THE INFLUENCE OF EUROPEAN INTEGRATION PROCESSES ON THE STRATEGIC DECISIONS OF TOURISM COMPANIES

ВПЛИВ ЄВРОІНТЕГРАЦІЙНИХ ПРОЦЕСІВ НА СТРАТЕГІЧНІ РІШЕННЯ ТУРИСТИЧНИХ КОМПАНІЙ

This scientific article's aims to investigate the impact of European integration processes on the strategic decisions of tourism companies in Europe, in particular regarding adaptation to new conditions and opportunities on the European market. European integration has a positive effect on the strategic decisions of tourism companies, stimulating them to innovate and increase the level of competitiveness through the implementation of European standards of quality and service. The implementation of the strategy of the development of tourist companies on the basis of European integration will contribute to increasing the competitiveness of the tourism industry, ensure sustainable development and attract more tourists from all over the world. Innovation, sustainability, partnerships, effective planning and diversification of offers will be the basis for the successful development of tourism in the European region.

Key words: eurointegration, tourism companies, strategic decisions, competitiveness, European market.

Дане наукове дослідження має на меті дослідитти вплив євроінтеграційних процесів на

стратегічні рішення туристичних компаній в Європі, зокрема щодо адаптації до нових умов та можливостей на європейському ринку. Використано якісний метод дослідження з акцентом на детальний аналіз статистичних даних, результатів аналізу документів, пов'язаних з євроінтеграційними процесами. Євроінтеграція позитивно впливає на стратегічні рішення туристичних компаній, стимулюючи їх до інновацій та підвищення рівня конкурентоспроможності через впровадження європейських стандартів якості та сервісу. Розроблена стратегія розвитку для туристичних компаній в контексті євроінтеграції. Реалізація стратегії розвитку туристичних компаній на засадах євроінтеграції сприятиме підвищенню конкурентоспроможності туристичної галузі, забезпечить стійкий розвиток та залучить більше туристів з усього світу. Інновації, стійкість, партнерські зв'язки, ефективне планування та диверсифікація пропозицій стануть основою для успішного розвитку туризму в Європейському регіоні. Дослідження доповнює теоретичну базу знань про вплив міжнародних інтеграційних процесів на стратегічне планування в туристичному секторі, що сприяє кращому розумінню механізмів адаптації компаній до глобальних змін. Результати дослідження можуть бути використані керівниками туристичних компаній для розробки ефективних стратегій інтеграції на європейський ринок, що підвищить рівень їхньої конкурентоспроможності та адаптивність. Покращення якості послуг та розширення асортименту туристичних пропозицій можуть сприяти збільшенню туристичного потоку та зміцненню позитивного іміджу регіону як туристичної дестинації. Дослідження є унікальним у своєму підході до аналізу впливу євроінтеграційних процесів саме на туристичні компанії, що дає змогу виявити специфічні виклики та можливості в цій галузі. Майбутні дослідження

отримати глибші та точніші результати. Ключові слова: євроінтеграція, туристичні компанії, стратегічні рішення, конкурентоспроможність, європейський ринок.

повинні включати комплексний підхід до аналізу впливу євроінтеграційних процесів на стра-

тегічні рішення туристичних компаній. Використання сучасних методів збору та аналізу

даних, таких як великі дані, кейсовий аналіз та експериментальні дослідження, дозволить

УДК 338.1:338.48:339.92 DOI: https://doi.org/10.32782/infrastruct79-21

Sidash Dina

Vice-president, Dnipropetrovsk Chamber of Commerce and Industry; Postgraduate Student, Dnipro National University named after Oles Honchar Bazyk Olexsandr¹ Senior Engineer, Corezoid. Inc

Сідаш Д.В.

Дніпропетровська торговельнопромислова палата; Дніпровський національний університет імені Олеся Гончара Базик О.В.

