

*Kyiv National University of Trade and Economics*

**STRUCTURAL REORIENTATION OF  
TOURISM INDUSTRY OF UKRAINE**

*Anatoliy Mazaraki  
Tetyana Tkachenko*

**Tourism**  
as multisectoral and  
multifunctional phenomenon  
is characterized by the highest  
level of elasticity from the natural  
(ecological), economic, social and  
political changes in any country-  
potential destination



## *For effective development of tourism it is required:*

- the system of permanent monitoring of situation;
- study of methodological basis and use the methods of formation of preconditions to reduce the negative factors influence;
- market research of changes of geospace vectors of tourist flows with the aim to quickly respond to the demands and meeting the postponed solvent demand of customers;
- to develop strategic methods of renewal and development of tourist enterprises activity.

## *2013-2014 Events That Influence National Tourism*

1. “Euromaidan”;
2. The Crimea Autonomic Republic annexation;
3. Military events in the East of Ukraine.

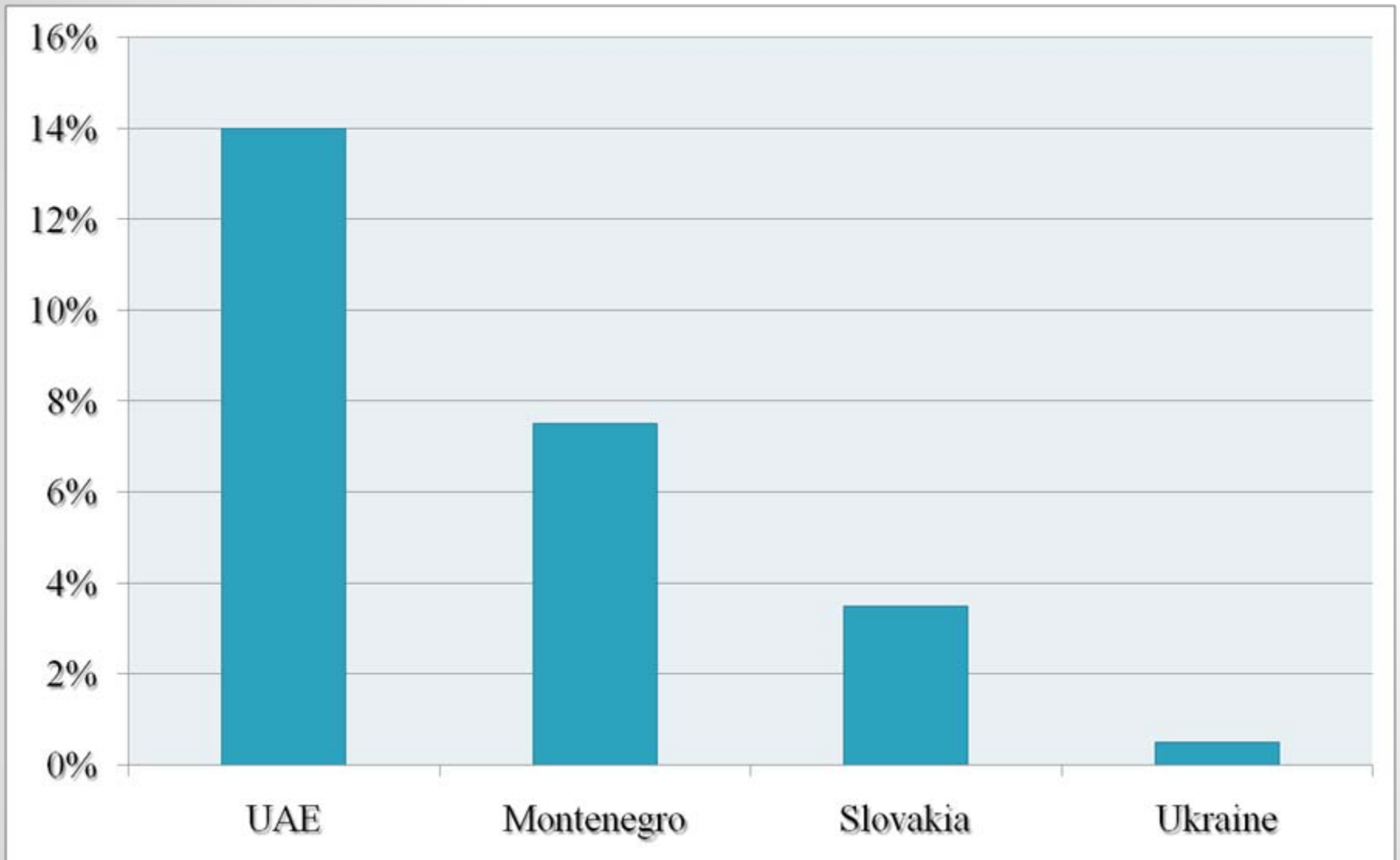
## Table 1.

