

Features of Entrepreneurial Activity in the Russian Tourism and Hospitality Industry

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Abstract—The article discusses the features of the organization of Russian entrepreneurship in the tourism industry and the hotel industry. It is shown that the main features are associated with the institutional infrastructure of entrepreneurship. The factors affecting the entrepreneurial infrastructure in tourism were studied, ways to increase the competitiveness of entrepreneurial structures were examined, directions for improving the infrastructure of entrepreneurship in order to ensure sustainable development of tourism and hotel business were proposed.

Keywords: *tourism, hospitality, digital technology, digital competencies*

I. INTRODUCTION

Tourism continues to be one of the fastest growing and most attractive areas of economic activity. According to the UN World Tourism Organization (UNWTO), 1.5 billion international trips were recorded in 2019, which is 4% more than in the previous year. The World Tourism and Travel Council (WTTC) emphasizes that tourism generates 10.4% of world GDP, provides 319 million jobs in the world, i.e. every tenth workplace. It should be noted that the export of tourism services provides an added value above the average level for the economy, 80% of the tourism export turnover is converted into the value added of the tourism industry of the country. All this testifies to the constant development of entrepreneurial activity in the field of tourism and hospitality.

One of the criteria for a comfortable business environment in various countries is the Doing Business rating, which is annually calculated by the World Bank. In the Doing Business-2020 rating, the Russian Federation took 28th place, rising three levels compared to the previous assessment, which characterizes the positive dynamics of the changing business climate in Russia [1].

The further improvement of the business climate and the growth of entrepreneurial tourism initiatives in Russia will be facilitated by the reduction of administrative barriers and the development of legislation, i.e. improving the infrastructure of entrepreneurship.

II. METHODS AND MATERIALS

During the study, monographic, statistical, economic and analytical methods were used. Based on them, statistical data on travel agencies and hotels were analyzed, the composition of the infrastructure of entrepreneurship in tourism and the hotel industry was studied, and proposals for a strategy for improving it were formulated.

The development of entrepreneurial activity in the field of tourism is determined by the degree of formation of infrastructure support for entrepreneurship in the country, which determines the importance and relevance of research on improving the infrastructure of entrepreneurship in the field of tourism and hospitality.

Entrepreneurship in tourism and hotel business is the driver of economic growth in many regions of Russia, it provides an improvement in the social climate by creating new jobs for the local population.

"Table I" provides information on the number of travel agencies in Russia.

TABLE I. THE NUMBER OF TRAVEL COMPANIES IN RUSSIA

	2010	2011	2012	2013	2014	2015	2016	2017	2018
Number of travel companies	9133	10266	10773	11324	11614	11893	12395	13579	13674
Of which were engaged In tour operator activities	1193	548	463	478	445	349	549	723	751
Tour operator and travel agent activities	-	1351	1441	1362	1306	1159	1479	1723	1751
Travel agency activities	6941	7787	8265	8936	9307	9701	9300	11133	11172
Only excursion activities	483	580	604	548	556	684	1067	-	-

^a. Source: Rosstat <https://www.gks.ru/folder/23457>

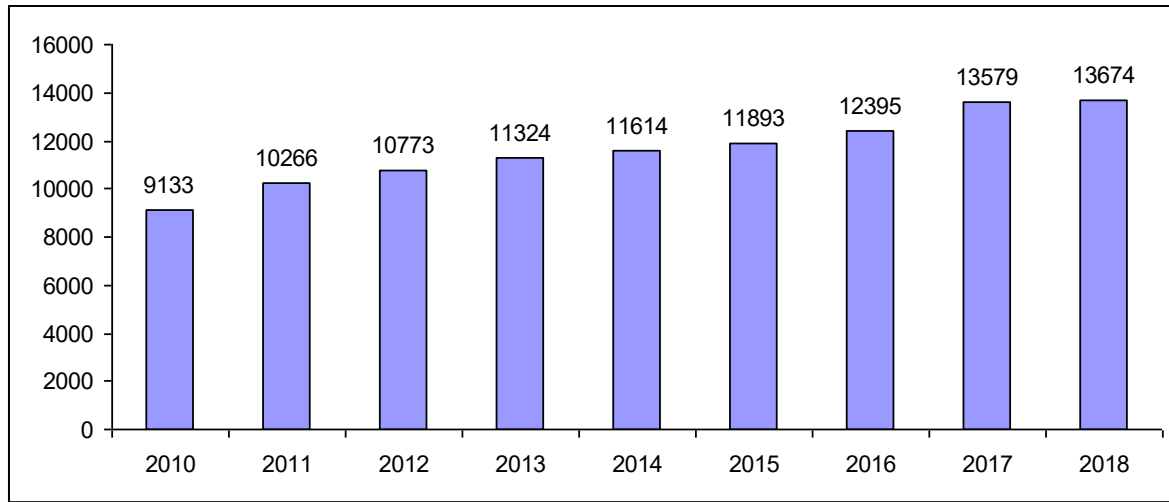


Fig. 1. The number of travel companies in Russia

"Fig. 1" shows the dynamics of the number of travel companies in Russia from 2010 to 2018.

