

## FODDER PRODUCTION AS AN ELEMENT OF ENSURING THE EFFICIENT PRODUCTION OF SHEEP

*The article defines the concept of fodder production and feed base. The structure of sown areas of main crops in all categories of farms is calculated. The approximate norms of daily needs in green fodders of different species and groups of animals are investigated. It was analyzed production and gross collection of fodder crops used for feeding and fattening sheep; raising and fattening of sheep in agricultural enterprises on average in Ukraine; the cost of production of the sheep breed for the elements in agricultural enterprises on average in Ukraine.*

**Key words:** fodder production, forage, forage crops, sown area, fodder crops, sown area.

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## PRINCIPLES OF COMPETITIVE TOURIST INDUSTRY FORMATION AT THE LEVEL OF DESTINATIONS

*The question of competitive advantages formation characteristics in the field of tourism at the level of destinations is studied in the article. The theoretical analysis of concepts “region”, “tourist region”, “tourist product” and “competitiveness” of a tourist product is conducted. It is established that priority components of ensuring the sustainable country’s development and a significant component of solving issues raising population living standards are overcoming the existing negative economic trends of regional development. It is defined that one of the ways out of the crisis economic situation at the regional level is the creation of systemic and complex prerequisites for the development of tourism, improvement of the functional and technical quality of regional tourist product components. It is revealed that a competitive tourist product, with the right combination of its factors formation and implementation, promotes regional development and increases population living standard in a certain territory. The methodical issues of working out a tourist product for regional development are substantiated. It is determined that necessary elements of a competitive tourist regional system are infrastructure, tourist product and population. The methodical approach to the formation of a competitive tourist industry at the regional level based on client-oriented principles of development and tourist services provision is suggested.*

**Key words:** tourism, region, tourist region, tourist product, competitiveness.

**Introduction.** Tourism, through the formation of regional (destinative), entities opens up great opportunities for the socio-economic development of territories (countries, regions, cities) with different amounts of tourist resources. Due to tourism involved in many industries and spheres of activity, which take part in the formation of tourism or related tourist products, it is possible to receive basic or additional income. Tourism can be developed in any country or region. The main thing is that one need to have a good idea of its specific opportunities and relevant information support when planning a business. Tourism should be considered as an open socio-economic system, which is influenced by many factors. Many enterprises directly or indirectly participate in the tourist industry. The activity of each of them, as a rule, depends on the activity of participants of the system.

**Analysis of recent scientific research.** The topicality of the article is determined by the low competitiveness of enterprises in the tourist industry of Ukraine at the regional level. The state pays great attention to the development of the tourist industry, which is confirmed by intentions of creating a separate independent structure that controls mechanisms of supporting tourist industry in coming years. For example, the amendments to the Law of Ukraine “Tourism Act” [6] are adopted; the principles of the State Program of Tourism Development for 2015–2022 [5] are developed and implemented; the Strategy of Tourism and Resorts Development for the period up to 2026 [12] is implemented. Besides, measures on the information support of tourist services and proposals for these services on the domestic and foreign markets will be implemented as well.

The urgency of solving issues of competitive advantages formation in the field of tourism at the local and regional levels has intensified the relevant research in this direction, the main task of which is to substantiate the methodology of developing an innovative tourist product for regional development. The study of scientific sources on this problem revealed the existence of significant gaps in the study of theoretical and methodological aspects in the policy of forming a regional tourist product. These circumstances determine the relevance and subjects of the study; cause the necessity for more detailed studies on the development of theoretical and methodological policy regulations in formation of a competitive regional tourist product.

Many scholars overview the issue of tourism development as a socio-economic phenomenon. Among expatriate scientists, works by V. Kvartalnov [7], V. Kyfiak [8], S. Kobzova [9], N. Leiper [19], V. Likhanov [11], L. Mukhina [11], V. Preobrazhenskyi [11], V. Smolii [14], V. Fedorchenko [14], V. Tsybukh [14; 17] should be noted. As well as foreign, such as J. Bowen [10], Y. Volkov [13], L. Dwyer [18], F. Kotler [10], J. Meykens [10], N. Taylor [16], W. Theobald [21], J. Hallowey [16] and J. Swarbrooke [20].

L. Ahafonova [1], V. Bezuhla [2], M. Bil [4], S. Havryliuk [15], O. Hrynkevych [4], T. Tkachenko [15] and others studied the methodological approaches in the field of tourism and development of competitive advantages of a tourist product.

