

The Socio-Cultural and Economic Aspects of Tourism in Ukraine

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ABSTRACT

The main objectives of this work are to create a platform for cross-disciplinary dialogues that integrate different knowledge and research from diverse sectoral, geographical, and institutional perspectives, in particular, to implement international experience and improve the socio-cultural development level of Ukraine. The peculiarities of the development of Ukraine's tourism industry have been compared. Its place in the world market has been determined by the main socio-economic indicators. Tourism development should be an object of cultural and historical heritage.

Keywords: European Integration, Tourism, Social Aspects, Economic Policy, Cultural Aspects.

INTRODUCTION

Today, the tourism industry is the most dynamic area of business in the world, which significantly affects the economic and cultural development of countries. Tourism is inextricably linked to meeting the individual needs of each member of society, it ensures the preservation of historical and cultural heritage for future generations. The development of tourism is influenced by many factors of the socio-economic and cultural life of the territories. That is why the practice of slow response and the use of archaic approaches has a fatal impact on dynamic tourism. Because of this, there is an urgent need for an effective industry management system that can respond quickly to the dynamics of change in tourism. The socio-economic development of the state depends on the effectiveness of tourism development, the ability to monetize tourist services. That is why the tourism industry has been one of the priorities in economic (income) and cultural (preservation of socio-cultural objects) meanings.

The impact of mainstream tourism and the potential positive environmental and social benefits of ecotourism is explored in many scientific works (Shkola et al. 2003, Balabanov et al. 2003, Havrylyuk, 2006, Stehnei et al. 2017, Mykytyn et al. 2017). Several scientists (Popadynets, 2018, Tkachenko, 2006, Hryhoruk et al. 2021, Korkuna et al. 2020, Skrypko et al. 2020) consider the methodology for the development of tours, the service provider of the tourist product, the general terminological principles, and the organizational specifics of managers' activity in the tourism industry on the organization of tourist trips. The image of tourism as a benign and environmentally friendly industry has often been challenged due to a large number of visitors and sometimes huge tourist flows. Scientific studies (Buryk, 2019, Bodnarchuk et al. 2017, Yakymchuk et al. 2021, Hudo et al. 2004) confirm that tourism provides significant economic benefits for some destinations, effects of tourism development are far more complex and the impacts of tourism occur not just at the destination but also in transport, restaurants, hotels, i.e. related areas. Globalization, scientific and technological progress and the development of information technology, increasing the level of welfare and solvency, changes in visa regimes - are just some of the important prerequisites that affect the formation of modern tourists. In recent decades, the attention of scientists is focusing on the study of the state, problems, and prospects of tourism in Ukraine, the specifics of the national market of tourist services, the structure and subjects of the tourism industry, the rationalization of their activities and opportunities for historical, cultural and religious heritage in the development of both national and international tourism.

Tourism as a type of activity performs such functions as economic, environmental, social, cognitive, cultural and educational, recreational, hedonistic, informational, communicative (Tkachenko, 2006, Hryhoruk et al. 2021, Korkuna et al. 2020, Skrypko et al. 2020, Buryk, 2019), which follow from its versatility as an object of study. The authentic humanistic essence of tourism as a socio-cultural phenomenon is to realize personal freedom as a fundamental condition of human existence, as well as to promote the formation of such democratic values as tolerance, pluralism, openness, building a just and solidary international community. The

aim of the article is to assess the role of the socio-cultural aspect in tourism as the main tool for the economic development of the tourism industry.

METHODOLOGY

Both a system method and an economic analysis method have been used to emphasize the economic merits of tourism. To create practical proposals for tourism development for improving the level of socio-cultural development, the modeling method also has been used. The following general scientific methods have been applied in the research: cause and consequences – to study the causes and consequences of the financial and economic crisis for the quantity and quality of tourist services, flows and number of tourists. The special methods used in the research are a method of correlation-regression analysis – to study the financing dynamics in tourism sphere, budget financing; expert poll – to collect estimates and judgments of competent persons on interests, roles and relationships in the interests of stakeholders in the field of tourist services; cost and benefits analysis – to assess the socio-ecological and economic efficiency of the optimization of tourist services and implementation of the best foreign experience in Ukraine.

To model the indicators of tourism activity, the study uses the formula of the correlation coefficient (Pearson's coefficient), which has the following form:

$$\text{Correl}(X, Y) = \frac{\sum(x - \bar{x})(y - \bar{y})}{\sqrt{\sum(x - \bar{x})^2 \sum(y - \bar{y})^2}} ; \quad (1)$$

where x_i – the values of the variable x ; y_i – values of the variable y ; \bar{x} – arithmetic mean for the variable X ; \bar{y} – arithmetic mean for the variable Y .

The linear regression equation looks like this: $y=a+bx$.

In addition, the Pearson linear pairwise correlation coefficient is determined by the regression coefficient:

$$r_{xy} = b \frac{S(x)}{S(y)} ; \quad (2)$$

where $\sigma(x)=S(x)$, $\sigma(y)=S(y)$ – standard deviations; b – coefficient in the regression equation $y=a+bx$.