### General indicators of tourism enterprise activity in 2013

general volume of foreign tourists in Crimea in accordance to whole Ukraine	39,3 %
the number of people that arrives to rest	18,7 %
the number of people that arrives to rest in the specialized means of accommodation	31,6 %
the number of nights	29,1 %
collective means of accommodations of the Crimea tourist region by its number	16,5 %
general room fund of the Crimea tourist region	30 %
the portion of revenue from the service realization in the main segments of tourism market	40%

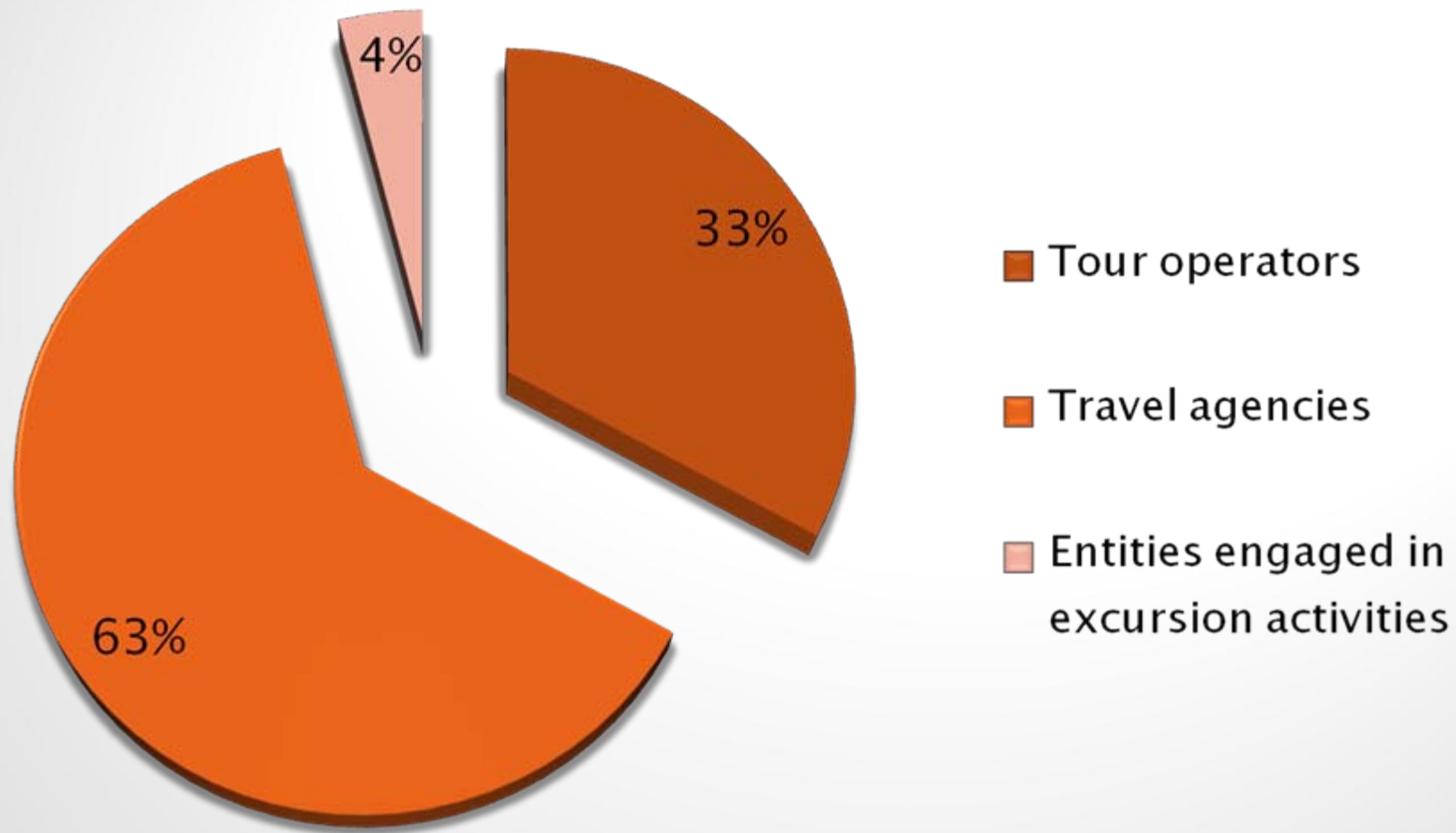
## Table 2. Tourist flows in Ukraine, 2000-2013

