also signed by the United States and Great Britain.

According to the forecasts of the WTTC [45], the trends of the industry regarding the impact of COVID-19 are as follows: the evolution of demand; health and hygiene; innovation and digitization; stability. Global demand trends show that travelers are primarily interested in traveling within their own country and region. This trend emerged in China, one of the first countries to reopen, with 77% of Chinese travelers preferring domestic travel. Similar sentiments are echoed around the world, with 71% of Americans preferring their own area, up from 58% last year. In the near future, it could be the “resurgence of the great American road trip,” according to Keith Barr, CEO of Inter Continental Hotels Group (IHG), with 47% of Americans considering road trips in the state as their next vacation [62].

The desire to stay close to home and travel domestically or regionally is also fueled by the comfort of familiarity and the fear of contracting an infection or being quarantined in a remote destination. To promote local travel, NYC & Company launched its “NYC-Cation” initiative, which encourages local residents and regional visitors to stay and support New York City’s revitalization during this challenging time. This trend is reinforced by people’s uncertainty about future incomes and forces them to focus on cheaper vacations. The unemployment rate is increasing, more and more people are falling into poverty, and people are afraid of losing their jobs.

Fear of traveling is another important problem. People are afraid of putting loved ones at risk, and that discourages travel. A survey of travelers found that fear of exposing others was the biggest concern for 39% of travelers in the UK and 31% in France. There is a rethinking of directions. People are more likely to seek out nature and outdoor recreation. According to Jeffrey Kent, founder and co-chairman of Abercrombie & Kent, the definition of luxury will change, it will not be about “huge bottles of champagne and silk sheets, but about adventure tourism with comfortable nights, good food and good wine” [47].

A significant part of experts does not share the opinion about replacing real trips with virtual reality, because people want real sensations and impressions. Tourists also expect more flexible and favorable conditions for reservations. Hygiene and safety factors are especially important. In our opinion, hygiene and health

measures are the most important component of the response to the crisis in the hospitality industry.

Given the fact that inbound tourism in Ukraine is very poorly developed, and the share of the international tourism component in the economy is insignificant, there were forecasts that the consequences of the pandemic for Ukraine will be less painful compared to other European countries. Optimistic forecasts regarding the development of domestic tourism and the recovery of the tourism sector have not yet come true. After the introduction of quarantine measures, about 40% of hotels in Ukraine closed, others worked in a very limited mode. Establishments that worked (7–8 thousand facilities) lost from 60% to 90% of their income [50].

According to the estimates of the Lviv Tourist Center, in 2020 there were 10 times fewer tourists in the city of Lviv than last year [50]. The main summer vacation destination in Ukraine is Odesa region. In 2019, 99,764 tourists visited the region [50]. Revenues from the tourist tax in Odesa region in 2019 amounted to UAH 21.4 million. Odesa – UAH 11.6 million, Bilhorod-Dnistrovskyi – UAH 4.7 million, and Izmail – UAH 241.1 thousand are the leaders in terms of the amount of tourist tax among cities of regional significance. In 2020, these indicators dropped significantly.

In the gradual recovery of certain tourism services, some key decisions were made, in particular, museums, galleries and information centers mostly switched to virtual tours, social media vlogs and educational content, cinemas and theaters were completely closed during the strict quarantine restrictions.

European theaters have already begun to open with restrictions: a minimum of one empty seat between guests, as well as one empty row between rows occupied by patrons. Conferences are held online and are often free.

The hotel industry, which also found itself in a difficult situation due to quarantine measures, had to react to changes and introduce adjustments to internal and external policies. These are reductions in employees and staff optimization, reductions in bonus payments, provision of vacations at one's own expense, reductions in additional costs, including capital repairs, and reductions in marketing payments. Measures have been taken and programs have been implemented to protect

the health and safety of guests and employees, protocols have been introduced to prevent the risk of exposure to the virus (for example, the Hilton CleanStay program in cooperation with the manufacturer of antiseptic Lysol and the Mayo Clinic, IHG is improving its already existing program “The Way of Cleanliness” in partnership with Ecolab and Diversey).

It should be noted the social activity of the hotel business and the contribution to the fight against the coronavirus: providing places in hotels for doctors and workers of operational response services, providing access for carrying out quarantine measures, cooking and organizing food for medical workers. Hotels introduce innovative technologies and services that enable them to adapt to new conditions. In particular, the new concept of WFH (English work from hotel), “work from the hotel”, which is being introduced by global hotel chains, has emerged. Remote work makes it possible to work and be treated at the same time, to work and rest at a ski or sea resort, etc. An example is the hotels of Reikartz Hotel Group, which offer the Work&Leisure package. For this, mini-coworking spaces are equipped in conference halls or the lounge area of the hotel, free printing of papers is offered.

Marriott Providence Downtown has developed Day Use packages with 50% discounts for guests who work remotely. In the US, the Red Roof hotel chain launched its Work Under Our Roof Day Rate program with reduced rates for those looking for a quiet place to work during the day, including Wi-Fi and in-room coffee [51].

Another new marketing program, called “Buy Now, Stay Later,” is trying to help hotels during the crisis by selling “hotel bonds” through August 31, 2020, which allow a guest to purchase a bond at a hotel of their choice for \$100 and beyond 60 days, the bond costs \$150. Digitalization of all sectors of hospitality is gaining special importance and is happening at a rapid pace [52]. These include contactless payments, chatbots, hotel robots, mobile check-in technologies from mobile devices, voice search, service automation, facial recognition technologies, and artificial intelligence.

Ensuring cyber security is of particular importance. The sectors of the hospitality industry, including travel, hotel and restaurant, entertainment and transportation, have been the most affected by the COVID-19 pandemic. Unemployment, bankruptcy and closure of hospitality enterprises are a general global trend. Governments have introduced programs to support the economy, including the hospitality sector. An analysis of world experience shows two approaches to overcoming the crisis: the first approach is available credit lines; the second is the postponement of the payment of tax and debt obligations. In order to find a way out of the crisis, state governments and tourism communities are coming together to solve problems together.

The domestic tourism business did not fully take into account the evolution of the demand of potential tourists, competitive innovative tourist products were not offered. This factor, combined with other factors such as unemployment, reduced purchasing power and more frugal spending, unsuccessful pricing strategies, low level of service in democratic institutions, fear for oneself and loved ones, condemnation of travelers in society, restrains the development of domestic tourism.

New realities require new approaches and business models, the use of the best global experience, the introduction of innovative technologies and services that will enable us to adapt to new conditions.

### **2. 3. Research of features of formation and realization of innovations by the tourist enterprises in modern conditions**

The importance of innovation for the market of tourist services in modern economic conditions is constantly growing, as recent years confirm the fact that the effective operation of tourism enterprises requires major changes in the innovation sphere. Innovative development of tourism enterprises can be carried out primarily through the interaction of components of the internal environment and available resource potential. Therefore, the importance of innovation for enterprises is constantly growing and becomes a factor in shaping its innovation potential, promoting the use of new competitive technologies, and ensuring economic growth.

According to the specifics of the market of tourist services, the innovation process is a constant and continuous stream of transformation of ideas into new technologies or their components and bringing them to use directly to obtain a qualitatively new tourist product. The innovation environment is the socio-economic sphere that promotes the formation of innovation policy and culture, is the object of innovation of tourism enterprises, and provides a variety of economic needs and interests.

As a result, the innovation potential should integrate and be based on the characteristics that characterize: the general innovation environment; the innovative potential of the enterprise that stimulates competition; relationships between different elements of the innovation sphere; the level of innovation activity of the enterprise and the effectiveness of innovation activities. Based on this, all these components define the innovative potential of the enterprise as a measure of its readiness (ability) to perform tasks that ensure the achievement of goals in the innovation sphere, creation, development, and dissemination of various types of innovations, innovation in economic results [53].

European experience in supporting innovation shows that to form a system of effective interaction of all actors in innovation, it is necessary to create a modern infrastructure to support innovation. The lack of such a system infrastructure is one of the main obstacles to the innovative development of the tourism market [55].

However, it should be noted that in modern conditions, some tourism companies, or try to engage in innovation, or market conditions encourage them to innovate. The analysis focuses on specific and applied research on the state of innovation by tourism enterprises in the region and clarifies the problems that hinder their innovative development. Therefore, in the target sample, we included representatives of various tourist and excursion companies that have experience in creating innovative products and implementing innovations. Therefore, this study is not a sociological survey in the full sense of the word but has the character of an expert-evaluation analysis [53]. Among the studied enterprises, we see great potential for innovative growth and the need to develop special programs to intensify innovation (Table 2.9). According to the table, 55,9 % of respondents are interested in implementing innovations, which is a much higher figure compared to the share of enterprises that have implemented innovations.

