ECONOMICS AND BUSINESS ADMINISTRATION (according to the economic activity types)

UDC 336.72

DOI 10.26906/eip.2019.4(75).1856

INTERNET TECHNOLOGY IN TRAVEL COMPANY MANAGEMENT

Mohylova A., **Doctor of Economics, Professor,** Shcherban V., **Dnipro O. Honchar National University**

© Mohylova A., 2019. © Shcherban V., 2019.

Стаття отримана редакцією 22.11.2019 р. The article was received by editorial board on 22.11.2019

Formulation of the problem. The rapid development of tourism in the world, the emergence of an increasing number of such tourism products have led to increased competition, prompting the search for new ways to attract tourists. One of the methods of effective development of the tourism industry is the use of Internet marketing technologies, in particular branding as a process of formation and promotion of the tourism product. Relevance is also determined by the increasing value of the brand in the structure of consumer value, which necessitates an increase in the effectiveness of brand management.

Such an active position of the brand in the modern market, the position of the brand as one of the leading tools of marketing management and development of market relations, creates an objective need to deepen and expand the study of Internet marketing technologies in brand management in the markets.

Analysis of recent researches and publications. The works by Ukrainian and foreign scientists are devoted to theoretical scientific heritage and heritage in matters of theoretical foundations and practical recommendations for brand management: D. Aaker, O. Gromov and others. In particular V. Smilianets, M. Porter, and L. Shulgin investigate the existing features of branding and reveal the main differences in branding strategies. Much attention has been paid to the development of the theory and practice of marketing Internet brand management technologies in Ukraine in the works by L. Zaburanna, I. Melnyk, O. Muzychenko-Kozlovska and others.

Selection previously unresolved parts of a common problem. However, the analysis of literary sources showed the lack of a unified approach to the formation of a complex of Internet marketing technologies for brand management in the tourist market. The problems identified and determined the choice and focus of the research topic.

The purpose of the article. The main purpose of this work is to research the theoretical foundations and to develop on their basis the key practical provisions on the process of forming a complex of marketing Internet technologies for brand management in the tourism market in order to increase the effectiveness of the marketing strategy of the tourism company and ensure its profitability.

The main material. The concept of the brand is fundamental in modern marketing and in many respects crucial for the work of modern companies. If we talk about modern companies, the problem of consumer perception of the product, a qualitative analysis of its properties and characteristics in the process of purchase and consumption are of fundamental nature for the way to promote it, to implement appropriate marketing and production plans and strategies.

The reasons for the change in brand necessity are mainly related to the cycles of economic development, the processes that are taking place in the economy, in particular, with the globalization of business, the expansion of the markets of activity, the concentration of competition, the development of STP [4].

100

Економіка та управління підприємствами

By function, the brand is a multilateral category. In order to fully understand the content of a brand in a changing market economy, it is important to highlight its key functions:

informative is, first and foremost, a differentiation strategy; it is the brand that allows the consumer to clearly understand the main values of the company, to show the consumer information about the exclusivity of goods, tangible and intangible benefits, thereby, positioning a product in a particular market;

prestigious – is the authority of the product, the pledge of quality, customer satisfaction, the image of the company;

economic is the added value of the company and its shares with the help of the brand, excess value in the price of the product, customer satisfaction; a powerful brand is a means of investing in marketing, the payback of which is demand growth, which maximizes scale;

the barrier is the defense against duplication and copying, the improvement of product positions of substitutes, obstacles in the process of competitors entering the market, the formation of emotional and useful motives for repeat purchases and repeat buyers. The very existence of a permanent, tolerant audience is the key to a sustainable strategic development of the company [1, p. 126].

Adherence to the above branding functions allows companies to achieve the following results [2, p. 185]: to maintain the planned sales volumes of goods in a competitive market and to carry out on it a long-term program for the formation and consolidation of the image of the product / service in the clients' minds; ensure profitability growth by improving the range of products or services and knowledge of their common rare qualities, embodied by the collective image; to show in advertisements and companies the culture of the country or region (city) where the service is provided, based on the requirements of the consumers for whom it is intended, as well as the uniqueness of the territory where the service or product is marketed; apply the 3 factors necessary for the message and the advertising audience – the emergence, the realities of the present and the projections for the future; increase in the company's value in the market. In today's realities, it is the brand, being the central object of the marketing strategy that determines the creation of product, price, communication and distribution policies (Fig 1).

