



Tourism as a Factor of Increased Competitiveness of the Region

Tatiana A. Burtseva¹, Larisa I. Khvoevskaya², Victoria V. Prokhorova^{3*}, Victoria E. Chernikova⁴, Anait S. Basyuk⁵

¹Vyatka State University, Kirov, Russian Federation, ²Don State Technical University, Rostov-on-Don, Russian Federation, ³Kuban State Technological University, Krasnodar, Russian Federation, ⁴Kuban State Technological University, Krasnodar, Russian Federation, ⁵Kuban State Technological University, Krasnodar, Russian Federation. *Email: vi_pi@mail.ru

ABSTRACT

The paper considers tourism and tourism operations as one of the key priorities of increased competitive strengths of Russian regions, their area, socioeconomic status and image. One of the presented ways of sustainable and effective development of tourism industry of the region is the formation of large-scale interregional, international associations conducting their activities for increased main competitive indicators and living conditions. Thus, the main function of performers of tourism operations of the considered territory will be to control work of regional agencies of local government that promotes increased quality of tourist management and defines the key possible priorities of development of the issues to solve being as follows: Development of a procedure of sharing experiences between regions; - attraction of an investor and additional financial means in the course of development of travel industry; - creation and promotion of positive image of the district, region and tourist base; - development of interregional projects which are in physical proximity of territories that promotes increase number of tourist routes and increases the potential of regions.

Keywords: Region, Competitiveness, Tourism, Interregional Ties, Innovations, State

JEL Classifications: L83, O49, F43

1. INTRODUCTION

In the current trends of development, tourism and its scope of activity are considered as one of the main factors of socioeconomic development of the region and in coordination in the system of operation of state processes of the whole country in general.

Not by chance many economists forecast the possible fact that tourism and its realization will be the leading branch of the world export of the XXI century. By common definition tourism is the sphere of investments, steady in a down economy.

Recently, the main bodies of state power, local authorities, and also the establishment of the Russian Federation increase the sphere of their attention in this field.

According to WTO data, the Russian Federation refers to the majority of states which nowadays feel increased rates of the formation of the tourism sector with support of government

machinery of power both on the part of legislative base and financing of real projects.

According to these WTO forecasts, in 2020 Russia is supposed to be among the first 10 countries in terms of entertained tourists (3% of the general world flow of guests that is about 47.1 million people/year).

It should be also noted that this presented statistics of WTO forecast on specified figures does not include the tourist flow size conducted in the home country which many times over exceeds the entry and away process (Ignacio et al., 2011; Sergeevich and Vladimirovich, 2015).

One of the main priorities of the transition to innovative public focus of economic development of the country is the warranted quality and availability of services of travel industry of the region, its increased competitive indicators of the domestic tourism sector that demands use of active (Lawson, and Roychoudhury, 2016),

purposeful and productive activities for the formation of the sphere of tourism on the basis of taking a set of measures on interaction both with internal and external environment of empyrean.

The Russian Federation cannot consider and analyze common development of tourism industry and tourism in general if initially the main and critical factors on the formation and development of key tendencies of regions are not considered.

Support of tourism industry allows diversifying sources of the acquisition of income of the regional budget that together with its other sources is a link of synergetic effect of development of the tourism district or a certain area of the region.

The sphere of tourism operations in the Russian Federation is in the process of modification of the initial stage of the formation that does not deliberate and pushes for dynamic progressive development of tourism of the region and the whole country in general.

This policy of tourism performance increased main processes, emergence and introduction of innovations for tourists' rest and free time increases the main stages of competition of regions of the Russian Federation.

2. MATERIALS AND METHODS

Works of classic authors, economic publications of domestic and foreign scientists which define tourism as the sphere of consumption of services by the population, tourism as a science, management of travel industry, control over the main modernization processes, potential, common organizational building of tourist enterprises of a regional type and priorities, economic processes of domestic and foreign policy of tourism industry activities present theoretical and methodological base of the paper.

Methodology of the research is constructed by using a dialectic method, systemic and strategic approaches to analyzed objects (Bokov et al., 2012). The scientific provisions, conclusions and recommendations made in the paper are based on use of a set of methods of historical and logical analysis, comparison and synthesis, induction and deduction, economics and statistics method and scientific assessments (Il'Yaschenko et al., 2014; Oleinikova et al., 2016).

