ISSN: 1683-1942
E-ISSN: 2304-6155

Харківський національний економічний університет імені Семена Кузнеця

ЕКОНОМІКА РОЗВИТКУ

Міжнародний економічний журнал

Заснований у 2002 році
Періодичність випуску: 4 рази на рік

Том 22, № 1

Харків – 2023

ISSN:1683-1942
E-ISSN: 2304-6155

Засновник:
Харківський національний економічний університет імені Семена Кузнеця

Рік заснування: 2002

Рекомендовано до друку та поширення
через мережу Інтернет Вченою радою
Харківського національного економічного університету імені Семена Кузнеця
(протокол № 3 від 29 березня 2023 р.)

Свідоцтво про державну реєстрацію
друкованого засобу масової інформації
серії КВ № 25196-15136 ПР

Журнал входить до переліку наукових фахових видань України
Категорія «Б». Спеціальності: 051 «Економіка», 071 «Облік і оподаткування»,
072 «Фінанси, банківська справа та страхування», 075 «Маркетинг»,
076 «Підприємництво, торгівля та біржова діяльність», 292 «Міжнародні економічні відносини»
(Наказ Міністерства освіти і науки України від 28 грудня 2019 р. № 1643)

Журнал представлено у міжнародних наукометричних базах даних,
репозитаріях та пошукових системах: Index Copernicus International, Фахові видання України,
Національна бібліотека України імені В. І. Вернадського, Crossref, Academic Resource Index ResearchBib,
Polska Bibliografia Naukowa, Universitäts Bibliothek Leipzig, BASE

Економіка розвитку : міжнар. екон. журн. / [редкол.: Т. В. Шталь (голов. ред.) та ін.]. – Харків : Харківський національний економічний університет імені Семена Кузнеця, 2023. – Т. 22, № 1. – 60 с.

Адреса редакції:
Харківський національний економічний університет імені Семена Кузнеця
пров. Інженерний, 1-А, м. Харків, Україна, 61166
E-mail: info@ecdev.com.ua
www: https://ecdev.com.ua/uk

ISSN: 1683-1942
E-ISSN: 2304-6155

Simon Kuznets Kharkiv National University of Economics

ECONOMICS OF DEVELOPMENT

International Economic Journal

Founded in 2002
Frequency of issue: Four times per year

Volume 22, No. 1

Kharkiv – 2023

ISSN: 1683-1942
E-ISSN: 2304-6155

Founder:
Simon Kuznets Kharkiv National University of Economics

Year of foundation: 2002

Recommended for printing and distribution
via the Internet by the Academic Council
of Simon Kuznets Kharkiv National University of Economics
(Minutes No. 3 of March 29, 2023)

Certificate of state registration
of the print media
Series KV No. 25196-15136 PR

The journal is included in the list of scientific professional publications of Ukraine
Category "B". Specialties: 051 "Economics", 071 "Accounting and Taxation",
072 "Finance, Banking and Insurance", 075 "Marketing",
076 "Entrepreneurship, Trade and Stock Market Activity", 292 "International Economic Relations"
(Order of the Ministry of Education and Science of Ukraine of December 28, 2019, No. 1643)

The journal is presented international scientometric databases, repositories and scientific systems: Index Copernicus International, Professional publications of Ukraine, Vernadsky National Library of Ukraine, Crossref, Academic Resource Index ResearchBib, Polska Bibliografia Naukowa, Universitäts Bibliothek Leipzig, BASE

Economics of Development / Ed. by T. Shtal (Editor-in-Chief) et al. Kharkiv: Simon Kuznets Kharkiv National University of Economics, 2023. Vol. 22, No. 1. 60 p.

Editors office address:
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E-mail: info@ecdev.com.ua
www: https://ecdev.com.ua/en

ЕКОНОМІКА РОЗВИТКУ

Том 22, № 1

Редакційна колегія

ECONOMICS OF DEVELOPMENT Volume 22, No. 1

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ECONOMICS OF DEVELOPMENT
Journal homepage: https://ecdev.com.ua/
Vol. 22, No. 1
2023

UDC 004.4: 338.48
DOI: 10.57111/econ/1.2023.08

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Research of the implementation level of information and communication technologies by tourism enterprises

Abstract. The implementation of information and communication technologies in the activities of tourism enterprises has significantly transformed all participants of the tourism market. In this context, the purpose of the article was to study the level of implementation of information and communication technologies on the example of Ukrainian tourism enterprises and to compare such implementation with enterprises of various economic spheres. The article uses such methods of scientific research as generalization, observation, comparison, grouping, abstraction, and the graphic method. The paper analyzes scientific works to determine both the essence of information and communication technologies and the main types of modern technologies used in tourism enterprises. Using the example of the Network Readiness Index and the Digital Economy and Society Index, the leading countries that have the highest positions and are those that are developing the digital society the most are determined. Based on the analytical reports of the world's leading consulting companies (Forrester, Capterra), the main types of information and communication technologies are considered with the study of new trends. A comparison of the key Ukrainian software implemented by tourist enterprises was carried out, with an evaluation of the most optimal (by price criteria) on the example of specialized CRMs – IT-tour, Iterios, MoiTouristy. Considerable attention is paid to OTA channels. A comparison of the key software used by hotels and restaurants (and other similar establishments) was made. It has been established that Ukrainian offers most closely meet the requirements of tourism enterprises (for example, Poster, Servio). It was determined that tourism enterprises have a high level of use of information and communication technologies in comparison with other sectors of the economy. The assessment of the level of use was based on the use by Ukrainian enterprises of the Internet, cloud computing services, robotics, electronic commerce, Big Data and skills in the field of information and communication technologies. The results of the research will be useful in the selection of software by tourism enterprises, in the determination of information and communication technologies that best correspond to the field of activity of the enterprise and in the formation of a competitive strategy for the development of tourism business enterprises

Keywords: tourist business; software; Customer Relationship Management; booking; hotel; restaurant

Article's History: Received: 30/11/2022; Revised: 25/01/2023; Accepted: 27/02/2023

INTRODUCTION

Business is very sensitive to various fluctuations in the environment and therefore must have such resources that will allow to either level or, better yet, minimize their impact. The tourism business is not an exception, and given the situation of recent years, it is one of those that has been significantly affected by both the pandemic and the war.

Among the great variety of tools and resources, an important role is attributed to the use of information, communication and digital technologies. The modern world has not only entered the era of digitalization, but has also become an active user of it. The tourism sector is the leader among such implementations, since recreation and travel are of interest

Suggested Citation:
Pohuda, N. (2023). Research of the implementation level of information and communication technologies by tourism enterprises. *Economics of Development,* 22(1), 8-19.
*Corresponding author

to almost everyone, and accordingly, the differentiation of modern technologies allows to satisfy the demand of the most demanding user (OECD..., 2022). Moreover, some of these proposals are gaining momentum, thereby becoming global, such as Booking.com, Expedia, Airbnb, TripAdvisor.

Over the past fifty years, the development of modern information and communication technologies has demonstrated a rapid growth trend both quantitatively and qualitatively (Filipiak *et al*., 2020; Okafor *et al*., 2022). The study by I. Khatri (2019) deserves special attention, where the author focused on the importance of the implementation of information technologies in the activities of enterprises in the tourism industry, as well as on the fact that they help enterprises to be competitive. In addition, the use of modern technologies has a significant impact on various participants in the tourism market, as research by S. Kurmanov (2023) focuses on. The use of mathematical models only confirmed the existence of such an influence and a close relationship.

H. Samus *et al*. (2023) consider the benefits that tourists receive directly from the use of modern ICT, where they also pay attention to the impact of digitalization on the sustainability of tourism. Consumer behavior also changes under the influence of the use of ICT (Thees *et al*., 2021), because, according to D. Dredge *et al*. (2018), different groups of stakeholders face various challenges when using relevant types of ICT, but additional ones are also created opportunities.

Results of the research by M. Watkins *et al*. (2018) indicate that the use of modern technologies has great advantages in the promotion of tourism. Considerable attention was focused on the use of the Internet by consumers of tourist services, which had a positive effect on the attractiveness of the territory and the improvement of incomes of local residents.

It is worth noting that modern ICTs have a significant impact on the development of tourism-related areas, which is directly considered in the works of S. Gössling (2021). ICT not only affects tourism, but also transforms it, and these technologies are reflected in the sustainability of tourism, that can be achieved only with considerable efforts. According to Gössling's research, digital detox, big data analysis and modern platforms can be considered as an effective complex. Therefore, the issue of using information and communication technologies (hereinafter ICT) in tourism is particularly relevant, which is confirmed by both the scientific community and practical business (Truyols, 2022).

The purpose of the publication was determined the research of the level of implementation of information and communication technologies on the example of Ukrainian tourism enterprises and the comparison of it with enterprises of various spheres of the economy. The following tasks were formulated to achieve the set goal: identification of key types of ICT, which are most popular; determination of the level of use of ICT by tourism enterprises based on specified indicators; comparative analysis of the use of ICT by other enterprises.

MATERIALS AND METHODS

In order to achieve the defined goal of the work and the set tasks, the study analyzed the position of Ukraine according to selected ratings and indices (Network Readiness Index, Innovation Index, Digital Economy and Society Index) reflecting the level of use of ICT by various participants, identified the leading countries in the implementation of ICT at various levels. On the basis of open data of international organizations (Data Reportal (Digital in Ukraine, n.d.), the Telecommunications Development Sector, the International Federation for Information Technologies in Travel and Tourism (n.d.), a diagnosis of modern ICT consumers was carried out. Based on the statistical data of the State Statistics Service of Ukraine (n.d.), data on the use of ICT by Ukrainian enterprises, including tourism enterprises, were summarized. The data of international consulting companies (Forrester (O'Grady & Joshi, 2022), Capterra (Tour Operator Software..., n.d.) dealing with this problem were also used in the work.

The research was based on the use of the methodology of analysis of theoretical approaches and practical aspects of the implementation of various types of information and communication technologies, which was achieved through the use of methods: generalization – for the formulation of basic concepts and interpretations of key values; analysis – in order to learn about the objectivity of digitalization processes and the use of ICT by tourism enterprises, as well as to identify the main trends in the introduction of new technologies; comparison – first to determine the leading countries in terms of the level of ICT implementation and the readiness of society, the state, business and households to use ICT, then – to determine the software that is presented on the market and evaluate the most optimal, as well as to determine the level of use of ICT by tourism enterprises and compare it with the level of use on the example of 42 branches (spheres) of the economy (State Statistics Service of Ukraine, n.d.); methods of grouping and abstraction ensured the objectivity of the approach to the level of ICT development depending on both the level of development of the country and the use of ICT, as well as the construction of the matrix of the use of ICT by enterprises of Ukraine.

RESULTS AND DISCUSSION

Measuring ICT at the global level. The scientific basis of the diversity of ICT in the theoretical space is reflected not only in the scientific achievements of scientists, but also contains references at the legislative level, for example, the Law of Ukraine "On Information" (1992), "On the Protection of Information in Information and Telecommunications Systems" (1994), "On the National Program of Informatization" (2022), etc.

According to the Global Innovations Tracker (2022), the number of publications devoted to this issue increased by 8.3% in the short-term (i.e., in relation to 2020), but in the long-term (namely, 2011-2021) – annual growth research was 5.7%. At the same time, ICT found an active response, especially among practical business and the state. The share of investments in this area varies between 3.5-5.5% (depending on the review period).

Many organizations are engaged in research on ICT measurement, infrastructure and opportunities for further development. Modern technologies are used not only by business and the state (in the form of state bodies), but also by consumers, so it is advisable to conduct an analysis of the potential audience. According to Data Report (Kemp, 2022), among 7.99 billion people in the world (as of February 2022) almost 65% of the population use the

Internet, of which 4.74 billion people are active users of social networks. Analysis of the dynamics of users of the worldwide web showed a growth of 3.5%, and the growth of social media users increased by 4.2% compared to 2021. Positive growth has been characteristic for several years in a row, which is explained by the expansion of access to the network, and accordingly, the increase in the number of users themselves. So, according to the data of the Telecommunications Development Sector, which evaluated the ICT Development Index (the research data were conducted in the time dimension of 2009-2017, and after that are of a selective nature due to certain discrepancies in the evaluation indicators), the highest level of available ICT infrastructure and access to it is characteristic of Scandinavian countries (100%). Indicators of access to ICT by households and use of the Internet are also high. At the same time, the analysis of individual components of ICT in countries with a high level of economic development has similar data, however, the lower the level of economic development of the country, in most cases, this affects the lower level of ICT and their use. The highest level of available ICT infrastructure and access to it are characteristic of Scandinavian countries (100%), the indicators of access to ICT by households and Internet use are also high. At the same time, the analysis of individual components of ICT in countries with a high level of economic development has similar data. Various studies also show that the lower the level of development of the country's economy, in most cases it affects the lower level of ICT and its use.

In addition, many organizations are engaged in the problems and evaluation of ICT, the results of which are formed in the form of ratings and indexes. For example, according to the Network Readiness Index of the country (estimated on the basis of 62 indicators) (Benchmarking the Future..., 2022), in 2021, the Netherlands, Sweden and Denmark were determined to be the readiest for the network future, occupying the top three, and with regard to Ukraine, according to the obtained estimates, its position was 53.

Since Ukraine is classified as a low-income country, it is proposed to compare the level of network readiness of the country with the average for the countries of this group (Fig. 1) (Benchmarking the Future..., 2022).

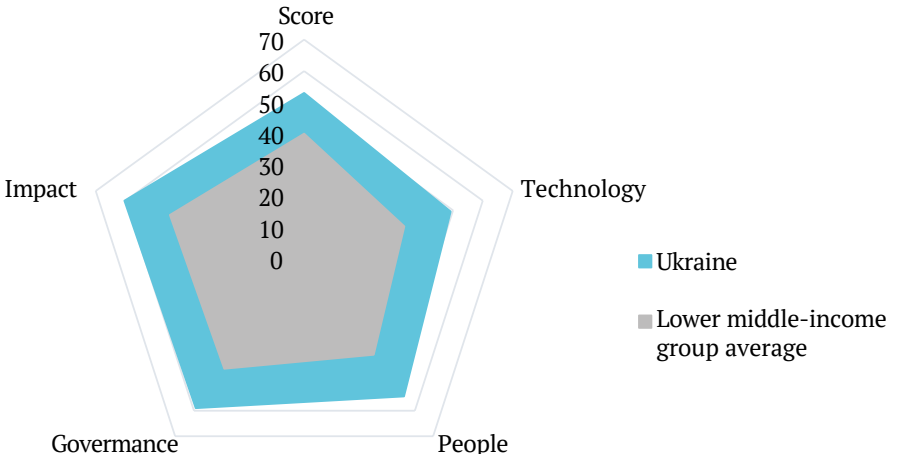

Figure 1. The level of network readiness of Ukraine in 2021
Source: built by the author based on research (Benchmarking the Future..., 2022)

Considering countries according to the level of income (Table 1), it is worth mentioning the Innovation Index, which is aimed at evaluating the development of innovations in the country (World Intellectual..., n.d.). According to this index, Ukraine took the 57th position among 132 countries.

Table 1. Top-ranked countries by income group

High-income economies (48 in total)		Upper middle-income economies (36 in total)	
1	Switzerland (1)	1	China (11)
2	USA (2)	2	Bulgaria (35)
3	Sweden (3)	3	Malaysia (36)
4	United Kingdom (4)	4	Turkey (37)
5	Netherlands (5)	5	Thailand (43)
Lower middle-income economies (36 in total)		**Low-income economies (12 in total)**	
1	India (40)	1	Rwanda (105)
2	Vietnam (48)	2	Madagascar (106)
3	Iran (53)	3	Ethiopia (117)
4	Ukraine (57)	4	Uganda (119)
5	Philippines (59)	5	Togo (122)

Source: compiled by the author based on research (World Intellectual..., n.d.)

The level of digitalization of the economy was also not left out, where it is measured using the Digital Economy and Society Index (European Commission..., 2022). These studies are aimed at evaluating high-tech industries and enterprises located on the territory of the European Union. Leadership in the digital economy and society was given to Finland, Denmark and the Netherlands (Fig. 2).

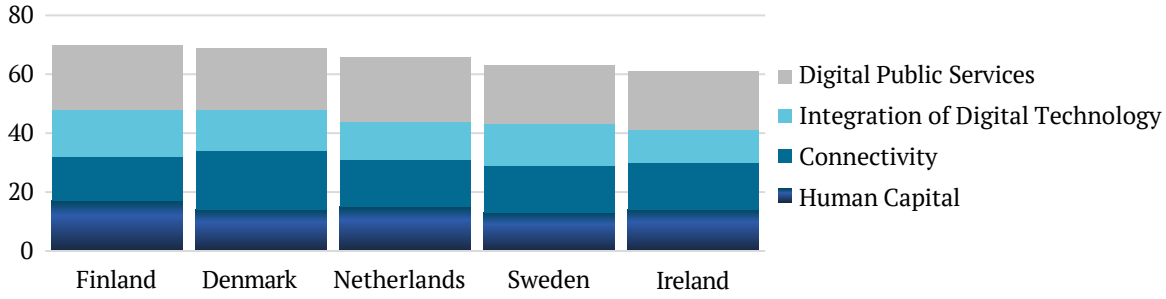

Figure 2. TOP-5 of the DESI rating, 2022
Source: built by the author based on research (European Commission..., 2022)

Comparison of key types of ICT. As more and more Ukrainian business is moving to the online format, it is appropriate to analyze the user audience in Ukraine, which as of the beginning of 2022 (Digital in Ukraine, n.d.) was 31.1 million people (for comparison, in 2017, the number of users was 21.9 million people), and the level of Internet penetration in the country was more than 70%. 28 million people were active users of social networks (in 2017 – 16.2 million people), and in relation to global user trends, the growth of social media users was much higher and reached almost 9% growth (Digital in Ukraine, n.d.).

Regarding Internet connection speed, in Ukraine at the beginning of 2022, the average speed of connecting to the mobile Internet via cellular networks increased by almost 50%, reaching a speed of 27.26 Mbps. The average speed of a fixed Internet connection also had a positive change (+17.2 percent) (Ookla, n.d.).

If estimated the number of users by means of mobile communication, then according to GSMA Intelligence in Ukraine at the beginning of 2022 the number of connections was almost 63 million, having increased by 1.5 million connections compared to 2021 (GSMA, n.d.). It is also worth noting here that this category includes those who use mobile communication services both for personal communication and business.

Analytical reports of the consulting company Forrester (O'Grady & Joshi, 2022) showed that software has the highest value among ICTs (Fig. 3), the growth of which over the last year reached more than 10%. Also, the research focuses on the fact that the software will continue to move to the cloud version, where almost 90% of known software already work in this format. If focused on software for tourism enterprises, it is advisable to group them based on the specifics of the enterprise itself.

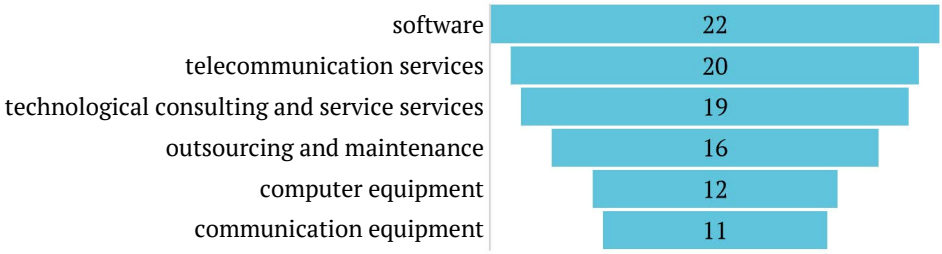

Figure 3. The most significant types of ICT, %
Source: built by the author based on research (O'Grady & Joshi, 2022)

It is also advisable to pay attention to the fact that for tourism enterprises there is both general software (for example, which covers accounting and management accounting, or work with personnel), and specially developed ones, on which attention will be focused. Accordingly, software for:

– tourist operators;
– travel agencies;
– hotels and similar means of accommodation;
– restaurants and other food establishments;
– carriers;
– other participants of the tourist market.

In connection with the war in Ukraine, both Ukrainian software suppliers and consumers faced problems in replacing or using new software, since a significant part of market offers for the tourism sector was represented by the developments of the aggressor country. There was also a question regarding the development of tour operator programs that would have the appropriate functionality that fully meets the requirements of the market and were presented with such a price policy that Ukrainian business could use.

Regarding travel agencies, for them, the use of a personal account, which is placed as a module on the website of the relevant travel operators, special programs, in

particular customer relations, for example, CRM, which allow easy integration with many accounts in one resource, to conduct customer base and effectively work with each client, simultaneously work with the marketing component and work with personnel. An analysis of offers in 2022 by Finances Online (Goldberg, 2022) showed that in the world the software of this type was in the greatest demand represented by HubSpot CRM, Salesforce Essentials, Freshsales, Pipedrive and Zoho CRM. However, as mentioned earlier, CRM data can be adapted to any type of business, which of course has its own advantages, at the same time, CRM, which specialize exclusively in tourism have much more strengths specifically for users. The analysis of CRMs offered by Ukrainian businesses indicates that there is a fairly significant amount of such support on the market, which is in great demand among both Ukrainian and foreign companies (IT-tour, MoiTuristy, Iterios, Tourism Creatio, etc.). Price offers of key CRMs in tourism are presented in the Table 2.

Table 2. Price comparison of key CRMs in tourism

CRM system	Price per month of use, UAH
IT-tour (per 1 user)	490
MoiTouristy (1-3 users)	600
Iterios (3 users)	1000

Source: compiled by the author based on (IT-tour, n.d.; MoiTouristy, n.d.)

Analyzing software as one of the types of ICT specialized in tourism, it can be noted that Ukrainian representatives create high-quality software, which is evidenced by the number of users, their reviews and reviews of foreign users.

In modern conditions, when the software goes into the cloud version and is fully provided by service developers (from development to full service), with the provision of such software via the Internet for an appropriate payment and in defined volumes of use, it is usually interpreted as "software as a service" (SaaS). Accordingly, CRMs also belong to this type of software. If turned to global statistics in 2022, the SaaS market was estimated at almost $190 billion, but it is expected to grow to $370 billion. (Sky, 2022).

According to official data from the consulting company Capterra in America, SaaS in tourism is most represented by offers from the USA, England, and Germany, the share of which in the sum is almost 70% of all offers (Sky, 2022).

At the same time, despite the activities of "traditional" agencies for the average tourist, OTAs (online travel agencies) are gaining more and more popularity, the share of bookings of which in the total number is growing every year (Booking, n.d.). These OTA channels are web sites that interact with both service providers and the possibility to book the necessary service for a tourist online. There are more than 400 OTA channels in the world, which are becoming global (for example, Booking.com or Expedia) or focused on consumers in certain regions of the world (for example, Despegar or eDreams).

The distribution of key OTA channels is presented in the Table 3.