Corezoid. Inc

Formulation of the problem. In the modern world, the processes of globalization and European integration have been an integral part of the economic and political development of the countries of the world. For tourism companies, these processes reveal new opportunities and challenges related to access to European markets, simplification of visa regimes, standardization of services and increase in competitiveness.

European integration has been opening up new opportunities for economic growth and development of tourism companies. It contributes to attracting foreign investments, infrastructure development, improving the quality of tourist services, as well as increasing the level of attractiveness of regions for tourists.

European integration involves the harmonization of national legislation with European standards, which

affects the activities of tourism companies. Changes in the regulatory environment require companies to adapt their strategy, business processes and management decisions to ensure compliance with the requirements of international standards.

Entering the European market has meant intensifying competition for local tourism companies, which, in turn, requires them to develop and implement innovative strategies, increase the level of service quality, efficient use of resources, and adaptation to new market conditions [11].

European integration has promoted cultural exchange and interaction between countries, which affects the development of tourist destinations and the formation of new tourist products. Tourism companies should consider these aspects when developing their strategic decisions. The study of the impact of European integration processes on the strategic

¹ORCID: https://orcid.org/0009-0007-4279-1460

decisions of tourism companies is relevant and important for scientists, politicians and practitioners. The results of these studies make it possible to understand how changes in the external environment affect the internal dynamics of companies and their strategies, as well as to develop recommendations for the further development of the industry.

Thus, the study of the impact of European integration processes on the strategic decisions of tourism companies is important for understanding the mechanisms of adaptation and development of companies in the conditions of integration changes, as well as for the formation of effective strategies in the field of tourism.

The review of literary sources on the impact of European integration processes on the strategic decisions of tourism companies includes the analysis of various aspects of this impact, including economic, political, social and technological changes that have taken place in modern conditions in the European region.

An in-depth study of the economic impact of European integration on the tourist market. The authors have noted that the opening of new markets and the reduction of barriers contributed to the increase in tourist flows, which positively affected the income of travel companies. The potential for further research lies in the need to analyze the long-term economic effects of integration on tourism in the new EU member states. With our research, we improve and realize the potential of this research direction [1].

The authors of the next research have noted that the European Regional Development Fund and other funding programs contributed to the modernization of infrastructure and the improvement of the quality of tourist services. The potential for further research is to assess the level of effectiveness of the use of EU funds in different regions and their impact on the local economy [2].

The scientific work on the topic "Regulatory Harmonization in the EU and Its Impact on the Tourism Sector" (2018) examines the impact of the harmonization of EU legislation on tourism companies [3]. The authors consider the effectiveness of the adaptation of national legislation to EU standards, which contributed to increasing the level of safety and protection of consumer rights. The potential for further research is to examine the impact of harmonization on small and medium-sized tourism companies.

The article "Political Stability and Its Influence on Tourism in the EU" (2021) examines the relationship between political stability and the development of tourism [4]. It was noted that political stability in the EU countries contributed to the growth of tourist flows, the reduction of risks and the attraction of investments. The impact of political stability on tourism companies during crisis situations remains unexplored.

The study on the topic "Cultural Exchange and Tourism Growth in the European Union" (2019) analyzes the impact of cultural exchanges on the development of tourism [5]. It was concluded that the increase in the number of cultural events and exchange programs contributed to the growth of interest in traveling between EU countries. At the same time, the authors investigated the impact of cultural exchanges on the development of "niche" tourist destinations.

The article "EU Education Programs and Their Impact on the Tourism Workforce" (2020) examines the impact of professional training programs on the tourism sector [6]. It was noted that the exchange and training programs contributed to the improvement of the qualifications of employees and the improvement of the quality of tourist services. At the same time, there is no assessment of the level of effectiveness of educational programs and their impact on the professional growth of employees.

The study on "Digital Transformation in Tourism: The Role of EU Policies" (2021) analyzes the impact of digital technologies on the tourism business [7]. It was concluded that Investments in digital solutions and technologies contributed to increasing the efficiency of operations and the level of competitiveness of companies. There are no research results on the impact of digital technologies on the management of tourist resources and services.

