

DIRECTIONS OF IMPROVING THE COMPETITIVENESS OF THE TOURISM INDUSTRY IN THE GLOBAL ECONOMY

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Abstract: The article deals with the actual problem of managing tourist destinations organization to increase the competitive potential of the domestic tourist market. To solve this problem previously not touched upon in scientific research, the authors studied the comparative advantages of the Stavropol Territory as a tourist destination that should become its competitive advantages if implemented through a comprehensive destination management system. In the result of comparison of strengths and opportunities for tourism development in the region, a strategy to improve competitiveness and increase competitive advantages has been developed. It focuses on the opportunities to maximize the strengths and compensate for the current competitive weaknesses of tourism development in Stavropol. The complex tourist destination competitiveness model and the system of its management in the Stavropol Territory depend on creating a regional organization for tourist destination management that would coordinate practices of the key regional tourism actors, ensure their interests and develop their interaction. On the example of the Stavropol Territory, the authors propose an alternative model of the tourist destination management system, which is to be implemented through mechanisms and practices of planning, development and increasing competitiveness of the tourist destination and to be institutionalized in the form of a regional organization for the tourist destination management. This model can contribute significantly to the social and economic development of the given region.

Keywords: Tourist Destination, Tourist Market, Tourist Potential, Control System, Competitiveness, Social and Economic Development, Planning.

1. INTRODUCTION

Positioning, promotion and organization of a tourist destination is one of the main tasks when it comes to increasing the attractiveness of a region from a tourist point of view. According to worldwide experience, the organization of destinations plays a key role in the management of their development and is only possible as an accumulated joint effort of all tourism actors involved. In this study, management of a tourist destination is considered on

the example of the Stavropol Territory, where despite a significant tourist and recreational potential, strategic tourism development programs and activities undertaken by regional authorities, the tourist flow and the share of tourist services in the structure of GRP remain insignificant. In this regard, the relevance of the research topic is determined by the need for significant developments that would ensure an effective organization of the tourist destination of the Stavropol Territory implemented through concrete practices in the planning and development of its competitiveness potential. Thus, management of the Stavropol tourist destination demands a unified approach embracing all the parties involved and a mechanism that would promote the region as a tourist destination both on the Russian and international tourist markets. The aim of the study is to suggest a comprehensive competitiveness model of a tourist destination, apply it to the development of the tourist destination of Stavropol, and based on international experience work out a management system of the tourist destination in question. The methodological basis of the research comprises the general scientific research methods, as well as the dialectical, systemic-logical, complex, observation, comparison, factor study and others methods that allow to ensure the reliability and validity of the conclusions and recommendations formulated by the authors.

2. RESULTS

For the first time a comprehensive model of a tourist destination competitiveness has been applied to the development of the tourist destination of Stavropol. A whole system of management of the tourist destination of the Stavropol Territory has been evolved based on international experience. Also, an alternative model of tourist destination management is proposed on the example of the Stavropol Territory. It is implemented through mechanisms and practices of planning, development and ensuring the competitiveness of the tourist destination, which are institutionalized in the form of a regional organization for the management of the destination of the Stavropol Territory (OMD ST), based on the interaction of the key actors of tourism and ensuring their interests, which previously has not been considered in scientific research by other authors. The unique characteristics of the proposed model of destination management are the organizational management structure and functions of the executive body of the organization as well as an electronic system of tourist destination management (e- OMD ST).

3. DISCUSSION

Despite some positive dynamics in the development of the tourism industry in the region, the Stavropol Territory does not occupy a leading position in Russia, being significantly inferior to the competitor regions. The contribution of tourism to the economy of the region accounts for about 1.1%. The most common for the region in terms of turnover (total cost of tickets sold) and the number of tourists served is outbound tourism (up to 90% of the tourist market of the Stavropol Territory) [1]. On these premises, it would be reasonable to link the strategic guidelines for the development of the tourist destination of Stavropol with an active development of its infrastructure. It is obvious that the demand from tourists for the Stavropol destination, as well as strategic prospects for its development, largely depend not only on the national factors, but also on the global trends. The most significant of them as specified by the professional community are the following:

1. The progressive growth of tourist arrivals with the preservation of their major geographical architectonics.
2. The dependence of tourism on the crisis processes in economy, nature, society, as manifested in the fall of tourist activity having though a rapid recovery growth potential [11; 12].

3. Concentration and transnationalization in the tourism industry (introduction of constructive mechanisms of state support for small forms of tourism business, as well as their integration into business associations in the format of self-regulatory organizations).

