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Стан та фактори перспективи розвитку туристичної діяльності в областях України

STATE AND FACTORS OF DEVELOPMENT PERSPECTIVES OF TOURIST ACTIVITY IN UKRAINIAN REGIONS

Abstract. In the paper the regional peculiarities of tourism activities in the regions of Ukraine have been analyzed with use of correlation analysis, the method of a point assessment and with definition of the coefficient of determination. The impact of the factors such as competition in the tourist market, the population size and personal income, tourism resources on the development of tourism business has been analysed. The comparison of the tourist potential of the regions of Ukraine has been carried out with the use of the value index of tourist enterprises. A comprehensive assessment of the internal tourism potential of the regions of Ukraine has been implemented. It has been determined that the lack of attention to peculiarities of each region is one of the major shortcoming of the state policy of tourism regulation under the conditions of limited financial resources. At that choice of the state regulation is complicated by the perspective of Ukraine`s international into the international community the essential condition of which is a strong and competitive tourism industry.

Keywords: tourism, region, tourist activities, entities of tourist activities, functions of tourism, coefficient of determination, potential of tourist enterprise competition.

Introduction. The development of tourism industry demands attention not only from interested businessmen, but also from state authorities and governance, especially local authorities. Tourist sphere should get firstly, the appropriate signals from the mentioned bodies concerning prospects of its development, and, secondly, coordinate their actions with other sectors of the regional economy, in the conditions of possible decentralization of power, but rather the transfer of more powers competence to the local government. The interaction between tourism enterprises and their associations with local governments has to become the most effective and useful to each of the local communities in these aspects

An analysis of the recent research and publication. Researchers of tourism industry revealed different aspects of functioning of enterprises what made it possible to work more effectively to satisfy the human needs in journeys within Ukraine and abroad. In particular, the potential possibilities of individual regions [1-4], the presence of certain tourism resources [5], including the possibility of their use in terms of the principles of sustainable development [6] were studied. However, the tasks remain still unresolved that have arisen due to the expansion of tourism opportunities in recent years, both for the Ukrainians travel abroad and for foreign tourists who arrive in Ukraine.

Problem statement. Therefore it is advisable to conduct research to reveal regional features that influence the development of tourism business, for theirmes further consideration and use in the state regional programs.

The purpose of our research is the identification of regions where favorable conditions are created for tourism business development on the basis of the integrated analysis of social, demographic, economic, and financial performance of travel and human resources of regions of Ukraine.

The following tasks have been identified to achieve the purpose:

1. To analyze the effect of five factors: market competition, population and household incomes, tourism resources and the cost of tourism enterprises to develop tourism business.

2. To draw the conclusions about the regions which are most favourable for tourism business development based on comprehensive analysis.

A correlation analysis, the coefficient of determination, ballroom evaluation method have been used during the research.

Presentation of the main research and explanation of scientific results. Each territory as a potential area for tourism development has real characteristics and differences in tourist resources and infrastructure, economic development and foreign trade, the mentality and the level of needs of the population, demographic and migration processes, and so on. Therefore the specifics of regions in the all-Ukrainian structure, the level of development of local government, problems of protection and restoration of natural and historical and cultural tourist resources has to be considered in the basis of the tourism policy of a region.

Our research includes the evaluation of factors that influence the development of tourism in the region: the competition in the market, the population size and household incomes of population the region and the available tourism resources. There was correlation analysis was used to determine their impact on the development of tourism business. The coefficient of determination R^2 shows the constraint force between the amount of data selected for analysis.

One of the most important factors of influence on development of the tourism business is market saturation of tourist enterprises, what creates competition. So, the index is considered to be optimal in European countries when one travel company accounts for 10 thousand people. Under such conditions the most favorable competitive environment is created in the market. In Ukraine one tourist company accounts for 9.5 thousand people, what corresponds to favourable tourist market according to European standards. But it is advisable to explore regional differences of tourist competitiveness.