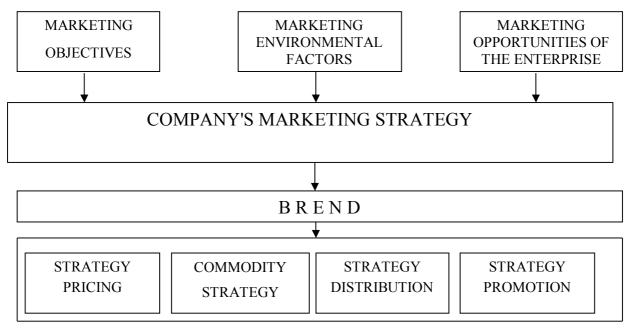


Fig. 1. Brand position in the structure of marketing strategy [4]

The use of the brand in the formation and realization of the company's competitive potential leads to the development of a set of measures aimed at increasing the brand strength, rationalization of expansion of the company's trademarks, the ultimate result of which is maximizing revenues, improving the market position, winning new markets and increasing sales volumes. However, it is extremely wrong to compare the brand itself with the marketing strategy.

In the context of globalization challenges and informatization of society, increasing competition between domestic and foreign manufacturers, one of the important components of adaptation of enterprises to rapid changes in the external environment is the formation and use of strong brands through the process of branding, that is, brand management – brand management.

Economics and business administration

Forming a country's tourism brand Muzychenko-Kozlovska O.V. offers the following algorithm: forming a brand idea; assessment of the tourism potential of the country by such factors as geographical location (natural and anthropogenic resources), tourism infrastructure (accommodation, investment), marketing policy (prices, information support), environmental quality, general image of the country (political situation, economic stability, security)); development of logo, slogan and brand book; analyzing the target audience, brand positioning, developing a brand promotion strategy at national and international levels [3, p. 68].

Latkina S.A. and Tsehelnyk H.V. emphasize that social and entrepreneurial networks contribute to the development of entrepreneurial activity in tourism [5]. The network should become a hub for small tourism businesses. There is no unified form of network and how it can contribute to tourism development. It should help to make the right decisions for entrepreneurs as well as support businesses and shape tourism development.

Let us analyze the tourist market from the point of view of competitive forces (Fig. 2.).

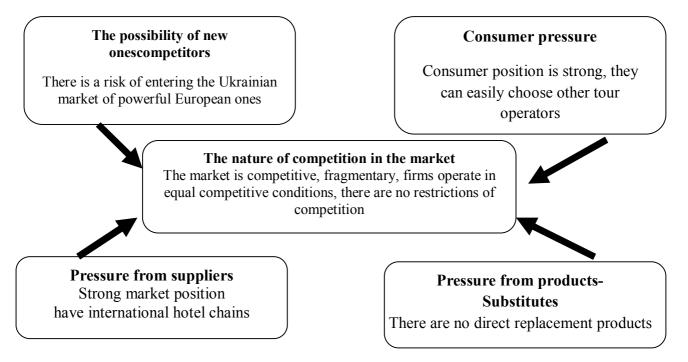


Fig. 2. Model by M. Porter's competitive forces for the tourist services market

- 1. The risk of new competitors. Until recently, the height of barriers to entry into the tourism business was quite low (at least for tour operators and travel agents), which generally made it easier for a large number of new businesses to enter the market. Some restrictions on the possibilities of entry into the tourism industry were introduced with amendments to the Law of Ukraine "On Tourism". Now it is necessary to certify a financial security of 20 thousand euros (this amount acts as a guarantee of compensation to clients in case of bankruptcy or insolvency of a tourist firm). For large tour operators, such as LLC "Ai Travel", the emergence of small firms does not pose a significant threat, since the directions and scope of their activities are limited.
- 2. The nature of competitive rivalry. As for the structure of sectoral competition, the tourist market in Ukraine is very fragmented. At present, there are about 2.5 thousand business entities in the tourism market which, according to the constituent documents, are engaged in tourism activities. There is now a gradual shift from local and regional competition to nationwide competition. Large tour operators are trying to build their own regional sales network, open representative offices in the regional centers of Ukraine, i.e., apply for national status.
- 3. Pressure from consumers. Given the fragmentation of the market, the position of domestic tourists in the market looks quite strong, because they can easily change the seller of tourist products. It is also facilitated by the fact that most small tourist companies offer a standardized offer of tourist products at about the same prices, with almost no differentiation of their tourist product. However, LLC "Ai Travel" offers many additional services to the main tourist product (differentiating it), has a reputation of reliable suppliers

Економіка та управління підприємствами

of high quality tourist products, thereby forming a loyalty to its brand for customers, and the client is ready to pay a higher price for the reliability and quality of the offer of these firms.

