

Competiveness of Tourism Industry in Ukrainian Regions

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Abstract: The article contains developed methodology of estimation of tourism industry’s competiveness of the certain region, dynamics of the rate “Volume of tourism services provided” for the period of 2010-2012, the article determined general competiveness level of tourism industry of every Ukrainian region according to selected evaluation criteria; dynamics of tourism industry’s competiveness in every Ukrainian region was analyzed; Ukrainian regions with crisis situation in terms of decrease of tourism industry’s competiveness were determined; necessity of consideration of “Competiveness of the region’s tourism industry” rate was proved, as well as the usage of methods of its evaluation both on state and regional levels of national economy.

Key words: Competiveness • Crisis • Volume of tourism services provided • Region • Development • Tourism industry

INTRODUCTION

Problem Statement: Development of tourism industry in Ukraine in the modern period is characterized by territorial (regional) unevenness, which is caused by the range of natural, cultural and social objective factors, such as: tourist-attractive climatic conditions, attractive historical and cultural heritage, income level of region’s habitants and their possibility to spend some money on active recreation and hiking.

At the same time we consider the development of infrastructure of the tourist industry to be especially noteworthy (the quality of resting places, transport service, the services provided by actors of tourism industry’s development on national economics’ level are stated without paying attention to the factors affecting the volume of services realized in the industry on the other hand – determines competiveness level of this industry in the region in comparison with the others. Thus, the volume of the services provided in tourism industry of the certain region is influenced by all the factors that affect industry development in this region. Hence, this rate can be considered to be efficacious, dynamics of which characterizes the change of competiveness’ level of the region’s tourism industry.

However, unfortunately, if one analyzes the purview of the Law of Ukraine “About tourism” [1] and the content of Government program on tourism development for 2002-2010 [2], one can state that the problem of competiveness’ definition of tourism industry on the regional level was left unattended by their developers. While developing normative legal instrument [1] and in the Program’s content [2] the problems of tourism industry’s development on national economics’ level are stated without paying attention to the factors affecting the volume of services realized in the industry on the whole and regional aspect is not considered. Under such circumstances estimation of competiveness level of tourism industry in the certain region is left unattended.

We consider subjectivity in approaches regarding investments to tourism regions while forming Ukrainian state budget to be the result of above-mentioned problem. In the course of budget-forming investment allocation is performed under groundless principle – without considering changes in competiveness.

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Table 1: Volume of tourism services provided in Ukrainian regions for 2010-2012 *

<table>
<thead>
<tr>
<th>Region</th>
<th>2010 Value</th>
<th>2011 Position</th>
<th>2012 Value</th>
<th>2012 Position</th>
<th>Dynamics of annualized rate, coefficient</th>
<th>Region’s part in the volume of services provided, %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Autonomous Republic of Crimea</td>
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<td>5043,7</td>
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<td>24</td>
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<td>25</td>
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<td>7</td>
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<td>5</td>
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<td>3</td>
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<td>12</td>
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<tr>
<td>Ivano-Frankivsk oblast</td>
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<td>15</td>
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<tr>
<td>Luhans oblast</td>
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<tr>
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<tr>
<td>Kyiv oblast</td>
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<td>22</td>
<td>19,4</td>
<td>21</td>
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<td>Sevastopol</td>
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</tbody>
</table>

Clarification remark for the Table 1: *-made up based on the source data [17, p.36-143; 18, p.36-143; 19, p.36-143].

Analysis of Researches and Publications Regarding the Forming Article's Goals and Assigning Tasks: Thus, the problem specified:

Specific aspects of competitiveness goal of this scientific research is to develop estimation level consideration of tourism industry at the regional procedure of certain region’s competitiveness in tourism level are reviewed in researches of the following research industry, for the purpose of which the following tasks were performed: the change of main efficiency rates was analyzed ("Volume of tourism services provided" in Ukrainian regions for 2010-2012); general level of each Ukrainian region’s competitiveness in tourism industry was determined, regulated by evaluation criteria; dynamic of tourism industry’s competitiveness in regions of Ukraine was analyzed; Ukrainian regions with crisis condition were identified in terms of decreasing tourism industry' competitiveness.

Exposition of Research’s Main Material: With the purpose of stated problem’s solving, based on official statistical data, empirical researches were performed, aimed to analyze the change of the main efficiency rate "Volume of tourism services provided" in Ukrainian regions for 2010-2012 (Table 1).
Results obtained and presented in Table 1 allow determining the level of tourism industry’s competitiveness in each region of Ukraine according to the following criteria:

- Volume size in money terms and region’s position (rating) among the others;
- Dynamics of region’s rate change among the others;
- Stability of annualized rate’s dynamics (2011/2010; 2012/2011);
- Dynamics of region’s part in the volume of the services provided.

