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DEVELOPMENT OF COMPETITIVE IN THE TOURISM INDUSTRY BASED ON INTEGRATED LOGISTICS

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Abstract

At present, competition in tourism is moving from the level of countries as tourist destinations (macro-level) to the level of their integration groups (super macro-level). The creation of new Eurasian geopolitical projects - the strategy "Belt and Road Initiative" (BRI) involves the development of existing and the formation of new competitive advantages in tourism for the participating countries. The authors propose using the theory and methodology of integrated logistics as a mechanism for implementing the identified areas of tourism development in the framework of the megaproject. The integrated logistics methodology will make it possible to scientifically substantiate and formation new competitive advantages in the field of tourism at all levels of the megaproject hierarchy, including the exchange of information and resources between all business entities; provide lower costs due to the balance of operations; increase tourist flow due to more reasonable forecasts, planning and setting priorities, more efficient use of various types of resources and to ensure its balance in the seasons by integrating travel services manufacturers, tour operators, travel agents and customers into a single logistics system, etc. On the example of the Russian Federation and China, an algorithm is proposed for the formation of new and development of existing competitive advantages in the field of tourism based on the use of program and project approaches. The authors provide a conceptual scheme for formation and developing competitive advantages in the field of logistics in the Russian Federation and China based on the principles of integrated logistics.

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Keywords: Competitive advantages, integrated logistics, megaproject "Belt and Road Initiative", tourism industry.



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1. Introduction

As known, the transition of modern society to the post-industrial stage of development has become one of the most important reasons for the beginning of the massive development of tourism in the 60-70s. XX century. As a result, tourism has turned into a pressing need for the modern man. As a result, at the beginning of the XXI century, the tourism industry has become one of the most competitive industries in the world, which has led to a significant increase in competition in the global tourism market. At present, competition in tourism is moving from the level of countries as tourist destinations (macro-level) to the level of their integration groups (super macro-level). Therefore, today the issue of finding new tools for the development of existing competitive advantages (CAs) in the tourism sector and the formation of new ones has become relevant.

In 2014, the China's leader noted that "it is necessary to develop special tourism in the context of the Great Silk Road region, to allow the development of cooperation and collaboration in the field of tourism and mutual communication, mutual connection" (Lin, 2016, p. 173).

According to some Russian scientists (Borisova, 2017), the BRI mega-project is a concept of co-development and a mutually beneficial situation (win-win situation) for all participants and is aimed at creating the world's largest platform for economic cooperation, including political coordination, development of infrastructure and innovation, improvement of business climate in the region, the implementation of measures for more evenly distribution of factors of production, acceleration of the development of remote areas, reducing costs through the development of economic corridors and industrial parks, technological chains and supply chains, cooperation in finance and information and communication technology (ICT), electric power industry and tourism, expansion of humanitarian cooperation and international exchanges. That is, the implementation of programs and projects in these areas will not only help to develop existing CAs to countries but also creating new ones that will allow them to compete confidently in world commodity and service markets.

In May 2017 a new stage in the BRI mega-project's development started, the beginning of which was a speech by President Xi Jinping with a proposal to consider the project, which includes five components: BRI as a "path of peace", "path of prosperity", "path of openness", "path of innovation" and "path of civilization".

It should be noted that the problematic issues of tourism development in the context of the BRI began to be considered only after the publication of the document of China's Committee on Reforms, Ministry of Foreign Affairs and Ministry of Commerce and Trade: "Vision and Actions on Jointly Building Silk Road Economic Belt and 21st-Century Maritime Silk Road", on March 28, 2015 at the Boaos Asian Forum.

Despite the fact that today tourism is regarded as the main driving force and one of the leading sectors of the BRI project, in our opinion, extremely insufficient attention is paid to many problems of methodological and practical importance in terms of developing scientifically-based and practice-oriented tools for developing competitive advantages in tourism in the context of this megaproject.

2. Problem Statement

Due to the fact that over the past decade the active “logistization” of various areas of economic activity has been going on, which has also affected tourism, it can be assumed that the application of integrated logistics principles in the tourism industry in the context of the project will not only develop the existing CAs of member countries but will also formation new ones at various hierarchical levels. Besides, the effective development of the tourism industry as part of the BRI mega-project can become a kind of “locomotive” for the development of related industries of national economies, given its multiplier effect.