Table 2.9

Survey results of tourism enterprises that have implemented innovations

Indicators of innovation implementation	Share of respondents,%
<i>The interest of tourist enterprises in implementing innovations *</i>	
The interest	Share of respondents,%
Yes (the interest )	55,9
I do not know	32,5
No (not interested)	11,6
<i>The main priorities for the implementation of innovative activities by tourism enterprises</i>	
Economic	73,2
Organizational	16,5
Temporal	5,1
Social	3,7
Ecological	1,1
Biological	0,4
<i>Type of innovative proposals required for a tourist enterprise *</i>	
Launch a new product (service)	48,5
Organizational and managerial	25,3
Technical and economic	26,2
Don't need anything	4,9
Specify the specific innovative solution required for the enterprise	27,2
<i>Experience in implementing innovations by tourism enterprises</i>	
Positively successful	42,7

The implementation of innovations has begun and is not completed	14,6
Rejected the implementation at the stage of studying the proposal	1,9
Didn't find any useful suggestions	14,6
We do not plan to implement	1,9
Innovation is implemented without economic benefit	5,8
<i>Sources through which tourism companies plan to maintain their competitive position</i>	
Implementation of innovations	54,41
Management improvement	42,6
Attracting loans	20,5
Establishing contacts with the authorities	17,6
Staff training	47
Attracting investment	23,5
Resource savings	39,7
Use of new information and communication technologies	27,9
Other	5,8

*Source: developed by the authors on the basis of [53; 55]*

This means that the companies that took part in the survey are good candidates for organizing joint pilot innovation projects. It should also be noted that the implementation of innovation strategy in enterprises has intensified in recent years, resulting in 22.3% of surveyed enterprises spending on improving or creating an innovative tourism product more than 30% of net profit. Assessing the types of effects from the implementation of the model of innovative development by their importance by the goals of each entity in the first place put economic (73.2%), organizational (16.5%), temporary (5.1%), social 3.7%), ecological, biological (1.5%). According to the survey data, it can be concluded that in most innovative tourism enterprises the overall effectiveness of the model of innovative development will be formed by indicators of profitability, economic efficiency, brand awareness, and the formation of its organizational market segment. A set of innovative proposals necessary for their implementation is a very important factor for the formation of innovation strategies and the development of innovative projects for the development of tourism enterprises.

Analysis of the data in the table shows that technical and economic innovation proposals are needed – 48.5% of enterprises, launching a new product (service) – 26.2%, organizational and managerial – 25.3%, and nothing is needed – 4.9%. The question also provided an option to propose a specific innovative solution that is needed for a tourism enterprise. This option was chosen by 27.2% of respondents who indicated the following needs for innovation [5]:

- production (improving the quality of the tourist product (service); assistance in preparing for the implementation and reconstruction of the enterprise; the latest advances in marketing);

- organizational and economic (price, cost, profitability, profit; creation of unions of representatives of the tourism business to develop new activities; financing and operational management for the implementation of innovative projects);

- social (wages, employment, training);

- ecological (nature protection, creation of ecological tourist trails, marking of tourist routes, etc.).

Survey data show that 42.7% of respondents called their experience of innovation positive, 47.5% started innovation implementation and did not complete it, and 14.6% did not find a useful proposal.

In modern conditions, an important aspect of effective economic activity of tourism enterprises is the sources of maintaining and improving their competitive position in the tourism market in the formation of an innovative environment. According to the table, more than half of respondents (54.41%) plan to rely on innovation. The main areas of maintaining competitive positions are also improving management (42.6%), staff training (47%), and saving resources (39.7%). These areas correspond to the basic principles of innovation policy in the tourism market of the European Union and the world. Such ratios indicate that the enterprises and organizations of the region, which are involved in innovation processes in the tourism business, are quite professional and prudent in identifying the main ways to improve their activities. These results are also basic guidelines for the implementation of key measures to support innovation processes.

The conducted expert-evaluation analysis of the tendencies of the introduction of innovations by tourist enterprises allows us to state that the problems of innovative activity should be considered from the standpoint of their division into causal and consequential.

A critical analysis of the nature of the identified problems showed that the first group covers such problems as the incompetence of business leaders, lack of appropriate qualifications; lack of opportunities for the implementation of innovation strategies; the presence of negative influence of environmental factors, in particular the legal unregulation of certain aspects of innovation, financial instability, etc. [16].

In turn, the second group of problems includes late and incomplete implementation of tasks provided by the developed plans; inefficient organizational management structure; inconsistency, and fragmentation of the strategic innovation planning process.

As a result, at the current stage of development of the tourism market and in order to transform it to a qualitatively new level of development, it is necessary to significantly expand and strengthen the implementation of innovation, which should serve as a link between science, tourism, government, and local government. The practical application of such a proposal in the innovative development of the tourism sector will not only increase the level of competitiveness of the enterprise but also assess the feasibility of introducing new types of tourism products and services.

Based on the provisions of the General Agreement on Trade in Services, the innovation of the tourism sector is developing in three directions:

- introduction of innovations (organizational innovations) related to the development of the enterprise and tourism business in the management system, including reorganization, acquisition of competing entities based on the latest technology and advanced technologies; personnel policy (restoration and replacement of staff, training system, retraining and incentives for employees); rational economic and financial activities (introduction of modern forms of accounting and reporting that ensure the stability of the situation and development of the enterprise);

- marketing innovations that will cover the needs of target consumers or attract customers not covered at this time;

- periodic innovations are aimed at changing the characteristics of the tourism product, its positioning, and competitive advantages [17-18].

These criteria are characterized by several indicators, so SPACE-analysis belongs to the category of complex multicriteria methods. It allows you to assess the position of the industry in the national economy, analyze several characteristics of the industry and determine the optimal strategy. It should be noted that the basis of the SPACE analysis method is a priori modelling based on expert assessments. The expediency of using the method of expert assessments in this study is justified by the following [18]:

- strategic analysis in conditions of high uncertainty of the external environment often includes several intuitive, analytically unconfirmed information aimed at solving the problem;

- the use in the analysis of estimates of the most qualified specialists in the field gives a certain level of reliability, in addition, this reliability is highly probable and quite acceptable for decision-making in situations of uncertainty that constantly occur in a competitive environment;

- in modern conditions the importance of collective opinions, conclusions, recommendations, and decisions increases.

Using SPACE-analysis, the following component levels of innovation in the tourism sector of Ukraine are identified: Financial strength of the tourism sector (Financial strength) (FS); Competitive advantage (CA); Industry attractiveness (IA); Environmental stability (ES).

The definition of the system of criteria takes into account the specifics of the industry, its production capacity, and financial condition, level of competition, as well as objectives and goals. The formulation of criteria, their evaluation, and definition of the recommended strategy require a thorough knowledge of both the methodology of strategic analysis and the specifics of the industry.

The assessment of the level of innovation in the tourism sector is based on an integrated index, in the process of which the individual components under study are summarized by the introduction of weights. The main stages of calculating the index for assessing the level of innovation in the tourism sector ( $I_{ITS}$ ) are given in the table 2.10.

Table 2.10

Stages of calculation of the index of assessment of the level of innovation in the tourism sector ( $I_{ITS}$ ) of Ukraine

<i>Stage I – normalization</i>
Using the approach of the weight factor of individual indicators in the total amount (the sum of all weights is equal to 1), allowed to reduce all indicators to the range from 0 to 1: $z_{ij} = w_i * x_i, (1)$ where $z_{ij}$ – is the standardized indicator, $w_i$ – is the weight factor of individual indicators in the total amount (the sum of all weights is equal to 1), and $X_i$ is the value of the actual indicator.
<i>Stage II – calculation of sub-indices</i>
Calculation of sub-indices as the arithmetic mean of the normalized groups of baseline indicators: $I_{basic(i)} = \frac{1}{j} \sum_{j=n}^i \text{score}(z_{ij}), (2)$ where $I_{basic(i)}$ – the total value of the group of baseline indicators for the country $i$ , $\text{score}(z_{ij})$ – this is the value of the sub-index of the country $i$ for the group of indicators $j$ , $j$ – sub-index group indicator, where $n$ – corresponds to the number of indicators in the group.
<i>Stage III – determining the weights of sub-indices</i>
Equivalent weight distribution between the four sub-indices (1/4)
<i>Stage IV – calculation of the integrated index</i>
The obtained standardized values will allow calculating the index by the formula: $I_{ij} = \frac{1}{n} \sum_{j=1}^n I_{basic(i)}, (3)$ where $I_{basic(i)}$ – the total value of the group of baseline indicators for the country $i$ $n$ – the number of indicators that characterize the level of innovation in the tourism sector.

Source: developed by the authors on the basis of [19; 20]

Table 2.10 shows the results of the evaluation of criteria that characterize, respectively, the financial situation of the tourism sector, its competitiveness, the attractiveness of the industry, and the stability of the environment. The assessment was carried out with the involvement of experts in this field. An integrated indicator for assessing the level of innovation in the tourism sector of Ukraine is defined as the ratio of the sum of individual partial indices of indicators to the average value of these indices (about the number of indicators). The results of calculations of integrated indicators for assessing the level of innovation in the tourism sector of Ukraine are given in the table 2.11.

