

SOCIO-ECONOMIC ANALYSIS OF RURAL TOURISM DEVELOPMENT: CASE STUDY IN UKRAINE

Zoriana SENETA, Ion DUBOVICH

Ukrainian National Forestry University, 103 Generala Chuprynyky Street, 79057, Lviv, Ukraine,
Phones: +38-099-379-81-17, +38-097-215-78-78, E-mails: zorianaseneta@i.ua,
iondubovici@ukr.net

Corresponding author: zorianaseneta@i.ua

Abstract

The article considers the current state and prospects of rural tourism development in Ukraine. The analysis of scientific sources of Ukrainian and foreign scientists, relating to the subject of this study, is made. The article contains personal research conducted in 2020. Based on the data of a sociological survey on the attitude of Ukrainian citizens to the development of rural tourism in Ukraine, the willingness of the population to rest in rural area and invest their own funds in the development of private business in this area was analyzed. Attention is paid to obstacles to the development of rural tourism and the main ways that will promote the development of rural tourism in Ukraine.

Key words: rural tourism, rural area, Ukraine, tourism industry, socio-economic analysis.

INTRODUCTION

Today, rural tourism is an important component of the tourism industry in the broadest sense of this term. In the countries of the European Union, rural tourism covers more than 30% of used holidays. As a way to spend free time it is chosen for the second or third time during the year [5]. Rural tourism in Europe has a long tradition. It is in him that the European Union sees the main lever for the economic recovery of its rural areas [4].

Today the rural tourism in Ukraine is in the formation stage. The development of this sphere of tourist services in rural areas has begun to acquire a systemic character from the end of the twentieth century. The rest in the picturesque villages through the use of the available private housing stock of hospitable hosts has a positive effect not only on the health of vacationers, but also on the environment and the economy of the regions of Ukraine. This in turn expands the scope of employment of rural residents and allows the sale of environmentally friendly products of personal farming [3, 9].

The picturesque Ukrainian village has a unique historical and architectural heritage, curative and recreational resources, original

culture and way of life, unique landscapes, rich national traditions, opportunities to eat ecologically clean products and relax in the conditions of charming nature. Due to the COVID-19 pandemic, the development of rural tourism in Ukrainian villages is becoming increasingly popular among tourists. Rural tourism is a promising way of sustainable development in rural area. After all, it is an effective means of combating poverty and solving a number of social, economic and environmental problems of the Ukrainian village. World practice shows the high profitability of sphere of rural tourism. According to the sociological surveys conducted in the European Union, the three main motives for choosing rural tourism services are: the “escape” from the intense pace of urban life, the possibility of immersion in rural life, relaxation (35.2%); the possibility of combining recreation with active travel (20.2%); the desire to relax in nature and communicate with the world of plants and animals (17.3%) [8].

Today in Ukraine rural tourism does not have a sufficient legal basis. It is considered in the Law of Ukraine “On Tourism” [13] only as a type of tourism and does not contain a clear definition. The right of peasant farms to

engage in rural tourism is defined by the Law of Ukraine "On Individual Farm". This law gives a definition of the personal peasant economy and outlines the scope of this activity. It is also noted that the activities related with the conducting personal peasant farms are not related to the entrepreneurial activity [14].

World Tourism Organization understands Rural Tourism as a type of tourism activity in which the visitor's experience is related to a wide range of products generally linked to nature-based activities, agriculture, rural lifestyle/culture, angling and sightseeing [12]. The benefits of rural tourism development (economic, environmental and socio-cultural) are discussed in the research of Tsephe and Eyono Obono. The aim of the study was to develop a model of factors influencing the motivation of tourists to rest in rural areas [11]. The attitude of local residents to the development of sustainable tourism in rural area and the impact of tourism development on rural area were studied by Muresan et. al. According to the respondents, the positive advantages of rural tourism development are: the ecological component of sustainable development, the possibility of employment, improving the quality of life of local residents, improving the overall infrastructure of villages and others. The local community is ready to support the sustainable development of tourism with significant benefits (economic, socio-cultural and infrastructural) [7].