Table 3. Comparison of the main OTA channels in the world

OTA channel	Specialization
Expedia, Priceline, Booking.com, Tripadvisor, Trip.com	A wide variety of components (booking hotels, air tickets, restaurants, cars, tours, cruises, tickets for various events (concerts, festivals)
Viator, Expedia, Google Things to Do, GetYourGuide and Airbnb Experiences	Tours and various activities
Klook, TourRadar, Travelzoo, Thrillophilia	Individual and independent travel, specialization in certain types of tourism

Source: compiled by the author based on (IT-tour, n.d.; MoiTouristy, n.d.)

At the same time, among the large variety of OTA channels that charge an appropriate commission fee, the platform Touriosity (Torres, 2022) does not take commissions from suppliers. At the same time, various OTA channels have corresponding shortcomings in their work. So, Viator started charging $29, GetYourGuide – hiding information about customers from operators, EZTix did not refund tourists, some other platforms work with commissions in the amount of 20-40%, which significantly affects service providers (Torres, 2022).

Regarding the size of the commission fee of OTA channels, according to Hotel Price Reporter (Easton, 2020), the size of the commission at the beginning of the development of these platforms fluctuated within 10%, but with the acquisition of popularity of their services, the size of the commission began to grow and currently varies from 15-30%, although for suppliers who want to appear at the top of the channel offers, the amount of the commission will increase.

Among the wide variety of services offered by OTA channels, a significant share belongs to housing reservations. Accordingly, in order to receive the accommodation service, the guest can make this reservation through one of the mentioned OTA channels, can use a search engine or aggregator site, or book the service either through the hotel website or through contact forms, which are also posted on the supplier's website. As for hotels or similar accommodation facilities, the market offers different software, which varies from the basic components and price readiness of the buyer. Software for hotels and similar accommodation facilities is, for the most part, narrow-profile, that is, developed specifically for the hotel sector. Among the well-known software, it is worth mentioning the foreign Opera and Fidelio, which are used by well-known

global accommodation facilities, Hotelologic, Ultra, eZee, RoomsWizard, etc. The variety of software shows the saturation of the market with the appropriate software, which differs, first of all, in the size of the enterprise and the number of rooms, the necessary modules for work, and the pricing policy, which also differs very significantly.

The analysis of restaurant offers of the software made it possible to single out the main offers, where Servio-POS, Poster-POS, Rarus, Ultra, jSolutions are most in demand among restaurants and other catering establishments in Ukraine. Each of these systems can be supplemented with food delivery modules, additional kitchen functionality, and are well integrated with automated systems of hotels or similar accommodation facilities, fitness halls or bowling alleys.

The pricing policy depends on the type of facility and functionality, modules and customer wishes. For example, consider the main proposals offered by Ukrainian software developers (Table 4).

Table 4. Pricing policy of Ukrainian offers among restaurants and other catering establishments

Restaurant management system	Price per month, UAH
Poster	360
Ultra	319
jSolutions	515

Source: compiled by the author based on (Poster, n.d.; Ultra, n.d.; jSolutions, n.d.)

According to Poster analytical data (as of December 2022), the average check in all types of food establishments in 2022 (compared to 2021) shows growth from 19% (cafes) to 49% (fast food), but here it is worth considering attention to cost-food growth and inflation. The case regarding the number of food orders is also interesting, where in 2018 the average consumer who ordered food at home did so 2.6 times, then in 2020 and 2021, this indicator was at the level of 9.8 and 9.7, respectively.

The war could not be reflected on both the producer and the consumer, respectively, the delivery decreased to 6.6. As for the forms of payment, for comparison, in 2018 the ratio between cash and non-cash was 48/52%, then in 2022 – 29/71 in percentage terms. Modern software for restaurants and other catering establishments contains many modules, one of which is also delivery. In addition to software, types of ICT include the Internet of Things (IoT), mobile applications (Mobile Comm), location-based services, virtual and augmented reality technologies (VR and AR), semantic web.

The level of ICT uses by tourism enterprises. It is worth noting that in Ukraine, the use of ICT by enterprises, namely legal entities, is recorded using form 1-ICT (annual) ("Usage of information and communication technologies at the enterprise"). The analysis of the use of ICT by enterprises is based on the use of the Internet, cloud computing services and robotics in 2018, 2019 and 2021 (Table 5).

In addition, to assess the use of ICT, it is necessary to conduct an analysis by other types (Table 6).

Table 5. Analysis of the use of ICT by tourism enterprises (legal entities)

Indicator	Travel agency, tour operator, other reservation service and related activities			Accommodation and food service activities		
	Years					
	2018	2019	2021	2018	2019	2021
The number of enterprises that have access to the Internet						
units	162	166	153	1279	1261	1293
in % to the total number of enterprises	86.0	72.8	78.1	81.4	77.2	76.8
Share of the number of enterprises use a fixed internet connection of the total number of enterprises, %	69.7	67.9	65.8	54.6	52.9	54.6
Share of the number of enterprises which have a website of the total number of enterprises, %	66.5	66.3	64.3	37.2	36.8	34.9
Share of the number of enterprises whose website provision the possibility of providing interactive services of the total number of enterprises, %						
description of goods or services, price information	-	-	54.4	-	-	32.8
online ordering or reservation or booking	49.7	46.1	46.3	19.7	20.0	20.2
possibility for visitors to customize or design online goods or services	-	-	19.2	-	-	9.8
tracking or checking the status of placed orders	44.3	40.4	40.4	16.2	16.2	16.2
personalized website content for customers	37.3	32.1	32.1	11.8	12.1	12.3
links or references to the enterprise's social media profiles	50.8	46.6	46.6	21.3	21.7	21.9
Share of the number of enterprises having a chat service for customer contacts of the total number of enterprises, %	-	-	28.0	-	-	12.3
share of the number of enterprises having chat service where a person replies to customers, of the total number of enterprises, %	-	-	28.0	-	-	11.9

Table 5. Continued

Indicator	2018	2019	2021	2018	2019	2021
share of the number of enterprises having a chatbot or a virtual agent replying to customers of the total number of enterprises, %	-	-	10.4	-	-	3.0
Share of the number of enterprises that purchased cloud computing services of the total number of enterprises, %	22.7	23.8	22.8	8.3	9.5	10.0
Of these by type of cloud computing services, %						
Email	11.4	15.5	12.4	4.5	5.6	7.0
office software	7.6	13.0	10.4	4.5	4.4	4.3
enterprise database hosting	10.8	14.5	14.5	3.1	3.6	3.8
file storage	10.3	10.4	13.5	2.4	3.4	3.8
accounting and finance application software	10.8	12.4	11.4	5.2	5.6	5.9
CRM software application for managing information about customers	9.2	7.8	8.3	2.6	2.9	2.8
computing power to run the software	9.2	9.8	9.7	2.9	3.4	3.3
Share of the number of enterprises which have ICT specialists of the total number of enterprises, %	30.3	31.6	33.2	14.4	13.6	13.7
Share of the number of enterprises using robotics of the total number of enterprises, %	-	-	1.0	-	-	1.5

Note: The given data take into account only the data of legal entities with the number of employees of 10 or more and without taking into account the temporarily occupied territory of the Autonomous Republic of Crimea, the city of Sevastopol and part of the temporarily occupied territories in the Donetsk and Luhansk regions

Source: developed by the author based on research by the State Statistics Service of Ukraine. Use of information and communication technologies at enterprises (State Statistics Service of Ukraine, n.d., 2022)

Table 6. Analysis of the use of ICT by tourism enterprises (legal entities): e-commerce, big data and ICT-related skills, 2018-2020

Indicator	Travel agencies, travel operators, enterprises providing other reservation services and related activities			Accommodation and food service activities		
	Years					
	2018	2019	2020	2018	2019	2020
The number of enterprises which have made e-commerce						
units	57	59	54	147	166	170
in % to the total number of enterprises	30.8	30.6	27.6	9.4	10.2	10.1
Value of the turnover of e-commerce sales						
thousand UAH	2644729.8	1142863.5	1557364.8	2105230.0	2741067.6	2897865.9
in % to the total volume of sold products (goods, services) of enterprises	39.8	11.8	33.2	6.8	8.2	11.6
Share of the number of enterprises which have made e-commerce of the total number of enterprises by type sales, %						
through its own website/ web applications	-	-	27.5	-	-	13.5
website/web applications for e-commerce, which are used by several businesses	-	-	5.7	-	-	11.1
through messages EDI type	-	-	3.6	-	-	1.5
Share of the number of enterprises which have performed big data analysis of the total number of enterprises, %	15.1	20.2	20.2	12.0	11.1	10.6
Of them, the share of the number of enterprises that performed "big data" analysis in the total number of enterprises by "big data" sources, %						
data received from smart devices or sensors	5.4	10.4	11.4	5.5	5.4	5.0
geolocation data obtained from portable devices	2.2	2.6	2.7	2.0	2.4	2.2
data generated from social media	8.6	9.8	9.1	4.6	4.4	4.4
other sources	7.6	10.4	8.4	5.2	4.6	5.0
Share of the number of enterprises which had recruitment of or the attempt to recruit ICT specialists of the total number of enterprises, %	6.3	6.2	6.4	4.6	4.5	4.7
Share of the number of enterprises in which have performed ICT functions by external service suppliers of the total number of enterprises, %	25.9	23.2	25.5	16.0	15.9	16.1

Table 6. Continued

Indicator	2018	2019	2020	2018	2019	2020
Share of the number of enterprises that used 3D printing of the total number of enterprises, %	0.5	3.1	2.1	1.9	2.8	2.9

Note: The given data take into account only the data of legal entities with the number of employees of 10 or more and without taking into account the temporarily occupied territory of the Autonomous Republic of Crimea, the city of Sevastopol and part of the temporarily occupied territories in the Donetsk and Luhansk regions. Years where there was no accounting for specific indicators were marked with "-"

Source: developed by the author based on research by the State Statistics Service of Ukraine. Use of information and communication technologies at enterprises (State Statistics Service of Ukraine, n.d., 2022)

Comparing the use of ICT by tourism enterprises (based on Tables 5 and 6), it can be noted that almost all types are used, however, for tourism operators and this group, compared to accommodation and catering establishments, the use of web sites and web applications is somewhat higher, cloud technologies and work with Big Data. Also, from the data presented, it is clear that the need for ICT specialists is growing every year, which is due to their rapid development and differentiation. Tourism enterprises keep pace with modern technologies, and therefore, in the field of tourism, relevant specialists should also be trained. If compared the level of ICT use by tourism enterprises with others, it can be noted that for the first group this level is quite high, and for accommodation and catering establishments it is lower (Fig. 4).

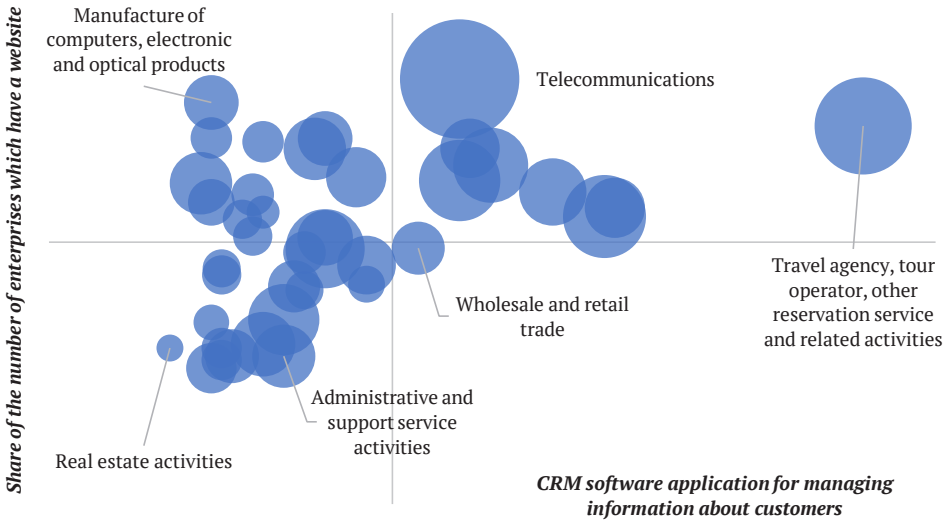

Figure 4. The level of use of certain types of ICT by enterprises of Ukraine

Source: built by the author on the basis of research by the State Statistics Service of Ukraine. Use of information and communication technologies at enterprises (State Statistics Service of Ukraine, n.d.)

The level of software usage, the share of enterprises with a website and the use of a chatbot or virtual agent were selected as the basis of Figure 4. The data include a sample of 42 Ukrainian branches (spheres) of the economy. Of course, it should be taken into account that the analysis was based on information from companies that are legal entities. This, in turn, does not fully characterize the level of use of ICT by the respective enterprises. For example, the ratio of legal entities to the total number among the group of tourist operators was 29% of the total number of enterprises in 2020 (State Statistics Service of Ukraine, 2022).

The study of ICT issues is quite relevant and requires further development in this direction. The variety of types of ICT indicates that tourism enterprises have always used the most modern technologies in their activities (Calvaresi *et al.*, 2021). It is worth noting that the conducted research was based on official data submitted by the subjects -of use of ICT by tourism enterprises, this sample included only legal entities and indicated only certain types of ICT. Measuring the level of ICT adoption at the global level is carried out not only by the organizations indicated in the study (International Telecommunication Union, but also by the United Nations Statistical Commission (UNSC, 2009), United Nations Department of Economic and Social Affairs, United Nations Conference on Trade and Development (UNCTAD, 2020), where, in their effective interaction and cooperation with the states, recommendations for the informatization and digitization of various stakeholder groups have been developed.

However, there is a simultaneous use of both information technologies and information and communication technologies in tourism. Information and communication technologies are a much broader concept (Gössling, 2021), compared to information technologies (hereinafter IT) (Tang, 2022; Yanyan, 2022). The research by A. Nabieva & O. Orlyk (2015) characterizes information technologies as technologies that combine the technical component of information transformation and communication, and the

authors do not distinguish them into a separate concept. Every year (in 2023 it will be 30), in order to summarize the most significant research in the field of information and communication technologies in tourism, the Springer publishing house holds a conference aimed at familiarizing with modern ICT, their new types and impact both on individual areas of the economy and directly those who implement them (Stienmetz *et al.*, 2022). The conducted research was also based on the works of scientists of this publication, and there is a certain overlap of views on the problems of ICT in tourism.

C. Lee *et al*. (2021) considered research on the existence of a close relationship between ICT and tourism, taking into account the level of economic development. This was confirmed by the study of relevant international indices aimed at identifying the digitalization of society. With the help of appropriate economic models O. Adeola & O. Evans (2020) indicate that the number of tourists visiting the country depends on the development of infrastructure and the level of ICT use. The existence of such a connection is also confirmed in research, J. Machado & J. Silva (2019), M. Ali *et al*. (2022). Since changes in society and the economy occur quite quickly, this is reflected in the existence and emergence of new types of ICT (Tyan *et al.*, 2021). Mobile applications (Thees *et al.*, 2021; Dzhulai, 2023), which have made a significant push in the field of booking tourist services, occupy an important place among the types of ICT that actively influence the behavior of both the tourist enterprises themselves and consumers. On mind C. Morosan (2018) the level of use of mobile applications by hotel guests depends significantly on trust and innovation. Focusing attention on such types of ICT as chat services showed that tourism enterprises use them, but enterprises in other sectors of the economy use them insufficiently, thereby losing benefits and opportunities for themselves (Calvaresi, 2021).

The difference of the conducted research is the examination of the most popular ICT by tourism enterprises, thereby emphasizing the need to use modern ICT for the effectiveness of each of them. The use of CRM, as a type of ICT, by tourism enterprises has many advantages and is easily perceived by consumers (Fennell, 2021; Biliavska *et al.*, 2023), which is also confirmed in research by the high level of their use by Ukrainian tourism enterprises.

Among the scientific community, other types of ICT are gaining popularity, which are already actively used by global tourism enterprises – augmented and virtual reality (Guttentag, 2022), Internet of Things (Car *et al.*, 2019), new technologies (Sousa *et al.*, 2023). V. Verkerk (2022) draws attention to the feasibility of using VR technologies, which will not be able to completely replace traditional tourism, but can improve or replace it (an example of which was COVID-19) (Okafor *et al.*, 2022). ICT research is expanding every year, focusing on key issues that are important to tourism and all stakeholders (Truyols, 2022). At the same time, this issue is considered much more broadly by D. Buhalis (2022), where, according to the author, tourism enterprises will not be able not to implement various types of ICT, thus, in the future, provoke the creation of new ICT.

Information and communication technologies in tourism are a particularly relevant issue, where the scientific developments of various scientists emphasize this, and are also aimed at identifying not only problematic issues, but also the search for new opportunities.

CONCLUSIONS

The study identified the main software that is popular both among Ukrainian and foreign tourism enterprises. Based on the results of the research, it can be concluded that tourism enterprises are actively implementing various types of ICT in their own business activities. The analysis showed that travel operators and agents, accommodation and catering establishments use the software to carry out full-fledged operational activities. At the same time, among modern software, Ukrainian developers offer software that which fully meets both market requirements and the requirements of tourism enterprises themselves. Among the significant differentiation, a certain problem was the presence of the software of the aggressor country, which is easily overcome by the offers of both Ukrainian and foreign service providers. A comparison of the most popular software showed that tourism enterprises choose such software, which allows combining different modules for operational activities, but should also contain integrations with additional modules or applications. And among a significant number of enterprises of various industries and spheres of the economy, tourism enterprises have a fairly high level of ICT use. Trends in the use of existing and introduction of new ICTs will continue to have a growing demand, including among tourism enterprises. The level of ICT implementation showed that among tourism enterprises, the best use is the website, chat services and cloud computing. Along with this, the further direction of the research will be the measurement of the level of use of ICT not only by legal entities, but also by all participants of the tourism market, including tourists. The construction of econometric models of the dependence of the level of ICT use on the economic results of tourism enterprises has a perspective for further research.

CONFLICT OF INTEREST

The author declares no conflicts of interest.

ACKNOWLEDGEMENT

None.

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Дослідження рівня впровадження інформаційно-комунікаційних технологій підприємствами туризму

Анотація. Впровадження інформаційно-комунікаційних технологій у діяльність підприємств туризму суттєво трансформувало усіх учасників туристичного ринку. У цьому контексті, метою статті стало дослідження рівня впровадження інформаційно-комунікаційних технологій на прикладі українських підприємств туризму та порівняння такої імплементації з підприємствами різних сфер економіки. У статті використано такі методи наукового дослідження, як узагальнення, спостереження, порівняння, групування, абстрагування та графічний метод. У роботі здійснено аналіз наукових праць задля визначення як сутності інформаційно-комунікаційних технологій, так і основних видів сучасних технологій, які використовуються на підприємствах туризму. На прикладі Індексу мережевої готовності та Індексу цифрової економіки та суспільства, визначено країни-лідери, які мають найвищі позиції та є такими, що найсуттєвіше розвивають цифрове суспільство. Спираючись на аналітичні звіти провідних консалтингових компаній світу (Forrester, Capterra) розглянуто основні види інформаційно-комунікаційних технологій з дослідженням нових тенденцій. Здійснено порівняння ключового українського софту, який впроваджується туристичними підприємствами, з оцінкою найбільш оптимальних (за ціновим критерієм) на прикладі, спеціалізованих CRM – IT-tour, Iterios, MoiTouristy. Значну увагу приділено OTA (Online Travel Agency)-каналам. Проведено порівняння ключового софту, які використовують готелі та ресторани (та інші аналогічні заклади). Встановлено, що українські пропозиції найбільше відповідають вимогам підприємств туризму (наприклад, Poster, Servio). Визначено, що підприємства туризму мають високий рівень використання інформаційно-комунікаційних технологій у порівнянні з іншими галузями економіки. Оцінка рівня використання базувалася на використанні українськими підприємствами мережі Інтернет, послуг хмарних обчислень, роботехніки, електронної торгівлі, Big Data та навичок у сфері інформаційно-комунікаційних технологій. Результати дослідження стануть корисними при виборі програмного забезпечення підприємствами туризму, визначенні інформаційно-комунікаційних технологій, які найкраще відповідають сфері діяльності підприємства та при формуванні конкурентної стратегії розвитку підприємств туристичного бізнесу

Ключові слова: туристичний бізнес; програмне забезпечення; управління відносинами з клієнтами (CRM); бронювання; готель; ресторан

ECONOMICS OF DEVELOPMENT
Journal homepage: https://ecdev.com.ua/
Vol. 22, No. 1
2023

UDC 330.3
DOI: 10.57111/econ/1.2023.20

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Eco-oriented agriculture as a development driver of inclusive agribusiness

Abstract. The relevance of the research is determined by the need to ensure food security, which led to the search for new models and forms of agricultural development. Among such forms inclusive models of agrarian business occupy a special place as today they are recognized as capable of solving the problems of poverty, inequality and overcoming hunger. The purpose of the research is to substantiate the mechanism of how to manage ecologically-oriented agrarian business as one of the drivers of inclusiveness, and further develop directions of organic agricultural production. When writing the article, the author used the following methods of scientific knowledge: monographic, analysis and synthesis, systematic approach, comparison, scientific-abstract systematization and concretization. Based on the results of the research, key trends and drivers of agricultural development have been revealed. The set of basic forms of inclusive agrarian business organization has been studied. A level system of standards of products, works and services for the industry has been substantiated. The author's model of the institutional mechanism for managing ecologically-oriented agricultural production, with the certification and standardization of organic produce being the key elements of it, has been proposed. The current state of development of organic production has been studied, the structure of export of organic produce has been analyzed. It has been determined that Ukrainian organic agriculture has a significant potential for its future development and is important for the European food market. Prospective benchmarks for further development of organic production in terms of ecologically-oriented types of agrarian business have been substantiated. The results of the research can be used by all agricultural enterprises that search for new approaches to management and strive to increase the competitiveness of agricultural produce in modern conditions of transition to the concept of sustainable development

Keywords: agrarian business; organic production; certification; agricultural producers; management mechanism

Article's History: Received: 12/12/2022; Revised: 13/02/2023; Accepted: 07/03/2023

Suggested Citation:
Stepanenko, S., Kryukova, I., & Vlasenko, T. (2023). Eco-oriented agriculture as a development driver of inclusive agribusiness. *Economics of Development,* 22(1), 20-30.

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INTRODUCTION

Inclusive agribusiness is gradually playing an increasingly important role in ensuring sustainable food demand and addressing the challenge of global food security. The growth of the global population, the aggravation of socio-ecological problems and the need to increase the availability of quality food have been central issues on the agenda of world organizations and governments for several decades. Improving the level of well-being, the life quality of population, overcoming the problem of poverty are global issues today shared by all countries of the world. The leading role in their solution is played by agriculture, which is without exception a priority activity of all world economies. The increase in food production, taking into account socio-economic and environmental factors of economic growth in modern realities, is possible due to the transition to an inclusive model of development of agrarian business and rural areas. As noted by A. Kaminski *et al*. (2019), world experts call inclusive development a tool for achieving sustainable and fair agriculture.

According to the World Bank, the impact of Covid-19 epidemic and climate change, which form threatening trends for current and future generations, have led to a certain devaluation of many measures taken to reduce poverty and solve the global food problem (World Bank, 2020). Along with that, J. Fanzo *et al*. (2020), S. Garcia *et al*. (2020) argue that these structural shifts have revealed deep problems of inequality in the global food system, as well as the close relationship between the nation's health, ecosystems, and food. In this regard, in recent years, the role and importance of inclusive agrarian business have grown significantly and have become part of global strategic initiatives, such as the Global Sustainable Development Goals, the EU Green Deal strategy, in which organic agriculture is identified as a priority of Common Agricultural Policy (CAP) for the period up to 2030 (The European Commission…, 2019).