4. Scientific and technological progress, primarily related to the development of information technologies, the use of which allowed creating a global system of tourist navigation (e.g. Amadeus, Galileo, Worldspan, Sabre) for travel companies and the Internet (or alternative) system of distribution of tourist services (e.g. Expedia.com, Orbitz.com, HRS.com, Travelocity.com, Hotels.com, Priceline.com, Hotels.su) for individuals; Internet portals with mobile versions and tourist registers on the basis of regional tourist information centers, virtual tourist products and corporate websites.

5. Sustainable tourism development. This factor is meaningful as the tourist industry acts as a driver of economic processes and a factor of social stability on the one hand and, on the other one, has a significant impact on the natural environment.

6. Changes in consumer preferences of tourists.

7. Active state regulation and strategic positioning of tourism, which is quite fair, bearing in mind the locomotive role of the industry on a global and national scale [5; 14; 15].

As practice shows, the systemic nature of the development of tourism and related industries provides for coordinated work of all public structures within the tourism policy framework at the state and regional levels at the initial stages, and as it is being implemented – at the local and corporate levels. In this mechanism, national tourism organizations possess a special regulatory status, the main purpose of which is marketing and promotion of national tourism products [8]. One should be mindful of the cause-and-effect relations in the context of promoting the Stavropol destination while forming its holistic vision as a unique tourist product. Although implemented through a variety of tools, there should be a single advertising and information policy, based on the regional tourist information center, which should provide travel agents with a full range of information and marketing services [10]. Meanwhile, in view of its network form of organization and infrastructural nature, the cluster approach and the public-private partnership are recognized as non-alternative and effective tools for the development of the tourism industry in the world, and more recently in domestic practice. The mechanism of public-private partnership should be considered as a qualitatively new model of management of the Stavropol tourist destination, the possible forms of implementation of which are presented in table 1.

Table 1: Mechanism of implementation of public-private partnership in the development of the Stavropol Territory tourist destination¹

Forms of public-private partnership (PPP)	Ownership of a PPP object	Operation and maintenance	Investments	Commercial risk	Time frame	Sphere of application
Service contracts (outsourcing)	PS*	PS, PrS**	PS	PS	-3 years	Marketing of the region, landscape development, landscape gardening, waste management, energy saving, sightseeing tours, organization of conferences and exhibitions, restoration works
Management contracts	PS	PrS	PS	PS	3-5 (8) years	Maintenance of park, medical, recreational, tourist infrastructure, architectural, natural monuments, recreation areas, etc.
Lease and temporary transfer of rights	PS	PrS	PS	PS, PrS	5(8) -15 years	Transport services, waste processing, water and sewage infrastructure, heat supply to the tourist destination, etc.
Concession agreements	PS, PrS	PrS	PrS	PrS	15-30 лет	Recreational nature management, construction and operation of tourism facilities, transport, engineering, energy infrastructure of tourist destinations, etc.

Thus, in conditions of high uncertainty and variability of internal factors and external conditions for tourism development, national-state and regional policy, as well as business practices, should be adapted to the perception of such changes. Their comprehensive and systematic analysis allows to take into account global trends and national specifics, to outline territorial and sectoral prospects of cluster initiatives, to consolidate the efforts of the state and business and, finally, to serve as a "road map" for the consistent promotion and implementation of tourism products of the Stavropol destination. Based on the conceptual model of competitiveness by B. Richie and J. Crouch and the works of S. Pykes, it can be concluded that in order to maintain and develop a competitive regional tourist and recreational complex and promote a tourist product in the domestic and international tourist markets, it is necessary to focus on turning the comparative advantages of the destination into its competitive advantages [9]. Only the tourist destinations with a strategy for tourism development, mutual understanding and partnership between the main stakeholders (the state, business, and local residents), a target market with clearly defined and studied needs of tourists, a

¹ Note: PS* – public sector; PrS** – private sector.

tourist product and a purposeful campaign for its advance are competitive. The thesis by M. Porter that "Nations that have limited resources are motivated to find innovative ways of overcoming their comparative disadvantages through the development of competitive advantages" is actual with regard to the Stavropol Territory [13]. It has a resource base for the development of tourism, which can eventually become a competitive advantage of the region.