Table 2.11

Indicators for assessing the level of innovation in the tourism sector of  
Ukraine by the method of SPACE-analysis

Criteria	Expert assessments, points			Weight $w_i$	Balanced scores		
	2019	2020	2021		2019	2020	2021
The financial strength of the tourism industry (Financial strength) (FS)							
Return on investment	3,2	3,3	3	0,2	0,64	0,66	0,6
Return on equity	2,8	2,7	2,6	0,2	0,56	0,54	0,52
Profit dynamics	3,8	3,2	3,1	0,1	0,38	0,32	0,31
Financial autonomy	3,3	3,2	3,1	0,2	0,66	0,64	0,62
Solvency of the industry	3,5	3,6	3,7	0,1	0,35	0,36	0,37
Level of financial risk	4,2	4,5	4,6	0,1	0,42	0,45	0,46
Overall evaluation of the criterion FS				1	0,502	0,495	0,48
Competitiveness of the tourism sector (Competitive advantage) (CA)							
Net profitability of sold products	3,4	3,3	3,4	0,2	0,68	0,66	0,68
Net profitability of production	2,4	2,4	2,4	0,2	0,48	0,48	0,48
Market share	2,2	2,3	2,2	0,1	0,22	0,23	0,22
Product competitiveness	2,4	2,5	2,4	0,2	0,48	0,5	0,48
The efficiency of use of fixed assets	3,4	3,4	3,4	0,2	0,68	0,68	0,68
Overall assessment of the CA criterion				1	0,508	0,510	0,508
The attractiveness of the tourism industry (Industry attractiveness) (IA)							
Profit level	2,5	2,4	2,4	0,4	1	0,96	0,96
Stage of the life cycle of the industry	4,4	4,4	4,2	0,2	0,88	0,88	0,84
Dependence of industry development on the situation	3,5	3,3	3,3	0,2	0,7	0,66	0,66
Overall assessment of the IA criterion				1	0,86	0,833	0,82
Stability of the tourism sector (Environmental stability) (ES)							
Profit stability	3,3	3,2	3,1	0,2	0,66	0,64	0,62
The level of development of innovation	3,4	3,3	3,1	0,2	0,68	0,66	0,62
Marketing and advertising opportunities	4,4	4,5	4,4	0,2	0,88	0,9	0,88
Overall assessment of the ES criterion				1	0,74	0,73	0,71
Integral index of the level of innovation in the tourism sector of Ukraine					0,652	0,643	0,629

*Source: developed by the authors on the basis of [15; 16]*

Assessment of the level of innovation in the tourism sector of Ukraine will be carried out on the following scale:  $<0.4$  – unsatisfactory level;  $0.41 - 0.64$  – satisfactory level;  $0.65 - 0.8$  – high level;  $0.81 - 1.0$  – a very high level [19]. The integrated index of the level of innovation in the tourism sector of Ukraine during 2019-2021 remained at the same level – at a satisfactory level (from 0.65 in 2019 to 0.63 in 2021). This indicates the high opportunities for the competitiveness of the industry, which contributes to the attractiveness of the industry (3.3 points), but recently the level of its stability (2.6 points) is lower due to the constant influence of external factors, including political and economic, on the activities of enterprises.

By calculating the integrated indicator of innovation in the tourism sector of Ukraine by the method of SPACE-analysis, you can determine the reserves to increase the tourist attractiveness of the industry, or establish the existing level of tourist attractiveness by available tourism resources, investments, and more. According to the results of the expert-statistical assessment, the current level of innovation in the tourism sector of Ukraine according to the method of SPACE analysis is at a satisfactory level. Thus, we can conclude that innovation in the tourism sector remains extremely low, and levers and implementation mechanisms are ineffective. Solving these problems is possible only through the transformation of tourism policy and requires a clear delineation of promising ways to apply innovations, development of specific measures and technologies for their practical implementation, and create methods for their evaluation in modern conditions.

After receiving weighted estimates of key criteria, the next stage of Space-analysis is to build a vector of the recommended innovation strategy of the enterprise in the coordinate system Space. According to the matrix, the following innovative strategies for the tourism sector are recommended [21-22]:

– Aggressive strategy. This situation is typical in an attractive industry with little uncertainty. Businesses in the industry gain a competitive advantage that they can maintain and increase through financial capacity. Risks are insignificant, it is necessary to concentrate on securing interests. The mechanisms are aimed at

expanding production and sales. Price war with competitors, development of new market sectors, brand promotion.

– Competitive strategy. This condition is typical of an attractive industry. Industry enterprises gain a competitive advantage in a relatively unstable environment. The critical factor is financial potential. The risks of losing funding need to be minimized. The main mechanisms are the search for financial resources and the development of sales networks.

– Conservative strategy. This situation is observed in stable markets with low growth rates. In this case, efforts are focused on financial stabilization. The most important factor is the competitiveness of the product. The main mechanisms are cost reduction while improving product quality, reducing production, and entering more promising markets.

– Protective strategy. This situation arises in a situation where the company operates in an attractive industry, but it lacks the competitiveness of products and funds. Particular attention is paid to mechanisms to minimize threats. The key strategy is to exit the market.

The beginning of the vector enters at the origin, and the end of the vector is at point A with coordinates (x; y):

$$X = IA - CA, \quad (3)$$

where IA – industry attractiveness (Industry attractiveness), CA – competitiveness of the tourism sector (Competitive advantage);

$$Y = FS - ES, \quad (4)$$

where FS – financial strength of the tourism sector (Financial strength), ES – stability of the tourism sector (Environmental stability)

Accordingly, for the tourism sector of Ukraine – the object of evaluation, these coordinates are equal to:

$$X = 0.82 - 0.508 = 0.312; Y = 0.48 - 0.71 = - 0.227$$

Thus, the vector of the recommended strategy by the method of SPACE-analysis is built on two points: O (0; 0) and P (0,312; -0,227). It is seen that the strategy to increase the level of innovation in the tourism sector of Ukraine is a

strategy of competition. Ukraine's tourism sector has certain competitive advantages, and the main efforts of tourism policy should be aimed at its preservation using the available financial potential. The financial condition of the industry can be identified as unsatisfactory. As a result, the low competitiveness of the tourism sector is caused by internal factors: low liquidity and turnover, unprofitable activities, and incomplete use of resources.

Therefore, based on the above, conclusions can be drawn. The study confirms the ineffectiveness of state policy to ensure the development of tourism based on strategic documents of the country's development because for a long time a significant problem in forming a holistic economic strategy in Ukraine is the lack of understanding that lack of innovation in the strategic perspective slows down economic dynamics. This necessitates a comprehensive innovative reform of Ukraine's tourism policy, which would link the results of scientific and technological development with human development.

The innovative strategy of the tourism sector is one of the economic levers of its development and competitiveness. The innovative strategy in the field of tourism is aimed at creating a new or changing an existing product, improving transport, hotel, and other services, developing new markets, introducing advanced information and telecommunications technologies, and modern forms of organizational and managerial activities. This conclusion justifies the need for different methodological approaches for its formation, implementation, and evaluation of effectiveness.

The above methodological approach to determining the innovation strategy of enterprises in the field of tourism makes it possible to fully assess the impact of major innovation factors on the level of development of the industry.

The conducted expert-evaluation analysis of the tendencies of the introduction of innovations by tourist enterprises allows us to state that the problems of innovative activity should be considered from the standpoint of their division into causal and consequential. A critical analysis of the nature of the identified problems showed that the first group covers such problems as the incompetence of business leaders, lack of appropriate qualifications; lack of opportunities for the implementation of innovation

strategies; the presence of negative impact of environmental factors, in particular the legal unregulation of certain aspects of innovation, financial instability, etc. In turn, the second group of problems includes late and incomplete implementation of tasks provided by the developed plans; inefficient organizational management structure; inconsistency, and fragmentation of the strategic innovation planning process.

As a result, at the current stage of development of the tourism market and to transform it to a qualitatively new level of development, it is necessary to significantly expand and strengthen the implementation of innovation, which should serve as a link between science, tourism, government, and local government. The practical application of such a proposal in the innovative development of the tourism sector will not only increase the level of competitiveness of the enterprise but also assess the feasibility of introducing new types of tourism products and services.

In the course of our research, the concept of “innovation in tourism” was identified as the most optimal, which reflects the essence of this category with the definition of the benefits of their implementation for both businesses and customers. It was found that the listed and analyzed types of innovations are closely intertwined and interconnected, namely: product, resource, technical and technological, marketing, organizational and managerial, service, and logistics innovations.

## **CHAPTER 3. CONCEPTUAL BASIS OF IMPLEMENTATION OF INNOVATIONS IN THE TOURISM BUSINESS**

### **3.1. Research of innovative changes in the development of the world tourist market: modern tendencies and trends**

In the conditions of growing mutual dependence of countries, innovative development has become a guarantee of general progress. The economy of Ukraine is characterized by an inversion type of market transformation, the feature of which is the reverse sequence of transformations and disruption of the normal development of events. The ill-conceived dismantling of the public sector and its replacement by an underdeveloped private sector significantly complicates the process of forming an innovative economy.

The use of innovative potential and justification of the economic need for innovations were considered [32; 35-39; 44-49]: A. Alexandrova, M. Birzhakov, R. Brymer, G. Dolmatov, A. Zhukov, I. Zorin, D. Ismaev, M. Izotova, M. Kabushkin, V. Kwartalnov, O. Lyubitseva, N. A. Mazaraki: T. Tkachenko, S. Melnychenko, L. Shulgina, M. Boyko. The scientists proposed separate solutions in the innovative management of enterprises and the formation of a technological component through the introduction of information systems and models, the economic mechanism of sustainable tourism development, management of marketing activities of tourist enterprises, organizational aspects of creating a tourist market, the problems of innovative strategy were partially highlighted.

The works of these authors are a significant contribution to the development of the theory of innovative management of tourist enterprises. However, today there is a limited number of publications on the problems of the development of innovations in tourism.

