

TRAVEL SERVICES AS A SUBJECT OF MARKET RELATIONS IN UKRAINE

Problem definition. An integral part of future social and economic development in Ukraine is non-productive sphere. It is necessary to understand the high importance of the service sector for society as a whole and for an individual in particular. Consumer goods which are produced in the material sphere reach consumers via service sector. Service sector of economy of developed countries is among the largest sectors. Its share in GDP varies from 44% to 79%. Thus, in 2011, in the U.S., the share of services in the sectoral structure of GDP was 79.4 % in Japan it was 72,65%, in Russia it was 58,89% [1]. Nonproduction sphere is growing actively in Ukraine and every year the share of services in GDP average increases by 0.85%.

Tourism occupies a special place in the service sector of economy. UNWTO experts [2] declare the increase of international tourist arrivals in 2013 by 5% , reaching the record level of 1087 million. Excluding certain unfavorable for the tourism industry years (eg , 2003, which recorded decrease in activity of tourists by 0.87% , 2009 - by 4.04 %) tourism market is expanding steadily by an average of 4 % per year. In long retrospect increase was from 277 million travelers in 1980 to 528 million in 1995 and 1087 million in 2013 (Fig. 1).

Comparison of global and domestic tourist market leads to the conclusion of more sensual market response to discordant factors. Thus, in unfavorable years the tourism industry of Ukraine showed a sharper drop (i.e., a decrease of 22.36% in 2009 compared to 4.04% in world market). However, in general, the development of the national market follows worldwide trends.

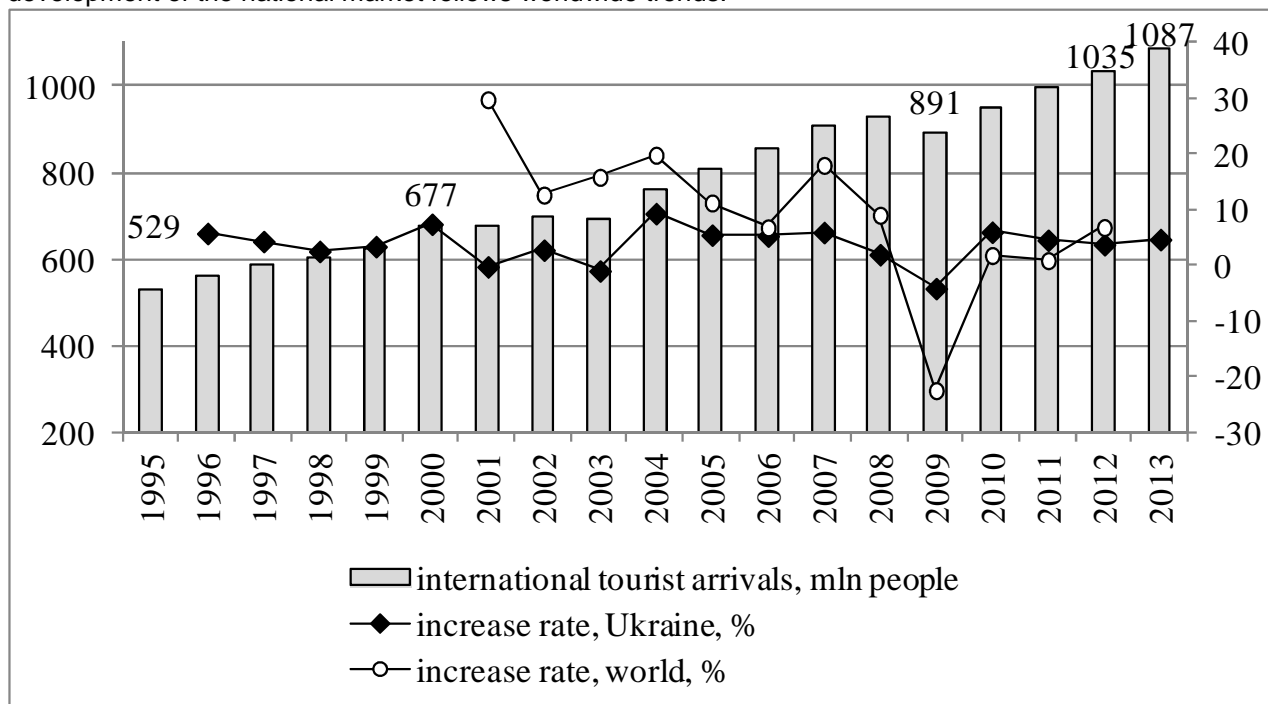


Fig. 1 International tourist arrivals (compiled by the author based on [2, 3])

