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CREATIVE APPROACHES TO THE MANAGEMENT OF THE DEVELOPMENT OF THE TOURIST INDUSTRY IN THE CONDITIONS OF A PANDEMIC CRISIS

Abstract

Introduction. The success of the creative development of the tourism industry in a pandemic lockdown and in the post-quarantine period is closely related to the quality of a number of factors that shape the level of creative activity of its subjects and provide competitive advantages. Adequate choice and scientific substantiation of strategic alternatives for the development of the tourism industry highlights the need for a targeted study of the parameters of its creative renewal.

Methods. Methods of scientific abstraction, analysis and synthesis are used, technologies of structuring and systematization are applied during construction of logical-structural decomposition of creativity of tourist destinations and structural model of management of tourist cluster. The SWOT analysis was used to evaluate strategic alternatives for the development of tourism entities.

Results. The generalization of research on the peculiarities of the functioning of the tourism sector in the context of the socio-economic crisis caused by pandemic constraints, suggests that the restoration of effective business entities should be managed, targeted action of all participants. At the same time, ensuring the efficiency of the tourism industry requires the implementation of creative technologies in management algorithms at all stages of overcoming the crisis. Qualitative goals of post-pandemic recovery of the industry can be generalized in the form of two main directions: 1) creation of creative tourist offer (including tourist experience and offer of original tourist product) on the basis of high-quality entertainment industry, introduction of European market trends, with emphasis on authentic values ; 2) building a clear identity of domestic tourism enterprises, which would synergistically connect micro-destinations, emphasizing the creative benefits in the minds of potential tourists.

Discussion. Further research on the possibilities of creative management to overcome the crisis in the tourism industry should cover the problems of creating unique tourism products based on authentic values, reducing the seasonality of domestic resorts, modernization of tourism infrastructure and integration of tourist inactive regions in creative projects.

Keywords: tourism entities, Covid-19 pandemic, socio-economic crisis, creative management, destination, tourist offer, tourist cluster.

Introduction.

The modern business environment is characterized by the speed of change, increasing competition, saturation of consumer markets, uncertainty of the onset of challenges of force majeure. Of all sectors of the economy, the Covid-19 pandemic has hit the tourism industry the hardest, generating up to 10% global economic growth by 2019. The World Business Travel Association estimates that in 2020, the industry could lose up to \$ 820 billion in canceled business trips, conferences and exhibitions alone.

USA [3]. In these difficult conditions, tourism businesses are faced with the need to find ways to mitigate the impact of the crisis and post-quarantine recovery by preserving jobs and promoting economic prosperity [15].

The priorities of harmonious renewal of the industry are sustainable development, ie promoting the development of resource-saving, environmentally competitive tourism programs and inclusive growth by stimulating employment growth to ensure social and territorial levels of cohesion of Ukrainian society. The success of the creative development of the tourism industry in a pandemic lockdown and in the post-quarantine period is closely related to the quality of a number of factors that shape the level of creative activity of its subjects and provide competitive advantages. First of all, it is about the quality of training of creative workers, innovative orientation of investment flows, institutional support for the development of creative technologies and modernization of tourism infrastructure. Thus, in order to enable an adequate choice and scientific substantiation of strategic alternatives for the development of the tourism industry, there is an urgent need for a targeted study of the parameters of its creative renewal.

Analysis of recent research and publications.

In the scientific community to this day, the issues of managing the creativity of the tourism industry remain open. The public response to the pandemic crisis has led to the emergence of a number of scientific studies on various aspects of the functioning of tourism in a total lockdown and opportunities to overcome the crisis. Back in early March 2020, Ph.D. Tounta provided a rather pessimistic scenario for the development of a pandemic response in the tourism industry [12]. It should be acknowledged that at that time the general nature of research in the world did not contain recommendations for the industry out of the crisis, because the prospects were completely unclear. This explains the findings of S. Gössling, D. Scott and C. Hall on the devastating effects of the pandemic on the industry and the need to revise the tourism development model supported by the UNWTO, ICAO, CLIA, WTTC and other tourism organizations [7].