Other options for calculating the correlation coefficient:

$$r_{xy} = \frac{\bar{xy} - \bar{x}\bar{y}}{\sigma_x \sigma_y} ; \quad (3)$$

$$r_{xy} = \frac{\sum(x_i - \bar{x})(y_i - \bar{y})}{n\sigma_x \sigma_y} ; \quad (4)$$

$$r_{xy} = \frac{K_{xy}}{\sigma_x \sigma_y} . \quad (5)$$

where K_{xy} – correlation moment (covariance coefficient); n – the number of studied indicators in the general population by characteristics.

RESULTS AND DISCUSSION

Tourism is one of the main sources for creating jobs in all occupational categories. The social essence of tourism is that it is a labor-intensive industry that operates twenty-four hours a day, seven days a week. The tourism industry employs over 313 million people (i.e., every 10th employee). Tourism is a particularly information-rich sphere of public relations. It has been a major employer for women and young people. Tourism as a type of socio-economic activity has an impact on the creation and development of cultural potential, leads to the harmonization of relations between different countries and peoples, forces governments, NGOs, and businesses to actively participate in preserving and improving the environment. G20 Leaders recognized “the role of travel and tourism as a vehicle for job creation, economic growth and development” in the Declaration of the Annual Meeting on June 18-19, 2012 in Los Cabos, Mexico. It was stated that “travel facilitation initiatives in support of job creation, quality work, poverty reduction and global growth” (Ministry of Culture and Tourism of Ukraine, 2019). Tourism is the third-largest export category in the world, generating more than 1.6 trillion dollars. It is second only to the chemical and energy industries, ahead of the automotive and food industries.

Socio-cultural problems of tourism development. Tourism is an important source of foreign income for both developing and developed economies, as well as an important component of national export strategies. In many developing countries, tourism is the main export category. Management, economic, environmental, social, and cultural factors are the factors that hinder the development of Ukraine’s tourism sector now. Tourism is a major factor in sustainable development. Ukraine holds 90th place by the criterion “Prioritization of Travel & Tourism” (it is one of the lowest positions). Among the components of the criterion, the “Government prioritization of the T&T industry” is unprecedentedly low, placing the country only in 122nd place, which is 15th-lowest (Hudo, 2004, Ministry of Culture and Tourism of Ukraine, 2019). The general picture is explained by the indicators of the subindex “T&T policy and enabling conditions”. The international trends are finally being considered, and there is the hope of a significant shift from the 122nd position by the criterion “Government prioritization of the T&T industry” in the global competitiveness rating. Countries that can offer tourists access to natural assets have a pronounced competitive advantage. Assessment factors include the number of natural world heritage sites, protected areas, the quality of the natural environment, world-famous species of flora and fauna.

Cultural significance of tourist objects. Factors for assessing cultural resources are world heritage sites, the number of sports stadiums, the number of international fairs and exhibitions in the country, exports in the field of culture and art. The development of tourism promotes the development of related industries (primarily due to the multiplier effect), increases the competitiveness of the national economy in general and the living standards of the local population in particular. That is why the policy of stimulating tourism in economically developed countries is of paramount importance in the system of forming a strategy for their development. In this regard, integrated criteria have been introduced to assess the progress of countries in the field of tourism development, including the index of competitiveness of

countries in the field of travel and tourism. The calculation of this index in the process of research in the socio-economic sphere of developed countries, allows to identify the main obstacles to the successful development of tourism at the national level and develop specific measures to minimize them, which will inevitably increase its competitiveness in the global tourism market. This index of competitiveness of the country in the field of travel and tourism consists of three sub-indices: - regulatory framework in the field of tourism; - tourist business environment and infrastructure; - human, cultural and natural resources of each country in the field of tourism (United Nations, 2019, UNWTO, 2018, 2019). In recent years, Ukraine has been consistently moving towards a reorientation of international priorities and standards.

Modeling Process. Using a regression multifactor model of financing tourism, the authors conducted a comprehensive assessment of the impact of factors on the amount of funding and forecasted the number of financial resources at the optimal value of tourist services and tourist flows in Ukraine (Table 1). To set the correlation-regression model the following symbols have been used: y – the number of tourists served by tour operators and travel agents, total (persons); x_1 – incoming (foreign) tourists, persons; x_2 – domestic tourists, persons.

Table 1. The number of tourists served by tourist firms of Ukraine, by type of tourism, thousand persons

Indicator Year	Tourists served by tour agents and operators, total (thous. persons)	Including		
		Incoming (foreign) tourists, thous. persons	Outbound tourists, thous. persons	Domestic tourists, thous. persons
2000	2013,99	377,87	285,35	1350,77
2001	2175,09	416,19	271,28	1487,62
2002	2265,32	417,73	302,63	1544,96
2003	2856,98	590,64	344,33	1922,01
2004	1890,37	436,31	441,79	1012,26
2005	1825,65	326,39	566,94	932,32
2006	2206,49	299,13	868,23	1039,15
2007	2863,82	372,46	336,05	2155,32
2008	3041,65	372,75	1282,02	1386,88
2009	2290,09	282,29	913,64	1094,17
2010	2280,76	335,84	1295,62	649,29
2011	2199,98	234,27	1250,07	715,64
2012	3000,69	270,06	1956,66	773,97
2013	3454,32	232,31	2519,39	702,62
2014	2425,09	17,07	2085,27	322,75
2015	2019,58	15,16	1647,39	357,03
2016	2549,61	35,07	2060,97	453,56
2017	2806,43	39,61	2289,85	476,97
2018	4557,45	75,94	4024,70	456,79
2019	4557,44	75,94	4024,70	456,79

Source: compiled according to the data of the (State Statistics Service of Ukraine, 2020).