- 4. Pressure from suppliers. If we talk about the strength of the positions of domestic hotels, it should be noted that here the tour operators dictate their conditions, since many domestic enterprises of the hotel industry fill most of their number fund through the orders of one tour operator. At the same time, the situation with foreign hotels is fundamentally different. The fact is that foreign hotel companies (now we are talking about those that provide a truly high level of service) are participants in the world tourist market, and Ukrainian tour operators in the struggle for booking places in these hotels are forced to compete with powerful world-class tour operators and make significant concessions to overseas hotel businesses.
- 5. Pressure from substitutes. As for substitute products, it should be noted here that the tourist product as such does not exist. Substitute products are various destinations for tourism.

The next stage of the strategic analysis is to identify the competitive positions of the Dnipro tourism companies on the basis of a map of strategic groups (Fig. 3).

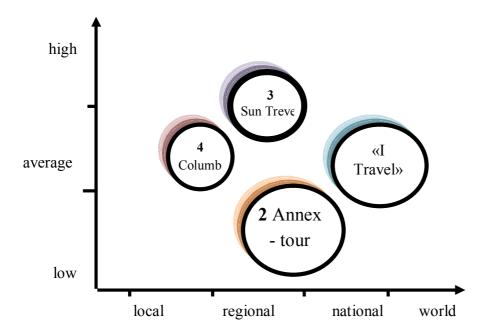


Fig. 3. Map of strategic groups of tourism companies in Dnipro Note: 1 - Ai Travel Agency; 2- Annex-tour; 3- Sun Travel Service; 4 – Columbus

Therefore, the best place in terms of volume is the Annex tour. This is evidenced by the high volume of services provided and a significant share of the market. However, this company has the worst position in terms of quality of service provided. The next place is held by the Ai Travel Agency, which has quickly ranked second in terms of sales in 2018, and the quality level of this company is at an average level.

Sun Travel service occupies the third position in terms of sales volume. However, although the company has a low level of sales, however, in terms of quality, the company occupies a high level. Columbus has the last position at the end of 2018 in terms of sales volume, whereby the company has a higher level of quality than that of "Ai Travel Agency".

Thus, the development of the tourism market is constrained by imperfect, inefficient legislation, opaque, unpredictable and selective rules of state regulation and supervision. The methods used for the financial rehabilitation of companies, the withdrawal from the market of those who are not able to improve their unsatisfactory financial position in the near future are not enough. The market needs for qualified staff, first of all, of travel agents, are not adequately addressed.

Let us analyze the means of the Internet, often used by Ai Travel Agency LLC to promote its services. First, the company has its own Internet site, which lists all the services offered and prices, you can immediately book a ticket to your chosen destination and book a consultation in the telephone mode. Another means of using the Internet, often used by Ai Travel Agency LLC, is e-mail advertising information. A very effective advertising method is to use banner advertising, especially if it is placed on company sites,

Economics and business administration

because there is no additional charge. The use of online advertising platforms is also a very effective method of promoting the products of LLC "Ai Travel". Advertisements are advertised on bulletin boards, such as pokon,ua. This allows you to place a large number of ads for free, about all service groups and customer reviews. Also, these ads are like live messages from real people, not annoying ads. Also, since the company has a large number of portals of tourism-related topics, they are all advertised by the agency of all possible formats. This is a clear plus, since there is no need to spend extra money on advertising – it can be placed for free, the target audience is just right for the company site. Equally effective as a tool for promoting AY Travel Agency is the constant presence in social media, which allows the company to respond promptly to any negative that has appeared, and to establish customer feedback, thereby improving its reputation and products. Usually, all comments in the company are answered within 24 hours: with a positive reaction – gratitude, invitations to friends on Facebook, special offers and more. In response to negative feedback, the following are explanations and solutions to simplify handling of the product, instructions, additional questions about specific claims.

The main problems faced by the executives of "Ai Travel" Agency in their activities while managing marketing communications using the Internet are the problem of incorrect formation of marketing communications goals and the problem of evaluating the effectiveness of communication activities.

The role and place of each marketing communication tool in the formation and development of a brand is determined by the specific goals of brand management, brand development strategies, communication strategy and creative strategy of the company – brand owner.