On this basis, based on the index of «10 thousand people for one tourist company», we suggest classifying competitive the markets of tourist business in Ukraine into three groups (see figure.): index above the norm (over 10 thousand) means that the competition is low; the normal index means normal competition; if the index is below normal, the competition is high.
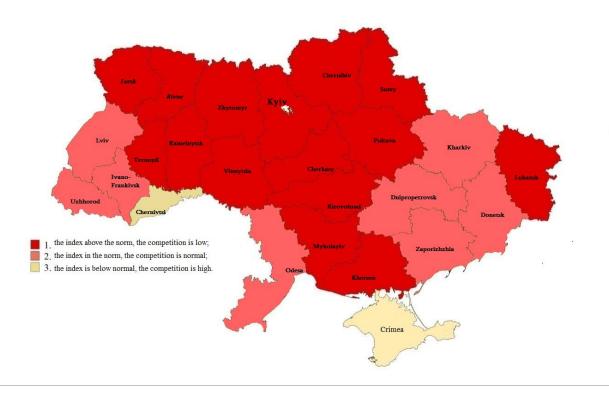

Fig. Distribution of competition between tourist enterprises by regions of Ukraine (treated by the authors [10])

We can conclude by the calculated data about the areas where it is easier to enter the market (where competition is low or normal) and areas where it is more difficult to enter the market because competition is very high there. The competition is a guarantor of continuous progress of society, it stagnation in the economy [4, p. 231], promotes the use of innovations, resource conservation, expansion of the assortment. But its inseparable companions are conflictnesses, instability, bankruptcy, laying off workers, aggressiveness of the information environment [11].

Dependence of quality of tourist enterprises on the population of the region has a strong conpling, what the correlation coefficient $R^2=0,7$ confirms. Define also the relationship between the population size and profitability of tourist enterprises. This

index will be $R^2 = 0,42$, while the relationship between the urban population and profitability will be $R^2 = 0,58$. Dnipropetrovsk, Donetsk, Lugansk, Kyiv, Kharkov regions (from 80.1% to 90.6%) belong to the regions of Ukraine, with a high share of the urban population [12, p. 23]. The index of urban population should be a reference for the development of activity of tourist enterprises in a particular region. The urban population has a greater need for tourism (sedentary work, depression, severe intellectual labor) than rural, as well as greater financial capacity in case of departure outside their region or abroad.

The above is confirmed by the study of another factor which is the *solvency of the population.* Thus, the investigation of the connection between the number of tourist enterprises and household incomes (average monthly salary) shows dependence of $R^2 = 0,6$.

Another important index is potential of the company. Categorical apparatus of a potential enterprise is characterized by the breadth of scientific views. In this paper we consider the potential of tourism enterprises as a collection of travel resources (labor, material, technical, financial, innovation, etc.) skills and opportunities of managers, professionals and other categories of personnel for the implementation of services (operations) to maximize revenue (profit) and the functioning and development of tourism enterprises on the basis of interpretation of the tourism potential Repin I. (1998), [13]. The potential of the company is a complex, dynamic, multystructural system. This agglomeration has its own laws of development, whereby efficiency of the economy, the tempos and quality of its growth critically depend on ability to use them.

For comparison of the tourist potential of the regions of Ukraine, we have chosen a way of determining the value of the enterprise according to the income capitalization method proposed in the textbook [14]. There are a lot of ways to determine the potential of the company according to the specified method. As shown in international practice, there are options to determine capitalization:

- Nearest in operation time over the last twelve months or for the financial year;
- Operations are projected for the following year;

- The average value of transactions for the last few years;

- Rate of net profit (subject to a possible expansion in future periods).

To determine the value of the company we have chosen income capitalization method, for this we choose the net income as a basis, which the company received at the end of the year. To determine an adequate discount rate, we use the method of constructing cumulative, that is on the basis of consideration of risk factors which together represent the characteristics of the total revenue, which is needed to compensate for the overall risk in the assessment of the company. Calculation of capitalization is shown in Table. 1. Capitalization rate calculation involves determining the values of capitalization rates specifically for the tourism industry. In the final calculation the effect of the numerical value of each component based on the size of the capitalization rate is also takes into account that is an increase (plus sign) or decrease (negative sign) of rates.

Table 1

Calculation of capitalization rates according to the method of a cumulative construction

№	Components for the determination of the capitalization rate	The numerical values of the individual components and the results of calculation,%
1	The risk-free rate of return on capital (R_{r-f})	7,5
2	Risk premiums depending on the size of tourist enterprise (S_r)	5
3	Other risk factors: branch risk (RF_b) financial risk (RF_f) diversification (RF_d) competence of management (RF_m)	from 1 to 3 % 5 % 4 % from 3 to 6%
4	Discount rate for net income (Rc)	from 25,5 to 29,5 %
5	Average annual rate of growth of net income	Calculate the ratio of the current year to the previous
6	The coefficient of capitalization of net income	8,5

The average rate on deposits in dollars for one year of the end of 2013 - 7.5% as the risk-free rate of return on capital was selected [15]. The risk-free rate of return on

equity reflects the guaranteed income that can be gained from investments with low risk.