S. Belyaeva, O. Kurakin and L. Byshovets analyzed the information-analytical base, normative-legal documents, recommendations of specialists in the field of tourism and hotel and restaurant business regarding the conditions of organization of services in accommodation establishments during quarantine mitigation, proposals of the Hospitality Industry Association and Ukrainian Association of Medical Tourism on the rules of conduct in hotels for safety and prevention of the spread of the disease on Covid-19 [1]. However, this study does not cover the conceptual issues of ways to restore the successful operation of the industry, limited to organizational and economic aspects of the responsibility of management for compliance with the rules of customer service, technical and technological regulations for production and economic tasks.

At the same time, cautious optimism is observed in the studies of G. Karabulut, M. Bilgin, E. Demir and A. Doker, who prove that the negative impact of the pandemic on tourist flows is offset by effective management of the industry [9]. Examining public expectations about the post-war prospects of the tourism industry in the target regions, L. Fong, R. Law and B. Ye note the need for effective anti-pandemic control of governments as a primary source of tourism recovery [6].

The study of A. Rohrscheidt and P. Plichta traces the first attempts at a scientific response to the effects of the crisis [10]. The authors propose to launch an interdisciplinary expert discussion on health care in the perspective of creative tourism development. In the interactive aspect - to increase the role of modern technologies in tourism for security reasons, in particular virtual tours. A. Loiko and L. Nosach as the main tool to increase the efficiency of the tourism business in the post-quarantine period offer the use of information and Internet technologies [5]. V. Kostynets' research is devoted to the introduction of anti-crisis management in the tourism industry as an effective counteraction to the epidemiological threat and economic crisis. The author highlights the pandemic trends in the tourism business and proposes mechanisms to overcome them [4].

Purpose.

The purpose of this study is to suggest possible ways to restore the effective operation of the tourism industry of Ukraine at the stage of overcoming the socio-economic crisis caused by pandemic restrictions.

Research methodology.

Methods of scientific abstraction, analysis and synthesis are used, technologies of structuring and systematization are applied during construction of logical-structural decomposition of creativity of tourist destinations and structural model of management of tourist cluster. The SWOT analysis was used to evaluate strategic alternatives for the development of tourism entities.

Results.

The tourism and recreation sector of Ukraine turned out to be one of the most sensitive sectors of the economy, which in 2020 suffered as a result of pandemic and quarantine restrictions. Nevertheless, it should be noted that in recent years the domestic tourism industry has rapidly integrated into the global tourism industry and proved to be one of the most promising areas of structural reorientation of the domestic economy. The systemic basis for the development of the tourism industry is the formation of tourist preferences of existing and potential consumers. According to the Maslow Pyramid, the most important tourist aspiration for the population is to meet the physiological needs for rest from work and recovery. However, meeting the social and communicative needs of tourists is no less important factor in the development of the industry. This may explain the reorientation of the industry from elitism to mass.

The need for communication links for the development of the industry is evidenced by modern trends in tourism differentiation, expanding the range of services, types and forms of tourist relaxation. Tourism business, which is actively developing within the tourism industry, is the activity of tourism organizations of different levels, aimed at making a profit by meeting the tourist expectations and needs of tourists (Table 1), which is based on the use of available tourism resources.

Table 1. Number of tourists served by Ukrainian tour operators and travel agents, by type of tourism (persons)*

	Number of tourists, total	Including		
		inbound (foreign) tourists	outbound tourists	domestic tourists
2014	2425089	17070	2085273	322746
2015	2019576	15159	1647390	357027
2016	2549606	35071	2060974	453561
2017	2806426	39605	2289854	476967
2018	4557447	75945	4024703	456799
2019	6132097	86840	5524866	520391

*Source: according to data [2].