That is why more effective for the development of LLC "Ai Travel" and increase in sales is the application of a strategy of service development, which involves the introduction of new product lines in the product range or improvement of existing ones in the existing market. For IA Travel LLC, an investment strategy is effective, namely – investing in the development and updating of the product range, bringing to market new tourist destinations that are in demand by consumers. The positions of the enterprise in the market are average, but there is a risk of their weakening due to ignoring the updating of the product range.

Ai Travel LLC can use the Internet for research, information retrieval, forum organizing, training of specialists, conducting business transactions for the purchase and sale of services, constant communication with clients.

Let us summarize the proposed media plan into a general structure (Table 1).

Table 1

The general media plan of the company "Ai Travel" LLC for the next year												
Month Type of advertising	1	2	3	4	5	6	7	8	9	10	11	12
Website optimization and promotion	+	+	+	+	+	+	+	+	+	+	+	+
Advertising of the company on social networks	+	+	+	+	+	+	+	+	+	+	+	+
Google AdWords Advertising	+	+	+	+	+	+	+	+	+	+	+	+

As the table shows, the first two schemes the company is already using in its activities, have added scheme 3, namely advertising in Google AdWords.

The first step is to create an advertising campaign and target your audience. You must select a campaign type to create a new campaign. If you select "Search Network only", your ads will appear on Google's issue page, GoogleMaps, and Google search partner sites. Using the "Display Network only" type, ads will be served on sites that have installed Google ad units, on YouTube videos, on mobile applications and some Google services. In this case, all actions for creating, displaying and tracking contextual advertising will be performed by Trinet. Ai Travel Agency LLC will be a third-party developer to provide monthly reports on the work performed.

104

Економіка та управління підприємствами

Conclusions and suggestions. The brand changes not only under the influence of local conditions, but also under the influence of the time factor. No brand remains the same throughout its existence. Modern business is characterized by a high speed of innovation processes, an increase in the number and variety of services, and a decrease in their life cycles. In these circumstances, companies need new approaches to brand development as products emerge and disappear and brands remain. Branding, as a modern marketing technology for creating and managing a brand, has expanded its reach. To promote the brand of the travel company LLC "Travel Agency" the following means of advertising company were offered: optimization and promotion of the site on the Internet; promotion through social networks; advertising on Google. Further research should be directed towards finding the optimal structure of Internet marketing tools for brand promotion in different market conditions.

REFERENCES:

- 1. Boienko O.Yu. Shaping the Vision of Modern Global Branding: A Conceptual Aspect / O.Yu. Boienko // Economics and Organization of Management, 2016. №3 (23). P. 125-133.
- 2. Kovinko, O.M. Management of brand in the system of management of marketing activity of the enterprise / O.M. Kovinko, D.V. Ohol, N.O. Shevchenko // Global and national problems of economy. -2017. N = 20. -P. 368-372.
- 3. Muzychenko-Kozlovska O.V. Strategy of promotion of the country's tourism brand / O.V. Muzychenko-Kozlovska // Bulletin of the National University "Lviv Polytechnic". Logistics. − 2015. − № 833. − P. 65-72.
- 4. Stebliuk N.F. Strategic Priorities for Forming a Brand-Oriented Management System / N.F. Steblyuk // Mykolaiv V.O. Sukhomlynskyi National University. Issue 12. 2016. P. 146-149
- 5. Tsehelnyk H.V., Latkina S.A. The role of Internet technologies in the marketing strategy of the tourism enterprise. All-Ukrainian scientific and practical conference. [Electronic resource]. Access mode: http://kntu.net.ua/index.php/eng/content/
- 6. Pay Attention to These 6 Marketing Technologies in 2018 [Online resource]. Access mode: https://www.gartner.com/smarterwithgartner/pay-attention-to-these-6-marketing-technologies-in-2018/
- 7. What is a Marketing Technology Stack? Definitions, Stats and Examples. [Electronic resource]. Access mode: https://www.snapapp.com/blog/marketing-technology-stack