The average premium for the risk of small-sized enterprises ranges from 2 to 6% according to international practices. [14]. Due to the fact that in comparison with enterprises counterparts who work in the tourist industry, the company has a smaller size, which means that it may have a greater rate of return in the future, and hence a higher premium for risk is need for it. Therefore, we have selected a premium for risk depending on a company size - 5%.

As for other risk factors, we have chosen the numerical values of the components to calculate the capitalization rate in accordance with the recommendations of the researchers of the problem, the potential of enterprises [14]. Choose risk premium for branch 3% for companies with high competition, 2% - normal, 1% - lower (Fig.).

Premium for financial risk we choose at 6% because there is instability in the country today [14]. Premium for risk diversification we select at 4%, as the company does not have enough broad diversification of production and almost completely dependents on the presence of tourists [14]. Premium for risk of management competencies we choose depending on the proportion of full-time employees of tourist activities that have higher or secondary specialized education in the field of tourism, calculated by the author on basis of the materials of the State Statistics Service of Ukraine [10]. If aforementioned rate of employes is greater than 50% (according to statistics is typical of Kyiv, Rivne, Sumy, Ternopil, Kharkiv, Cherkasy regions, cities of Kyiv) then the premium for the risk of management competencies we choose 3%; if it is from 40 to 50% (Lutsk, Dnipropetrovsk, Donetsk, Zaporizhzhia, Luhansk, Lviv, Odessa, Khmelnytskyi regions), the premium for the risk is 4%; 30 to 40% (Vinnytsia, Chernivtsi, Chernihiv regions and Crimea) - 5%; if it is less than 30% (Zhytomyr, Uzhhorod, Kirovohrad, Mykolaiv, Kherson, Poltava regions, Sevastopol city), the premium risk is 6%.

Thus, according to Table. 1 we calculate the discount rate for net income (Rc) summing components for the determination of the capitalization rate in lines 1-3 as follows:

$$R_c = R_{r-f} + S_r + RF_b + RF_f + RF_d + RF_m . \qquad (1)$$

After calculations we obtain the value of the discount rate for net income (Rc) from 25.5 to 29.5%. The rate will vary by regions depending on the industry and risk of management expertise.

$$25,5 \triangleleft 7,5 + 5 + b(1 - 3) + 5 + 4 + m(3 - 6) \triangleleft 29,5$$

The average annual growth rate of net income calculated on the basis of the ratio of net income of tourism enterprises of some regions of the current year (2012) to the last (2011) year. To calculate this indicator to the data of the State Statistics Service of Ukraine were applied [10]. Thus this indicator ranges from 1 to 19% depending on the region.

Calculating the cost of the company, first we find the net profit calculated according to the formula:

$$Pn = I \times \mathrm{Tct} , \qquad (2)$$

where, P_n – net profits, 2012;

I – income from of tourist services (without VAT, excises and similar mandatory payments - operating expenses);

T_{ct} – corporate income tax (in 2013 – 19%).

Then we calculate enterprise value by the selected data by this formula:

$$V = \frac{In}{Rc}, \qquad (3)$$

where, V – enterprise value in 2012;

R_c – capitalization rate 2012.

The calculated data by region are shown in Table 2.

Table 2

Tourism potential of regions of Ukraine (calculated by the authors)

Entities engaged in tourist activities					
Legal entity				Physical entities, travel agents	
touroperators		touragents			
5650,9	Kyiv city	94,0	Kherson region	19,0	Chernihiv region
413,9	Ukraine	10,6	Donetsk region	19,0	Kharkiv region
92,8	Lviv region	2,7	Crimea	18,7	Vinnytsia region
29,6	Mykolaiv region	1,0	Khmelnytskyi	12,5	Ukraine
10,2	Khmelnytskyi region	0,5	Zaporizhzhia region	11,7	Kirovohrad region
7,3	Luhansk region	0,2	Vinnytsia region	10,8	Dnipropetrovsk region
6,1	Kharkiv region	0,2	Poltava region	8,9	Luhansk region
4,0	Odesa region	0,2	Dnipropetrovsk region	8,5	Odesa region
3,5	Vinnytsia region	0,1	Kyiv region	6,5	Donetsk region
2,9	Zaporizhzhia region	0,1	Ternopil region	5,5	Poltava region
2,1	Dnipropetrovsk region	0,1	Zhytomyr region	4,9	Sevastopol city
1,9	Rivne region	0,1	Lutsk region	4,7	Lutsk region
1,5	Uzhhorod region	0,0	Ivano-Frankivsk region	4,5	Ternopil region
1,2	Sumy region			3,7	Khmelnytskyi region
0,4	Zhytomyr region			3,4	Zaporizhzhia region
0,2	Ternopil region			3,0	Mykolaiv region
0,1	Kyiv region			2,6	Chernivtsi region
				1,6	Rivne region
				1,5	Crimea
				0,9	Uzhhorod region

All indicators are published in the Statistical Yearbook of Ukraine, Statistical Yearbook "Ukraine at a Glance" statistical bulletin "Tourist activity in Ukraine.