Studies conducted by Blešić et. al. concerned villages where tourism is just beginning to develop. The purpose of the survey was to analyze the attitude of the population to the development of tourism in rural area. The results of the survey showed that respondents are aware that with the development of rural tourism in rural area there will be both advantages and certain problems. In addition, respondents agree that tourism activities in the region will bring economic benefits. The analysis of respondents answers also showed that residents assessment of economic and socio-cultural impact differs significantly depending on their socio-demographic characteristics. The results of the study confirmed the idea that explaining to villagers

the importance of the potential benefits of rural tourism development is essential for the successful functioning of this area [1].

Dimitrovski et. al. highlights the main benefits of rural tourism development for villagers. These include: preservation of the environment and cultural heritage, economic benefits for the local population, prevention of migration from villages to cities, diversification of the rural economy, improvement of local infrastructure, etc. [2].

The purpose of the article is to study the attitude of the population of Ukraine to the development of rural tourism. Based on the data obtained, identify the main advantages and obstacles that exist in this area. Propose specific measures for the successful functioning of rural tourism in Ukraine.

MATERIALS AND METHODS

In the process of writing the article we used general and special scientific research methods: generalization – for research the essence of the concept of "rural tourism"; comparative analysis – in the study of foreign experience on the impact of rural tourism on rural area; sociological survey – to collect sociological information; graphic method – for plotting diagrams; induction and deduction – to summarize the results of the study and formulate conclusions.

To analyze the state of awareness and attitude of the population of Ukraine to the development of rural tourism in Ukraine, we conducted a survey among citizens living in all regions of Ukraine. Our purpose was to find out whether the population of Ukraine wants to develop such perspective type of tourism as rural tourism.

We developed a survey questionnaire containing 14 questions. Respondents were asked to choose one or more of the suggested answers or to indicate their own option. Respondents were also asked to provide general information about themselves, which included: gender, age, education, place of residence and average monthly family income per person. The survey was conducted during August-December 2020. Form of conducting – online survey in the Google Forms system.

A total of 326 respondents took part in the survey.

Differences in the historical development of Ukrainian territories, their natural conditions and natural resource potential, ethnocultural and socio-demographic features, different levels of economic development, their economic specialization and economic structure of the territories led to the formation of economic regions of Ukraine. Each economic region has a certain territory, its own internal economic structure, mechanisms of management and functioning [6]. Maniv et.al. identify the most stable and functional-operational structure of economic regions in Ukraine, which includes 8 economic regions: Donetsk (Donetsk and Luhansk regions), Prydniprovsk (Dnipropetrovsk, Zaporizhia and Kirovohrad regions), Eastern (Poltava, Sumy and Kharkiv regions), Central (Kyiv, Cherkasy regions), Polissya (Volyn, Zhytomyr, Rivne and Chernihiv regions), Podilsky (Vinnytsia, Ternopil and Khmelnytsky regions), Carpathian (Zakarpattia, Ivano-Frankivsk, Lviv and Chernivtsi regions), Black Sea (Odessa, Mykolaiv and Kherson regions and the Autonomous Republic of Crimea) [6]. We used this method of dividing Ukraine by its

regions to analyze the perspectives for the development of rural tourism in Ukraine.

RESULTS AND DISCUSSIONS

The obtained results of the sociological survey are presented in this section of the work. This part of the article contains an analysis of the questionnaire and a graphic illustration of the results. Respondents general perception of the development of rural tourism in Ukraine was assessed by choosing one or more of the proposed answers to the proposed questionnaire.

326 respondents took part in the survey, including 62% of women and 38% of men. The majority of the respondents live in an urban area – 67%, 25% of respondents live in rural area and 8% of respondents live in urban village area. Respondents aged: 18-25 years – 22%; 26-35 years – 36%; 36-45 years – 25%; 46-59 years – 13%; 60 years and older – 4%. The largest share of respondents are citizens with higher education – 67%, 14% of respondents have a scientific degree, 11% of respondents – people with incomplete higher education, 6% of respondents have secondary special education and 2% of citizens have completed secondary education (Fig. 1).