Year	Number of tourists	Foreign tourists	Domestic tourists	Number of excursionists
2000	290899	97874	122294	60907
2001	504347	128817	212640	86654
2002	549644	142849	232009	153678
2003	746899	193239	305245	134119
2004	1009909	263120	325438	189175
2005	935918	170865	225064	131513
2006	1498794	207468	390057	220068
2007	1814052	286901	410569	243463
2008	2088369	315984	379259	247251
2009	1589834	257893	307477	88670
2010	2047329	279141	325936	63627
2011	944917	65725	92536	34359
2012	1768532	123703	219370	83197
2013	2171181	97711	217971	42807



**Figure 1. Share of tourism in GDP of different countries, 2013**





**Figure 2. Number of travel enterprises in Ukraine, 2013**



### Table 3. Travel enterprises of Ukraine by regions, 2013

Region	Number of travel enterprises	Tour operators	Travel agents	Entities engaged in excursion activities
City of Kyiv	1138	454	674	10
Chernigov	19	3	16	-
Chernivtsi	70	28	41	1
Dnipropetrovsk	161	32	129	-
Donetsk	141	31	108	2
Ivano-Frankivsk	49	22	23	4
Kyiv	38	9	28	1
Kharkov	114	13	100	1
Kherson	23	7	11	5
Lviv	143	62	68	13
Mykolaiv	37	8	28	1
Poltava	28	2	25	1
Ternopil	27	10	13	4
Odessa	197	57	127	13
Uzhgorod	41	19	20	2

the loss size of Ukrainian tourism early in 2014 became 70-80 %, the main part of which was caused by the changing of Ukrainian citizens demand who spent their vacation in Crimea for other regions

swift decrease of tourist flow to Ukrainian capital city by 35-40 %, in the general structure of which 50 % – are tourists from the countries of Europe and 30 % – from Russia

**NEGATIVE RESULTS OF DEVELOPMENT OF NATIONAL TOURISM**

decrease of  
airline tickets sale by 22 %

the loss of significant part of property complexes and tourism exhibition objects show that are examples of general civilization values

**Figure 3. Negative effects of national tourism development in 2014**

**Table 4.**

**Geospace reorientation of demand of Ukrainian tourists**

<b>Increasing demand of tourists for the local destination in the Southern part of continental Ukraine in the Black Sea zone instead of the Crime</b>	<b>Luxurious and expensive tours to Asian-Pacific Ocean region</b>
Mykolaiv	Egypt
Kherson	Bulgaria
Odessa	Slovakia
	Croatia
	Romania
	Greece
	Georgia
	Montenegro

### **Factors that negatively influence national tourism**

- political, social and ecological collapses, unemployment, reduction of market stimulating methods, increase of taxation;
- slow rates of overcoming the consequences of world financial-economic crisis as well as slow rate of economic growth in the main priority sectors,
- unreadiness of enterprise personnel to quickly and effectively consider the changes;
- changes in the tourist behavior: expecting for “hot” tours and priced, late reducing the reservation, tours close to the place of living to well-known tourist centers, price response, high elasticity on profit, reducing expenditures on business trips