Informational background of the research was made by the laws of the Russian Federation, official publications of the state statistics, social and labor relationship management bodies in the sphere activities in travel industry, WTO and International Labor Organization regional data, thematic collections and reference books, data published in scientific magazines and periodicals, Internet resources.

The paper takes account of data characterizing tendencies of development of organizational and social and labor relationship in the system of realization and introduction of key forms of tourism industry to regions of the country, factors of increased competitiveness of regions and its main indicators, priorities of

development of tourism districts and recreational zones of the region which were both earlier known and available and hidden from tourist flow.

3. DISCUSSION

Today, the Russian Federation sees a total lack of developmental actions of tourism industry to scale of large associations of regional ties and complexes (the only one example is the existence of association on interaction of economy *Velikaya Volga*. This realized brand *Velikaya Volga* is the newest domestic tourism industry's image and, that is quite important, it differs from already known and popular brands of tourism as Moscow and St. Petersburg (Abdulmanov, 2012). These brands of tourism are associated with foreign consumers and their perception of trips to our state.

It should be meant that Russian regions will not have the opportunity to be developed progressively without allied attention and participation in the formation and development of programs coordinated with similar ones in the territory and also has custody of key tools on the implementation of these programs.

Regions have the unique opportunity to contribute suggestions which will greatly influence the socioeconomic sphere, tourism industry of the district and country in general.

Thus, a complex of issues to be considered and solved can concern various branches characteristic for this territory (investments, ecology, law and others). Therefore, the creation of proper and effective performance of interregional associations, proper policy of control over this structure both at the regional and federal levels demands the introduction of new or advanced legislative base regulating this activity by authorities or local government.

Performance of this effective policy of regulation over associations' activity demand fuller use of an interregional brand (to participate at exhibitions by using a stand, attracting attention of potential consumers; to create a uniform informational center-website to obtain more evident material; to improve regulatory base of branded policy of tourism industry of the region; to organize common travel offers with already operating offers in the region, and others) where the main function of a coordinator of work can be given in charge of the district.

It is only possible to solve issues on application of interregional brands at the federal level if the region, having used its whole potential, has not developed a sufficient complex of activities for promotion of a brand and come to logical conclusion (Silnov and Tarakanov, 2015; Shkurkin et al., 2016).

Promotion of tourism operations at the federal level is absolutely another possibility of advance of the tourism potential and interests of regions of the district (solution of issues of cruise rest, development and decision-making on large-scale projects, demanding investments, and so on).

Thus, primary activity of performance of the district will consist in coordination of work of bodies of regional appointment, persons

responsible for the improvement of tourism industry; especially it concerns those participants who are engaged in development of interregional ties and sharing experiences in the sphere of tourism.

This policy of interactions is necessary for development of tasks of activity of each territory involved with tourism priorities, demanded by the flows of consumers of rest to create competitive conditions of presence and to increase intensity of activity in the field of demand (Gabrielyan, 2012).

The following priorities of formation and solution of tasks are offered for this purpose:

1. Sharing experiences between regions, districts, areas and other territorial subjects of the Russian Federation. Practical application of this task concerning sharing experiences between operating parties reflects a certain difficulty as nearby territories are key competitors in travel industry. And therefore, activities on sharing experiences are not a success as the leading regions conducting this activity have no desire to share their priorities for development and key activities for increased competitiveness. Therefore, only information that concerns studying of replication of profitable and successful projects, and also realization and formation of franchises remains available. At the level of the district there is the opportunity to study experience of other districts of the Russian Federation in comparison with the leading programs and projects of tourism industry (so, for example, a project on tourism of agriculture in Altai Krai, uniform information base of regional tourism industry of Kaluga Oblast, and so on).
2. Creation of attractive image for an investor. Now not all regions and their tourist spheres use and apply investment support programs (Bokov, 2013; Lomova et al., 2016). As a rule, each region has significant distinctions on practical application of programs of work with investors. The opportunities for drawing local executive bodies' attention to a primary kind of activity are different even if these projects are available. For example, a big investor having financial means for the implementation of a project mentions several tourist spheres of regions (the sphere of river, pedestrian, alpine tourism) experiences difficult independent coordination of this project of development with chosen regions. In this case, a coordinator that is local government of the district conducts a primary kind of activity and function of a coordinator in the implementation of investment policy. Thus, this effective policy demands to develop a plan for work with investors by such priorities as representation of projects which will be implemented in the territory of tourism industry, main profile activities (exhibitions, forums, summits, and so on); finding potential investors, *joining* with representatives of the region who in particular need financing; priority and control over the execution of investment projects between regional tourism industries.
3. Coordination of activity with federal executive bodies on the formation of tourism industry. The Ministry of Culture of the Russian Federation and Rostourism are in close operation with all regions of the state, but because of the scale of territorial location and remoteness of many tourism industries the result

