

3.9. THE MAIN ASPECTS OF INNOVATION AND INVESTMENT ACTIVITIES OF THE ENTERPRISES OF RURAL TOURISM

Innovation and investment policy of the state should be aimed at creating favorable conditions for the development and support of any socially significant business entities. This is also true for rural green tourism in order to improve the competitiveness and efficiency of its enterprises on the one hand and to fully meet the corresponding needs of the population in the rest – on the other. The instruments of state influence, as practice and research, on the innovative activity of tourist subjects in rural areas should be:

- provision of tax benefits, up to full exemption from taxes, at least in the first 5 years of operation, and material encouragement of those enterprises actively engaged in innovative activities;
- providing favorable conditions and guarantees for attracting domestic and foreign investments;
- improvement of depreciation policy and system and procedure of accounting and control of activities;
- identification of priority areas for innovation and investment;
- involvement in the processes of innovation and investment development of large agribusiness on the principles of social responsibility and public-private partnership.

Enterprises of rural green tourism in a competitive environment and market mechanisms of management increasingly recognize the need to develop new products and services and the associated economic benefits¹. Due to its unique natural, cultural and historical resource tourism potential, as well as the great interest of domestic and foreign tourists in new destinations, rural areas of Ukraine has major innovation and investment opportunities for the development of tourism. Tourism business in rural areas contributes to the creation of conditions for sustainable development of nature and the economy, improving the level and quality of life of rural residents, the growth of human potential by expanding the available offers of tourism products and services as related activities, hence increasing employment and income.

Innovations in the enterprises of rural green tourism are a system of measures that are characterized by qualitative novelty and lead to positive changes in the economy and the industry and the region as a whole. The innovation and investment process is recognized, on the one hand, through the tourism market and the level of customer satisfaction, and on the other – through joint decision-making by tourism entities and authorities at various levels.

On the introduction of innovations and attraction of investments in the enterprises of rural tourism is affected by geopolitical and socio-economic situation in the country, solvency of the population, the national legislation as well as intergovernmental and international treaties². Therefore, the reasons for the introduction of innovations in rural green tourism enterprises are the following: the glut of many classical and traditional markets; the risks of losing the market share of inbound tourism; increased competition and growth of proposals; technological revolution and expansion of the scope of information technology; the shift from the supply economy to the demand economy.

Based on the provisions of the WTO, in the enterprises of rural green tourism innovation and investment activities should be carried out in three directions:

1. Introduction of innovations (organizational innovations) related to the development of tourism enterprises in the system and management structure, including reorganization of the

¹ Ignatenko, M.M. Marmul', L.O. and Sarapina, O.A. (2016): Sotsial'no-ekonomichnyy potentsial sil's'kykh terytoriy yak osnova rozvytku pidpnyemstv sil's'koho zelenoho turyzmu na zasadakh innovatsiynosti [Socio-economic potential of rural areas as a basis for the development of rural green tourism enterprises on the principles of innovation]. *Ekonomika i menedzhment kul'tury*, vol. 2, pp. 32-38.

² Terlets'ky, V.K. and Filipenko, A.B. (2012): Svitovyy dosvid innovatsiynykh form ekoturyzmu na porushenykh landshaftakh [World experience of innovative forms of ecotourism on disturbed landscapes]. *Ekolohichnyy visnyk*, vol. 1, pp. 28-29.

structure; increase in the size or concentration of resources, capital and activities; participation in associations; introduction of modern forms of accounting and financial reporting.

2. Marketing innovations (strategies), which allow to cover the needs of target consumers and attract the sector of buyers at a given time.

3. Periodic innovations (product innovations) aimed at changing the consumer properties of the tourist product, its positioning in the market as an exclusive, providing for the growth of competitive advantages.

Thus, innovation and investment activity of rural green tourism enterprises is aimed at creating a new or changing an existing product, developing new markets, introducing advanced technologies and modern forms of organizational and management activities. Because of this, innovations and investments are needed and are an essential condition for their development. Management of novelty and its implementation in the practice of tourism business in rural areas are fundamental issues in the system of management decisions on its development.

Innovation and investment activity in rural green tourism has its own characteristics. First, making the tourism business on their own, rural residents are not prone to the risks that accompany it. Secondly, the rural mentality means, first of all, loyalty to traditions, rather than the desire for novelty. Third, in rural green tourism, more than anywhere else, there is interaction between different structures, such as local authorities, rural communities, travel agencies and operators, hotel owners and farmsteads, whose interests and benefits need to be fully coordinated. However, with systemic conciliatory action, innovation and additional investment can have a positive effect.