R. Blay-Palmer *et al*. (2020), I. Kryukova & S. Stepanenko (2022) agree that increasing investment in viability and sustainable food production protects the population, strengthens environmental sustainability and national food security. Inclusive development of agrarian business and rural areas today includes such important aspects as: inclusive value chains, affordable investment and innovation, logistics infrastructure, local socio-economic development and better risk management.

The inclusive economy is a business model of a new format, the future benefits of which will form not only economic bonuses for business, but also a powerful socio-environmental effect for society, regions, and territories. Among the effective models of inclusive agribusiness J. Grashuis & Ye. Su (2018) single out contract farming, farmer cooperatives, agro-processing integration, which increase the welfare of their participants. In global practice, inclusive agrarian business models are beginning to be actively created using digital platforms, examples of which are Practitioner Hub and IBAN.

At the same time, the transition to the principles of an inclusive economy in modern business conditions carries certain risks and threats for business, in particular, in the short-term perspective. The organization of production on new material and technological principles, the creation of new logistics chains, the search for new markets, and the rejection of traditional sources of profit formation poses a significant challenge for traditional business not only in the agricultural sector. However, it is the agricultural sector that has the potential to create effective business models due to the unique opportunity to solve the main task of the global concept of sustainable development – ensuring food security and, on this basis, improving the quality of life of the world's population.

Along with the advantages that make it possible to transfer to the principles of inclusive development, traditional agribusiness has inherent and significant disadvantages associated with environmental pollution, loss of biodiversity, greenhouse gas emissions, an unfair mechanism of access to resource and food markets, and the distribution of costs and benefits between different participants in the production process.

The strategic prospects and existing difficulties that occur in the transformation processes in the economy of the agricultural sector made it necessary to find directions and tools for the development of inclusive agrarian business for the agriculture of Ukraine. The purpose of the article is to substantiate the management mechanism of ecologically-oriented agrarian business, as one of the drivers of inclusiveness, and the directions of further development of organic agricultural production.

To achieve the goal, the following tasks were set in the research: 1) analysis of modern trends in the development of agriculture and identification of key drivers of its development for the future; 2) systematization of the main levers and forms of inclusive agrarian business and research of one of the most promising for Ukrainian agriculture; 3) substantiation of the management mechanism of ecologically-oriented agrarian business taking into account the leading international experience.

The scientific novelty of the obtained results has been formed by developments in supplementing the methodological base of management of inclusive agrarian business in terms of ecologically-oriented agrarian production, which, unlike the existing ones, is formed by the combination of inclusive interests of agrarian business and society through the production of organic agricultural produce.

LITERATURE REVIEW

Inclusive business in foreign literature is considered as an activity that provides goods, services and livelihoods on a commercially viable basis and gains scale through the creation of value chains (G20 Development…, 2015). Inclusive agribusiness is seen by S. Ghosh & J. Rajan (2019) as one of the most promising types of inclusive businesses that empowers farmers to participate in value chains that are beneficial to society and the environment. O. Kovalchuk (2017) considers inclusive agribusiness as the basis for sustainable development of rural areas.

Among the key advantages of inclusive agrarian business N. Fanzo *et al*. (2020) highlight the combination of market guarantees and provision of services within supply chains, which creates the potential to mitigate market failures, rural coordination problems, and reduce logistical and food risks.

At the same time, today a certain group of scientists have a critical view of the effect and results of inclusive agrarian business. According to G. Schoneveld (2022),

inclusive agribusiness faces efficiency challenges in the event of a significant scaling and increasing number of participants, which reduces the level of depth and quality of supply chain operation. J. Grashuis & Ye. Su (2018) draw attention to the problem of bias in the selection of participants and the incorrect distribution of agrarian business results within the created inclusive system. At the same time, these authors agree that agrarian business has a huge potential for inclusive development of agriculture and rural areas, which can provide a powerful socio-environmental result.

S. Vellema *et al*. (2020) note that inclusive agribusiness aims to eliminate the shortcomings of unfair distribution of resources, results and opportunities among participants in production and economic operations while simultaneously creating environmental, social and economic values for rural areas and society. Inclusive agribusiness can become an effective way to institutionally solve such important problems for agrarian business as the asymmetry of financial markets, markets of material and technical resources and labor, and food markets. The ecological and social plane of inclusive agribusiness is based on socially responsible initiatives of agricultural companies aimed at preventing climate change and preserving natural resources, improving the quality of life of the rural population and ensuring food security. In African countries, inclusive agribusiness is developing on the basis of business models of contract farming, with the joint mutually beneficial partnership being the mechanism of socio-economic basis. With the help of this mechanism, farmers deliver their produce to large companies on terms favorable to them, and the agricultural company provides them with resources, markets, consulting and information assistance, and guarantees social and environmental support (Schelle & Pokorny, 2021). In the EU countries, the development of inclusive agrarian business models is part of the Green Deal master plan, and to a greater extent, the mechanism of their action is associated with socially responsible entrepreneurship in terms of solving global environmental problems, ensuring social inclusiveness (integration of small farmers into social production, promoting the achievement of gender equality in agriculture, supporting young farmers, etc.) (Woodhill, 2016).

Inclusive development of agriculture and rural areas aims at equality of conditions, opportunities and distribution of activity results for all participants of the socio-economic process. According to V. Nesterenko (2023), the solution of these tasks requires the creation of an inclusive institutional mechanism and the approximation of Ukrainian agricultural enterprises to the structure and norms of EU legislation. As noted by scientists Z. Sinaj *et al*. (2023), O. Skydan *et al*. (2023) of the National Scientific Center "Institute of Agrarian Economics" (NSC IAE), institutional support for the inclusive development of agribusiness in Ukraine solves the strategic tasks of sustainable development of agriculture and rural areas, the solution of which forms the prerequisites for improving the quality of life of the population and increasing the competitiveness of the domestic agricultural sector. According to M.M. Ignatenko & L.Yu. Levaeva, (2022) the tools of the institutional mechanism include social integration, development of local self-government and stimulation of ecologically-oriented agriculture.

In all existing practices, inclusive agribusiness is focused on creating social, environmental and economic values, reducing poverty among the rural population and ensuring the economic viability of all participants in the system of economic relations. In a strategic perspective, environmental, social and economic benefits from increasing the degree of inclusiveness of agrarian business are turning into means of long-term competitiveness and public utility in micro- and macro-scale management.

MATERIALS AND METHODS

The substantiation of the purpose and tasks of scientific research determined its object, structure, set of methods and logical sequence of execution. The object of the research is ecologically-oriented agriculture, the processes of certification and standardization of organic products, as the main element of inclusive agrarian business.

The materials for writing the article were primary data obtained on the basis of summaries of Ukrainian and foreign scientific literature on inclusive development of agriculture. International standards, codes and regulations related to the regulation of the quality and safety of agricultural produce and food became an important component for the information support of the conducted research. In addition, the information base of the research was supplemented with general international rules regulating procedures for certification and standardization of products. As additional information and analytical materials, the following data from international organizations were used: IFOAM (IFOAM..., 2019), FAO (Codex..., n.d.), the World Bank (World Bank..., 2020), the US Department of Agriculture (National Organic..., n.d.). Secondary sources of information included data from the government portals of the European Commission (The European Commission..., 2019) and the European Parliament (Regulation (EU) 2018/848..., 2018), the Ministry for Agrarian Policy and Food of Ukraine (Official site of Ministry..., 2022), Law of Ukraine (The Law of Ukraine 2496-VIII..., 2018), as well as statistical materials presented in official information resources. The procedures for collecting the relevant data made it possible to present the key indexes and indicators that fully testify to the current state of development of the Ukrainian organic produce market. The information base of the research was also supplemented by specialized data, which contain information about the system of standards and requirements for goods (works, services) at different levels of quality management (Codex Alimentarius (Codex..., n.d.), industry standards of Ukrainian food associations, materials of official websites of domestic specialized organizations).

When writing the article, a set of general scientific and specific methods of economic research was used, with a dialectical methodical approach to the knowledge of socio-economic phenomena and processes being its basis. The monographic research method was used to identify key trends in the development of agriculture, research and study of the system of agricultural produce and food quality and safety standards. Based on the method of abstract systematization, a review of the scientific literature has been conducted, the author's vision of the realities of modern agriculture has been substantiated, and the key trends and drivers characterizing its development have been outlined. The use of the generalization method helped to form an

informational and methodological basis for substantiating the author's vision of the institutional mechanism of ecologically-oriented inclusive agrarian business in Ukraine. A systems approach, theoretical generalization and logical structuring were used in the construction of a level system of standards and requirements for agricultural produce, which is recommended for use in national practice. Based on the use of induction and deduction method, the system of international rules, regulations and codes for the standardization and certification of organic produce has been investigated. The method of synthesis, induction and deduction, as well as scientific-abstract systematization of the results of scientific research, became the methodological basis for substantiating the author's concept of the management mechanism architecture of ecologically-oriented production in Ukraine, taking into account European standards and norms. The combination of methods of scientific abstraction and analysis made it possible to present recommendations and strategic guidelines for the further development of organic production in Ukraine. Based on the method of statistical observations and analytical monitoring of statistical and economic data, presented in information sources, an assessment of the current state of development of organic produce in Ukraine has been carried out. Analytical observation and comparison methods were the basis of the description of the professional discourse in the discussion of the obtained results and views of other scientists on the problem of managing modern ecologically-oriented agricultural production. The conclusions of the conducted research have been formulated using the methods of abstract specification, generalization, structural-genetic analysis and synthesis of the obtained results.

RESULTS AND DISCUSSION

In recent years, world agriculture has been developing under the influence of key trends and challenges with which society and business will work in the 21st century (Fig. 1). Taking into account population growth, intensification of urbanization processes and aging of nations, the main transformations in agriculture will take place in the areas of natural resource management, which form the basis of agribusiness competitiveness and food security. The natural resource management mechanism will determine the potential and opportunities of providing the world's population with affordable and high-quality food to ensure a safe and healthy future for the global population.

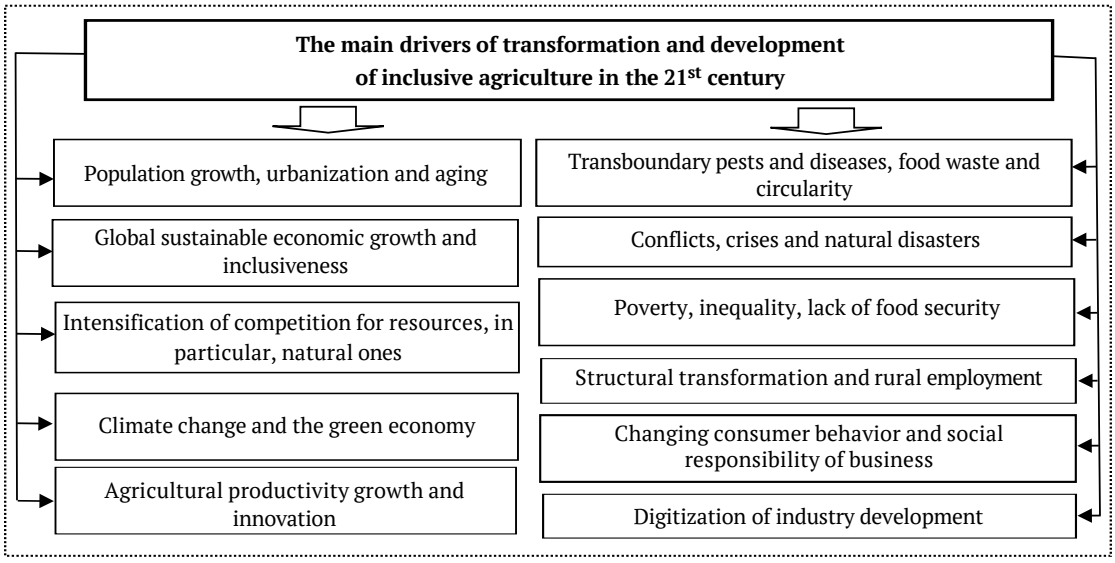

Figure 1. Key trends and drivers of agricultural development in the 21st century
Source: made by the authors

Studies of the set of tools and forms of inclusive agrarian business showed that among them it is expedient to highlight the following: 1) partner mutually beneficial supply chains; 2) value chains within the industry (type of activity, market, access to material and technical resources and training), which allow to fairly distribute the final result among the participants; 3) various forms of cooperation and integration; 4) financial forms of inclusive development, based on ensuring access to investment resources; 5) contractual forms of contractual economic relations, in particular, for the supply and sale of products; 6) various organizational forms of logistics infrastructure. Whatever forms the inclusive agrarian business takes, the focus is always on product quality, its properties and characteristics, and their compliance with the tasks of inclusive business development and current standards.

In order to ensure attractive access to resource and product markets, as well as the formation of effective value chains, inclusive agribusiness must work within the limits of quality standards and product certification, which controls its quality and safety indicators, environmental and social activity standards.

Certification is one of the main levers of inclusive agribusiness and has a significant impact on the access of agricultural producers to agri-food markets and the effectiveness of their activities. Active schemes and standards of organic certification, which are currently accepted and operate in international agribusiness, in particular, in the USA, EU countries, can have effective consequences for the inclusion of farmers in inclusive agribusiness. Product certification is an indispensable socio-environmental condition for the quality and safety of food, and therefore, forms a powerful

potential of opportunities for agricultural producers. At the same time, the certification and safety standards of agricultural produce and food have significant limitations for agricultural companies that are less prepared from the standpoint of passing the certification process. Eliminating such restrictions can become one of the indirect functions of organizational and technological support for farmers in the context of creating inclusive agrarian business models.

In modern agribusiness, an increasing number of business conduct standards are emerging, which allow companies to enter the global market and bring their products along the value chains to the end user. Standardization and certification of agricultural produce and food is one of the basic elements of such a business code. Consumer demands and state initiatives to protect the population from low-quality products and domestic production from competition from foreign competitors have led to the emergence of a significant number of standards, requirements, and rules, which today form significant restrictions for small agricultural producers. The system of standardization of agricultural produce and food is complex and multi-level (Fig. 1.). The first (global) level of standardization and certification of produce (goods, services) is a system of international (intergovernmental) regulations, which are formed on the basis of international contractual relations, are developed by intergovernmental international organizations (FAO) and are often presented in the form of relevant codes – the Codex Alimentarius (Codex... , n.d.). The second level of formation of the quality standards system is supplemented by national (state) standards, which are more specific and adapted to the needs of an individual country (national codes for production, processing, product labeling, organic codes and environmental standards). At the second level, a national system of standardization and certification is formed, the role of state regulatory authorities and the mechanism for delegating control functions to specialized agencies are determined.

The third level of the standardization system can be the industry (type of economic activity) level. Industry standards can be formed by associations, cooperatives of producers or other participants of production and sales chains (standards of international practice of the COLEACP system, industry standards of the domestic associations "Ukmolprom"and "Union of Poultry Breeders of Ukraine").

The fourth level of standardization of products (works, services) can be formed by associations, unions, associations of buyers (consumers), which make the same requirements for the list of products. Consumer standards serve as a benchmarkfor manufacturers and allow them to better satisfy consumer demand and gain additional competitive advantages in the market. An example of such standards is the EUREPGAP Protocol.

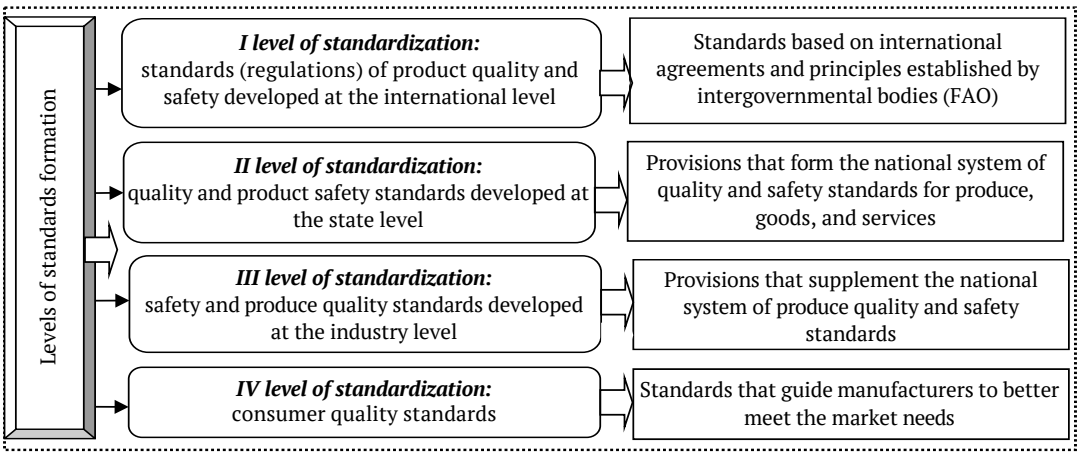

Figure 2. Level system of forming standards of produce, works, and services
Source: made by the authors

Organic standards and produce certification are a priority of inclusive agrarian business, which is capable of creating both advantages and limitations for its development. Organic production is part of holistic management of inclusive agribusiness with an emphasis on biological processes and minimizing the use of non-renewable resources. The first organic standards were adopted in the USA in 1974 (CCOF..., n.d.). In the EU, France was the first country to introduce organic state regulation. Currently, the system of organic standards includes a number of regulations and rules, the main of which are: EU Regulation 2092/91 (Council Regulation..., 1991), it concerns the labeling of organic produce, EU Regulation 2018/848 (Regulation (EU) 2018/848 ..., 2018) – the addition to the list of organic agricultural produce and food, JAS – the system of Japanese quality standards (Japanese Agricultural..., n.d.), NOP – standards of the US organic program (National Organic..., n.d.) and others.

The International Organic Accreditation Service (IOAS) carries out accreditation of certification bodies for organic production and organic produce. European regulations provide for national accreditation of certification bodies according to national requirements. In order to harmonize and unify the processes of standardization and certification of standards for organic production, the International Federation of Organic Agriculture Movements (IFOAM), the Food and Agricultural Organization of the United Nations (FAO) and the United Nations Conference on Trade and Development (UNCTAD) formed a task force for the harmonization of national and international standards of organic production (CCOF..., n.d.). Since 2003, the group has been working on the development of proposals

and mechanisms for establishing the equivalence of standards, rules and requirements for solving global tasks of sustainable development, in particular, when it comes to providing the population with high-quality and safe food.

The Law of Ukraine "On Basic Principles and Requirements for Organic Production, Circulation and Labeling of Organic Produce" (2018) was adopted and is in effect in Ukraine, which regulates national requirements and the mechanism of work on state control over organic production. The national organic production control system is based on the combined principles of state regulation and partnership with specialized agencies (certification bodies) accredited by the EU Commission in accordance with Regulation 1235/2008 (CCOF…, n.d.). The list of such companies in Ukraine includes: Organic Standard, (Ukraine), CCPB Srl (Italy), Ecoglobe (Armenia), Istituto Certificazione Etica e Ambientale (Italy), Lacon GmbH (Germany), Letis S.A. (Argentina), Control Union Certifications (the Netherlands), Ecocert S.A. (France), Biocert International Pvt Ltd (India) and others.

The institutional mechanism for managing ecologically-oriented agricultural production in Ukraine is based on a combination of national principles for coordinating the development of agricultural production and the participation of the levers of the international system of producers accreditation (Fig. 3).

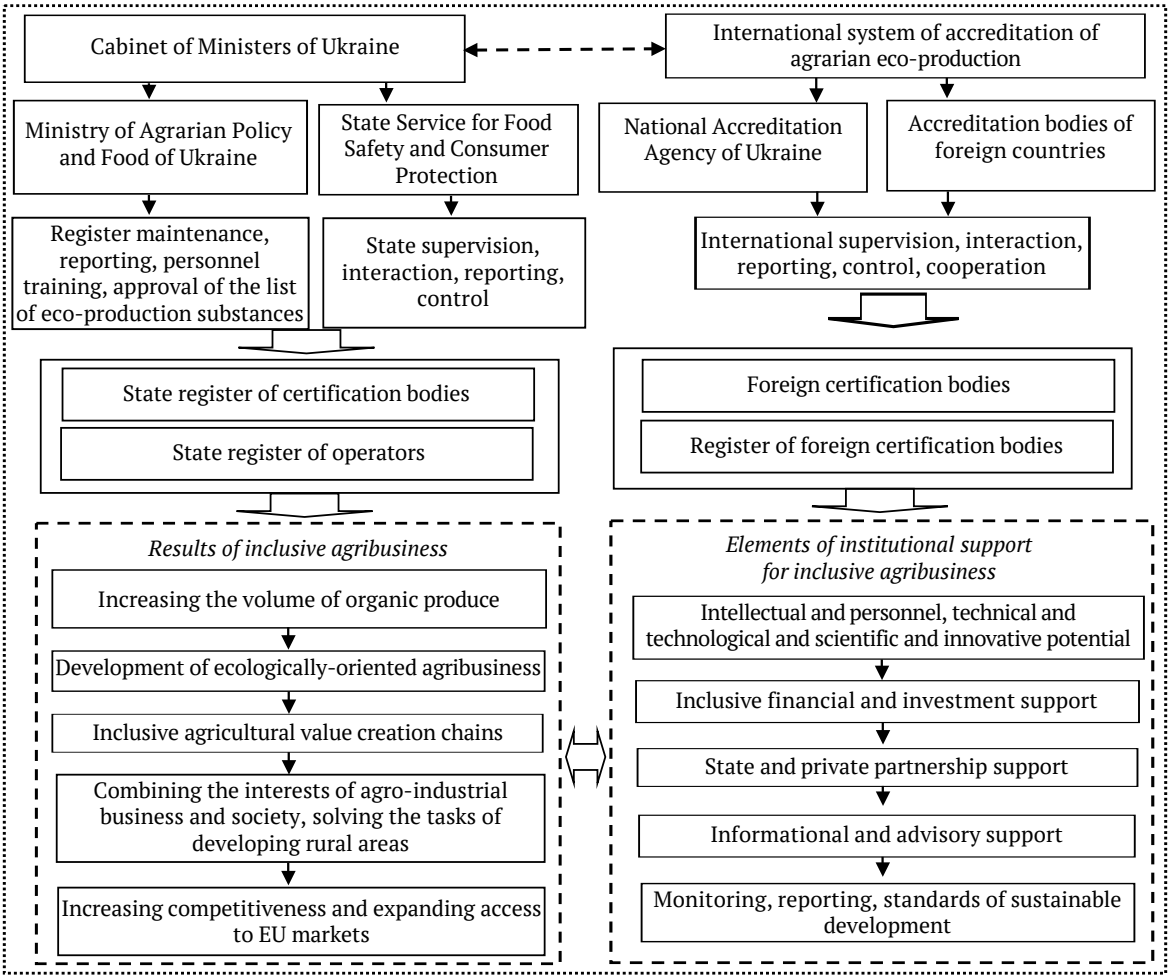

Figure 3. Institutional mechanism of management of ecologically oriented agricultural production in Ukraine
Source: made by the authors

According to the Ministry of Agrarian Policy and Food of Ukraine, the total area of organic production in 2022 amounted to 422.3 thousand hectares (which is about 1% of the country's farmland), including the size of areas with organic status – 370.1 thousand hectares, the transition area – 52.2 thousand hectares. The number of producers of organic agricultural produce that have acquired official status and are registered in the register is 528 units. The most actively inclusive organic agricultural production is developing in Odesa, Mykolaiv, Kherson, Poltava, Cherkasy, Zaporizhzhia, Zhytomyr, and Ternopil regions (CCOF…, n.d.).