The *tourist resources* of the region are an equally important factor. The group of authors [5, p 88-89] conducted a scoring of tourist potential of each region in the following directions: historical and cultural tourist resources, objects of nature conservation, natural and recreational objects. The level of provision of each region was estimated by 3-point scale: high, medium and low. We have made an attempt to deduce an overall assessment of the tourist potential of each region, equating the above characteristics to scores and summing up. As a result there are regions with a different share of tourism resources:

1. The high concentration of tourist resources (the pooled estimate of 9-11 points) has been found out in Vinnytsia, Ivano-Frankivsk, Lviv, Ternopil, Kherson and Chernihiv regions and Crimea.

2. The average concentration of tourist resources (6-8 points) has been found out in Kyiv, Odesa Lutsk, Zhytomyr, Zaporizhzhia, Poltava, Rivne, Cherkasy, Kharkiv, Mykolaiv, Sumy and Chernivtsi regions.

3. Low concentration of tourist resources (3-5 points) has been found out in Uzhhorod, Khmelnytskyi, Kirovohrad, Dnipropetrovsk, Luhansk and Donetsk regions.

Communication between of tourist businesses and profitability of tourism resources estimated on the basis of these data is absent ($R^2 = 0,006$). However, when planning a range of services of tourist enterprises are must consider that the existing tourist resources in the region influence the direction of tourist flows: it is also worth considering when developing programs for tourism development by local authorities.

To generalizing the results of the research we have generated consolidated scoring of derived indicators. Results of the research are summarized in Table. 3.

Table 3

Comprehensive assessment of internal tourist potential regions of Ukraine (calculated by the authors)

Name of the factor / Region:	competition (1-high competition, 2-average competition, 3-high competition)	The cost of tourism enterprises (loss-making enterprises - 1 point, companies whose value is between 0 and 15 - 2 points above 15 - 3 pts). Bales take into account all forms of ownership of tourist enterprises	The level of provision regional historical and cultural tourism resources, objects of nature reserves and natural and recreational objects	Total
АР Крим	1	3	3	7
Vinnytsia	3	3	3	9
Lutsk	3	2	2	7
Dnipropetrovsk	2	3	1	6
Donetsk	2	3	1	6
Zhytomyr	3	1	2	6
Uzhhorod	2	3	1	6
Zaporizhzhia	2	3	2	7
Ivano-Frankivsk	2	2	3	7
Kyiv	3	1	2	6
Kirovohrad	3	2	1	6
Luhansk	3	3	1	7
Lviv	2	3	3	8
Mykolaiv	3	3	2	8
Odesa	2	3	2	7
Poltava	3	3	2	8
Rivne	3	3	2	8
Sumy	3	2	2	7
Ternopil	3	2	3	8
Kharkiv	2	3	2	7
Kherson	3	3	3	9
Khmelnytskyi	3	3	1	7
Cherkasy	3	1	2	6
Chernivtsi	1	2	2	5
Chernihiv	3	3	3	9

Conclusions. Thus, the conducted research has revealed regions of Ukraine with the most favourable conditions for tourism development and the creation of new enterprises of tourism industry. However, the research describes the perspective from the standpoint of the potential use of internal resources (potential tourists and their

solvency, competition in the market) and ignores the incoming flows, the tourist image of the region, the development of infrastructure and the level of shadow economy. That is why, for example, such a tourist region like Uzhhorod region has a low rate of domestic tourist potential.

Results of the research (the proposed method and the results of calculations) can be used in the planning of regional development of regions by local authorities, as well as to improve the performance of tourist enterprises. So, in terms of the research, is the development of domestic tourism is promising in Vinnytsia, Lviv, Mykolaiv, Poltava, Ternopil, Rivne, Kherson and Chernihiv regions, where the tourism market is characterized by low competition, high concentration of of tourist resources and available capacity.

One the way of further research of this direction the determination of the coefficient will be possible that will show the feasibility of the development of tourism in a particular region, taking into account additional parameters

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