From 2010 to the present, there has been a steady increase in companies involved in tour operator and travel agent activities. In 2018, 13674 travel companies worked in

^a. Source: compiled by the authors according to Rosstat <https://www.gks.ru/folder/23457> Russia. In January 2020, the Unified Federal Register of Tour Operators contained information on 4,574 tour operators operating in the Russian tourist market. Table 3 presents data on the activities of collective accommodation facilities.

TABLE II. INDICATORS OF THE ACTIVITIES OF COLLECTIVE ACCOMMODATION FACILITIES

	2010	2011	2012	2013	2014	2015	2016	2017	2018
The number of collective accommodation facilities	12585	13062	14019	14583	15590	20135	20534	25292	28072
Including: Hotels and other accommodation facilities	7866	8416	9316	9869	10714	13957	15368	18753	21300
Specialized accommodation	4719	4646	4703	4714	4876	6178	5166	6539	6772
Number of nights, thousand	162988	166197	173614	172630	184018	212195	216838	253023	278984
Including: in hotels and other accommodation facilities	60425	67271	73492	76880	84119	100156	115175	135905	155963
In specialized accommodation facilities	102562	98926	100122	95751	99899	112039	101663	117117	123020

^a. Source: Rosstat <https://www.gks.ru/folder/23457>

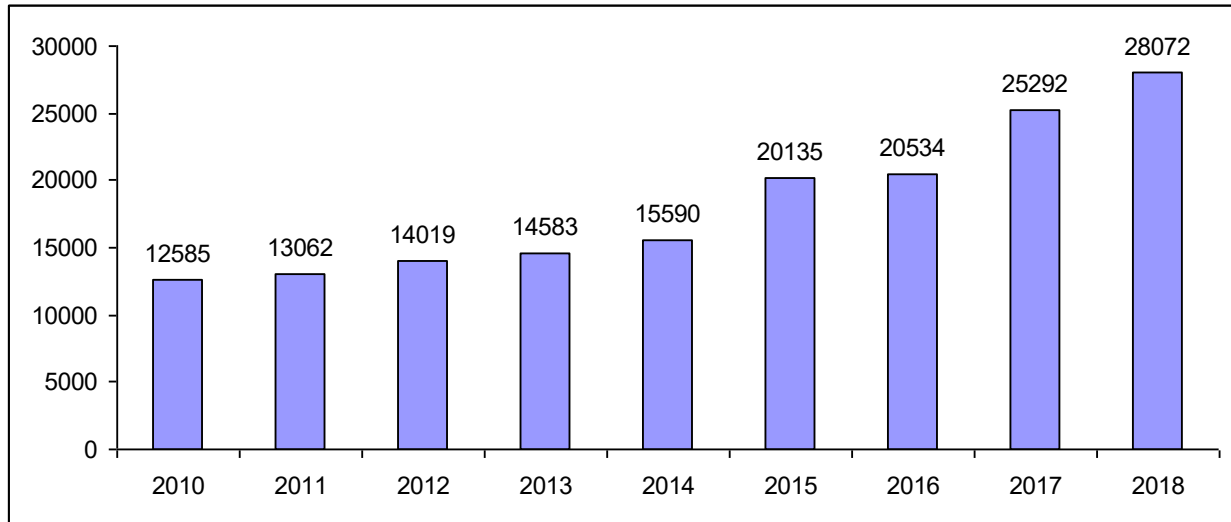


Fig. 2. The number of collective accommodation facilities in Russia

"Fig. 2" shows data on the dynamics of changes in the number of collective accommodation facilities in the Russian Federation for 2010-2018.

In all countries, including Russia, entrepreneurial activity in the field of tourism and hospitality refers to small and medium-sized businesses. Small enterprises include travel agencies, small accommodation facilities, almost all catering facilities.