Following the logic above, it should be concluded that the comparative advantages of the Stavropol Territory as a tourist destination should become its competitive advantages, which depends entirely on the system of management of the tourist destination development [2]. To transform the comparative advantages of the Stavropol Territory as a tourist destination into competitive ones, we propose the development of a comprehensive model of the tourist destination competitiveness and an alternative model of the tourist destination management system on the example of the Stavropol Territory, implemented through mechanisms and practices for planning, development and ensuring the competitiveness of the tourist destination. These models are institutionalized in the form of a regional organization for the management of the destination, including in its structure a design and research unit, a congress bureau, a tourist information center and an e-OMD system [7].

1) Development of a tourist destination competitiveness model for the Stavropol territory

In order to form a model of competitiveness of a tourist destination, it is essential to analyze such key components as comparative and competitive advantages in relation to the destination. Comparative advantages represent all types of resources of the destination, as well as its competitive advantages – the ability of the destination to effectively use resources over a long time. The resources of the destination determining its comparative advantages include natural and geographical resources, historical and cultural resources, human resources, financial resources, infrastructure (Zakharchenko, 2015). The destination that has a concept for tourism development, mutual understanding between the key players (government, business, residents) regarding the direction of the destination development, a clearly defined target market, a developed product satisfying the needs of tourists and a targeted campaign to promote it can be much more competitive in the market than the destination that has never been engaged in strategic planning of tourism development. Thus, we offer a competitiveness model of the tourist destination of the Stavropol Territory (Fig. 1).

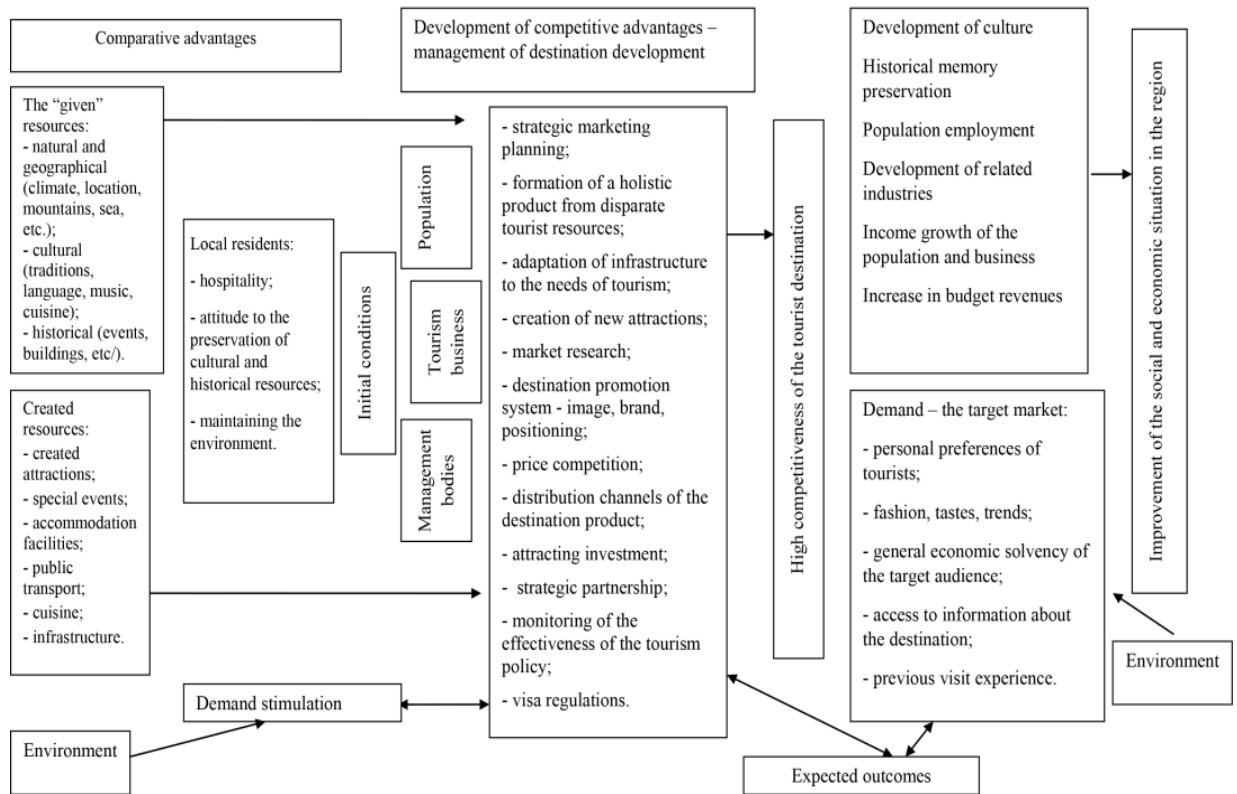


Fig. 1: Competitiveness model of the tourist destination of the Stavropol Territory (Fig. 1).