of work is various. The ties region-federation are organized to get fast information in the sphere of tourism operations of the region, to create the *duplicated* ties of the federal and local level, to process issues and to make decisions, to coordinate participation of regions in federal programs on development of tourism, international activities at the level of the region.

4. Promotion of primary tourism industry at the level of the region, district. Now, policy of independent promotion occupies a primary kind of activity of the region, the volume of committed and expired resources in this sphere is various for each district. But conjunct policy of promotion at the level of the region gives the greatest effect of this priority of work (weight + administrative resource + representation of all regions). The current brand *Velikaya Volga* can become the most important tool for promotion of the sphere of tourism of PFD. Today, the given agreement on tourism development includes 11 regions, 10 among them are regions of PFD (The Republic of Tatarstan, Chuvashia, Mari El, Bashkortostan, Perm Krai, Samara, Nizhny Novgorod, Penza, Saratov, Ulyanovsk, Tver Regions) and 5 more joined recently. But there is no uniform center of coordination of development of this brand, therefore regions and districts execute this function serially and the result of this activity is low.

In modern conditions all regions and districts conduct policy of tourism development independently and individually.

Thus, the conditions of development of this policy consist in the main factor as region opportunities (financial opportunities, budgetary receipts, sufficiency and quality of executive functions of local government in tourism development, and so on) and sometimes they are considerable.

Therefore, there are some inequalities between regions and spheres of their tourism priority, there are leaders and underachievers that, of course, takes a toll on the growth of industry in the district and country in general (a tourist who visited the developed region does not choose the lagging region and if to create the system of interaction between a leader and outsider into a single whole and to lay the tourist trail, there is the probability to form negative vision of a particular district).

This situation can be remedied if to make common efforts of all regions, but for today there is no such interaction, regions do not want it or see competitors in neighbors, and sometimes have no possibility to conduct such programs.

Development of uniform policy of tourism industry formation and promotion at the federal level will provide control in the whole region, to carry out necessary sharing of experiences, to assist in allocation and replication of more perspective projects of territories, accumulation of funds to all levels of power to tourist zones, including for inclusion into the federal target program (FTP). *Development of domestic and international tourism in the Russian Federation (2011-2018)* is one of these examples of FTP. The uniform concept of the development of tourism industry at the level of the federal district can become such formative experience in the Russian Federation. For PFD a brand and cooperation of

regions within a brand will be a basis for the implementation of all projects in the field of tourism development.

4. RESULTS

Development and formation of rural tourism is one of the types of increased competitiveness of the region. So, for example, Belarus, the state neighboring our country, has created and put 48 zones of rural tourism into action. All estates and inhabited buildings of these zones are in picturesque areas on open shore of lakes and rivers, in zones of parks and castle complexes. The agricultural complex "Pervomaisky i K" has favorable conditions for development of ecologically rural tourism. The estate of central location of tourists is near the capital Minsk along the international route Moscow - Minsk - Brest - Berlin.

The territory of a tourist complex includes forests, fields and lakes, historical places. Production of environmentally friendly meat and dairy products, vegetables and fruit, honey is organized.

Now, tourism flow considers natural values, therefore the territory of our state can also show in development of rural tourism many things. In Karelia the association of owners of rural houses "Usadba" who are engaged in development of rural tourism as a factor of increased competitiveness of their region has realized its activity.

In Kabardino-Balkaria one of the rural farms starts its operation in the sphere of tourism. The rural living standards assume all range of conveniences, tourists are couried with national suits, people are set local dishes of own preparation up.

In development of rural tourism territories of Krasnodar Krai use the Cossack flair to increase their already high competitiveness in the region.