The authors of the article on the topic "Sustainable Tourism Practices in the EU: Challenges and Opportunities" (2022) consider the impact of environmental standards on tourism companies [8] The authors argue that the implementation of environmental standards contributed to the development of sustainable tourism and increased demand for environmentally friendly services. The potential for further research, in our opinion, lies in the need to analyze the effectiveness of environmental initiatives and their impact on the behavior of tourists.

The analysis of literary sources makes it possible to understand the main trends and challenges facing the tourism industry in the conditions of EU integration. As a result, we can draw general conclusions that the European integration processes had a significant impact on the strategic decisions of tourism companies, contributing to their development, innovation and increasing the level of competitiveness.

The purpose and objectives of the research. The purpose of the study is to analyze the impact of European integration processes on the strategic decisions of tourism companies, to identify the main challenges and opportunities that arise in connection with these processes, as well as to develop recommendations for increasing the level of effectiveness of strategic planning in the context of European integration.

Objectives of the study are to:

- analyze the impact of European integration on the economic development of countries and industries, in particular the tourism sector;
- analyze the strategic approaches and decisions made by tourism companies in response to European integration processes.

Research methods. The following methods can be used to study the impact of European integration processes on the strategic decisions of tourism companies: analysis and synthesis, induction and deduction, empirical methods, quantitative methods, econometric analysis, qualitative methods, comparative analysis. Using of the above methods will allow conducting a comprehensive study of the impact of European integration processes on the strategic decisions of tourism companies, ensuring the scientific validity of the results, and developing practical recommendations for increasing the effectiveness of strategic planning in the context of European integration.

Introduction. European integration processes represent a complex and multifaceted process of gradual economic, political, social and cultural unification of European countries. This process aims to create a unified system of legislation, economic standards and political institutions, which contributes to stable development, raising the standard of living of the population and strengthening security on the continent. To understand European integration processes, we will consider their main aspects and stages of development.

European integration began after the Second World War, when European countries realized that close cooperation could prevent new conflicts and ensure economic prosperity. The first step was the creation of the European Coal and Steel Community (ECSC) in 1951, which united France, Germany, Italy, Belgium, the Netherlands and Luxembourg. This union became the basis for the creation of the European Economic Community (EEC) in 1957.

Economic integration is one of the key aspects of European integration processes. This process is multifactorial and includes a number of components that ensure its effective functioning. In this context, the creation of a free trade zone ensured the elimination of tariffs and other trade barriers between participating countries. The formation of the customs union introduces a common foreign tariff policy with respect to third countries. The creation of a single market for goods, services, capital and labor ensures the free movement of these resources between member countries and the coordination of economic policy (the introduction of a single currency – the euro).

In addition to economic, an integral component of European integration is political integration. Political integration involves the creation of joint decision-making institutions that are binding on all member states. The main institutions of the European Union include: the European Parliament, the Council of the European Union, the European Commission, the European Council (Figure 1).

The next element of European integration is social integration. This element includes the harmonization of social policy aimed at ensuring a high standard of living and social protection of citizens. It has provided for the formation/implementation of standards for ensuring equal working conditions, social security and protection of workers' rights; support of exchange programs for students and scientists, promotion of cultural exchange and preservation of cultural

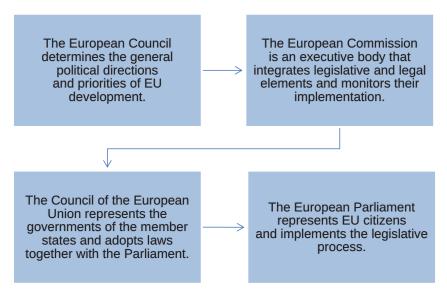


Figure 1. Main elements of political European integration and their characteristics*

*formed by the authors

heritage. European integration is impossible without legal integration, which includes the harmonization of the legislation of the member states in accordance with the common standards and principles defined in the EU treaties. The main principles of legal integration are the principle of supremacy of EU law; the principle of subsidiarity and the principle of proportionality.

