

CHAPTER 7. INFRASTRUCTURAL SUPPORT OF THE HOSPITALITY INDUSTRY IN THE CONDITIONS OF GLOBAL ECONOMIC INTEGRATION

7.1 INFRASTRUCTURAL PROVISION OF THE HOSPITALITY INDUSTRY IN CONDITIONS OF INTEGRATION

Hospitality is the quality of communication and the impressions that people get from communicating with each other for various reasons: work, rest, leisure, solving housing and communal issues, traveling in transport, etc. This is a direct contact between people in different spheres of life, so hospitality should be manifested in all spheres of society's life. The hospitality industry is mostly a non-production area and has specific features of management in the conditions of state regulation of market relations and the presence of various forms of ownership based on the means of providing services.

Therefore, an important scientific task is to determine the theoretical and methodological foundations of the functioning of the hospitality industry as a specific sphere of intangible production for the regulation and planning of its development at the level of the state, region, local self-government and entities providing services in this sphere. In other cases, when considering the territorial placement of productive forces, industry, agriculture, production and social infrastructure are distinguished.

The production infrastructure includes objects that ensure the functioning of industrial and agricultural production, which include construction, transport, water supply, electricity supply, etc. The social infrastructure includes objects and business entities aimed at meeting social and individual needs of people. This includes labor resources, population, and human services. Based on this classification approach to the spheres of social production, the objects of the hospitality sphere are included, which are partially located in various production and infrastructure spheres of the national economy. From a theoretical point of view, the allocation of capital in the field of hospitality, along with industrial, financial and trade capital, is of great importance in studies of the development of social production processes.

The capital of the hospitality industry concentrates the demand for services in the form of goods and goods that are necessary to provide the services themselves. This capital has the ability to influence the production and infrastructure of the region, which provides the field of hospitality in the direction of the greatest adaptation of production and trade to meet the needs of the hospitality industry. It forces regional manufacturers to produce more sought-after goods and services that are in demand in the hospitality industry.

The population also has the opportunity to engage in the provision of services in this area, produce goods and provide services that provide hospitality in the region. Hospitality capital affects the demand and supply of this sphere and other sectors of the economy that ensure its functioning, connects the demand and supply of hospitality services and goods with distant markets within the state and with world markets.

The capital of the hospitality industry contributes to the development of the social division of labor, the specialization of production and the sphere of circulation in order to meet the needs of the hospitality industry, and to increase the rate of profit. Capital in the hospitality industry expands production and service markets, while its high rate of return facilitates capital spillovers from production and trade to hospitality. The independent functioning of the capital of the hospitality industry in the form of fixed and working capital used to provide services in the field of hospitality reduces the turnover time of industrial and commercial capital, ensuring the functioning of the hospitality industry, promotes the growth of variable capital and the growth of the annual mass of added value.

The role of the capital of the hospitality industry, if we do not take into account production operations (packing of goods during their transportation and sale, packaging, cooking, vacuum packaging during storage) is reduced to the transformation of the commodity form of the service into a monetary one. In this form, the capital of the hospitality industry does not create new value, additional value, and does not transfer its own value to the service in the form of a product.

At the same time, capital expenditures in the hospitality industry must be recouped and profits must be made. In conditions of free competition, the rate of return on capital

of the hospitality industry should be the same as in other areas of the national economy, otherwise there will be an overflow of capital to other areas [119, p. 96-101].

Consider the field of hospitality and its place in the national economy through the system of national accounts, in which the primary sector is agricultural production, fishing, hunting, forestry, mining of minerals and other natural resources, where people directly use natural resources that are partly final and partly intermediate products and are used in the production of goods of other branches of production. The secondary sector includes industrial sectors such as manufacturing, heavy and light industry, construction, supply and transportation of electricity, gas, oil, and water. In this case, workers transform and process natural raw materials obtained from the primary sectors of the economy to meet the needs of the productive and non-productive sectors of the economy and the social needs of society.

The sphere of services forms the tertiary sector, where workers interact with people and production teams, focusing on satisfying needs that are not directly related to production and aimed at satisfying non-material and non-productive human needs. So, this sector combines housing and communal services, transport, communication, trade, tourism, state administration, education, health care, household, engineering and consulting, legal services. It should be noted that hospitality industry services should be highlighted in the tertiary sector as a new segment of the service sector.

Consider the interpretation of the essence of the concept of "hospitality industry" by economists (Table 1).

Table 1

Interpretation of the essence of the concept of "hospitality industry"
economist scientists

№	Interpretation of the essence of the concept of "hospitality industry"	The authors
1.	The hospitality industry is considered as a separate sector of the tourism industry, which provides accommodation for tourists, as well as related industries of trade, catering, entertainment	Wagen L.
2.	Hospitality is a universal tradition of everyday everyday culture, which includes the duty of friendliness and care for the guest, it is a place where travelers can get shelter and food. The hospitality industry combines tourism, hotel and restaurant business, public catering, recreation and entertainment, organization of conferences and meetings.	Walker J.R.

Continuation of table 1

3.	Hospitality - service based on the principles of hospitality, which are characterized by generosity and kindness towards guests. The hospitality industry is a field of entrepreneurship consisting of such types of services that are based on the principles of hospitality and are characterized by generosity and friendliness in the treatment of guests	Webster N.
4.	Hospitality is the secret of any caring service. The care shown in relation to the guest, the ability to feel the client's needs are elusive, but such obvious features in the behavior of an employee. Hospitality is friendliness in receiving and treating lodgers (guests), gratuitous reception and treatment of travelers. The hospitality industry is a collective concept for numerous and diverse forms of business that specialize in the market of services related to the reception and service of guests	Brymer R.A.
5.	The hospitality industry acts as an independent, complex and relatively isolated socio-economic system that involves significant material, financial and labor resources	Skobkin S. S.
6.	The hospitality industry consists of hotels and organizations that produce goods and provide services closely related to the hotel business: tour bureaus; transport enterprises; enterprises for the production of souvenirs; educational institutions of the hotel business profile; information and advertising services; research and project organizations of the hotel business profile; hotels; food enterprises, in particular, the restaurant industry; enterprises for the production of hotel and economic goods (which are necessary for tourists), etc.	Rudenko V.P.

**Source: created by the author based on [120, p. 72-78].*

The hospitality industry as a system of economic relations includes economic relations arising in the process of: provision of services, their distribution by subjects of provision, distribution of limited material, financial and personnel resources and economic relations in the consumption of services. For the effective functioning of the system of economic relations in the hospitality industry, it is necessary to form a set of norms, rules and institutions that determine the economic and organizational-economic relations of the main subjects of management, provision and consumption of services in this area.

The nature of the production forces in the hospitality industry is determined by the division of labor between the subjects of the hospitality industry and cooperation in the provision of services, the construction of logistical connections between final and intermediate services and the subjects of their provision, the creation of multifunctional

enterprises of the hospitality industry, the achievement of a high level of socialization means of production [119, p. 96-101].

It is appropriate to define the sector of the hospitality industry (infrastructure) as a set of enterprises, organizations that produce homogeneous goods for the provision of homogeneous hospitality services or directly perform the same type of hospitality services and use the same technical means and technologies, raw materials and materials and satisfy the homogeneous needs of consumers of hospitality services. The structure of hospitality sectors is defined as a set of sectors that provide material means and directly provide tangible and intangible hospitality services and are characterized by a quantitative ratio and certain relationships.

Hospitality sectors consist of the sphere of material and immaterial provision of services and material production of goods, means of production for the provision of hospitality services. Hospitality, the hospitality industry, hospitality sectors, hospitality services are complex, multifaceted dynamic categories, the structural list of which may change depending on the tasks of hospitality research, as a scientific process of learning objective reality and its practical implementation. The same branches of industry for the production of goods and services can be attributed to the purely industrial sphere and the sphere of hospitality, to tangible and intangible services provided in this sphere of social reproduction. This is due to the fact that hospitality and friendliness should accompany a person in all spheres of life, give him positive impressions, which leads to an increase in the quality of life [120, p. 72-78].

Significant changes are taking place in the world economy, which are associated with globalization, internationalization and integration of economic life. The development of countries' productive forces leads to their entry into the foreign market and the growth of international relations and the intertwining of national economies. The international division of labor was the result of the centuries-old development of productive forces, the deepening of the national division of labor, and the involvement of new national industries in the system of economic relations. International specialization and cooperation of production are forms of its manifestation and main elements [121, p. 234-235].

Globalization factors are those factors due to which there is a spread of direct and indirect relations between subjects of economic activity of all countries of the world, the formation of a single (global) system of world economic relations for the entire world society. Regionalization, on the one hand, stimulates the processes of economic unification of different countries, but, on the other hand, inhibits the processes of world globalization, strengthening the isolation of individual economic groups, and at the same time contradictions and competition between them. Globalization is an inevitable modern phenomenon that can be slowed down by means of economic policy, but which cannot be stopped or canceled, because it is an imperative requirement of modern society and scientific and technological progress [122, p. 9].

The original Latin term "integration" means replenishment and restoration of unity. Cooperation characterizes the form of organization of production, in which a certain number of people jointly participate in one or different, but interconnected processes. Ukrainian scientist-economist V.K. Zbarskyi, analyzing the essence of cooperation and integration, notes that M. Tugan-Baranovskyi and M. D. Kondratyev gave decisive importance to the cooperation of peasant farms, especially supply-marketing and credit cooperation, effective cooperation in cooperative associations of small and medium-sized peasant farms based on the mechanisms of horizontal and vertical integration [123, p. 42 - 45].

Integration is the union of economic entities, a qualitative renewal of their interaction, which makes it possible to reduce production costs due to the specialization of the participants of the integrated structure, as well as enterprises that are connected by a sequence of stages of production, processing, storage, transportation, sale of products and increasing the competitiveness of the supply of raw resources and component materials. Let's consider the interpretation of the essence of the concept of "integration" by domestic economists (Figure1).

Researchers	Interpretation of the essence of integration
Sabluk P.T.	The process of combination (synthesis) of agriculture and industry is based on a set of production relationships
Azizov S.P., Kaninsky P.K., Skupy V.M.	The process of convergence and unification of the branches of agriculture and industry for the purpose of production, processing and sale of products
Kodenska M.Yu.	The process of improving organizational and production structures and economic relations, which is based on organic unity in the economy or a certain region of agriculture, industry or other types of production
Makarenko P.M., Melnyk L.L., Karpenko A.M.	The process of combining different subsystems to achieve tasks, organizational goals, or to integrate individual parts into a single whole of a certain system
Pismachenko L.M.	The form of cooperation, the environment of certain participants in agro-industrial production; mechanism or methods that contribute to the creation of agro-industrial formations

Figure 1. Theoretical understanding of the essence of integration

**Source: created by the author based on [124, 125, 126, 127, 128].*

We will analyze the types and forms of integration processes in production and industrial structures (Figure 2).

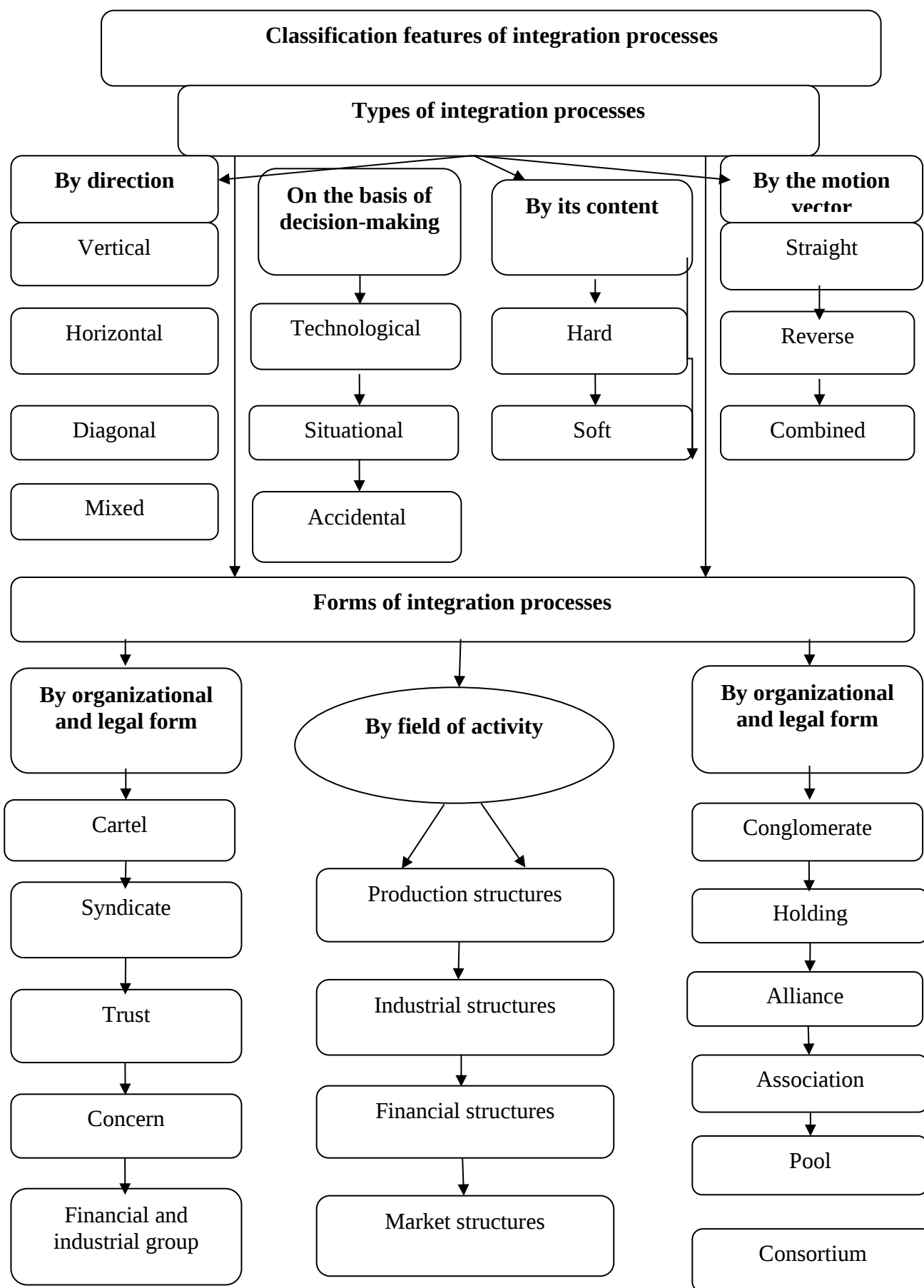


Figure 2. Classification signs of integration processes in production and industrial structures

**Source: created by the author based on [129].*

Integration is the union of business entities, a qualitative renewal of their interaction, which makes it possible to reduce production costs due to the specialization of the participants of the integrated structure, as well as enterprises that are connected by a sequence of stages of production, processing, storage, transportation, sale of products and increasing the competitiveness of the supply of raw resources and component materials.

In figure 2. types and forms of integration processes in production and industrial structures are depicted. In the economic literature, the types of integration processes are classified by direction, by the sign of decision-making, by content, by the vector of movement.

S.V. Ustenko proposes to divide the forms of integration processes by organizational and legal form and sphere of activity [129, p. 57-62]. Based on the study of literary sources and the results of our own research, we came to the conclusion that integration is a complex optimal combination of financial, material and labor resources with the aim of producing competitive products, reducing their cost price and increasing the level of profitability of all participants of integrated formation, as well as expanding jobs for employment of the working population.

Scientists of the NSC "Institute of Agrarian Economics of the National Academy of Sciences of Ukraine divide the types of integration according to the composition of its participants or the main purpose of integration. "Vertical is the integration of enterprises of different spheres of the agricultural industry or the joining of efforts of enterprises of one sphere in order to carry out activities carried out by other spheres of the agricultural industry" [124, p. 179].

Ukrainian scientist economist V.V. Zinovchuk believes that without vertical integration, which is implemented through group actions, agricultural producers have no opportunity to receive profits from the next stages of the movement of their manufactured products. Thanks to participation in vertical integration, the next stage of the movement of products, which takes the form of goods, is able to provide the producer with a greater return on his invested capital. It was determined that vertical integration processes are economically beneficial to the final consumer, which in turn

ensures their public support. With the help of integration methods, agricultural workers have the opportunity to cooperate with suppliers of material and technical resources at favorable prices [130, p. 179].

Interpretation of the essence of vertical integration by foreign and domestic economists is given in Table 2.

Table 2.

Theoretical understanding of the essence of vertical integration

№	Interpretation of the essence of vertical integration	The authors
1.	Vertical integration is used during the merger of enterprises of different industries based on the principle of technological unity of production processes, which are controlled from a single center	Garibov V.V., Ushvytskyi M.L.
2.	Vertical integration is an integral component of the development of production forces at the cross-industry level, which contributes to the industrialization of agricultural production and, in general, more effective provision of the needs of society in agricultural products	Hrytsenko M.P.
3.	Vertical integration is a method by which a company creates (integrates) its own input or output stages of a technological chain	Holstein G.Ya.
4.	Vertical is the integration of enterprises in various spheres of the agricultural industry or unification of enterprises of the same field for the purpose of implementation activities conducted by other areas of the agricultural industry.	Sabluk P.T.
5.	Vertical integration is the integration of enterprises from different spheres of the agricultural industry or the unification of enterprises of one sphere for the purpose of carrying out activities conducted by other spheres of the agricultural industry	Azizov S.P., Kaninsky P.K., Skupy V.M.
6.	Vertical integration involves the unification of product manufacturers of a single technological chain through various mechanisms under a single ownership	Andriychuk V.G.

**Source: created by the author based on [131, 132, 133, 124, 125,134].*

Analyzing the interpretation of vertical integration by domestic and foreign scientists, we came to the conclusion that its essence lies in the unification of enterprises of various industries (agricultural, processing, service, trade organizations) in a single technological chain for the manufacture, processing and sale of competitive products. It should be noted that the direction of integration is determined by the internal content of integration processes, their subject side. Vertical integration by

direction can be production, marketing and complex. Production integration involves the interaction of agricultural and processing enterprises or factories in the cultivation of plant products and the production of livestock products, which are subsequently sent to industrial processing. The subject of marketing integration is the sale of manufactured products and the supply of the necessary means of production. Complex – combines both of these methods.

Types of vertical integration are shown in (Figure 3).

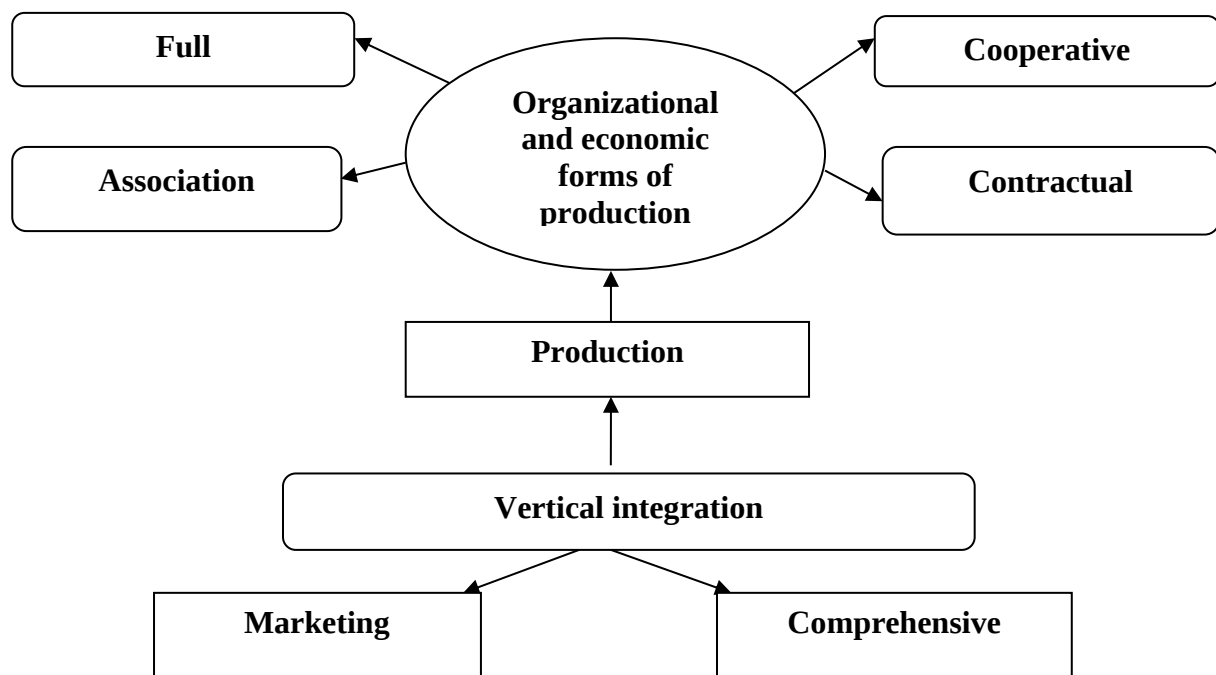


Figure 3. Types and organizational and economic forms vertical integration

**Source: created by the author based on [124]*

In his research, Sabluk P.T. notes that the organizational and economic forms of integration are determined by the economic and legal status of the integrated structure. Vertical production integration exists in the following forms: full – based on means of production that belong to one owner; cooperative – for small owners; associations (associations, concerns); contractual – for legal entities.

There are also other forms of integration: joint stock, partnership, public. With a joint-stock form, a company that performs integration functions is created on a joint-stock basis. Partnership is based on a verbal agreement or documentation. In the public one, the features of an informal public association prevail [124, p. 180, 314].

Economist S.V. Ustenko considers another type of integration and notes that diagonal integration is a combination of business structures that produce various products and are at different levels of their own technological chains, while mixed integration forms business structures on a vertical and horizontal basis. Random integration (or integration according to the principle of "free money") is carried out in order to effectively invest free money, and the object of integration is chosen according to the criterion of "cheapness".

Hard integration introduces the subordination of one company (weaker) to another (stronger) through takeover. In the practice of implementing integration processes, the most common form is soft integration, which uses the principles of financial independence [129, p. 57-62].

Horizontal integration ensures the stabilization of the economic condition of market participants and increases their competitiveness. Its main directions are as follows: production (development of cooperation between partners demarcated by intra-industry technological division of labor), financial (credit, insurance), educational and advisory (exchange of work experience, development of progressive technologies), social (satisfaction of social needs of rural producers).

The highest form of integration is cross-industry, that is, the integration of not individual groups, but of industries as a whole. It can arise as a natural conclusion of intra-branch and territorial integration processes within the product sub-complexes of the agricultural sector. The functions of interdisciplinary structures also change depending on the specifics of the complex and the specific period of development of the national economy [124, p. 198 - 202].

We support the opinion of the domestic scientist-economist T. O. Zinchuk that there are three directions of cooperation of enterprises in an integrated formation: organizational and managerial, economic and technological integration. Organizational and managerial integration is an analysis of the most optimal organizational and legal form of combination, improvement of various management methods: economic, administrative, psychological. Economic integration – implementation of economic laws and incentives.

Technological integration is the combination of separate technological lines and processes into a single entity. The production-technological direction involves the creation of an effective and reliable technological process based on the existing production infrastructure with the help of innovations [135, p. 200 - 204].

Strategies for changes in the internal growth of the organization are shown in (Figure 4).

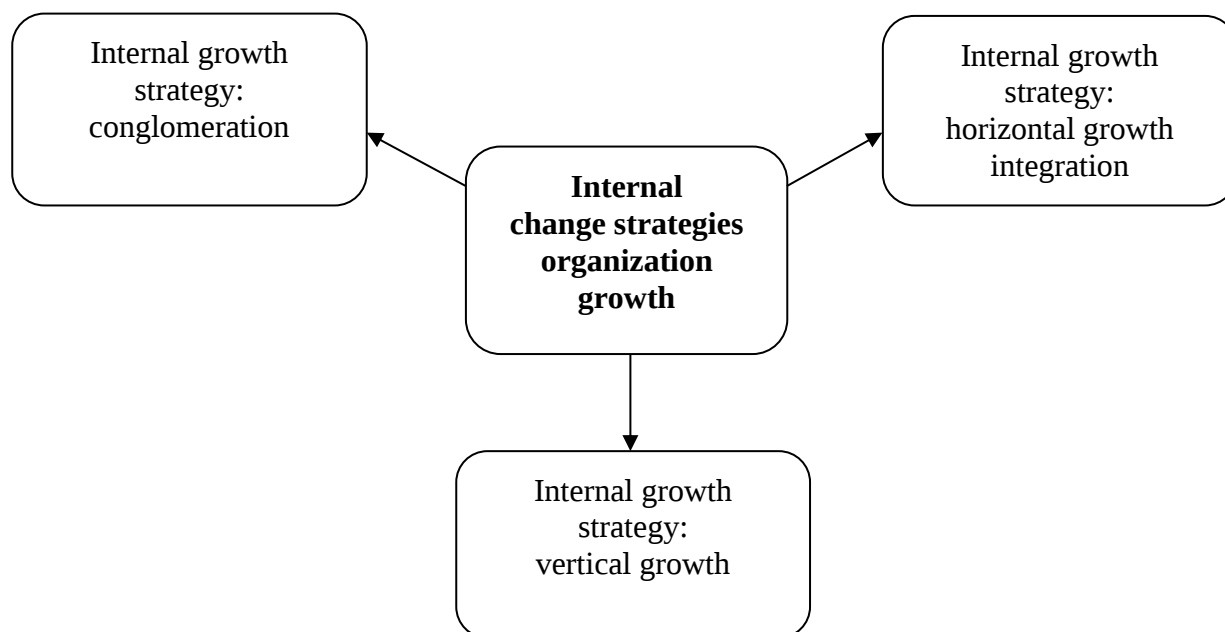


Figure 4. Strategies for changes in the internal growth of the organization

**Source: created by the author based on [130, p. 80-84].*

Scientists also include cooperative structures as soft forms of integration. We agree with the statement of V.V. Zinovchuk that the changes taking place in the activities of cooperatives are connected with their increase. The scientist refers to the main options for changing the organizational structure of cooperatives: internal growth, external growth, conclusion of strategic alliances. Internal growth is characterized by three directions: horizontal growth, vertical growth, conglomeration.