The model of competitiveness of the tourist destination of the Stavropol Territory will be incomplete without taking into account another important aspect – the attractiveness of the destination (Figure 2). Competitiveness and attractiveness are characterized by two aspects of the Stavropol Territory destination functioning – its attractiveness from the point of view of the tourist, and its competitiveness from the point of view of the management of the destination [6]. It is the attractiveness of the destination that will attract tourists, stimulate their travel, and be a primary factor in the development of tourism.

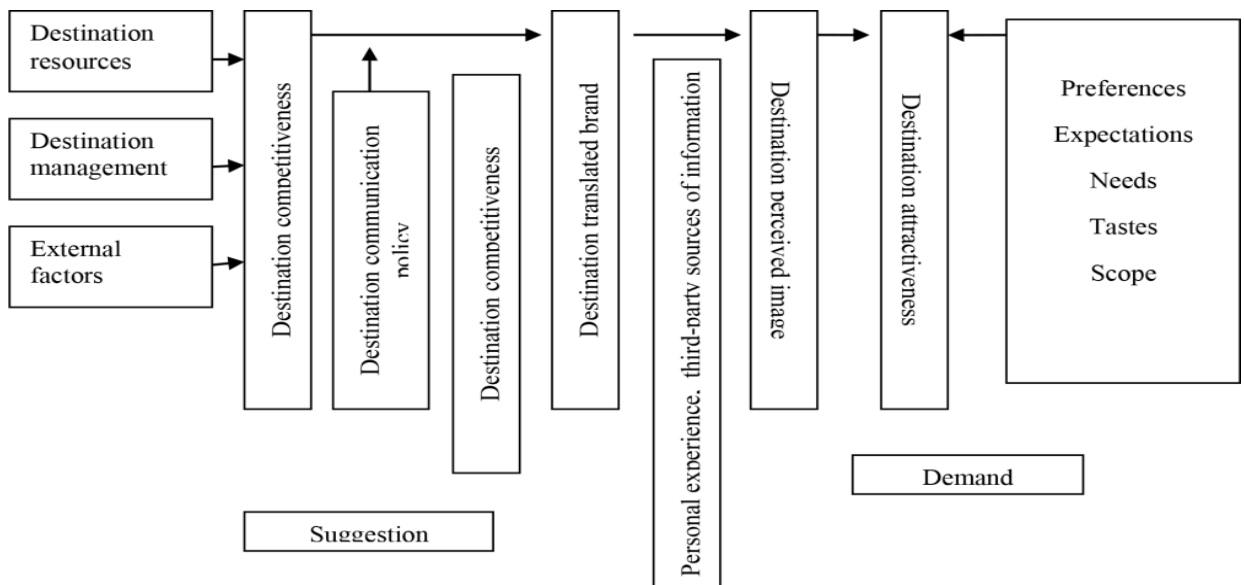


Fig. 2: The relationship of competitiveness and attractiveness of the Stavropol territory destination.

2) Development of an alternative model of the tourist destination management system of the Stavropol territory

To effectively manage the development of tourism in the Stavropol Territory, it is necessary to unite the efforts of all stakeholders of the destination. The result of this joint effort should be the creation of an official organization for the management of the region's destination, with a full range of functions and tasks. We offer an alternative model of the tourist destination management system, implemented through the mechanisms and practices of planning, development and competitiveness of the tourist destination, which are institutionalized in the form of a regional organization for the management of the destination (OMD ST), based on the interaction of the key actors of tourism in the region and ensuring their interests. We propose to create an organization for the management of the destination (on the example of the Stavropol Territory – OMD ST). As the tourist destination is a dynamic open system and has been established to be a multi-aspect phenomenon, it is necessary to involve in its management the key tourism actors as well as their coordinated practices which in their complex create a competitive integrated tourism product – a destination. Taking this into account, within the framework of the current Russian legislation, the authors have chosen two possible options for the organizational and legal form of OMD ST: a non-profit partnership (NPP) or an autonomous non-profit organization (ANPO). The purpose of the organization for the management of the Stavropol Territory destination is to promote the Stavropol Territory as a tourist destination in the Russian and international tourist markets and to ensure the long-term competitiveness of the tourist product of the region through effective interaction of the stakeholders to achieve a high level of life for the local population. The main objectives of the organization for the management of the Stavropol Territory are presented in Table 2.

Table 2: Main objectives of the organization for the management of the Stavropol Territory.