In most studies, innovation is considered as an element completely subordinated to the global economy, without taking into account the specifics of tourism; their content does not indicate a methodologically holistic approach to the

management of innovative processes in tourism, taking into account the multifaceted, polystructural, polyform and multilevel nature of the tourist market [56].

Despite some successes in stabilizing macroeconomic indicators, it is not possible to achieve tangible results in creating favorable conditions for the innovative activity of domestic producers of tourism products, which, in particular, is reflected in the indicators of the export of innovative products, and in the field of tourism - the export orientation of the national tourist product.

The structural analysis of the competitiveness of the economically and technologically developed countries of the world shows non-price factors of competitiveness, which are determined by the novelty of products, their quality, knowledge-intensiveness and high technology, and the achievement of such characteristics of products through innovative factors of development. These processes did not bypass the sphere of tourism, which until recently developed rapidly and had a stable rate of dynamic development with an increase of 5–6% annually [57].

Every year, the tourist market is affected by factors that are either impossible to predict or difficult to overcome. The political cataclysms of some countries of active tourism, changes in the climate of traditional tourist destinations, the epidemiological situation in third world countries do not leave domestic tourists with a choice regarding the travel route and motivates them to leave funds within the country. Currently, structural transformations are taking place in the tourist market, which significantly change the business processes taking place in it. Therefore, in the formation of the economic impact on the tourism system, it is necessary to position it in general social relations, inventory the state and determine the contribution to the economic complex of the country (region), determine the influence of factors on the recovery of tourist processes and exchanges, increase the amount of income from tourist services, position priorities and requirements of demand for tourist and paratourist goods and services [58].

Innovative changes in the market, tendencies and trends resulting from the current tourist demand, and maintenance in the sustainable development of the offer are investigated and listed in the table. 3.1.

Table 3.1

Innovative changes in the development of the world tourism market: current trends and trends\*

New concept of tourism	Old concept of tourism
1. Tourism companies (intermediary organizations) operate in a system of permanent international competition, which causes a narrow corridor of profit	1. Equilibrium prevailed, and in some countries, even geographical regions (for example, former socialist countries), the producer's market dominated
2. Cross-border nature of production of tourist offer. The increase in the number and importance of large supranational corporations – operators of the tourist market. The facts of mergers and acquisitions of enterprises in the formation of business interests of international companies	2. The national markets were dominated by domestic tourism, aviation enterprises, hotel facilities and catering establishments. Most of their circulation was on the national market
3. Expansion of the sphere of influence and scope of activity among the so-called "big players" in the tourism market (airlines, tour operators, hotel chains), which are called operators or consolidators of the tourism market	3. Previously, tourism was dominated by specialization, and the possible expansion of the sphere of activity took place according to the principle cooperation of enterprises and organizations operating in various fields
4. Decreasing the importance of intermediaries, especially travel agencies. Providers (producers) of tourist services are increasingly trying to directly contact customers (through the use of mobile and Internet technologies, etc.)	4. The market of retail sales of tourist services was dominated by large networks - agents closely related to the main tour operators (wholesalers).
5. Search for new methods of activity by travel agencies that are at risk of being excluded from the market. For example, consulting (recreation experts), comprehensive service of large companies, creation of own packages, search for market niches, aggressive marketing, etc.	5. Agencies concentrated their activities on the sale of holiday packages and air tickets. Their offer was not much different and mostly did not include various additional services that are willingly sold today (for example, various types of insurance)
6. The emergence of new enterprises that replace the tour operator – as a result of the development of various electronic systems for the distribution of information and reservations	6. Direct contacts with suppliers of packages or individual services were very complicated (territorially, informationally, a long time for passing information and clarifying its authenticity)
7. Liberalization of air transport. Increasing competition between European and American airlines. Strategic alliances and expected mergers. The importance of charter flights has	7. National airlines used the protective protectionist policy of the state government, which protected its own markets in various ways. Limited competition strengthened the

decreased. Emergence of cheap, so-called budget (or discount) airlines	status of national manufacturers, which were reluctant to charter flights
8. Standardization of products, unification of tourist law (for example, the Tourist Card in the countries of the European Union, which allows to compare the correspondence between the quality of the offered services and their prices)	8. There was no common system that was supposed to determine the standards of services, as well as methods of guarantees for the client (for example, categorization of the base, etc.)
9. There are more and more ASI (Activities and Special Interest) tourist services in offers for tourists	9. Previously, the mass tourism product was focused on resort passive recreation
10. Growing importance of marketing activities. The prevalence of the use of forms of aggressive promotions directed at specific, pre-prepared market segments. Active use of modern means of advertising and promotion (CD, cable television and special channels, tourist information kiosks and information centers)	10. Permanent catalog prices were mandatory. More attention was paid to the advertising of firms than to the promotion of specific products. The advertising campaign was aimed at all potential customers. A traditional means of information was a brochure, a prospectus or an advertising booklet
11. Prevalence of use of computerized reservation systems (GDS) in both the creation and distribution of most travel obligations	11. GDS were mostly used for air ticket bookings
12. Spread of alternative reservation systems in tourism (ADS), development of online booking and online purchase of tourist products by tourists on their own (self-organized travel)	12. Previously, standard software packages were used and reservation technological processes were carried out only through tour operators, among which monopolists dominated
13. Care for the condition and protection of the natural and cultural environment, as well as the interests of the local population. Balanced development of tourism	13. The harmful effects of mass tourism were neutralized in favor of current profits. The interests of the local community were not taken into account
14. Protection of the most valuable tourist attractions and territories, creation of security zones, ban on investments	14. Localization of investments was observed, and tourist traffic was directed as close as possible to more valuable tourist areas and attractions
15. Growing demand for qualified tourist staff. Free movement of labor. The development of tourism training, especially at the higher level	15. Staff who served tourists was recruited from other industries. It was believed that work in the tourism field requires not so much knowledge and skills as certain inclinations
16. Expanding the geography of world tourism and changing activity by travel destinations and regions	16. Little travel experience, fear of visiting distant countries, little-known places
17. Economic cataclysms and high-profile bankruptcies (2019–2022) led to an understanding of the need for the formation of financial trends in the development of the operator and agency market, modeling the results of their strategic partnership (production) and agency (sales) enterprises	17. Development of the tourism economy on the basis of general market rules, establishment of demarcation and distribution of functions between operator (production) and agency (sales) enterprises
18. Change in recreational needs. Thus,	18. Tourism was perceived as entertainment

recreational needs are physiological needs for rest, the volume and meaningful content of which depends on the availability of free time, lifestyle, wealth and other factors	and luxury, and therefore, the prices for tourist services were aimed at wealthy customers
19. The increasing importance of security in the organization and maintenance of tourist flows, caused by the scale of criminal pathology and international terrorism. As a result, among other things, the facilitation of the formalization of travel, the simplification of tourist formalities, border exchanges	19. Previously, the “export of crime” showed much lower dynamics. The “Iron Curtain” of the countries of the socialist camp did not allow close contact with criminal groups, and tourists were rarely the target of terrorist attacks
20. A wide variety of tourist products. Adapting them to the changing tastes and preferences of increasingly demanding customers (as well as readiness for a special order)	20. Previously, the sale of stereotyped, ready-made package tours (package tours), which did not pay attention to the diversity of needs, motivations and tourist interests, dominated
21. Increasing importance of active forms of recreation related to sports, culture, and education. Increasing importance of additional services, often added free or at low prices to the basic package	21. The standard offer of holiday packages dominated, based on the 3*S (sea, sun, sand) formula, which is now being replaced by 3* E (entertainment, excitement, education)
22. Increasing requirements for the quality of services. Tourists expect high quality services regardless of the form of tourism and the country of visit	22. The quality of services when choosing a tour was secondary, and the price of services was more important as a decisive factor for making a purchase. Often the price was the only tool in the fight for the customer, which disorganized the market and led to several spectacular bankruptcies
23. The flexible operation of travel companies, which must take into account the spontaneity of consumer decisions, as well as the fact that the decision is often made at the last minute (“last minute” trips)	23. Previously, bookings in travel companies were made a month (s) in advance, because completion of tourist formalities required much more time
24. Significant influence of the development of Internet services on the formation of tourist demand. Modern trends in models of search and purchase of all types of tourist services	24. The demand for tourist services was formed under the influence of suggestive advice of managers of travel firms, advice of friends (relatives) and taking into account the financial capabilities of tourists
25. High level of experience and mobility of clients, previous travel experience	25. Little travel experience

*Source: created by the author based on research by the European Travel Commission, European Travel Monitor, ITB World Travel Trends Report, World Travel & Tourism Council*

The above-mentioned trends in the reform of the tourist market led to the creation of a new travel industry, which in terms of economic content and coverage goes beyond the scope of tourism and is a multi-industry complex, within which

business structures operate, each of which has the right to be called a tourist enterprise, and the activity is assessed as tourist.

The modern tourist market is the sphere of meeting the needs of the population in services related to recreation and meaningful leisure and travel [56, p.36]. As a conclusion to the changes in the course of development of the field of tourism, the scientists summarized: “The tourism industry is in crisis – a crisis of change and uncertainty; a crisis probably caused by the changing nature of the industry itself. New technology, more experienced consumers, global restructuring of the economy and ecological limits to growth are only some of the problems of today” [57].