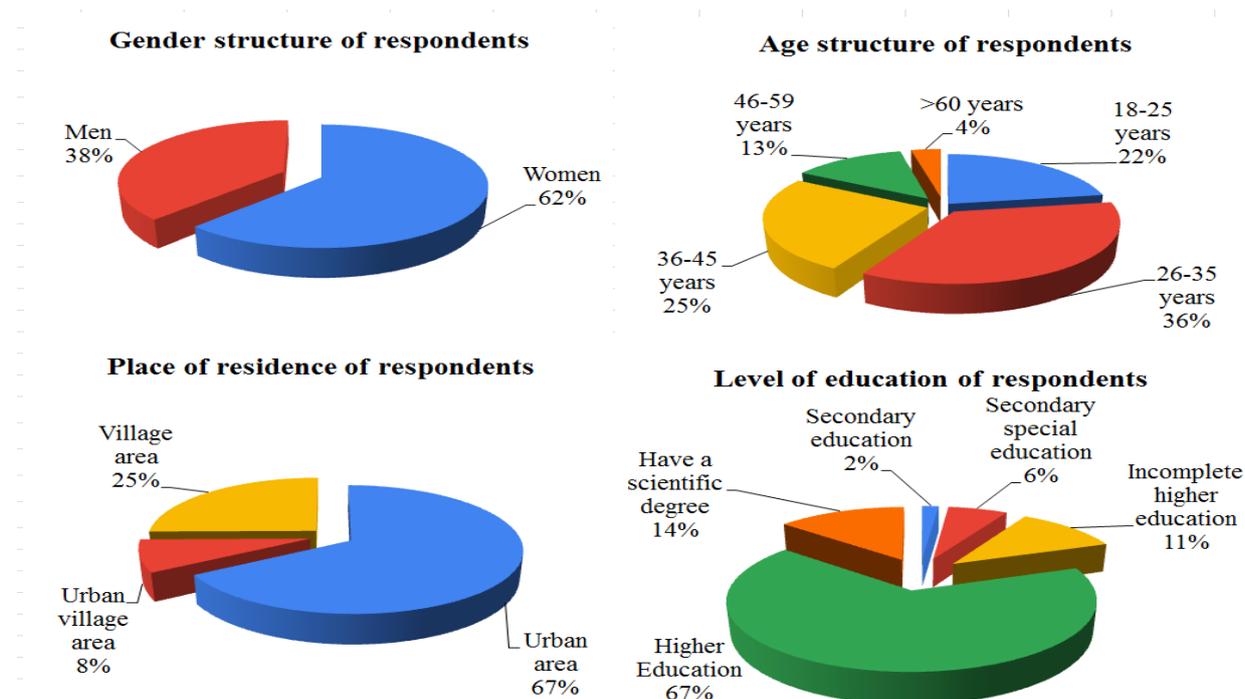
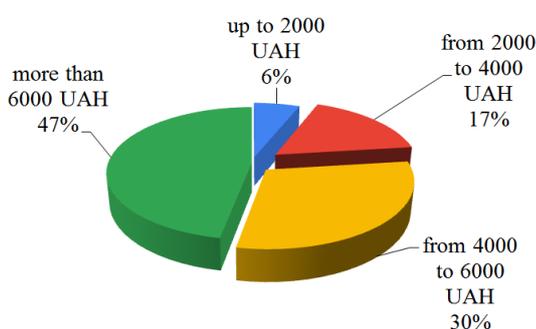


Fig. 1. Socio-demographic characteristics of the respondents
Source: own representation.

