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THE CONCEPTUAL APPROACH FOR DETERMINING TOURISM DESTINATION COMPETITIVENESS

Tourism is one of the most important and most rapidly growing economy sectors, which faces the challenges and possibilities of globalization. It is an important factor of economic development that includes competitiveness among regions or particular destinations to attract tourists. Consequently, the ultimate challenge to maintain, protect and strengthen the competitive positions in an increasingly competitive global market is vital for each tourism destination, as the prominence in the sector has risen.

Tourism competitiveness is influenced by a wide set of determinants. The literature on tourism recognizes tourism competitiveness as a relative, multi-dimensional concept, determined by a range of economic, political, ecological, cultural and political variables. A measure of tourism competitiveness that has been commonly used is the WTTC Tourism Competitive Index, is created around eight sub-indexes (See Table 1).

Table 1

Main sub-indexes and components of the WTTC Tourism Competitiveness Index [summarized by author]

Main sub-indexes	Components
Price competitiveness	Hotel prices, indirect taxes, purchasing power parities
Human tourism	Volume and value of inbound and outbound tourism
Infrastructure	Roads, railways, access to safe water for drinking
Environment	Population density, CO ₂ emissions, ratification of international treaties on the environment
Technology	Internet access, telephones, mobile phones
Human resources	Life expectancy, literacy, enrolment rates in education, employment in travel and tourism unemployment, population, gender indicators
Openness	Visa requirements, trade openness, taxes on trade, tourism openness, Human Development Index, personal computers, television, newspapers

As can be seen from Table 1, Tourism Competitive Index focuses on the macroeconomic determinants of competitiveness that sheds information on the competitive strengths and weaknesses of tourist destinations. The identification and evaluation of tourism competitiveness components is a pretty common research problem of many scientific studies and articles dedicated to tourism economics.

Destination competitiveness depends primarily upon the acknowledgement of the impact of global macro-environmental forces and competitive micro-environmental circumstances. At the same time, the potential for any country's tourism industry to develop is also based on its ability to maintain competitive advantage in the delivery of goods and services to visitors. Countries, which are trying to be a popular tourist destination, invest great efforts to achieve competitive advantage and measuring performance against competitors grows in importance as a strategic issue.

Finally, it should be noted that tourism competitiveness has emerged as a main topic in tourism research since the 1990s and over the last decade tourism researchers have developed a theoretical and conceptual framework explaining how a tourism destination manages its competitiveness, which can be evaluated both quantitatively and qualitatively. Obviously, quantitative performance of a destination can be measured by looking at numbers such as annual numbers of tourist arrivals, amount of annual tourism receipts, level of expenditure per tourist and length of overnight stays. In turn, there is also a need to take into account the qualitative patterns of destination competitiveness, as these ultimately drive quantitative performance, for example, socio-economic and socio-demographic profiles of tourists, level of tourist satisfaction, dissatisfaction or complaints, comments of tour operators or other intermediaries, quality of staff working in tourism, quality of facilities and services in tourism.

References

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