One of the main marketing ways to attract consumers and increase their profits is to offer them a new product and services. In rural green tourism novelty can be represented by new routes, views, forms of recreation, tourist attractions and destinations¹. However, almost every host runs the risk of being the first to innovate. Therefore, not all entrepreneurs apply innovations in practice. After all, innovation is characterized by a high level of uncertainty and risk, the complexity of predicting the final results.

On the other hand, provided a rational approach to the creation and implementation of innovations and attraction of investments to get additional income and useful effects. Innovations and investments in entrepreneurship in rural green tourism are aimed, as previously revealed, at the formation of a new tourist product, new approaches in marketing activities, as well as the introduction of new management methods using it technologies. Their application will strengthen its competitive advantages, efficiency and competitiveness. To this end, it is necessary to understand the factors that determine the degree of innovation and investment development of rural green tourism enterprises:

- significant conjuncture and competition in the domestic and foreign markets of tourism services;
- high level of development of science and technology, improvement of institutional levers of innovations, their availability for implementation;
- availability of professional support in the face of scientists, specialists, managers, marketers, system administrators, etc.;
- availability of resources (production, natural, infrastructure, financial, social, etc.).

The study of trends and patterns of systematic implementation of innovation and investment activities, planning and management of positive results is a complex methodological problem in the field of tourism, especially at the level of rural green tourism. As significant for determining the essence of innovation and investment in rural green tourism enterprises, there are certain classification features (Fig. 1).

¹ Husyev, V.O. and Muzhylko, O.O. (2011): Paradyhma staloho innovatsiynoho rozvytku Ukrayiny [Paradigm of sustainable innovation development of Ukraine]. *Ekonomika ta derzhava*, vol. 9, pp. 115-118.

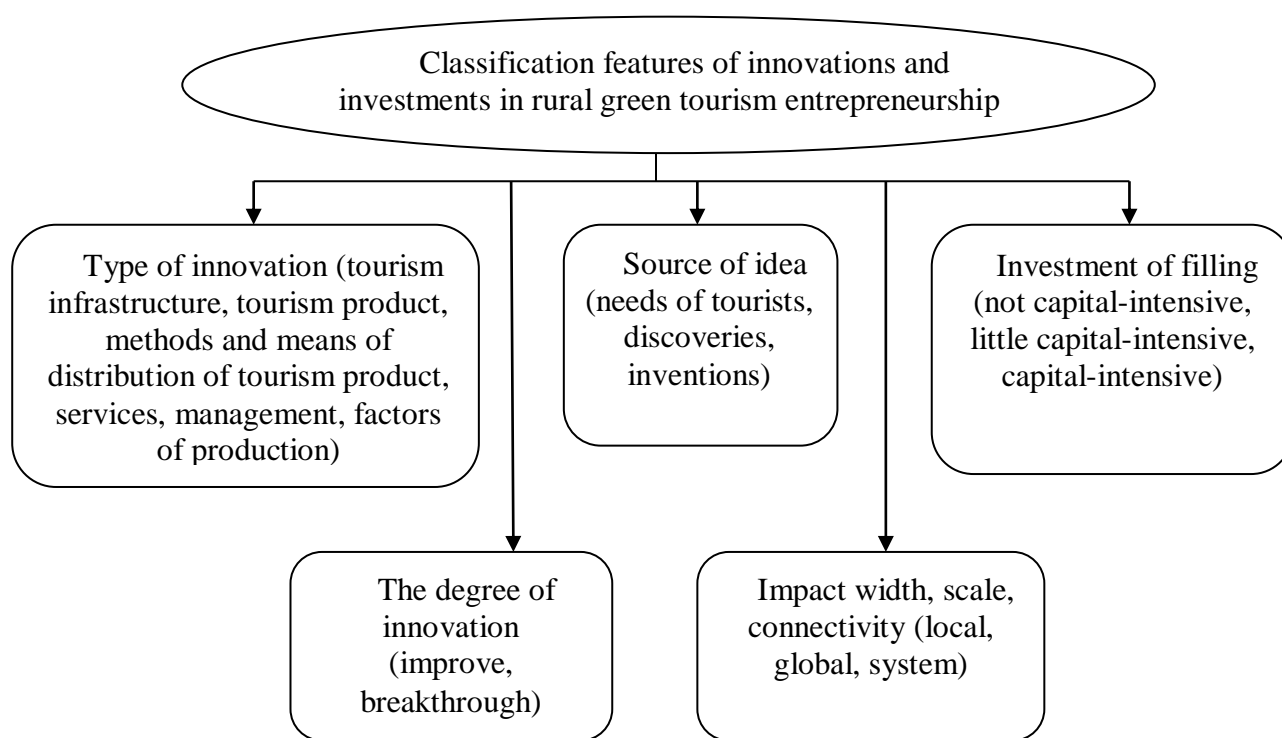


Fig. 1. Classification features of innovations and investments in entrepreneurship of rural green tourism (developed by the author)