3. Research Questions

The main issues requiring study are the following:

- features of the logistic approach in tourism, including the principles of integrated logistics (ILs) in the tourism industry;
- features of the megaproject BRI as a complex hierarchical management structure, the development of existing and the formation of new CAs, as well as the use of a logistic approach in this process;
- the relevance of using the IL mechanism in the development of existing and the formation of new CAs in relation to the megaproject BRI;
- development of a conceptual scheme for the implementation of the principles of ILs in the formation and development of CAs in the tourism industry as part of the mega-project BRI

4. Purpose of the Study

The purpose of this article is to develop scientific and practical recommendations on the formation of new CAs in the tourism industry of the countries participating in the megaproject – the Russian Federation and the People's Republic of China (PRC) based on the use of the theory and methodology of integrated logistics and supply chain management.

5. Research Methods

Today, a lot of scientific literature is devoted to the problems of “logistics” in various areas of economic activity. Contribution to the development of the theory of logistics has been made by many foreign scientists, among whom should be noted the work on the management of integrated supply chains –Bowersox and Closs (2008), Sloan, Ditman and Mentser (2015), Waters (2003) and others. Theory and methodology of supply chain management for researchers of such Russian scientists as Borisova (2017), Dmitriev (2018), Shcherbakov (2014) and others.

Actual issues of the theory and methodology of development, regulation and improvement of the tourism management system, including the features of tourism logistics, were studied in the works of such scientists as Odintsova (2012), Skorobogatova (2016) and etc.

The Chinese scientists Lin (2016), Yu Tian (Yu, 2016), Zhang (2017), Zhou and Jean (2017) and others studied the relationship between the mega-project of the “BRI” and the tourism industry. In the Russian scientific literature, the problems of tourism development within framework of the mega-project BRI are not studied today.

Not many Russian and foreign researchers paid attention to the logistic aspects of the implementation of the BRI project. They mainly concerned the creation and development of a unified transport and logistics infrastructure for the project, the modernization and creation of new transport and economic corridors (Rachkovskaya & Jiao, 2017).

Analysis of all the above studies allows us to conclude that in relation to tourism, logistics - is the science of managing tourist flow. It is the tourist flow is material flow that generates the rest – information, financial, personnel, service (tourist services) and the flow of tourist services (transport, accommodation, meals, excursion services, etc.).

Logistics covers all stages of the process of formation, promotion and sale of a tourist product (tour), as well as the process of servicing a tourist at the stage of consumption of tourist services. Therefore, in our opinion, the main objects of logistics management in the field of tourism are the tourist flow, service flow (tourist services) and flows of tourist services. At the same time, logistics of the tourism sector should be directed to optimizing the movement of all types of flows in order to increase the competitiveness of tourist destinations and meet the diverse needs of tourists in leisure and to gain positive experience from visiting it.

The main goal of logistics in tourism is to demand management for relevant tourism products (tourist services) of tourist destinations and to provide quality tourist services. In our opinion, achieving this goal is possible if the principles of integrated logistics (ILs) are used. They will make it possible to combine the efforts of the state, regions and all enterprises involved in the formation, promotion and sale of tourist products (travel services) destinations through end-to-end management of tourist flows at all levels and stages of the formation, promotion and sale of tourist products (travel services) (Kol, 2018).

The basic principles of ILs in the creation of new and the development of existing CAs in the tourism sector in the framework of the BRI project are the next ones:

- increase in tourist flow between countries and the maximum satisfaction of tourist needs should be based on cooperation regardless of the territorial location of all business entities – the state, regional governing bodies (provinces), business structures in the field of tourism and related industries;
- in the formation, sale and promotion of tourism products, competition should not take place with the supply chains sold by the participating countries of the BRI mega-project, but with tourism products and supply chains of countries, which not participate in this mega-project;
- digitalization of the processes of interaction between all hierarchical management structures participating in programs and projects related to the formation and development of competitive advantages in tourism.