Vertical increase involves the entry of cooperatives into the further stages of the marketing chain of the movement of their own products or supplies. Vertical integration makes it possible to get rid of intermediaries, but at the same time, new problems are likely to arise. Internal growth of cooperatives occurs through

conglomeration. In cases of external growth, there is a merger, merger or acquisition of already existing enterprises [130, p. 80 - 84].

It should be noted that with the development of society, the cooperative movement constantly developed, the main principles of industrial relations between cooperative associations and their structural units were used in practice. These production connections began to be called vertical coordination, and later - integration. As a feature of vertical integration of the cooperative type, it should be singled out that all participants of integrated cooperative associations are owners of material and financial means, manufactured goods, as well as profit obtained in the process of economic activity [136].

We will analyze the activity of another "soft" organizational form of integration of companies that exist in the world economy - strategic alliances. This integrated formation is an agreement on the cooperation of two or more independent firms to achieve a certain commercial goal, to obtain synergy of the combined and complementary strategic resources of the companies. Creating alliances is one of the fastest and cheapest ways to implement a global strategy [137, p. 175 - 179].

Cooperatives join them with the aim of achieving mutually beneficial coordination in certain industries, starting new types of activities, entering new markets, strengthening market power due to reduced competition, avoiding duplication in the provision of services and overlapping service areas [136, p. 83].

In the studies of O. Rodionova and N. Borkhunov, a holding is considered to be a form of shareholder ownership in which the parent (main) company, owning a controlling stake in subsidiary companies united into a single structure, provides itself with management and control over all enterprises that are part of its composition [138, p. 17-18].

Today, integrated corporations operating on the basis of vertical integration have gained great importance in the world economy. Such formations, in which production and financial activities are planned at a fairly high level, are most attractive for investment. A positive aspect of the companies' activity is the high organization of

these structures, with the help of which the state was able to create cooperatives to revive the cultivation of strategic agricultural crops.

Diversified companies are corporations that are combined by a system of participation, production cooperation and engage in entrepreneurial activities in various fields, jointly perform scientific research, implement innovations and cooperate with banking institutions [139, c. 14 - 16].

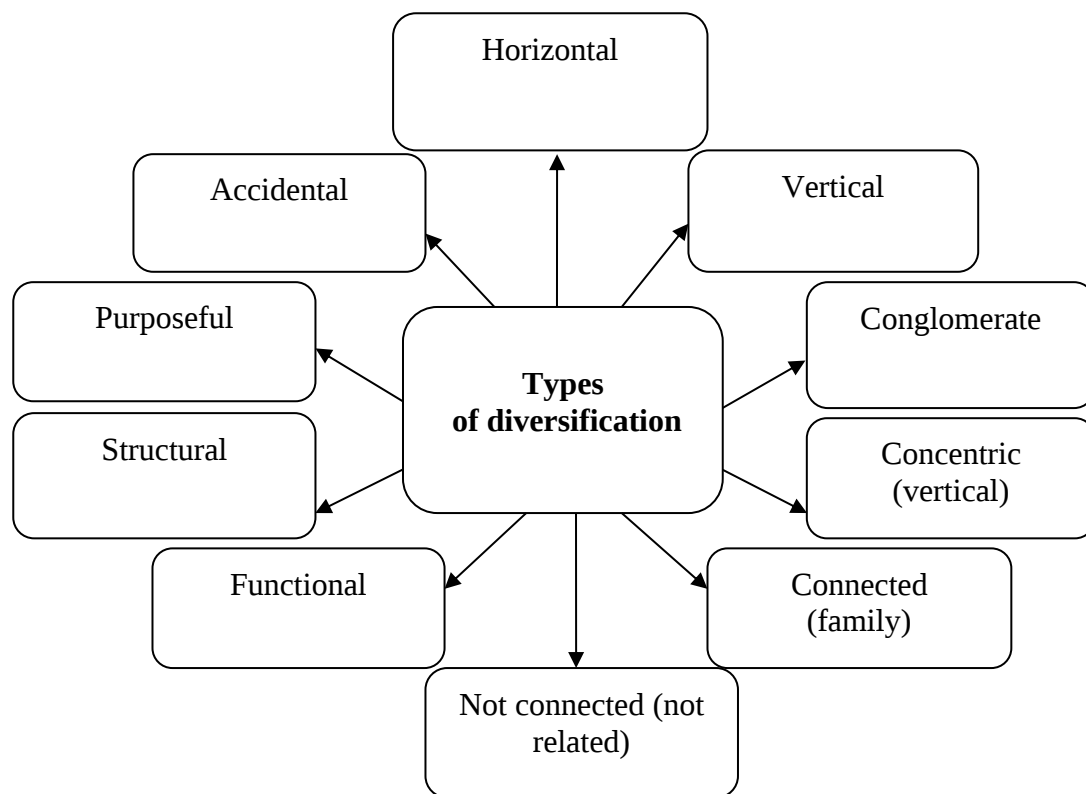
Conventional corporations are less tied to a specific line of business or function. They relatively easily repurpose their activities and maneuver with capital investments when circumstances arise that will affect their profitability [136, p. 38].

Analyzing the activities of vertically integrated structures, we focus on the concept of "diversification", which is reflected in the works of the leading domestic scientist-economist V.G. Andriychuk. According to him, diversification is divided into horizontal, vertical, conglomerate, concentric, related (family), not related (not related), functional, structural, purposeful, random.

For vertical diversification, it is necessary to effectively organize the activities of the enterprise throughout the entire technological chain in such a way as to increase the profitability of production and reduce costs, controlling the main and auxiliary divisions of the integrated formation.

Diversification of production involves both the diversification of the enterprise's activities, its departure from the main business, and the expansion of the existing nomenclature and assortment of products (services). The development of fundamentally new for the enterprise, in the marketing and/or technological aspect, not related (unrelated) to the main production of industries or types of activities (for example, rural green tourism, production of sewing products, construction materials, provision of various types of non-agricultural services, etc.) is worth considered as conglomerate or unconventional diversification.

In the case of the organization of processing of agricultural products, namely: the creation of slaughterhouses and meat processing shops, a mill, and other structural subdivisions, diversification is direct vertical (Figur 5).



Figur 5. Types of diversification.

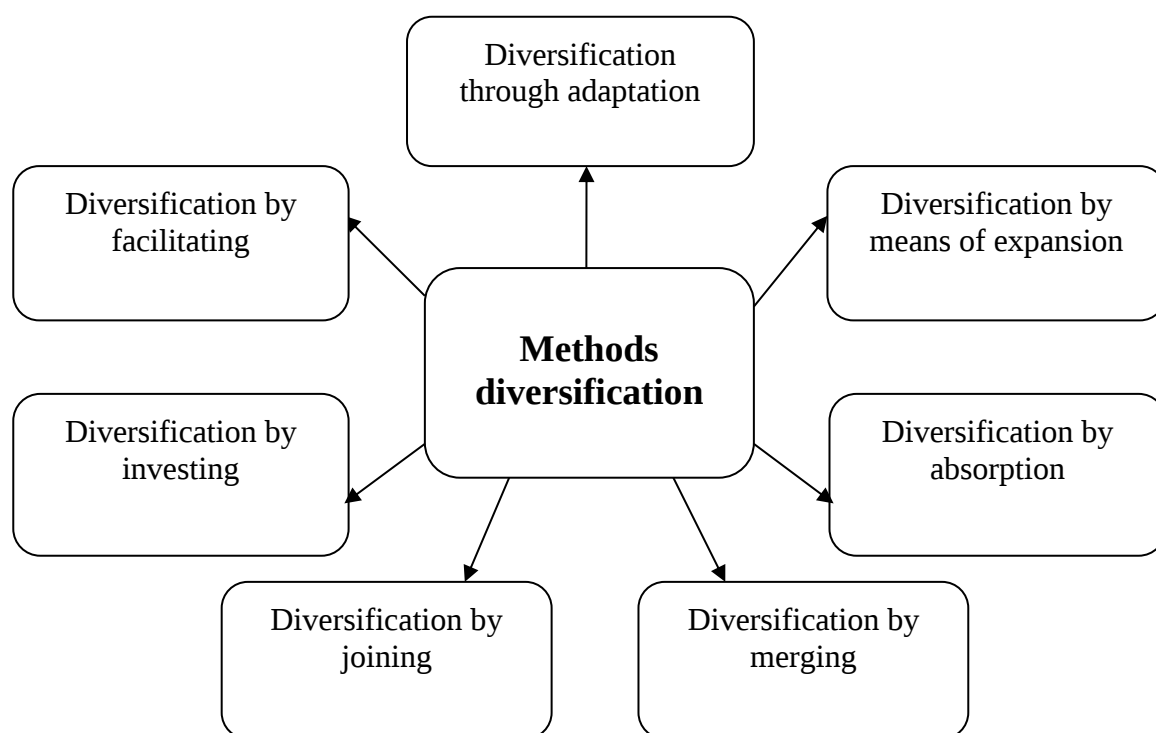
** Source: created by the author based on [134, p. 40-54].*

In other words, vertical diversification takes place in the case of the production of new products, which in their final form will contain the basic product or be a component part of it. In the context of the implementation of the diversification strategy, the main functional strategies that give instructions for the formation of others are marketing, financial and organizational. On their basis, production, technological, personnel and others are developed. Each of the functional strategies is detailed in the relevant programs and plans of the enterprise [140, p. 121-125].

Marketing diversification involves, first of all, the expansion of the company's supply and sales capabilities. Development of markets in other geographical areas is the basis of market diversification. Diversification of sales methods and channels is related to the creation of the company's own trade network, the expansion of marketing levers of promotion and the choice of optimal channels for the sale of its products and services, the organization of after-sales service, in particular, the delivery of products [140, p.121-125].

In their research, domestic economists Mozhevenko T.Yu. and Kamneva A.V. analyze methods of diversification of products and services of enterprises. Diversification through adaptation is the search for the company's internal reserves and their use to overcome negative factors of activity by expanding the company's product range.

Diversification through expansion. It is a process of expansion with an increase in the number of equipment and employees, which leads to an increase in production and a possible increase in the range of products produced (Figur 6).



Figur 6. Methods of diversification of products and services of enterprises

** Source: created by the author based on [141, p. 63-66].*

Diversification through adaptation is the search for the company's internal reserves and their use to overcome negative factors of activity by expanding the company's product range.

Diversification through expansion. It is a process of expansion with an increase in the number of equipment and employees, which leads to an increase in production and a possible increase in the range of products produced.

Diversification by acquisition. This method represents the process of buying a firm engaged in a certain field of activity of the main enterprise.

Diversification through mergers. This method is a merger of companies, as a result of which one more powerful, larger company with a large volume of production and a range of manufactured products appears.

Diversification through mergers. This method is characterized by the direct participation or control of one company over another while maintaining an independent structure from the point of view of management.

Diversification through investing. This method involves the involvement of additional resources in order to obtain a certain advantage in the form of guaranteed supplies of raw materials, receiving income from investments, certain benefits from cooperation with other companies.

Diversification by promotion. This method consists in providing financial and technological support to the supplier (or buyer) in changing diversification (expanding its activities) [141, p. 63-66].

The most common types of diversification are: concentric, horizontal, vertical and conglomerate (corporate). Individual scientists prove the expediency of distinguishing types of diversification depending on the sphere of implementation: production, marketing and finance. There are also common signs of diversification strategy classification according to methods of implementation, the degree of influence on the stability of the organizational structure of the enterprise, directions of implementation, etc. If the agro-industrial formation produces products in excess of the need, and therefore sells half or more of it to other economic structures, then in this case there is an interweaving of vertical integration with diversification of production.

The interpretation of the essence of diversification by economists is given in (Table 2).

Table 2.

Theoretical understanding of the essence of diversification

№	Interpretation of the essence of diversification	The authors
1.	One of the types of business development strategy, which involves certain market behavior related to expansion into new geographic or industry sectors, choosing other or additional types of activities in order to optimize the use of resource potential and minimize risks.	Zbarsky V.K.
2.	This is an expansion of the nomenclature and assortment, a change in the type of products produced by the enterprise, the development of new types of production to increase the efficiency of production, obtaining economic benefits, preventing bankruptcy, taking into account the environmental and social needs of the population.	Malik M.Y.
3.	Diversification in the context of the economic mechanism is a tool for using the advantages of combining, penetration into new highly profitable industries provides compensation for the decrease in profit in the market of some goods due to high profits in other markets. Therefore, diversified enterprises have higher market stability and competitiveness than highly specialized ones, since they are able to pour capital into the most profitable industries.	Shershnyova Z.E.

**Source: created by the author based on [142, 143, 144].*

Domestic scientists-economists of the National Research Center Institute of Agrarian Economics, studying the formation and functioning of the market of agro-industrial products, also pay attention to increasing the competitiveness and social orientation of agro-industrial production based on cluster systems.

According to scientists, agro-industrial clusters on the basis of in-depth specialization and concentration of production, taking into account the land, natural, climatic and spatial advantages of the territories act as peculiar growth points – locomotives of the development of rural areas.

The interpretation of the essence of the forms of associations of large enterprises is given in (Table 3.)

Table 3.

Theoretical understanding of the essence of the forms of associations of large
enterprises

№	Interpretation of the essence of the forms of associations of large enterprises by economists	The authors
1.	A cartel is an agreement (spoken or unspoken) between independent enterprises regarding the implementation of a single price policy, distribution of sales markets, agreement on the terms of exchange of patents, licenses, etc.	Bazilevich V.D.
2.	A pool is a form of integration of organizations unequal in their capabilities, in which all the profits of the participants are collected together and then distributed among them in the order determined within the framework of the cartel agreement.	Bazilevich V.D.
3.	A syndicate is a form of association of enterprises that manufacture homogeneous products, which provides for the preservation of production independence in the event of the loss of the right to independent sales of products.	Bazilevich V.D.
4.	A trust is a business structure in which divisions necessarily lose their legal independence not only in production, but also in the sale of manufactured products.	Bazilevich V.D.
5.	An association is a contractual association created for the purpose of permanent coordination of economic activity. The association is a voluntary association of enterprises based on the main enterprise (as a rule, a processing enterprise) and is a regional organizational form of agro-industrial integration.	Azizov S.P., Kaninsky P.K., Skupy V.M.
6.	A holding company is a form of share capital ownership in which the parent (head) company, owning a controlling stake in subsidiary companies united in a single structure, ensures management and control over all enterprises that are part of it.	Azizov S.P., Kaninsky P.K., Skupy V.M.
7.	A consortium is a temporary statutory association, a form of management based on the cooperation of agricultural and industrial enterprises, as well as banks with possible participation in joint activities of enterprises and organizations of other industries - construction, trade, scientific, etc.	Azizov S.P., Kaninsky P.K., Skupy V.M.

**Source: created by the author based on [125].*

According to the cluster model in agriculture, this is an inter-economic territorial association of not only complementary enterprises, both large agrarian business and small agricultural entrepreneurship, which cooperate with each other to form a closed technological cycle of large-scale production and sale of competitive final products, goods, and services while maintaining legal independence its participants.

At the current stage in Ukraine, there are problems with the implementation of integration processes in the hospitality industry. Effective use of production potential is based on technical re-equipment, increase in labor productivity and, accordingly, increase in competitiveness of the enterprise. Integration processes play an important role in this.

Modern economic development requires structural changes in the construction of economic potential (production, innovation-investment, marketing, information, etc.), it is advisable to add cluster and integration potentials. On June 22, 2022, Ukraine acquired the status of a candidate for membership in the European Union, which opens the way for it to join the European Union.

The new status should help the state to speed up the initiated reforms, getting closer to EU legislation, and to legally consolidate the pro-European direction of the country's development. Since 2007, the European Union has introduced a single instrument of pre-accession financial assistance – IRA (Instrument for Pre-Accession Assistance), aimed at supporting reforms by providing financial and technical assistance.

The total amount of expenditures of the current version of this instrument - IRA III – is about 14.2 billion euros. The priority areas of funding under this program are strengthening the rule of law, effective public administration, "green" energy, economic growth with an emphasis on small and medium-sized enterprises and rural areas, and territorial and cross-border cooperation.

This tool can be used by both EU accession candidates and potential candidates. In addition, Ukraine can get access to individual programs and projects of financial support of the European Union. Investment volumes will depend on Ukraine's progress in legislative reform and the fulfillment of political conditions necessary for further membership of the European Union, the dynamics and quality of which will be carefully analyzed [145].

Ukraine has all the prerequisites not only to become one of the leaders of world tourism thanks to its historical and cultural heritage, but also to become a world health resort, taking into account the natural, climatic and recreational resources. One of the components of the successful development of tourism is modern hotel management. In

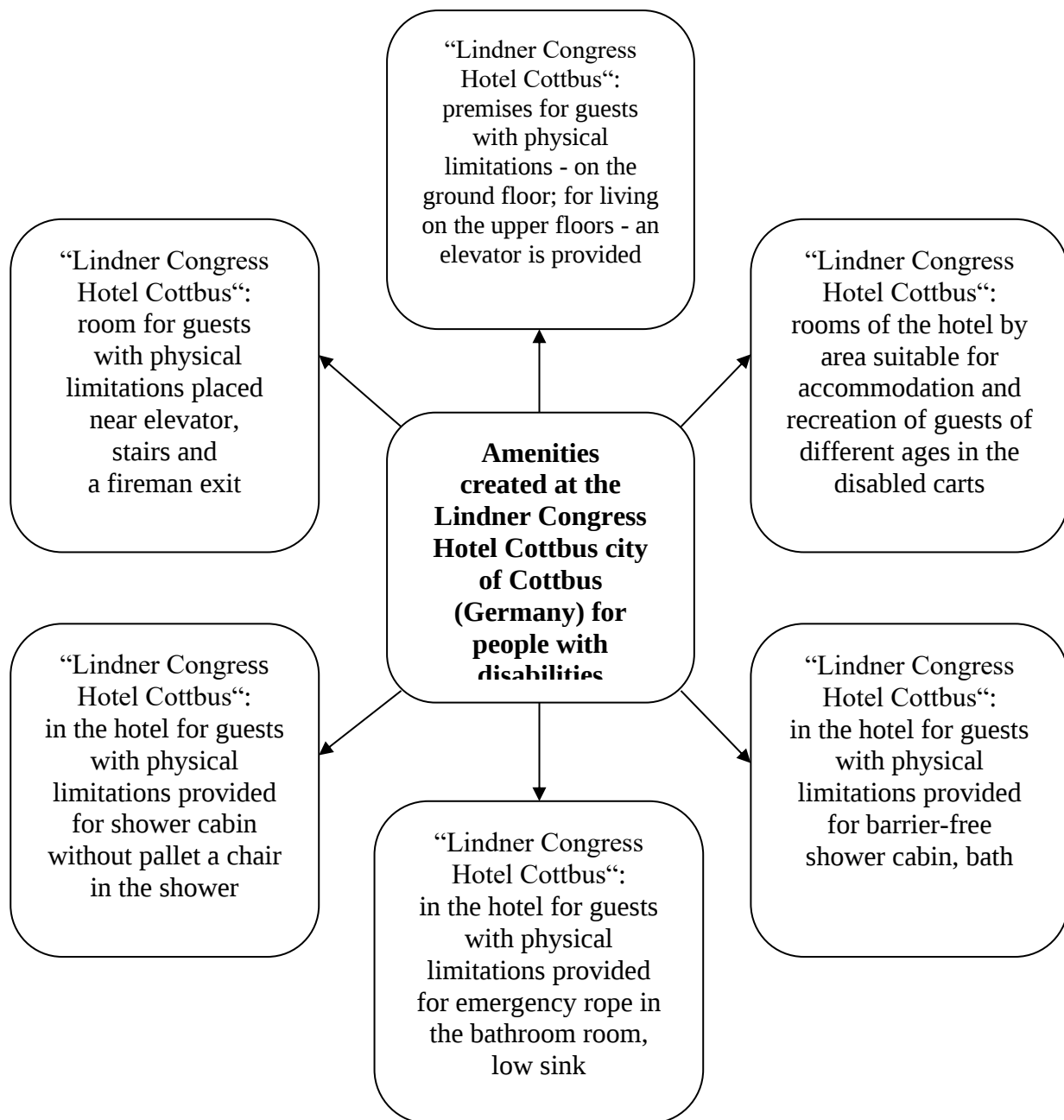
order to provide tourists with comfortable living conditions, it is necessary not only to ensure a sufficient number of accommodation places, but also to create appropriate conditions that will meet modern international requirements.

At the current stage, the hotel business in Ukraine has a number of certain obstacles on the way to its successful development. In particular, the opportunities of Ukraine for the development of tourism and hotel business are not fully used. After all, Ukraine has a favorable geographical position in the center of Europe, unique picturesque natural resources for the development of recreational and health tourism, and a rich historical heritage. In order to attract tourists, it is necessary to restore the historical and cultural heritage of many cities of Ukraine, rebuild and re-equip existing hotels and sanatoriums.

Not the least role in solving this problem is played by the holding of significant international sports and cultural and artistic events on the territory of our state, which will help to interest potential tourists. Another obstacle to the development of the hotel business is the insufficiently high quality of services and the level of customer service in many hotel establishments; there is an extremely small number of competent specialists in this field, in particular, this applies to management and service of the hotel industry.

In the near future, the hotel business will have to pay as much attention as possible to harmonizing national standards with European standards and improving the quality of tourist services. Today, the Hotelstars Union system is widely implemented in many countries of the world, which includes the assessment of such indicators as the size of rooms, the availability of conference rooms, qualified specialists, work with tourists' reviews about the hotel's work, and many others. In total, hotels are evaluated according to 270 criteria.

We will analyze the activities of the 4-star hotel, which is located in the historic central quarter of the German city of Cottbus. The comfortable and spacious rooms of the "Lindner Congress Hotel Cottbus" are equipped with all modern amenities. It is necessary to pay attention to the amenities created in the hotel "Lindner Congress Hotel Cottbus" for people with disabilities (Figur 7.)



Figur 7. Facilities created in the hotel "Lindner Congress Hotel Cottbus" of the city of Cottbus for people with disabilities.

** Source: created by the author based on [147, p.1].*

Since Ukraine has announced a course to join the European Union, the introduction of mandatory categorization of hotels based on the Hotelstars Union system will contribute to the growth of the quality of hotel services, as well as the overall image of our country in Europe. It is also important to take into account that all over the world great attention is paid to the development of inclusive tourism. When building and renovating hotels and similar accommodations, equipping common areas, vehicles, and

venues for events, the needs of people with special needs should be taken into account, because about 2,5 million travelers (about 10%) are persons with disabilities [146].

The development of social spheres requires the creation of equal conditions for all people. This is especially true for people with physical disabilities. Shops and other establishments equipped with ramps and handrails, wide doors and additional amenities allow such people to move and use services without hindrance. That is why the tourism sector is also actively developing in this direction – hotels are becoming more and more convenient for people with disabilities [147, p.1].

Important features of such hotels are: equipped entrance to the hotel; spaciousness of the room; specially equipped bathroom; additional amenities when providing services to hotel guests. The first thing you should pay attention to is a convenient ramp at the entrance to the hotel, convenient wide doors and the location of the elevator.

Hotels that position themselves as "invalid friendly" must ensure that rooms for people with disabilities are spacious, have wide doorways, and have folding handrails near the bed. The bathroom should be equipped with a special mirror and sink, and the shower head should be placed at a comfortable level.

In addition to the usual facilities, such rooms are equipped with emergency call buttons for hotel staff (in case a person needs urgent medical help). There should be at least three such buttons: two in the room and one in the bathroom [147, p.1]. It is important to study the foreign experience of the development of the tourism sector, especially the activities of hotel and restaurant complexes. Creating an accessible environment for people with disabilities will allow them to exercise their rights and basic freedoms, which will contribute to their full participation in the life of the country.