Innovations and investments in rural green tourism enterprises should be considered as systemic measures that have qualitative novelty and lead to positive production changes and ensure their financial and economic stability and sustainable functioning and development of the tourism industry in rural areas ¹. The idea of creating and implementing innovation and investment projects that do not even bring significant profits at first, can give impetus to the development of a whole direction of rural green tourism in the future and thus actively contribute to the creation of additional jobs and income growth of the rural population.

The practice of rural green tourism is influenced by such factors as demographic changes (aging population), lifestyle, nature of work. People tend to new and unusual travel. Their growing awareness, new needs stimulate rural green tourism, encourage innovation and innovation. Most innovative tourism products have their niches in the market space (ecological, extreme, etc.). Quite popular and cultural and educational tourism, which appeared innovative products.

Modern achievements in the field of telecommunications and e-marketing provide new opportunities for rural green tourism enterprises and significantly affect the models of its organization and management. The introduction of new technologies helps to increase investment returns. However, in Ukraine, due to the permanent underestimation of the existing competitive potential of rural green tourism as an important structural unit of the rural economy and a source of rural development, due attention is not paid to the development of its subjects. We are talking about ensuring the availability and arrangement of rural tourist destinations and attractions, modern marketing strategies and processes for the development and promotion of services, the use of new approaches to solving problems that will reduce costs and increase productivity.

Thus, innovations and investments or franchise mechanisms provide opportunities for the organization of rural green tourism enterprises as profitable business entities, the competitive potential of which requires improvement on this basis. The emergence of new products in the tourism market will actively contribute to the development of other, more advanced projects,

¹ Pen'kovs'kyi, V.S. (2014): Sotsial'no-ekonomichna sutnist' ta znachymist' pidpnyemstv sil's'koho zelenoho turyzmu u modelyakh orhanizatsiyi ta rozvytku sil's'kykh terytoriy [Socio-economic essence and importance of rural green tourism enterprises in the models of organization and development of rural areas]. Naukovi pratsi Poltavs'koyi derzhavnoyi aharnoyi akademiyi, vol. 2 (9), pp. 237-241.

provide sources and resources for their financing. Innovations in rural green tourism enterprises require certain material and financial costs, so their implementation needs effective support on the principles of public-private partnership and social responsibility of large agribusiness.

An important form of state regulation and support of innovation and investment support for the development of rural green tourism enterprises should be its regional and national target programs¹. Successful implementation of projects and activities of targeted programs in this area will ensure stable dynamics of functioning and competitiveness in the domestic and foreign tourism markets. This will create a new model of business growth in the field of rural green tourism. Its center will improve the conditions of accommodation, household amenities of farmsteads, material and technical base of personal peasant and farm enterprises, the introduction of new equipment and technologies in the sphere of tourist services.

It is also about providing, thereby, effective advertising of tourism products and services, the creation of appropriate infrastructure, training of highly qualified workers who can offer quality service to tourists. First of all, introducing the achievements of scientific and technological progress and best practices, innovative innovations and investing in the development of rural green tourism, it will be possible to create new concepts and models of its development, to implement tourism services and products in new formats of service. The formation of new management and marketing approaches, regulation of rural green tourism, will create modern tourist enterprises in the village with a developed material and technical base.

It should be pointed out that there are two types of innovations in economic practice: crisis innovation and development innovation. Development innovation, if properly justified, can bring significant profits and social benefits. Crisis innovation is a decisive action to implement innovations in order to save the goods/services of the enterprise from disappearing from the market. For the successful development of tourism business in rural areas, it is necessary to use both types of innovations, because the tourist market – the market is unstable, influenced by various events in the surrounding and related areas. Rural tourism enterprises should not only create a new product, but also be able to respond in a timely manner to new changes in tourism-related industries, have the ability to create new methods of work and improve performance.

Therefore, innovation and investment activity is a necessary condition for the development of rural green tourism enterprises and the sale of their products and services in the consumer market². Just with the help of innovative investment sources, modern management and marketing strategies, they have the opportunity to survive in a competitive environment, to interest and attract the maximum number of consumers and to ensure their business financial and economic stability and sustainable development. On the other hand, innovative changes in rural green tourism, their main directions are determined by the social, environmental, economic and information components of public life in the modern conditions of its implementation.