“New tourism industry” is a very broad concept that defines the breadth of the understanding of tourist demand, which includes not only material values and services that are intended directly for tourist consumption, but also such types of economic activity that fully or partially depend on the movement of travelers and development which would not be possible without tourism (or would be significantly limited).

Thus, the further development of tourism is impossible without innovative changes, which have a somewhat spontaneous and unpredictable nature of impact on the final results of the enterprises, which directs a rather shaky way of doing business to an even more risky path, and therefore requires significant scientific research and implementation results of innovative activity. Innovation is the driving force for structural change in the tourism industry.

### **3.2. Directions for the introduction of innovations in the tourism business**

The conducted studies show that innovations in tourism should not be narrowed down only to service innovations (companies for accommodation, catering for tourists, transport companies, travel firms, etc.), since the tourism sphere is a multi-sectoral production complex (production of tourist equipment and inventory, sports goods, clothing for leisure and tourism, souvenirs, etc.), which has wider opportunities for introducing innovations [63]. And therefore, we need to classify the main types of innovations in the tourism business, which are often closely

interconnected and flow into each other (development of new tours based on the development of new tourist resources) (see table 3.2.).

Table 3.2

Implementation of types of innovations in the tourism business\*

Type of innovation	Content of innovation	Examples of innovation
<p>Product innovations – introduction of a new and improved existing tourist product (tour, services) to the tourist market.</p>	<ul style="list-style-type: none"> <li>– creation of new tourist products and services;</li> <li>– improvement of consumer properties of already existing tourist products and services;</li> <li>– development of new tourist and recreational areas;</li> <li>– attraction of new types of tourist and recreational resources;</li> <li>– development of new types of tourism;</li> <li>– development of new tourist destinations and routes.</li> </ul>	<p>Development of a new tour, a new excursion route, a new direction of travel (tours to the Antarctic, into space); offer of new services (health services in hotels); event tourism (sale of tickets and tours for foreign events such as concerts, festivals, exhibitions, football matches and other sports events); gastronomic tourism (tourism for fans of delicious and refined food, participation in master classes of famous chefs).</p>
<p>Resource innovations – the use of a new type of tourist resources for the organization of tourism and the development of new tours and services.</p>	<ul style="list-style-type: none"> <li>– the use of a new type of tourist resources for the organization of tourism and the development of new tours and services;</li> <li>– development of non-traditional objects of display (industrial and dig tourism (stalking), military tourism);</li> <li>– construction of new infrastructure facilities (for practicing extreme sports);</li> <li>– market offer of a new event (festival).</li> </ul>	<p>Tourist resources are objects of nature, history, culture, current events, phenomena that can be used in the creation and implementation of a tourist product. This also includes tourism infrastructure that facilitates travel, accommodation, food, transport, excursion services and leisure activities (parachuting, hang-gliding, yachting, skiing, plus everything related to event tourism).</p>
<p>Technical and technological innovations – introduction of new or significantly improved equipment and technology for customer service, promotion and implementation of services.</p>	<ul style="list-style-type: none"> <li>– use of information and communication technologies in the tourism business;</li> <li>– use of new equipment and technologies in the provision of traditional tourist services;</li> <li>– development of new types of material and technical support of tourist services, - improvement of the quality of tourist services;</li> <li>– introduction of new forms of accounting and reporting of tourist enterprises;</li> </ul>	<p>Electronic reservation systems in hotels. Electronic ticket sales systems. Integrated hotel infrastructure management systems (virtual concierges in hotels (touch displays that allow visitors to get information about weather, transport, places of interest, etc.)); Internet advertising. E-commerce (on the Internet, creation of virtual tour agencies) "travel notes" service, an informational project for</p>

	– an innovation in the system of transport service for tourists.	travel lovers who want to share their vacation impressions)
Marketing innovations – selection of new market segments, service of new customer groups (separated by geographical, socio-demographic, behavioral characteristics).	– development of new segments of the tourist market; – development of the latest models of positioning and advertising of the tourist product; – development of the latest models of positioning and advertising of tourist and recreational areas.	Innovations in the restaurant business (calling a taxi from the restaurant, booking tables, ordering food at home, electronic menu and WI-FI coverage, which became a communication channel between customers and restaurateurs, enabling the administration to quickly edit and update the menu. The customer can independently order, taking into account the price policy of the establishment, calculate the calorie content of dishes; immediately see the final check of the order and read news, play games while waiting for the order.) Access to new geographic markets; development of social tours and services for certain groups of consumers (for example, people with disabilities), etc.
Organizational and management innovations – implementation of more effective management structures and order of organization of the company's activities, new job profiles and professional requirements.	– new methods and forms of management of subjects of tourist and recreational activities; – introduction of new innovative forms of organization of tourist activities and territorial organization of activities of tourist enterprises; – improvement of state and regional management of the tourism industry; – improvement of information provision of tourist vigilance.	Development of integrated hotel chains. Use of the hotel management system under the contract, computer client databases, social networks, CRM systems.
Service innovation is a sequential process that includes: non-technological (personnel, organizational structure, factors that increase the value of service for the client) and technological components (depends on technologies, especially information and communication).	– implementation of advanced methods of training, training and retraining of tourism business employees; – development of innovative models of employment of labor resources in tourism; – development of innovative models of tourist service, taking into account the culture and customs of tourist and recreation areas;	New solutions in the consumer interface, new methods of distribution of the tourist product, new application of technologies in the service process, new forms of working with partners or new ways of organizing and managing services. Innovative services are defined by technological interaction, built on the improvement of existing service

	<ul style="list-style-type: none"> <li>– the purpose of service innovations of tourist enterprises is to create clear and transparent processes of interaction with stakeholders, that is, groups of interested persons capable of providing a contribution to tourism activities. The most important stakeholders are usually the staff, owners, consumers and partners who contribute to innovative development with their work, production resources, purchasing power and through the dissemination of information about the enterprise.;</li> <li>– network development based on franchising;</li> <li>– pricing according to the “live price” method.</li> </ul>	<p>characteristics, improvement of the process of their provision, or a combination of existing technologies. Expansion of sales markets, increase in the volume of sales and territorial expansion of business in the absence of costs for maintaining a vertically integrated management network. Protection against industrial espionage and price competition when the company’s turnover and the number of daily bookings increase.</p>
<p>Logistics innovations are new solutions in supply, distribution and delivery systems and chains, including tourists.</p>	<ul style="list-style-type: none"> <li>– “Hubs” of airports (hub systems)</li> <li>– a fundamentally new concept of movement through a single connecting air transport node; integrated destination information systems. A hub airport is an element of the so-called star-shaped network of routes, in which passengers traveling between airports not connected by direct flights can reach their destination by making a transfer from one flight to another. Often, the hub of an airline is located at its base airport, or at the airport of the same city as the main office;</li> <li>– “Just in Time” approach at all levels of the tourism industry. This approach is also called the “Pull system”.</li> </ul>	<p>Hub airports. The “Pull-approach” will make it possible to coordinate tourist flows with the opportunities and tourist potential of the studied territory, taking into account the material and technical base of the region and the country in general, while not worsening the ecological condition and the quality of the provision of tourist services.</p>

*Source: [63]*

The types of innovations listed and analyzed below are closely intertwined and related. The peculiarity of innovative activity in tourism is that the development of certain types of it requires a joint combination of efforts of enterprises in the format of tourism clusters, which involves the interaction of organizations of the relevant

direction at the level of the country, region, as well as support from local self-government bodies and, in some cases, global tourist associations.

Therefore, the application of all types of innovations presented by us in the practical activities of domestic enterprises in the tourism sphere will allow attracting additional tourist flow, improving the economic performance of tourist enterprises and their internal and external competitiveness, and ensuring the improvement of the quality of tourist service in accordance with his specific requests.

The present makes it clear to us that innovative technologies in the tourism industry are the need of the hour, which will open up new opportunities for innovators (startups – companies, Internet projects that are at the stage of development and have at their core an ambitious, innovative idea and a promising product). and makes tourism accessible to different categories of the population [60]. It should be noted that the development of innovative IT startups (IT projects) in the field of tourism takes place in the presence of the following three components: tourism business, innovative technologies and information systems and management technologies.

These components make it possible to simplify both the procedure of forming a tourist product and provide the client with information that will allow him to organize his own tour. That is why the development of IT startups is one of the primary tasks of the innovative and promising development of the tourism business.

The results of the analysis of IT startups conducted by T. I. Tkachenko show that, for example, smart tourism has a great future in the development of such projects as “smart city” and “smart destinations”. The main priorities of these projects are: clustering of the city’s tourist community; creation of a tourist mobile application of the city; use of QR codes at all tourist facilities with information in multiple languages; the introduction of cloud technologies and the Internet of Things in various fields, as well as the expansion of places of use of Wi-Fi and 4G [58].

Technological connections of tour operators and travel agencies, tour operators and companies providing hospitality, catering, banks, and insurance companies are carried out almost entirely through the use of electronic communication channels, the

Internet, international distribution systems, and global electronic reservation systems. The most popular systems in the world are: AMADEUS covers 35% of the world market and is mainly used in Europe and Asia; GALILEO – 28% of the world market and is used in Europe and North America; SABER - 24% of the world market and is used in America; WORLDSPAN – 13% of the world market [2].