Local authorities held a seminar on issues concerning development of rural tourism in the south of the Russian Federation where experts from Italy where this type of tourism industry is successfully organized took part. Krasnodar Krai and its regions have got interested Italian businessmen in both flair of the Kuban Cossack culture, and remained traditional forms of agriculture. Therefore, the Kuban Cossack Army became the base for holding a seminar.

Italian figures who are the best experts in the field of development of tourism, agriculture, winemaking, marketing, management have shared their experience of development of agrotourism complexes, technologies of perspective business planning (Zakharov et al., 2016) and promotion to the market of consumption of services through marketing activities to locals involved in this sphere.

Special interest of European tourists to this type of rest is quite great, and the largest European tour operators are interested and ready to conduct their activity in Krasnodar Krai. Great interest is caused by a desire to see everything firsthand and to include Kuban in the list of tourist trails.

Krai possesses resources necessary for development of rural tourism. Multinational Stavropol Territory has also much to show to tourists. And it is not only local customs. PhD in Biological Sciences, an academician of the Russian Academy of Natural Sciences Lyubov Yermolova, for example, has developed innovative technology of processing of production of sheep breeding goods on the basis of which it is possible to create a modern complex.

A sheep gives not only meat and wool. Environmentally friendly biologically active complexes of anti-oxidant action, immunocorrectors on the basis of processing of diverse, not used up to standard raw materials which are uterine cake, sperm, animal by-product and other, according to Yermolova, are in great demand in Europe. A complex on their production would make profit, and it would not be a shame to show it to tourists if the prospects of rural tourism will be considered in construction. Many sheep-breeding farms are not against the model farm starts working in their territory. The matter concerns the lack of means.

Domestic villagers have the possibility to make money from rural tourism like farmers in Italy and France, up to 9000 euros/year.

But many employees of travel agencies complain about country conservatism: Countrymen with distrust perceive tourists and agree to play host to them only if they see that neighbors successfully are engaged in it. Tourists are not afraid of the fact that almost all houses are off-grid: They like rural exotic (Abidoye and Odusola, 2015; Neuhofer et al., 2015). The mow, horse-riding, moonshine degustation, fishing, and work in cattle yard enjoy the greatest popularity. "You can work on beds, hayfields, using our tools. We offer goats and sheep in a mini-farm to be taken care of. Your food will use only environmentally friendly products. It is possible to sleep on mow," - this way Kaliningrad guest houses working according to the program of rural tourism entice tourists from Germany, Poland and the Baltic States. Popularity of rural tourism in the West increases, and a client, tired from beach rest and populous hotels, with pleasure chooses the inexpensive trip to the province where he can feel himself a common resident of the village who is far from vanity and civilization.

But now rural tourism is good low-cost and competitive business. Russia is also interested in successful western experience. "Russia possesses great resources for rural tourism, but they are not demanded. In Italy, for example, the profit turn from this sector is 400 million dollars/year. In order our business will be actively developed, it is not enough support at the level of municipalities in regions," - Natalya Lashchenko added, an expert and coordinator on support and development of rural tourism of the Municipal Economic Development Association. The purposes which the Committee on Tourism of Kaliningrad Region administration, working with rural guest houses, has are to provide jobs to countrymen, to prevent the outflow of youth to the city. On average a farmer during the summer season can earn up to 9000 euros at the rate of 10 euros/day, youth was interested. The tourist season was increased: Now, houses can play host to tourists all the year round (Zavyalova, 2016). The city Lodeinoye Pole is in the borderland between the most brisk line of inland navigation company and the

railroad and highway, and there is only one hotel for 50 persons in the area. Several houses located on river and lakesides have attracted tourists at once. An owner of a guest house gets about 16,000 rubles/year.

Tourists stay there all the year round, some leave, others come. To repair a rural house for reception, its owners took the unsecured credit for current needs (no more than 5000 rubles), and all the money were quickly returned. However, the greatest problem which operators faced consisted not in money and not in house repair, but in people. Inhabitants of the Russian remote place were mistrustful and timid: It was difficult to persuade them to play host to tourists.