In this aspect, an important direction and purpose of innovation is to ensure the sustainable development of rural green tourism. Environmental factors of innovative changes in it are changes in the environment, climate, reduction of territories of "wild nature". Negative manifestations in this direction make the environment untouched by human activity a great value in the minds of people, in public opinion, which affects the tourist choice. Therefore, the implementation of environmental innovations is based on the introduction of environmental management and audit in the practice of agro-gardens.

The technological factors that influence the innovative changes in the enterprises of rural green tourism include, first of all, the development of information and communication technologies and new opportunities for the transportation of tourists. E-tourism is another major area of innovation. The development of these technologies changes the entire tourism business – from functions and processes, forms of enterprises and products (on-line-travel agencies, e-offers of products and services, e-booking, sales and even registration of air tickets, promotion of products

¹ Romaniuk, I.A. (2015): Systemno-strukturni definitsiyi katehoriy u haluzi sil's'koho zelenoho turyzmu: uzahal'nennya ta vykorystannya [System-structural definitions of categories in the field of rural green tourism: generalization and use of scientific]. *Naukovyy visnyk KHDU. Seriya «Ekonomichni nauky»*, vol. 15, no. 3, pp. 29-31.

² Sievidova, I. (2017): Factors affecting the economic management efficiency of agricultural enterprises in Ukraine. *Problems and Perspectives in Management*, vol 4(1), pp. 204-211.

and services via the Internet, etc.) the Internet alters the functions of state tourism organizations, tourism professional associations and business entities.

They are increasingly taking part in the electronic marketing of the domestic market, tourism resources, destinations, events, as well as in integrated systems of management of relations with the consumer. This leads to changes in the management system of the tourism business and the transition from the industrial to the post-industrial model, to changes in the concepts of tourism itself as an activity – from mass to individualized. This is especially evident in rural green tourism. In turn, this determines the segmentation of the tourism market and the emergence of many "niche" specialized services and products that require constant updating and search for new forms of promotion.

There is a constant updating and adaptation of the tourist infrastructure to new requirements, facilities and equipment; services to the needs of specific groups of tourists, such as children and adolescents; young people; women or families with children; elderly people and people with special needs¹. The organization and provision of special tourist offers, packages, products for such groups can be attributed to social innovation. In General, the factors that contribute to innovation in rural green tourism enterprises can be systematized in order to take into account when making management decisions in this form:

- increased competition, quantitative and qualitative growth in the supply of standardized hospitality products to agricultural communities;
- the need for the development of inbound tourism as contributing to the development of rural areas;
- the expediency of containment of outbound tourism of its own citizens in the country, natural, climatic and cultural conditions similar to their own rural areas, that is, the creation of domestic competitive rural tourism product;
- the need to develop and create conditions to meet the individual whims of tourists, the development of such types of tourism product;
- development of telecommunication and information systems and services related to them;
- transition from the economy of supply to the economy of demand, from the economy of product to the economy of pleasure and impressions.

It is established that the fundamental economic factor of innovative changes in the entrepreneurship of rural green tourism is to improve the level and quality of life of the population. With the growth of the welfare of the number of travelers and those wishing to relax increases. This leads to an increase in the number of experienced, professional tourists who are able not only to form their own tour with the help of information, but also familiar with the various nuances of tourism. Economic factors, therefore, increase the requirements of consumers to the quality of the tourist product. At the same time, there is an active attraction of tourists to the process of forming the content of the tour and he takes part in the development of a unique product designed for him according to his wishes.

Innovations in the enterprises of rural green tourism are aimed at improving housing, infrastructure, recreational, cultural and educational, excursion and other services, as well as technologies for their implementation (interactive, using communication, information and other modern technologies). Innovations can concern both the complex provision of services and focus on the individual components of the tourism product. The competitiveness of farms and enterprises of domestic rural green tourism will largely be determined by the implementation of integrated quality management systems, both at their own level and destinations. Innovation today is a new world concept, which provides for the integration of quality management systems and territorial management systems of tourism resources.

Today, in the enterprises of rural green tourism there is a tendency to transform scientific achievements into innovations – obtaining a positive result that is sufficient for applied implementation. To achieve real results in the activities of tourism business in various rural areas, it

¹ Pleshvytsova, M. (2014): Sposoby prosuvannya turystychnoho produktu sil's'koho turyzmu : dosvid frantsuz'koyi Natsional'noyi Asotsiatsiyi sil's'koho turyzmu "Gîtes de France" [Methods of promotion of tourist product of rural tourism : the experience of the French National Association of rural tourism "Gîtes de France"]. Turyzm sil's'kyy zelenyy, vol. 1, pp. 28-30.

is necessary to study new scientific developments and develop opportunities for their application in practical work, in your farm or enterprise. At the same time, work on the implementation of innovations should be systematic and continuous.