For tourism companies, European integration processes have created new opportunities for business development and entering new markets. Thus, the simplification of the visa regime and customs procedures helps to increase the indicators of tourist flows. Harmonization of service and quality standards allows to ensure a high level of service that meets European requirements. Support of infrastructure projects provides an opportunity to develop new tourist directions and destinations. All of the above-mentioned factors caused by European integration, in general, ensure an increase in the amount of investments and financial support, which contributes to the development of new tourism projects and increases the level of competitiveness of companies.

It should be noted that European integration processes are a multifaceted phenomenon that encompasses economic, political, social, legal and cultural aspects. These processes have a significant impact on the development of tourism companies, creating new opportunities and challenges. Understanding and adapting to these processes is a key factor in successful strategic planning and development of tourism business in the conditions of European integration.

European integration processes significantly affect the tourism industry of the countries of the

European Union (EU). Let's consider these processes and their impact on international tourist arrivals in Europe, using the data in Figure 2. European integration processes and tourist flowes for the period 2006–2008. had a positive dynamic of development. At the beginning of this period, the number of tourists increased steadily, which was due to the enlargement of the EU in 2004, when 10 new countries joined, which created more opportunities for travel and tourism within the EU (Figure 2).

It should be noted that European integration processes significantly affect the development of the tourism industry in Europe, contributing to an increase in the number of international tourist arrivals. From the enlargement of the EU to the introduction of European quality standards and the support of small and medium-sized businesses, these processes create favorable conditions for the development of tourism. The COVID-19 pandemic caused a temporary decline in tourist flows, but the EU's efforts to restore the tourism industry are helping to quickly return to positive trends.

We have noted that European integration opens up numerous opportunities for tourism companies, but at the same time presents them with new challenges. Strategic decisions in such conditions should be aimed at maximizing the benefits of integration and minimizing its negative effects.

We have analyzed a wide range of factors and their components that characterize the main principles of European integration processes in Europe. Using the example of the functioning of tourism in Greece on the basis of European integration, we will form a strategy for carrying out transformations and increasing the sustainability of this sector.

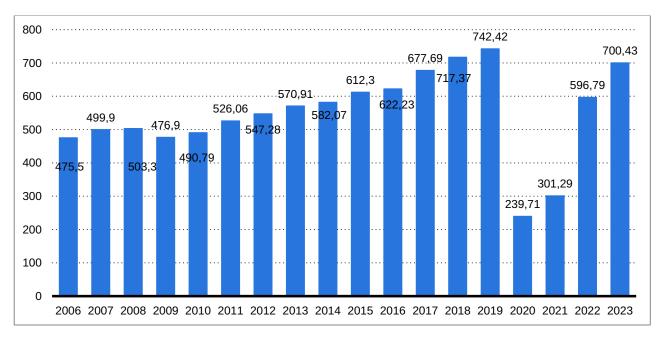


Figure 2. Dynamics of international tourist arrivals in Europe, 2006-2023 (in millions)*

^{*} built by the authors based on [9; 10]

The development strategy of a tourism company based on the principles of European integration should include and implement the following components:

- 1. Implementation of innovations and digitization. The goal is to implement new technologies to improve the level/standards of customer service, ensure security and optimize business processes. The implementation of this component involves the creation and support of online booking platforms; development of virtual tours for the promotion of tourist objects; using artificial intelligence to personalize services and manage tourist flows.
- 2. Sustainability and environmental protection. The goal is to develop sustainable tourism that takes into account the protection of natural resources and the preservation of cultural heritage. This component provides for the introduction of ecological technologies in hotels, restaurants and other tourist facilities; organization of eco-tours and promotion of environmentally friendly practices among tourists; support of projects to preserve natural and cultural monuments.
- 3. The development of partnership ties involves cooperation between the public and private sectors for the implementation of infrastructure projects. To implement this component, it is necessary to ensure the use of the public-private partnership model for financing and implementation of large infrastructure projects; creating joint marketing campaigns to promote tourist products; supporting small and medium-sized businesses in the tourism industry through government programs and grants.
- 4. Improvement of infrastructure, which involves the development of long-term strategic plans for the sustainable development of tourism. At the same time, it is necessary to improve spatial planning for efficient use of resources; develop plans for the management of tourist flows to prevent overloading of tourist facilities; support the development of transport infrastructure to facilitate access to tourist facilities.
- 5. Diversification of tourist offers in order to expand the range of tourist services to reduce the impact of seasonality and increase the level of attractiveness of tourist destinations in the European region. At the same time, it is necessary to invest in the development of gastronomic tourism through the promotion of traditional cuisine; provide support for extreme sports and organization of sports events; develop health tourism with an emphasis on thermal springs and resorts; promote a brand of cultural travel, including archaeological tours and visits to historical sites.

Conclusions. Implementation of the developed and presented strategy will help tourism companies of the European region to increase the level of competitiveness of the tourism industry, ensure sustainable development and attract more tourists from all over the world. Innovation, sustainability, partnerships, effective planning and diversification

of offers will create the basis for the successful development of tourism based on European integration.

European integration promotes the implementation of environmental standards that affect the tourism industry. Further research could examine how environmental initiatives affect companies' strategic decisions and consumer behavior. The methodology can be aimed at analyzing data on the implementation of environmental standards and their impact on the tourism sector using approaches such as interviews and surveys to collect data on tourists' attitudes towards environmental initiatives.

European integration promotes cultural exchange and mutual understanding, which affects the tourism sector. Research can focus on studying the impact of socio-cultural changes on the demand for tourism services. At the same time, sociological research should be conducted among tourists and the local population, and statistical data on tourist flows and cultural activities should be analyzed.

REFERENCES:

- 1. Smith, J., & Johnson, R. (2019). "Economic Impact of European Integration on Tourism Markets". *Journal of European Tourism Research*, 12(3), 245–260.
- 2. Müller, H., & Schneider, A. (2020). "EU Funds and Their Impact on Tourism Development". *European Journal of Tourism Studies*, 15(1), 112–130.
- 3. Brown, L., & Davis, M. (2018). "Regulatory Harmonization in the EU and Its Impact on the Tourism Sector". *Regulatory Affairs Journal*, 22(4), 333–349. URL: https://link.springer.com/article/10.1007/s106 10-018-9361-5
- 4. Wilson, T., & Garcia, P. (2021). "Political Stability and Its Influence on Tourism in the EU". *Political Economy Review*, 18(2), 78–95. URL: https://link.springer.com/article/10.1057/s41287-021-00303-0
- 5. Nguyen, H., & Müller, T. (2019). "Cultural Exchange and Tourism Growth in the European Union". *Cultural Studies Journal*, 14(2), 205–222. URL: https://link.springer.com/article/10.1057/s41287-021-00303-0
- 6. Novak, J., & Petrovic, K. (2020). "EU Education Programs and Their Impact on the Tourism Workforce". *Journal of Tourism Education*, 19(1), 88–104.
- 7. Schmidt, F., & Keller, R. (2021). "Digital Transformation in Tourism: The Role of EU Policies". *Digital Tourism Journal*, 16(3), 210–228.
- 8. Green, S., & Foster, L. (2022). "Sustainable Tourism Practices in the EU: Challenges and Opportunities". *Journal of Sustainable Tourism*, 25(4), 305–322. URL: http://surl.li/mulorj
- 9. UNCTAD. Information economy report: Unlocking the potential of E-commerce for developing countries (2015). *United Nations Conference on Trade and Development*. URL: http://surl.li/smiua
- International Statistics (2023). URL: http://surl.li/ smiwc