The population of Ukraine differs significantly by income level, depending on the place of residence and social status. Among the surveyed citizens, the largest share (47%) were respondents, whose average monthly family income per person was more than 6,000 UAH (as at January 2021). In 30% of respondents this income is in the range from 4,000 to 6,000 UAH, in 17% of respondents – from 2,000 to 4,000 UAH, and in 6% of respondents this income is very

small – up to 2,000 UAH. Different numbers of respondents were interviewed in the regions of Ukraine. The largest share of respondents (47%) live in the Carpathian region, 16% – in the Central region, 11% – in the Prydniprovsk region, 9% – in the Polissya region, 6% – in the Eastern region, 5% – in the Black Sea region, 4% – in the Podilsky region and 2% – in the Donetsk region (Fig. 2).

Average monthly family income per person



Distribution of respondents by regions of Ukraine

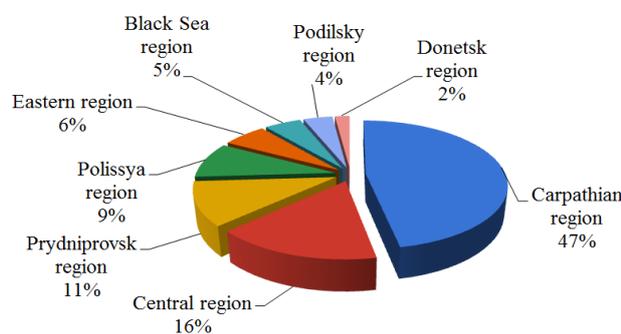


Fig. 2. Distribution of respondents by income level and regions of Ukraine

Source: own representation.

The socio-economic survey shows that the recreation in rural area is liked by a significant proportion of respondents (92%). We chose the five most attractive regions for recreation in Ukraine (according to data of the State Statistics Service of Ukraine [10]). 70% of respondents preferred to rest in the region of the Ukrainian Carpathians. We see that the Ukrainian Carpathians attract tourists from all over Ukraine with its picturesque nature, mountain landscapes, unique cultural and ethnographic heritage, rich natural and recreational resources, ancient traditions and folk rites, historical past and landmarks of architecture and art, which are known far beyond Ukraine. It is in the Carpathian economic region that the perspectives of the development of rural tourism remain one of the best in Ukraine, given the complex influence of various factors (historical, geographical, ethnographic, cultural, environmental, economic, social, etc.). A small proportion of respondents (13%) would like to rest in the Black Sea region, 8% of respondents are attracted to rest in the Central

region of Ukraine, 6% of respondents want to rest in Polissya region and 3% – in Podilsky region (Fig. 3).

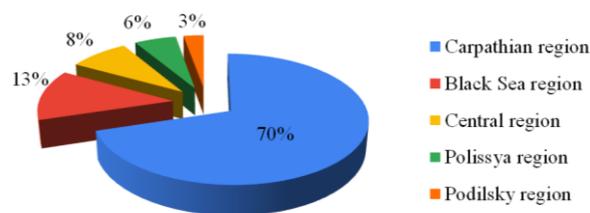


Fig. 3. Attractiveness of the regions of Ukraine for recreation in rural area

Source: own representation.

The majority of respondents consider that the main advantages of recreation in rural area are the picturesque landscapes and cozy atmosphere of the village (85%). The next position is occupied by hiking and horseback riding, picking berries and mushrooms, fishing (56%). 55% of respondents prefer to get acquainted with the local culture and way of life, national cuisine. Slightly fewer respondents rated the possibility of eating environmentally friendly products (44%),

affordable cost of rest (42%) and curative and recreational resources of the area (37%) (Fig. 4). It is worth noting that the

respondents were given the opportunity to choose one or more of the proposed answers or to indicate their own option.