In 2021, 9,780 tons of organic produce with a total value of 33 million dollars were produced and sold in Ukraine. The current labeling aspect remains a challenge for the domestic inclusive agrarian business in terms of organic production. According to current legislation, a product can be labeled "organic product" if the proportion of organic ingredients in its composition is at least 95% (CCOF…, n.d.). Under such conditions, it is possible to use the state logo of the established model (Official site of Ministry…, 2022).

About 82% of all organic produce made in Ukraine are exported to EU countries (EU imports…, 2022). Despite the

low specific weight of organic production in the domestic agricultural sector, according to the EU Commission, in recent years, Ukraine has been the leader among importers of European countries with a total volume of organic produce of 189.2 thousand tons. And the share in total import is 6.6%. Ecuador, the Dominican Republic, India and Peru were the main competitors of Ukraine on the European market of organic produce. The types of Ukrainian produce in demand on the European market of organic produce today are: oilseeds (except soybeans), cereals, fruits, cakes. The main importing countries of organic food from Ukraine are the Netherlands, Lithuania, Germany, Austria, Poland, Switzerland, Italy, Denmark (EU imports..., 2022). The export structure of organic produce from Ukraine to EU countries is shown in Figure 4.

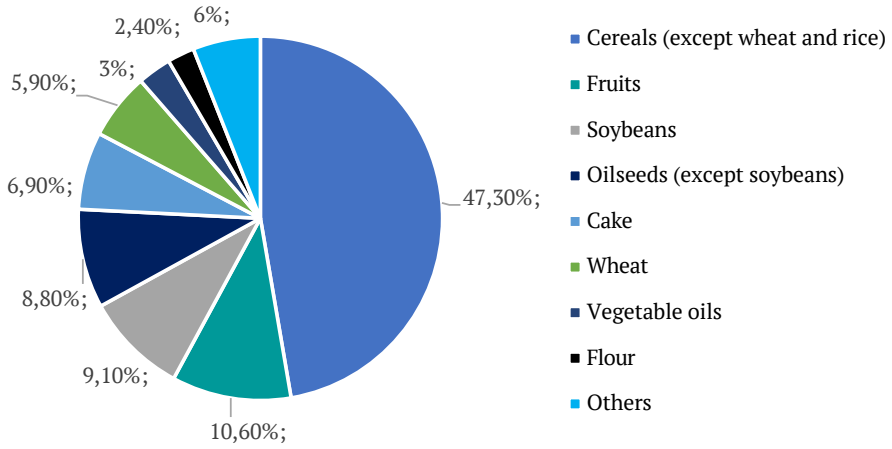

Figure 4. Structure of exports of organic agricultural produce from Ukraine to the EU in 2021, %
Source: made by the author from (EU imports..., 2022) using MS Excel

Today, institutional limitations related to the further development of inclusive agrarian business in Ukraine are gradually being overcome with the help of Ukraine's participation in European projects and programs, partnerships with international organizations, and the provision of consulting, advisory and technical assistance in organic produce certification procedures. Key tools for the further development of inclusive agribusiness in Ukraine are: the Swiss-Ukrainian program "Development of trade with higher added value in the organic and dairy sectors of Ukraine", the project "German-Ukrainian cooperation in the field of organic farming", the program "Organic trade for development in Eastern Europe", EU project "Institutional and political reform of small-scale agriculture in Ukraine", USAID program for agrarian and rural development (Official website of Organicinfo..., n.d.).

In the near future, the key requirements of organic production for Ukraine should be the following (Table 1).

Table 1. Prospective guidelines for the development of organic production (in the context of EU standards)

Types of ecologically-oriented agrarian business	Features of organic production
Organic farming	Ban on the use of GMOs, ban on the use of ionizing rays, limited use of chemicals, ban on the use of nitrogen fertilizers. Use of resistant varieties and hybrids of agricultural plants, crop rotation, restoration of soil fertility.
Organic livestock	Ban on the use of animal growth hormones, limited use of antibiotics; stimulation of natural immunity of animals, use of resistant breeds and crosses of animals, use of 100% organic feed, separate keeping of organic animals, mainly natural methods of reproduction of livestock, prohibition of animal growth stimulants and synthetic amino acids.
Inclusive product value chains	Separation of processed organic waste from inorganic, 95% organic ingredients in the product composition, clear labeling requirements; a limited list of substances that can be added to food products.
Organic material (production stocks)	All plants and animals must be grown from organic reproductive material that meets standards.

Source: made by the authors

The action of the institutional mechanism for managing ecologically-oriented organic agricultural production in Ukraine is based on the combination of control and regulatory functions of national and international institutional bodies: the State Service of Ukraine for Food Safety and Consumer Protection and the National Accreditation Agency of Ukraine (NAAU). The result of such interaction and joint activity is the selection and approval of the list of organic produce certification bodies and a set of operators to implement the activities. The proposed mechanism for managing inclusive agrarian business is internally oriented and, unlike the mechanism proposed by V. Nesterenko (2023) and based on a combination of local governance and partnerships, focuses on internal incentives for producers to join the inclusive agribusiness system. According to the proposed approach, the main motive of agricul-

tural producers should be the production of high-quality and safe products that meet the quality requirements of potential markets and have a high potential for competitiveness. Product safety and quality are in the central place of inclusive business forms, which are studied by S. Garcia *et al*. (2020), however, the authors consider the creation of inclusive systems of sustainable agricultural production beyond the standards and regulations, without which it is impossible to sell agricultural products and ensure food security. In the studies presented by G. Maltitz *et al*. (2019), the creation of organizational forms of inclusive agrarian business is based on the model of partnership contractual relations between land owners and lessors. At the same time, the authors note that the control over the products supplied within the model is carried out by an external partner – the coordinator of relations and resources. According to this type of model of inclusive agrarian business, the quality and safety of products are a crucial aspect, but the mechanism for assessing their compliance with the standards is not mentioned.

A. Westen *et al*. (2019) consider increasing the amount of safe food as the main goal of inclusive agrarian business, which, according to the model of the scientists, is realized through the fair distribution of income within inclusive agricultural value chains. However, prices, access to markets and revenue are directly dependent on safety standards, which are not considered in this research. In the studies of S. Vellemaue *et al*. (2020) food safety also occupies a central place in the system of organizing a capable partnership for the development of inclusive business. At the same time, according to the authors, the issues of assessment and conformity of food quality and safety, remain an element of external management and go beyond the created partner inclusive system. In their own methodical approach, the authors consider it expedient to treat the system of standardization and certification of agricultural produce as one of the main internal elements of managing the development of inclusive agribusiness, which can become an effective stimulus for increasing the participation of producers in inclusive models and will form the potential of domestic food competitiveness on European markets. The authors believe that the result of such an incentive should be an increase in organic production in the agricultural sector of Ukraine and gaining competitive advantages in the EU markets.

Quite common among the authors, and G. Schoneveld (2022) should be noted here, is a scientific and methodological approach to building inclusive agribusiness systems, in which the main focus is on production and creation of value chains for the supply of environmentally friendly food for the population. The authors of the article fully support such a scientific position. At the same time, the authors do not consider the issue of solving food security problem and providing the population with high-quality and safe nutrition the main goal, but only part of the overall system of inclusive ecologically-oriented agrarian business. In addition, according to the author's approach to issues of food safety, inclusive business should also solve other important problems of the development of the agricultural sector and rural areas. In the proposed institutional mechanism for managing agricultural production, the authors consider it strategically important to combine the interests of agribusiness and its stakeholders, society, and rural areas. The authors see ecologically-oriented agriculture in their own model of inclusive agribusiness management as only one of the most important elements of the system.

O. Penkova & A. Kharenko (2023) in their research on methods for achieving sustainable inclusive development of agriculture, the participant partnership tool is considered solely from the standpoint of improving trade, access to commodity markets and improving logistics schemes for delivering food to the market. The authors consider the creation of efficient logistics chains an important condition for managing the inclusive agrarian business. However, it is advisable to consider the issue of partnership in a broader format and use the opportunities and prospects of partnership relations not only in the field of sale of finished agricultural produce, but also for the creation of internal standards of quality and safety of food: from producers of agricultural produce to food enterprises and consumers. This is possible on the basis of the proposed institutional management mechanism, where attention is paid to the issue of combining the interests of all participants in agro-industrial business. This is expected on the basis of the further development of cooperation and the spread of integration ties among all participants of the inclusive system under the conditions of implementation of state and partner advisory and consulting assistance. The authors believe that such a scientific and practical approach will create favorable conditions for increasing the volume of organic production in Ukraine and strengthen its agricultural export potential.

According to the authors, further development of inclusive agrarian business in terms of organic farming in Ukraine should be organized taking into account the trends of European practice and should cover all stages of building productive chains.

CONCLUSIONS

The analysis of the scientific research results showed that scientists consider the inclusive development of agriculture and rural areas as one of the most promising tools for solving global tasks of sustainable development, in particular, the problem of ensuring food security of the population. Inclusive agrarian business is part of strategic development plans and programs and is largely manifested as ecologically-oriented agriculture, the main priorities of which are the prevention of climate change, conservation of bioresources and improvement of life quality of rural population. Intensified competition, "green" agrarian economy, innovations in the industry, circularity of agricultural produce, social responsibility of agrarian business, a deliberate change in the behavior of food consumers, and further digitalization have been highlighted as the main drivers of the inclusive development of agriculture in modern conditions. The study of key trends in the development of agriculture and the study of tools and forms of inclusive agrarian business showed that standardization and certification of agricultural produce can be one of the effective internal levers of ecologically-oriented agrarian business in Ukraine. Based on the results of the study of world and national practice, a level system of produce, works and service standards has been substantiated, which is important for the development of standardization and certification procedures for environmentally-friendly produce in domestic practice.

Along with institutional regulation, an important place in this system is given to consumer quality standards, the implementation of which, according to the authors, should take place on the basis of social responsibility of agrarian business. The study of the institutional foundations for the implementation of accreditation measures for food quality became the basis for the development of the author's model of the institutional mechanism of ecologically-oriented agricultural production in Ukraine. According to the authors, one of the main elements that should become an internal incentive for producers to further develop inclusive agrarian business in Ukraine, is the defined system of standardization and certification of organic produce. The combination of all components of ecologically-oriented agricultural production management should be provided within the framework of a single institutional mechanism that supports the development of inclusive agrarian business and contributes to the realization of the interests of participants in public agricultural production.

Studies of the current state of development of the Ukrainian organic produce market have shown that the total volume of organic production remains small (1% of farmland). At the same time, organic production in Ukraine has a significant potential for further development and prospects for entering the European food market. Even today, Ukraine is one of the five key partners of EU countries in terms of organic food supply. The most attractive for the European market today are such environmentally-friendly types of Ukrainian agricultural produce as oilseeds (except soybeans), grains, fruits. To realize the prospects for the development of export agro-ecological potential, strategic guidelines for the development of Ukrainian organic production have been proposed. Organic farming and animal husbandry, creation of inclusive food value chains, use of organic agricultural material – these have been identified among the most promising types of ecologically-oriented inclusive agrarian business in Ukraine. The prospects for further scientific research in this area are the development of models of inclusive agrarian business in the spatial and economic conditions of individual administrative units of rural areas.

CONFLICT OF INTEREST

The authors declare no conflicts of interest.

ACKNOWLEDGEMENT

None.

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Еколого-орієнтоване сільське господарство як драйвер розвитку інклюзивного агробізнесу

Анотація. Актуальність дослідження зумовлена необхідністю забезпечення продовольчої безпеки, яка призвела до пошуку нових моделей і форм розвитку сільського господарства. Серед таких форм особливе місце займають інклюзивні моделі аграрного бізнесу, які сьогодні визнані спроможними до вирішення проблем бідності, нерівності та подолання голоду. Мета дослідження полягала в обґрунтуванні механізму управління еколого-орієнтованим аграрним бізнесом, як одного з драйверів інклюзивності, та напрямів подальшого розвитку органічного аграрного виробництва. При написанні статті було використано методи наукового пізнання: монографічний, аналіз і синтез, системний підхід, порівняння, науково-абстрактної систематизації і конкретизації. За результатами дослідження виявлено ключові тренди і драйвери розвитку сільського господарства. Досліджено сукупність основних форм організації інклюзивного аграрного бізнесу. Обґрунтована рівнева система стандартів продукції, робіт і послуг для галузі. Запропонована авторська модель інституційного механізму управління еколого-орієнтованим аграрним виробництвом, ключовими елементами якого є сертифікація і стандартизація органічної продукції. Досліджено сучасний стан розвитку органічного виробництва, проаналізована структура експорту органічної продукції. Визначено, що українське органічне сільське господарство має значний потенціал його майбутнього розвитку та є важливим для європейського ринку продовольства. Обґрунтовано перспективні орієнтири подальшого розвитку органічного виробництва у розрізі видів еколого-орієнтованих видів аграрного бізнесу. Результати дослідження можуть бути використані усіма аграрними підприємствами, які здійснюють пошук нових підходів до управління та прагнуть до підвищення конкурентоспроможності аграрної продукції у сучасних умовах переходу до концепції сталого розвитку

Ключові слова: аграрний бізнес; органічне виробництво; сертифікація; агровиробники; механізм управління

ECONOMICS OF DEVELOPMENT
Journal homepage: https://ecdev.com.ua/
Vol. 22, No. 1
2023

UDC 332.146.2
DOI: 10.57111/econ/1.2023.31

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Scientific-theoretical basis of the territorial development strategy

Abstract. The scientific research relevance is determined by the need to substantiate the scientific and theoretical basis for the planning, development, and implementation of the tasks of the territorial community development strategy, considering the current conditions of the country's development. The purpose of the paper was to analyze the theoretical basis of the concept, content, and principles of territorial community development and to provide suggestions on the main directions that should be the basis for the development strategy task. The methodological approach is based on the dialectical cognition method, systematic approach, theoretical generalization method. As a result of the research, normative legal acts, theoretical foundations of regional policy and practical approaches to the development of the territorial development strategy were summarized. The concepts of "territory" and "territorial development" were determined by studying different scientific points of view on these definitions; the problems of territorial communities' development as components in the formation of the development strategy were identified as a whole; the basic principles and objectives of the development strategy were summarized. The main results obtained in the framework of this work should be considered as the definition of the main principles and directions of forming the tasks of the territorial development strategy, which considers the problems existing in the territorial community and are aimed at ensuring the restoration of the development of territories in the post-war period. The results of the scientific work, as well as the conclusions formulated on their basis, are of practical value and can be applied by local authorities during the planning of development strategy tasks and assessment of the region's capabilities to increase productive forces, as well as by entrepreneurs who direct their activities to improve the well-being of the population of a certain territory

Keywords: community; partnership; population wellbeing; goal achievement; potential opportunities

Article's History: Received: 05/12/2022; Revised: 15/02/2023; Accepted: 10/03/2023

INTRODUCTION

The decentralization reform, launched in Ukraine in 2014, provided for the empowerment of local authorities to create an adequate standard of living for territorial communities. The problem of uneven economic development of territories remains relevant today and is exacerbated by the intensification of hostilities in certain regions in February 2022, the suspension of production, growing unemployment, etc. Local authorities are faced with the issue of finding ways to develop communities, considering the existing problems for this territory. Strategic planning is a necessary tool for the territorial community to achieve a sufficient level of development. Thus, the purpose of the work

Suggested Citation:
Gavkalova, N., & Kyrychenko, Yu. (2023). Scientific-theoretical basis of the territorial development strategy. *Economics of Development,* 22(1), 31-37.
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was to analyze the theoretical foundations of the essence, content and principles of development of territorial communities and to provide proposals for the main directions that should be the basis for the development of development strategy tasks.

Each territorial community should form a development strategy according to its potential. Implementation of the development strategy is the basis for the development of modern local self-government models, as well as the improvement of its legal and organizational support. The study of this problem involves different approaches, but the single goal is to contribute to the improvement of the well-being of the region.

The concept of regional sustainable development was formulated by the Turkish scientist S. Hopoğlu (2020), who stated that the regional level is important for achieving the goals of sustainable development and means the continuation of economic growth without excessive use of natural resources. Effective regional development planning can harmonize the interests of the regional community and economy and contribute to the achievement of global goals.

The issue analysis includes different approaches, but the only goal is to contribute to the improvement of the region's well-being. Thus, the Chinese scientist S. Mao & H. Deng (2022) emphasized the importance of the ecological state of the territories, which is the basis for the prospective development of communities.

The role of reforming local authorities in the development of territories in the example of Greece was shown in the work of the Greek researcher M. Patynska-Popeta & T. Zinchuk (2022), who emphasized that any obstacles that may affect the effectiveness of management methods can be eliminated through proper decision-making, proper allocation of resources and participation of management at the local government level.

The development of partnerships between regions has been studied by many scientists. As such, the English researcher R. McQuaid (1998) contributed greatly to the study of the partnership institute. The author argued that partnership is widespread support of partners, as they can allow the other to benefit from cooperation and at the same time maintain their autonomy. However, the scientist emphasized the insufficient development of the theoretical basis of these views.

The most important task for further regional development, as noted by the Chinese scientist A. Kliuchnyk *et al.* (2023), is to promote coordinated and qualitative regional development and to create a new model that will promote such development in terms of quality, efficiency, equity, and sustainability.

At the same time, the E. Medeiros (2022) presented a theoretical justification of the differences between the main theories of regional development, as they are based on the concept of territorial development, not economics.

Despite significant scientific gains, the issues of developing a territorial development strategy remain controversial and require additional study and theoretical substantiation. The main purpose of the scientific work was to analyze the theoretical foundations of ensuring the territorial communities' development to provide basic principles definition suggestions and directions of the strategy objectives formulation, which will be effective in the current economic conditions and will further ensure the restoration of infrastructure and well-being of the population of the regions in the post-war period.

MATERIALS AND METHODS

The basis of the methodological approach in this work was a combination of the dialectical cognition method, systematic approach, graphical method, and method of theoretical generalization.

The scientific research includes the study of the theoretical foundations for planning, formation, and implementation of the territorial development strategy tasks and the development of the principles and directions that should be considered to increase the competitiveness of the region and strengthen its financial independence.

The employment of the dialectical cognition method allowed to study different scientific points of view regarding the approaches to the concept of territorial sustainable development and to reveal and define the notion of the "territory" and "territorial development" terms in the context of the economic potential of territorial communities.

The notion of certain concepts and principles of regional policy is analyzed based on the normative legal acts: the Law of Ukraine "On Local Self-Government in Ukraine" (1997), the Law of Ukraine "On the Principles of State Regional Policy" (2015), and others.

The systematic approach allowed to identify and analyze individual problems that are relevant to modern the development of territories and are integral parts of the areas of territorial development.

The graphical method allowed the classification of areas that need to be considered when formulating the objectives of the development strategy in the context of the basic principles of regional development by displaying them in the form of the scheme.

Using method of theoretical generalization, the approaches to the definition of the territorial development directions, considering their socio-economic problems, are summarized and the principles that should be considered at the stage of planning the tasks of the development strategy are suggested.

Analysis of the territorial development theoretical foundations involves the following basic notion definitions: "territory", "territorial community", "development", "strategy", and "strategy of territorial development", which will become the basis for formulating the basic principles and objectives of the strategy of territorial development in modern conditions.

RESULTS

Territorial development is the basis of the socio-economic growth of the country and is necessary for determining the priorities of further state policy. The concept that should be used for the theoretical foundation is "territory", which is defined in the Dictionary of Foreign Words (n.d.) as the land space occupied by a settlement, enterprise, etc. That is, the population should live and work in a certain territory. Work unites the interests of residents and creates a common goal and vision for future development.

According to the Law of Ukraine "On Local Self-Government in Ukraine" (1997), the term "territorial community" means residents united by permanent residence within

one village or settlement, or city, which is considered an independent administrative-territorial unit. The concept of "territory of the territorial community" is also given as an indissoluble territory within which the community exercises its powers to resolve local issues.

Thus, according to the definition of the territory and the territorial community, their main content and purpose are clear, namely, the inhabitants of a certain territory that are interested in improving the conditions for their existence, have a common vision of the existing problems and direct their efforts to solve them and improve their living standards.

Economic development is important for every community. During the analysis of the territorial development theoretical foundations, it is necessary to emphasize its difference from economic growth, as the latter involves mainly an increase in quantitative indicators of production, productivity, wages, etc.

Thus, the "territorial development" concept can be formulated as a joint activity of enterprises, local governments, and other stakeholders in a certain territory, aimed at the efficient use of economic resources of the territorial community.

The authorities are responsible for the residents of a certain territory and should strive to create a comfortable and safe environment for living, as well as to provide equal access to quality services in the field of education, health care, etc. for all residents of the community. This goal can be achieved through strategic planning.

In the modern sense, the word "strategy" means a detailed comprehensive integrated plan that can ensure the implementation of a specific mission of the organization and the achievement of goals (Mescon *et al*., 1988).

Theoretical and practical approaches to the development of territorial development strategy are regulated both at the international level and in Ukraine at the regional level.

The United Nations Summit on Sustainable Development in 2015 adopted the document "Transforming our world: the 2030 Agenda for Sustainable Development", which approved 17 Sustainable Development Goals (Goals of sustainable…, 2019). In turn, the President of Ukraine, by issuing a Decree of 30.09.2019 "On the Sustainable Development Goals of Ukraine for the period up to 2030", supported the direction to ensure the achievement of sustainable development goals, considering its specifics for Ukraine (Goals of sustainable…, 2019). Territorial community development strategies are developed based on the Laws of Ukraine "On Local Self-Government in Ukraine" (1997), "On the Principles of State Regional Policy" (2015), and other documents.

Under the Law of Ukraine "On the Principles of the State Regional Policy" (2015), village, settlement, and city councils must approve strategies for the development of their territorial communities (hereinafter referred to as the Strategy) to elaborate a development plan for their territorial communities.

The Ministry of Communities and Territories Development of Ukraine has developed and approved the Methodological Recommendations (2021), which define the Strategy as a document of strategic planning of the state regional policy, which for a long-term period (7 years) sets strategic and operational goals and objectives that should form the basis of sustainable socio-economic development of the territorial community.