To ensure efficient operation, sustainable dynamic development and competitiveness of each enterprise of rural green tourism it is necessary to develop and implement its own innovation strategy; to identify the main directions of innovation; to identify sources of resources to achieve this goal, that is, to have a business plan, innovation or innovation and investment project. They represent program documents of development in which the purposes and tasks for creation and introduction of an innovative product are defined; reasonable tools, methods and forms of innovation management; the process of its implementation and control of results.

An important innovation factor and component of the tourism business in rural areas is information. It includes, first of all, informing potential tourists about recreation opportunities, housing, interesting events and other objects and phenomena related to certain rural areas ¹. Its sources are often understood as the activities of certain information centers of rural green tourism, Internet sites, availability and distribution of print media, personal contacts. In Ukraine, such a network is not very developed, especially in remote villages from the regional centers or informal. In Western countries, the role of such points is often played by certain local authorities in areas/villages or by branches of commercial tourism firms. Also, information could include basic signs and signs about the availability of services of rural green tourism, advertising farmsteads on the roads, gas stations, roadside cafes and car service, in the nearest towns, etc. This is also not sufficiently developed in Ukraine, since most farmsteads in recent years operate informally or under the guise of farmsteads advertised ordinary hotel in rural areas.

As innovations it is necessary to consider additional opportunities for interesting rest. They are understood as a set of additional leisure services, such as ski or boat rental, quad bike in the village, the services of instructors or coaches in a particular sport or the organization of horseback riding, picking berries, mushrooms; the creation of platforms (such as coworking) for communication of creative or sports associations of people, etc. For some categories of tourists (especially young people), this part of the infrastructure of the village is very important, because everything else in the countryside is not very interesting for them (for example, they came to the village exclusively for skiing, rafting, orienteering, quests, etc.). The range of additional services is often well developed in mountain villages, popular among skiers, in some resort areas (on the coast of the seas, rivers). Their provision often provides rural residents with greater income from rural green tourism, especially in high seasons than the main agricultural activity ².

Educational opportunities – organized excursions and trips to the countryside, such as historical sites, interesting people and cultural places, natural attractions, etc. it may Also include visits to nature reserves, national parks and other protected areas for the acquisition of certain knowledge or just sightseeing. This part of the service is most interested only in some groups of tourists, especially older people with certain educational interests or lovers of nature reserve. Such services (especially cultural and historical tours) are often better organized for mass tourism consumers.

A person who came just to relax in a small village, is not always able to organize it yourself, but in some areas it is possible, especially if you use the guides or the help of local residents. Educational opportunities include such aspects of activities related to rural green tourism as ethnographic study of the territory, collection of samples of folk art, cultural and artistic, applied and applied tourism, etc. A good example of tourist attractions that attract tourists and bring profit to rural residents and rural communities can be the organization of festivals, exhibitions, folk festivals, that is, various actions. They fit well into the rural romance and, at the same time, give tourists the opportunity to take part in interesting events.

¹ Mandych, O.V., Romanyuk, I.A., Nikitina, O.M. (2016): PR-markety`ng yak ody`n z instrumentiv pidvy`shhennya konkurentospromozhnosti pidpry`emstva [PR-marketing as one of the tools of increasing the competitiveness of the enterprise]. *Visny`k KhNTUSG : ekonomichni nauky` - Bulletin of KHNTUSG Economic science*, No 177, pp.160-165.

² Kvyatko, T. M. (2014): Ahromarkety`nh yak skladova pidvyshchennya efektyvnosti diyal`nosti vitchyznyanykh sil`hospidpryemstv [Agromarketing as a warehouse for efficient business activities of foreign companies]. *Naukovyy visnyk LNUVMB - Scientific Bulletin of LNUVMB*, no 1 (1), pp. 213-218.

Social components of innovations of enterprises of rural green tourism form such important elements of quality and ability of rural residents, which accept tourists as again education and culture; manners and behavior; ability to receive guests; knowledge of languages for receiving foreign tourists; basics of business communication ¹. Special skills are also appreciated: culinary skills, winemaking or classes in certain types of folk art or other creativity (embroidery, pottery, drawing), which may be of interest to tourists.

Therefore, to stimulate the development of rural green tourism enterprises, the following innovative measures are needed, which are aimed at creating a competitive national tourist product on the international and domestic market; ensuring favorable tax, currency, customs and other types of control; expanding the scope of rural tourism services; ensuring the integrated development of tourist areas and centers.

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