However, these systems require the installation of special, rather complex and expensive software. Then, as now, very often the consumer can independently order tickets, rooms or a pass using the Internet sites of airlines, hotels, and travel agencies equipped with the appropriate systems, that is, we are talking about various Internet smart applications in online mode, which already have reviews from tourists, namely: Woking – hotel booking; GoEuro – all European transport; idealo Hotel – searches for prices for hotels, houses and accommodation, compares them and allows you to make a reservation; TripAdvisor – hotels, air tickets, restaurants; trivago – compares prices and finds the perfect hotel; Agoda – hotel booking; momondo – air tickets and hotels; Notels.com – hotel reservations [63].

I would like to note that there are quite a few such programs for such platforms as: Android and iOS [64]. Therefore, the Internet allows for a wider use of an individual approach to customers, who in turn turn into active participants of the marketing company, independently choosing sites and mobile applications that contain the necessary information, with the possibility of reverse communication with potential customers and manufacturers of tourist products.

The implementation of a tourist product via the Internet has not yet reached a significant scale, due to its absence, low speed and the need to use specialized security programs in the field of electronic commerce, electronic transactions, such as: IKR – Internet Keyed Payment Protocol, SET – Security Electronic Transaction, Security Courier. However, the volume of expansion of the Internet is growing and if Elon Musk succeeds in launching satellite Internet and the development of the cryptocurrency market takes place, then the tourism business will enter a new stage of development in which companies providing tourist services and offering tourist products should reconsider their activities [65].

There is a question about the need to implement organizational innovations that would allow travel agents to go beyond reservation, registration and sales technologies, and reorient their activities towards the provision of consulting services, expert assessments, professional instruction and support.

Currently, the “timeshare industry” plays an important role in innovation in tourism, which allows to link the categories of time and space in the tourism business, the creation of economy class hotels, “resort” type hotels [66]. In addition, the development of the hotel business today depends on the degree of use of technological innovations, in particular, the automation of reception services and accommodation of guests.

The FIDELIO automated accommodation system is relevant, which allows you to control and optimize the processes of receiving guests, their accommodation, room service, automates the document management system, reduces the risk of errors in the booking system, intensifies the pricing policy and tariff management, etc. Global distribution networks AMADEUS and GALILEO are used in Ukraine, access to which is provided through the national reservation system “Sirena”, the automated management system in the hotel industry “FIDELIO” operates, tourist portals and databases of specialized information are functioning, which allow for information search, reservation and ticket sales, the possibility of ordering local excursion services, vehicles and tourist services in real time [3].

Therefore, world experience shows that information technologies in the field of management of travel firms and hotels, based on the implementation of automatic management systems, make it possible to reduce the labor intensity of management operations by 10-30% and significantly speed up the decision-making process by 2-5 times. In other words, the essence of the innovative approach in tourism is the creation of new and improvement of existing services, the development of new markets, the creation of strategic business alliances, the active implementation of modern information technologies, the use of new forms and methods of management [68].

### **3.3. Prospects for an innovative renewal of the tourism business of the regions**

Considering the tourist business as an interdisciplinary type of economic (or entrepreneurial) activity, there is a need to determine the prospects of innovative renewal of the tourist business of the region, activation of innovative processes, which will ensure the acceleration of socio-economic development of the regions. This is impossible without implementing a resource-saving policy capable of bringing the region to a new level of an economic system that is strategically competitive and oriented toward a balanced economy with potential growth. Therefore, the issue of innovative renewal in the tourism and recreation business is extremely urgent.

Each branch of the economy has its own characteristics, which depend on the success of its development. The priority vector that affects the development of the regional economy is the tourism and recreation business, the profit from which is the main source of income for the population of certain territories and is part of the budgets of territorial communities. The tourism business is constantly developing new markets, introducing advanced information and telecommunication technologies and modern forms of organizational and management activities, using electronic commerce and virtual tourist and excursion services. Innovative activity in the tourism business is aimed at creating a new or changing an existing product, improving transport, hotel, recreational, excursion, cultural and educational and other services, as well as technologies for providing them (interactive, using information and other modern technologies). Innovations, in their final use, can cover both the comprehensive provision of a tourist service and concentrate on one of the components of a tourist product.

Today, the following areas of innovation in the tourism business can be distinguished [28]:

1. Implementation of organizational innovations – innovations related to the development of tourism business and a specific enterprise, into the management system and structure based on advanced technologies; in personnel policy based on

continuous professional development; in ensuring the sustainable development of the enterprise on the basis of rational economic and financial activity.

2. Implementation of marketing innovations that allow identifying and satisfying the needs of target consumers, as well as attracting a contingent of customers not yet reached, identifying and using new product sales markets (hotel and restaurant chains).

3. Implementation of periodic innovations aimed at changing the consumer properties of traditional tourist and recreational products, hotel services, which have competitive advantages (introduction of innovative products).

4. Use of the newest tourist resources that were not used before.

The main goal of innovative management is to increase the efficiency of the region's economy. To achieve this goal, we offer an innovative management mechanism in the tourism business. The implementation of the proposed innovative management mechanism in the tourism business will contribute to the identification of existing problems in the tourism business, the determination of ways to solve these problems, increase the efficiency of the tourism potential in the region, and also improve the innovation climate.

During the development of the innovation mechanism, an analysis of external and internal tools and their key elements was carried out, measures were proposed to improve the provision of innovation and information services, and an algorithm for stimulating innovation in the tourism business was developed. External tools of the innovative management mechanism include:

1) development of innovative programs for the development of tourism business at the regional level;

2) development of innovative public-private partnership in the region;

3) participation in all-Ukrainian and international exhibitions of innovative trends in the tourism business;

4) provision of a system of state support for innovations in the tourism business;

5) search for external and internal innovative investors (startups).

The internal tools of the innovative management mechanism are [28]:

- 1) organization and stimulation of innovative activities of tourism business enterprises;
- 2) development of innovative infrastructure in the tourism business;
- 3) organization of innovative information systems of the tourist business;
- 4) professional development and retraining of personnel for the tourism business.

The developed innovative management mechanism in the tourism business is presented in Figure 3.1.

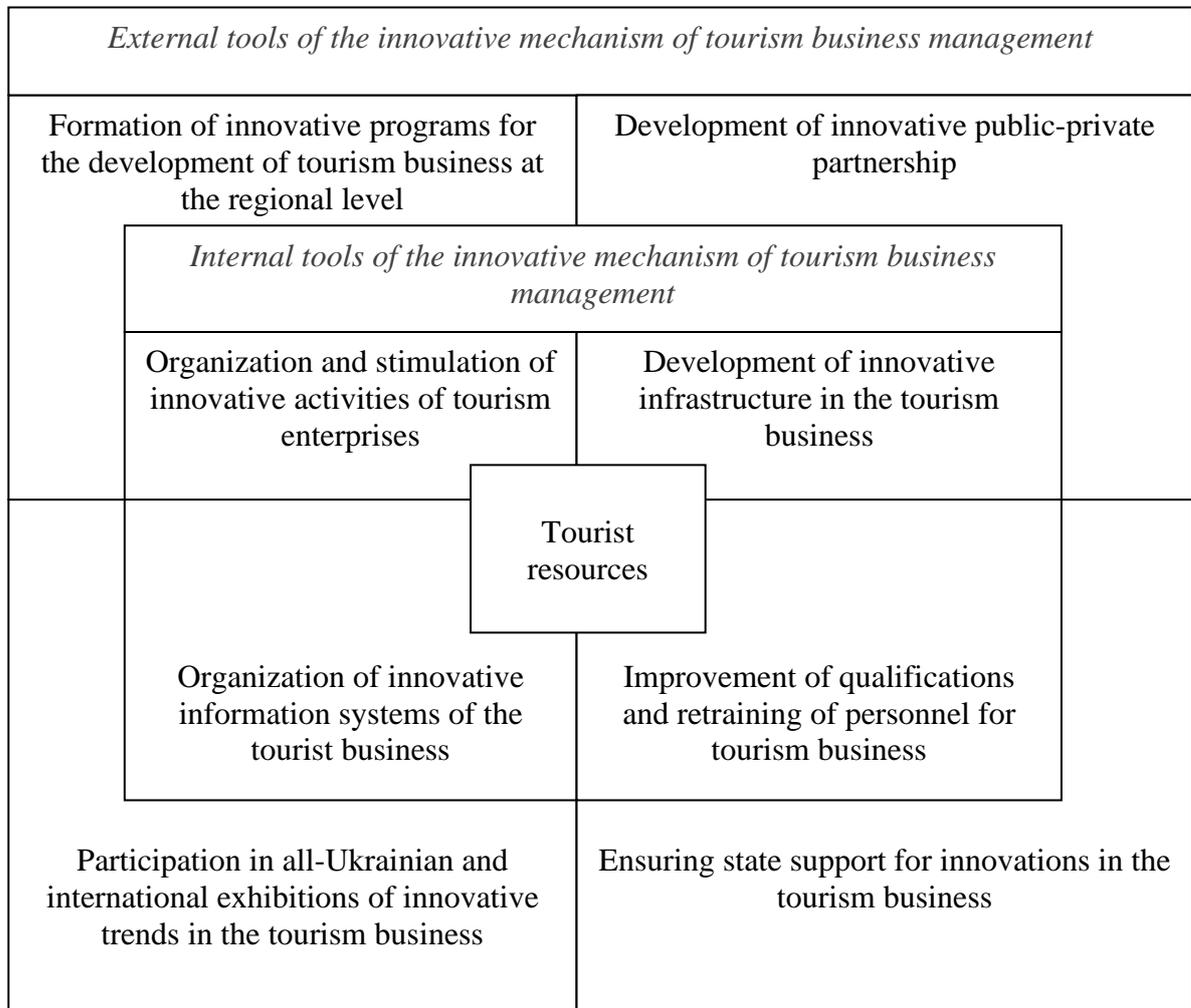


Fig. 3.1. Innovative management mechanism in the tourism business

Source: [28]

The external and internal tools of the management mechanism are innovative and contribute to the development of new products for the tourism business. The main factor presented in the scheme of the innovative management mechanism in the tourism business is tourist and recreational resources. Tourist and recreational resources are not innovative, as they exist by nature (the presence of rivers, lakes, forest areas, etc.), but they are decisive when interacting with the tools of the innovative management mechanism in the tourism business and others proposed above there are certain innovative trends in use and consumption.