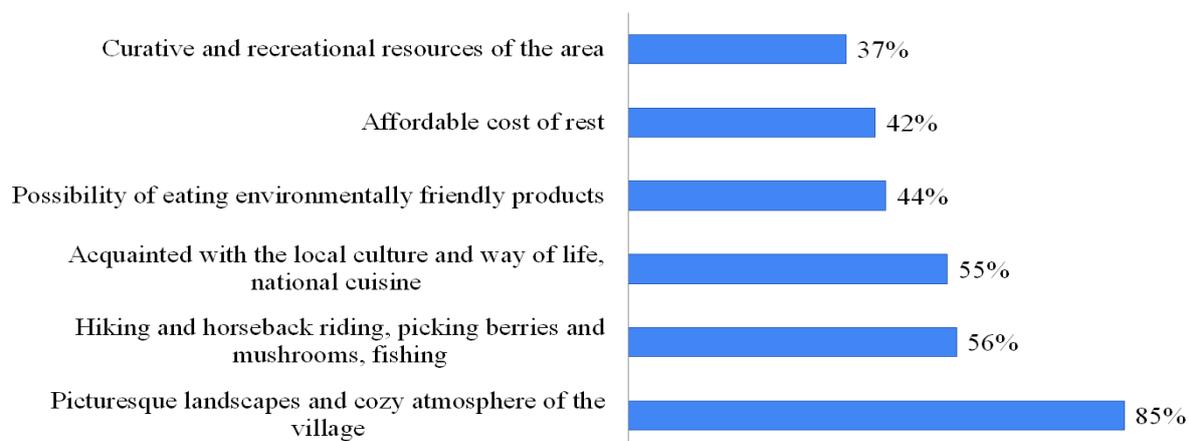


Fig. 4. The main advantages of recreation in rural area
Source: own representation.

It should be noted that 95% of respondents consider that the development of rural tourism in Ukraine is necessary. Our survey shows that 62% of respondents see the need to develop of rural tourism exactly in the unique historical and ethnographic heritage of Ukrainian villages, 53% of respondents – in the ecological purity of the rural area, 46% – in the traditional hospitality of the owners and

affordable price for rest, 40 % of respondents – in the availability of free labor resources to serve tourists, 33% of respondents – in the availability of free rural housing for tourists, 32% of respondents preferred a variety of additional excursion services to the liking of tourist and 28% of respondents see the need for growing demand for recreation in rural area (Fig. 5).

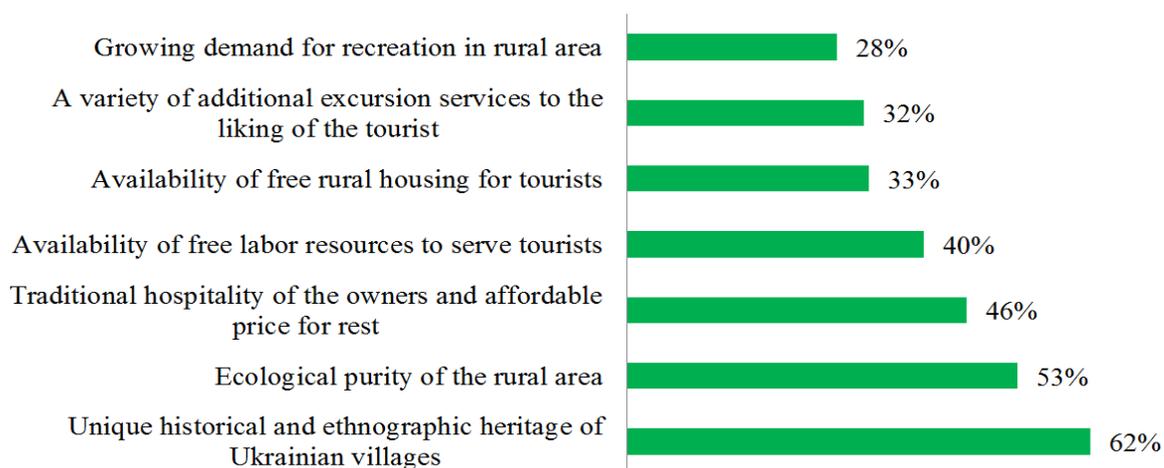


Fig. 5. The need for rural tourism development in Ukraine
Source: own representation.

The majority of respondents (82%) consider that for a clear economic and legal regulation of activity in the field of rural tourism, it is necessary first of all to accept the Law of Ukraine “On Rural Tourism” at the state level.