The provisions of the Law of Ukraine "On the Principles of the State Regional Policy" (2015) define the principles of the state regional policy, among which the most important for the development of the Strategy are the principles:

1) legality, i.e., the procedure for approval and implementation of the Strategy's tasks must comply with the Constitution of Ukraine and other laws;

2) cooperation – cooperation between the authorities for joint participation in the implementation of the goals and objectives of the Strategy;

3) openness and transparency – free access to information on the tasks of the Strategy and the results of their implementation;

4) subsidiarity – the implementation of the powers of local authorities at lower levels of government to improve the efficiency of their results;

5) ethnocultural development – aiming at the revival of ethnic consciousness, preservation of the spiritual and material culture of the population, cultural peculiarities of each territorial community;

6) sustainable development – the formation of goals for the development of society to meet the needs of the present generation, taking into account the interests of the future;

7) equality – ensuring equal rights and opportunities for community residents regardless of age, gender and status;

8) inclusiveness – taking into account the interests of persons with special needs;

9) effectiveness – formulation of goals and objectives, the results of which are measurable and allow for an analysis of the effectiveness of their implementation;

10) competitiveness – identification of tasks that allow finding potential opportunities in the community that other communities do not have.

The modern development of the country has its peculiarities, territorial communities face certain difficulties and new challenges that need to be considered when developing strategies.

One of the problems is environmental pollution mainly due to the lack of waste recycling facilities. According to the Global, Regional, and Country Analysis (2019), Ukraine ranks fourth among European countries in terms of the number of deaths caused by environmental pollution. This issue deserves attention and should be addressed during the development of the goals and objectives of the Strategy.

During the period until the beginning of 2022, annual energy losses in Ukraine were up to 44% due to outdated equipment (Global, Regional…, 2019). Today, given the significant damage to infrastructure because of hostilities, it is necessary to identify areas for the restoration of heat supply networks in individual communities and the development of measures for the efficiency of energy production and use.

Moreover, russia's military aggression against Ukraine caused internal relocation of the population from one part of the country to other safer regions, which led to negative consequences for the infrastructure of those regions. This has led to the search for ways to facilitate the integration of internally displaced persons and the need to implement measures to improve the level of Ukrainian language proficiency, and revival of cultural and spiritual values of Ukrainian society.

Territorial communities compete because of their capabilities and resources: natural, human, production, etc. The availability of these resources attracts the attention of investors who invest in the further development of the territory. However, over time, competition has been replaced by a new form of relations necessary for community development – partnership. The quality of life of the residents of the territory, where the authorities and business work in partnership, becomes competitive. The main principles on which partnership should be based are communication, support, mutual respect, and trust.

The development of goals and objectives also requires the establishment of measurable indicators to assess the effectiveness of these tasks.

Based on the above-mentioned problems that currently exist in territorial communities and become an obstacle to their development, the main directions for the goals and objectives of the Strategy can be formulated by the principles (Fig. 1).

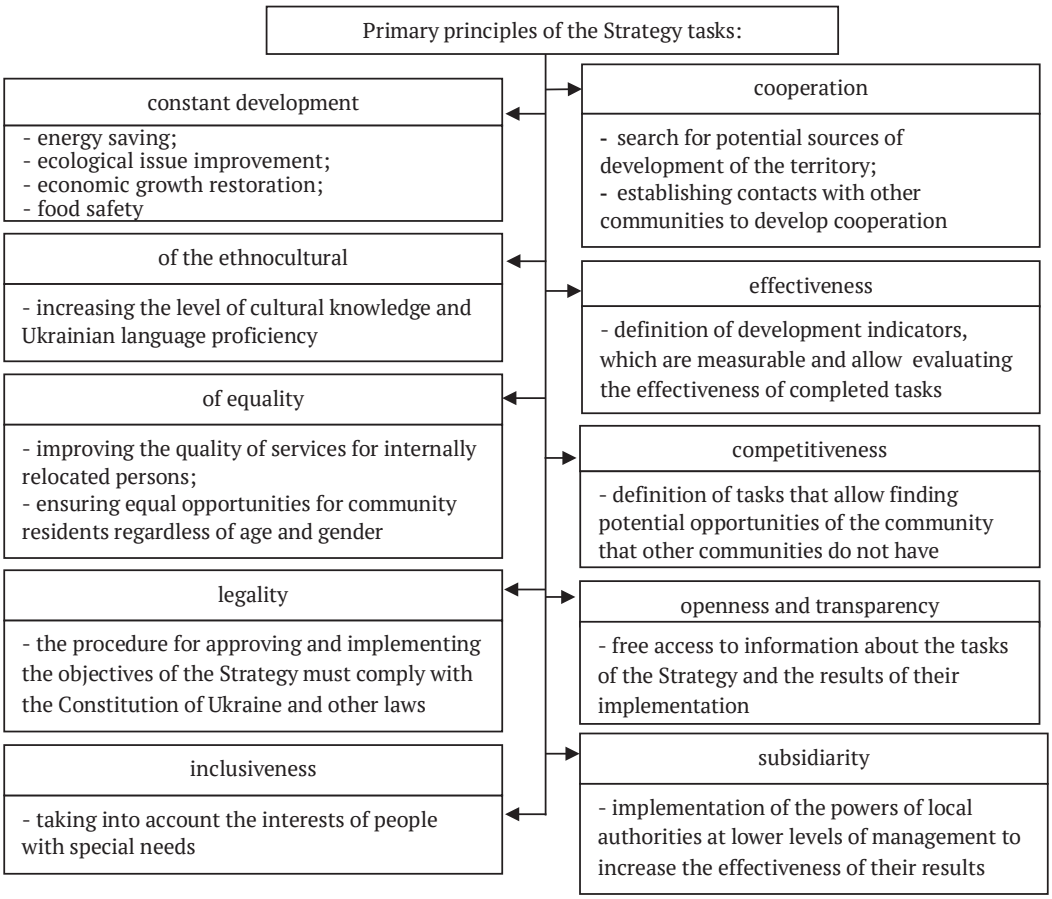

Figure 1. Correlation of the principles and directions, which should be formed for the Strategy tasks
Source: compiled by the authors based on the data (Law of Ukraine..., 2015)

The principles outlined in Figure 1 are important for the successful development of a territorial community, especially in the development of the Strategy for the Recovery of Ukraine's Territories in the post-war period. Partnership development should take into account potential opportunities and resources that the community possesses but does not use to improve the well-being of the population.

As such, the study of the territorial development strategy theoretical foundations allowed us to determine the concept of "territorial development" and to define the main principles and directions of the Strategy objectives formation, which can consider the existing problems in the territorial community, to use its potential development opportunities, to strengthen partnerships with other communities, as well as to ensure recovery and sustainable development in the future.

DISCUSSION

Analysis of the strategic development theoretical foundations allows us to define the essentials, principles, and main approaches that should be applied in the development of a plan for further stimulation of economic processes in the territories. The challenging situation caused by the russian armed aggression against Ukraine has led to the decline in the economy and the deterioration in the life of the population. The results obtained during the study suggest that the identified areas of goals and objectives are an improvement of the theoretical basis for the development of the Strategy in comparison with those that were made earlier.

According to the results of the research, the concept of "development of the territory" is substantiated and it is proved that such development is aimed at improving the welfare of the population and the efficiency of the use of economic resources of the territorial community.

The analysis of previous research on this issue shows that the theories on economic development put forward by well-known scientists confirm the point of view presented in this paper. Thus, one of the approaches to economic development is the analysis based on the theory of industrial location, the founder of which is the German economist A. Weber (1929). This theory provides for the optimal location of industry, which minimizes transportation costs for raw materials and finished products.

The approach to territorial economic development is revealed in the theory of urban agglomeration put forward by the American scientist H. Richardson (1973), who emphasizes that the main factor of growth and development is the concentration of production activities in large industrial regions. The key role of development belongs to the regional agglomeration economy, which is a stimulator of technological progress and productivity growth (Demko, 1984; Rusak & Palamarchuk, 2020). Authors' research substantiates the importance of developing the Strategy for the further development of territorial communities. At the same time, Croatian scientist M. Tomljanovic (2020), studying the development strategy in the European Union, notes that investing in research and development is a key factor for achieving economic well-being and competitiveness in the modern environment. However, the scientist emphasizes that the effects of the global economic crisis have slowed down the increase in regional productivity.

The analysis of the current economic problems of the country, as well as by individual territories, allowed us to identify the areas necessary for the formulation of the goals and objectives of the Strategy. This study suggests that one of these areas should be poverty reduction. Similar studies and conclusions were made by the Canadian scientist C. Ayoo (2022), who notes that the existence of poverty in developing countries is a critical problem that needs to be urgently addressed because of the adverse consequences for human well-being. The scientist proposes to achieve poverty reduction by stimulating economic growth, which will increase incomes and expand opportunities for the poor; reforms that will increase the efficiency of resource use.

One of the main priorities proposed to be included in the objectives of the Strategy is to increase the significance of cultural heritage in the territory. Italian scientists T. Fedorenko (2023) also emphasize the importance of cultural preservation as a socio-economic catalyst and a powerful tool for sustainable development and community recovery. It should be noted that local authorities can contribute to the protection of cultural heritage in Ukraine and use this area to improve social cohesion and intercultural dialogue.

Another aspect that this study suggests to be included in the tasks of the strategy is to increase the competitiveness of the territorial community. The author of the competitiveness theory M. Porter (1996) believed that the basis of the competitiveness of nations and territories is labor productivity. At the same time, the growth of labor productivity is possible by attracting new investments and developing innovative technologies.

Moreover, the concept of regional competitiveness was studied by the Italian scientist M. Grassia *et al*. (2022), showing the patterns that have arisen over the years and are used by different authors. A comparative analysis considering the level of the regional competitiveness index on the example of Poland was carried out by Polish scientist K. Chrobocinska (2021). Fully supporting the author's opinion, it should be noted that the stimulation of regional competitiveness is a rather complex process that leads to the achievement of a competitive position against other regions.

This study proves that partnership is a necessary form of relations between the authorities of different communities to improve the development of territories. The issue of the importance of partnership development was studied by the Ukrainian scientist A. Tkachuk (2019), who rightly emphasized that the partnership of communities will stimulate their socio-economic development in the interests of residents and the whole of Ukraine as a whole.

The study, truly worthy of attention, was carried out by Irish scientist D. Horan (2022), who describes the key decisions for each stage of partnership building: (1) define the scope of the partnership and (2) the main actors involved, (3) assign their responsibilities, (4) choose the best available indicators, (5) assess the challenges and (6) opportunities for expanding the partnership.

It is proved that it is important to analyze the opportunities and existing problems of the community at the stage of planning the tasks and objectives of the Strategy. Indonesian scientist K. Kurniawan (2019) noted that it is advisable to apply SWOT analysis to identify the strengths and weaknesses of the community. It is worth supporting the position of the scientist and noting that such an analysis allows one to understand the current situation and then determine the appropriate strategy for local entrepreneurs.

Authors stated that at the planning stage, the indicators defined in the objectives of the Strategy should be measurable, and the objectives should be result-oriented. This position is supported by the Australian scientist B. Jenkins (2020), who notes that sustainable development requires active participation to achieve target results that allow for assessing the satisfaction of the needs of the residents of the territorial community.

The analysis of the research results of scientists who have studied the theoretical foundations of the territorial development strategy confirms the conclusions and suggestions on this issue. It should be noted that the proposed directions that should be the basis of the Strategy's objectives are aimed at strengthening the financial capabilities of communities and are relevant in the special period in which Ukraine is now. The application of this approach to the development of the Strategy will contribute to the restoration of cultural values and further development of communities in the post-war period.

CONCLUSIONS

The conducted scientific research shows that substantiation of the territories and community development concepts, determination of the principles and directions that should be addressed in the development strategy, allows to better understand the development goals, and choose the right ways of development, considering the needs of each community.

According to the goal set in this work and based on the analysis of the basic concepts of the territorial development strategy and the principles reflected in the legislation of Ukraine, suggestions on the main approaches to the territorial development strategy are formulated. To increase the effectiveness of the results of the implementation of

the development strategy for the population of territorial communities, it is proposed to determine the principles by which to classify important areas for incorporation into the Strategy, in particular: increasing energy saving, improving the environmental situation, ensuring equal rights of community residents, preserving cultural values, increasing the competitiveness of communities, and developing their cooperation. The necessity of analyzing to identify potential opportunities that can improve the economic condition of the territories and stimulate the development of partnerships and attract new investors were substantiated. It is emphasized that at the stage of planning the tasks of the development strategy, it is necessary to provide indicators of the tasks that are measurable and allow for maximizing the results of the implementation of such tasks.

The main directions of further research in this area will be the development of theoretical approaches to prioritizing the tasks of the sustainable development strategy, accounting for the need to reduce poverty, improving the quality of education and health care and rebuilding the infrastructure of the territories damaged because of hostilities, as well as establishing criteria for the effectiveness and efficiency of indicators of the development strategy.

The results obtained during the research and the formulated conclusions are of significant value for local authorities for the development strategy planning and entrepreneurs. The suggestions will contribute to the improvement of scientific approaches to the development of development strategy objectives, considering the principles of efficiency and effectiveness.

CONFLICT OF INTEREST

The authors declare no conflicts of interest.

ACKNOWLEDGEMENT

None.

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Науково-теоретичні засади стратегії територіального розвитку

Анотація. Актуальність наукового дослідження зумовлена необхідністю обґрунтування науково-теоретичних основ щодо планування, розробки та реалізації завдань стратегії розвитку територіальних громад з урахуванням сучасних умов розвитку країни. Вивчення цієї проблеми передбачає різні підходи, але єдиною метою є сприяння покращенню благополуччя регіону. Метою роботи був аналіз теоретичних засад щодо сутності, змісту та принципів розвитку територіальних громад та надання пропозицій щодо основних напрямів, які повинні бути покладені в основу розробки завдань стратегії розвитку. Основу методологічного підходу складає: діалектичний метод пізнання, системний підхід, метод теоретичного узагальнення. В результаті дослідження було узагальнено нормативно-правові акти, теоретичні основи регіональної політики та узагальнено практичні підходи до розробки стратегії розвитку території. Визначено сутність термінів «територія» та «розвиток території» шляхом дослідження різних наукових точок зору щодо цих дефініцій; виокремлено проблеми розвитку територіальних громад, як складових частин при формулюванні напрямів стратегії розвитку, як одного цілого; узагальнено основні принципи та доцільні в теперішнішній час напрями соціально-економічного розвитку територій. Головними результатами, які були отримані в межах цієї праці, слід вважати визначення основних принципів і напрямів формування завдань стратегії розвитку територій, які враховують існуючі у територіальній громаді проблеми та спрямовані на забезпечення відновлення розвитку територій у післявоєнний період. Результати наукової роботи, а також сформульовані на їхній основі висновки, мають практичну значимість і можуть бути застосовані органами місцевої влади під час планування завдань стратегії розвитку та оцінки можливостей регіону до збільшення продуктивних сил, а також підприємцями, які спрямовують свою діяльність на покращення благополуччя населення певної території

Ключові слова: громада; партнерство; благополуччя населення; досягнення цілей; потенційні можливості

ECONOMICS OF DEVELOPMENT
Journal homepage: https://ecdev.com.ua/
Vol. 22, No. 1
2023

UDC 368:336
DOI: 10.57111/econ/1.2023.38

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Analysis of the activity of the insurance company and prospects of its development on the market of insurance services (on the example of PJSC "Insurance Group "TAS")

Abstract. The relevance of the work lies in the need to ensure the effective operation and development of insurance companies on the insurance services market in the conditions of globalization and growing international competition. The purpose of the study was to define the essence and to do the analysis of insurance services for individuals and legal entities as well as the prospects for their development. The study used the method of analysis and synthesis, and the factor analysis of the overall profitability indicators was also carried out. The analysis of insurance services was carried out on the example of the activities of the insurance group "TAS". The main results of the study are presented in the analysis of the financial and economic indicators of the insurance group "TAS". The dynamics of insurance premiums, insurance payments and insurance reserves of the company under study, including those by type of insurance services, are analysed. The analysis proved that the insurance company "TAS" currently holds the leading positions on the Ukrainian insurance market in terms of insurance payments. The factors that positively influence the development of insurance and ensure its constant financing are considered. In order to determine the level of profitability on the insurance services market, the article analyses profitability indicators for the products of the insurance company "TAS" and tracks the impact of changes in the structure and volume of insurance products on these indicators. The article presents the structure of the insurance development cycle, which allows to define the goals of insurance services development and requires an assessment of the company's capabilities for their implementation. It is proved that the introduction of new insurance services will allow the insurance company "TAS" to ensure continuous and stable operation on the market. The practical significance of the research lies in the substantiated prospects for the development of insurance company services

Keywords: growth rate; provision of services; assessment of opportunities; dynamics of insurance premiums and payments; financial and economic indicators

Article's History: Received: 22/12/2022; Revised: 30/01/2023; Accepted: 06/03/2023

Suggested Citation:
Litvinova, I., Kozub, V., & Kozub, S. (2023). Analysis of the activity of the insurance company and prospects of its development on the market of insurance services (on the example of PJSC "Insurance Group "TAS"). *Economics of Development,* 22(1), 38-49.
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INTRODUCTION

The analysis of an insurance company work is an important part of the economic operation of the insurance market. As the final stage, it comprehensively covers all the other elements of the work. At the same time, it can be affirmed that the analysis of economic indicators allows for a correct assessment of the company and its divisions, identifies the cause of problems and available reserves, and can significantly improve the level of all economic work, making it a serious stimulus for development on the insurance services market.

The work of Yu.V. Aleskerova & V.O. Rachok (2020) states that the analysis of economic indicators becomes important in market reforms, when approaches to economic management and opportunities for further economic growth arise. Under these conditions, the analysis makes it possible to objectively assess the economic performance of companies and determine their position in the industry, the region and the country. This lays the foundation for the development of a system for analysing insurance companies' activities through insurance premiums, insurance payments, insurance reserves and other indicators.

The economic crisis in Ukraine calls for active analytical work as the analysis of companies' performance can identify and quantify the relationship between a company's productivity and its resources, profits and ownership. The analysis of the performance of economic indicators helps to use various funds economically and wisely.

In the study by O. Vilenchuk *et al.* (2022) it is determined that market relations require a thorough analysis of market conditions in order to define the principles of market mechanisms. In developed countries, this analysis reveals certain objective patterns and allows to plan the number of services based on consumer demand, which leads to a change in the positioning of services and then demand.

It should be added that the analysis of insurance companies requires both qualitative and quantitative assessment. The choice of appropriate indicators should fully express the nature and prospects of development on the insurance market (Horodnichenko, 2017).

Research on this issue is relevant and appropriate. The main goal of the work of A.P. Ivanova & L.P. Shapoval (2017) is to analyse the company's activities and its stability and protection of consumers from potential risks. Therefore, the use of the results of the analysis of insurance companies' activities as a basis for making promising decisions on further development in the insurance services market is a priority task of the research.

The object of the study is the services provided by an insurance company.

The purpose of this paper is to study the theoretical and methodological aspects of analysing the activities of an insurance company on the insurance services market. This will make it possible to develop recommendations regarding the prospects for the development of insurance companies on the insurance services market.

To achieve this goal, the article sets out and solves the following tasks: to analyse the insurance products of an insurance company; to analyse the use of resources on the insurance services market; to analyse the performance indicators of an insurance company; to substantiate the prospects for the development of insurance company services.

LITERATURE REVIEW

Yu.V. Horodnichenko (2017) examines the state of the insurance market in modern conditions, identifies its main problems and shortcomings and identifies ways to improve and increase the efficiency of the insurance market. He suggests: expanding the catalogue of insurance services, improving the procedure for collecting taxes on insurance activities, improving the procedure for establishing insurance companies, ensuring an optimal structure of relations between compulsory and voluntary insurance, and allowing the insurance market to participate in solving social insurance issues.

Yu.M. Klapkiv (2017), within the framework of the study of the institutional formation of the infrastructural components of the insurance services market, considers the organizational, methodological and legal framework for the formation of the insurance services market, the components of the system and the relationship between them and the financial aspects of the functioning of the institutional mechanism; highlights the importance of innovation and the digital economy for the insurance services market; studies the current realities of the insurance services market; based on the analysis of the transformation of insurance services, a carrier of its modernization is formed.

N. Krasnostanova (2021) study the financial results of insurers, their formation and develop approaches to improving the performance of insurance companies by reducing the cost of insurance services, attracting new policyholders, increasing investment activity, regulating the legislative framework and taking into account foreign experience.

S.V. Kachula *et al.* (2021) analysed the formation of income and how, on the example of JSC "Insurance Group "TAS", the profits of insurance companies are distributed. They offered proposals for their growth in the current conditions in the direction of placement of part of the company's technical reserves on deposit accounts in reliable Ukrainian banks, which will allow to receive investment income and contribute to its further development, as well as to an increase in revenues and profits.

O.V. Korvat & N.K. Mamedov (2019) substantiate the theoretical provisions of insurance companies' revenue management in a rapidly changing market environment and propose the use of methods to eliminate gaps in the management of direct and feedback revenue. It should be noted, therefore, that they demonstrate the strategic importance of introducing digital innovations for revenue management in insurance.

O. Kneisler (2015) explores theoretical and practical methods of forming a system for managing financial flows of insurance companies, describes methods and stages of financial management of insurance companies, identifies problems in the context of financial resource flows and outlines activities to solve them.

Yu.A. Romanovska & Ya.A. Saienko (2018) analyse the main financial indicators of the insurance company "TAS", which determine the ability of the insurer to meet the standards of the European insurance market in order to attract all possible management models for the growth of profit indicators. This allows us to form competitive directions of development.

I.Yu. Rud & K.V. Kondratska (2019) study the theoretical aspects of defining the insurance market and its structure, analyse the state of the insurance market in terms of

insurance premiums and insurance payments, the number of insurance contracts concluded, the volume of revenues and the share of gross insurance premiums, insurance reserves, and insurers' assets in modern conditions, which results in the identification of the main problems of its competitive functioning and ways to improve the efficiency of functioning, the latest service quality standards in the context of using foreign insurance experience and introducing the latest insurance technologies.

O.S. Skrypova (2012), based on the analysis of the state and development of the insurance market of Ukraine, identifies the main problems that need to be solved in the management of insurance companies and the risks that need to be taken into account on the modern insurance market.

The works (Karapiperis *et al.*, 2015; Global insurance telematics..., 2013; Insurance telematics report..., 2014) investigated the auto insurance market, which is in a phase of active growth and is developing most rapidly in Europe and North America, where the vast majority of new auto insurance services are provided, in particular, those using telematics devices to track driving behavior. The research of G.L. Matviienko-Biliaieva *et al*. (2020) is aimed at the problem of reforming the logistics management system by introducing organizational models that maximize profits in the short term and increase capital in the long term.

O. Skydan *et al.* (2023) assess the impact of environmental factors on the logistics activities of enterprises and diagnose a high level of its dependence on these factors, which also significantly affect the state of financial, economic and legal support in market conditions.

D.V. Gubenya & V.A. Chebotaryov (2019), V.M. Yukhumenko (2017), O. Kneysler *et al*. (2019) analyse the state and peculiarities of the national insurance market and identify trends in its development.

Insurance provides reliable protection of the property interests of entrepreneurs and the public against potential risks, in the event of unforeseen circumstances and in order to solve social problems. This suggests that research on the analysis of an insurance company's activities and its development in the insurance services market is appropriate and relevant.