In Ukraine, the issue of rehabilitation of people with disabilities and special categories of the country's population – participants and victims of anti-terrorist operations and anti-terrorist operations – is an acute issue. The main task of the state in relation to a person with a disability is to provide the possibility of full or partial recovery of abilities for everyday, social and professional activities. Under such conditions, "inclusive tourism" creates the basis for the restructuring of society's

culture, its rules and norms of behavior, acceptance of all aspects of life and personal differences and needs of persons with disabilities due to their close, fruitful relations with healthy persons in modern society.

Full and effective integration of persons with disabilities into the life of society is possible under the conditions of elimination of barriers at various levels: institutional, architectural, mental, physical, informational, in the educational space, in the recreational sphere [30].

7.2 INTERNATIONAL MARKET OF SERVICES

At the current stage, we are observing a fairly effective development of one of the main forms of international economic relations - international trade in goods and services. The international market of services occupies a leading place in the processes of development and transformation of the world market caused by globalization. The service sector is constantly and dynamically developing, creating jobs and bringing significant profits to the countries of the world.

The most important economic feature of the post-industrial system is the formation of a society based on the production of services and information, and the technological base for transformation is a qualitatively new role of science and theoretical knowledge. In the conditions of globalization of the world economy, the sphere of services acquires dynamic development and becomes one of the influential factors that depend on the growth of the economy, the increase of the country's competitiveness on world markets, and the improvement of the well-being of the population: services, communication services, construction and engineering, educational, environmental, financial, medical, services in the field of tourism, recreational, cultural and sports, as well as transport services [149, p. 33-37].

The structure of modern post-industrial economy includes three parts: production; Service Industries; Agriculture. In the conditions of post-industrial globalization in developed countries, the most significant of these three elements is the post-industrial

service sector. The sphere of services acts as an activity for the provision of various types of services.

The sphere of services can be structured into: technical; construction, social services. The entire service sector can be studied as an activity to support the efficiency, adaptation and development of the technosphere, the economy and the social sphere. At the same time, as you know, in the past, the technosphere was called a part of the biosphere, transformed by people into technical and man-made objects that make up the environment of settlements.

We agree to call the sphere of services the activity of social services aimed at supporting and prolonging life, creating more comfortable and safe living conditions for the population, meeting the cultural, social and everyday needs of the population. A service is any event, activity or benefit that one party can offer to another party and that is basically intangible and does not lead to ownership of anything.

The sphere of social services and social service as a rather complex socio-economic phenomenon is the object of study of various sciences: economics, marketing, management, sociology, law, informatics, psychology and other sciences. However, in general, the theory of the service sector has not yet been developed.

Thus, at the conceptual level, it is emphasized that the restaurant business simultaneously acts as part of serviceology and the science of restaurants, their functioning and socio-economic significance. At the same time, there is a need to develop theoretical aspects of the field of restaurant services, starting with scientific foundations in the form of defining the essence and specifics of this type of service.

The service sector is a part of the economy that includes the synthesis and provision of all types of commercial and non-commercial services. In modern economies and societies, the service sector is becoming an increasingly important element of both the economy and social life. This area is accelerating growth and becoming a key sector of economic development and a non-commercial sector. Therefore, it is the service sector that makes up the main part (60-80%) of the economy in economically developed countries.

Restaurant services are part of the public catering system, which has an important economic and social significance. With different approaches, the field of restaurant services can be defined as a part of the economy, which includes all types of commercial and non-commercial services to ensure temporary residence of people in various life and work processes, and as a consolidated generalizing category, which includes the reproduction of various types of hotel services.

Despite global challenges and the polar division of the world, the share of the planet's inhabitants who have sufficient opportunities and consider it necessary to explore the world's tourist attractions is increasing. With the help of an important structural element of the international service market - tourism, travelers can change previous ideas about threats and challenges on our planet and offer possible conditions for solving crisis phenomena [150].

Consumers of tourist services analyze a certain segment of the market and choose the right continent, region, country, city for rest, recovery, scientific research, which provide an emotional component to increase individual, group or corporate productivity in the future. Every trip, hike is a way out of one's comfort zone, a desperate leap into an unknown world. A complete change in the surrounding environment, a change in living conditions and food, getting to know new cultures allows you to look at your life from a different angle, to get to know yourself and your capabilities better.

Traveling around the world, travelers have the opportunity to visually perceive sunrises in the mountains and sunsets over the sea, sandstorms in the desert and giant waves in the ocean, natural wonders and monuments of past eras. This gives them unforgettable emotions and serves as an additional impetus for creative and innovative ideas [151].

The structural development of the innovative model does not meet modern challenges and the most important global trends. In addition, the regulatory mechanisms used in the field of foreign economic activity of our state deform the economic environment in which enterprises have to work, as a result of which the development of the country's export potential is restrained.

Improvement of the state system of support and stimulation of the development of this potential, which should take into account accumulated international experience and be focused on reducing the cost of access to development resources, providing modern infrastructure based on the latest information technologies, and creating a business environment favorable for strengthening the export expansion of national manufacturers.

Qualitative features of the post-industrial economy, the knowledge economy, are as follows: the pace and scale of scientific and technological progress is such that changes in the material base of production and the quality of labor resources do not keep up with the growth of scientific and technical capabilities.

Accordingly, the requirements for the efficiency of information collection and processing, marketing research, advertising, i.e., for the types of activities whose main resource is knowledge, have increased; the role of management in the region of intellectual resources has significantly increased.

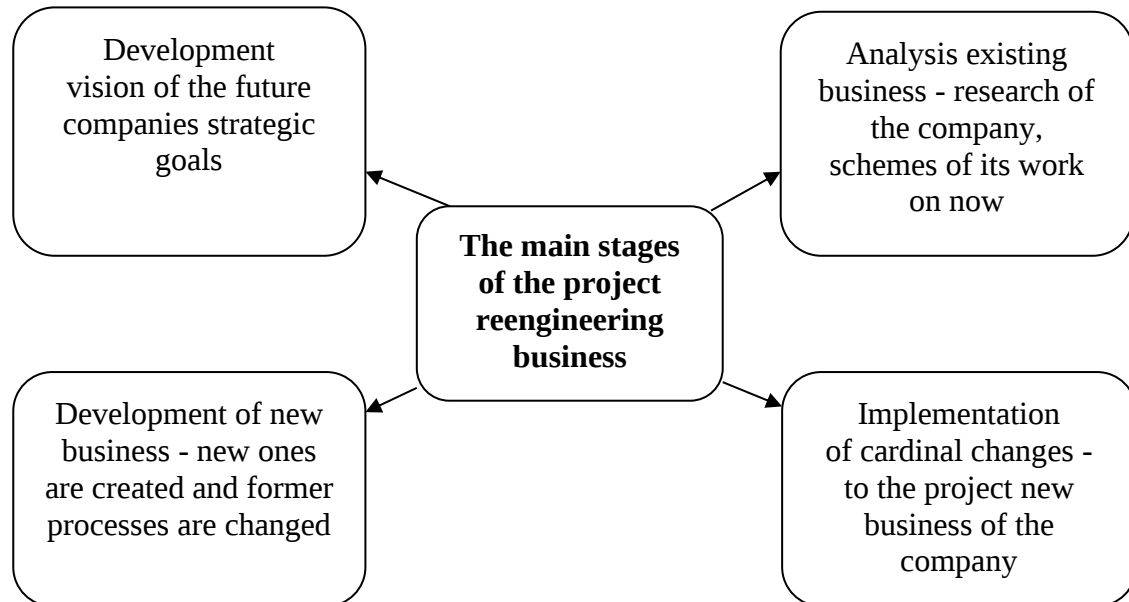
The system of organizing innovative activities at Ukrainian enterprises should not be limited to their own R&D (research and development works, but, on the contrary, should be oriented towards constant external monitoring, the search for innovations in the global information space, the evaluation and acquisition of new technologies necessary for their intensive development [152, p. 53-56].

The international services market combines international financial services (international leasing, factoring, franchising), international tourism, the international market of professional services and international consulting, engineering, reengineering, bioreengineering.

Consulting is a type of international activity in the provision of services, which is carried out by specialized firms of one country in the form of providing advice to states, manufacturers, sellers and buyers of other countries on a wide range of issues in order to conduct successful commercial activities.

There are companies that specialize in providing combined services, auditing plus consulting or legal combined with consulting, etc. This type of service also includes training and professional training of the customer's personnel [153, p. 12-16].

Thus, before applying a certain methodical approach to functional changes at the enterprise, it is necessary to identify the tools for redesigning business processes, highlight their characteristics, and align the enterprise's goals with the desired results. Let's consider the main stages of the business reengineering project (Figur 1).



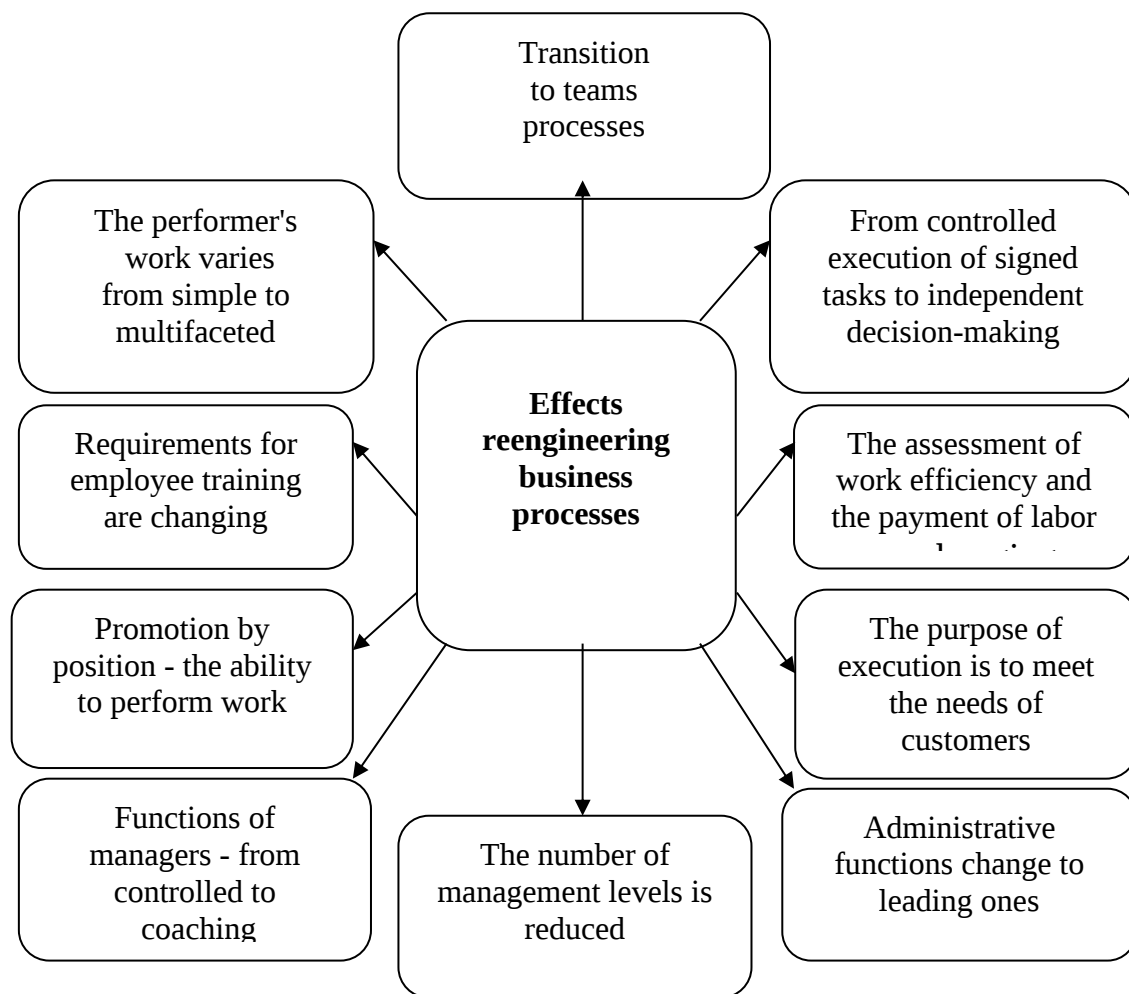
Figur 1. The main stages of the business reengineering project

**Source: created by the author based on [154, p. 121-126].*

Reengineering has a wide scope of application and is closely intertwined with other business process redesign tools and differs in the degree of coverage of multi-directional processes and functions, depends on the scale of changes occurring in the enterprise and application for any direction of entrepreneurial activity [154, p. 121-126].

In the new enterprise, customers are not below, but on the side of production, as if they were equal partners; direct executors interacting with customers are process operators, middle-level managers are heads of groups responsible for relevant processes (process managers) [155, p. 101-102].

Consider the consequences of reengineering business processes (Figur 2).



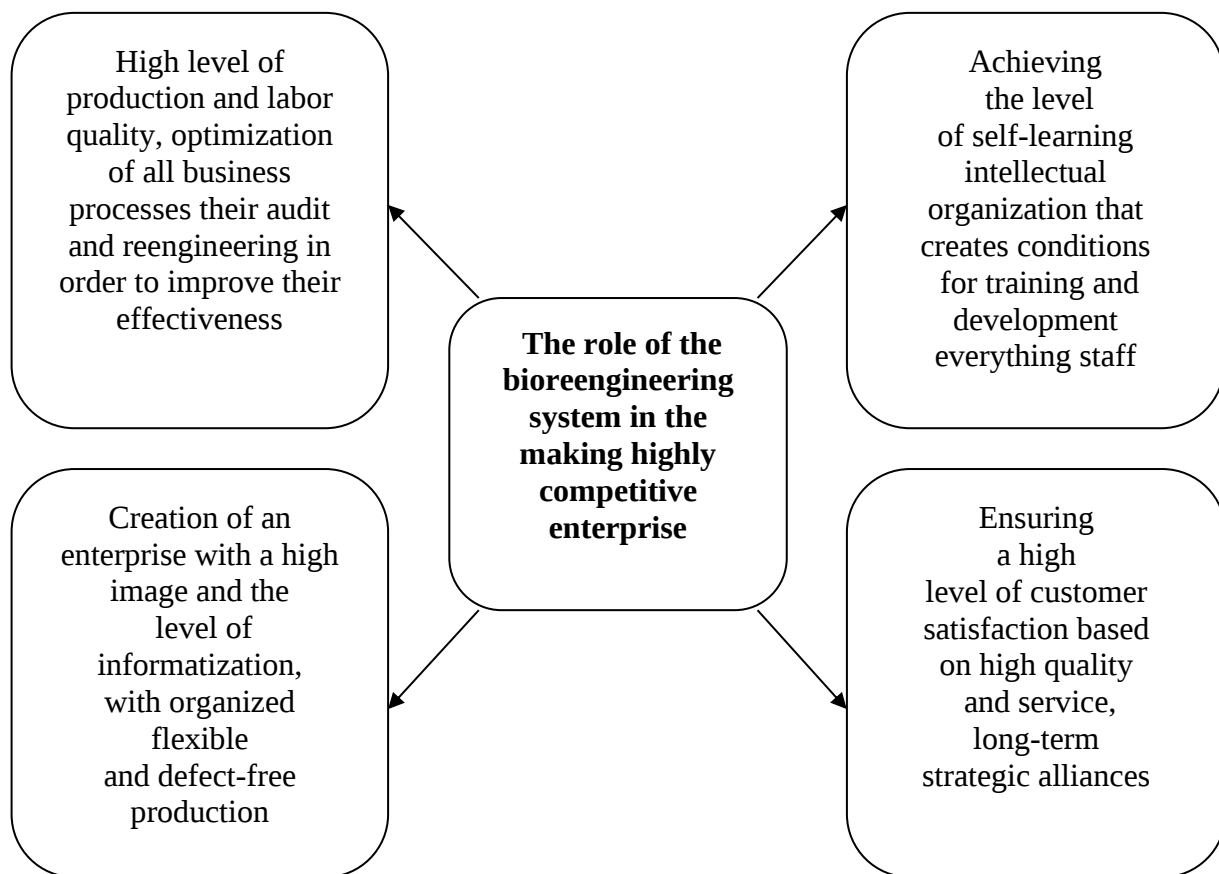
Figur 2. Consequences of business process reengineering

**Source: created by the author based on [155, p. 101-102].*

One of the types of engineering is bioreengineering. Bioreengineering is an organized design of the genetic architecture of an enterprise (as a living organism), which is achieved as a result of simultaneous work in the directions of consciousness transformation, restructuring, revitalization, renewal.

This is a fundamental rethinking and design of the organization's business processes in order to achieve radical changes in the main indicators of its activity, such as cost, services, pace, quality.

The role of the bioreengineering system in creating a highly competitive enterprise is shown in (Figur 3).



Figur 3. The role of the bioreengineering system in creating a highly competitive enterprise

**Source: created by the author based on [155, p. 101-102].*

This approach is based on the positions of key process management, transfers tasks from the purely management area to the sphere of system analysis and modeling and allows creating a competitive enterprise using the bioreengineering system.

Therefore, the study of tools for redesigning business processes is quite relevant at the current stage for optimizing the activities of business structures in Ukraine. The main part of international business is global companies that do not have a clear national orientation and it is within the framework of which the international movement of capital takes place.

When creating a global strategy, the TNC must solve two problems: to rationally place production, taking into account the peculiarities of individual countries, and to organize the coordination of the activities of all links of the corporation (production, sales, service, marketing) to achieve a specific result - an increase in sales volumes.

The choice of production location scheme depends on many factors, namely: the specifics of the products, the role of transport costs when delivering products to other countries, the need to take into account national policy in countries where national production is encouraged.

The success of the global strategy of the TNC depends not only on the rational placement of a specific type of its activity in different countries, but also on the organization of the entire activity of the corporation, its ability to quickly master the production of new products in the country of origin and abroad, as well as the use of modern marketing methods.

As a result of transferring part of the production process abroad, TNCs have the opportunity to use competitive advantages and the resource base of many countries. The recipient country receives financial infusions through direct foreign investments, there is an acceleration of attraction of the latest technological achievements, management experience, the state budget receives revenues through the collection of taxes from business entities.

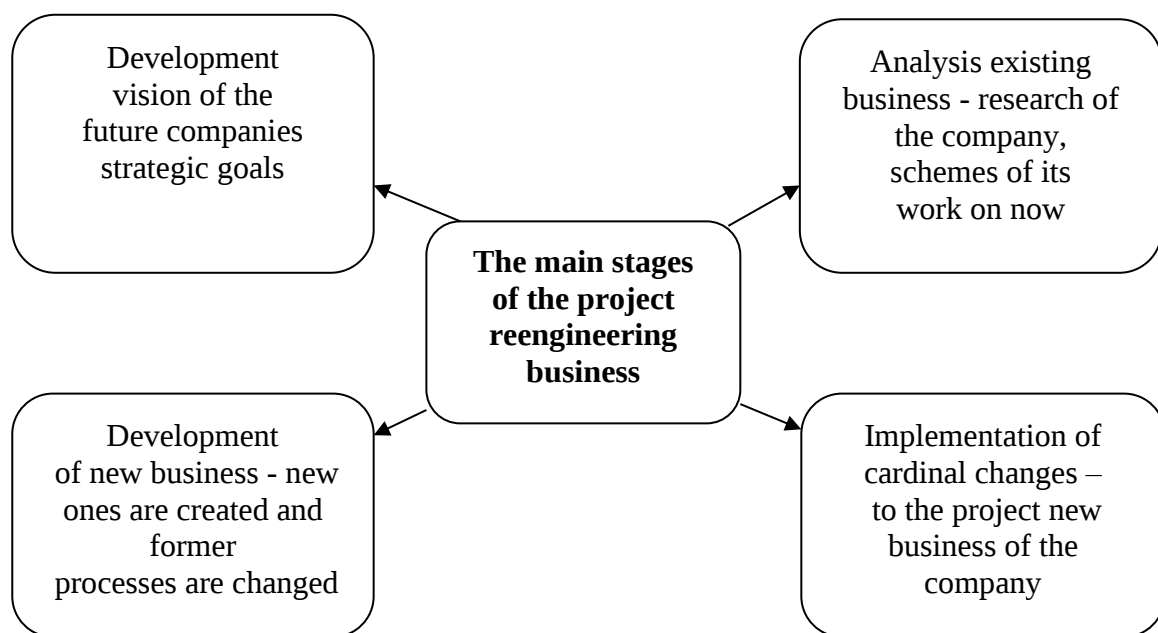
The parent company faces a number of opportunities and threats. Of course, having capital, it is advisable to place it in those countries where the return will be maximum. The geographically diverse orientation of the activities of TNC divisions of different countries makes it possible to reduce transaction costs due to the use in one's own interests of the features of state policy, in particular, tax legislation, differences in currency rates, etc.

TNCs are less vulnerable to the processes of global development asynchrony and economic crisis phenomena, because during periods of reduced business activity in a certain country, the TNC uses the support of its branches in states that are not affected by the crisis. Flexibility is an absolute advantage of TNCs over enterprises that operate exclusively on national markets.

It is necessary to justify such a new model of economic development, which would embody a unique form of synthesis of national socio-cultural foundations and effective forms of management of foreign experience. This new requirement reflects the specifics of the functioning of separate and compatible economic relations not only

based on taking into account internal business conditions, but also external conditions generated by globalization.

The main forms of separate and compatible relations of large and small enterprises are subcontracting, franchising, venture lending, as well as leasing, factoring, forfeiting. An equally important incentive is the opportunity to carry out full-fledged large-scale advertising for minimal costs. Let's consider the main stages of the business reengineering project (Figur 4).



Figur 4. The main stages of the business reengineering project

**Source: created by the author based on [154, p. 121-126].*

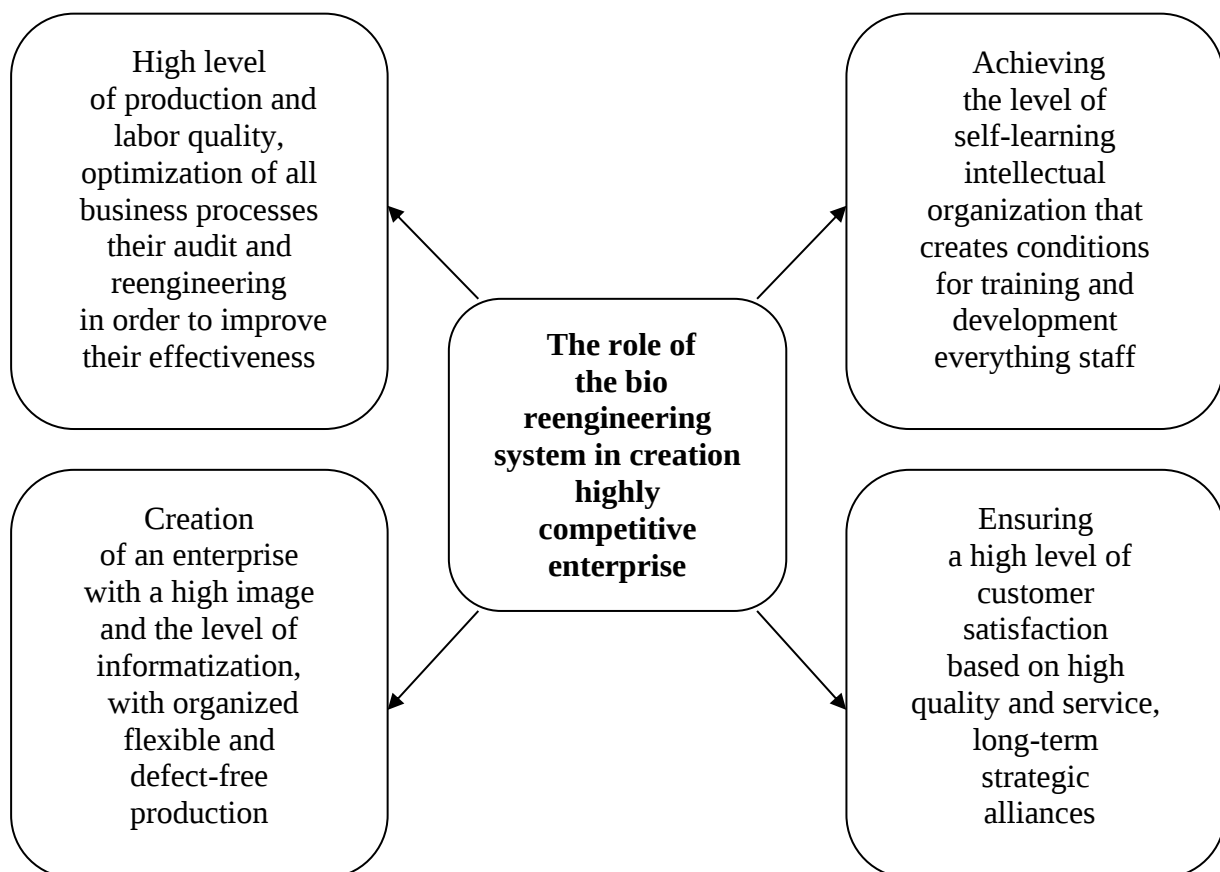
Reengineering has a wide scope of application and is closely intertwined with other business process redesign tools and differs in the degree of coverage of multi-directional processes and functions, depends on the scale of changes occurring in the enterprise and application for any direction of entrepreneurial activity [154, p. 121-126].