The main competitive advantages formed on the basis of ILs in tourism:

- exchange of information and resources between all business entities of a megaproject;
- lower costs received due to the balance of operations, economies of scale, elimination of activities for which time wasted or which did not add value;
- increase in tourist flow due to more accurate forecasts, better planning, more productive use of various types of resources, more justified setting of priorities;
- balanced tourist flow by season by integrating manufacturers of travel services, tour operators, travel agents and customers into a single logistics system;
- high-quality logistics services for tourists, associated with the fullest possible consideration of the needs of individual consumers;
- development of standardized business processes will eliminate duplication of transmitted information and operations performed during the planning of tourist flows and after-sales services for tourists.

It seems that this approach will maximize the use of logistics functionality in order to develop existing and create new competitive advantages in tourism within the framework of the BRI mega-project. In addition, as practice shows, the logistic approach has already been successfully using in developing competitive strategies at enterprises of various types of economic activity.

6. Findings

The BRI mega-project is a very complex hierarchical structure. Firstly, the interaction between the project participants does not imply the formation of an organizational form like unions, but looks like a free business project whose main task is to strengthen the functional strength and significance of the project participants, but with a different degree of influence. Secondly, the project model is an improved version of the dominant participant model, according to which the PRC acts as the center from which development rays “diverge” directed to the West in the form of the Silk Road Economic Belt and to the East in the image of the Sea Silk Road (Zhang, 2017). Thirdly, the relationships within this model are based on the interest of participating countries in their own development.

Moreover, the main condition for the effective implementation of this mega-project is to prevent competition between all its participants and other megaprojects, projects of individual countries, groupings of countries, including with the EAEU. In the case of signing an agreement between the mega-project of the BRI and the EAEU, new CAs will form in the development of tourism, including its digitalization.

From a logistics point of view, the mega-project BRI is a complex hierarchical structure, including the inter-regional level (level of integration associations), the macro level (level of the country), the mesoscale (level of provinces in China and the subjects of the federation in Russia) and the micro level (enterprises). Therefore, the tourism sector within the framework of this megaproject is a complex multi-level system that combines in the process of formation, promotion and sale of tourism products (tourism services) many main and related flows that ensure the interaction of all business entities. Therefore, we should talk about the tourist logistics system of the mega-project BRI and the need to use the principles of ILs in the implementation of the main directions of development of the CAs of the participating countries

– the Russian Federation (within the framework of the EAEU) and China. Moreover, the formation and development of CAs occurs at all of the above logistic levels of organization of tourist flows.

It seems that in order to successfully implement the directions of tourism development formulated in the framework of the mega-project BRI it is necessary to use the principles of ILs in the framework of developing an appropriate Comprehensive Program (CP) between the PRC and the participating country (for example, the Russian Federation) in each of the areas of development of the tourism sector and the formation of new checkpoints in the global tourism market. Moreover, each CAs should be structured by the hierarchical levels of tourism management in these countries. In order to specify the planned activities within the context of CP, it is also necessary to use the project approach.

The further development of CAs on the principles of ILs should be carried out as follows.

At the state level, in order to enhance the tourist flow between the countries, the following measures should be implemented:

1. conclusion of a bilateral agreement on the development of tourism as one of the strategic directions for the implementation of the mega-project BRI;
2. expansion of visa-free space;
3. formation of a special body (for example, a committee) that regulates the development of tourism between countries within the framework of the project.

The Interstate Committee for Tourism Development is develops a development Concept of tourism in order to increase its competitiveness and formation new CAs. In this document, the main objectives of tourism development between countries are defined; the main tourist regions are identified; a list of the most important joint projects (for example, inter-regional tourism projects), that are aimed at developing and creating new competitive advantages in the tourism industry of the two countries, is formulated; a mechanism for interaction on the development, implementation, and control of joint projects is defined; sources of investment resources, necessary for the implementation of projects, are determined.