Today there are positive trends in the development of tourism in rural area inhibit some problematic aspects of the development of the tourism and recreation industry, the main of which are: unsatisfactory condition of tourist routes, inefficient use of existing

transport to transport tourists, lack of visual tourism information, neglect of environmental safety rules in nature reserves and recreational areas, etc.

According to the respondents, the most important obstacles to the development of rural tourism in Ukraine are: insufficient state funding and lending (66%), difficult conditions for registration and business (47%), lack of legislative framework (39%), low qualification of tourism workers (35%) and another answer (14%). To another answer the respondents included: low level of advertising and promotion of rural tourism; lack of appropriate infrastructure; low income of citizens; the need to create places of

interest for tourists (maintenance of old buildings in good condition, rather than damage them by modern repairs); lack of experience among entrepreneurs and poor dissemination of information about this type of tourism; ignorance of the population about the availability of rural tourism services and its benefits; lack of appropriate advertising; unsatisfactory condition of roads and problems with Internet connection; unwillingness to improve the available service; insufficient marketing measures to promote this type of tourism; pollution and unsatisfactory condition of certain territories, lack of initiative of citizens to open their own business in the field of rural tourism, etc. (Fig. 6).

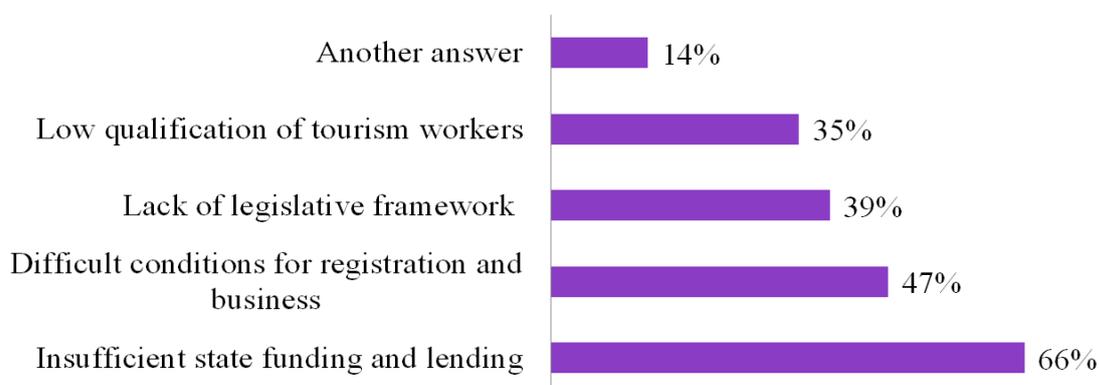


Fig. 6. Obstacles to the development of rural tourism in Ukraine
Source: own representation.

Respondents were also asked to rate between 1 and 4 points (1 – none, 2 – weak, 3 – satisfactory, 4 – appreciable) state efforts to promote the development of rural tourism. To this question, 50% of respondents said that the state does not make any efforts to develop rural tourism, 46% of respondents noted that the efforts are weak and only 4% believe that the state's efforts are satisfactory.

Regarding opening a private business in the field of rural tourism, the answers of the respondents were distributed as follows: 54% – would like to open, and 46% – wouldn't like. We also asked the respondents whether they are willing to take a bank loan to start a private business (if they do not have enough own funds), given that within 10-15 years this loan can be repaid on the basis of profits that will be received in the course of private business. The answers to this question were divided as follows: 66% – are not ready to

take a bank loan, and 34% – are ready to take a loan to open and develop private business in the field of rural tourism.

When asked what percentage of own funds respondents are willing to invest in starting their own business in the field of rural tourism, the answers of the respondents were divided as follows: 53% of citizens answered that they are ready to invest 30% of their own funds, 25% of respondents are ready to invest 50% of their own funds, 10% of citizens are ready to invest 70% of their own funds, and 4% of respondents are ready to invest 100% of their own funds. Note that 8% of respondents indicated a different answer (namely: ready to invest another percentage of their own funds (10%, 20%; 45%; 85%); not ready to invest anything; ready to invest only their own funds, because they do not want to take a loan; consider the possibility of at least a small grant or benefits at the beginning of

the development of their business (meaning a homestead for one family, a company of up to 6 people); some respondents did not answer the questions because they do not have information in the field of rural tourism).