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This new requirement reflects the specifics of the functioning of separate and compatible economic relations not only based on taking into account internal business conditions, but also external conditions generated by globalization. The main forms of separate and compatible relations of large and small enterprises are subcontracting, franchising, venture lending, as well as leasing, factoring, forfeiting.

An equally important incentive is the opportunity to carry out full-fledged large-scale advertising for minimal costs. Franchise consulting services include a forecast of the franchisor's income level and an assessment of possible risks. Companies specializing in this type of consulting services necessarily have lawyers on their staff who consider cases of protection of intellectual property rights. Specialists provide the business owner with proposals related to the adjustment of the main company's (franchisor's) work organization, taking into account the implementation of franchising.

Franchise consulting also includes services for adapting the franchise concept to regional markets. Consultants, after conducting an analysis of the feasibility of using franchising in a separate region, provide recommendations on choosing the most effective type of network. If the company plans to enter international markets, the consultants recommend working according to the master franchise scheme - the franchisor sells exclusive rights to develop the franchise network (selling franchises and supporting franchisees).

Companies specializing in franchise consulting provide consulting services not only to Ukrainian business participants, but also to foreign ones. Most often, foreign

franchisors order services related to the adaptation of the franchising concept to the realities of the Ukrainian market [156, p. 18-20].

In the case of franchising, an entrepreneur can independently choose the direction of activity, the number of franchises, etc. and thus diversify the risks of franchising activities in order to create stable profitability in any crisis. Franchising has a number of advantages that allow you to reduce operating costs and increase the efficiency of production activities, which is especially important for Ukraine in modern conditions.

For a fixed fee, the franchisee receives qualified assistance, which is otherwise too expensive for him. Consequently, the franchisor hires less administrative staff, which reduces its salary costs, while profitability increases, because franchisees have a greater incentive to achieve better results than an employee [157, p. 22-25].

When choosing a franchise, it is necessary to pay attention to the following information, which must be provided by the franchisor, namely: the history of the development of the brand; the concept of franchise network development; positive and negative experience of the franchisor. Franchise information: availability of trademark registration and know-how in Ukrpatent; the size of the lump sum (royalty); capital investments; requirements for the premises and its location; advertising and consulting support provided by the franchisor; product order frequency, terms of delivery; availability and content of the franchise package.

After all the information has been analyzed, the buyer should research in more detail the information about the franchise offered to him, as well as resolve all the issues that arose with the franchisor. At this stage, all available sources of information regarding the object of purchase should be used. If the entrepreneur is unable to independently assess financial responsibility, he should consult with specialists. Also contact consulting companies, Internet data, industrial exhibitions, various information and consulting centers [158, p. 63-69].

Franchising is a capital mobilization activity that attracts capital investment from investors seeking to become co-owners of any business, with the total amount of capital investment far exceeding the amount that could be obtained from traditional sources, equity or equity capital. Franchising provides an opportunity to start your own

business, using the experience, knowledge and support of the franchisor. In order to solve a number of problems that arise in connection with the action of external and internal factors, it is necessary to lobby the Verkhovna Rada for the adoption of laws on franchising; creation of a control body for the activity of this market; introduction of a training program for training specialists in the field of franchising; making it possible for franchisees to use a simplified accounting system [159, p. 22 - 25]. F

Franchising is a business organization in which an enterprise (franchisor) transfers to an independent person or enterprise (franchisee) the right for the sale of the company's product or services. The franchisee undertakes to sell the product or services in advance according to established laws and business rules established by the franchisor. In exchange for fulfilling all the rules, the franchisee receives permission to use the name of the enterprise, its reputation, product and services, marketing technologies, expertise and support mechanisms [160].

The franchising system has a whole list of advantages that allow more efficient organization of economic activity with lower costs, which will increase the competitiveness of the domestic economy. Franchising is aimed at obtaining new products, technologies and services; production, marketing and management; transition to new organizational structures; application of new types of resources and approaches to the use of traditional resources.

Scientific and technological forecasting aims, first of all, to study the possibilities that can be realized. The forecasted plan of scientific and technical development of the company, first of all, should be specified on such an important aspect of R&D, as a justified distribution of all types of resources between scientific fundamental research, research and development and technological training of the company. Networks are a real phenomenon today, their types are developing and acquiring new characteristics [161, p. 70-72].

The positive thing is that in the case of franchising, an entrepreneur can independently choose the direction of activity, the number of franchises, etc., and thus diversify the risks of franchising activities in order to create stable profitability in any crisis. Franchising has a number of advantages that allow you to reduce operating costs

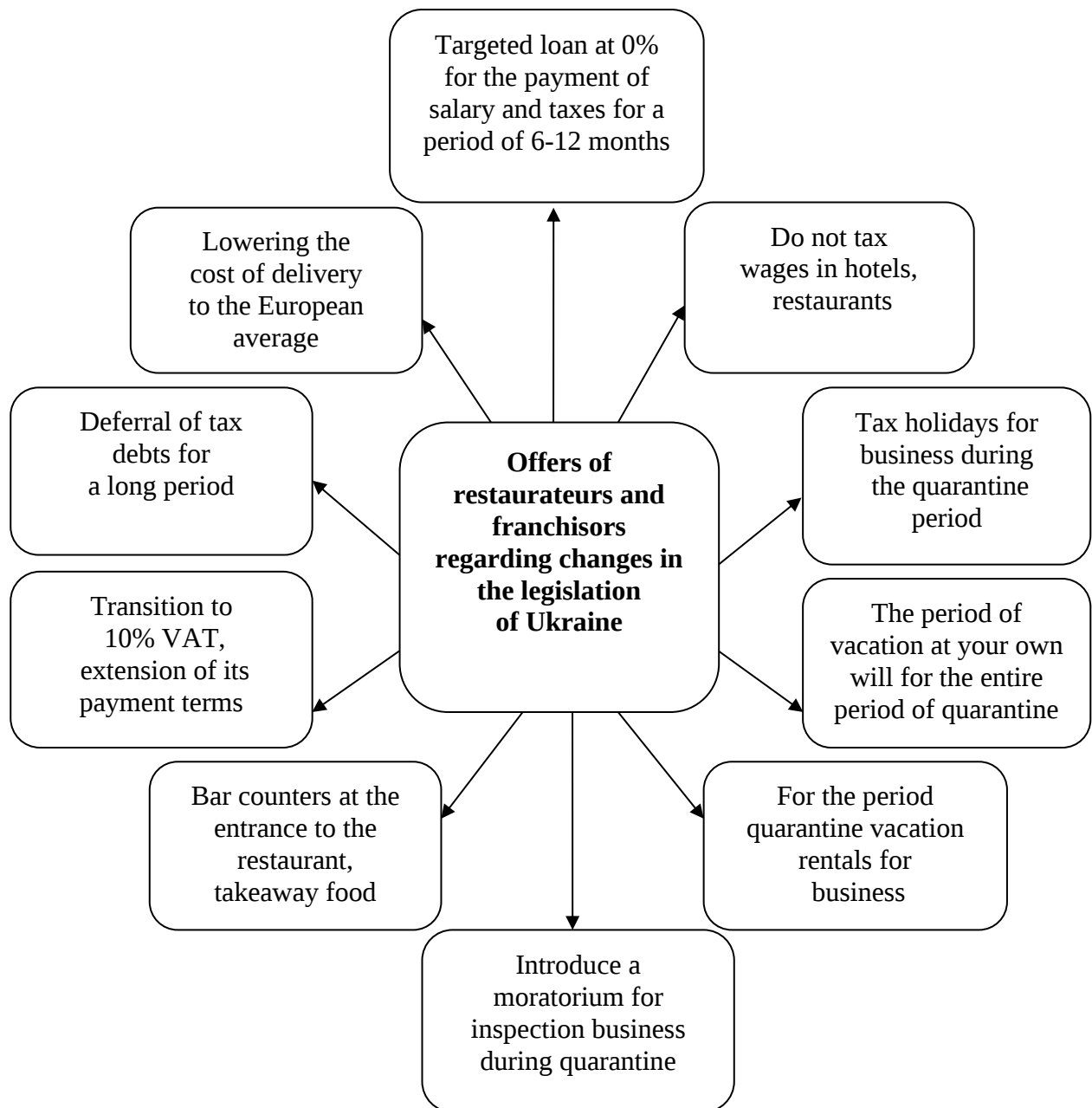
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The Covid-19 pandemic and quarantine restrictions brought significant transformational changes to the nature of the development of the restaurant services market – a decrease in profits, mainly in middle-class establishments, provoked a sharp drop in demand for the services of hospitality industry enterprises and increased their competition. Restaurants found themselves in a critical situation, facing a complex of new problems that must be solved in order to stay on the market. Solving these problems is inextricably linked to changing the market strategy in the conditions of European integration.

The needs for inexpensive family restaurants (the so-called middle price group), to limit the maintenance and creation of both cheap dining rooms and snack bars, and expensive restaurants and cafes, have been clearly outlined. The specified aspects require restaurateurs to work purposefully on the image of the establishment, its maintenance in order to maximally satisfy the needs of visitors according to the average price policy. Restaurateurs must be convinced of the rational use of their own funds [164, p. 181-196].

The proposals of restaurateurs and franchisors of Ukraine regarding changes in the legislation of Ukraine in connection with the COVID-19 pandemic are shown in (Figur 7).



Figur 7. Proposals of restaurateurs and franchisors regarding changes in Ukrainian legislation in connection with the COVID-19 pandemic.

**Source: created by the author based on [163].*

Ukrainian writer Bohdan Oslavskyi, researching "10 successful Ukrainian brands", noted that brand founders analyze their own development strategies, methods of overcoming crisis situations and key points that allowed them to stand out from their competitors. It is necessary to pay attention to the Holding of emotions "!"FEST" – a network of creative restaurants and conceptual projects, founded in 2007. The holding

has 18 restaurants in Lviv (the most famous are "Kryivka", "Gasova Lampa", "Lvivska Kopalnya Kava"), as well as 13 "Lviv Squares" establishments and 37 Lviv Chocolate Workshops in Ukraine.

The latter is also in Poland, the Czech Republic and Azerbaijan. In addition, it is worth noting that the Holding of emotions "!"FEST" is a partner in the development of Stry Lev Publishing House, Ukrainian polo clothing "AVIATSIYU HALYCHYNY" and a significant number of other unique projects [165, p. 7-22].

So, at the current stage, the concept of "holding" is quite relevant, multifaceted and historically determined, therefore it denotes groups or associations of enterprises in which their members are economically dependent and in a relationship of control – subordination to one of the participants. The first independent feature of the holding should be called a special subject structure. Thus, one of the enterprises is called the main, managing parent or holding company.

The next important feature of the holding is the complexity and diversity of the structure. Thus, there are simple holdings, that is, those that are a holding company and one or more subsidiaries controlled by it (which are said to be “sister” companies to each other), and complex holding structures, in which the subsidiaries themselves act as parent companies in relation to other companies.

The analysis of the research of theoretical materials on the essence of the holding form of the organization of international business revealed a set of advantages of an organizational-management, market-competitive, technological-innovative nature, which causes a quantitative increase of TNCs as a form of entrepreneurial activity, as well as an expansion of the field of their management. Highlighting the main trends in the development of international holdings in the modern economy, it should be noted about the growth of the share of companies working in the service sector and the strengthening of the activity of powerful holdings based in developing countries.

Analyzing the conditions for the creation and functioning of the Holding of emotions "!"FEST", various projects, such as the Festival of craft beer and vinyl music, the question arises, what exactly is a craft product? There is "LOCAL to GLOBAL" – a specialized business platform where producers of farm and craft products get the

opportunity to present their own products; find new customers; expand sales markets; learn about effective business scaling tools from leading industry experts (government development programs, international grants, investment projects and financial opportunities).

"LOCAL to GLOBAL" was created as part of the international exhibition of effective solutions for agribusiness "AgroKomplex 2019". The main goal of the exhibition organizers is to facilitate the access of small and medium-sized producers of quality products to the global market. By gathering producers of products in one place, the organizers present the wealth of the Ukrainian people, its colorfulness and progressiveness. By popularizing local brands, they create new trade opportunities both in domestic and foreign markets. After all, "LOCAL to GLOBAL" was created to open the world of national producers [166, p. 1].

The environmental management system does not deal exclusively with the environmental aspects of production processes. They relate to relationships with suppliers, contractors, products or services, performance of work, consumers and other interested parties. A systematic approach to environmental management can provide the highest management with information that will be useful for achieving long-term success and acquiring opportunities that will contribute to sustainable development by preserving the state of the environment, preventing or reducing adverse effects on it; reducing the potential adverse impact and environmental conditions on the organization of its employees and residents of the settlements where it is located; assistance to the organization in fulfilling mandatory compliance requirements; increasing environmental efficiency; controlling (or influencing) the methods of development of the organization's products and services, their manufacture, distribution, consumption and disposal, taking into account aspects of the expected life cycle, which will contribute to preventing the impact on the environment from an unpredictable transition from one stage of the life cycle to another during the entire life cycle; achieving financial advantages and advantages in functioning, which may be a consequence of the introduction of environmentally sound alternative approaches that

strengthen the organization's position on the market; exchange of environmental information with interested parties.

Information about interested parties, their needs and expectations is of great importance for planning, operation, monitoring and improvement of the management system and its processes, provides great help in determining the context of the organization and managing its risks and opportunities. Feedback from stakeholders can help an organization determine what and how to improve the organization. The "Stakeholder Analysis" (interested persons) method is common. Stakeholder analysis is better conducted by brainstorming, in which not only company employees can participate.

Stakeholder analysis consists of the following main stages: identification of stakeholders, analysis of the influence and interests of stakeholders, development of tactical actions for stakeholder management. Stakeholder opinion must be taken into account when identifying risks and opportunities for improvement. The organization must keep such information up-to-date through regular monitoring and analysis. To carry out an organization assessment, it is necessary to formulate the key needs, interests and expectations of the identified interested parties, and then analyze the role of each interested party and determine its significance [167].

We will analyze the activities of the chain of eco-restaurants and hotels "Batkivska Khata", which unites the following restaurants: "Batkivska Khata", "Kropyva", "Kyivska Rebernya", "Chef-bar", hotel complex "Yatran", cafe chain "Varenyki", "Mr. Cheburek" and others.

In order to provide restaurants with natural fresh products, our own closed-cycle agricultural production was started, from where dairy products, meat, vegetables, fruits, greens, etc. are specially supplied to "Batkivska Khata". Confectionery and bakery products, both for restaurants and to order, are made in our own confectionery workshop. Farm workers prepare ecological products for use in the winter: jam, dried berries for compotes, jelly, uzvars and morsas, as well as: cucumbers, cabbage, tomatoes, mushrooms, apples, watermelons. In the dairy shop of the integrated

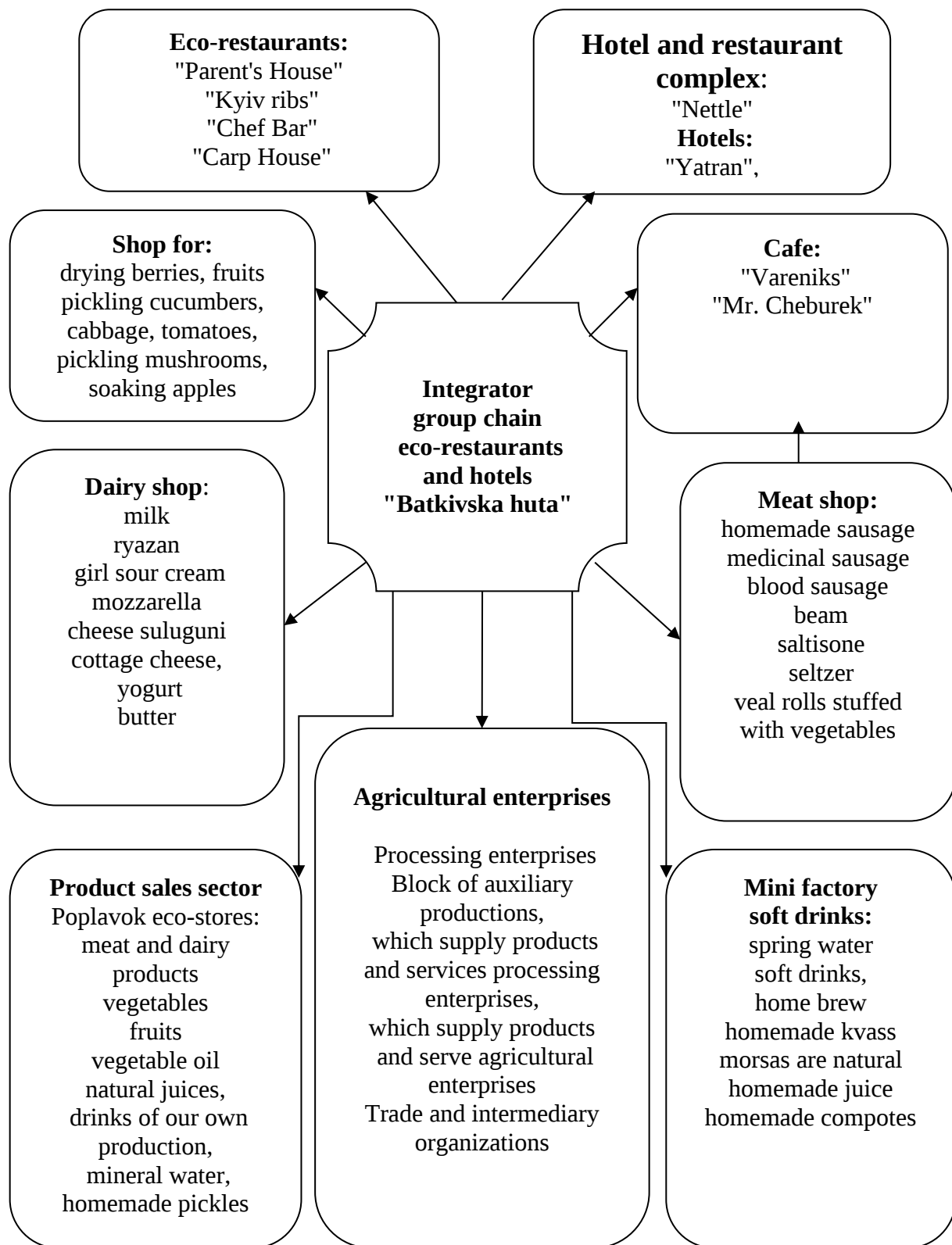
structure, useful fermented milk products are made: ryazhanka, sour cream, several types of cheese (mozzarella, brynza, suluguni), butter.

Dairy products are made in our own dairy shop from natural milk without preservatives, flavorings, stabilizers, artificial dyes and any flavor additives and include modern processing methods (pasteurization, ultra-pasteurization, sterilization). The butcher's shop prepares homemade sausage, blood sausage, balik, saltisone, seltzer, veal rolls stuffed with vegetables from fresh meat, not frozen. It also has its own smokehouse.

In a vertically-integrated structure, a mini-factory for the production of natural non-alcoholic drinks is successfully operating: citra, lemonade, cold tea, tomato juice, uzvar, kvass and morsas. The products of the "PoplavOK" eco-shops are natural food products with an increased content of useful substances. "Batkivska Khata" won favor thanks to the popularization of national cuisine. In the chain's restaurants, the popular trend in modern world cooking is "simple cuisine" – simple natural food made from ecologically clean products.

Our own closed cycle of production of healthy food products "from the farm to the table" is a time-consuming and complex process that has been engaged in for a long time. The main goal is efficient logistics, growing, manufacturing and providing restaurants with eco-products. Own trademark of farm eco-products "PoplavOK" was created.

Let's consider the production activity of the chain of eco-restaurants and hotels "Batkivska Khata" (Figur 8.)



Figur 8. Production activity of the chain of eco-restaurants and hotels "Batkivska
Khata"

**Source: created by the author based on data [168].*

The network's products have passed certification and meet European requirements, quality indicators and environmental friendliness. Agreements on export to the countries of the European Union have been signed. Taking into account the multifaceted nature of the enterprise's activity, it is worth noting the need for a certain list of interrelated strategies, which represent the so-called "strategic set".

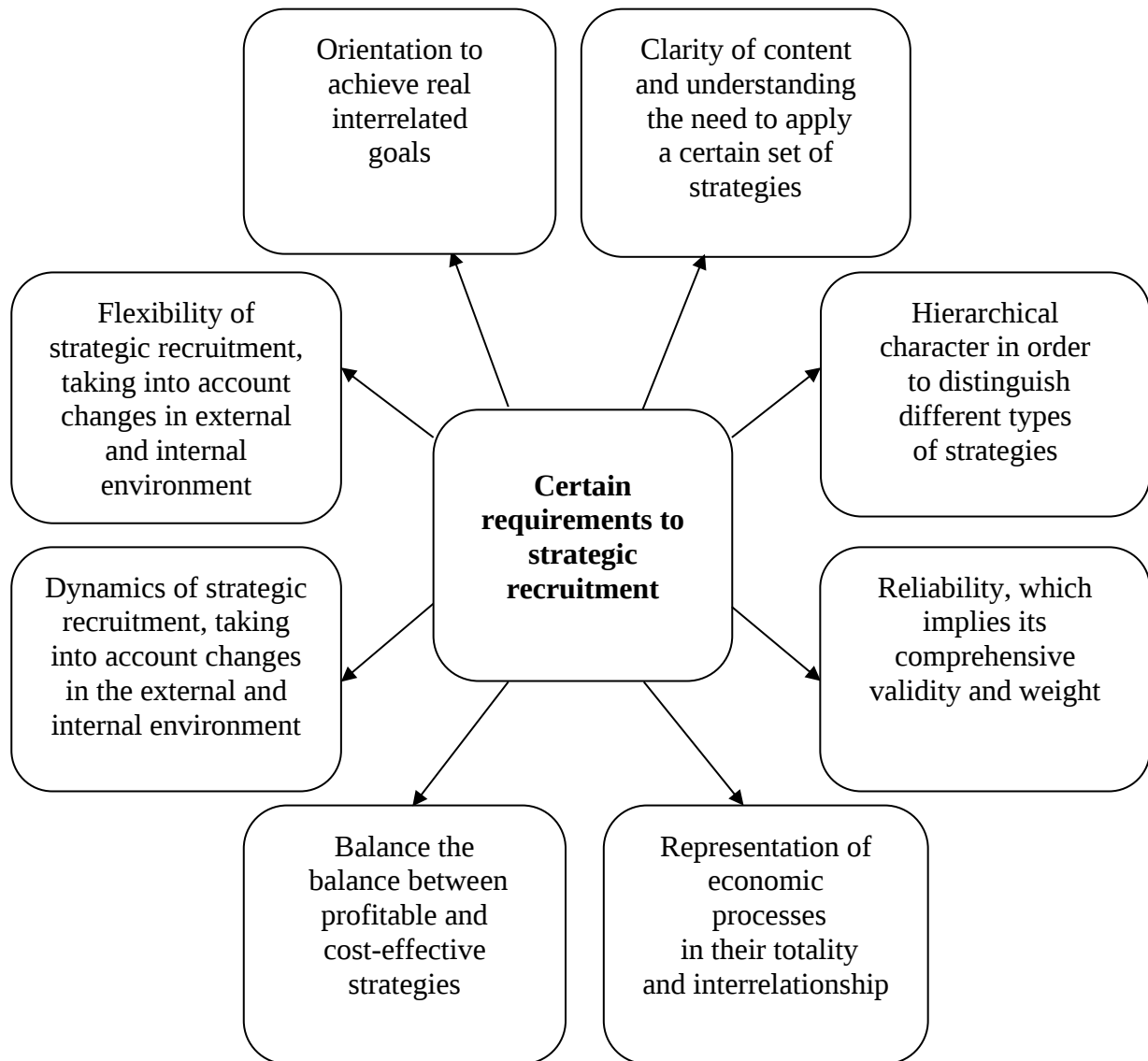
A strategic set is a system of different types of strategies developed by an enterprise for a certain period of time, which reflects the specifics of the enterprise's functioning and development, as well as the level of its claim to a place and role in the external environment. No two sets of strategies are identical to those used by firms, even if they belong to the same industry.

This is explained by the conditions of operation of each of the enterprises, namely: the features of adaptation of the internal environment to the requirements of the external environment, as well as the degree of active influence of the management on the formation of the environment of the organization's functioning in general [169, p. 322-323].