Despite a significant number of works devoted to the study of the competitive advantages of a tourist product, certain aspects of the competitive tourist industry formation at the regional level are not sufficiently highlighted and require further theoretical and practical exploration.

**The aim of the article** is to provide the scientific substantiation and develop methodological approaches to the study and formation of the competitive tourist industry at the regional level.

Main provisions and developments of expatriate scientists and foreign experience of the theory and practice of tourist industry development, regional development and personal assessments of the author introduce the theoretical and methodological basis of the research.

**Basic material presentation.** Changes in geopolitical situation, socio-economic development and modernization of information technologies influenced significantly the dynamics of tourism development and led to the transformation of tourist industry with a focus on meeting the diverse individual needs of travelers.

Ukraine occupies one of the leading places in Europe in terms of providing valuable natural therapeutic, historical and cultural resources that are of great interest for domestic and foreign tourists. However, according to the World Economic Forum, in 2015 Ukraine ranked only the 78<sup>th</sup> place in the world among 124 countries in the field of travel and tourism (Czech Republic – 35, Hungary – 40, Lithuania – 51, Poland – 61, Romania – 76) [5]. This indicates that on the international tourism market, the

national tourist product and natural therapeutic resources of Ukraine are rated as less attractive and competitive than in other countries where there is a worldwide trend towards strengthening the role of the state in ensuring the development of tourism and resorts.

The field of tourism at the state level does not play a significant role in the full execution of economic, social and humanitarian functions, preservation of natural environment and cultural heritage, pumping up the budgets of all levels, new job creation, increasing the share in services in the structure of the domestic gross product [5]. Therefore, in order to increase the competitiveness of the tourism sector and resorts, it is necessary to strengthen the state role in this sphere, while simultaneously formulating an effective model of cooperation between the state, business and society.

Overcoming the existing negative trends, creating systemic and complex preconditions for tourism development, improving functional and technical quality of national and regional tourist product components should become priorities for ensuring sustainable development of the country as a whole and a significant component in solving issues of raising population living standards.

Taking into account the analysis of theoretical literature, we have established that at present there is no common definition of the notion *region*. In a qualified (political and legal) sense, a *region* can be understood as administrative-territorial entities free of administrative identity [7, p. 63]. In this sense, the term “region” can mean a natural-climatic zone, a geographic area, an interstate territory, an economic or economic – ecological district, a historical and cultural area, etc. [4, p. 41]. The *region* can also be understood as large territories that unite entire continents and groups of countries as well as several regions that are distinguished by peculiarities of historical development, geographical location, natural and human resources, specialization of the economy, etc. [13, p. 22].

Therefore, in our opinion, a *region* should be understood as a certain area with specific natural, socio-economic, national-cultural elements and conditions of development.

Researching the development of tourist industry, as one of economic elements of a state’s development, the term “*tourist region*” should be explored. According to the Encyclopedic Tourist Guide Dictionary a tourist region is considered as “an area which includes special establishments and services necessary for the organization of rest, educational process or improvement” [14, p. 22]. In addition, a *tourist region* should be understood as any big city, and a small town with historical and cultural monuments and other objects that attract tourists’ attention [8, p. 34]. According to another definition, a *tourist region* is a group of countries with similar conditions of development that are characterized by commonality of genesis and interconnection of tourist industry components [11, p. 268].

We share the opinion of S. Kobzova, who considers that a tourist region is an area that has objects of tourist interest at its disposal and offers a certain set of services

necessary to meet tourists' needs [9, p. 24]. As a tourist region, one should consider a separate complex, a city, an area, a resort, a district, a region, a country, or even a group of countries, which are chosen by a tourist as the purpose of his travel [17, p. 35].

One of the specific aspects of tourist industry development is the increased competitiveness of a tourist product.

A tourist product is a complex of tourist services necessary to meet a tourist's needs during his travel. This complex of tourist services combines at least two services that are being sold or offered for sale at a specified price, including freightage, accommodation and other services not related to transportation and accommodation (services for organizing visits to cultural objects, recreation and entertainment, selling of souvenirs) [14, p. 147].

The competitiveness of products is a set of consumer and cost characteristics of manufactured products, which allows withstanding competition on a particular market and in a certain period of time [2, p. 65].