In Russia, there is a national project, "Small and Medium-Sized Enterprises and the Support of Individual Entrepreneurship Initiatives," which provides for improving the conditions for organizing and conducting business. If in 2019 the share of small and medium-sized enterprises in the country's GDP was 22.9%, then within the framework of this project, by 2024 it is planned to increase this share to 32.5%. By 2024, it is planned to increase those employed in the field of small and medium-sized businesses to 25 million people, at the moment the base value is 19.2 million people. The number of newly created small and medium enterprises is planned to be increased to 62 thousand enterprises in 2024, in 2019 there were 9 thousand newly created small enterprises [2].

One of the indicators of improving the business climate in Russia is an increase in the ranking of Doing Business-2020. However, this rating takes into account only business conditions in Moscow and St. Petersburg. The national project provides for the expansion of financing opportunities for small and medium-sized enterprises, including on preferential terms. In addition, measures are planned to promote entrepreneurship in order to attract new entrepreneurs.

The development of tourism and hospitality directly depends on the state of the infrastructure of entrepreneurship.

The institutional infrastructure of entrepreneurship is an organizational and economic system that provides the

^a Source: compiled by the authors according to Rosstat <https://www.gks.ru/folder/23457> conditions for the efficient operation of entrepreneurial structures and the satisfaction of demand for tourist goods and services.

The functions of the business infrastructure in the field of tourism and hospitality include:

- creating favorable conditions for the interaction of all subjects of the tourism market (tour operators, travel agents, accommodation facilities, transport, insurance companies, etc.),
- the formation of an optimal tourist turnover through the implementation of the principles of self-regulation,
- state regulation of tourism and hotel business,
- the provision of information, marketing, consulting, auditing and other services.

In September 2019, a new strategy for the development of tourism in the Russian Federation for the period until 2035 was approved, which determined the target model for the development of the Russian tourism market. Among the objectives of the Strategy, it should be noted the need to improve tourism legislation and the tourism management system in Russia. By 2024, it is planned to double the export of tourism services to \$ 15.5 billion.

The creation of a single digital information space in the tourism sector is becoming a key factor in the development of a modern digital economy, which is actively developing and affecting tourism. From the point of view of the digital tourism infrastructure, the organization of the tourism and hotel business is fundamentally changing.

III. RESULTS AND DISCUSSION

A characteristic feature of tourist activity is a high informative capacity, the presence of large information flows,

their constant updating and high speed of exchange operations.

The infrastructure of entrepreneurship in the field of tourism and hospitality is a system of interconnected

technical, technological, organizational, economic and social components that provide conditions for doing business.

"Fig. 3" shows the modern infrastructure of entrepreneurship in tourism and hospitality.