Strategic management is a way of organizing business that will allow to maximize the chances of accomplishing the tasks defined by the strategy. The strategy involves defining the long-term goals and objectives of the enterprise, adopting the course of action and allocating the resources necessary to fulfill the set goals. Each enterprise needs a plan that must be specially developed taking into account its features, circumstances and capabilities.

Strategy can be considered as a set of concepts that forms a plan for the future for the company. An important source of information for the formation of strategic goals is information about the internal and external environment, the analysis of which allows you to assess the reality of the set goals, predict possible changes and choose the most effective strategy of the enterprise.

Certain requirements for strategic recruitment (Figur 9).



Figur 9. Certain requirements for strategic recruitment

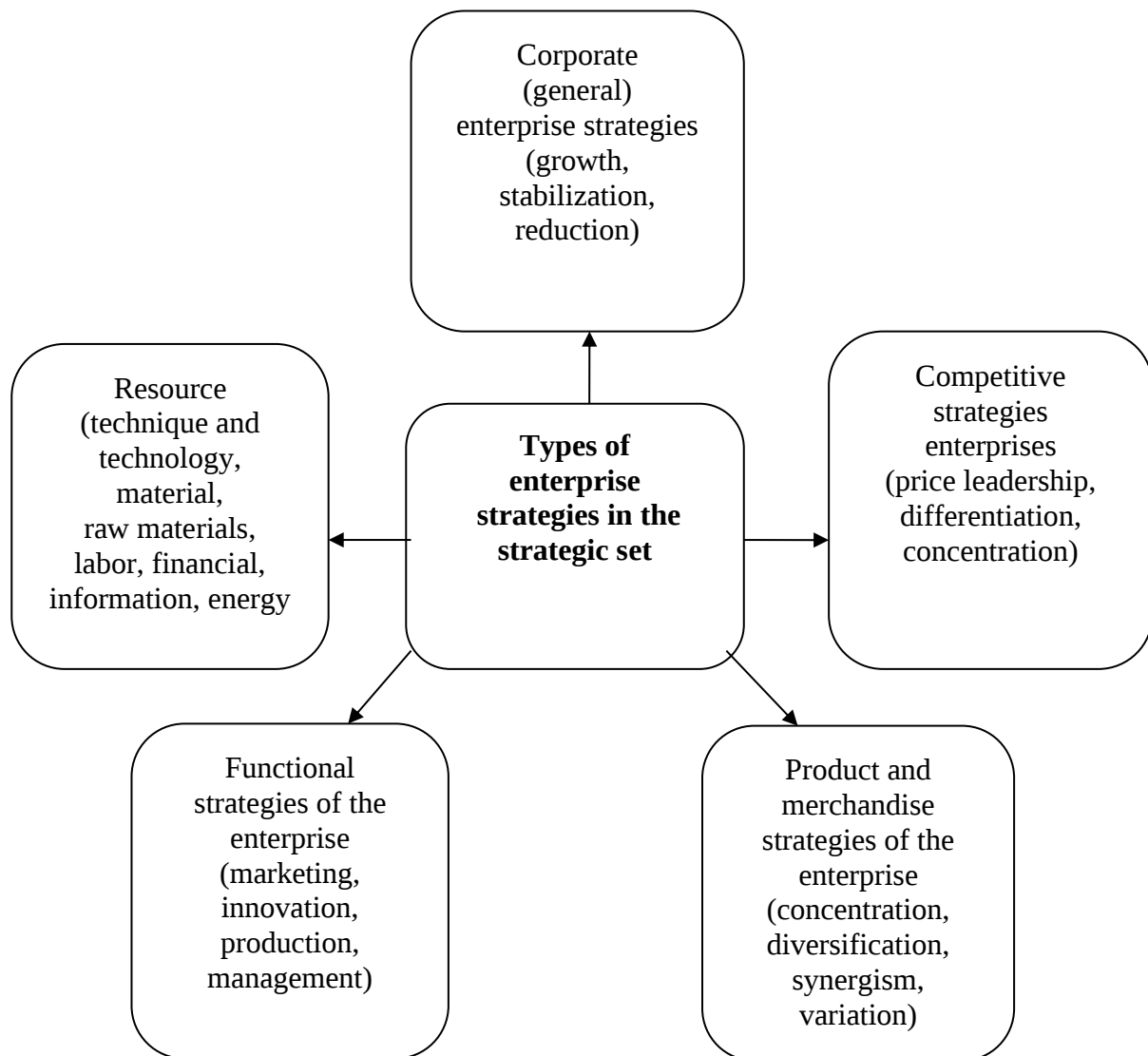
**Source: created by the author based on [170, p. 80-85].*

An effective and clearly defined economic strategy defines the company as a strong and stable competitor in financial terms on the market. Economic strategy should be understood as a prospective program of rational use of available and borrowed resources, aimed at ensuring the growth of the portfolio of orders (sales), stable economic profit, preservation of liquidity and growth of the market value of the enterprise at an acceptable level of risk.

The choice of an economic strategy depends on many conditions: the forms of competition, the rate and nature of inflation, the economic policy of the state, the comparative advantages of the national economy on the world market, and other

external and internal factors related to the capabilities of the enterprise, that is, its production and financial resources. The degree of compliance of the economic strategy chosen by the company with the general trends occurring in the business environment also determines its competitiveness.

Types of strategies in the strategic set (Figur 10).



Figur 10. Types of enterprise strategies in the strategic set

**Source: created by the author based on [170, p. 80-85].*

Therefore, innovative marketing should be understood as the concept of conducting business, which involves the creation of improved or fundamentally new products (product, technology, service, management solution) - innovation and the use in the process of its creation and distribution of improved or fundamentally new – innovative

tools, forms and methods marketing in order to more effectively meet the needs of both consumers and producers of goods and services [171, p. 32].

Neuromarketing is the newest complex of neuro-methods and neuro-technologies, which helps establish a communication link between the company and the consumer audience at the subconscious level and activate the purchase of goods and services. Systematizing the main subtypes of neuromarketing, one can arrive at three main basic elements: aroma marketing; merchandising; audio marketing [172, p. 210-212].

Traditionally, communication and visual merchandising techniques are used in restaurants. Communicative merchandising includes the techniques of persuasive communication with visitors, the ability to establish contacts, to unobtrusively convince the visitor that he has come to that particular establishment and that he should order this particular dish, even when he himself does not suspect it. If the techniques of communicative merchandising are successfully and competently applied, the client will order a dish and, if he remains satisfied with its quality, will return to the establishment again.

In turn, visual merchandising is aimed at automatically attracting the attention of the visitor, both to the restaurant itself and to its products in order to show proper interest. The main competitive advantage of the restaurant, in addition to the cuisine, is the atmosphere of the establishment, which makes guests interested in visiting it and talking about what they saw. When a restaurant is known for its atmosphere, it acquires fans, regulars, who, in turn, turn the establishment into a "trendy place".

To develop the restaurant's competitiveness factor, certain efforts should be made – use a professional interior designer, provide the establishment with a suitable concept, work on the menu and target audience. The second element that creates the atmosphere is the music in the restaurant. For most visitors, it is no less important than the color design of the interior, because it is an important component in the success of the business. After this, the owners should create their own unique menu style, signs and advertising material [173, p. 125].

Increased flexibility and efficiency in working with consumers, the possibility of individualizing service without increasing transaction costs. Increasing opportunities

to attract consumers, expanding advertising, cooperation with leading banks, joint programs to increase consumer loyalty (discounts, bonuses, special offers, etc.), formation of a permanent client base. Improving the quality, efficiency and flexibility of supply, solving the problem of spoilage of raw materials, the possibility of maintaining an exclusive menu.

Strengthening and increasing the efficiency of activities due to integration into adjacent business (restaurant at the hotel, company, etc.). Thus, for the development of an innovative model of marketing communication policy, the mechanism of creation and effective functioning of hotel clusters should be actively applied. Therefore, it is necessary to create various schemes of consolidation and cooperation of all participants of the hotel cluster (hotel enterprises, tourist operators, sanatorium-resort establishments, information portals, suppliers, etc.) along with purposeful use of funding sources based on private-state partnership.

However, it should be noted that a systematic approach to building a cluster hotel product can become an effective mechanism for improving the communication policy of many domestic hotel enterprises and be an important driver for improving marketing policy [174, p. 139-143].

International experience shows that the hotel and restaurant business is developing at a fairly fast pace, generating more and more competition, but at the same time, a large number of hospitality establishments are being pushed out of the market. The problem is the choice of an ineffective development strategy and the adoption of unfounded management decisions that can ensure the development of the institution in modern market conditions.

One of the modern trends in the development of the hospitality industry is the deepening of the specialization of the hotel offer. Along with full-service hotels, various types of accommodation facilities are actively being created, which are aimed at serving certain segments of consumers, for example, young people, families with children, conference participants, businessmen, vacationers for the purpose of health, and motorists.

They form the main characteristics of a specific type of hotel enterprise: hostel, resort hotel, business hotel, hotel-office center, sanatorium, motel, etc. It is worth noting that in the theory of the hotel business, in addition to the purpose of visiting a tourist destination, the main determining factors for the typification of hotel enterprises are: location, length of stay of guests, mode of operation of the accommodation facility, room capacity, catering, price policy. According to DSTU 4527:2006 "Tourist services. Means of accommodation. Terms and definitions" in Ukraine there are 15 types of hotels (agro hotel, water hotel, apart hotel, boat hotel, hotel and office center, club hotel, congress hotel, resort hotel, motel, luxury hotel, residence hotel, palace hotel, sanatorium, fleet, hostel), each of which can be characterized by the factors listed above [175, p. 70-72].

The material component of the hotel's service product largely characterizes the development of the infrastructure, in particular sports, health, business, trade and entertainment infrastructure, on which the possibilities of providing additional services depend. A special role is played by the improvement of the hotel territory, while its level is affected by the presence of its own parking lot, its convenience, and the sufficiency of parking spaces; availability and arrangement of a children's playground, park area, places for rest and walks; cleanliness of the surrounding area and its design, the use of fresh flowers and trees, sculptures, creativity of landscape design, etc.

The material and technical component of the hotel service product also characterizes the location, which refers to one of the classification features that affects the type of hotel, its concept [176].

Considering the specificity of the hotel service product as an intangible product, its provision is related to a set of actions and operations that form a process consisting of a set of technologies that are performed in a certain sequence and, depending on the operations and tasks, involve the use of an appropriate set of measures, methods and tools. Service in the hotel sector is provided by a complex and multifunctional system of processes, therefore, the process is an integral part service product is also a complex parameter, the specifics of which are determined by time and technology. In the service sector, time is one of the parameters that determines the level and quality of service

and affects consumer satisfaction. In the hotel, this parameter is characterized by such attributes as the speed of response to the client's request, the timeliness of service, the promptness of service provision, the convenience of the hotel's service hours.

The basis of the process of providing services as a component of the service product is the totality of technology. The technological process of providing a hotel service includes a number of operations that directly affect the customer experience, creating either a feeling of satisfaction or disappointment in the customer. They can be identified by points of contact with the customer, including: booking; meeting – departure, registration, processing of documents and accommodation; room service; service during meals; service during the provision of other services.

Taking into account the complexity and variety of processes that ensure the operation of the hotel, we have classified the technologies that require management to ensure the customer-orientation of the hotel's service product. The key is the technology of hospitality, which is understood as a set of procedures, specific actions for the provision of the main accommodation service and additional services in the hotel.

Using a significant influence on the perception of the hotel's service product of cleanliness in the main premises and the room, cleaning technologies play a special role. Considering the fact that a hotel is a means of accommodation that provides a complex of services, the service product is characterized by service technologies that are also used during the provision of additional services (household, food, transport, entertainment, sports, wellness, excursions, etc.).

Safety of stay, preservation of personal property and valuables, as well as confidentiality of individual information are increasingly important in modern conditions for consumers of hotel services, so we highlight security technologies as a separate component of the process. The success of the hotel and the stability of its development depend significantly on the satisfaction of the guests with the quality and level of service, therefore special attention is needed in the hotel for their control technology, which is characterized by the presence and implementation of service standards, methods, tools and periodicity of assessment and control of the quality of

service, the level and quality of internal processes, on which the terms of service depend.

In the era of the digital revolution, hotel processes cannot be imagined without the use of modern information and communication technologies and electronic means. In addition, in the complex conditions of rapid and profound changes, to ensure the stable operation and development of the hotel, an adequate management system and appropriate technologies are needed for new challenges. As a result, hospitality, security, quality control, information, and management technologies are used to ensure the operation of the hotel, each of which contributes to ensuring the hotel's customer-oriented service product.

Referring to the service sector, the specificity of the hotel service product is the direct interaction of guests with the staff and the high dependence of the result of service provision on the qualification, level of performance of professional duties, personal qualities of employees, which requires the formation and effective use of human capital.

It is the hotel employees who act as a direct guide in the process of organization and provision of the offered services, ensure the appropriate level of service for the hotel category, form the consumer value of the service product as a whole, therefore, along with the process, the staff is allocated to a separate component of the hotel service product. Among the parameters characterizing it, personnel management should be singled out, on which the personnel potential of the hotel depends.

The key factors characterizing hotel staff are the level of qualification of employees, which depends on their possession of professional knowledge and competences, stress resistance skills, as well as experience in the hotel industry. They affect the quality of the services provided, the level of service, the ability to anticipate and quickly respond to guests' requests, which requires both a certain level of qualification and the employee's personal initiative. In total, the level of qualification and personal qualities form the professionalism of employees in the field of hospitality.

Special requirements are placed on the front office staff, who come into direct contact with the hotel guest. Employees of the contact areas of the hotel must be able

to work in a team to create an atmosphere of hospitality, always be friendly and attentive to the guest, ready to help them solve problems and fulfill their requests; they should show patience and restraint, maintain a positive attitude, be able to resolve conflict situations.

A significant influence on the formation of a sufficient level of client-orientation has personnel management, a system of motivation of employees regarding dedication to work, efforts to perform professional tasks and duties at the highest level, and the manifestation of initiative and creativity. Considering that the corporate style is an integral part of the hotel brand, the appearance of the staff is an important attribute.

The presence of branded clothing, together with a pleasant appearance and a neat appearance, confirms the presence of the hotel's own "face", which can contribute to improving its attractiveness for potential customers and increasing the satisfaction of guests who have used its services. The creation of loyalty and impressions of guests is based on emotions, feelings of the client's importance for the hotel, and is ensured by the coherence of all business processes of the hotel industry. Hospitality institutions are of great importance in this process.

These include: norms, rules, standards of service and staff behavior, brand, reputation of the hotel, corporate culture, etc. In the process of attracting and satisfying customers, it is important not only to create a highly valuable service product, but also to demonstrate its main idea to potential consumers and staff. At the same time, the emphasis in the communication process must be concentrated on bringing to the target audience the unique differences and properties of the offered product, their ability not only to satisfy needs, but also to solve possible problems. In this case, the brand acts as a means of communication as a complex concept that integrates all involved marketing elements, reflects reliability and trust in the company, unchanging corporate values regarding the creation of a high-quality service product of the hotel.

In turn, corporate values and their ability to satisfy the needs of potential consumers are expressed in the mission of the hotel, the formulation of which focuses on what goal the institution seeks to achieve and why. In the case when the main messages of the mission coincide with the views, judgments, and values of the target audience, we

can consider the achievement of client-orientation. Therefore, the task of its formulation in the hotel industry is to bring to consumers an understanding of their interests, requirements, expectations, needs and readiness to create and offer such a service product that is maximally oriented to them [28].

7.3 MODERN TRENDS IN THE DEVELOPMENT OF THE HOSPITALITY INDUSTRY

The modern hospitality industry is a special independent branch of the economy, which combines separate industries and enterprises, the functions of which are to satisfy the demand for various types of recreation and entertainment. It covers tourism, hotel and restaurant business, recreation and entertainment, contributes to the efficiency and development of the national economy, because as a result of the increase in popularity, the state budget grows, the employment of the population increases, its standard of living, a new impetus to the development of folk crafts appears, a positive influence is exerted on the rest of the industries related to the creation of hotel and restaurant products are developing social and industrial infrastructure.

Among the main trends in the modern development of the hospitality industry, we can highlight:

- deepening the specialization and diversification of accommodation facilities, restaurants, and entertainment facilities;
- formation of large corporate forms, i.e. hotel chains, restaurant chains, which become transnational companies;
- wide use of management information systems, technological support, and marketing in the hospitality industry;
- integration of the capital of hotel, restaurant, entertainment enterprises with the capital of financial, insurance, construction, transport and other spheres of the economy;
- wide use of scientific management in the organization of the hotel and restaurant business, as well as its management;

– development of a network of small enterprises for entertainment, focused on a specific market segment [177].

To maintain the competitiveness of a hotel enterprise, a clear definition of the content and sequence of specific actions to achieve the set goals is necessary, which determines in a broad sense the process of planning and forecasting the activities of hotels.

Competent planning and rational use of various resources available to the hotel enterprise (material, human, scientific and informational, organizational, time, intellectual and other types of resources) allows you to look into the future of business, develop a strategy and tactics of the hotel enterprise's production and economic activity and , as a result, leads to the intended goal with a more effective result. In the conditions of fierce competition, every enterprise strives to win its economic space, target audience.

Competitive strategies of enterprises are not only maintaining their position on the market and stable functioning, but also further development and improvement of business. In order to manage the process of operation of the hotel enterprise, it is necessary to constantly renew and maintain it in the state stipulated by the standards and technical conditions, to ensure the rhythmic provision of services of a certain quality.

Management of the development process of a hotel enterprise is aimed at changing its state, transforming it to a predetermined level, corresponding to or exceeding the current highest global achievements of the hotel industry. The basic law of marketing indicates that any service (or product) that is delivered to the market must exactly meet the needs of the consumer.

Another law of marketing states that there is no single market, the market always consists of separate segments, in each of which there are buyers with certain needs. Hence the task of adapting each service to one or another market segment. All this, undoubtedly, also applies to enterprises that provide hotel services.

At the same time, the successful management of hotel business is a complex, responsible and multifactorial process that requires the manager to have a combination

of knowledge and skills in various areas of the hotel enterprise's economic activity: the legal basis of the hotel business, financial and investment analysis, accounting and management accounting, marketing, personnel management , statistics, innovative management, economy and enterprise management, hotel management, organizational culture in the field of hospitality and other areas.

The analysis, research and use by the hotel enterprise of current world trends in conducting economic activity, first of all, the active use and development of information technologies and information programs for mobile phones, affects the improvement of the quality of service, increasing the competitiveness, image and reputation of the hotel enterprise, makes it attractive and unique for customers [178].

With the help of information technologies, management tasks are solved, which include:

- obtaining reliable management information about the operation of the entire hotel complex as a whole and each of its divisions separately;
- optimization of business processes;
- reduction of paper document circulation;
- increasing the effectiveness of monitoring the activities of hotel services and staff;
- optimization of operating costs;
- performance of statistical and analytical functions [179].

In today's conditions, the hospitality industry is characterized by the following development trends: formation of hotel chains; wide use of management information systems, technological support in the hotel industry; integration of the capital of hotel complexes with the capital of other areas of the economy; application of new ideas of scientific management in the practical activities of hotels; development of a network of small hotel enterprises focused on a specific market segment. In this context, significant attention is paid to new trends characterizing the deepening of specialization, diversification, conceptualization and greening of hotel services.

The application of the innovative eco-hotel system is designed not only to increase the comfort of the client, but also to preserve the environment thanks to the use of

natural energy sources. This system is based on the following: solar panels on the roof for heating water; air generators for electricity production; window glass from secondary raw materials; furniture from recycled materials; production of heat and energy from household waste; the presence of a rainwater collection system (for further use when watering plants, flushing toilets, in combustion engines, etc.); the presence of a thin layer of soil and greenery on the roof as heat and noise insulation; conversion of food waste into fertilizers, etc.

Greening and specialization of hotel enterprises, diversification and "hedonization" (hedonism – philosophy of pleasure) of hotel services, conceptualization and technology of offers – this is innovative hotel policy as a means of survival, finding new "market niches" and expanding the range of hotel services. At the same time, the single concept requires consistency from the hotel company, since the "zigzag policy" will not make the company profitable [180].

Ecosystems are an example of effective operational models of production and consumption. What is most admirable is the enormous diversity of ecosystems around the world, as they demonstrate efficiency in providing for all needs by using what is nearby.

The availability of new alternatives, which exclude "side" dangerous effects and toxic products, should encourage scientists and entrepreneurs to implement such balanced technological schemes of production. Industry and commerce need our approval of such production approaches, given their environmental and health value [181].

The application of innovative processes in the economic activity of hotel and restaurant establishments creates favorable conditions for the effective development of the tourism sector in general. Tourists' rest includes full meals and accommodation in appropriate conditions, promotes spiritual and physical recovery of travelers. Consumers are urged to spend more - this is a stereotype of blind logic that encourages citizens to buy, because someone sees it as a way out of the crisis, and all of us and future generations will never be able to pay off this debt.

Such are the principles of the ineffective economic model of the "Red Economy", which borrows from nature, from humanity, from everyone, without thinking about debt repayment, leaving it to future generations. For comparison: the "Green Economy" model requires companies to invest more, in return, consumers are ready to pay more to achieve the same or even less result while preserving the environment [181].

The region is characterized by the following features: limiting the territory with production infrastructure, natural and labor resources; focus on a specific type of activity, taking into account the hospitality industry; unique external and internal connections. A region is a part of the country's territory that differs from other parts by a set of naturally and historically formed, relatively stable geographical, industrial, social and institutional features and has a certain degree of integrity and internal unity.

The approach to the region as a reproduction system indicates that the region should be considered as an open subsystem of the socio-economic complex of the country with a completed cycle of reproduction, special forms of manifestation of reproduction stages. Therefore, one of the main opportunities for increasing the degree of innovative development of the region in the conditions of a new favorable system is the dissemination of scientific results, their transfer, adaptation to them and the involvement of the maximum number of regional enterprises in innovative activities, expanding the space of innovative development as a form of its transformation.

The effectiveness of the expansion of the space is expressed in the formation of the region on the path of innovative development, in a more active transformation of the institutional environment, in socio-economic development, in the leveling of disparities in the level of development of the region.

As an approach to determining the perspective of the region's development of the potential of science and innovation, a method of identifying thresholds reflecting the degree of its innovative development, as well as establishing connections between regional groups in the field of scientific and innovative process, is proposed.

The theory of infrastructure development is directly related to global trends in the development of civilization and a specific technological structure. The analysis of

knowledge about the development of production became a prerequisite for understanding the process of infrastructure transformation and its connection in a specific historical perspective with structural transformations on a national scale. In its most general form, infrastructure is a structure that is constantly being transformed.

At any stage of historical development, the main purpose of infrastructure was and is to create conditions for life. Over time, life activities changed, needs and interests changed. These regulations contain such a definition of infrastructure as an arena of social relations, a powerful technological cycle, a powerful engineering economy of the life support system of people, a set of engineering and technical structures, material elements, without which all types of human activity are impossible. It is worth noting that there is a concept of "infrastructural industries", for example, such as communication, transport, health care, science, hotel and restaurant business.

However, the concept of infrastructure is legitimate in other aspects, for example, the infrastructure of the country, region, settlement, as well as the industry. With this approach, this term should be understood as all engineering and technical structures that provide conditions for the normal functioning of this object. Therefore, it seems logical to call this type of infrastructure based on the object of action and the scale of the production system: international, national, regional, local, branch.

In the innovative economy, the key factor of production is knowledge and creative potential. It is logical to assume that such a system is extremely demanding of the system of institutions of the region responsible for the production, transfer and use of information. In this regard, it seems appropriate to consider information infrastructure in more detail as the basis and most important component of innovative production in the region from the point of view of an institutional approach. In this context, it is important to note its role in providing hotel-restaurant and tourist complexes. In the context of the formation of the elements of the innovative economy, information provision is a key factor that determines the potential for the development of the knowledge-intensive economy of the region.

In the conditions of globalization, a single global information space is actively being formed, the reorientation of leading industries to the model of innovative type of

development as the most promising, the formation of methodology and evaluation of information infrastructure are becoming decisive for the regional economy in the context of the perspective of development and increasing the competitiveness of the region. Speaking about the genesis of the concept of information infrastructure, it is worth noting that with the development of science, technology, and the transport system, there was a need to improve methods of storing, processing and transferring knowledge.

The territory, which is the socio-economic space in which the hotel and restaurant business is developing, should be singled out as a significant factor. The influence of economic and financial factors on the sphere of hotel and restaurant services (such as a change in the economic and financial situation, the level of income of the population) is due to the fact that there is a close relationship between the development trends of the hotel and restaurant business and the economy of the region.

As a rule, the level of development of the material and technical base and infrastructure in the field of hotel and restaurant services depends on the economic situation of the region. One of the important factors affecting the development of the hotel and restaurant business is the environmental one, which determines how satisfied the consumer is with service, rest, fulfillment of wishes, due to the feeling of comfort, the atmosphere of hotel and restaurant services, safety, and the beneficial healing effect [182].