MATERIALS AND METHODS

The study examines the theoretical and methodological foundations of the insurance group's functioning and analyses the activities of the Ukrainian insurance company Pr-JSC "Insurance group "TAS". The analysis was conducted on the basis of the regulatory and legislative acts in force in Ukraine, works of foreign and Ukrainian leading scholars, public and financial information. The stages of the conceptual scheme of the study are shown in Figure 1.

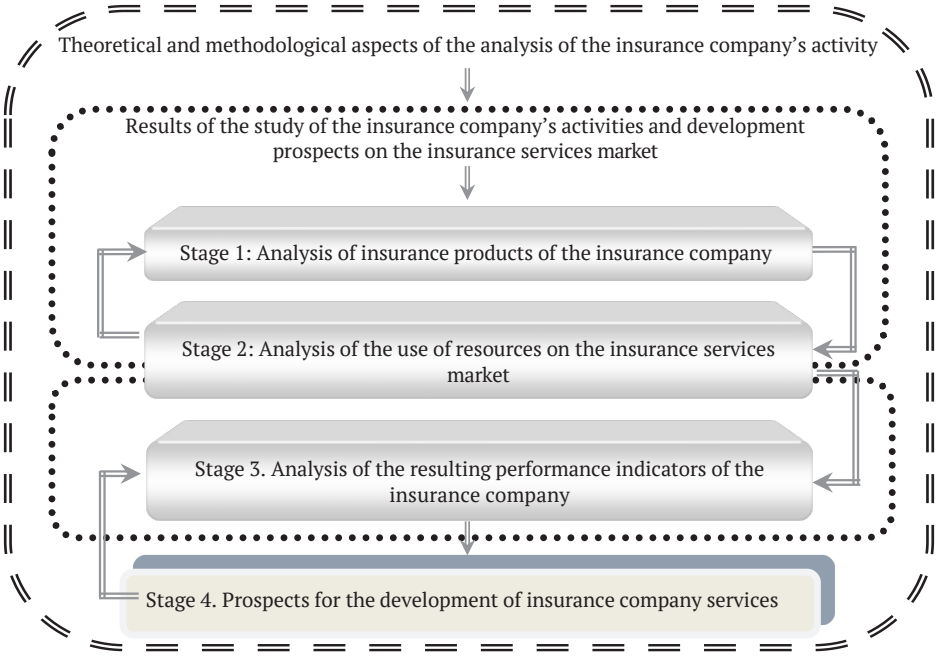

Figure 1. Conceptual scheme for modelling the analysis of insurance company activity and prospects for its development on the insurance market

Source: developed by the authors

At the first stage, the insurance products of the insurance group "TAS" were analysed.

The main insurance products for legal entities and individuals were reviewed. The product forms a comprehensive insurance plan, according to which each client – legal entity or individual – can cover their risks individually or in aggregate.

The second stage involved analysing the use of resources on the insurance market. The following indicators were analysed: insurance premiums, insurance payments, and insurance reserves. It was also analysed the growth rate of the gross amount, the premium for sleeping base and chain substitutions.

The average annual growth rate is calculated by mean geometric or mean arithmetic progression:

$$T = \sqrt[n-1]{T1 \cdot T2 \cdot T3}, \quad (1)$$

where T – growth rate, %; T1 – base year growth rate, %; T2 – last year growth rate, %; T3 – base year growth rate, %.

After that, the article analyses the dynamics of insurance premiums by type of insurance services of the insurance group "TAS" and draws conclusions.

At the third stage, we analysed the performance indicators of the insurance company. The dynamics of the main financial and economic indicators of the company's work were studied, which is important for a comprehensive analysis of the insurance company's activities. In the course of research, the profitability and lucrativeness of insurance products were analysed and the impact of the following factors was identified:

– changes in the structure and scope of insurance products;

– changes in insurance products and other expenses.

To evaluate the profitability of different types of companies, we used general profitability indicators that describe the profitability of insurance products and services. The peculiarity of the listed profitability indicators was that a certain type of profit was used for the calculation for a specific case.

It was conducted a factor analysis using the chain substitution method, in 2020, compared to 2019, and identified the factors that influenced the change:

– profitability of the insurance service;

– sales profitability.

Calculations were made using the formulas (Romanovska & Pokynboroda, 2018):

1) indicator - the profitability of the insurance service was determined:

$$R_{serv} = \frac{\Pi_{act}}{B} \cdot 100\%, \quad (2)$$

where B – insurance company expenses, UAH thou.; Π_{act} – actual profit, UAH thou.

2) indicator – return on sales was determined by:

$$R_{ros} = \frac{\Pi_{net}}{C_{paym}} \cdot 100\%, \quad (3)$$

where C_{paym} – insurance payments, UAH thou.; Π_{net} – net profit, UAH thou.

3) indicator – the return on assets was determined by:

$$R_{act} = \frac{\Pi_{net}}{A} \cdot 100\%, \quad (4)$$

where A – average annual value of assets, UAH thou.

4) indicator– the return on equity was determined by:

$$R_{EC} = \frac{\Pi_{net}}{EC} \cdot 100\%, \quad (5)$$

where EC – equity capital of the insurance company, UAH thou.

The calculation of these profitability indicators was characterized by the fact that in each case a certain type of insurance company profit was used (Romanovska & Pokynboroda, 2018).

At the fourth stage, the prospects for the development of the insurance company's services were determined.

RESULTS

Results of stage 1 – Analysis of insurance products of PrJSC "Insurance Group "TAS". An insurance product is a complex concept that includes not only the formalization of written contractual relations but also:

– concluding insurance contracts, for example, understanding the client's insurance terms and conditions in as much detail as possible and providing them with all the necessary information;

– providing customer support throughout the entire term of the insurance contract. Specialists keep in touch with clients, inform them about current company promotions, provide special bonuses and discounts;

– pre-sales customer service: expert advice, communication with insurance consultants who undergo special training, and information about the company's activities;

– full support (in case of an insured event) and participation in the resolution of the insured event (company representatives visit the scene of the event, assist in the preparation of documents, etc.)

The main insurance products for legal entities and individuals are shown in Figure 2.

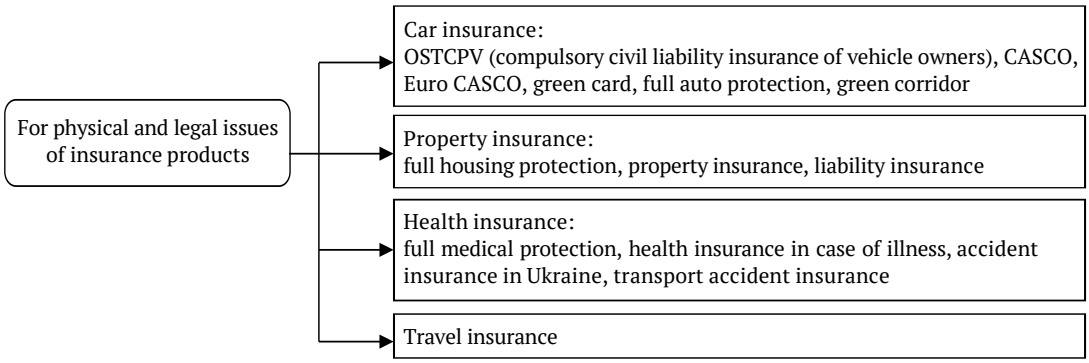

Figure 2. Insurance products for individuals and legal entities
Source: developed by the authors based on (Official website of the Insurance group..., n.d.)

The insurance group "TAS" is a universal insurance company that provides insurance products to consumers and covers all types of voluntary and compulsory insurance.

The product forms a comprehensive insurance plan, according to which each client – legal entity or individual – can cover their risks individually or in aggregate. Insurance, in addition to its main consumer protection function (ensuring financial protection of the insured person against possible damage, property losses and losses), also performs its inherent functions: accumulation, investment and savings.

Results of Stage 2 – Analysis of resource utilization in the insurance market. Every economic phenomenon is determined more by a set of interrelated indicators than by a single indicator. Since a large number of different indicators are used in the analysis, they need to be grouped and systematized. At present, PJSC "Insurance Group "TAS" holds a leading position in the Ukrainian insurance market in terms of insurance payments. The main work of the insurance group is focused on creating high-quality insurance products with competitive advantages for customers.

It is analysed the dynamics of insurance premiums, insurance reserves, insurance payments of PrJSC "Insurance Group "TAS" (Table 1).

Table 1. Analysis of indicators of insurance premiums, insurance payments and insurance reserves of PrJSC "Insurance Group "TAS"

Indicator	2018 year	2019 year	2020 year	Growth rate, %	
				2019/2018	2020/2019
1 Insurance premiums, UAH mln	1387,745	1815,100	2026,920	130.80	111.67
2 Insurance payments, UAH mln	545,449	726,963	887,598	133.27	122.10
3 Insurance reserves, UAH mln	1078,640	1380,602	1614,042	127.99	116.91

Source: developed by the authors based on (Official website of the Insurance Group..., n.d.)

The calculations of the analysis (Table 1) show that in 2020, compared to 2019, insurance premiums of the insurance group "TAS" increased by UAH 211,82 million or 11.67%. In 2019, compared to 2018, they increased by UAH 427,3 million, or 30.8%. In 2020, compared to 2019, insurance payments increased by UAH 160,635 million, or 22.10%, and in 2019, compared to 2018, by UAH 181,5 million, or 33.27%. Insurance reserves increased by UAH 233,44 million or 16.91% in 2020 compared to 2019, and by UAH 301,9 million or 27.99% in 2019 compared to 2018, which had a positive impact on the development of the insurance industry and on ensuring constant funding, even in the event of an economic crisis. To visualize the dynamics of the indicators of PrJSC "Insurance Group "TAS", see Figure 3.

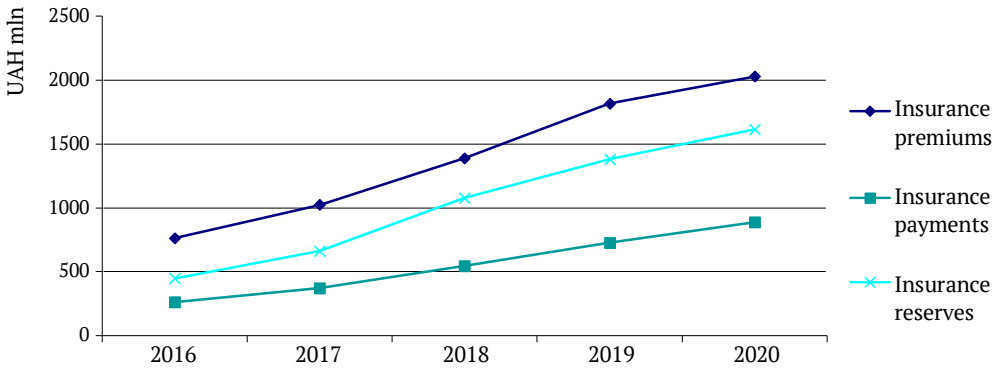

Figure 3. Analysis of the main financial indicators of the insurance group
Source: developed by the authors based on (Official website of the Insurance group..., n.d.)

The results of the analysis of the key financial indicators of the insurance group "TAS" show an increase in insurance premiums, insurance payments and insurance reserves. This indicates the regularity of dissemination of the results of its work, the effective development of insurance products in the insurance services market. The main activity of the insurance company PrJSC "Insurance Group "TAS" is to provide high-quality services that would meet market demand. The growth rate of insurance services directly affects the amount of expenses, profit and profitability. Therefore, in order to analyse the work of an insurance company, it is necessary to study the dynamics of the gross amount, premiums, the results of calculating the basic and chain growth rates and growth (Table 2).

Table 2. Analysis of gross amount, premiums, UAH mln

Year	Insurance premiums	Growth rate, %	
		basic	chain
2018	1387,745	100.00	100.00
2019	1815,100	130.80	130.80
2020	2026,920	146.06	111.67

Source: developed by the authors based on (Official website of the Insurance Group..., n.d.)

The average annual growth rate over the past three years (Table 2) can be calculated using formula (1):

$$T = \sqrt[2-1]{1{,}1167 \cdot 1{,}3080 \cdot 1{,}00} = \sqrt[2]{1{,}46} = 1.21 = 121\%$$

T=121-100=21%

Based on the above calculations, it can be concluded that over the past three years, the average annual growth rate of insurance premiums was 21%.

The analysis of the dynamics of insurance premiums by type of insurance services of the insurance group "TAS" is presented in Table 3.

Table 3. Analysis of insurance premiums and insurance payments by type of insurance services of the Insurance Group "TAS", UAH mln

Indicator	2018 year	2019 year	2020 year	Specific weight, 2020 year	Growth rate, %	
					2019/2018	2020/2019
1 Insurance premiums, incl.	1387,745	1815,100	2026,920	100,00	130.80	111.67
MTPL INSURANCE	481,152	604,504	716,401	35,35	130.80	111.67
Green card	273,007	367,407	267,320	13,19	125.64	118,51
CASCO	255,030	354,352	453,064	22,35	134.58	72.76
Property	39,161	41,400	44,061	2,17	138.95	127.86
Medicine	85,348	127,648	202,246	9,98	105.72	106.43
TTourism	78,953	90,500	84,125	4,15	149.56	158.44
Compliance is different	175,000	229,300	259,703	12,81	114.63	92.96
2 Insurance payments, incl.	545,449	726,963	887,598	100,00	131.03	113.26
MTPL INSURANCE	201,109	284,093	328,964	37,06	133.27	122.10
Green card	127,481	110,303	136,761	15,41	141.26	115.79
CASCO	127,864	192,732	269,489	30,36	86.53	123.99
Property	2,455	4,136	3,656	0,41	150.73	139.83
Medicine	53,583	73,922	113,585	12,80	168.47	88.40
Tourism	17,374	21,278	20,415	2,30	137.96	153.66
Compliance is different	15,583	40,499	14,728	1,66	122.47	95.94

Note: MTPL is compulsory motor third party liability insurance
Source: developed by the authors based on (Official website of the Insurance Group..., n.d.)

The calculations (Table 3) show that the insurance premiums of the insurance group "TAS" have changed as follows:

– for the insurance product MTPL: in 2020, compared to 2019, increased by UAH 111,897 million or 18.51%, and by UAH 235,25 million or 48.89%, compared to 2018;

– for the Green Card insurance product: in 2020, compared to 2019, they decreased by UAH 100,087 million or by 27.24%, compared to 2018 by UAH 5,687 million or by 2.08%;

– for the insurance product CASCO: in 2020, compared to 2019, increased by UAH 98,712 million в or 27.86 %, compared to 2018 by UAH 198,034 million or 77.65 %

– for the insurance product Property (second risks): in 2020 compared to 2019 increased by UAH 2,661 million or 6.43%, compared to 2018 by UAH 4,900 million or 12.51%;

– for the insurance product Health: in 2020, compared to 2019, increased by UAH 74,598 million or 58.44%, compared to 2018 by UAH 116,898 million or 136.96%;

– for the insurance product Tourism: in 2020, compared to 2019, decreased by UAH 6,375 million or 7.04%, but increased by UAH 5,172 million or 6.55%, compared to 2018.

The increase in insurance premiums of the insurance group demonstrates the efficiency of the company's operations.

Analysis of the dynamics of insurance premiums by type of insurance services is shown in Figure 4.

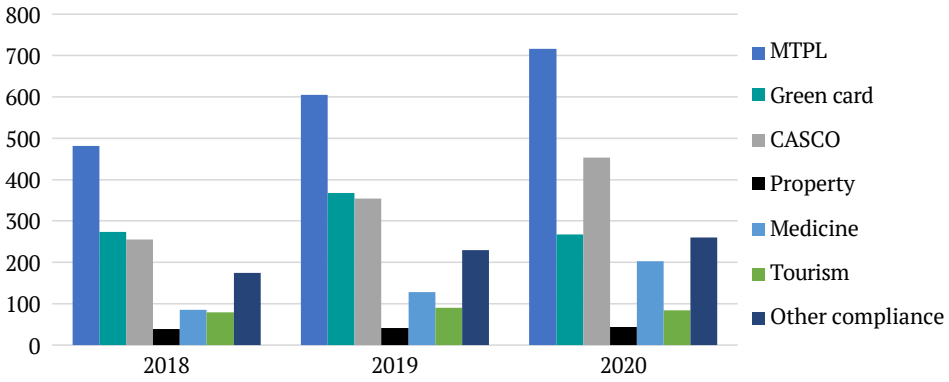

Figure 4. Analysis of the dynamics of insurance premiums by type of insurance services
Source: developed by the authors based on (Official website of the Insurance Group..., n.d.)

The calculations (Table 3) show that insurance payments by the insurance group "TAS" have changed as follows:

– for the insurance product MTPL: in 2020, compared to 2019, increased by UAH 44,871 million or 15.79%, compared to 2018 by UAH 127,855 million or 63.58%;

– for the Green Card insurance product: in 2020, compared to 2019, increased by UAH 26,458 million or 23.99%, compared to 2018 by UAH 9,28 million or 7.28%;

- under CASCO insurance product insurance product: in 2020, compared to 2019, increased by UAH 76,757 million or 39.83%, compared to 2018 by UAH 141,625 million or 110.76%;

– for the insurance product Property (second risks): in 2020, compared to 2019, decreased by UAH 0,48 million or 11.60%, but increased by UAH 1,20 million or 48.92% compared to 2018;

– for the insurance product Health: in 2020 compared to 2019 increased by UAH 39,663 million or 53.66%, compared to 2018 by UAH 60,002 million or 111.98%;

– for the insurance product Tourism: in 2020 compared to 2019 decreased by UAH 0,863 million or 4.06%, compared to 2018 by UAH 3,041 million or 17.50%.

The increase in insurance payments by the insurance group demonstrates the reliability of the company's operations.

The analysis of the dynamics of insurance payments by type of insurance services is shown in Figure 5.

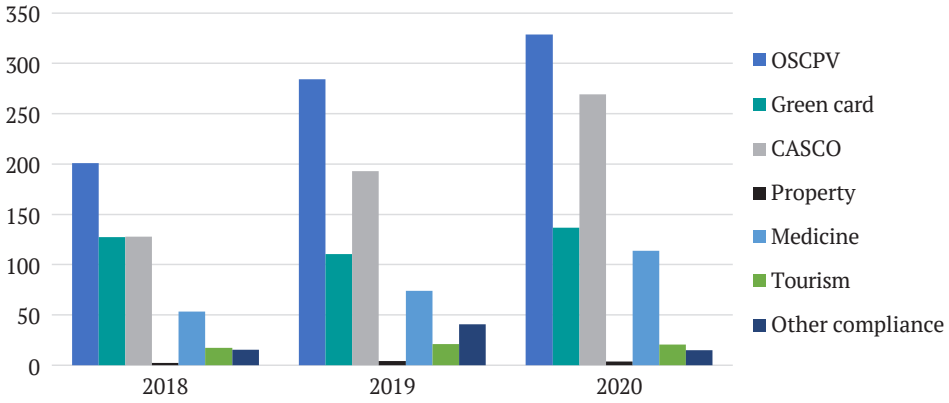

Figure 5. Analysis of the dynamics of insurance payments by type of insurance services
Source: developed by the authors based on (Official website of the Insurance Group..., n.d.)

The analysis of the structure by the share of insurance premiums and insurance payments by type of insurance services of the insurance group "TAS" in 2020 (Table 3) is shown in Figure 6.

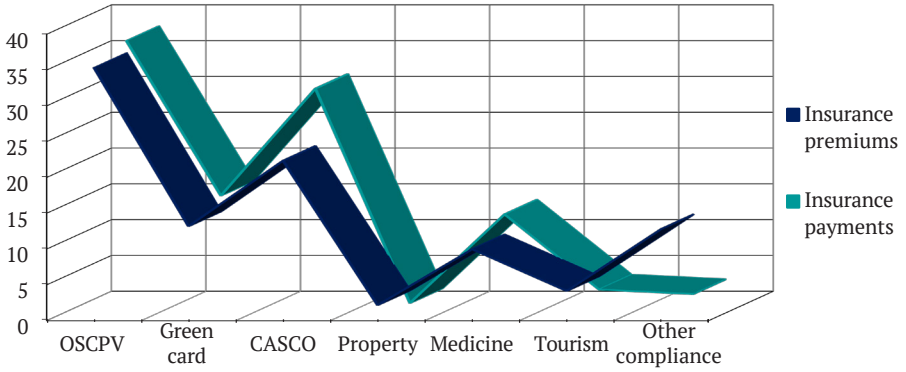

Figure 6. Structure by share of insurance premiums and insurance claims in 2020
Source: developed by the authors based on (Official website of the Insurance Group..., n.d.)

In Table 3 there is the distribution of shares (share weight) of the main insurance products in the portfolio in 2020 (Table 3):

– policies for motor vehicle owners account for the largest share in the portfolio. In terms of insurance premiums, it amounts to 35.35%, and in terms of insurance payments – 37.06% of the total proceeds. In monetary terms, this amounted to UAH 716,401 million and UAH 328,964 million, respectively;

– Green Card policies accounted for almost 13.19% of the portfolio in terms of insurance premiums – UAH 267,320 million, and 15.41% in terms of insurance claims – UAH 136,761 million;

– CASCO insurance policies accounted for 22.35% of the portfolio in terms of insurance premiums and 3.36% in terms of insurance claims;

– for property insurance contracts, customers paid UAH 44,061 million in insurance premiums, which amounted to almost 2.17%, and UAH 3,656 million in insurance claims, which amounted to almost 0.41%, which is the smallest share in the portfolio;

– health insurance brought in UAH 202,246 million in premiums, which amounted to 9.98%, and 12.80% of total revenues;

– tourism accounted for 4.15% or UAH 84,125 million in insurance premiums and 2.30% or UAH 20,415 million in insurance claims.

■ **Results of Stage 3 – Analysis of the insurance company's performance indicators.** Studying the dynamics of the main financial and economic indicators of the company is important for a comprehensive analysis of the insurance company's activities (Table 4).

Table 4. Analysis of the dynamics of financial and economic indicators of the Insurance Group "TAS", UAH mln

Indicator	2018 year	2019 year	2020 year	Growth rate, %	
				2019/2018	2020/2019
1 Insurance premiums	1387,745	1815,100	2026,920	130.80	111.67
2 Insurance payments	545,449	726,963	887,598	133.28	122.10
3 Insurance reserves	1078,700	1380,600	1614,042	127.99	116.91
4 Total cost of insurance services	1131,392	1397,235	1540,999	123.50	110.29
5 Average annual value of assets	1382,087	1856,102	2281,579	134.30	122.92
6 Equity capital	450,470	530,832	653,877	117.84	123.18
7 Gross profit	256,353	417,865	485,921	163.00	116.87
8 Financial result before taxation	41,933	166,568	219,772	397.22	131.94
profit	4,153	108,281	137,012	2607.30	126.53

Source: developed by the authors based on (Official website of the Insurance Group..., n.d.)

Every insurance company needs information about the profitability of its products. Therefore, this indicator is very important for insurance companies and allows them to determine that the products they produce and sell to the public are more profitable and profitable.