The important social significance of tourism is ensured by the fact that it increases local incomes, creates new jobs, develops related industries, social and industrial infrastructure, ensures the growth of living standards of the local population. The development of the tourism industry significantly intensifies the socio-economic environment, because modern tourism has the ability to actively participate in increasing local incomes and overcoming unemployment by creating a large number of jobs, including self-employed. The socio-economic significance of tourism is also enhanced by the special qualities inherent only in this type of economic activity:

- coordinated influence on the development of industries related to the production of tourist services;
- ensuring the goals of sustainable development to increase the living standards of local communities;

- replenishment of local budgets, including an increase in foreign currency revenues;
- intensification of the development of institutional, production and social infrastructure in tourist centers;
- promoting the development of cultural and creative centers, ethnographic folk crafts, health and sports and cognitive initiatives.

It should also be noted the great economic attractiveness of the tourism industry for businesses, as there is a steady trend of rapid return on investment, the ability to generate a share of income in foreign currency, great potential for growth. Thus, a complex system of tourist services should be considered as an economic and technological system that forms the needs and effective demand for tourist services and goods, manages the purpose of the tourism industry, financial, logistical, labor, regulatory and legal support of its activities (Table 2), organizes communication with other systems.

Table 2. General characteristics of the activity of the subjects of tourist activity of Ukraine in 2018-2019*

Performance indicators	2018 p.				2019 p.			
	Total	Including			Total	Including		
		tour operators	tour agents	entities engaged in excursion activities		tour operators	tour agents	entities engaged in excursion activities
Entities								
Number of subjects, units	1833	529	1243	61	1867	538	1259	70
The average number of full-time employees, persons	8934	4809	3934	191	9120	4826	4064	230
Revenue from the provision of tourist services ^{&} , million UAH	21069,3	20307,5	715,2	46,5	31948,7	31161,0	744,0	43,7
including from excursion activities	89,2	37,5	9,8	41,9	113,7	63,3	11,6	38,7
Operating costs total, million UAH	17925,9	17125,5	772,0	28,3	19060,6	18067,3	959,3	34,0
including:								
- material costs	14386,9	14194,9	187,2	4,7	14784,7	14442,7	329,8	12,2
- salary expenses	567,1	358,3	198,6	10,1	649,2	431,5	208,4	9,2
- deductions for social events	123,3	79,8	41,3	2,2	146,7	98,9	45,8	2,1
- the amount of accrued depreciation	729,8	719,7	9,5	0,7	89,0	65,3	22,9	0,9
- other operating expenses	2118,7	1772,8	335,4	10,5	3391,1	3029,0	352,4	9,7
Individual entrepreneurs								
Number of subjects, units	2460	x	2322	138	2797	x	2644	153
The average number of full-time employees, persons	2943	x	2808	135	3345	x	3208	137
Revenue from the provision of tourist services, million UAH	556,7	x	501,2	55,5	751,5	x	688,6	62,9

Note: [&] – without VAT, excise tax and other mandatory payments.

*Source: according to data [2].

Unfortunately, the positive trends in the industry in 2020 were completely offset by the unprecedented quarantine measures caused by the Covid-19 pandemic. This situation turned out to be typical not only for Ukrainian tourism. Thus, according to the World Tourism Organization (UNWTO), the possible impact of the pandemic on international tourism, tourist flows in 2020 are expected to decrease by 20-30%, which could lead to a reduction in revenues by 300-450 billion dollars. USA [15].

Therefore, to find ways out of the crisis, it is necessary to consider strategic alternatives for the development of tourism (Fig. 1), which include innovation strategies, strategies for crisis development of

the market, attracting additional resources, reducing costs. When targeting tourists, you should also pay attention to strategies to attract customers, strengthen the market niche, diversification. Systemic efficiency of tourism development management in the conditions of quarantine restrictions and in the post-crisis period requires mutually agreed managerial influences on separate components of updating of tourist business directions and elements of infrastructure [13]. It is advisable to apply strategies of accelerated or limited growth, consolidation, waiting or elimination under different conditions of internal and external response to pandemic threats.