It is possible to determine the main functions of regulation of resource provision of regional development of tourism business (Fig. 3.2). Stable economic growth in the tourism business is impossible without a balanced and sustainable implementation of the resource-saving policy of the region through the formation of an effective resource-saving scheme based on the introduction of innovations.

The innovative management mechanism in the tourism business is a set of external and internal tools that contribute to increasing the efficiency of the tourism business in the region, tourist resources as the main factor in the innovation mechanism; the main structural elements that underlie the external and internal tools of the innovative management mechanism.

As a result of the formation of an innovative management mechanism in the tourism sphere, a system of interconnection of the external and internal tools proposed above was determined. The first external tool of the innovative management mechanism in the tourism business is the development of innovative programs for the development of tourism and recreation business at the regional level. As a result of the research, it was found that with the help of programs for the development of tourism and recreation, the main ways of overcoming problems at the regional level are determined using the social, economic, and recreational features of the region in the tourism business. State bodies are engaged in the development of concepts for the development and improvement of the tourist business. Taking into account the territorial classification, it is worth noting that according to this feature,

programs for the development of tourism business can be state, as well as internal, that is, regional.

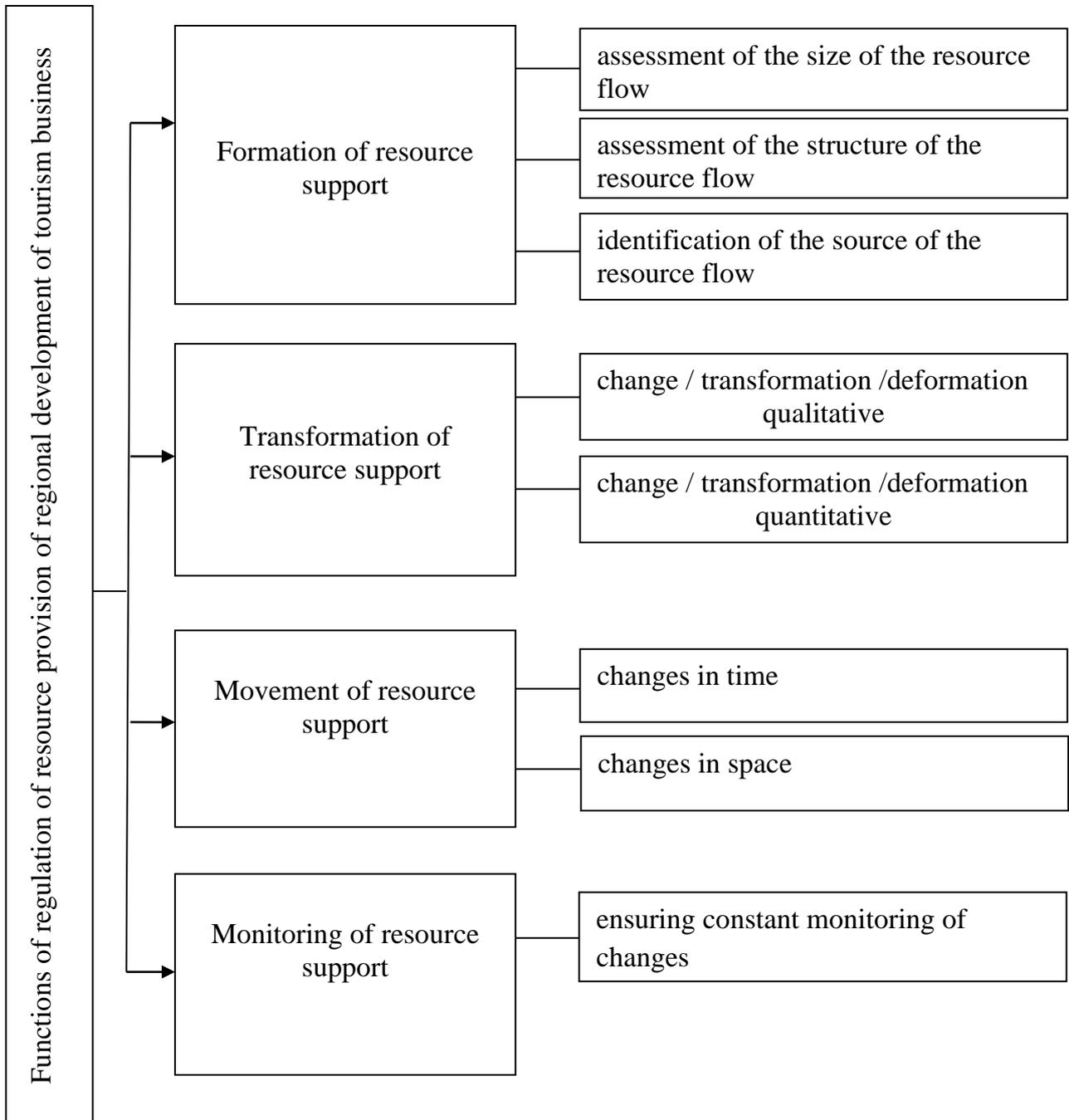


Fig. 3.2. Functions of regulation of resource provision of regional development of tourism business

Source: [28]

Thus, it should be emphasized the fact that any state program has its own deadline for implementation, as well as the main characteristics: program goals, main tasks, justification of key issues, the essence of problems, deadlines for the implementation of programs for the development of tourism and recreation, measures prescribed in programs, and in addition, the main socio-economic results in the tourism business.

State authorities take into account and implement support in the development of tourist business with the help of such tools as the identification and establishment of customs, investment and visa benefits, which act as a certain incentive in the development of tourist business in the territory of the regions of Ukraine. The second external tool of the innovative management mechanism is the development of innovative public-private partnerships in the region. The development of public-private partnership at the regional level should be carried out in the following way [42]:

- 1) reorientation of outbound tourist flows to domestic flows in the conditions of a crisis in the tourism industry;
- 2) creation of new special economic tourist complexes and zones;
- 3) reconstruction of the existing recreational infrastructure taking into account the requirements of world standards and norms;
- 4) creation of a system of scientific and personnel support for tourism and recreation business in the region;
- 5) a system of small and medium-sized businesses that ensures comprehensive development of tourism and recreation.

Currently, one of the most demonstrative examples of the use of the public-private partnership system are special zones in the tourism and recreation sphere. Public-private projects are implemented by joint investment of budget and private funds in the development of regional tourism. The creation of special economic zones within the framework of such projects contributes to the development of regions by attracting foreign investments, the best foreign scientific, as well as management and production technologies. At the same time, despite certain successes in the

development of domestic tourism business, the state is not sufficiently involved in its formation [42]:

1) the conditions and mechanisms for creating a public-private partnership in the tourism business are not defined;

2) principles of functioning and development of public-private partnership in the tourism business have not been developed;

3) organizational management structures that coordinate the interaction processes of partnership participants are not developed;

4) the organizational foundations of information support for management decisions have not been developed;

5) the economic mechanism of regulation and participation of the population in development projects of infrastructural objects of the tourist and recreational business operating on the basis of public-private partnership has not been developed.

These problems hold back the pace of development of the tourism business in general, which in turn reduces the amount of financial income to the budgets of territorial communities.

The third external tool of the innovative management mechanism in the tourism business is participation in all-Ukrainian and international exhibitions of innovative direction in the tourism business. Important for the study is the provision that the region's participation in the largest exhibitions-fairs provides an opportunity not only to search for relevant markets, but also to participate in entering these markets using the most effective methods, as well as to determine new trends in the development of the study of those segments, which appear to be the most promising.

In our opinion, international exhibitions and fairs contribute to the performance of a number of functions in the economy of the region [55]:

➤ contribute to ensuring direct communication of the client with people representing the direct exhibition-fair;

➤ offer a real product that can be seen in action, in contrast to means of advertising (videos, booklets, advertising brochures, etc.);

➤ promote effective information exchange;

- significantly shorten the time for finding a partner and concluding a contract for both clients and representatives of the tourist product;
- contribute to informing their participants about the development of new technologies and provide opportunities to see trends in the progress of the tourism business in the regional economic space;
- provide information about competitors' offered goods, their offers, ideas, terms of sale, etc.;
- contribute to providing the buyer with the opportunity to carry out a complete review of the interested group of goods, in particular, a tourist product according to certain criteria: price, quality, service;
- increase the authority of the presented tourist product at exhibitions-fairs under the conditions of the correct policy regarding preparation and participation in exhibitions.