The profit margin can be used to calculate the efficiency of a company's management of resources and income, revealing its long-term ability to maintain financial stability.

The given data (Table 4) show that in 2020, compared to 2019, the growth rate of insurance premiums increased and amounted to 111.67%, but it is less than in 2019, compared to 2018 by 18.93%. Insurance payments are increasing in the dynamics, but the growth rate of 2020 to 2019 is 11.18% less than the growth rate of 2019 to 2018. The growth rate of insurance reserves decreased by 11.08%. The total cost of services in 2019 increased by UAH 265,843 million, or 23.50%, compared to 2018. The growth rate was 123.50%. In 2020, compared to 2019, there was also an increase of UAH 143,764 million or 23.50%. The growth rate was 110.29%. The average annual value of assets increased by UAH 899,492 million or 65.08% from 2018 to 2020. Over the same period, equity increased by UAH 203,407 million, or 45.15%. Gross profit in 2019 increased by UAH 161,512 million compared to 2018, with a growth rate of 163.00%. Accordingly, in 2020, compared to 2019, the increase amounted to UAH 68,056 million. The growth rate was 116.87%, but it is 46.13% lower than in 2019-2018. The financial result before tax also increased by UAH 53,204 million and UAH 124,635 million, respectively. Net financial result – profit in 2019 increased by UAH 104,128 million compared to 2018 and by UAH 28,713 million compared to 2020. The growth rate was 126.53%.

These factors have had a positive impact on the development of insurance and on ensuring its continuous financing.

The profitability of insurance products (services) is the ratio of actual profit to the insurance company's expenses. In the general approach, profitability means determining the share of profit in available sources of equity capital by calculating the ratio of book profit to the cost of equity capital.

Regardless of the type and direction of economic activity, the following generalized indicators are used to analyse profitability: product profitability, production profitability, sales (turnover) profitability, assortment profitability, and return on equity. These are profitability indicators:

– on the one hand, they are used to assess the financial performance of insurance companies;

– secondly, these are indicators that characterize the aspect of an insurance company's financial condition.

The profitability indicators for the insurance company's products are presented by formulas (2-5) (Table 5).

Table 5. Analysis of profitability of Insurance Group "TAS", %

Indicator	2018 year	2019 year	2020 year	The ratio of abs (±)	
				2019/2018	2020/2019
Profitability of insurance services	22,66	29,91	31,53	7.25	1.62
2. Return on sales	0,76	14,89	15,44	14.13	0.55
3. Return on assets	0,30	5,83	6,01	5.53	0.18
4. Return on equity	0,92	20,39	20,96	19.47	0.57

Source: developed by the authors based on (Official website of the Insurance Group..., n.d.)

The analysis of the profitability (Table 5) of insurance services of the insurance company "TAS" allows us to note an increase of 1.62% in 2020 compared to 2019, and 7.25% in comparison with 2019 to 2018. The company's return on sales increased by 0.55% and 14.13%, respectively, which shows an increase in the return on investment.

The company's return on assets increased by 0.18% and 5.53%, respectively, as a result of the increase in profit in 2020. The return on equity of the company increased by 0.57% and 19.48%, respectively, which indicates an increase in the return on equity of the insurer.

Using the chain substitution method, the factors that influenced the change in the profitability of insurance services in 2020, compared to 2019, are identified:

the conditional profitability of an insurance service as the ratio of profit for 2020 to the cost of insurance services in 2019 was calculated:

– the increase in profit compared to 2019 leads to an increase in the profitability of the insurance service by:

$$\frac{485{,}921}{1397{,}235} \cdot 100 = 34.78\%.$$

– the influence of factors is determined:

1. the increase in the cost of insurance services leads to reduction in the profitability of insurance services by:

$$34{,}78\text{-}29{,}91=4.87\%;$$

2. the increase in the cost of insurance services causes a decrease in the profitability of the insurance service by:

$$31{,}53\text{-}34{,}78=\text{-}3.25\%.$$

Thus, the overall deviation in the profitability of the insurance service amounted to:

$$4{,}87\text{-}3{,}25=1.62\%,$$

This corresponds to an increase in the profitability of the insurance service.

Using the chain substitution method, the factors that influenced the change in profitability of sales in 2020, compared to 2019, were determined: the conditional profitability of sales was calculated as the ratio of net profit for 2020 to insurance payments in 2019:

$$\frac{137{,}012}{726{,}963} \cdot 100 = 18.85\%;$$

The influence of the factors is determined:

– the increase in profits compared to 2019 leads to an increase in the return on sales by:

$$18{,}85\text{-}14{,}89=3.96\%;$$

– an increase in insurance payments leads to a decrease in profitability of sales by:

$$15{,}44\text{-}18{,}85=\text{-}3.41\%.$$

Thus, the total deviation of the return on sales amounted to:

$$3{,}96\text{-}3{,}41=0.55\%.$$

This corresponds to an increase in sales profitability. This change in the analysed profit and profitability indicators is a positive development in the company's operations.

Results of Stage 4 – Substantiation of the prospects for the development of the insurance company's services. The choice of the direction of development prospects is one of the most important stages of economic decision-making, starting with the management of a business entity, which includes the selection of one of the alternative development options according to whether it meets the optimal criteria. The substantiation of development prospects begins with the structure of development of the insurance company's services (Fig. 7).

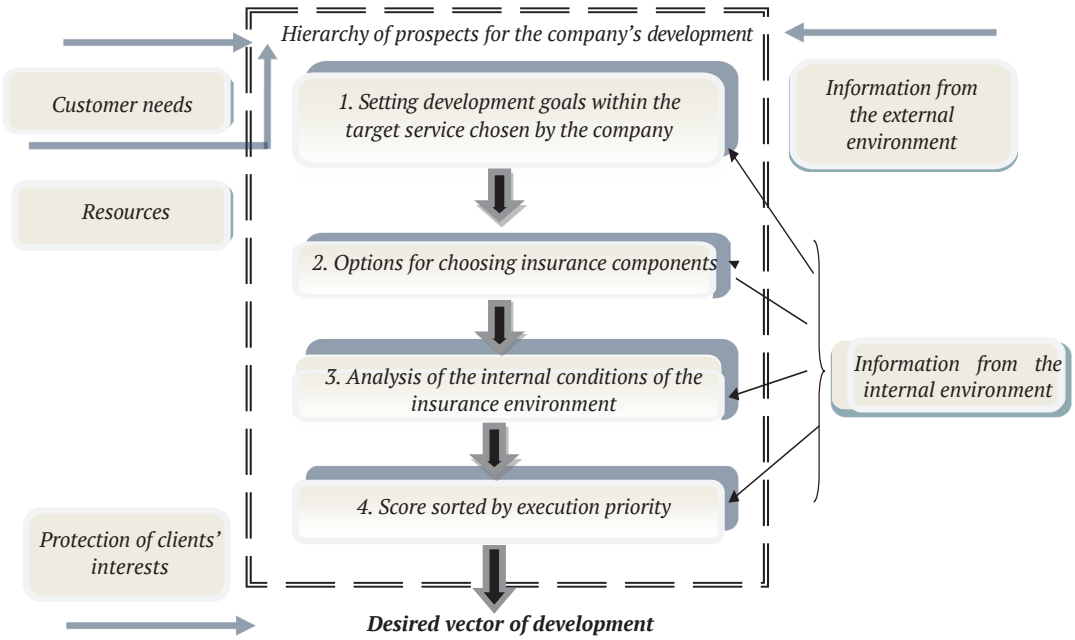

Figure 7. Structure of the insurance development cycle

Source: developed by the authors

The economic nature of management is associated with solving problem situations that may arise as a result of achieving real and desired states. The way to resolve such situations is to develop solutions to eliminate the

difference between them. Therefore, it is important to minimize the difference between the optimal development trajectory and the actual development trajectory, which is aimed at selecting promising services and demonstrating the feasibility of their implementation from an economic point of view, which helps to formulate realistic, clear goals and objectives.

It will be determined the most appropriate services for the company's development.

The study proposes expanding the development directions of the insurance company PJSC "Insurance Iroup "TAS" at the expense of the car insurance market. It is developing, in an active phase of growth and is expected to accelerate over the next few years.

A promising area of development is the use of telematics devices to track driver behaviour. A telematics device is a special device attached to a car that is equipped with an accelerometer and gyroscope. The device reads the controllability from the car's equipment, i.e., data on travel time, the presence of dangerous actions, and shows the average speed. The scoring system converts the data into a secure system that is made available to the insurance company and the insured in a mobile application. The policyholder receives recommendations for improving driving safety, thereby reducing the likelihood of an accident.

This is a very relevant area for commercial fleets. With such device, consumers can pay lower premiums and improve driving quality, while insurers can attract safer, lower-risk drivers. These advantages encourage us to explore changes in the insurance market and quickly expand the plan availability. However, there are currently no results on the impact of this method of car insurance on premiums and claims. But it emphasizes the relevance of further research in the relevant area of auto insurance PrJSC "Insurance Group "TAS" can implement the offer under the "Correct CASCO" contract, which is a unique product that has appeared on the Ukrainian insurance market.

Thus, it can be said that the proposed structure of the insurance development cycle (Fig. 7) is not limited to defining the goals of insurance service development, but it requires an assessment of the companies' capabilities for implementation. It can be seen that the set goals form a means of development that should ensure their realization, but the company can achieve the best results only through the components and elements of the company's internal and external environment.

DISCUSSION

In recent years, the insurance industry has not only managed to survive and maintain its position in the national economy, but also has a steady upward trend. In the insurance market of Ukraine, the insurance group "TAS" held an important position among other insurance companies and had a positive development trend: the company tended to improve its financial performance. The insurance market of Ukraine and the distribution of insurance companies by the main rating indicators were considered by D.V. Gubenya & V.A. Chebotaryov (2019), V.M. Yukhumenko (2017), O. Kneysler *et al*. (2019).

The selection and demonstration of a system of indicators that reflects economic phenomena and processes are an important methodological issue in analysing a company. The result of the analysis depends on the sufficiency and accuracy of the indicator reflecting the nature of the phenomenon under study. For example, I.P. Kosarieva *et al*. (2020) analysed the indicators of the company "TAS" by insurance premiums and insurance reserves. Given that they studied the indicators only for the first 9 months of 2019, the data are the same. The insurance group "TAS" was among the five leading companies in the country.

R.S. Grishko & N.M. Rubtsova (2019) considered an insurance product for individuals and legal entities in the field of auto insurance – CTP (compulsory motor third party liability insurance). The author analysed the dynamics of the main performance indicators in this area, identified problems and proposed measures to address them.

Yu.V. Horodnichenko (2017) calculated the main performance indicators of insurance companies in Ukraine and considered the dependence of development dynamics on the expansion of the list of insurance services, competitiveness, etc.

N. Krasnostanova (2021) studied the essence of the category "financial results of insurers" and the algorithm of their formation. They noted that, based on the financial and economic indicators, the company adhered to the following areas of activity and principles of financial reporting: autonomy, continuity, full coverage, periodicity, consistency, prudence, compliance with reserves and a single currency. As in our study, the dynamics of changes in the structure of revenues was considered, but for 2012-2014.

The authors' proposals for the development of the insurance company's services (Official website of the Insurance..., n.d.) were based on the expediency of diversifying the investment portfolio by increasing the amount of technical reserves invested in bank deposits. In contrast to the above authors, we have proposed prospects for the development of services provided by the insurance company PJSC "Insurance Group "TAS" in the direction of determining the most appropriate services for the development of the company at the expense of the motor insurance market. This is a very relevant area for commercial fleets. But the study has certain limitations. For example, it is very difficult to evaluate the use of telematics devices from an economic point of view.

To summarize, the key to the successful development of the insurance group "TAS" is the continuous improvement of the company's operations, its focus on leading management methods and technologies, as well as the involvement of professional consultants and highly qualified specialists with diverse work experience and in-depth knowledge.

CONCLUSIONS

In accordance with the tasks set, and based on the results of the analysis, the research objective was achieved.

It was analysed insurance products. They were divided into car insurance, property insurance, health insurance, and travel insurance. The insurance group "TAS" provided products covering all types of voluntary and compulsory insurance. The article analyses the use of resources in the insurance market. The dynamics of insurance premiums, insurance payments, and insurance reserves were analysed. The amount of expenses, profit and profitability directly affected the growth rate of insurance services. Therefore, we analysed the gross amount and premiums.

The results show that insurance premiums have been increasing for three years. The average annual growth rate of insurance premiums during the study period was calculated and amounted to 21%.

The structure is analysed by the share of insurance premiums and insurance payments. This made it possible to note that the largest share in the portfolio is occupied by insurance products such as policies for motorists, and the smallest share is occupied by property insurance contracts. The average annual value of assets increased by UAH 899,492 million from 2018 to 2020. Equity capital increased by UAH 203,407 million over the same period. From this we can conclude that the property of the company "TAS", which was financed, has increased. Gross profit in 2019 increased by UAH 161,512 million compared to 2018, with a growth rate of 163.00%. In 2020, compared to 2019, gross profit increased by UAH 68,056 million, with a growth rate of 116.87%. Net financial result – profit during the period under review increased by UAH 132,859 million, and although the growth rate decreased, this indicates an increase in the company's profitability. The analysis of profitability indicators indicates the stable operation and development of the insurance company "TAS". The increase in profit and profitability indicators had a positive impact on the development of insurance services of the analysed company. The research shows that these factors had a positive impact on the development of insurance and ensuring its continuous financing.

Based on the analysis of the insurance products of PrJSC "Insurance Group "TAS", the analysis of the use of resources in the insurance services market, the analysis of the insurance company's performance indicators and the results obtained, the article proposes promising areas for the development of the insurance company's services. Thus, the analysed company, PJSC Insurance Group "TAS", has a reputation of a financially strong company that flawlessly fulfils its obligations in the insurance market, has its own customer base and significant development prospects.

In the future, it is advisable to study the activities of the insurance company to improve driving safety and reduce the likelihood of accidents, as well as to analyse the use of innovation and investment potential.

CONFLICT OF INTEREST

The authors declare no conflicts of interest.

ACKNOWLEDGEMENT

None.

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Аналіз діяльності страхової компанії та перспективи її розвитку на ринку страхових послуг (на прикладі ПрАТ «Страхова група «ТАС»)

Анотація. Актуальність роботи полягає в забезпеченні ефективної діяльності та розвитку страхових компаній на ринку страхових послуг, які відбуваються в умовах глобалізації та зростанні міжнародної конкуренції. Мета дослідження роботи полягала у визначенні сутності та аналізу страхових послуг для фізичних та юридичних осіб та перспектив їх розвитку. В дослідженні було використано метод аналізу та синтезу, проведено факторний аналіз загальних показників рентабельності. Аналіз надання страхових послуг проводився на прикладі діяльності «Страхової групи «ТАС» – універсальної страхової компанії, яка надає споживачам страхові продукти та охоплює усі види добровільного та обов'язкового страхування. Основні результати дослідження представлено аналізом фінансово-економічних показників страхової групи «ТАС». Проаналізовано динаміку страхових премій, страхових виплат, страхових резервів досліджуваної компанії, у тому числі за видами страхових послуг. Аналіз довів, що зараз страхова компанія «ТАС» займає передові позиції на страховому ринку України по рівню страхових виплат. Розглянуто чинники, які позитивно впливають на розвиток страхування та забезпечення його постійного фінансування. З метою визначення рівня прибутковості на ринку страхових послуг проведено аналіз показників рентабельності для продуктів страхової компанії «ТАС» та відстежено вплив на ці показники змін у структурі та обсягах страхових продуктів. Представлено структуру циклу розвитку страхування, яка дозволяє визначити цілі розвитку страхових послуг та потребує оцінки можливостей компанії щодо їх реалізації. Доведено, що впровадження нових страхових послуг дозволить страховій компанії «ТАС» забезпечити безперервну і стабільну роботу на ринку. Практичне значення досліджень полягає в обґрунтовані перспектив розвитку надання послуг страхової компанії

Ключові слова: дослідження; надання послуг; оцінка можливостей; динаміка страхових премій та виплат; фінансово-економічні показники

ECONOMICS OF DEVELOPMENT
Journal homepage: https://ecdev.com.ua/
Vol. 22, No. 1
2023

UDC 339.138
DOI: 10.57111/econ/1.2023.50

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Modern strategy and tactics development algorithm of internet marketing on the B2B market

Abstract. In the modern economy, there are accelerated processes of transformation of business models that support the trends of economic globalization development. The relevance of the study is due to the need to model the marketing activities of enterprises, to follow consistent, both strategic and tactical, steps, especially in the B2B sector that have entered the online market, to improve the marketing performance of the enterprise and effectively achieve its strategic goals. The purpose of the article is to study the peculiarities of Internet marketing in the B2B segment and to determine the main strategic and tactical steps of its implementation. According to the method of scientific abstraction, the dependence between the toolkit for Internet promotion and the effect of its implementation in the activities of enterprises in the B2B sphere was revealed. Also, analysis and synthesis are used as methods of research in which a complex economic process or system is divided into constituent parts, elements, and subsystems, and all of them are studied separately. The work used a synergistic approach in research. The article analyzed the facts and investigated the state of the use of Internet marketing tools in the global B2B market. The result of the work is to propose the design of a modern algorithm for the development of Internet marketing strategies and tactics in the B2B market. These will allow enterprises of the B2B sector to choose efficient modern Internet marketing tools, taking into account their characteristics and the characteristics specifics of customers. The practical value of the algorithm lies in the fact that a logically consistent, connected, and timely set of steps for Internet promotion stimulates sales managers and, accordingly, affects the results of their activities, helps marketing managers and managers to make the company the most competitive and successful in its segment

Keywords: Internet promotion; digital marketing; business-to-business model; organic search; contextual advertising

Article's History: Received: 28/12/2022; Revised: 22/02/2023; Accepted: 02/03/2023

INTRODUCTION

Currently, entering global markets is a key factor in the dynamic development of business-to-business model (B2B) business. At the same time, companies face both the fiercest competition and unattainable opportunities for selling competitive products in the conditions of the domestic market. Due to the insufficient capacity of Ukrainian markets for development, Internet promotion is almost the only lever of economic growth for high-tech Ukrainian companies. Strict conservatism of managers regarding online promotion and "clannism" in external communications lead to a significant reduction in the role of new promotion tools.

At the same time, according to an estimate in 2021 by the McKinsey Global Institute (MGI), in the next 20 years, the number of production operations that can be automated will be about 50%. In terms of scale, this can be compared to the industrial revolution of the 18th and 19th centuries (McKinsey..., n.d.). Thus, Ukrainian companies have a unique opportunity in the ongoing process of digital transformation to realize their potential and take a worthy position on the world market.

The consumer segment (business-to-consumer model (B2C)) is more susceptible to the influence of digital

Suggested Citation:
Boiko, N. (2023). Modern strategy and tactics development algorithm of internet marketing on the B2B market. *Economics of Development,* 22(1), 50-58.
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technologies than the industrial segment (business-to-business model (B2B)). Depending on the situation in the industry, specific measures should be developed, and even the nature of actions on the part of the enterprise. O. Gorb *et al*. (2022) indicates that, for example, for industries that have not yet been fully affected by digitalization, it will be sufficient to use single functionally oriented measures (typical for the oil and gas and chemical industries). When moving to a digital transformation model, enterprises need to, first of all, assess the joint business model, a key element in the value chain, and pay attention to the product development process, the logistics chain, and marketing. V. Nesterenko (2023) argue that the marketing activity of enterprises is also undergoing a series of changes, and the growth and spread of information technologies contribute to the introduction of new tools into the promotion policy.

The organization of the digital marketing system of an industrial enterprise requires a whole series of Internet marketing tools. H. Zanichkovska (2009) proves that the main product promotion tools in the Ukrainian B2B market are professional exhibitions, media advertising, phone calls, e-mails, personal meetings, etc. As a marketing tool actively used in business-to-consumer (B2C), Internet marketing has only started to gain popularity in the B2B sphere. This is because this sector is rather inert, and not eager to accept new technologies. Therefore, research should be aimed at developing an effective mechanism for B2B companies to promote the company and its products through Internet marketing at both a strategic and tactical level. A clearly structured plan of action, a specified set of steps (a modern algorithm) to choose the necessary marketing model, and a strategy for achieving the set strategic goals of the enterprise are significant. It is the strategy that defines the marketing activities necessary to achieve business goals. The tactics is the details of the strategy and are responsible for exactly how this will happen. Ph. Kotler *et al.* (2019) consider that strategies help define long-term goals and how to achieve them, while tactics are the specific actions teams take to implement the initiatives outlined in the strategy. Thanks to a correctly chosen marketing strategy and the ability to distinguish it from tactics, it is possible to solve several issues of a business in the B2B sphere: determines a competitive advantage; determines the distribution of resources; defines long-term perspectives; helps determine long-term goals; determines priority markets, audience and products, brand positioning; determines how to attract the audience with the help of branding; helps build a long-term plan for investments in technology and other considerable investments; helps manage the company's activities (Litovchenko, 2011).

The purpose of the study is to analyze the use of Internet marketing tools in the B2B sphere and determine their considerable impact on the results of the marketing activities of enterprises in the B2B market to form a modern algorithm of actions for choosing the goals of the Internet marketing strategy and tactics.

LITERATURE REVIEW

A sufficient number of scientific and applied works by Ukrainian and foreign scientists and specialists are devoted to the study of the features of Internet marketing. There are many studies of the fundamental aspects of Internet marketing in general and its main tools (Kotler *et al.*, 2019; Long *et al.*, 2007; Dimitko, 2012). Ukrainian and foreign authors (Rodionov, 2022; Rabey, 2019; Chaffey & Ellis-Chadwick, 2019) in their works also discuss the features of Internet marketing in the markets of industrial goods and its differences from business for consumers.

Internet marketing was studied by E.A. Zhuran and O.S. Kolyada (2013). O.Yu. Krasovska (2018) proves that Internet marketing is a modern and powerful communication tool, and nowadays, without using Internet marketing tools, a company is pushing itself to ruin from the use of traditional advertising, as traditional advertising is still very costly. She says that ignoring such a powerful communication channel with users is a gross mistake.

S.O. Rodionov & V.V. Kosharna (2020) talk about the variety of internet marketing tools and how challenging their application is for internet marketers. They argue that each tool should be chosen appropriately considering the service and target audience. T.A. Fateeva (2017) compares B2B and B2C models according to the main criteria to better understand the specifics of Internet marketing tools and provides recommendations for different types of industrial businesses, differentiated by the size of the business and the amount of money available for Internet promotion, according to the use of each tool.

The issues of Internet marketing in the industrial goods markets are discussed in the works of P.A. Bradulov & V.I. Ordinsky (2020). A.S. Komarov (2016) analyzes the reasons for the negative experience of promoting B2B companies through Internet marketing tools, which became very useful for this research because it helped to build a more effective algorithm.

S. Kingsnorth (2022), N.P. Skrygun, S.B. Rozumei and N.O. Molin (2022) studied the factors and processes influencing the definition of the company's strategy. In their works, they investigate modern market trends in forms of communication with target groups of consumers, as well as trends in the development of integrated marketing communications (IMC) in the context of the new commercial reality; it was identified that the proportions of the use of means of communication are changing in favor of digital technologies, and the stages of the process of building the IMC complex, which corresponds to the current stage of development of business processes, were proposed.