**TOURIST  
MARKET OF  
UKRAINE**

### **Factors that positively influence national tourism**

- stabilization of social-political situation in the country;
- increase business and consumers in the conditions of eurointegration;
- low tax rates which in short run perspective will gradually increase;
- renewal which follows harsh recession and transition to the new life cycle on “new” rules of conducting business;
- flexibility in the reaction on rapid changes of demand;
- instable market condition which made it stronger, cessation of hostilities in some regions of the country;
- struggle with terrorism;
- mass media activity stimulation

**Figure 4. Positive and negative factors which affect national tourism**

## Third stage – 2016

*Purpose:*

To establish additional standards in the sphere of tourism

## Second stage – 2015

*Purpose:*

To update the legal framework in the field of tourism

## First stage – 2014

*Purpose:*

To promote tourist products of Ukraine on international and domestic markets

### **Figure 5.**

**Stages of strategic development of national tourism which can stimulate the growth of the whole economy**

## First stage requires:

- to make law based initiatives as to urgent measures to activate the development of inbound and outbound tourism by the way of VAT rate reduction for services in temporary accommodation to the middle-European;
- to organize and finance measures in promoting tourist products and destination of Ukraine on the world and domestic market;
- to develop and realize complex of measures for the development of tourism on the local level by the local authority and self-government by the way of improving general and special (tourist) infrastructure.

## Second stage requires:

- to apply mechanisms of self-regulation in the sphere of tourism by means of introducing changes to the law of Ukraine “On tourism” and to bring the draft project of the law of Ukraine “On national tourist organization”;
- to improve normative field of function of subjects of tourist activity by means of developing the series of standards in providing tourist services which are harmonized to the norms of countries-members of EU and;
- to develop professional standards on the problems of regimentation the competence of specialists in tourist service, especially in tourist accompanying (guides, active tourism instructors);
- to work out the strategy of tourism development up to 2014 with international experts participation.



## Third stage requires:

- institutional reconstruction in the sphere of tourism on the national and local levels by developing of independent central body of state executive power, national tourism organization, local tourism organizations;
- to introduce new national standards as to providing tourism services that are in harmony with the european ones;
- to introduce professional standards in the sphere of tourism and to improve branch standards of higher education on the competitive principles.

**External environment defines the priority of considering the theoretical approaches to the development of organization-structural enterprise strategy according to:**

- theory of building of empire,
- process theory,
- monopoly theory,
- theory of values,
- diversification theory,
- theory of efficiency,
- theory of excitation
- theory of “robbery raid”,
- theory of chaos,
- theory of turbulence,
- theory of signals,
- theory of anti-crisis management,
- theory of cyclic,
- theory of enterprises life cycle

Definition and identification of kind of changes in the tourist sphere of the country on the basis of theoretical-praxeological generalization of successful experience will allow in future developing methodological principles of strategic planning of subject's development on macro and micro-level, developing normative-legal, economic and social-political mechanisms of flexible development of an enterprise on the qualitative new principles, which will stimulate the renewal of this perspective sector of economy for Ukraine.



# Authors data

- ▶ **Anatoliy Mazaraki,**

Doctor of Economics, Professor,

Full member of the National Academy of Pedagogic Sciences in  
Ukraine,

Rector,

Kyiv National University of Trade and Economics,

Ukraine,

Contact details: (+380-44) 531-49-49, [rector@knteu.kiev.ua](mailto:rector@knteu.kiev.ua)

- ▶ **Tetyana Tkachenko**

Doctor of Economics, Professor,

Dean of the Faculty of Restaurant, Hospitality and Tourism  
Business

Kyiv National University of Trade and Economics,

Ukraine,

Contact details: (+380-44) 531-49-51, [tkachenko12@ukr.net](mailto:tkachenko12@ukr.net)



**Thank You for Your attention!**