Thus, taking all these criteria into account allows calculating the level of tourism industry’s competitiveness in certain region basing on the following methodological approach:

Basing on the volume of the services provided: number of points received by certain region for tourism industry is determined by its position among the others (M): maximal number of points (276) stands for the region, which takes the first place and, accordingly, minimal number of points (16) receives the region, which took the last place in the table (27th) for certain period;

Basing on change of region’s place among the others considering changes of rate “1” “Volume of tourism services provided” (Mp) the following formula is used (1):

$$Mrb. = \frac{Mrc.}{M}$$  \hspace{1cm} (1)

where Mrb. stands for the position of the region in the base period (=1), points;

Mrc. stands for the change of region’s place in reporting period (step – “1”), points;

Stability of dynamics of “Volume of tourism services provided” (St.) determines the coefficient, calculated in the Table 1;

Basing on dynamics of region’s part in the volume of the services provided (Dp), coefficient is calculated via the following formula (2):

$$Dp. = \frac{P_{2012} + P_{2011}}{2} + \frac{P_{2011} + P_{2010}}{2}$$  \hspace{1cm} (2)

where $P_{2012}$, $P_{2011}$, $P_{2010}$ are parts of the region in the volume of the services provided in 2012, 2011 and 2010, respectively.

General level of region’s competitiveness in tourism industry (Ct.r.) is calculated according to the formula (3):

$$Ct.r. = \left( M - \frac{1}{2} \right) \times \left( \frac{Dp.}{M} \right)$$  \hspace{1cm} (3)

The change of region’s competitiveness in tourism industry can be determined by using the following identity (4):

$$\begin{align*}
Ct.r. > M & \rightarrow \text{competitiveness increased} \\
Ct.r. = M & \rightarrow \text{competitiveness didn’t change} \\
Ct.r. < M & \rightarrow \text{competitiveness decreased}
\end{align*}$$  \hspace{1cm} (4)

Thus, according to this methodological approach and considering data presented in the Table 1, computation table was compiled, defining the level and changes of competitiveness’ level of tourism industry in Ukrainian regions in 2012 (Table 2).

Basing on the data obtained and calculations performed (Table 2), it can be concluded that, in order to estimate the level of competitiveness of the region’s tourism industry, operating only “Volume of tourism services provided” rate in money terms is not enough. It is indicated by appreciable difference between this rate, level and change of competitiveness, which are determined with the help of developed methodological approach.

It is evident that among all Ukrainian regions really crisis situation in terms of decreasing of competitiveness of tourism industry is observed in the following nine oblasts:

- Vinnytsia oblast, where in 2012 decreased the volume of services provided in the region, as well as its part in the industry on the level of state economy, moved from the 24th place to 25th one; Volyn oblast, where the industry’s rating decreased from the 17th to the 22nd place and similar negative tendencies took place;

The industry of Zhytomyr oblast during analyzed period was occupying the last place in terms of the volume of services provided, which decreased in 2012 compared with 2011. Also, oblast’s part in the industry on the level of state economy decreased (the level of competitiveness of this region was the lowest);

- Industry of Zakarpattia oblast lost one position among other regions in terms of the volume of provided services; its part in general volume of the industry in Ukraine decreased considerably, its decay took place in each of the periods analyzed.

Industry of Luhansk oblast also lost one rating position among other regions, also, its part in the industry on the level of state economy decreased.

Odesa oblast is the only one region from the Top-5 of the regions in terms of the volume of the services provided, which demonstrated decrease of its competitiveness as a result of this rate’s drop, loss of its
position in general rating (from the 4th to the 5th place), substantial annual decrease of its part in the industry on the level of state economy.

Rivne oblast’s loss of rating was the largest among the others, the position of which dropped from the 15th to the 22nd in 2011 year and to the 20th in 2012. It demonstrated the most substantial decrease of the services provided in 2012, there was a substantial decrease of its part in the industry on the level of state economy in terms of the services provided, which was the reason of its’ taking last but one place in the table of competiveness’ indicators (0,84;). At the same time, according to the data from statutory conditions of Ukraine and programs being developed on the state level aiming to provide development of tourism industry, this problem (decreasing competiveness of tourist regions) is left unattended by legislative authorities and executive powers. It is our belief that it will aggravate the crisis in tourism industry both in regions and in the whole state.

Conclusions and Prospects for Further Researches:

Therefore, empirical researches performed allow stating that crisis phenomena in tourism industry of 9 abovementioned Ukrainian regions are characterized by decrease of their competiveness, which puts the brakes on further development of tourism industry not on the regional level only, but also on the state one.

We believe that regardless of increase in prices for tourism services, decrease of their sales revenue was caused by the loss of potential customers (tourists), who prefers to travel and recreate in other regions of Ukraine or abroad.

At the same time, according to the data from statutory conditions of Ukraine and programs being developed on the state level aiming to provide development of tourism industry, this problem (decreasing competiveness of tourist regions) is left unattended by legislative authorities and executive powers. It is our belief that it will aggravate the crisis in tourism industry both in regions and in the whole state.
From scientific point of view, as a result of lack of scientific researches regarding identification of crisis-related issues and indications on the base of regions’ competitiveness, the process of strategic provision of tourism industry in Ukrainian regions becomes more complex, since government institutions are not able to allow for the factors slowing the development down.

Then, we can consider development of methodological recommendations for executive authorities regarding evaluation of competitiveness of tourism industry in Ukrainian regions to be a perspective area for further researches. The usage of these recommendations will allow solving determined practical issues of development of tourism industry in Ukraine and particularly – on regional level of national economy. Shift in emphasis in these scientific statements toward crisis situation of tourism industry in Ukrainian regions is a topical need, which requires making correspondent amendments in regulatory and legal framework, as well as provision of programs facilitating development of tourism industry on regional levels. Today this problem is being tackled by academic economists of “Management and administration” department of Kondratyuk National Technical University of Poltava.

REFERENCES