The fourth external tool of the innovative management mechanism in the tourism business is the provision of a system of state support for innovations in the tourism business. It should be noted that the central state tourism administration in developed European countries works in close cooperation with local authorities and private business. Such a scheme of work turned out to be quite productive from the point of view of finding forms of constructive cooperation and interaction of administrative bodies of various levels of state and regional administration, as well as for attracting financial funds from the private sector in order to fulfill relevant state tasks. The result of this policy was the emergence of mixed ownership (public-private) institutions in the field of tourism regulation [11].

The "European model" is particularly relevant not only because of the situation of global transformations in the modern world, but also because of Ukraine's choice of the European vector of development, the need to build a democratic, open civil society in it.

The tourism development strategy must meet the following requirements:

- tourism policy should ensure innovative models of tourism development;
- general growth of the competitiveness of the tourist business;

➤ tourism policy should be based on intellectual technologies of collective strategic planning.

The fifth external tool of the innovative management mechanism in the tourism business is the search for external and internal innovative investors (startups). It should be noted that the willingness of investors to invest in the tourism business of the region depends on the investment climate implemented in the region. The formation of appropriate conditions for investment processes in the region acts as one of the significant indicators for the activation of the inflow of investments into the regional economy. The most important conditions for attracting and placing investment resources are the availability of monetary, production, labor and innovation capital. It is possible to agree with the opinion of scientists [12-14] that in order to attract investments in the field of regional tourism, it is necessary to take into account political stability in the region, the possibility of developing economic processes and the regulatory and legal basis of the activity of investors in the region, the financial capacity of business entities, and so on demand indicators in the domestic market. In the regions, in order to increase the inflow of investments and search for investors, it is necessary to create and implement state programs aimed at increasing the attractiveness of investment processes.

The first tool of the innovation mechanism is the organization and stimulation of innovative activity of tourism business enterprises. In order to determine the place and role of this tool in the innovation mechanism, an algorithm for stimulating innovative activity in the tourism business was developed, which includes the following measures [47]:

- ✓ identification of key indicators in order to assess the effectiveness of innovation processes;
- ✓ development and implementation of tools for stimulating innovation processes at the tourism business enterprise;
- ✓ carrying out an assessment of the effectiveness of innovative activities at tourism business enterprises;

✓ application of additional tools for stimulating innovation processes at tourism business enterprises.

The development of innovative infrastructure in the tourism business is the second internal tool of the innovative management mechanism in the tourism business. In many areas, the lack of innovative tourism business infrastructure is a significant problem that is receiving considerable attention at the regional level. By innovative infrastructure, we mean a set of business entities aimed at the creation and sale of new products. Technological parks, business incubators, and technopolises, the main purpose of which is the sale of the formed tourist product to various markets (external and internal), should be included among the objects of innovative infrastructure in the tourism and recreation business of the region.

The third internal tool of the innovative management mechanism in the tourist business is the organization of innovative information systems of the tourist business.

In order to improve the provision of innovative information services, the following measures must be taken [46]:

➤ monitoring of sites of tourism and recreation enterprises in order to identify existing problems related to text information on the site, images, visit statistics, as well as the location of the main elements of the site and their configuration.

➤ application of the list of additional related services on the websites of tourism and recreation business enterprises, which will ensure the involvement of subjects from other related fields.

➤ implementation of an automated management system in the collective means of accommodation of the tourist business, which will contribute to the significant simplification of control over various activities in hotel enterprises (financial control, economic control, etc.).

The fourth internal tool of the innovative management mechanism in the tourism business is professional development and retraining of personnel in the tourism and recreation sphere. In our opinion, in the tourism industry, it is necessary to improve the qualifications of tourism business employees with the help of periodic

training courses, as well as retraining of specialists from other industries who start working in the field of tourism and recreation, giving them the opportunity to obtain and improve both theoretical and practical skills and knowledge.

At the same time, it should be noted that the necessary solution to the problems of training personnel for the tourism business can be [12]:

- ❖ certification of personnel;
- ❖ training courses;
- ❖ organization and conducting of various types of practices and internships among staff;
- ❖ conducting distance courses and seminars;
- ❖ business trainings;
- ❖ use of professional information resources and exchange of knowledge between employees of tourist service establishments.

Thus, an important factor that causes the need to introduce innovations in the field of tourism and recreation is the fact that the tourism business not only forms the field of travel, leisure and recreation services on the territory, but is a source of income for the population and territorial communities and causes the development of many related sectors of the economy.

It was established that the following factors are necessary for the innovative development of tourism business: market competition; availability of a legislative and regulatory framework to support the implementation of innovations; professional training of personnel willing to implement innovations (specialists, entrepreneurs, managers, employees) and resources (financial, production, information, infrastructure). Therefore, in the perspective of further research, it is worth focusing attention on methods of stimulating the development of tourism business at the administrative and managerial level. To stimulate the development of tourism business, the priority direction of work should be innovative, taking into account its diversity and specificity, as well as aimed at improving the economic and social components of the region's development.

## CONCLUSIONS

The work reviews the main theoretical and practical aspects of innovative activity in tourism, each of which can be the subject of a separate study. It was determined that modern tourism is an industry that includes a system of production, transport, trade, service enterprises and accommodation facilities designed to meet the demand for tourist goods and services.

Currently, the basis of economic growth and increasing the competitiveness of tourism enterprises is innovation, the features of which are service-oriented, the possibility of easy copying and borrowing from other spheres of activity. As a result of the direct involvement of the consumer in the process of providing an innovative tourist service, its production and consumption take place simultaneously.

An important factor of innovative activity in the tourism industry is the quality of work of employees. Innovations are heterogeneous; they differ significantly from each other. Scientists have proposed different classifications of innovations, but the most recognized for statistical research today is the classification presented in the Oslo Guidelines, which divides them into four types. However, this classification is general and does not take into account the characteristics and features of a specific type of economic activity.

Attempts to create a classification of innovations intended for a specific type of activity, including tourism, have not yet led to a scientific consensus. The analysis of the works of domestic and foreign authors shows the insufficiency of empirical studies of innovative activity in tourism and its impact on the development of the tourism sector and the national economy. At the same time, foreign scientists point out that currently systematic monitoring of the state of innovative activity of enterprises in the tourism industry is possible only according to the CIS methodology. Other sources of information do not provide an opportunity to investigate the impact of innovation policy in tourism on the economic development of the country, as well as to evaluate the effects and effectiveness of various tools used for its implementation.

As for Ukraine, one of the conditions for the implementation of the Association Agreement between Ukraine and the EU was the adoption of the Strategy for the Development of Tourism and Resorts for the period until 2026, which defines various directions of state policy in the field of tourism. The implementation of the Strategy is impossible without the introduction of innovations; therefore, the issue of evaluating the innovative activity of enterprises in tourism becomes important. As already mentioned above, in Ukraine, the survey of innovative activity according to the CIS methodology is carried out on a regular basis. Taking this into account, we consider it expedient to survey enterprises of the tourism industry. The analysis of the received data will provide an opportunity to develop an effective plan of measures for the implementation of the tasks envisaged by the Strategy, which will contribute to the formation of a positive image of Ukraine in the international arena and the improvement of the investment climate.

The conducted expert-evaluative analysis of the trends in the introduction of innovations by tourist enterprises allows us to state that the problems of innovative activity should be considered from the standpoint of their division into causal and consequential. A critical analysis of the essence of the identified problems showed that the first group covers such problems as the incompetence of enterprise managers, the lack of suitably qualified personnel; lack of opportunities to implement innovative activity strategies; the presence of a negative influence of environmental factors, in particular the legal unsettlement of certain aspects of innovative activity, financial instability, etc. In turn, the second group of problems includes: untimely and incomplete performance of the tasks provided for by the developed plans; inefficient organizational management structure; inconsistency and fragmentation of the process of strategic innovation planning.

In conclusion, at the current stage of the development of the tourism market and with the aim of transforming it to a qualitatively new level of development, it is necessary to significantly expand and strengthen the implementing sphere of innovative activity, which should perform a connecting function between science, tourism business, authorities and local self-government. The practical application of

such a proposal in the innovative development of the tourism sphere will allow not only to increase the level of competitiveness of the enterprise, but also to assess the feasibility of introducing new types of tourist products and services.

In the process of our research, the concept of "innovations in tourism" was determined to be the most optimal, which reflect the essence of this category with the definition of the advantages of their implementation for both enterprises and customers. It was found that the listed and analyzed types of innovations are closely interwoven and related, namely: product, resource, technical-technological, marketing, organizational-management, service, logistics innovations.

It is noted that a feature of innovative activity in tourism is that in the development of certain types of it, a joint combination of efforts of enterprises in the format of tourist clusters, which involves interaction organizations of the relevant direction at the level of the country, region, as well as support from local self-government bodies and, in some cases, global tourism associations.

It is noted that the development of innovative IT startups (IT projects) in the field of tourism takes place in the presence of the following three components: tourism business, innovative technologies and information systems and management technologies. Which, in a synergistic interaction at the intersection of spheres of influence, enable the most active implementation of IT startups in the field of tourism thanks to the involvement and creation of such means as a new tourist product, the latest information technologies and tools, automation systems of a tourist enterprise.

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