Quality issues play a very important role in the provision of hotel services. Without quality service, the hotel is unable to achieve the desired goals. As evidenced by the world practice of the development of various hotel chains and corporations, the result of high quality service is profit. Studies indicate that the main factor when a client chooses a hotel again is the quality of service provided to him during the first visit.

If you can attract a client the first time with good advertising or an attractive interior, then he will come the second time only thanks to the professional work of the staff and high quality of service. An inexhaustible reserve for improving the quality of service to tourists in accommodation facilities is an increase in the list of additional services. In addition to traditional services, each hotel enterprise, taking into account

its specifics and contingent of tourists, can constantly expand and diversify the sphere of services.

There are many business hotels that offer weekend fishing, boating, hunting, etc. as additional services. In order to expand and strengthen business contacts, hotel management organizes meetings based on interests, conducts "round tables" directly at the enterprise, as well as exhibitions and sales of works of art.

There is also a saturation of the 4- and 5-star hotel market in Ukraine. This is the most profitable sector, however, free niches will soon be filled, and the interest of investors will shift to small and medium-sized hotels with a moderate range of services, i.e. 2-3 star category. The target segment of enterprises in this sector is representatives of domestic tourism.

Existing hotels of this level have poor service, so improving the quality of service is an urgent issue. Existing national operators should create hotel chains with a universal set of services and a high level of service. This is possible with the help of the purchase and reconstruction of the existing hotel fund of small and medium category, increasing their stardom.

The creation of such networks in the market can bring benefits associated with market dominance. For the development of the hotel sector, it is necessary to create a favorable investment climate at the macro level (attractive and predictable conditions of economic activity in the country as a whole) and at the micro level (tax, customs and other benefits for enterprises specializing in the provision of hotel services) for the purpose of inflow of domestic and foreign capital, direct participation and support of the state in the implementation of large investment projects; increasing the list of additional services; improving the quality and culture of customer service; bringing highways into proper condition that meets international standards; to develop a project of the Law of Ukraine on the development of the hotel industry.

Under the condition of the development of national Ukrainian networks, Ukraine can represent not only new capacious markets, but also become a new equal participant in the world market of hotel services [183].

In his research, S.S. Galasyuk and Budnikov O.V. distinguish specific features of a "boutique hotel", namely:

- the highest level of service;
- personalized service, high quality of service provision, comfort, creation of real hospitality and cozy atmosphere, taking into account any wishes of customers and their anticipation, striving to exceed guests' expectations;
- exclusive luxury;
- provision of elite services (transfer by prestigious car, breakfast from a famous chef, purchase of tickets to concerts of popular artists, organization of rest on a business-class yacht, etc.);
- individual style, creativity and originality, unique design, involvement of the best designers to develop the concept of the future hotel, uniqueness of the design of each of the rooms and other premises;
- high prices for basic and additional services, which are not a reason for guests to refuse to use them;
- compliance by the staff with the rules of the strict confidentiality policy, non-disclosure of information about guests, ensuring their privacy;
- small capacity of the room fund, equipment of the rooms with comfortable facilities;
- contingent;
- guests with high wealth (businessmen, politicians, "stars" of show business, sports, etc.) who seek solitude and avoid open publicity;
- independence of the hotel (it is not part of the network);
- compliance of the restaurant menu with the general theme of the hotel;
- location – in buildings that are monuments of history and culture, old mansions, which usually have a certain legend or belonged to a famous person in the past;
- the infrastructure is not sufficiently developed (most often a fitness center, SPA – salon can function) due to the fact that additional services are ordered for each guest individually from third-party organizations on a contractual basis (services of a hairdresser, beautician, massage therapist, stylist, fashion designer);

- registration of the hotel in international reservation systems and having a combined rating for the quality of service of at least 9 points out of 10 possible according to guest reviews.

In conclusion, it should be noted that:

- a boutique hotel is a hotel with a small number of rooms and a high level of comfort, individual and exclusive service, an exquisite interior and a prestigious (high) level of prices, which, as a rule, is not included in hotel chains;

- the boutique hotel offers a wide range of additional services, but not all of them are provided on the basis of the hotel itself;

- most boutique hotels have their own parking, conference service and offer an exclusive menu based on their own food;

- boutique hotels have a very high level of service quality, but it does not always correspond to the cost of service;

- the tendency to increase the number and popularity of such accommodation facilities as a boutique hotel has been gaining momentum recently [184].

Restaurant service can be considered as a structural part of the general concept of service. The service can also be defined as the cost of using labor not as a product – the result of previous activity, but as the activity itself; intangible action that does not result in possession. The provision of restaurant services is related to a material product (stoves, refrigerators, etc.) and/or consumer service technologies.

Restaurant service can be described as a method and tool for meeting the economic, social or technical needs of the economy, society and people, characterized by its features, advantages and disadvantages. One of the distinctive characteristics and features of restaurant service is its immateriality. Continuity of production and consumption of restaurant services is determined by the fact that a significant part of services is such that they combine the process of production, distribution and consumption of services in time and space.

At the same time, with industrialization and the development of high technologies in the field of restaurant service, there is an active separation of the production stage from the distribution stage (home delivery) and consumption (in transport, at home).

In addition, in the context of new communication technologies, many types of restaurant services either take the form of goods and/or exclude direct contact between the producer of the service and its consumer.

Non-compliance with the quality of restaurant services is due to the fact that a significant share of services is provided to the consumer directly by an employee of an organization or institution in the field of restaurant service. At the same time, the quality of services provided largely depends not only on stable factors, but also on many variable, including random factors (quality of raw materials, mood of employees, etc.). In addition, the quality of restaurant service is affected by many accompanying circumstances (speed of service provision, complex nature of the service and its complementarity with other types of services, etc.). These features and circumstances of the production and consumption of restaurant services make it difficult to assess the quality and determine the quality standards of restaurant service.

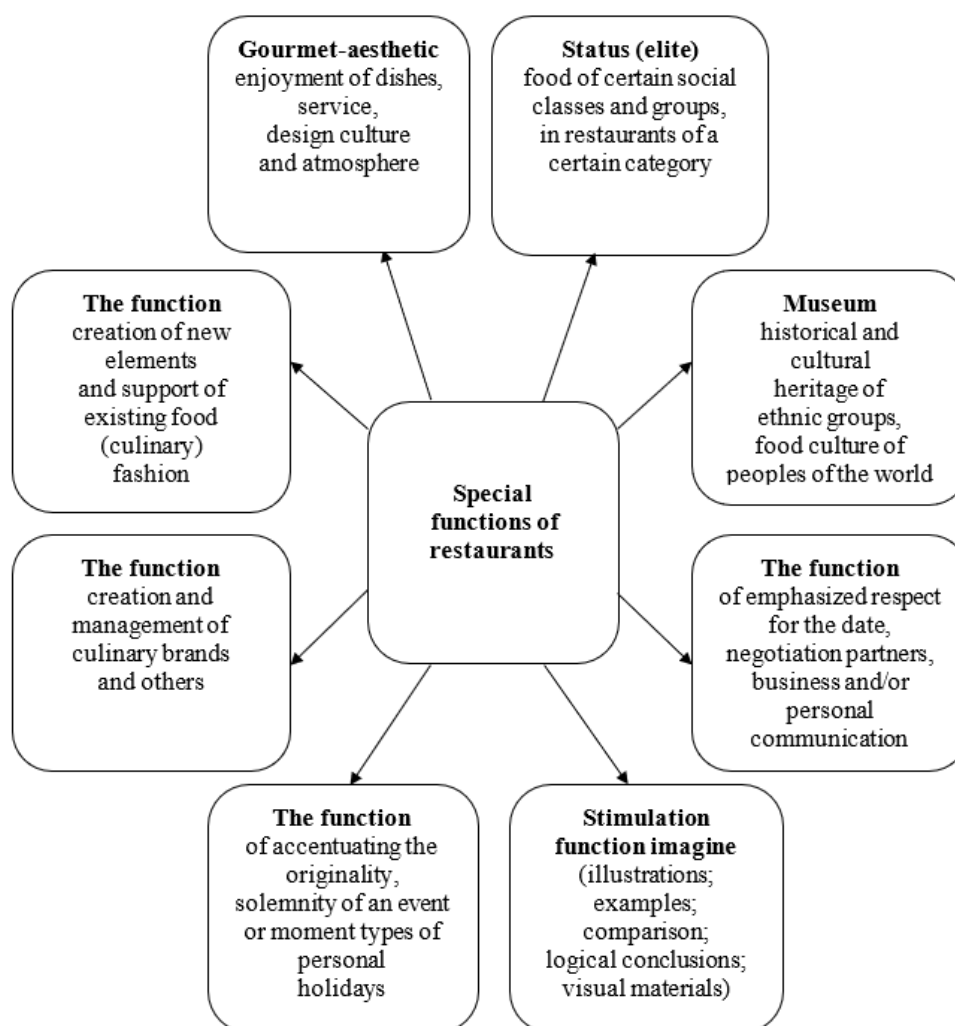
However, it is in this direction that the main efforts are being made to achieve the stability of the quality of services. Non-compliance with the quality of restaurant service is also related to the individual nature of individual elements of restaurant services (including food preparation, waiter service, restaurant design, etc.), the dependence of the required quality of hotel services on the individual requests of a specific client and his mood. Failure to preserve restaurant services limits the possibility of using seasonal and other fluctuations in demand over time, leads to a certain excess of capacities of enterprises in the field of restaurant service in certain periods of time.

This increases the relevance of the integration of the restaurant business with the tourist and museum business, the field of hotel services, and the production of agricultural products based on the methods of serviceology (the general theory of service). Taking into account the above features of hotel service, the following characteristics of its provision can be distinguished: requirements for hotel service must be clearly defined as characteristics that can be observed and evaluated by the client (consumer); in most cases, hotel service management and service delivery

characteristics can only be achieved by providing management of the service delivery process.

The characteristics of the hotel service or the process of providing it can have a qualitative (compared with quality) and quantitative measurement depending on the goals, how and by whom such assessment of service quality is carried out (service organization, consumer, etc.). When integrated with other types of services, such as tourism, hospitality, museums (and others), restaurant services can increase the quality and attractiveness of such services, creating synergies from cognitive, cultural and food pleasures. One of the main directions of the development of restaurant serviceology (restaurantology) can be considered the synthesis of models of description and analysis of the competitiveness of restaurant services [185].

Special functions of restaurants (Figur 1.).



Figur 1. Special functions of restaurants

**Source: created by the author based on [185].*

The first level of a restaurant meal (service) is the main advantage or satisfied technical, economic, social need in the technosphere, economy or social environment. The second level of restaurant service includes the service in real execution: properties (persistence, reliability of provision, safety of the process and result, price, etc.), quality, external design of the process provision, process and result safety, price, etc.), quality, external design of the service provision process, brand name of the service. The third level of service includes: availability (delivery), crediting for the provision of services, guarantee of results, after-sales service.

The fourth level of service should describe and characterize the impact of the service on the socio-economic and ecological system (costs of materials and raw materials, damage to the environment during the provision of services, etc.) and strategic (long-term) impact on the market and the socio-economic environment. The first level of restaurant service (primary benefit): satisfying the physical need for food to sustain the life of the restaurant's customers in the current time period. The second level of restaurant service (service in real terms): a diverse menu of restaurants; calorie content of the offered dishes; taste qualities of the offered dishes; aesthetic design of the dish; cooking time; the average cost of using restaurant services and much more.

The third level of restaurant service (service with reinforcement): aesthetic design of the dish; design of the restaurant; quality of waiter service; availability of entertainment programs and shows; the possibility of home delivery of ready-made food; the possibility of preparing special dishes to the client's order, etc. The fourth level of restaurant service (strategic, ecological and socio-economic level): saving time for cooking (eating time for economic and social development); ensuring food ecology; preserving the health of clients in the interests of ensuring their longevity; providing customers with a good mood from enjoying quality food in an attractive interior of the restaurant and much more.

The above four-level model of restaurant service can be adapted and refined at the structural and parametric levels for different categories of restaurant services (dishes). The model can be useful in designing and positioning, comparative assessment of competitiveness and economic efficiency of restaurant services [185]

Let's consider the foreign experience of hotel and restaurant industry development. One of the hotel complexes is located in the heart of Cottbus, "Altstadthotel Am Theater" and is an ideal place to get to know Cottbus. It is from here that guests can enjoy easy access to all that this wonderful city has to offer. Due to its close proximity to such attractions as Cottbus Theater, Schremberger Street, Cottbus Exhibition, visitors will be grateful for its location.

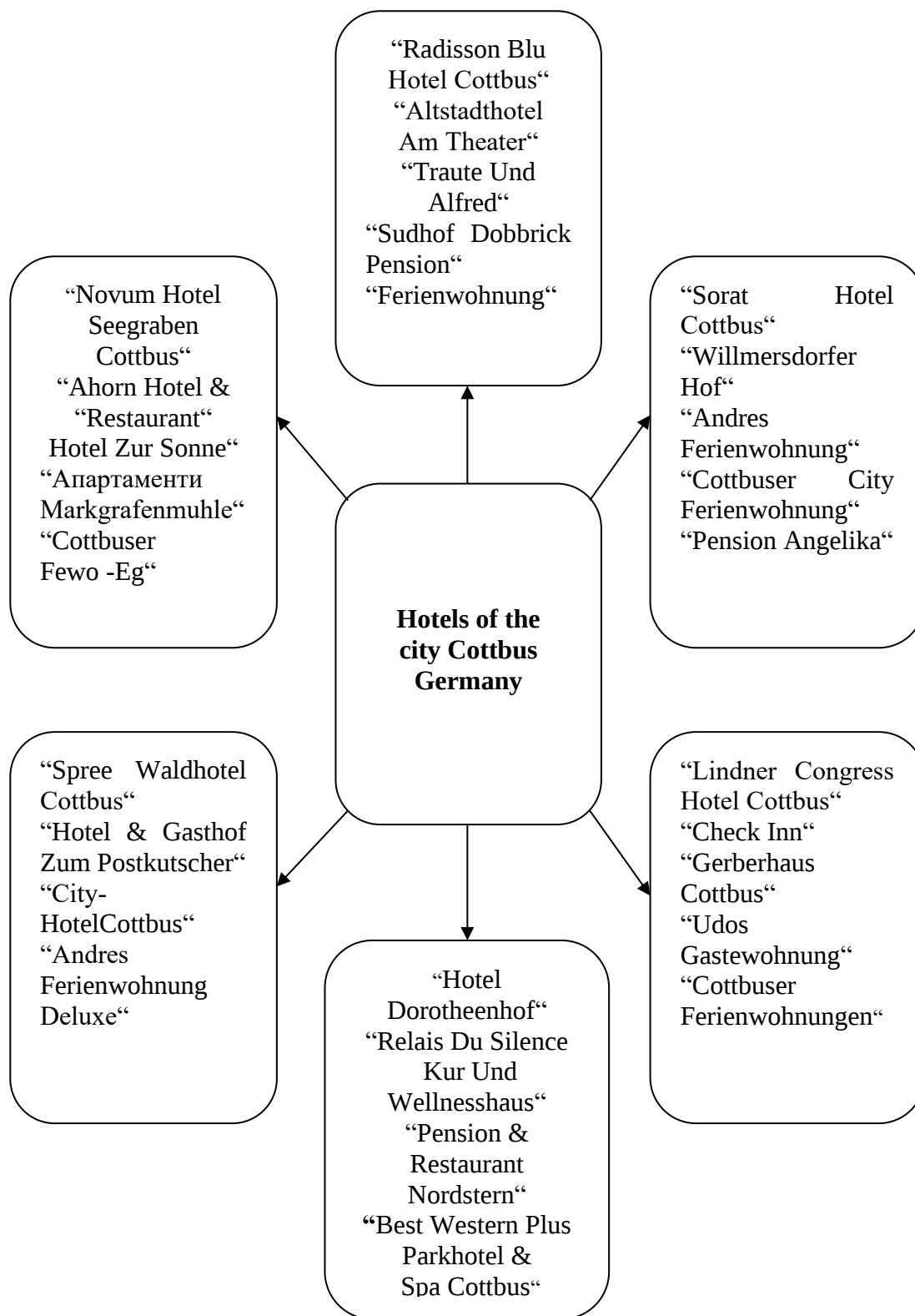
Offering guests a wide range of services and excellent service, Altstadthotel Am Theater strives to make your stay as comfortable as possible. For the comfort and convenience of guests, the hotel offers room service, hotel/airport transfer, conference rooms, family room, newspapers. Accommodation in the hotel has a high degree of comfort. There is heating, the possibility of ordering a wake-up call, a desk, a mini-bar, and a balcony in every room.

In addition, the hotel owners will provide you with full information on what you should see during your stay in the city. Regardless of the purpose of your visit, the "Altstadthotel Am Theater" is an excellent choice for your stay in Cottbus [186].

It should be noted that Cottbus has a significant number of attractive designer hotels, in the very center of the city there is a modern "SORAT Hotel Cottbus". It is engaged in efficient historical construction and offers tourists a choice of simply beautiful rooms decorated in white. The composition is rounded off by red accessories, designer carpets and fabrics, as well as furniture and fresh flower compositions selected in subtle colors.

Another historic building in the southern part of the city is the Hotel Am Seegraben, which is surrounded by a well-kept garden. The hotel will appeal to those who prefer to relax in a stylish modern atmosphere, its rooms are decorated in light colors and equipped with strict furniture made of light wood. Lavender-colored carpets and curtains give the rooms a sophisticated touch, the rooms are decorated with spectacular modern paintings and bright lamps.

In the public areas of the hotel, you can see a significant number of interesting paintings, beautiful furniture in the style of past years and original elements of modern decoration (Figur 2).



Figur 2. Hotels in Cottbus, Germany

* Source: created by the author based on [186].

Radisson Blu Hotel Cottbus is definitely one of the most attractive hotels in Cottbus. An elegant hotel with a refined romantic atmosphere, just steps from the train

station, it has its own spa and gym. All hotel guests get the right to free access to the spa center, which has several types of saunas and a large indoor pool with a glazed roof. Located in the hotel, the restaurant "Bistro Arcade" is known for the preparation of dishes of high European cuisine and offers its visitors the holding of solemn events, and the restaurant also has a spacious banquet hall with an exquisite decoration [186].

Hotel Am Seegraben occupies a historic building in the southern part of the city, surrounded by a landscaped park. The hotel will be to the liking of those visitors who prefer to rest in a stylish modern atmosphere, its rooms were decorated in light colors and equipped with strict furniture made of light wood. Hotel & Gasthof Zum Postkutscher is a unique establishment known far beyond the city limits.

For more than 70 years, it has been able to preserve a unique historical atmosphere within its walls. Its atmosphere is incredibly interesting and resembles the atmosphere of a colorful national museum, here you can see everywhere pieces of old furniture, interesting toys, works of art and a significant number of other interesting things in which history was embodied. Fans of gastronomic tourism will like this establishment, in its family restaurant you can try classic national dishes and the best varieties of local beer [186].

"Panorama-Rossel Holding" – a multidisciplinary holding that operates in Latvia and Germany – also operates effectively in the city of Cottbus. The group consolidates a number of companies and carries out active management and control of its investment activities in the field of real estate, finance and innovative technologies. The investment strategy is based on predictable risk, sustainable business and a long-term perspective.

"Panorama-Rossel Holding" is an international group of companies that operates in the field of real estate, finance and implementation of projects for the implementation of innovative complex solutions in the field of medicine. For more than 10 years, the holding has been successfully engaged in the development of commercial, office and residential buildings in Latvia and Germany. The headquarters of the holding, which is located in Riga and a branch in Berlin, guarantee effective support of projects in various regions and countries of Europe.

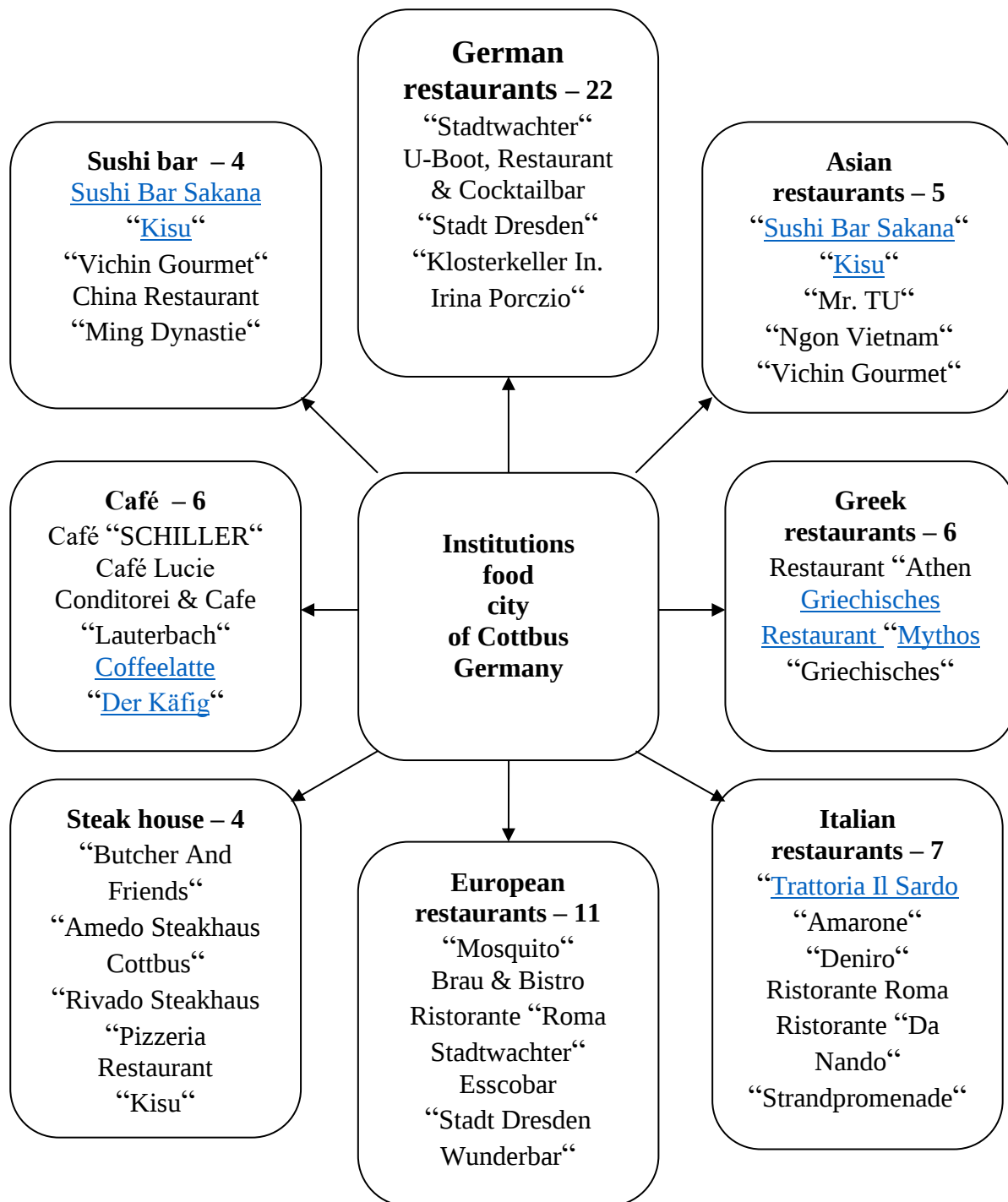
In its activities, the holding strives to adhere to international standards of corporate governance, which contribute to the successful development of business and the achievement of defined strategic objectives. The integrated structure also builds modern, complex projects, guided by the concept of development of the city of Cottbus and the region. Finding a balance between the needs of a given region, nature and the surrounding landscape is both a challenge and an object of profitable investment [187].

One of the most famous restaurants in the city is "Stadtwachter", which offers visitors to taste popular dishes of German cuisine. Beef liver, stewed meat with vegetables, as well as classic schnitzel are excellently prepared here. The restaurant has its own brewery, which brews excellent wheat beer.

In the family restaurant "Sebastian's Cottbus" we have the opportunity to familiarize ourselves with original dishes prepared according to unique home recipes. The restaurant offers visitors typical German dishes, including various types of meat stew and cabbage dishes. Pasta in tomato sauce is definitely worth noting among the signature dishes.

The restaurant industry includes the following types of establishments: restaurant, bar, cafe, cafeteria, dining room, snack bar, buffet, factory-procurement, factory-kitchen, home kitchen, restaurant on special orders (catering). According to the service time, restaurants are divided into fast-service and regular restaurants; according to service methods – with service by waiters and self-service. The restaurant can be full-service or specialized.

Various food establishments in the city of Cottbus (Germany) are shown in (Figur 3).



Figur 3. Food establishments of the city of Cottbus (Germany).