Results of SWOT-analysis	SO	Innovation strategy	Customer engagement strategy	Accelerated growth strategy
	ST	Market development strategy (expansion of tourist destinations)	Strategy for strengthening the market niche	Limited growth strategy
	WO	Strategy for attracting additional resources	Diversification strategy	Consolidation strategy
	WT	Cost reduction strategy domestic tourists	Harvest Strategy inbound (foreign) tourists	Waiting (liquidation) strategy mixed categories of tourists
<i>Categories of tourists</i>				

Fig. 1. Strategic alternatives for the development of the tourism industry*

*Source: author's development.

Creative tourism, which is considered a direct factor in the personal development of tourists [11], allows you to receive tourist services by immersing yourself in the artistic and cultural heritage of the destination. Therefore, it can be considered as a conceptual framework of various forms of tourism that combines, in particular, existential authenticity, creativity and individual experience. The ability of creative tourism to create and meet a new dimension of tourist needs in creativity, denying the static nature of the cultural offer, in quarantine and post-pandemic conditions, it is advisable to use to develop an anti-crisis concept of the industry.

For a qualitative understanding of the formation and development of the concept of creative tourism, it should be noted that its basic concepts are closely intertwined with cultural tourism. In general, trying to learn something new, to get acquainted with the sights of a particular area are always the main motives for travel. It is to meet the cultural and cognitive expectations and directs its main purpose of cultural tourism, but it does not provide the disclosure of the creative potential of travelers. Emphasizing the purpose of travel on the elements of creativity, combined with the importance of authenticity and recreational resources of the tourist object and determines the features of creative tourism.

The expectation of local cultural and cognitive experiences is gaining popularity among both Ukrainian and international tourists, who are thus trying to satisfy personal creative aspirations. Current trends of immersion in local authenticity involve not so much an acquaintance with the historical heritage of the travel region, as an attempt by the traveler to experience real living in the cultural environment of a new area.

Thus, considerable attention to the development of creative tourism in the economically depressed regions of the Ukrainian Carpathians is paid to I. Svydruk, M. Topornytska and I. Melnyk [12]. In particular, they substantiate that the creative direction of the region's tourism industry is able to provide qualitatively new proposals in the Ukrainian recreation market, based on immersion in authenticity as a source of continuous improvement of all segments of creativity, taking into account the short-term needs of modern tourists.

UNWTO data speak of the expansion of cultural tourism in the world in recent decades and the increasing role of tourism interest in the development of arts, crafts and creative industries, and in general in the preservation and protection of tangible and intangible heritage of tourist destinations. Experts also point to the need for closer links between tourism, culture, creative practices and folk crafts to form new types of tourism aimed at stimulating the revival of depressed regions, including attracting tourists who travel for cultural, educational and educational purposes [14]. The possibility of developing creative

tourism as a segment of the destination economy depends on the perception of the following business attitudes:

- personal creative motives of both the tourist and the provider of tourist services are important;
- the development of creative tourism should include the function of preserving and increasing cultural and natural values and resources, permanently developing tools to prevent their destruction;
- the development of creative tourism is possible even in the absence of cultural, natural, recreational or authentic resources, it is important to find the least opportunities for its development, and creativity can be a source of renewal and modernization of the tourist product (Fig. 2).

