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THEORETICAL ASPECTS OF TRAVEL INDUSTRY INVESTMENT SUPPORT IN UKRAINE

The article is concerned with theoretical aspects of investment support for travel industry development in Ukraine; it presents relevant issues regarding the attraction of domestic and foreign investments in travel industry. The article defines the forms and types of investment activity of travelling agencies, and places special emphasis on the characteristic features of the investment activity in travel industry.

Keywords: *investment, investment support, investment activity, tourist sphere, tourist enterprises.*

Relevance of research topic. The issue of investment support for the development of travel industry in Ukraine is becoming more and more pressing. First, this is evidenced by the increasing role of travel industry in the national economy of the states; a considerable part of this sector in the GDP of the countries, besides 60% of the total labour force in the world is engaged with travel industry. Travel industry expands the balance of international payments, develops the fields of the world economy, related to travel industry: production of goods, trade, construction, transport, insurance and others. Making investments in this sector is a key issue for the development of travel industry and the economy as a whole.

Formulation of the problem.

Ukraine is one of the European countries that has potential opportunities for the development of travel industry. The development of this sector requires financing and investment. The issue of investment support for travel industry in Ukraine remains strategically important, since it depends on social and economic development, the efficiency of involvement into the international division of labour and the possibility to modernize the national economy.

Analysis of recent researches and publications.

Such foreign and domestic scientists as V. Bocharov, A. Kovalova, Y. Kulichenko, O. Leos, T. Mayorova, O. Moskal, V. Oparin, I. Petrovska, A. Poruchnyk, I. Rudchenko and others paid considerable attention to investment support.

Topical issues of sectoral peculiarities of financial support in the field of travel industry have been studied by S. Zakharchuk, Y. Grygoryeva, V. Humeniuk, I. Kravchuk, A. Okhrimenko. However, the sectoral aspects of travel industry investment support have not been covered to the full extent, which makes this article relevant.

Presenting main material. For most countries of the world, travel industry is one of the most priority sectors of the economy, as far as revenue resulting from travel industry makes almost 50%. For example, in such countries as France, Spain, Italy, Malaysia, Thailand, the USA, Cyprus and Egypt, travel industry is among the top three leading industries in the country. In these and in a number of other countries, it is developing at a rapid pace and plays an important role in the development of the economy, as it creates new jobs, provides an increase in living standards for the population, develops industrial infrastructure and increases foreign exchange earnings in case of foreign investment. One of the most controversial issues, namely investment support for the activity of travel industry in the country appears relevant. It is impossible to imagine the development of modern world economy without investment activity. Ukraine is not an exception [5].

Improving the tour management or other types of activity, travel companies introduce a variety of new products in their activity in order to improve the services, comfort and speed of tourists' departure. At present time, not every travel agency can afford such a luxury, and therefore it is necessary to attract the funds of foreign and Ukrainian investors [1].

The investment development of travel industry depends largely on the level of economic development of the country, on the other hand, the investment dynamism of travel industry is an important impetus to the economic growth of the country. In support thereof, the European Travel Commission admits that in 2016, the growth rate of the global market of travel services exceeded the growth rate of the world economy. According to expert opinion, with full use of the Ukrainian travel potential, budget revenues of all levels can be about the same amount (about \$ 10 billion a year) as the

amount received by the countries commensurable with Ukraine in terms of travel and recreational potential [3, pp. 26–27].

The forms and types of investment activity of travel agencies are almost identical to those of any other branch of industry. According to the form of contributions, investments are divided into capital, financial and social. Travel industry requires significant investment in its development, as it has an extensive system of typical and related services, where the main objects of investment are temporary accommodation facilities and catering, vehicles, castles, museums and more. In this regard, capital investment plays a key role, which represent the broad range of trends and processes that take place in public reproduction. The most common forms of capital investment in travel industry are the construction, reconstruction and modernization of accommodation facilities, catering, sports and health centres, tourist attractions and cultural sites, etc. The component of capital investment are innovative investments related to investing in the latest technologies and development of travel agencies, which include: licenses for travel activity, software that allows you to book places in hotels, reserve transport tickets, pay for travel services and others.

Regarding financial investments in travel industry, they are mainly used to form an investment portfolio of financial instruments and are mostly represented by deposits and securities. As far as Ukrainian travel agencies do not currently have significant own free funds, the share of financial investments in the structure of financial security is insignificant. Social investment, by its very nature, provides investing into human capital. In travel industry, they are represented by advanced training of employees and realization of property rights [2].

The following characteristic features of investment support may be defined in travel industry [4]:

- it's quite difficult in terms of quantity to define clearly the possible effect as a result of improving the attractiveness of places of interest after making investments in it;
- there is a «multiplier effect» resulting from travel industry, which provides an increase in the total effect of investment at the regional (national) level;
- to involve various companies and types of activities in travel industry, which provides the need for a differentiated approach to the placement, involvement and management of investment activity;
- special features of places of interest, which lies in the fact that the vast majority of which are created by nature or by previous generations and require careful attitude.

In order to increase the volume of investments for travel industry development, it is necessary to create a favourable investment climate not only for foreign investors, but also for domestic ones. This is not about to find the money to make investments.

Ukrainian private capital also needs guarantees against forced withdrawal and arbitrariness of the authorities, insurance system against non-commercial risks, and stable working conditions for long-term capital investments.

In our opinion, investments made in Ukrainian travel industry are given little attention, there is no proper research and in-depth analysis of the investment process efficiency of travel industry. In order to ensure stable economic growth, the state should focus its efforts on achieving political and macroeconomic stabilization, removing all obstacles on the way of private capital to the real sector, ensuring stable regulation of investment activity.

Conclusion. Therefore, we can make a conclusion that the purpose of investment support of travel industry is its progressive development, creation of favourable investment climate and economic development as a whole. It is necessary to make investments into construction, reconstruction and modernization of accommodation facilities, catering, sports and recreation complexes, places of interest and cultural sites, etc. It is possible to achieve by forming a favourable investment policy of the state, attracting not only foreign but also domestic investments.

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