1. Marketing and branding of the Stavropol Territory as a tourist destination for science, business and leisure in the domestic and global tourist markets.
2. Coordination of marketing activities of the stakeholders to promote the Stavropol Territory as a tourist destination for science, business and leisure.
3. Participation in the development of strategic and program-target planning documents.
4. Formation of a single tourist information space of the Stavropol Territory.
5. Provision of tourist information and consulting services.
6. Formation of a positive internal image of the region as a tourist destination for science, business and leisure. Development of a set of measures to involve local residents in the development of tourism in the Stavropol Territory.
7. Education, trainings, professional development for specialists of the tourism industry.
8. Collection of tourist statistics, formation of a database of tourist attractions and research of the tourist market.
9. Implementation of event management (introduction of a calendar of events).
10. Development of the tourism product. Development of tourist attractions.
11. Improving the quality and competitiveness of tourism services.
12. Ensuring and supporting cooperation between public and private entities. Creation of a platform, a mechanism for interaction and accumulation of efforts of universities, government, business and local residents to develop and promote the region as a tourist destination for science, business and leisure.

Categories of OMD ST members: administrations of the Stavropol Territory and the city of Stavropol; Stavropol chamber of commerce and industry; tourist and excursion enterprises; companies organizing congresses; congress centers, international business centers and exhibition centers, Expocentre SEZ "Stavropol"; Congress Bureau "Progress", means of placement; catering establishments; establishments of culture and art (museums, theaters, galleries, etc.); branch professional associations (e.g. "North Caucasian Association of Cooks»); institutions of higher and secondary professional education; transport companies (air, railway, bus companies, urban transport); airport "Stavropol", airport "Mineralnye Vody"; local community (residents of the region); media. Management bodies of the organization for the management of the Stavropol Territory destination in the form of a non-profit partnership are (Fig. 3): General assembly of members, Board, Executive Director.

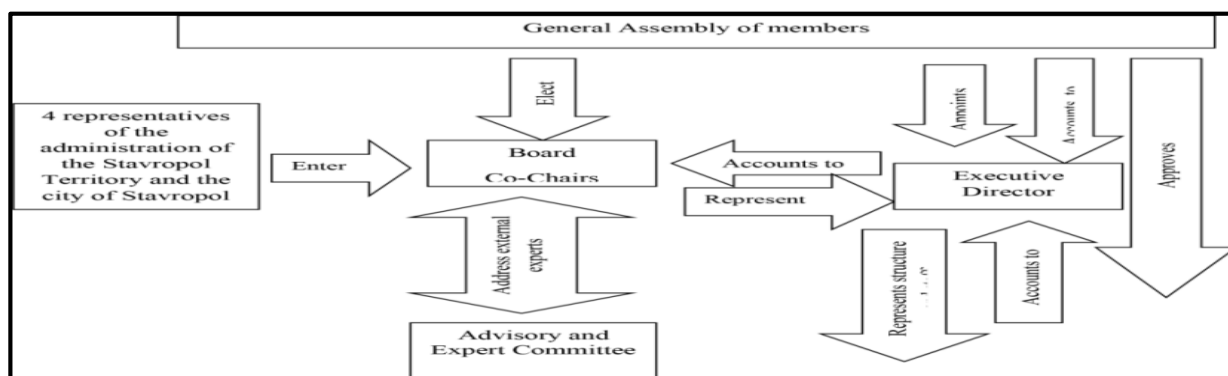


Fig. 3: Organizational structure of the organization for management of destinations in the Stavropol Territory in the form of noncommercial partnership.

The unique characteristics of the proposed model of destination management organization are the organizational management structure, functions of the Executive body of the organization, and an electronic system of tourist destination management (e-OMD). The e-OMD system is an "electronic OMD ST", i.e. a virtual office created with the help of modern information and communication technologies (ICT) to ensure the presence of the organization for the management of the Stavropol Territory destination the Internet and its promotion. The main goal of the demo system is to become a key media for the accumulation of efforts of all stakeholders to promote the Stavropol Territory as a tourist destination for science, business and leisure, to provide an opportunity for their joint work on the development of the destination, to become a "virtual platform" for communication of the OMD with the tourism actors and the actors among themselves. The characteristics of the e-OMD are presented in Table 3.