Urban tourists are attracted to rural areas to work in the garden, on hayfields, farmyard. Usually, these services are provided to them free of charge. On the Internet there are proposals of farmers independently advertising their services. But without participation of a travel agency it is very difficult to organize business. Many enterprises already ask intermediaries about the opportunity to send employees for rest to the village. They are mostly interested in working on hayfields, tractor driving, moonshine degustation, and so on. The best way for fishing is a trip to the village.

5. CONCLUSION

The analysis of current practice of rural tourism has showed that the list of services in this sphere can be infinite. It favorably distinguishes rural tourism from other segments of the market of tourism services. Income from rural tourism can be quite considerable and reach 21,000 euros per object of rural tourism, and the number of tourists can be measured by hundreds of thousands of people.

Thus, we can note that the existence of the developed infrastructure of a recreational and tourism complex, on one hand, and acquired practice of use of small business, on the other hand, allows to make a hypothesis that one of the most important priorities of overcoming a factor of seasonality is development of alternative spheres of tourism, and in particular rural tourism. Rural tourism will greatly increase competitiveness of a recreational and tourist complex of Russia.

REFERENCES

- Abdulmanov, I. (2012), Issues of concerning increased competitiveness of regions. *Urgent Problems of Economy and Law*, 1, 4-7.
- Abidoeye, B.O., Odusola, A.F. (2015), Climate change and economic growth in Africa: An econometric analysis. *Journal of African Economies*, 24(2), 277-301.
- Bokov, M. (2013), Issues and ways of increased competitiveness of agrarian tourism. *Bulletion of SSU*, 1-2, 25-30.
- Bokov, M., Vetitnev, A., Ugryumov, E. (2012), Competitive strengths of sanatorium organizations. Sochi: KPS SSU. p176.
- Gabrielyan, G. (2012), Event tourism will become an industry. *Tourism Industry*, 14. Available from: <http://www.tourbus.ru>.
- Ignacio, J., Fernández, P., Cala, A.S., Domecq, C.F. (2011), Critical external factors behind hotels' investments in innovation and technology in emerging urban destinations. *Tourism Economics*, 17(2), 339-357.
- Il'Yaschenko, D.P., Chinakhov, D.A., Gotovschik, Y.M. (2014), Investigating the influence of the power supply type upon the properties of the weld joints under manual arc welding. *Advanced Materials Research*, 1040, 837-844.
- Lawson, R.A., Roychoudhury, S. (2016), Do travel visa requirements impede tourist travel? *Journal of Economics and Finance*, 40(4), 817-828.
- Lomova, L.A., Shiryaev, D.V., Kobersy, I.S., Borisova, A.A., Shkurkin, D.V. (2016), Marketing techniques in management of enterprises engaged in tourism. *International Review of Management and Marketing*, 6(6), 15-20.
- Neuhofer, B., Buhalis, D., Ladkin, A. (2015), Smart technologies for personalized experiences: A case study in the hospitality domain. *Electronic Markets*, 25(3), 243-254.
- Oleinikova, S.A., Kravets, O.Y., Zolotukhina, E.B., Shkurkin, D.V., Kobersy, I.S., Shadrina, V.V. (2016), Mathematical and software of the distributed computing system work planning on the multiagent approach basis. *International Journal of Applied Engineering Research*, 11(4), 2872-2878.
- Sergeevich, S.D., Vladimirovich, T.O. (2015), Virus detection backdoor in microsoft security essentials. *Information (Japan)*, 18(6), 2513-2520.
- Shkurkin, D.V., Sogacheva, O.V., Logvencheva, E.S., Khramova, M.N. (2016), Modernization of the sphere of tourist and hospitality industry of the south of Russia as a growth factor of socioeconomic stability of the region. *International Journal of Economics and Financial Issues*, 6(1S), 101-106.
- Silnov, D.S., Tarakanov, O.V. (2015), Analysis of modern attacks on antiviruses. *Journal of Theoretical and Applied Information Technology*, 76(1), 59-63.
- Zakharov, A.A., Olennikov, E.A., Payusova, T.I., Silnov, D.S. (2016), Cloud service for data analysis in medical information systems using artificial neural networks. *International Journal of Applied Engineering Research*, 11(4), 2917-2920.
- Zavyalova, S.V. (2016), Financial support of tour operator activities: Issues of implementation in the Russian federation. *Journal of Internet Banking and Commerce*, 21, 1-14.