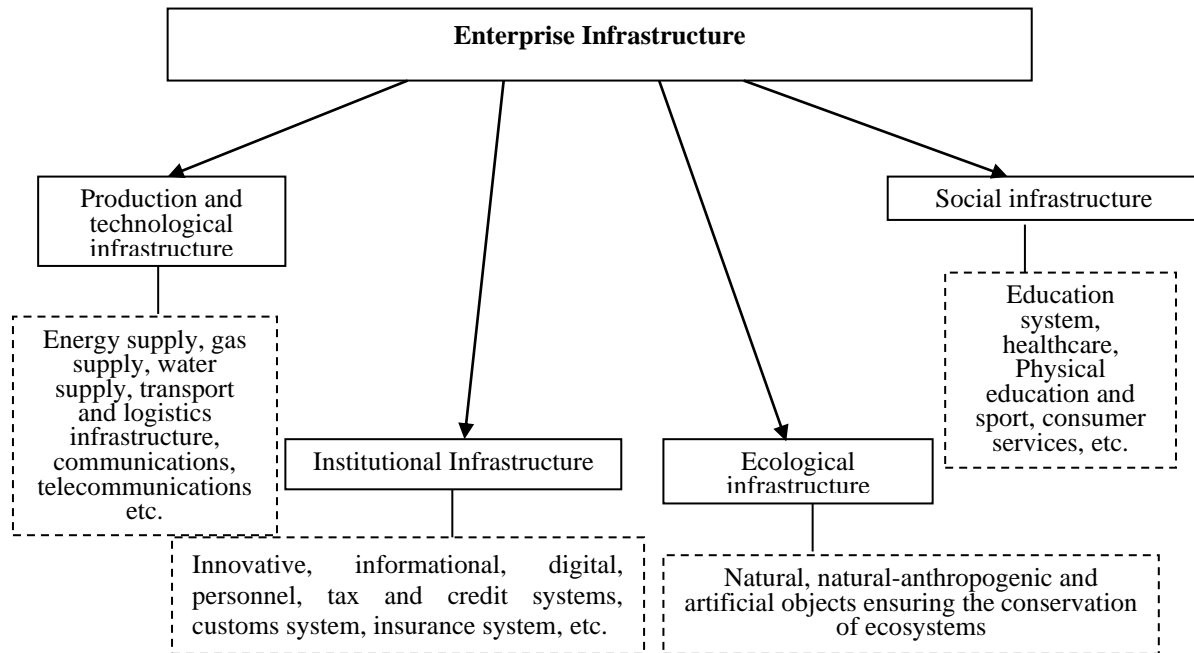


Fig. 3. Entrepreneurial infrastructure in tourism and hospitality.

Key features of entrepreneurship are innovation and risk [3]. Functions of the business infrastructure:

- creation of organizational and economic conditions for conducting effective business activities,
- the creation of innovative infrastructures serving entrepreneurship,
- the formation and maintenance of conditions to ensure fair competition and increase the competitiveness of business structures,
- minimization of risks of entrepreneurial activity.

Currently, the economy of a new technological generation, called the digital economy, is actively developing, the distinguishing feature of which is the increasing importance of information over all other elements of production. In the context of the digitalization of the economy, the most important resource in the sphere of production, distribution, exchange and consumption is information and methods of managing it.

The development of the digital economy is fundamentally changing the infrastructural support of entrepreneurship in tourism. First of all, the role and importance of the information infrastructure of entrepreneurship is growing [4]. The role of personnel in the activities of entrepreneurial structures is growing [5]. Of particular importance are the Big Data technologies, which allow the collection, storage and processing of large amounts of information, ensuring their security [6]. Widespread

industrial Internet of things, providing for the remote management of production resources. Robotics will also find wide application.

The electronic economy allows the creation of new forms of enterprise and organizations, spatially distributed, network, which will also affect the organization of entrepreneurial activity.

A key factor in competitiveness in tourism is staff. Dramatic changes will occur in the personnel infrastructure, which is due to the need to form and maintain new information, communication and digital competencies among employees of tourism industry enterprises in the context of global digitalization.

In the digital economy, a high level of qualification of tourism industry personnel in the field of information and communication and digital technologies will be in demand, for example, in the sector of information and communication technologies 53% of staff have higher education, 35% - secondary vocational. The paradigm of the digital economy is based on Big Data technology, processing large amounts of information, respectively, which will require constant updating of the digital competencies of personnel of tourism industry enterprises.

The development of the digital economy will radically change the labor market [5]. The new model of labor and employment "Job 4.0" provides for the development of a new type of labor activity "economy on demand", crowdsourcing. It is projected to expand the so-called cross-

border remote employment and off-site work of employees, which is already quite common in tourism. New types of jobs in the "Knowledge" category will be in demand, which involve solving complex non-trivial tasks, as well as a non-standard and creative approach to solving them. Currently, the share of workers in this category is taken into account when calculating the global competitiveness of countries. In the structure of employment in developed countries, such jobs reach more than 25%. In Russia, the number of jobs in the category of "knowledge" is now approximately 17%.

The so-called fourth industrial revolution is associated with the digitalization of the entire economic on the basis of fundamentally new technologies, which include artificial intelligence, technologies for working with big data, blockchain, etc. [6].

In the field of entrepreneurial activity in tourism, mobile technologies and applications are actively used, designed for travelers and providing the implementation of various useful services, including booking accommodation, providing reference information about tourist attractions, reviews of restaurants, hotels, etc. [4].

With the digitalization of the business processes of tourism industry enterprises, the requirements for digital competencies of staff will increase. So-called "smart jobs" will be in demand, which require a creative and innovative approach to solving functional problems. The information infrastructure of the tourism business is becoming an important strategic resource, providing the formation of new competitive advantages in the field of tourism.

Due to the fact that the digital economy is associated with the processing of large amounts of information (Big Data), an innovative technology is needed for reliable and long-term storage of large amounts of data, ensuring their safety. Blockchain technology fully complies with these requirements.

The blockchain is a decentralized distributed database that provides a high level of data security and does not provide for centralized management. The blockchain provides a high degree of information security, which is guaranteed by special encryption, access to information only by operators who own a certain key, lack of control by a single administrator.