In general, UNWTO experts [2] predict the long term increase of international tourist arrivals by 3.3% per year, which will provide an annual increase of 43 million people and achieve the level of 1.8 billion travelers by 2030.

Specificity of economic activities and products of tourism business ground the necessity of formation and usage such definition as tourism services, which interpreted by scientists ambiguously.

Analysis of recent research and publications. The formation and development of the services market in the world economy have found reflection in the researches of many foreign economists like John Bell, K. Clark, Philip Kotler [4; 5; 6]. In Ukraine the fundamental researches of O. Lyubitseva, A. Chudnovsky, A. Zhukova, V. Fedorchenko, L. Diadechko [7; 8; 9; 10] are devoted to the problems of tourism business development.

Analyzing the works of these and other Ukrainian and foreign scientists it is possible to conclude that the definition «tourism services» is interpreted controversially. Modern scientific research are multi-directional and intended to a wide range of scientific problems, so the essence of the concept of «tourism services» is revealed by authors from different perspectives according to the assigned tasks of research.

This has a positive impact on the overall perspective because it promotes a comprehensive review and understanding the tourism as a social and economic phenomenon and tourist services as a core set of interrelated tourism concepts.

Task grounding. However, for the purpose of forming scientifically-based strategies, policies and implementation of state regulative mechanism to tourism business, an unambiguous understanding of the nature of the object of management - tourism services is crucial. The solution of this theoretical problem is complicated by multidimensional initial category «service».

Main findings. To disclose the essence of this category at the highest level of abstraction it is possible to use scientific position of Philip Kotler [6], who in his scientific works, devoted to the study of markets, bases on the concept that the service is any activity that one can offer to another in case it has immense nature and does not result in any ownership. O. Lyubitseva [7] points out that the service is a «purposeful activity, the results of which is an expression of the beneficial effect».

The essence of tourism market can be disclosed as the scope and implementation of the tourism product, its main feature is the predominance of tourism services over goods (according to expert estimates [7] in the approximate ratio of from 75-80% to 25-15%).

The normative definition of «service» is provided by the Law of Ukraine «On Protection of Consumer Rights», according to which a service is an activity of executive providing (or transferring) of material or immaterial benefit to a consumer, specified by customer contract and intended to meet personal consumer needs.

The performed monographic analysis of domestic and foreign scientific publications allowed to distinguish several approaches to disclosing the concept of «tourism services».

M. Birzhakov, K. Birzhakov and V. Nikiforov state that tourism service is a set of targeted actions in the service sector, which focused on provision and meeting the needs of a tourist or visitor, corresponds to tourism objectives, the nature and focus of tourism services, tour, tourist products and which do not contradict the principles of universal morality and good order.

Another result of the analysis of the monographic analysis is the conclusion that large number of researchers narrows the concept of «tourism services» to the activities of tourism enterprises. Thus, in the scientific research of O. Beydyk [12], which claims to be the thesaurus of tourism, tourist services are defined as a specific type of consumer services, which includes services of the hotel sector, catering, repair and service stations, rental, enterprises entertainment and recreation. By definition of UNWTO, tourism is a service tourism business: tour agents, tour operators, tour guides and organizations [2].

Moreover, in some countries this narrower approach is established by the law. Thus, the federal law of Russian Federation «Basis of tourism activities in Russian Federation» tourism and tourism services are defined as types of tourist activities and tourist services, namely, accommodation, transportation, excursions, services of guides and interpreters and other services depending on the purpose of travel.