By competitiveness, one should understand the ability of a subject of an entrepreneurial business to withstand and counteract its competitors [15, p. 113]. The competitive advantage of goods and services is understood as properties set of given results in business entities activities, which makes them more attractive to the external environment of these subjects [20, p. 44]. By competitive advantages of business entities, it is necessary to understand their higher achievements in chosen areas of entrepreneurial activity in comparison with achievements of competitors, accepted by the external environment of this subject [3, p. 35]. Therefore, competitive advantages are at the same time both targets of competitive rivalry of business entities and rivalry instruments.

The competitiveness of a tourist product in a particular region or country cannot always be determined by price or qualitative comparison with similar indicators of competitors' products due to the unique characteristics of each tourist product, the presence of a large number of external factors and the specifics of tourist resources [16, p. 74]. A set of conditions and characteristics that appear when organizing a particular tourist product, satisfy in the best way various needs of certain consumers' segments at the cost comparable to the value of this tourist product for specific consumers.

When defining a competitive tourist product at the regional level, it is necessary to distinguish between concepts "tourist region" and "tourist destination". A competitive tourist product, with the right combination of factors, allows stepping from the approach to tourism through an offer (tourist region) and to the formation of a tourist product through a specific consumer, that is, through the demand for a destination. It is necessary to make a comprehensive content analysis of the term "tourist destination", as a part of the tourism system.

The necessary element of destination successful functioning on the tourist market is the availability of information systems. The quality and accessibility of tourist

information for potential consumers of a regional tourist product are of great importance. Since tourists are interested in visiting a recreation area, only if they are informed about its existence, the availability of resources on its territory, the degree of tourist industry development, and about possibilities of establishing the reliability of received information [16, p. 57].

Tourist industry is a set of different subjects of tourist activity (hotels, tourist complexes, campsites, motels, boarding houses, catering enterprises, transport, cultural and sports institutions, etc.), which provide reception, maintenance and transportation of tourists [6].

V. Preobrazhenskyi considered the tourist industry system as a branch of country's economy, which consists of two main blocks: resting and recreation resources, which, in their turn, include natural complexes, buildings of various purposes and service staff [11, p. 271]. Subsequently, such interpretation of tourist industry is the basis for its definition as a complex inter-sectoral structure, which includes manufacturing and transport enterprises that produce and implement various tourist services and goods.

Tourist industry is formed by a complex of enterprises that provide or promote recreational needs of a person when moving regardless of his aim, except that related to the paid work in the visited country. Consequently, the material and technical basis of this complex structure is formed by accommodation establishments, transport and tourist servicing sphere. Accommodation establishments include hotels, as well as specialized accommodation facilities: campsites, holiday homes, sanatoriums, boarding houses, dispensaries, etc. [21, p. 114]. In the transport sector, first of all tourist transport should be mentioned (cruise ships, special boats and yachts for voyages), as well as transport, which serves the tourist industry itself, namely tourists and local people [18, p. 173].

However, tourist industry can be considered not only as a set of enterprises providing tourist services and producing tourist goods, but also as one of the forms of territory development. Understanding this system as a complex of enterprises is a consequence of the sectoral approach. Therefore, tourist industry is considered as a complex system of interaction of people's recreational needs of and recreational opportunities of territory's natural and economic potential. However, such definition does not establish links between enterprises that form an element of the tourism system.

Tourist industry of a region is a complex which includes all resources of a region, infrastructure (all its types), products (services and goods) of a region's enterprises, which are used for tourism organization and meeting of tourists' needs [1, p. 432].

In our opinion, the main difference between tourist industry of destination (scientific approach) and the tourist industry of a region (general approach) is that the complex used for organizing tourism in the destination, first of all should have obvious attraction in order to influence tourist's choice of a certain destination, and possession of

services set that a tourist expects to receive. Moreover, this should be the same set of services and the same quality that is expected by a tourist when buying a tourist product offered to him.

The term “*tourist destination region*” is necessary to consider through the term “*tourist destination*”, which was firstly introduced by N. Leiper in his works. By destination, he understands a geographical area, which has certain limits and some tourist resources [19, p. 391]. However, now, thoughts of scientists regarding this term are somewhat different. Thus, according to the Encyclopedic Tourism Guide Dictionary, “the destination is any city, region or country that can be the only united area on the market of tourism services” [14, p. 92].

Thorough study of tourism processes for various purposes, as well as assessment of economic efficiency, profitability, social orientation, legal support, etc., provides expansion of tourism system elements’ list of N. Leiper. We propose to add to the tourism system elements’ list of N. Leiper such extra elements as infrastructure, a tourist product, population of the destination. Let us consider the above concepts and substantiate the need for their allocation as separate elements of the tourism system for the formation of the competitive tourist industry at the regional level.