* Source: created by the author based on [186].

According to the service time, restaurants are divided into fast-service and regular restaurants; according to service methods – with service by waiters and self-service. The restaurant can be full-service or specialized. A full-service restaurant is a restaurant establishment with service by waiters and a significant share of signature,

custom-made dishes and drinks in products of its own production. In addition to the restaurant, bars and cafes can be full-service.

A specialized restaurant specializes in a certain assortment of culinary products – a fish restaurant, a restaurant of national cuisine, etc. It should be noted that culture is formed by values, attitudes, customs, traditions, habits and practices that give rise to a specific identity that unites those who have been socialized within a specific society. From the standpoint of symbolism, culture is a pattern of meanings embodied in symbolic forms, in particular, actions, utterances, and various objects through which individuals communicate with each other and share their experiences, ideas, and views.

Individuals are born into the environment of a certain culture, which determines the way they see themselves and organize themselves in relation to other people and nature. But what constitutes a European identity?

European identity should not be based on the cultural and linguistic homogenization of the citizens of the European Union, this is a mistake that national states constantly make, trying to destroy internal diversity in order to create homogeneous citizens [188, p. 123,329].

The Accor Hotels Group is a global leader in travel, modern lifestyle and digital technologies, offering a unique experience of accommodation in 4,100 hotels, resorts and residences, as well as in 3,000 of the best private homes around the world. Taking advantage of its own experience as an investor ("Hotel Invest" division) and operator ("Hotel Services" division), "Accor Hotels" successfully operates in 95 countries.

The company's large portfolio includes world-famous brands of the "luxury" segment, "Raffles", "Sofitel Legend", "SO Sofitel", "Sofitel", "Fairmont", "MGallery by Sofitel", "Pullman and Swissôtel"; popular brands of the middle price segment and boutique brands "25hours", "Novotel", "Mercure", "Mama Shelter and Adagio"; the most popular brands of the "economy" segment "JO&JOE", "Ibis", "Ibis Styles", "Ibis budget", as well as regional brands "Grand Mercure", "The Sebel" and "HotelF1". AccorHotels provides integrated innovative services at any stage of the journey, thanks to the recent acquisition of the company "John Paul", the world leader in the market of concierge services. An unrivaled collection of brands and a rich history spanning nearly

5 decades enable Accor Hotels and its 250,000 dedicated employees to fulfill the important mission of guaranteeing the warmest welcome to every guest.

Guests can become members of one of the most generous loyalty programs "Le Club AccorHotels". "Accor Hotels" is an active participant of local communities in the countries of its presence, and also maintains its commitment to sustainable development and joint responsibility within the framework of "PLANET 21", a comprehensive program that unites employees, guests and partners moving towards sustainable growth [189].

Therefore, the priority task of hotels of the AccorHotels network is the transition to renewable energy sources. For example, a 100 kW solar photovoltaic system was installed on the roof of the Pullman Quay Grand Sydney Harbor hotel. (can supply electricity to 20 ordinary houses), the Nawotel Barossa Valley Resort hotel has installed a 158 kW solar photovoltaic system, and the Novotel Coeur d'Orly hotel is equipped with a hybrid air conditioning terminal.

The formation of sustainable infrastructure is impossible without the use of innovative information technologies aimed at continuous analysis and control of engineering and technical support systems of the hotel business. Therefore, the hotel operator "Accor Hotels" constantly implements innovative tools ("Carbon Action Plan") that monitor energy and water consumption, occupancy of the room stock and its readiness to receive guests, automates all business processes, uses systems for remote management of resource consumption, carries out assessment of the feasibility of the location of the hotel, etc.

Based on the analysis of the experience of hotel chains, scientific works of foreign and domestic scientists, the sustainable infrastructure of a hotel should be understood as a complete system that includes a material, information, engineering and service complex of objects and services to ensure the effective operation of the hotel, formed on the basis of resource conservation and nature management, which is subject to the principles of responsible management. It should be noted that the development of hotel infrastructure on the basis of sustainability does not always require large costs. For

example, Accor Hotels have set a minimum standard water flow level for all showers, taps and toilets.

Many hotels have installed rainwater tanks, which are used for household purposes. Hotels monitor general consumption trends, as well as the consumption rate per guest (liter / night). Therefore, in order to save resources and comply with the principles of environmental management, hoteliers should focus their activities on rationality, economy, environmental friendliness and common sense in the development and use of hotel infrastructure regarding the introduction of automatic shutdown of the heating or cooling system, mechanisms to limit water consumption, the use of LED or energy-saving lighting devices, waste sorting and processing, management of enterprise premises [190].

Vinnytsia is a modern region, the economy of which is developing dynamically and has a number of market advantages: long industrial traditions, developed engineering and transport infrastructure, a powerful educational base, scientific schools working in the field of information technology, engineering, and medicine.

The road and rail network connects Vinnytsia with seaports of the Black and Azov seas. In addition, Vinnytsia is located at the intersection of two European road routes E50 and E583. Attracting investments to the region and the city is growing every year. In recent years, the city government has been actively working on attracting investors and developing the industrial sector.

In order to further increase the investment attractiveness of the region, the Vinnytsia City Council approved the "Marketing Strategy of the City", which was also developed with the participation of the "PROMIS" Project. Its active implementation due to a comprehensive approach to creating a brand of this territory, promotion of the Vinnytsia city united territorial community, effective development of tourism and the hotel and restaurant business is foreseen in 2021 and in the future. It should be noted that in 2011 the European Commission approved the long-term program "Social Entrepreneurship Initiative".

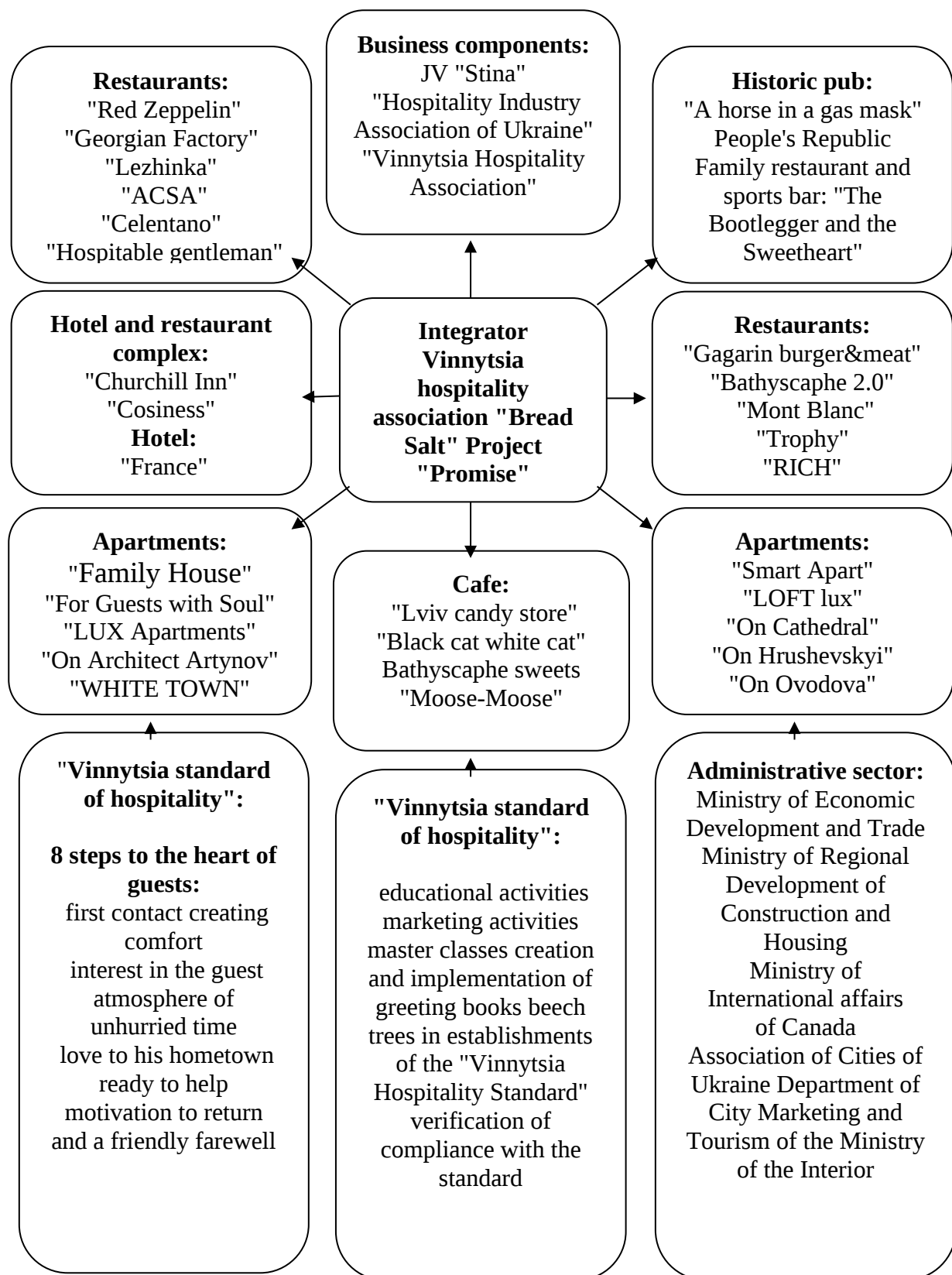
The purpose of the program is to stimulate the countries of the European region to support and develop the social entrepreneurship sector. The program has three main

focuses: a legislative environment friendly to social entrepreneurs, popularization of the activities of social enterprises, creation of conditions for obtaining financing for their development. It should be noted that there is no clear definition of a social enterprise in international practice, but there is a clear understanding of its basic characteristics: the main goal of a social enterprise is social impact, not profit for owners or shareholders.

Such an operator provides goods and services on the market according to a business model, and uses profits primarily to achieve social goals. According to the data of the "European Social Enterprise Law Association", in recent years there has been a boom in the development of the legislative framework for social entrepreneurship in European countries. The governments of countries independently determine how they will regulate this industry. For example, in Spain, Portugal, France, Greece, Croatia, a social enterprise can exist exclusively in the form of social cooperatives.

But Great Britain introduced a special variety – a company that works in the interests of the community. There are more than 13,000 such enterprises in the country. A number of European countries (Belgium, Croatia, Denmark, France, Italy, Luxembourg, Poland, Portugal, Slovenia, Spain, Sweden, Switzerland, Great Britain) have introduced a wide range of policies, programs and mechanisms aimed at supporting social enterprises.

However, the content and scope of support differ significantly. For example, the "Social Growth Program" operates in Denmark, which provides support for social enterprises working with the most vulnerable categories of the unemployed through individual coaching by business experts. In addition, intensive training programs on business development are offered, partnerships are being built between social enterprises, municipalities and social investors [191].

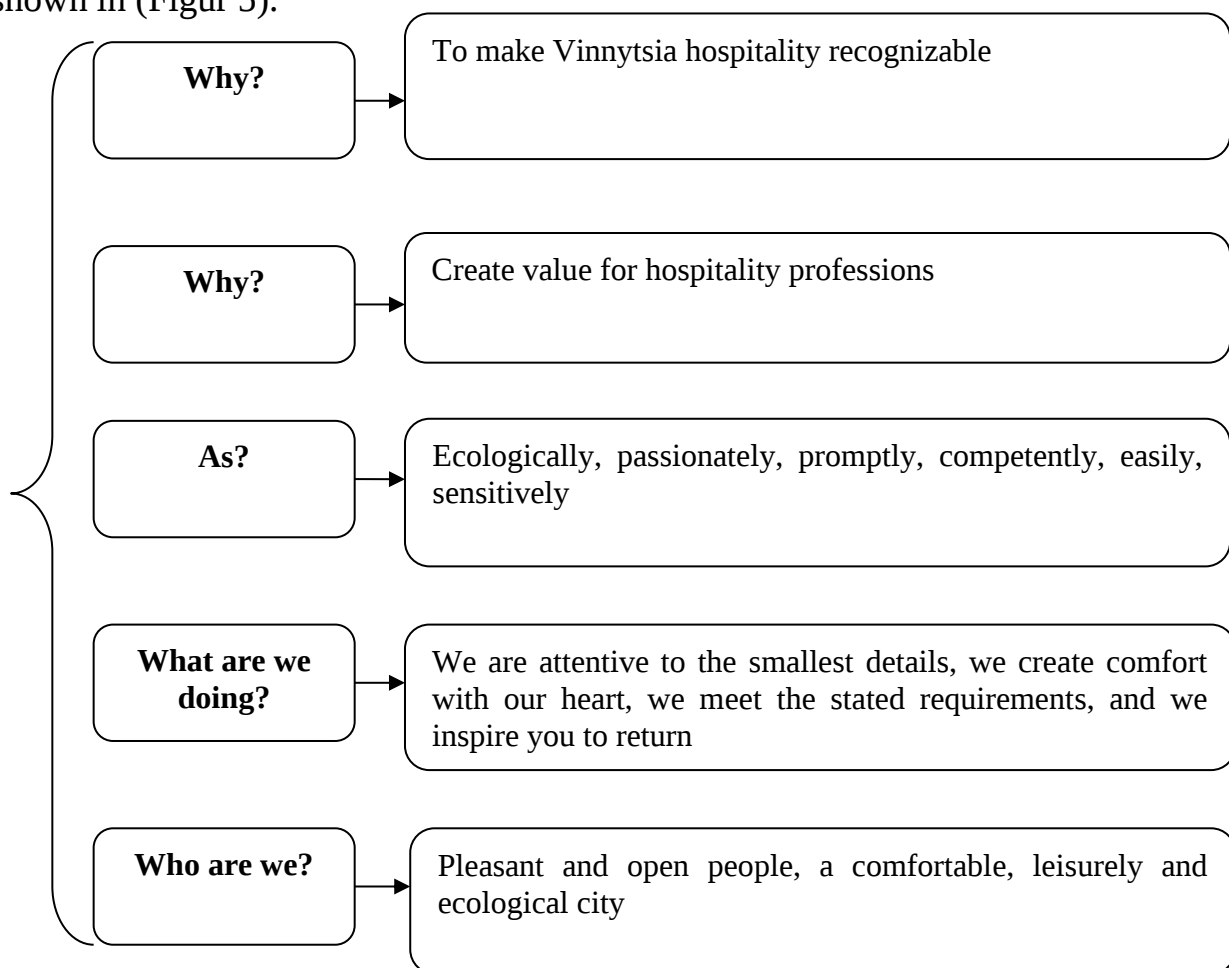


Figur 4. Project model of relations between the authorities, business components, public organizations in the city of Vinnytsia

**Source: created by the author [191].*

Also in June 2021, city council deputies approved a reduction in 2022 of the tax rate on real estate objects of the restaurant industry, museums and galleries and the rate of the tourist tax for incoming tourists. That is why sustainable tourism and effective marketing were identified among the goals of "Strategy 3.0". Therefore, by creating comfortable conditions, a pleasant atmosphere of coziness, high-quality service, delicious and refined dishes, we provide the catering establishment with the respect of visitors and competitiveness in the market.

The pyramid of values of the holders of the "Vinnytsia Hospitality Standard" is shown in (Figur 5).



Figur 5. The pyramid of values of the carriers of the
"Vinnytsia Hospitality Standard"

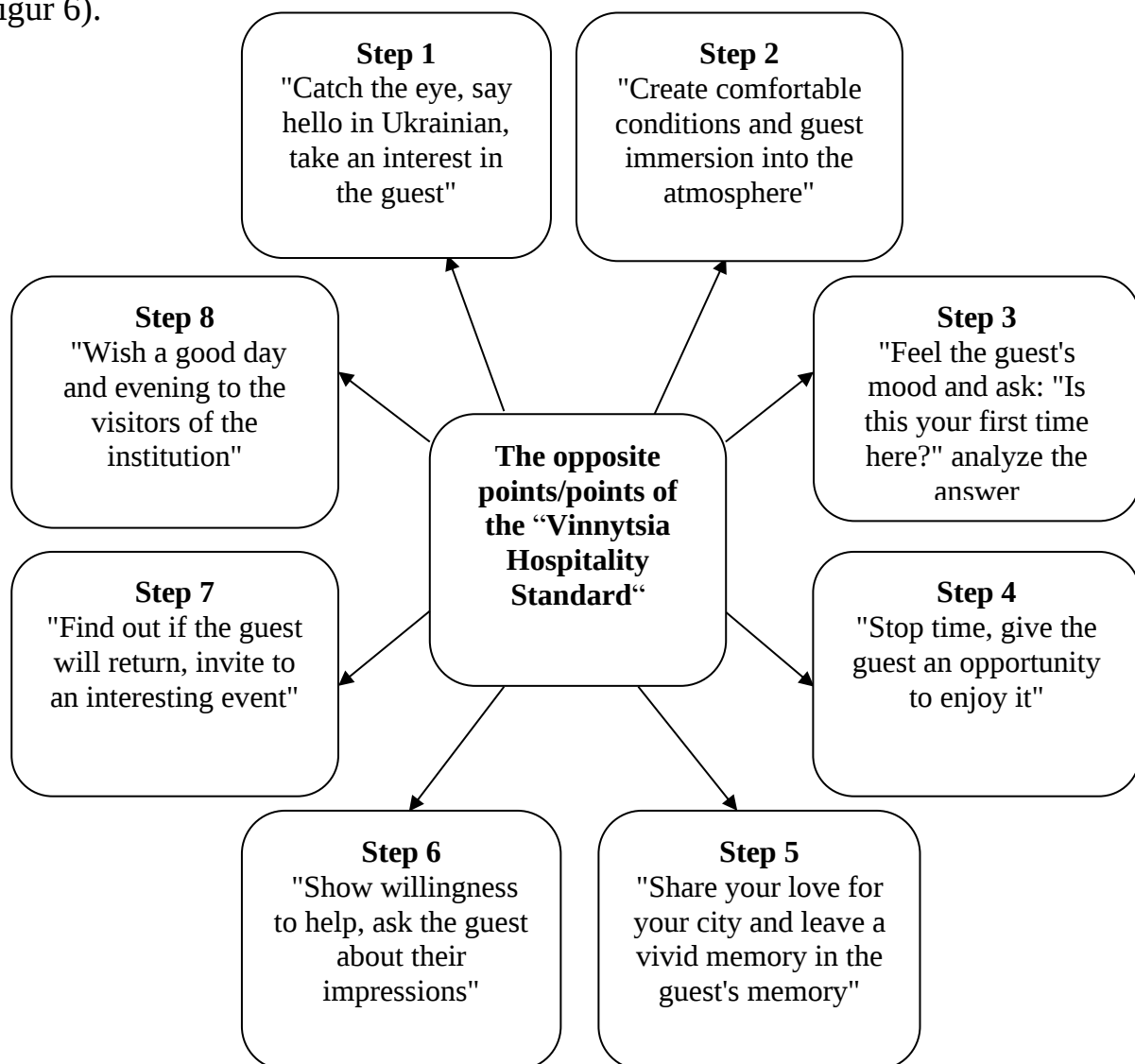
**Source: created by the author based on [191].*

The main components of the "Vinnytsia Hospitality Standard" are the list of values of its bearers, attention to details, as well as eight steps to the heart of guests: first

contact, creating comfort, interest in the guest, an atmosphere of unhurried time, demonstrating love for one's hometown, willingness to help, motivation to return and a friendly farewell. Vinnytsia, despite the pandemic, continues to hold a leadership position among cities with a population of up to 500,000 in attracting new tourists and developing gastroculture.

Tourism and hospitality, as innovative creative industries for our territorial community, are a significant resource for the formation of the economy of added value and, accordingly, new high-quality jobs. That is why sustainable tourism and effective marketing were identified among the goals of "Strategy 3.0".

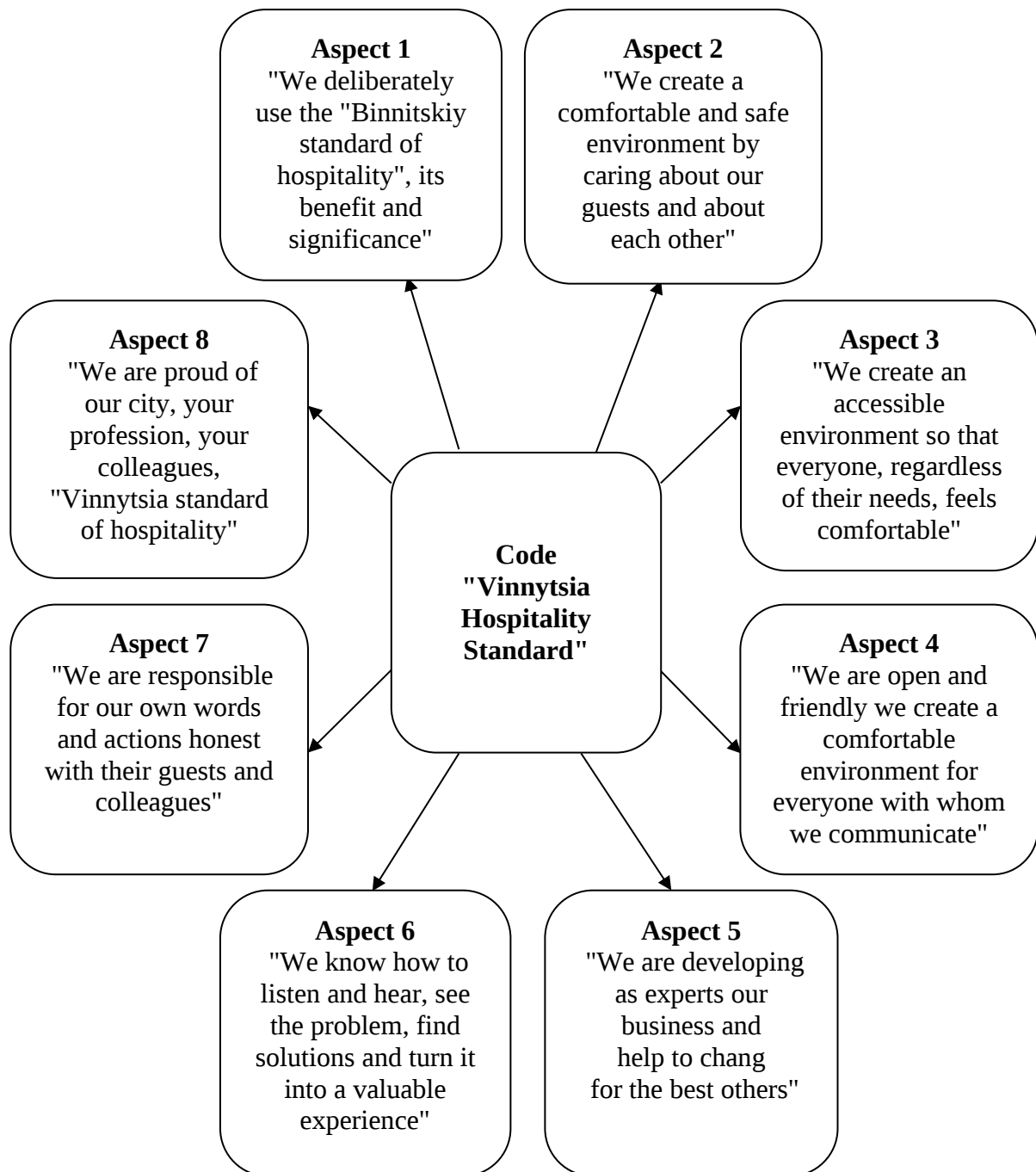
The opposite points/points of the Vinnytsia Hospitality Standard are shown in (Figur 6).



Figur 6. Main points/points of the "Vinnytsia Hospitality Standard"

**Source: created by the author based on data [191].*

It is necessary to pay attention to the main innovative aspects of the "Vinnytsia Hospitality Standard" Code, which are shown in (Figur 7).