Model regression equations are:

$y = 4842.9x^2 - 36525x + 2E+06$ (dependence of the total number of tourists served by travel agents and tour operators on the resulting indicator (state tourism));

$y = 159761x - 295385$ (dependence of the number of outbound tourists on the resulting indicator);

$y = -73578x + 2E+06$ (dependence of the number of domestic tourists on the resulting indicator);

$y = -1176.1x^2 - 2328.4x + 447073$ (dependence of the number of foreign tourists on the resulting indicator).

The resulting model data have been summarized in Table 2. The correlation-regression model shows that the calculated coefficient of correlation ($R=0.9172377009259922$) between the number of foreign tourists and the number of domestic tourists is estimated at 0.92 (coefficient of determination $R^2=0.841325$), which means that the relationship is close and the obtained indicators of the model are valid. The authors calculate the number of tourists for the future - for 2020 - 2025. The exponential function shows that the estimated number of tourists for 2020 is 181.5 thousand people. Thus, there will be a decrease in the number of tourists. The reason is the unstable political, economic, and military situation in Ukraine, as well as the pandemic and spread of the virus COVID-19. However, starting from 2021, the number of tourists coming to Ukraine will increase up to the 2019 level, and in the future will grow to 550 thousand persons.

Table 2. The resulting model data of the dependence of the state tourism of Ukraine and its financing on a range of factors

Indicator	Model regression equation	Coefficient of determination (R^2)	Correlation coefficient (R)	Assessment of the relationship between indicators, assessment of the veracity of the model
Dependence of the total number of tourists served by tour operators and travel agents on the resulting indicator	$y = 4842.9x^2 - 36525x + 2E+06$	0.3111	0.557763390	the connection is weak, valid
Dependence of the number of outbound tourists on the resulting indicator	$y = 159761x - 295385$	0.8004	0.894650769	the connection is close, valid
Dependence of the number of domestic tourists on the resulting indicator	$y = -73578x + 2E+06$	0.6064	0.778716893	the connection is close, valid
Dependence of the number of foreign tourists on the resulting indicator	$y = -1176.1x^2 - 2328.4x + 447073$	0.7735	0.879488487	the connection is close, valid

Source: calculated by the authors.

CONCLUSIONS

Responsible Tourism effectively integrates types and scales of knowledge to present an economical, informative, and stimulating perspective. The development of the tourism is a basis socio-economic and cultural progress in modern countries, as it

allows to properly realize the full capacity of social and ethnographic, geographic, historical, and cultural development, increase the level of investment attractiveness of Ukraine, and intensify the processes of its integration into the global economic markets. The article synthesizes the key findings with implications for business management, policy, destination planning and donor interventions, and future private sector.

Using a regression multifactor model of financing tourism, the authors conducted a comprehensive assessment of the impact of factors on the amount of funding and forecasted the number of financial resources at the optimal value of tourist services and tourist flows in Ukraine. The calculated coefficient of correlation between the number of foreign tourists and the number of domestic tourists has been estimated at 0,917, which means that the relationship is close and the obtained indicators of the model are valid. The authors calculate the number of tourists for the future – for 2020-2025. The exponential function shows that the estimated number of tourists for 2020 is 18155 thousand people. Unstable political, economic, and military situation in Ukraine, as well as the pandemic and spread of the virus COVID-19 are the reasons for the decrease in the number of tourists. As the forecast shows, starting from 2021, the number of tourists coming to Ukraine will increase up to the 2019 level, and in the future will grow to 550 thousand persons.

The development of tourism is influenced by a large number of criteria and factors, the analysis of which allows to streamline the management processes in the field of tourism at the national and regional levels. Consideration of tourist activity in the context of its specifics in a particular area and the peculiarities of management processes in the field should be accompanied by a comprehensive system-diagnostic analysis of the entire complex of tourist infrastructure. The biggest obstacles to the development of tourism in Ukraine are insufficient development of tourist infrastructure, in particular the sphere of temporary accommodation of tourists, restaurants; low activity of tour operators and travel agents in the generation of the tourist product and its offer; involuntary organization of the recreational economy of Ukraine.

To efficiently regulate the tourist environment, the international experience focuses on close stakeholder communication and support. This article demonstrates the innovations in responsible tourism occurring in developed countries and provides lessons from international research and practice for Ukraine. After all, the globalization of social processes and the active integration of Ukraine into the world economic system necessitate the use of progressive information support in its innovative development. Mechanisms of public administration in the field of information component of tourist activity are an important element of the whole system of national management of the tourist sphere as an influential segment of public activity and an effective form of international integration.

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