The term “*tourism infrastructure*” is defined as an interstructural (systemic), unit, aimed at creating common, the most rational conditions for the system functioning, as well as for support of its sustainable and efficient development. The specified infrastructure will vary considerably depending on goals and motives of a travel at the destination, that is, on its attractiveness for tourists. The required quantitative and qualitative composition of infrastructure is different and for different geographic components of the tourism system.

The improvement of the destination infrastructure provides an opportunity for more efficient and extensive tourism development, which, in its turn, contributes to the investment attractiveness of the further infrastructure development of the destination region. The main travel motive is usually paid as a tourist product and has a pre-

terminated value, while the destination infrastructure allows, on the one hand, to stimulate consumer’s expenses, and on the other hand, to increase a positive experience from staying in the destination. It should be noted that the multiple effect of tourism is much higher in those regions where an appropriate infrastructure is well developed, that is, the system for managing a region’s economy as a tourist destination well established.

A tourist product as an integral part of the tourism system is a complex result of elements interaction of the tourism system and should be crucial for all process participants. The joint activity of independent tourist service companies is characterized by the effect of “*weak link*”, when the quality level of work of all producers of a particular tourist product is determined at least by the quality service that is the part of a tourist product. Thus, tourist product, on the one hand, is the link between all producers involved in this process, and on the other hand, the quality measure of not only producers’ activity, but also recreation area in as a whole and its competitiveness increase. This circumstance creates the necessity of making focus on a tourist product as a unifying element of all components of the tourism system.

The next element of the tourism system is the destination population. It can consist of both locals and workers who came from other regions or even other countries, and which, as a result make up the local population of the destination. Currently, while studying and planning tourism development in the destination, insufficient attention is paid to its population, which, as a rule, even considered, as one of the external factors. Therefore, in our opinion, the component of “*destination population*” should be included to the concept of a *tourism system* which primary can be involved in the tourist process, since it does not include tourist industry workers (relating to the tourist industry). However, the local population forms its own attitude towards tourists, and creates tourism development environment.

The local population should be a partner of tourist enterprises, and the task of the tourist industry is to establish mutually beneficial relations with it. Local residents

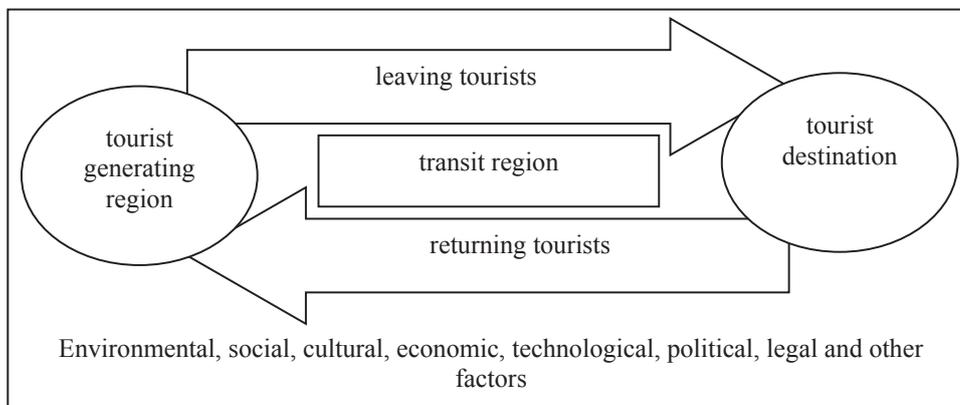


Fig. 1. Systematization of main tourism components

Source: [19]

should know that tourists give them the opportunity to earn income; they should understand that the impact of tourism, thanks to the multiple effects, extends far beyond tourist industry. Tourists, in their turn, must respect representatives of the host side. The system construction based on such principles will give the opportunity to hope that in the case when a tourist will have a difficult situation on an unknown territory, the local population will prove to be a hospitable and caring owner.

Taking into account the conducted analysis of theoretical sources [1; 4; 9; 15; 18; 20] concerning the definition of the concept “destination”, we have identified two approaches to the formation of a tourist destination that determine its conceptual content. The first approach is based on a geographical component and defines a tourist destination as a limited area. In this context, tourist destination corresponds to such concepts as “tourist region”, “tourist center”, that is, there is another definition of the concept, which in no way determines the special importance of the concept “tourist destination” and does not create conditions for the formation of a competitive tourist industry.