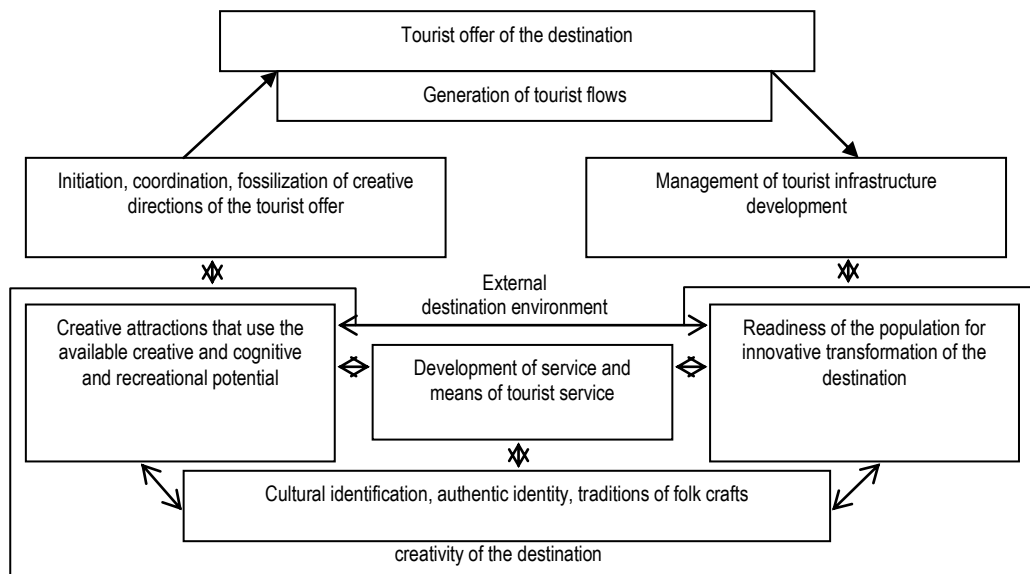


Fig. 2. Model of creativity of tourist destinations*

*Source: author's development.

By introducing a qualitatively new tourist offer and creating a recognizable identity of the tourist region, creative tourism is able to outline new dimensions of quality goals that can be achieved by integrating all stakeholders of micro destinations and their interests in the overall vector of tourism development. The development of creative tourism requires first of all creative management of the tourist object, to direct the development of tourism in the desired direction, using the synergy of all factors of external influence: local government, local residents, hotel and restaurant business owners, etc.

Improving the efficiency of management of economic entities in the tourism sector at the micro level should be done by implementing adaptive management in management. One of the best models for the development of industry complexes in the regions is the creation of clusters. The defining feature of the tourism cluster is the presence of stable intersectoral economic ties aimed at meeting the public need for recreation.

The essence of the cluster approach is the coordinated development of a group of legally independent companies from one region, working in related industries. Mutual exchange of information improves the quality of services, and a common economic policy leads to increased competitiveness of participants. The expediency of the cluster organization for a more successful way out of the crisis is evidenced by the distribution of costs of tourism entities for the services of third parties used in the production of tourism products in 2019. Thus, of all recorded costs of enterprises in the industry, which amounted to UAH 32,334.7 million, accounted for [2]:

- for accommodation and accommodation services UAH 24,285.8 million. (in hotels and similar accommodation facilities - UAH 19,715.3 million, in the private sector - UAH 11.4 million);
- for food - UAH 630.2 million;
- for medical care - UAH 63.2 million;
- for excursion service (without transport services) - UAH 236.2 million;
- for visa service - UAH 14.6 million;
- for transport services - UAH 6,756.1 million. (of which rail transport - UAH 27.0 million, air - UAH 6447.4 million, water - UAH 97.8 million, city - UAH 10.4 million, sightseeing buses - UAH 126.7 million). UAH million, car rental - UAH 43.0 million);
- for cultural, educational, cultural and recreational services, cultural organizations - UAH 20.1 million;
- for other services used in the production of tourist products - UAH 328.3 million.

In the tourism cluster, participants can interact harmoniously with each other and government agencies, with partners in Ukraine and abroad, and favorable conditions for the production of tourism products contribute to the creation of innovative and business competitive environment. The cluster is formed around the «core» business, which is engaged in travel agencies [8]. But at the same time they buy the services of other types of business: hotel and restaurant, transportation, trade, entertainment and others (Fig. 3).