Such narrowing significantly limits the object of research and needs clarifications development of ground classification of tourist services.

The most common is the division of tourist services on specific and related. [7, 8, 13]. This division is used also in the Law of Ukraine «On Tourism», that determines the nature of tourist services as: «related travel services and products are the services and products designed to meet the needs of consumers and providing and producing is slightly reduced with the realization of tourists; typical tourist services and goods are the services and products which are designed to meet the needs of consumers and providing production is significantly reduced with the implementation of the tourists».

At the same time the wide range of authors on the same classification level distinguish related, additional and basic tourist services [7,8,13]. M. Pokolodna [13] points out that the difference between these types of services is their relationship with the originally purchased service package: the main tourist services are the target services offered in a single package, which guarantees their required use in place rest; additional services are the target infrastructural services that can be obtained for an extra fee but are specific to the tourist center; related services are services of complex infrastructure and are used as by local residents as well as tourists. A. Chudnovsky and M.A. Zhukova, supporting this position, emphasize that «this division is arbitrary, since there is no significant differences in terms of consumer characteristics between them» [8]; services included in the main program and supported by vouchers, are the main, while additional and related services which are not included in the price, are bought by tourists at their location or during the trip.

We believe that this position is contrary to the principles of the classification process, since in this case the same group of «related services» has been singled out by various classification features and has different meaning; in addition the division of classification groups should be based on significant differences between the groups. This conflict may be solved by clarification of classification attributes (table 1).

Table 1

Classification of tourist services (composed by author)

| № | Classification feature | Group of services | The essential characteristic of the group |
|---|---|-------------------|--|
| 1 | By the influence of offer | typical | services, manufacturing and provision of which are significantly reduced with the realization by the traveler |
| | | related | services, production and sale of which is not significantly reduced without the realization by the tourists. |
| 2 | By the structure of consumption | basic | services which satisfy the motives of the trip |
| | | additional | services, satisfaction of which is not the motive of consumer demand for tourist travel, but their consumption is in the process of tourist services |
| 3 | By the economic basis | paid | services provided in exchange for cash or other material assets |
| | | free | Services provided for free |
| 4 | By the influence on the competitiveness of the producer | innovative | new services or approaches to meeting the needs of tourists, to enhance the competitiveness of tourism enterprises |
| | | traditional | service provision and consumption of which is carried out by traditional technology and methods of a travel |
| 5 | By the result | material | services that result in tangible products are created or changed their consumer properties |
| | | Non-material | services that do not lead to the creation of the material results |
| 6 | By the duration of the consumption | Short term | services that are consumed during the time of one week |
| | | Medium term | services that are consumed during the time of one month |
| | | Long term | services that are consumed during the time over one month |
| 7 | By the presence of the relation | related | Consumption of some tourist services has an impact on the demand for other services |
| | | Non-related | Consumption of some tourist services does not depend on other services |
| 8 | By the essence of tourism | required | services, which are essential components of a complex of tourist services for the recognition of its tourism product |
| | | non-required | services, the absence of which in a complex of tourist services does not result in recognition of the complex tourist product |

Philip Kotler [6] describing a common set of objects of a market economy distinguishes four categories of the products: material goods that are not accompanied by the service, tangible goods that accompanied by the service, basic services are accompanied by minor goods and services, and services in its purest form. Based on this position in tourism tourist services are divided into tangible and intangible by many researchers [7, 13]. As a result of providing of intangible tourism services consumer needs are satisfied without creating or changing the material properties of the products, the consumption of such services happens only in the place of production; they cannot be transported. Properties of intangible services are inherent the hospitality services, catering, animation. Examples of material travel services provided in [13] include services of non-passengers transport, trade, repair of vehicles, housing and communal services, household services, rental services.

Since the wide range of tourism service producers operate in tourism market for the purposes of state regulation of tourism enterprises is necessary to define the list of services, the provision of which is the criterion for inclusion of respective business activities to tourism. According to the Law of Ukraine "On Tourism" the participants of tourism services are individuals that create tourist products or engaged in mediation efforts for the implementation of the tourism product. Article 1 of the Law of Ukraine "On Tourism" specifies that the tourism product is a range of travel services, which combines at least two such services sold or offered at a certain price, which includes transfers, accommodation and other services tourist services.