The second approach is aimed at satisfying consumer’s tourist service needs and is client-oriented. In this case, tourist destination is determined by the attractiveness that it offers for a certain segment of consumers. Thus, not the geographical component of tourist resources located in the

territory, but the attractiveness of a specified territory for tourists becomes primary.

**Conclusions.** Taking into account our research on specific forms of competitive tourist industry formation at the regional level it is necessary to mention that the approach aimed at satisfying tourist needs (client-oriented) is fundamental in studies of strategic competitive advantages of a tourist product. It will promote the development of tourist industry in a particular region, thus as the result of its economic stability improvement by means of profit from tourism activity.

The approach from the point of view of territorial attractiveness confer the possibility to develop the territory effectively, that is to produce those products and provide those services that are the most demanded by tourists visiting the tourist region. The implementation of this approach will facilitate the formation and adoption of sound management decisions as for attracting investment in the tourism infrastructure development of the region. It will make possible to build not only entertainment and recreation facilities, but also to place them purposefully, according to tourist needs and with the attractiveness owning which the majority of tourists visit the region. Under such conditions, the use of the client-oriented approach in the formation of region’s tourist industry will have a great synergy effect and will significantly increase the competitiveness of the tourist industry.

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## ПРИНЦИПИ ПОБУДОВИ КОНКУРЕНТОСПРОМОЖНОЇ ТУРИСТИЧНОЇ ІНДУСТРІЇ НА РІВНІ ДЕСТИНАЦІЙ

*У статті досліджено питання специфіки формування конкурентоспроможних переваг у сфері туризму на рівні дестинацій. Проведено теоретичний аналіз визначення понять «регіон», «туристичний регіон», «туристичний продукт», «конкурентоспроможність туристичного продукту». Встановлено, що пріоритетною складовою забезпечення сталого розвитку країни та вагомою складовою у вирішенні питань підвищення рівня життя населення є подолання наявних негативних економічних тенденцій регіонального розвитку. Визначено, що одними зі шляхів виходу з кризової економічної ситуації на регіональному рівні є створення системних і комплексних передумов для розвитку туризму, поліпшення функціональної та технічної якості складових регіонального туристичного продукту. З'ясовано, що конкурентоспроможний туристичний продукт за правильної комбінації чинників його формування та реалізації сприяє регіональному розвитку та підвищує рівень життя населення на певній території. Обґрунтовано методичні питання розробки туристичного продукту для регіонального розвитку. Визначено, що необхідними елементами конкурентоспроможної туристичної регіональної системи є інфраструктура, туристичний продукт та населення. Запропоновано методичний підхід до формування конкурентоспроможної туристичної індустрії на регіональному рівні, що ґрунтується на клієнтоорієнтованих засадах розробки та надання туристичних послуг.*

**Ключові слова:** туризм, регіон, туристичний регіон, туристичний продукт, конкурентоспроможність.

## ПРИНЦИПЫ ПОСТРОЕНИЯ КОНКУРЕНТОСПОСОБНОЙ ТУРИСТИЧЕСКОЙ ИНДУСТРИИ НА УРОВНЕ ДЕСТИНАЦИЙ

*В статье исследованы вопросы специфики формирования конкурентоспособных преимуществ в сфере туризма на уровне дестинаций. Проведен теоретический анализ определения понятий «регион», «туристический регион», «туристический продукт», «конкурентоспособность туристического продукта». Установлено, что приоритетной составляющей обеспечения устойчивого развития страны и весомой составляющей в решении вопросов повышения уровня жизни населения является преодоление имеющихся негативных экономических тенденций регионального развития. Определено, что одними из путей выхода из кризисной экономической ситуации на региональном уровне являются создание системных и комплексных предпосылок для развития туризма, улучшение функционального и технического качества составляющих регионального туристического продукта. Выяснено, что конкурентоспособный туристический продукт при правильной комбинации факторов его формирования и реализации способствует региональному развитию и повышает уровень жизни населения на определенной территории. Обоснованы методические вопросы разработки туристического продукта для регионального развития. Определено, что необходимыми элементами конкурентоспособной туристической региональной системы являются инфраструктура, туристический продукт и население. Предложен методический подход к формированию конкурентоспособной туристической индустрии на региональном уровне, основанный на клиентоориентированных принципах разработки и предоставления туристических услуг.*

**Ключевые слова:** туризм, регион, туристический регион, туристический продукт, конкурентоспособность.