UDC 336.72

Могильова А., доктор економічних наук, професор. Щербань В.. Дніпровський національний університет імені О. Гончара. Інтернет технологія в управлінні підприємством. Досліджено теоретико-методичні засади формування Інтернет-технологій в управлінні брендом на прикладі туристичного ринку. Визначено основні функції та риси бренду. Розглянуто місце бренду останнього в структурі маркетингової стратегії компанії. Проаналізовано використання бренду для формування й реалізації конкурентного потенціалу компанії. Досліджено алгоритм формування туристичного бренду. Установлено, що роль і місце кожного із засобів маркетингових комунікацій під час формування та розвитку бренду визначається конкретними цілями бренд-менеджменту. Проаналізовано туристичний ринок з точки зору дії конкурентних сил за методикою М.Портера. Виявлено, що розвиток туристичного ринку стримує недосконале, неефективне законодавство, непрозорі, непередбачувані й вибіркові правила державного регулювання та нагляду. Досліджено механізм управління брендом у маркетинговій діяльності підприємств, зокрема застосування сучасних маркетингових концепцій у бренд-орієнтованому управлінні. Проведено ідентифікацію конкурентних позицій туристичних компаній м. Дніпро на основі карти стратегічних груп. Схарактеризовано основні етапи процесу формування бренду компанії ТОВ «Агенція «Ай Тревел». Проаналізовано маркетингові Інтернет-технології ТОВ «Агенція «Ай Тревел» як засіб управління брендом. Визначено основні проблеми, з якими стикаються керівники ТОВ «Агенція «Ай тревел» у своїй діяльності в процесі управління маркетинговими комунікаціями із застосуванням Інтернету. Наведено маркетингові технології, котрі використовують міжнародні компанії для просування власного бренду. Розроблено медіа-план компанії ТОВ «Агенція «Ай тревел» на наступний рік. Наголошено, що компанія ТОВ «Агенція «Ай тревел» може використовувати Інтернет для досліджень,

Economics and business administration

пошуку інформації, організації форумів, забезпечення підготовки фахівців, проведе здійснення торгових операцій з купівлі та продажу послуг, постійного зв'язку з клієнтами.

Ключові слова: бренд, інтернет-технології, маркетинг, стратегія, менеджмент.

UDC 336.72

Mohylova A., Doctor of Economics, Professor. Shcherban V.. Dnipro O. Honchar National University. Internet technology in travel company management. The theoretical and methodological principles of the formation of Internet technologies in brand management are investigated. The main functions and features of the brand are identified. The place of the brand in the structure of marketing strategy is considered. Types of brand communication strategies are analyzed. The mechanism of brand management in the marketing activity of enterprises is investigated, in particular the application of modern marketing concepts in brandoriented management. The influence of factors on the effectiveness of the brand of the company is determined. The main stages of the process of forming the brand of the company "Ai Agency" are characterized. Marketing Internet technologies of "Ai Travel Agency" LLC as a brand management tool are analyzed. There provided marketing technologies to promote their own brand.

Keywords: brand, Internet technologies, marketing, strategy, management.

UDC 336.72

Могилева А., доктор экономических наук, профессор. Щербань В.. Днепровский национальный университет имени О. Гончара. Интернет технология управлении В предприятием. теоретико-Исследованы методические основы формирования Интернеттехнологий в управлении брендом на примере туристического рынка. Определены основные функции и черты бренда. Рассмотрено место бренда в структуре маркетинговой стратегии компании. Проанализировано использование бренда формирования реализации конкурентного И потенциала компании. Исследован алгоритм формирования туристического бренда. Проанализирован туристический рынок с точки зрения действия конкурентных сил по методике М. Портера. Исследован механизм управления брендом в маркетинговой деятельности предприятий, в частности применения современных маркетинговых концепций в бренд-ориентированном управлении. Проведена идентификация конкурентных позиций туристических компаний г. Днепр на основе карты стратегических групп. Охарактеризованы основные этапы процесса формирования бренда компании ООО «Агентство «Ай Тревел». Проанализированы Интернет-технологии маркетинговые «Агентство «Ай Тревел» как средство управления брендом. Определены основные проблемы, с руководители которыми сталкиваются «Агентство «Ай тревел» в своей деятельности при управлении маркетинговыми коммуникациями с применением Интернета. Приведены маркетинговые технологии, которые используют международные компании для продвижения собственного бренда. Разработан медиаплан компании ООО «Агентство «Ай тревел» на следующий год. Отмечено, что компания ООО «Агентство «Ай тревел» может использовать Интернет для исследований, поиска информации, организации форумов, обеспечения подготовки специалистов, проведения торговых операций по покупке и продаже услуг, постоянной связи с клиентами.

Ключевые слова: бренд, интернеттехнологии, маркетинг, стратегия, менеджмент.

106