Figur 7. Code of "Vinnytsia Hospitality Standard "

**Source: created by the author based on data [191].*

"The modern tourist is quite knowledgeable and experienced, and therefore demanding. We must constantly develop in order to meet his expectations," said Oksana Marusych, co-developer of the "Vinnytsia Hospitality Standard" and a

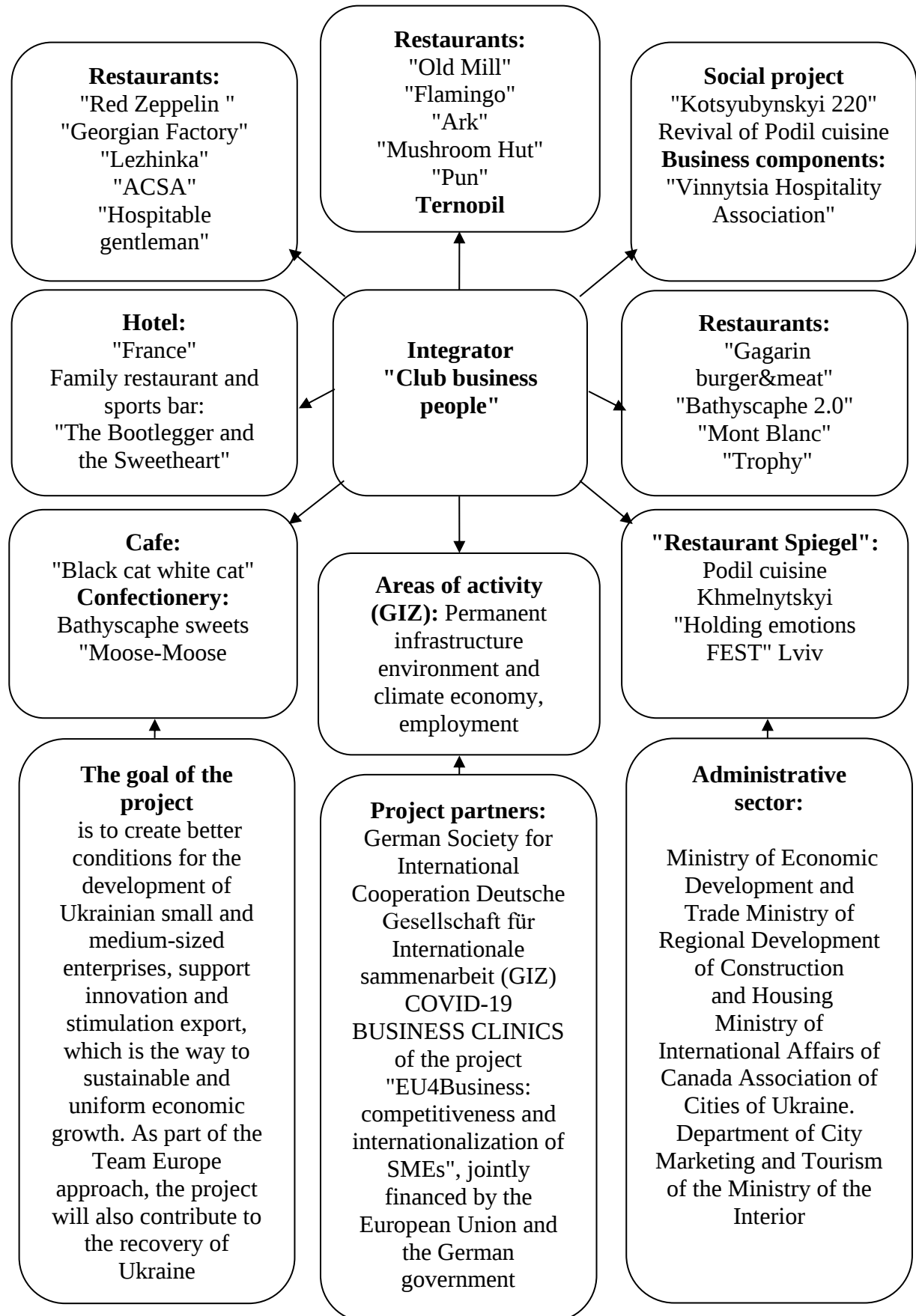
specialist in the creation and implementation of standards. According to her, Vinnytsia is a comfortable and cozy city that has competitive advantages and prerequisites that make it possible to move away from old models of communication in the field of hospitality and build a new service-communication with tourists.

Worthy of attention is the fact that despite the risks caused by the COVID-19 pandemic, Vinnytsia tourism entrepreneurs united in 2020 and founded the "BreadSil" hospitality association. With the support of the "Stina" entrepreneurs' union and the "PROMIS" project, a 6-module training was conducted for the members of the newly created organization, the mission and vision project of the union was developed, and the key points of the membership policy were outlined [191].

Joining efforts and establishing new partnership conditions, the members of the association will work to increase the number of tourists in the Podilsk region, in particular through the development of food culture and gastrotourism. In 2021, the Vinnytsia City Council, together with entrepreneurs, developed as many tools as possible to implement the "Vinnytsia Hospitality Standard". In particular, we created a series of training events that relate to the work of various employees of the hotel and restaurant business.

Later, within the limits of a certain institution, they plan to create so-called welcome books, which will help to move to a more personalized embodiment of the standards: institutions will choose those scenarios and styles of communication with the client that best correspond to their main format. The Vinnytsia City Council together with specialized public organizations and with the support of the "PROMIS" Project implement complex initiatives aimed at stimulating the economic development of the city.

The project model of relations between the government, business components, public organizations at the "HoReCa.Restart" forum, initiated by the "Vinnytsia Club of Business People", is shown in (Figur 8).



Figur 8. Project model of relations between the authorities, business components, public organizations at the HoReCa.Rest forum

**Source: created by the author based on data [189].*

The main components of the Vinnytsia standard of hospitality are the list of values of its bearers, attention to details, as well as eight steps to the heart of guests: first contact, creating comfort, interest in the guest, an atmosphere of unhurried time, demonstrating love for the native city, willingness to help, motivation to return and friendly farewell.

"Vinnytsia Standard of Hospitality" succinctly presents the code and the pyramid of values of its representatives, and also defines eight consecutive steps to the "guest's heart". Local hoteliers and restaurateurs see a significant resource potential in the implementation of the standard, and even, despite the crisis caused by the COVID-19 pandemic, will take it as a basis for improving their own image and establishing long-term relationships with customers [191].

The business intensive "HoReCa.Restart" is a traditional event for training and networking, initiated by the "Business People Club" and launched in 2018 with the aim of developing and supporting small and medium-sized businesses. The event presents the cooperation of entrepreneurs and experts in the field of hospitality, who talk about their company secrets, their own experience and answer the questions of the participants.

The goal of the project is to create better conditions for the development of Ukrainian small and medium-sized enterprises, support innovation and stimulate exports, which is the way to sustainable and uniform economic growth. Among the topics identified at the "HoReCa.Restart" forum are the following:

- technologies for creating a powerful brand and corporate style of the institution,
- planning the development and scaling of the hospitality establishment,
- global and Ukrainian trends in the restaurant and hotel business,
- bringing the service to a new quality level.

The first all-Ukrainian conference "Hospitality and tourism in Ukraine" was held as part of the Swiss-Ukrainian Project "Strengthening business associations of micro, small and medium-sized enterprises (Stage 2)", which is implemented by the United Nations Development Program in Ukraine (UNDP) in cooperation with by the Ministry

of Economic Development, Trade and Agriculture of Ukraine with the support of the Swiss Confederation.

Information partners of the event: HTL Ukraine, Ministry of Culture and Information Policy of Ukraine, State Tourism Development Agency of Ukraine, Kharkiv Regional NGO "Association of Private Employers", NGO "Union of Rural Green Tourism of Ukraine", NGO "League of Business and Professional Women of Ukraine", Development Office SMEs (SMEDO), National platform of SMEs. We will also consider the main areas of cooperation that were proposed at the First All-Ukrainian Conference "Hospitality and Tourism in Ukraine", which took place in the city of Vinnytsia on December 24, 2020 (Figur 9).



Figur 9. Project model of relations between the authorities, business components, public organizations in the city of Vinnytsia

**Source: created by the author [191].*

If properly understood, synergy is the highest form of activity in all spheres of life, the true test and manifestation of all other habits combined. Synergy is the essence of principled leadership. It catalyzes, unites and releases the greatest power in people. In a situation of interdependence, synergy has a particularly powerful effect on negative forces that hold back development and change. Driving forces usually have a positive, prudent, logical, conscious and economic character.

In contrast, inhibiting forces are usually negative, emotional, illogical, unconscious, and social/psychological. When you see only two alternative thoughts, you can create a synergistic third alternative. It is almost always there, and if you approach the search from a "win/win" position and really try to understand, then in most cases you can find a solution that will be the best for everyone involved [192].

It should also be noted that the "TourMIX: mix tourism in Vinnytsia" hackathon took place in the "Kvadrat" youth center. Employees of the hospitality, IT, museum institutions, tour guides, marketers, designers, public activists organized a meeting to create unique tourist products, combine creative ideas in the city's tourism business, develop projects for their inclusion in the future "Strategy development of Vinnytsia tourism until 2030".

As a result of the hackathon, 10 tourism development projects were developed. In particular, the result of the work was the project of the children's festival of eco-goodies "Funny Bear"; arrangement of the ethnographic location "Podilska gostyna" with the possibility of holding master classes on traditional crafts and presentation of Podil cuisine; the "Pirogov Week" festival, which for seven days will fill the museum-manor of M.I. Pirogov with reconstruction events, scientific picnics, etc.; the "Intermezzo" art picnic, which offers an event to familiarize yourself with the cuisine associated with Mykhailo Kotsiubinsky; the joining of Vinnytsia to Europe's largest pilgrimage route "St. Jacob's Way"; a two-day tour "Gallop across Europe", demonstrating the interculturality of Vinnytsia; arrangement of the location with reproduction of the medieval lifestyle "Dunstan" [193].

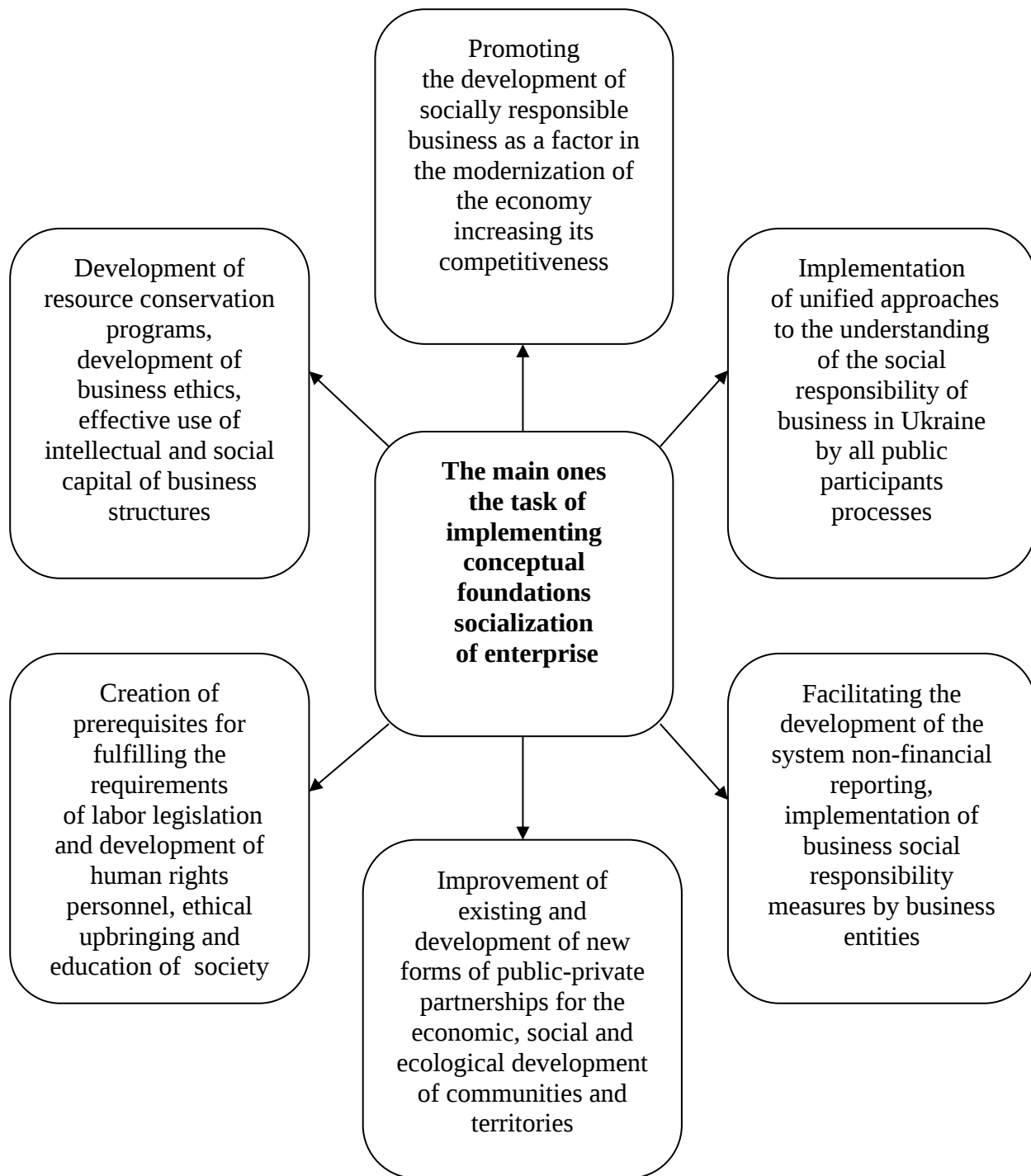
Globalization accelerates the pace of socio-economic changes and this phenomenon has a significant impact on the lives of individuals. Consumption,

production, leisure, mass media, education, travel and politics are all affected by the ever-increasing interdependence and speed of communications. The transition from industrial to post-industrial society requires individuals who can quickly adapt to live in a changed society where moral norms, values, ideologies, traditions and knowledge are constantly challenged and revised.

The main tasks of implementing the conceptual foundations of enterprise socialization are: promoting the development of socially responsible business as a factor in the modernization of the economy, increasing its competitiveness; introduction of unified approaches to the understanding of social responsibility of business in Ukraine by all participants of social processes; promoting the development of the non-financial reporting system in order to increase public awareness of the implementation of business social responsibility measures by business entities; improvement of existing and development of new forms of public-private partnership for economic, social and ecological development of communities and territories and others.

It should be noted that there is no clear definition of a social enterprise in international practice, but there is a clear understanding of its basic characteristics: the main goal of a social enterprise is social impact, not profit for owners or shareholders. Such an operator provides goods and services on the market according to a business model, and uses profits primarily to achieve social goals. One of the operational goals of the "Program for the Development of Social Entrepreneurship in the Territory of Vinnytsia City OTG for 2020-2022" is to promote cluster acceleration, in particular, the implementation of the "Inclusive Development of Social Entrepreneurship" project.

The main tasks of implementing the conceptual foundations of enterprise socialization are shown in (Figur 10).



Figur 10. The main tasks of implementing conceptual foundations socialization of enterprises.

**Source: created by the author based on data [193, p. 40-44].*

Currently, Ukraine does not have a single normative-legal document that would contain a normative definition of the terms "social entrepreneurship" and "social entrepreneur", as well as determine the directions of support for the creation and development of social enterprises (SE). However, as international experience shows, it

is social enterprises that play an important role in solving a number of social, economic, and environmental problems, strengthen inclusion and social cohesion of local communities, contribute to the development of local social capital, strengthen democratic participation, contribute to the expansion of women's rights and opportunities and provide quality services.

The generally accepted interpretation of this term defines that social enterprises are enterprises that achieve social goals through an entrepreneurial approach. Making a profit is not their main goal, as they are created to benefit the community and people. The profits of social enterprises cannot (or can only partially) be distributed among the founders, and are usually fully directed to the social purpose of the activity.

The development of social spheres requires the creation of equal conditions for all people. This is especially true for people with physical disabilities. Shops and other establishments equipped with ramps and handrails, wide doors and additional amenities allow such people to move and use services without hindrance. That is why the tourism sector is actively developing in this direction – hotels are becoming more and more convenient for people with disabilities to use.

So, it should be noted that the focus groups held in Vinnytsia confirmed that there are currently 10 enterprises operating in the city that position themselves as social. A few more are under construction. Most of them operate on the basis of public organizations that are focused on working with people with disabilities, for example: "Kulbaba" coffee shop and "Kulbaba" manicure salon, opened by the "Harmoniya" public organization and the international technical assistance project "Partnership for the Development of Cities" ("PROMIS" project); workshops and a greenhouse, created by the "Open Hearts" Association and the International Technical Assistance Project "Partnership for the Development of Cities" ("PROMIS" Project); a sewing workshop founded by the "Fortetsia" NGO and the "Goodstock" coffee shop also founded by the "Progressive Women" NGO; "System solutions", founded by the Vinnytsia regional public organization of the disabled "Self-help".

And there are also several social enterprises that were founded on the initiative of individuals, for example: social enterprise "Klubok", inclusive bakery "Bakery of

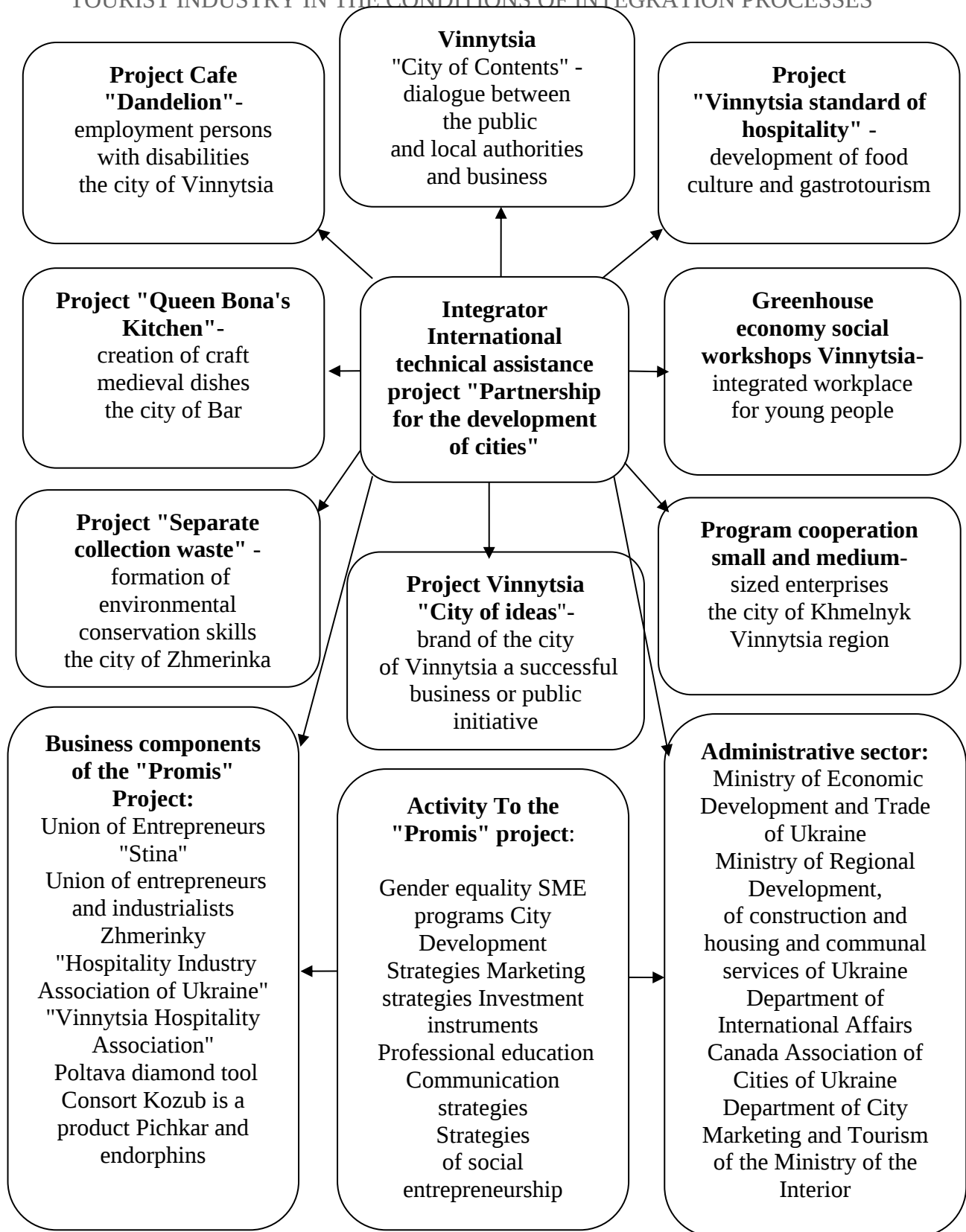
Good Deeds" (created under the "Good Bread" franchise), etc. "Social Enterprise UVV Engineering" LLC, founded by ATO veterans, is successfully operating in the Vinnytsia city OTG, which manufactures safety islands that are installed on the city's roads.

The international technical assistance project "Partnership for the Development of Cities" ("PROMIS" Project) is aimed at strengthening the municipal sector in Ukraine, implementing effective democratic governance and accelerating economic development by increasing the capacity of Ukrainian cities in the field of democratization of governance and local economic development; creation of a favorable environment for the development of small and medium-sized businesses; supporting the process of decentralization and integrated development planning at the local, regional and national levels.

Quick access to knowledge in the field of business management, as well as to opportunities to improve one's own business skills for business founders and managers, is a guarantee for the sustainable and effective development of any business activity, including joint ventures. An important task of the "Program" is the implementation of various educational initiatives for social startups, the establishment of expert support for active social entrepreneurs.

The tourist offer of the city of Vinnytsia to reorient itself to the requests of travelers in the realities of quarantine. Yes, the number of tastings and gastro tours with an emphasis on Podil cuisine has increased significantly. Vinnytsia guides have introduced new formats of excursions on motor ships and bicycles, using the potential of the city's recreational and natural areas, which are especially popular in quarantine conditions.

The project model of social entrepreneurship in the Podilsk Economic District is shown in (Figur 11).



Figur 11. Project model of social entrepreneurship in Podilsk
Economic District

**Source: created by the author based on data [194].*

In the modern conditions of globalization of the world economy, it is important to improve the process of attracting investments in economic activity, since this phenomenon is a guarantee of stable and effective development of the country's economy. An increase in investment resources and their effective use were and remain necessary prerequisites for the development of the state as a whole, as well as individual regions.

The exciting journey through the historical center of Vinnytsia continues and your eyes are caught by the bright inscription "Cozy". Involuntarily, you find yourself on a quiet street and immerse yourself in the magic of "hygge" in the "Zatyshok" hotel and restaurant complex. The entire territory of the complex shimmers with colorful flowers, summer playgrounds invite you to taste fragrant coffee with cakes according to signature homemade recipes. We find ourselves in a wonderful restaurant that captivates with its pleasant interior, colors and shapes.

The room is lovingly decorated with paintings and photographs of Vinnytsia attractions known from childhood, which are especially liked by foreign visitors. The friendly staff always greets you with a smile. Wooden products, fresh flowers, forged elements, a variety of lanterns and many "huge" things, a warm homely family atmosphere. "Zatyshok" guest house is a new concept of accommodation in Ukraine.

At the modern stage, in the time of constant movement and globalization, sometimes there is not enough family comfort. Taking an example from the European market, the owners chose a concept that dates back to ancient times and continues to modern times, namely guesthouses. What does the term "gasthaus" or "guest house" mean? Unlike a classic chain hotel, this type of accommodation includes a number of characteristics that create conditions for staying close to home.

The owners themselves and their family directly involved in hotel operations. All the plants that grow on the property are grown and regularly cared for by family members. The products that reach your table are also of special importance. "A good restaurant starts with high-quality products" – they believe in "Zatyshka". Seasonal vegetables and fruits, various jams and pickles, yogurts, pastries and much more. All

these are seasonal ingredients grown by hand or home-made products. There is also active cooperation with local manufacturers.

Bread is baked in our own bakery from flour that was grown and produced in Vinnytsia region. The ingredients for the preparation of dishes are ordered in the city of Tulchyn, which implies the absence of food antibiotics and synthetic hormones. Milk and dairy products produced on the farms of the region are used to prepare yogurts, omelets and other tasty and healthy dishes [195].

In Ukraine, there are problems with the implementation of integration processes in the hospitality industry. Effective use of production potential is based on technical re-equipment, increase in labor productivity and, accordingly, increase in competitiveness of the enterprise. Integration processes play an important role in this. Modern economic development requires structural changes in the construction of economic potential (production, innovation-investment, marketing, information, etc.), it is advisable to add cluster and integration potentials.

World practice proves that the functioning of the most successful economic systems is almost entirely ensured by advantages in production and management technologies. Therefore, the successful development of the economic system at any level is possible with the comprehensive use of strategic management concepts, taking into account the processes that determine the specifics of the modern stage of economic transformation.

A specific regularity of the reform of the regional management system is the optimal ratio of the system that manages and the system that is managed. This ratio is achieved in the process of scientifically based design of the specified systems with a simultaneous change (or replacement) of the main elements of the control system (forms of organization, production, structure) in accordance with the modification of the controlled system.

The entrepreneur's task now is to implement innovative changes; it should be the component that conveys the idea to matter, acts as an intermediary between the idea and its materialization. However, it should be remembered that one entrepreneur, if he

has enough finances and great enthusiasm, will not be able to work effectively. Success in the market always depends on the presence of partners.

One of the ways to achieve success in the implementation of innovations is to establish partnership relations with the initiators of changes that have the opportunity to influence the situation in the region and in the country as a whole. The combination of all types and forms of management on the territory within the framework of the regional should be understood as an opportunity to achieve conformity of the reformed economic subjects at the basic level and the created new management forms (associations, joint ventures, corporations, cluster formations, interregional associations, etc.) with the structure and the powers of the central authorities of the region.