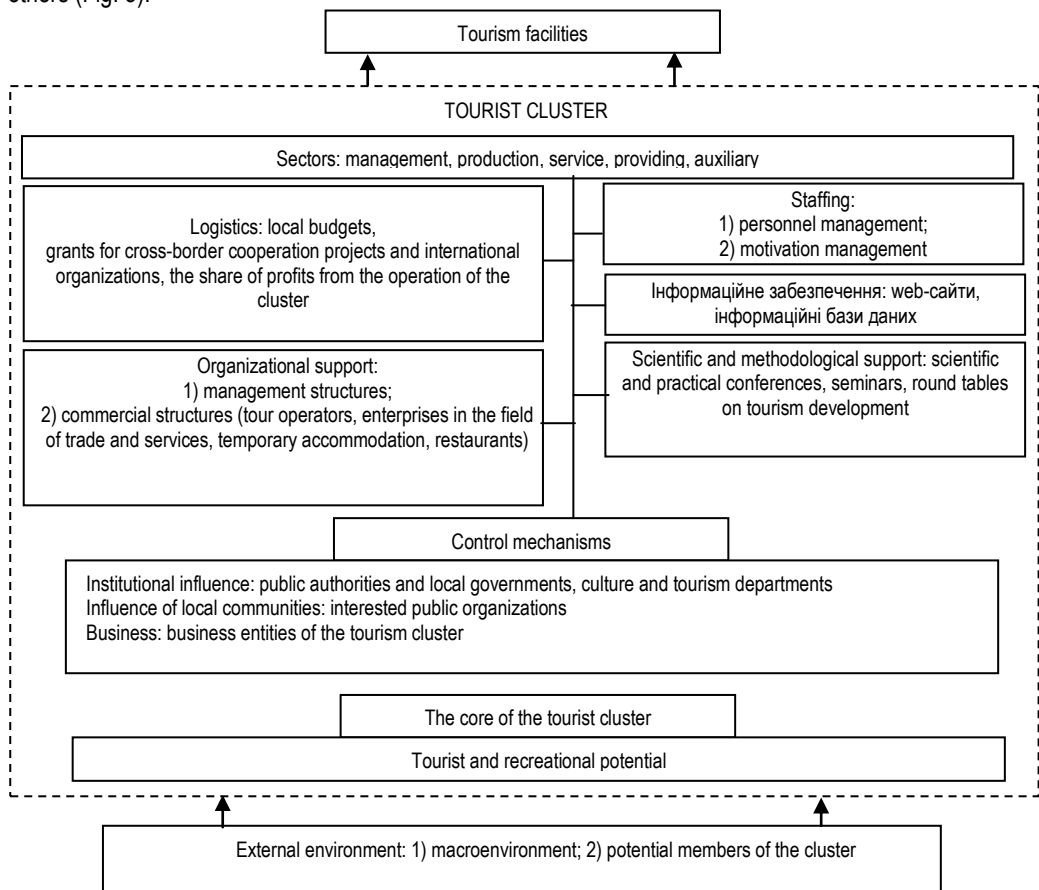


Fig. 3. Management structure of the tourist cluster*

*Source: author's development.

To enhance the positive effect of the cluster organization of the tourism industry, it is important to focus on creating their own authentic proposals. Micro-destinations should be developed in a coordinated manner within the general strategic vision of the creativeization of the tourist complex of Ukraine, combining partial achievements of micro-destinations to dynamically enhance the overall effect.

Conclusions and prospects.

The generalization of research on the peculiarities of the functioning of the tourism sector in the context of the socio-economic crisis caused by pandemic constraints, suggests that the restoration of effective business entities should be managed, targeted action of all participants. At the same time, ensuring the efficiency of the tourism industry requires the implementation of creative technologies in management algorithms at all stages of overcoming the crisis.

Qualitative goals of post-pandemic recovery of the industry can be generalized in the form of two main directions: 1) creation of creative tourist offer (including tourist experience and offer of original tourist product) on the basis of high-quality entertainment industry, introduction of European market trends, with emphasis on authentic values ; 2) building a clear identity of domestic tourism enterprises, which would synergistically connect micro-destinations, emphasizing the creative benefits in the minds of potential tourists.

Further research on the possibilities of creative management to overcome the crisis in the tourism industry should cover the problems of creating unique tourism products based on authentic values, reducing the seasonality of domestic resorts, modernization of tourism infrastructure and integration of tourist inactive regions in creative projects.

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