In the field of tourism, blockchain technologies can be used to:

- the formation of a single information data space for its shared use by various companies, and high data reliability and joint management are ensured, examples of such developments are FlightChain, TravelChain,
- maintaining a hotel room data accounting system and using internal tokens for settlements within the hotel, the so-called tokenization of hotel services, for example, BedSwap,

- improvement of technology for tourist insurance, when smart contracts will automatically pay insurance compensation to affected tourists in a short time,
- blockchain technology together with biometric technologies allows us to simplify the process of identifying a person,
- blockchain technologies will allow to get rid of the monopolization of the market by individual large players and ensure compliance with the principles of fair competition.

The use of blockchain technology is an effective mechanism for increasing the efficiency of the entire tourism system. The use of blockchain technology contributes to the stable operation of tourism industry enterprises, and helps to reduce the cost of intermediary services. However, for the widespread adoption of blockchain technology, it is necessary to develop new industry standards for the interaction of all participants in the tourism market based on blockchain technology.

The Russian tourist and hotel market continues to develop and at the same time a competitive environment is being formed, which is characterized by the institutional conditions for the activities of the subjects of the tourist and hotel market, which are established by the state in the field of tourism and hospitality.

The formation of a competitive environment in tourism and the hotel industry takes place at the level of institutional infrastructure, which determines the conditions for the functioning of the tourism and hotel market entities. As part of the implementation of the state tourism policy, there is a constant improvement of the legal regulation of the tourist and hotel business, which directly affects the competitive environment. In particular, the increased responsibility of tour operators working in the outbound tourism market has led to a reduction in the number of tour operators.

The main features of competition in the field of tourism and the hotel industry include:

- the close relationship of competition at the macro, meso and micro level,
- a significant impact of the local population on the competitiveness of entities at all levels of tourism,
- the impact of the information and communication component on the competitiveness of entities at all levels of tourism,
- a change in the key factors of competitiveness, taking into account the digitalization of the main business processes in the field of tourism and the hotel business.

A feature of competition in the tourism sector is the multilevel of its manifestation. At the micro level, there is a competition between individual subjects of the tourism industry, in particular, between accommodation facilities,

tour operators, travel agents. On the mesoscale, competition arises between individual tourist destinations that struggle to attract tourists. At the mega-level, competition is ongoing between individual countries that are host destinations. Moreover, it should be noted that there is a close relationship between competition at all levels. This is due to the fact that when deciding on a trip, a tourist, first of all, selects tourist destinations competing among themselves, and only then the accommodation facilities located in this destination. The motivation for travel is usually the tourist and recreational resources that the territories possess. In exceptional cases, the main purpose of the trip may be a means of accommodation, for example, if it belongs to the category of unusual hotels, for example, is located in an unusual place or has a unique architecture, etc.

A direct impact on the competitiveness of both tourism enterprises and tourist destinations is provided by the quality of information and communication support. A high level of information support for the tourist destination is an important and necessary condition for its selection by the tourist as a travel destination. A potential tourist should be able to get complete and comprehensive information about that tourist destination and those tourist and recreational resources that form the motive for his travel. The lack of necessary information often leads to the fact that the tourist chooses another information-rich destination. Based on this, the level of information support is one of the key factors of competitiveness in tourism.

The widespread introduction of innovative digital technologies has a huge impact on the competitiveness of tourist destinations and enterprises. The digital economy dictates new principles for the organization of tourism and hotel business, while the field of competition between the participants of the tourism market moves into the information sphere. The classical understanding of competitiveness as an integral characteristic that reflects the subject's ability to achieve advantages in the market is characterized by the ratio of consumer quality indicators and the cost of achieving it. In the era of transition to a digital economy, information becomes a universal factor in competitiveness in all markets, without exception, including in the field of tourism and hotel business.

In the future, those companies in the tourism and hospitality industry that will be able to quickly introduce new changes related to the digitalization of the economy, adapt and accept new requirements for digital business will have competitive advantages.

IV. CONCLUSION

The most important factor determining the success of entrepreneurship development in tourism hospitality is the level and quality of development of the infrastructure component of entrepreneurship.

Now the regulation of Russian business is carried out in the framework of 9000 regulatory acts, which significantly complicates and inhibits the development of entrepreneurship. Currently, the so-called "regulatory

guillotine" is analyzing the current legislation in terms of improving the institutional infrastructure of entrepreneurship. It provides for updating the legislative regulatory framework for doing business with the abolition of obsolete norms, rules and laws.

In the process of forming the institutional infrastructure of entrepreneurship in tourism and hospitality, it is proposed to create regional Tourism and Hospitality Development Agencies. They will provide support and support for regional projects, create a comfortable business environment for their implementation, provide information and methodological support.

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