So, companies that provide services only by organizing of visits to objects of culture, recreation and entertainment, or only provide transportation services to tourists or just sell souvenirs, according to the current legislation is not recognized as tourist firms therefore the corresponding tourism regulatory framework is not the base for such companies. On the other hand, consumers such disparate tourist services cannot rely on the protection of consumers of tourism products, which is provided by national law.

It is important to note that, unlike the legislation of Ukraine, which at this time is determined only by the number of components of the tourism product, international law establishes specific binding list of travel

services: transportation and accommodation. So the current version of the Law of Ukraine "On Tourism" establishes conflict of rules between national and international law, and needs further development and improvement.

Some researchers [13, p. 12] argue for mandatory travel services, which consist of transportation services, accommodation, insurance, medical emergency, information and communication services. Meanwhile O. Lyubitseva states that "tourism services can be considered only as the range of services that meets the diverse needs of tourists: rest, nutrition, transportation, and others which contribute to the purpose of travel" [6, p. 39].

In the fundamental scientific work prof. O. Lyubitseva [7] notes that tourism is a multifunctional phenomenon and states among the main recreational, social, cultural, economic, educational tourism functions. At the same time recreation as a biological function as and social heritage of humanity is multi aspect concept. The essence of recreational tourism function is to restore the physiological and psychological strength a person who travels. More detailed analysis researchers reveal five functions of recreation: medical (health recovery); cognitive (development of the spiritual potential of the individual), entertainment (distraction from the daily life of the individual), sports (development of human physical strength) and recreational (restoration of physiological forces).

Each of the functions of a recreational activity corresponds to a certain type of elementary recreational activities that are special travel services. Summing up, we may note that recreational tourist services are aimed on recovery and enrichment of human potential and personal skills of a tourist. Restoration of physiological and psychological forces of an individual is necessary to carry out further labor functions. On the other hand, tourist trips may be intended to implement these labor functions; numerous statistical reports show that business tourism in the world develops rapidly. So, it might be suggested to distinguish two groups of tourist services on the basis of "aim of the trip": recreation and business trips. Component of these groups is exposed not only to the unique properties, but also to the specific methods of travel services providing.

Official statistic [3] show that the structure of Ukraine incoming travel flow significantly differs from the global structure (Fig. 2).