Table 3: Characteristics of the e-OMD system

- | | |
|----|---|
| | - categories of users for whom the electronic resource is intended: tourists, local residents, representatives of the tourism industry, tour operators, travel agencies, hotels, catering businesses, museums, etc., local authorities, expert community, educational and scientific institutions, professional associations (associations, unions), organizers of congresses and exhibitions, congress venues, meeting planners; media |
| 1. | - mode of access to the sections of the e-OMD system: open; partially open, requiring registration with login and password |
| 2. | - versions in Russian and English |
| 3. | - highly informative content: compliance with the information needs of all categories of users, relevance of information, intuitive interface, ease of navigation, visualization of tourist sites, etc. |
| 4. | - interactivity |
| 5. | - access to the e-OMD system (means of communication, applications): personal computers, smartphones, tablets with Android and iOS systems, interactive TV, navigation systems in the car, information kiosks, call-center, e-mail, etc. |
| 6. | |

The e-OMD system includes:

1. e-Destination (Fig. 4). The official tourist portal of the region as a tourist destination for science, business and leisure with mandatory sections for B2C and B2B, and a corporate OMD ST section.

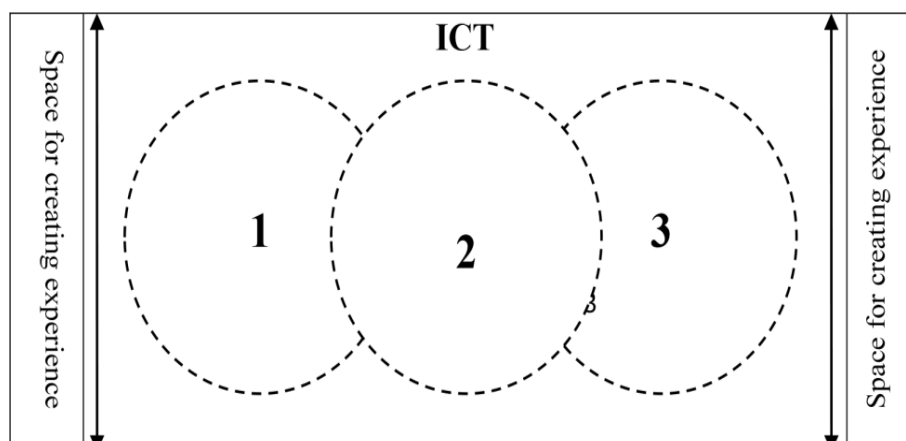


Fig. 4: e-Destination. Creation of a tourist experience with the help of information and communication technologies: 1. Destination (attractions, OMD, hotels, tourist companies, etc.); 2. Consumer; 3. Creation of a tourist experience.

2. e-Marketing: promotion of the region as a tourist destination for science, business and leisure in social networks (Social Media Marketing), in search engines Google and Yandex; advertising and image articles on thematic and information sites; e-mail marketing; use of Customer Relationship Management (CRM), the formation of a database of users of the e-OMD system, possibility for creating a personal account/user profile, saving user settings, participation; the possibility of forming a database of tourist attractions; conducting research on the Internet, collecting tourist statistics, etc.

3. e-Communication: use of video conferencing, Skype, other online communication and consultation programs; electronic document management.

4. e-Education-distance learning.

The potential risks of creating the OMD ST in the form of a non-profit partnership are: limited financial support/guarantees from the authorities, low level of influence on strategic decision-making in the region (weak political will), as the public authority cannot be the founder of an NPO. In this regard, the second version of the organizational and legal form is proposed: an autonomous non-profit organization, which allows obtaining financial support from the regional or municipal budget, in the case of its establishment by a public authority. In addition, citizens and other legal entities can become co-founders on the basis of voluntary property contributions [4]. The actors of the destination will be able to participate in the activities of the organization not only as co-founders, but also through joining the Board (the supreme collegial governing body), the Supervisory Board (coordination and advisory body), the Director General Office (executive body).

4. CONCLUSION

Based on foreign experience, the authors propose development of a comprehensive model of increasing competitiveness of tourist destinations and a management system of the tourist destination of the Stavropol Territory. The authors suggest creating a regional organization for the management of the destination, which would coordinate the practices of key regional tourism actors and ensure their interests and interaction. The unique characteristics of the proposed destination management system in the form of OMD ST include the organizational and management structure and functionality of the Executive directorate for an NP or Office of Director General for an ANPO, as well as an electronic tourist destination

management system (e-OMD) [3]. A comprehensive development of the tourist destination of the Stavropol Territory will significantly increase the level of social and economic development of the region. Many new jobs will be created, as a result of which the employment of the population will be increased, tax revenues to the budget will increase as well, and the local population will have the opportunity of rest and recreation in places of residence.

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