An analysis of the literature shows that little attention was paid to the strategy and tactics of B2B Internet marketing, and the details of B2B Internet marketing, especially in current conditions. J.J. Prabhu (2020) considers the traditional calculated planning strategy for marketing projects, which does not always take into account the specifics of each business. A study by G. Gregory *et al.* (2007) develops and tests a theoretical model to determine how e-commerce factors affect the export marketing strategy. Empirical evidence suggests that internal drivers of e-commerce (Internet transfer capability and e-commerce assets) directly increase a firm's promotional agility, improve communication and distribution efficiency, enhance sales support, and enhance the price competitiveness of export enterprises.

There is no shortage of digital marketing resources. However, there is no clear algorithm of actions with which the company will be able to choose the appropriate marketing strategy and apply it in their marketing activities to achieve their strategic goals. It also does not consider that to build a truly effective multi-variant strategy, it is necessary to understand additional tactical tools of Internet marketing.

MATERIALS AND METHODS

The methodological basis of the article's marketing research was made up of general scientific, analytical and prognostic methods and methodological techniques borrowed from other fields of knowledge.

The article proposed methods of meta-analysis according to the Schmidt-Hunter method, which refers to a statistical method of combining data from several types of studies by periods of use of B2B Internet marketing tools by marketers in global practice, which allows you to determine which of them are the most trending, and which the effect they will bring to enterprises of the B2B sector. The methods of absolute and comparative advantages helped to identify and analyze the fundamental difference in determining Internet marketing tactics and strategies in the B2C and B2B sectors, namely, a matrix tool was proposed for choosing a real Internet marketing strategy to achieve specific business goals, and also, developed by the author, an algorithm for a suitable set of steps based on Internet marketing tools and tactics. The method of scientific abstraction revealed the dependence between the tools of Internet promotion and the effect of its implementation in the activities of B2B enterprises. In addition, the analysis was used as a research method in which a complex economic process or system is divided into constituent parts, elements, subsystems, and all of which are studied separately. Synthesis is a research method associated with the combination of separate constituent parts, elements, and subsystems into a single system that is the subject of research. The work also used a synergistic research approach, which emphasizes the differences in the processes of B2B and B2C economic systems; assumes the possibility of the impact of spontaneous changes in the economy on the emergence of crises; takes into account the multiplicity, multi-directionality and different quality of internal and external factors that can affect the economic performance, and also assumes that the same effect in the economic system can be achieved under the influence of different impulses. To choose an Internet marketing strategy, it is proposed to use a matrix tool that allows you to operate with a wide range of strategically significant variables, and also allows you to process a considerable and very diverse statistical material, various raw data characterizing the level, structure, with minimal labor and time costs. But this tool has certain disadvantages – the inability to provide viable recommendations for the specific strategies development and the inability to determine business areas that are ready to become winners due to the differences and peculiarities of enterprises in the B2B segment. For this, in addition to the algorithm for building an Internet marketing strategy and the matrix tool for choosing a strategy, the article proposed the main additional tactical tools and services of Internet marketing in the B2B sphere.

RESULTS AND DISCUSSION

Internet marketing, which is traditionally viewed as a marketing tool in the field of B2C, is beginning to gain a foothold in the industrial products market. As a result, according to a Wpromote (2022) study, nearly half of B2B marketers see social media as their greatest source of revenue, and 52% plan to increase social budgets for online marketing. 67% of best-in-class B2B marketers report being fully prepared for the coming changes, while B2Bs generally lag. Respondents believe that the principal goal of B2B online marketing is to increase the number of quality leads. If it is looked at the tools used by B2B companies, it can be seen that changes are happening very quickly (Table 1).

Table 1. Dynamics of use of B2B Internet-marketing tools by marketers in the world

№	Tool	2020	2021
1	Media advertising	55%	62%
2	Contextual advertising	71%	77%
3	Organic search	91%	94%
4	Social networks	95%	98%
5	E-mails	93%	90%

Source: (Wpromote, 2022; Global e-commerce..., 2022)

It can be concluded that the number of B2B companies that use Internet marketing tools is growing, and the most significant growth is observed in the sphere of media advertising. E-mailing, social media, and regular searches are in the lead. Only this year, social networks used LINDEN via e-mail. At the same time, if it is considered which of these tools generate business revenue, it can be come to the conclusion that although the dynamics is positive for all, the most effective ones are still e-mails, organic search, and contextual advertising (Table 2). As for the content component of Internet marketing, the international practice of B2B Internet marketing is dominated by videos and blogs (Table 3).

Table 2. Dynamics of the share of B2B companies that have tools for Internet Marketing to Generate Income

№	Tool	2020	2021
1	Media advertising	27%	38%
2	Contextual advertising	37%	44%
3	Organic search	44%	52%
4	Social networks	63%	81%
5	E-mails	63%	67%

Source: (Wpromote, 2022)

Table 3. Dynamics of content types offered by B2B marketers in the world

№	Tool	2020	2021
1	Video	82%	91%
2	Blogs	82%	93%
3	White papers	68%	62%
4	Cases	73%	69%
5	Infographics	68%	65%
6	Webinars	60%	55%
7	Mobile app	15%	13%

Source: (Wpromote, 2022)

It is worth noting that the most popular forms of content did not bring the highest revenue, increasing the latter, offering technical documents and webinars. According to the research (Litovchenko, 2011; Zamlynska, 2016), in Ukraine, network marketing is not popular among businesses in the B2B sphere since it is considered an alternative promotional method. As a result of the observations, it can be said that the optimal model is a marketing activity model that includes a combination of online and offline marketing activities. For the B2B sphere particularly essential tool of B2B marketing is search engine optimization **(**SEO) due to its convenience and content (Nesterenko, 2023).

Internet marketing strategy is not the purpose, but the path. Unfortunately, there is no "ready-made example of a marketing strategy" for a specific enterprise, because its choice depends on many factors and aspects both of the enterprise itself, for which this strategy is developed or chosen and the industry as a whole. But the essence of the Internet marketing strategy development, along with adapting it to the needs of one's own business, can be outlined by a specific practical algorithm proposed by the author. In general, implementing Internet marketing at a strategic level in the B2B space consists of the following stages (Fig. 1).

The choice of network marketing tools must consider the specific circumstances of customers in the B2B space, who turn to suppliers often when there are problems with product quality, often skeptical and slow to change their minds, looking for global solutions.

Moreover, effective strategy implementation is impossible with just a standard set of marketing tools. To build a truly effective multivariate strategy, it is necessary to understand additional tactical tools of internet marketing. The world of big data and neural networks requires advertisers to use extra tools to be competitive in the market (Table 4). The more tools are available, mastered, and used in the marketing of B2B enterprises, the more effective and productive the chosen strategy will be. Currently, the main task of a marketer is to collect the necessary array of data and provide them to the algorithms of advertising networks.

Benchmarking methods for B2B companies in the field of Internet marketing include a comparison of the average number of pages viewed on the website, the average time spent on the website, the frequency of failures of the company's website, the visibility of the company's website and other indicators, the number of keywords top 20 links from third-party sources, the number of external pages Serpstat Trust Rank. It is also worth analyzing the global trends in Internet marketing in the B2B space and the practices of leading global companies. It is recommended to analyze the target audience's behavior through surveys and expert interviews (Gorb *et al.*, 2022). The study results (Long *et al.*, 2007) show that B2B customers are sensitive to innovation and seek information about it. Also, It should be paid attention to the trend of a stand-alone search when customers seek to make independent choices based on the analysis of various sources of information before turning to potential sellers. B2B customers are assigned to a reception when they have clear needs and product requirements. Also, if they need to change providers, they are more likely to contact the provider they are receiving from or link premium content.

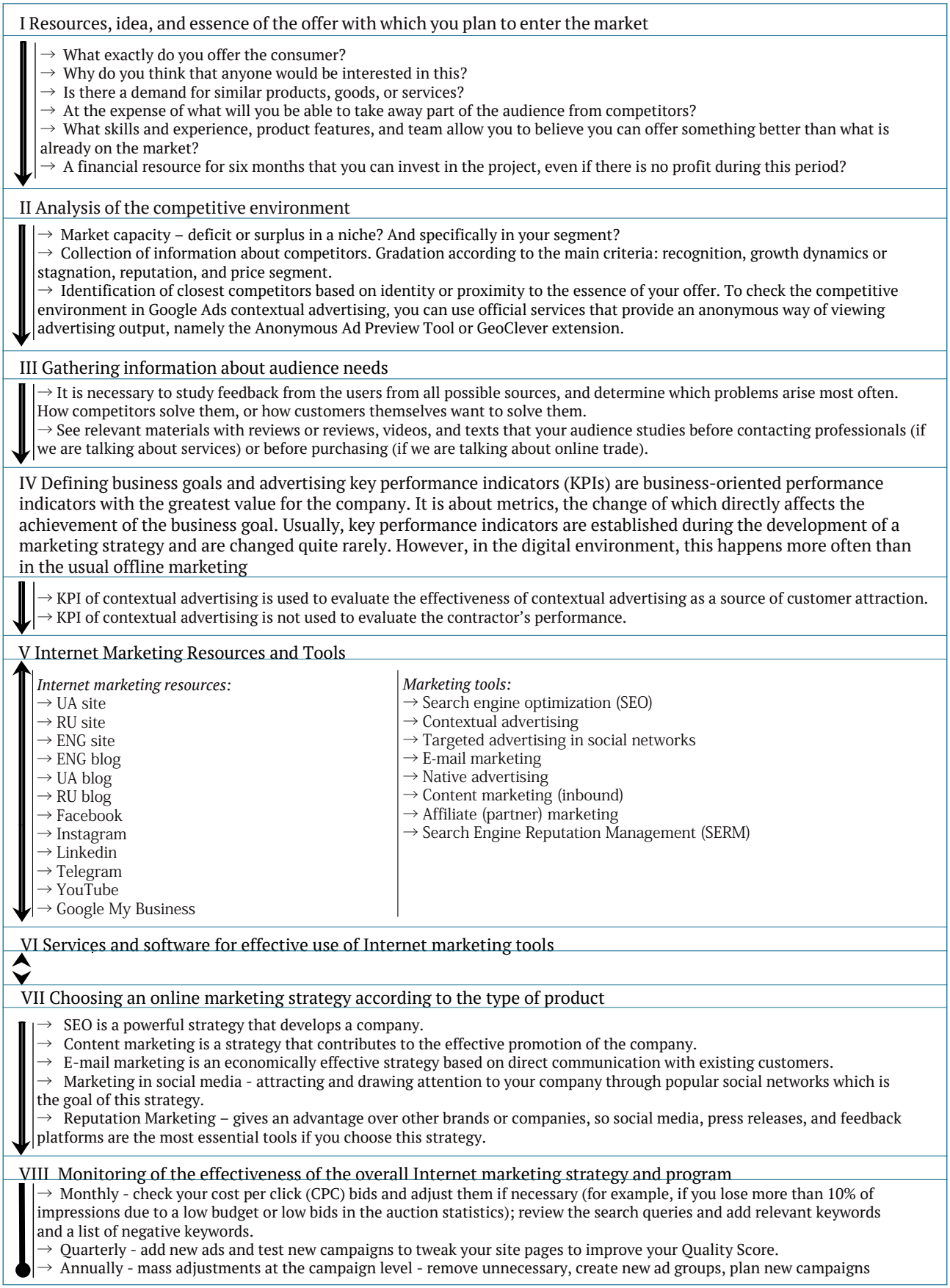

Figure 1. Algorithm for building an Internet marketing strategy

Source: developed by the authors

Table 4. Basic additional tactical tools and services for Internet marketing in the B2B sphere

Name of tactical tools and services for solving target	What tasks and problems are solved
Services for search engine optimization (SEO):	
SE Ranking	Position monitoring, page audit, keyword selection, and clustering
Collaborator	Buying and posting links
Search Console & Google Analytics	Traffic analysis and indexing management
Pagespeed & GTMetrix	To check the speed of page loading and check the level of optimization of technical characteristics
E-mail marketing services:	
Mailerlite or Sendpulse	Collection of e-mail addresses, sending of automatic letters and promotional mailings, transactional and service letters
Services for contextual advertising:	
Google Ads Editor	For working with large advertising accounts
Serpstat	If the is a need to analyze the advertising of competitors or view an advertising auction in an unknown region
Google Trends	To evaluate the dynamics of the popularity of specific services in different regions
Services for advertising in social networks:	
Facebook Ad Library – official service; Bigspy	View competitors' ads
Call tracking services:	
Binotel	An accessible and understandable service that helps with tracking the sources of calls
Ringostat	Call tracking service is developed by internet marketing specialists, so it covers the needs of marketing 100%, but the price is too high, but it is currently the best solution in the segment
End-to-end analytics:	
Ringostat	Accuracy of statistics for solving complex and non-standard tasks

Source: developed by the author

The strategic goals of Internet marketing are subordinate to the marketing goals of the enterprise. To choose an Internet marketing strategy, it is suggested to use a matrix tool (Table 5) (Wpromote, 2022).

Table 5. Matrix tool for choosing the company's B2B internet marketing strategy

	1. Repetitive	2. Not repetitive
A. Strategic	*Characteristics of interaction* Identifying the best value for money. Getting the most favorable terms at the rate. A combination of online and offline communication in the purchase process *Strategy* Product presentation on various B2B trading platforms. *Result* Request for leads	*Characteristics of interaction* Collecting detailed information about the product and suppliers online. The main stages of offline shopping *Strategy* *Creating and distributing* quality content about the product. Promotion company expertise *Result* Request for leads
B. Tactical	*Characteristics of interaction* The buyer will prefer implementation of the main stages of online shopping, in addition to logistics and service *Strategy* Using a combination of strategies A1 and A2. *Result* Request for leads	*Characteristics of interaction* The buyer will prefer making all stages of online shopping *Strategy* Creating a full-fledged Internet site for the principle of online shopping *Result* Purchase made

Source: (Rabey, 2019; Wpromote, 2022)

Firstly, the type of buyer's product is determined – strategic or tactical. Strategic ones are critical to the business of the company's customers – necessary equipment, basic raw materials, and the like. Therefore, tactical products did not play a considerable role in the purchasing business.

Secondly, it is necessary to determine whether the product is recurring, (a repeat purchase or a unique (one-time) purchase). The characteristics of the buyer-seller interaction and the behavior on the Internet (the relationship between online and offline communication) will depend on the category to which the product belongs.

The introduction of Internet marketing in a B2B company must be accompanied by appropriate organizational changes to meet modern requirements to implement these tools. Experts who support the company's Internet marketing function are heads of marketing, product managers, analysts, and other specialists (Kurylo & Kozchenko, 2021).

The role of the head of the marketing department is to coordinate the work of the Internet marketing team and the work of the sales department (Komarov, 2016). Product managers are the carriers of product, customer, and market information. Analysts prepare data for decision-making, analyze customer experience and implement web analytics capabilities. The group initially includes experts in website contextual advertising and search engine optimization. Support functions are performed by copywriters or content managers who prepare articles, news, blogs, and e-mails, designers whose functions include the preparation of visual materials (infographics, videos, corporate identity), and web designers who are responsible for the visual presentation of the website and its availability.

On the whole, Internet marketing and its main tools have been and continue to be researched by Ukrainian and foreign authors. Many authors also raise the issue of Internet marketing in the industrial goods markets (B2B) in their research.

The analysis of the works and studies of various authors on this topic shows that insufficient attention is paid to the problems of Internet marketing strategy and tactics in the B2B segment, and the specifics of Internet marketing in the B2B segment. Understanding the essence of the strategy and tactics of marketing activities of B2B companies on the Internet is considered mainly by marketing theorists (Litovchenko, 2011; Dimitko, 2012; Kosova *et al*., 2022) than by practitioners. There is a problem of insufficient processing of practical issues related to the methodology of choosing a strategy, issues of typology of marketing communication strategies in the network, and features of choosing one or another promotion tool are not covered enough. With the emergence of new communication methods, companies that carry out their activities in the networks, seek to use them without a specific need. For example, running a corporate blog is a very popular tool, but its use should be substantiated by the specifics of the company, the offered goods and services, as well as consumer requests. On the one hand, most often, attempts to master such Internet promotion tools as social networks, corporate blogs, or e-mail distribution harm the image of the company and the products it offers. On the other hand, the Internet as a full-fledged and independent channel of promotion and sales is not utilized actively enough.

As J. Gregory *et al.* (2007) point out, if the company does not have a clear marketing strategy or a set of marketing goals, participation in social networks, blogs, and implementation of other tools, Internet promotion will only be a way to emphasize the lack of advantages compared to competitors. In this case, the company emphasizes that it is engaged in the same field of activity, and carries out the same marketing activities as other companies. It is doomed to compete solely based on price. A similar result will occur in the case of any online marketing tools in the absence of a clear strategy for their implementation, aligned with the general strategy of the company as a whole.

Several authors believe the marketing strategy has no fundamental differences from the traditional (offline) one (Dimitko, 2012; Rodionov & Kosharna, 2020; Komarov, 2016). Many authors reveal the problems of marketing strategies, but most will not take into account the fact that not every chosen path is suitable for every company and client in the same way. Most authors summarize information in their research. It can be concluded that the question regarding the flexibility of actions and the stages of choosing strategies and tactics of the enterprise's marketing activity to achieve the set business goals is studied insufficiently. The ability to flexibly choose between Internet marketing tools is of great significance, as it allows you to align the costs of their implementation with the company's financial capabilities. With all the variety of possible options, the strategy should, firstly, provide an opportunity to recover from competitors at the level of choosing channels and communication methods, secondly, establish a balance in information flows, and thirdly, allow measuring the effectiveness of the performed efforts. The fact that there is a lot of research on specific tools and marketing models is undeniable. But the essence of the process of developing an Internet marketing strategy and its adaptation to the needs of one's own business can be outlined by a specific practical algorithm, according to which the company can consistently, step by step, achieve significant results and become the most competitive and successful in its segment. The practical algorithm of strategy and tactics is insufficiently researched at the current stage. When choosing Internet marketing tools, one should take into account the characteristics of customers in the B2B sector, namely, that they turn to suppliers, as a rule, if there are problems with product quality, often look for global solutions, are skeptical and slowly change their point of view.

In general, the implementation of any chosen strategy involves constant monitoring of the Internet environment regarding the appearance of new means of communication and promotion, and changes in the marketing policy of competitors.

CONCLUSIONS

Based on the research results, it was established that the number of B2B companies using Internet marketing tools is growing dynamically. In Ukraine, digital marketing is not widely used among B2B enterprises and is considered an alternative way of promotion. Therefore, a reasonable optimal model can be implemented as a model of marketing activities that includes online and offline marketing activities. The B2B sector has its peculiarities and difficulties with promotion because the principles and conditions of doing business here are not the same as in the B2C segment. The main disadvantage of working with B2B companies is uncertainty. In addition, B2B marketing trends change very quickly. Because of this, the choice of Internet marketing tools must take into account the specific situation of each client in the B2B sector. For this, it is necessary to correctly and consistently choose the strategy that determines the

marketing activity essential to achieve the business goals set by the company. The tactics is the details of the strategy and how exactly this will happen. The essence of the process of developing a strategy and tactics for Internet marketing and their adaptation to the needs of their own business can be outlined by a specific practical algorithm proposed in the study, according to which the company can consistently, step by step, achieve significant results and become the most competitive and successful in its segment.

The use of current strategies, and the implementation of appropriate Internet marketing tactics that take into account the features of the virtual environment, will allow you to conduct business more effectively in the B2B sector, knowing and anticipating the needs of customers.

Modern marketing requires data and technology applications to get the most out of the chosen tactics. For this, you should use up-to-date techniques, for example, AB-testing (or split-testing), to get the best results, work on errors, and make corrections. This direction of testing, the peculiarities of its use, and the results that affect marketing activities are promising and must be studied and analyzed in a separate prospective study.

CONFLICT OF INTEREST

The author declares no conflicts of interest.

ACKNOWLEDGEMENT

None.

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Сучасний алгоритм розробки стратегії та тактики інтернет-маркетингу на B2B ринку

Анотація. В сучасній економіці відбуваються прискорені процеси трансформації бізнес-моделей, що підтримують тенденції економічного глобалізаційного розвитку. Актуальність дослідження обумовлена необхідністю моделювання маркетингової діяльності підприємств, дотримання ними послідовних, як стратегічних, так й тактичних, кроків, особливо, у секторі B2B, які вийшли на онлайн-ринок, для покращення маркетингових показників діяльності підприємства та ефективного досягнення його стратегічних цілей. Метою даної статті було вивчення особливостей інтернет-маркетингу в сегменті B2B та визначення основних стратегічних і тактичних кроків його реалізації. За методом наукового абстрагування було виявлено залежність між інструментарієм для інтернет-просування та ефектом від його впровадження у діяльність підприємств сфери B2B. Також поряд з ним було використано аналіз як спосіб дослідження, при якому складний економічний процес або система поділяється на складові частини, елементи, підсистеми і всі вони досліджуються окремо, і синтез. У роботі використано синергетичний підхід у дослідженнях. У статті було проведено аналіз фактів, досліджено стан застосування інструментів інтернет-маркетингу на світовому ринку B2B. Результатом роботи стала пропозиція щодо створення сучасного алгоритму розробки стратегії та тактики інтернет-маркетингу на B2B ринку. Це дозволить підприємствам сектора B2B робити вибір дієвих сучасних інструментів інтернет-маркетингу з урахуванням своїх особливостей та особливостей й специфіки клієнтів. Практична цінність алгоритму полягає у тому, що логічно послідовний, пов'язаний та вчасно використаний, набір кроків для інтернет-просування стимулює менеджерів з продажів та, відповідно, впливає на результати їх діяльності, допомагає управлінцям з маркетингової діяльності та керівникам зробити компанію найбільш конкурентною і успішною у своєму сегменті

Ключові слова: інтернет-просування; цифровий маркетинг; модель бізнес-для-бізнеса; органічний пошук; контекстна реклама

ЕКОНОМІКА РОЗВИТКУ
Міжнародний економічний журнал

Том 22, № 1
2023

Відповідальний редактор:
Г. Івченко

Редагування бібліографічних списків:
Г. Івченко

Комп'ютерна верстка:
О. Глінченко

Підписано до друку 29.03.2023
Формат 60*84/8
Ум. друк. арк. 7
Наклад 50 прим.

Видавництво: Харківський національний економічний університет імені Семена Кузнеця
61166, пров. Інженерний, 1-А, м. Харків, Україна
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ECONOMICS OF DEVELOPMENT
International Economic Journal

Volume 22, No. 1
2023

Managing Editor:
H. Ivchenko

Editing bibliographic lists:
H. Ivchenko

Desktop publishing:
O. Glinchenko

Signed to the print 29.03.2023
Format 60*84/8
Conventional Printed Sheet 7
Circulation 50 copies

Publisher: Simon Kuznets Kharkiv National University of Economics
61166, 1-A Inzhenerny Ln., Kharkiv, Ukraine
E-mail: info@ecdev.com.ua
www: https://ecdev.com.ua/en