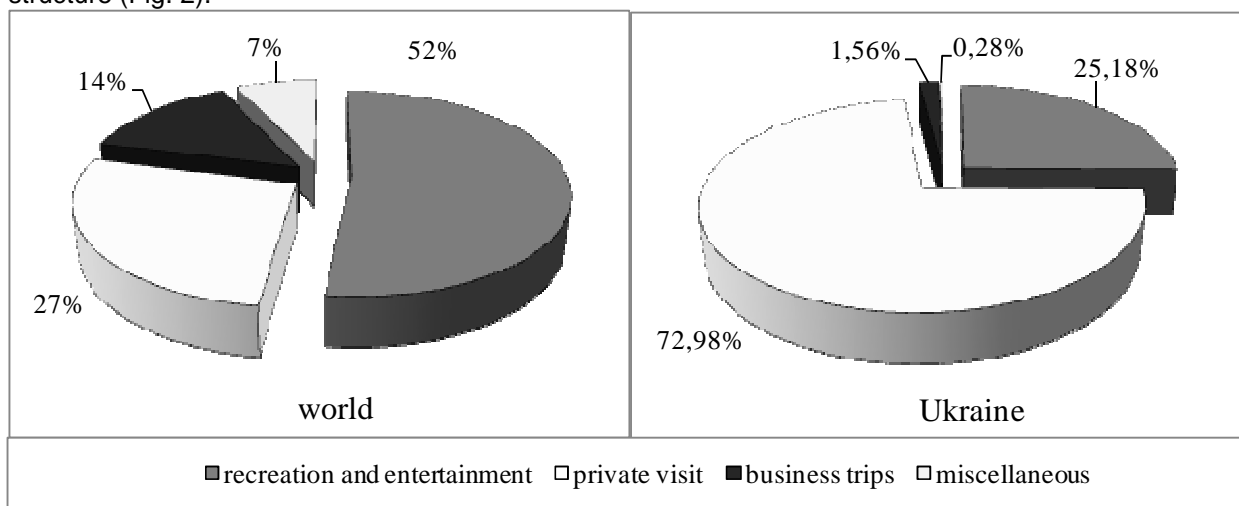


Fig. 2 Structure of the tourist flow in 2012 by purpose of trips (compiled by the author based on [2, 3])

For example, in 2012 only 25% of foreigners visit Ukraine for recreation and leisure compared with 52% on average typical for world market. In 2013, from 24.67 million foreigners only 2% drove to Ukraine via programs of organized tourism and 23.68% foreigners came to participate in the cultural , sporting and religious events. Meanwhile, foreign experts agree that Ukraine has significant tourism potential. So, attraction of foreign tourists for the purpose of leisure and recreation needs state support and technical reorganization in business operations of tourism market actors.

According to the State Statistics Committee of Ukraine in 2013 out of 23.76 million citizens of Ukraine who traveled abroad 1.49% drove via programs of organized tourism and 97.35 % for private travel. Private trip as avowed purpose of travel declared 2.302 million (9.69 %) of citizens of Ukraine , who traveled to the traditional countries of inbound tourism (Turkey, Egypt , United Arab Emirates, Greece , Italy, Spain , UK, France), that is in 6.5 times more than the total declared departure flow via the programs of tourism organized. Thus, the expenses of citizens of Ukraine to purchase of outbound travel services may be higher than those, estimated by official statistics and this hypothesis must be considered while grounding government programs aimed at the development of the national tourism market .

Conclusions and further research. So the proposed classification of tourist services based on separation of specific and related services (by the impact on supply); major and minor (by the structure of

consumption) and others criteria Also , it is necessary to propose to distinguish between the two groups of travel services on the basis of "purpose of travel ": recreation and business . Components of this groups are exposed not only to the unique properties , but also to specific methods of travel services.

In further studies should be based on the proposed classification of tourism services, which provides the theoretical and methodological framework for the development of the differentiated state target program of the tourist market.

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Kozubova N.V. TRAVEL SERVICES AS A SUBJECT OF MARKET RELATIONS IN UKRAINE

Purpose. To analyzescientists' different perspectives on the essence of «tourism services» definition and to form own approach and to substantiate suggestions of ground classification of tourist services.

Methodology of research. In research process were used various methods. In particular, the general scientific method was used for determine the place and role of tourism in the world economy, and this was used forsubstantiate the necessity of improving the classifications of tourism services and uniting classification groups basing on the existence of significant differences between them;logic analysis was used for the essence of the concept of «tourism services»; economics and statistics analysis was used for analysis tourism market.

Findings. It was determined that tourism as a service industry, has a special place in the world economy. It was found rapid growth in tourism market, despite the crisis of the world economy. Comparison of global and domestic tourist market leads to the conclusion of more sensual market response to discordant factors. However, in general, the development of the national market follows worldwide trends. Proposed criteria of classification, such as «by the influence on the proposal», «by consumption structure», «by economic basis», «by the effect on the competitiveness of the producer», «by the result», «by the duration of consumption», «by the existence of correlation», «by tourism essence» form theoretical and methodological framework for creation of differentiated state target program of the tourist market development.

Originality. For the purpose of forming scientifically-based strategies, policies and implementation of state regulative mechanism to tourism business agreed theoretical task an unambiguous understanding of the nature of the object of management - tourism services. The solution of this theoretical problem is complicated by multidimensional initial category «service».

Practical value. During the study it was aimed at improving the classifications of tourism services and combining classification groups in the presence of significant differences between them for an unambiguous understanding of the nature of the object of management - tourism services.

Key words: tourism, sphere of services, tourism service, tourism services market.