Next, working groups for developing Comprehensive Development Programs (CDP) for the identified types of tourism and tourist regions are developing, as well as for monitoring their implementation. At the same time, each of the developed CDP should be “built” according to the project approach, i.e. include various investment projects for specific objects of economic activity in the field of tourism. Each project should be aimed, first of all, at solving the most urgent problems of CAs' development in the tourism sector in order to “turn” them into necessary ones. In our opinion, it will allow to interconnect projects of various hierarchical levels in order to achieve the planned tourist flow, to ensure the effective implementation of the principles of ILs in the context of a specific project in terms of constructing both the main and associated flows at various hierarchical levels, as well as quality control over the expenditure of investment resources. The schematic diagram of integrated logistics' organization of CAs' development, in relation to the mega-project BRI for the Russian Federation and China in the tourism sector, is shown in Figure 01.

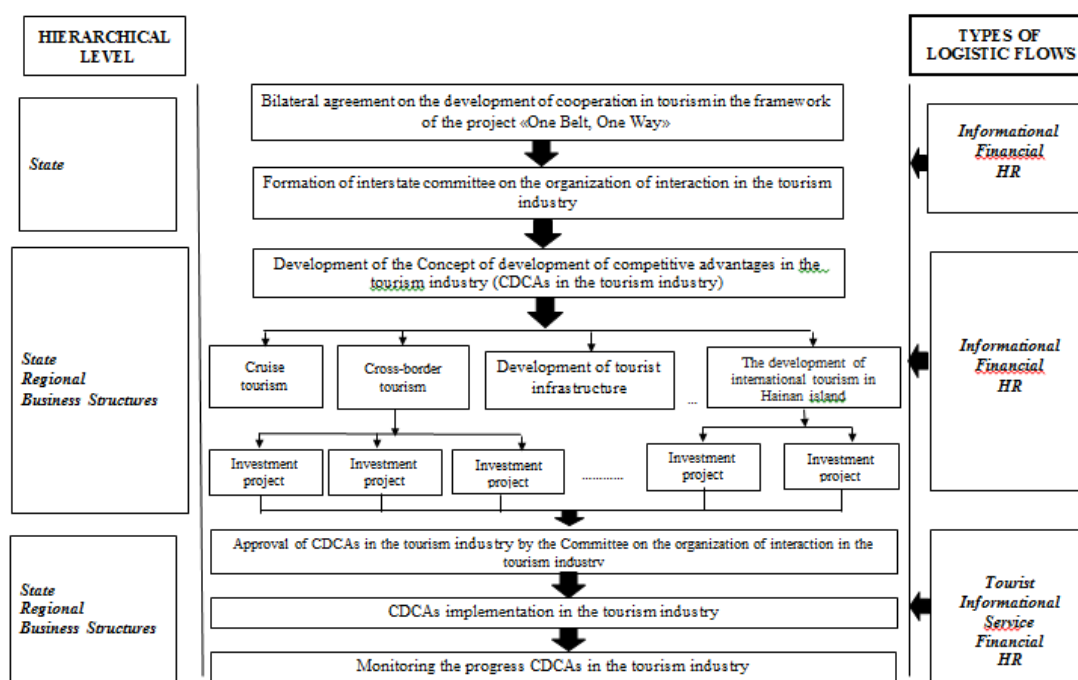


Figure 01. Algorithm for implementing the principles of integrated logistics in the creation and development of competitive advantages tourism industry of RF and PRC within framework of the BRI mega-project

It should be noted here that the development of new joint digital platforms in the tourism industry by the participating countries of the mega-project will significantly increase the level of competitiveness of this sphere in the global tourism market. Of course, this algorithm requires further clarification and refinement, since each objective in the development of tourism in the countries participating in the mega-project BRI has its own specifics.

7. Conclusion

In conclusion, it is necessary to note the following. The formation of conditions for creating new and developing existing CAs in the tourism and related industries within the framework of the mega-project BRI is just beginning. Therefore, it is important to identify the tools with which the implementation of the planned strategies will occur. In our opinion, it is necessary to use the theory and methodology of Integrated Logistics in developing the concept of developing CAs in the tourism sector within the framework of the mega-project BRI as a tool to combine the existing competitive advantages of all participating countries. At the same time, both the program and the project approach should be used in the process of developing and implementing the Concept for the development of the tourism sector to increase its competitiveness and create new CP. The proposed algorithm for the development of CAs based on ILs needs to be clarified and developed taking into account the specifics of individual areas of tourism development between the participating countries within the framework of the mega-project BRI.

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