Due to the existence of certain problems related to the development of rural tourism in Ukraine, the state must take a number of urgent measures. These measures should include: improvement of national legislation; approval of organizational conditions for the provision of services in the field of rural tourism; formation of proposals on the elements of corporate style and ethnic features of the identification of the Ukrainian estate; activation of local authorities to support rural tourism; training and preparation of qualified personnel who are able to implement new ideas, attract investments and carry out effective management of new projects, etc.

When asked how the state could help improve the situation in the field of rural tourism, 80%

of respondents said that it is necessary to attract investors, 54% of respondents believe it is necessary to develop environmental and economic programs, 51% – the adoption of the Law of Ukraine "On Rural Tourism". And 11% of respondents indicated their own answer: development of village infrastructure and repair of existing roads leading to rural estates with appropriate road signs; the possibility of providing dotation; tax benefits; funding and promotion (advertising, PR); advertising support at all levels of the media; reduction tax pressure and reduction of unnecessary state control; encouraging young and middle-aged people, engaged in rural tourism, to live in rural area; control over observance of sanitary and hygienic norms; raising the level of qualification of service workers; popularization of own tourist products by territorial communities; creation of a favorable legal framework for the development of rural tourism, etc.) (Fig. 7).

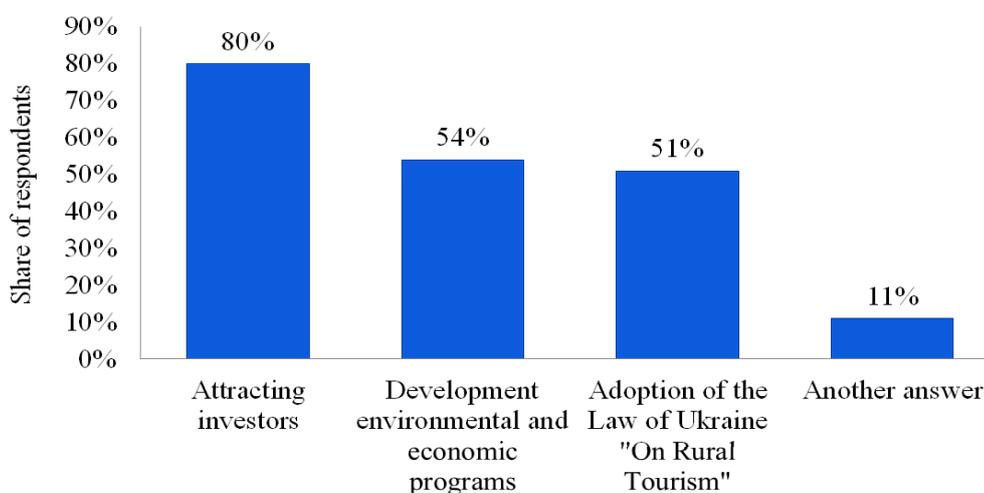


Fig. 7. Factors of state influence on improving the situation in the field of rural tourism

Source: own representation.

The development of quality rural tourism can lead to many positive changes in rural area. Among the surveyed respondents, 67% of citizens believe that attracting investment for the reconstruction of existing and creation of new tourist facilities is the most necessary factor. 64% of respondents believe that such a factor is an effective state policy in this area. 58% of respondents believe that the state should promote the development of promising tourist regions. 47% consider participation in

international development programs a necessary factor, and 45% of respondents consider the implementation of economic and social projects. A small number of respondents (5%) provided a different answer (in particular: organization of training for owners of estates; bringing roads to proper condition; cleanliness of streets, reservoirs and adjacent territories; attracting Ukrainian investors, etc.) (Fig. 8).

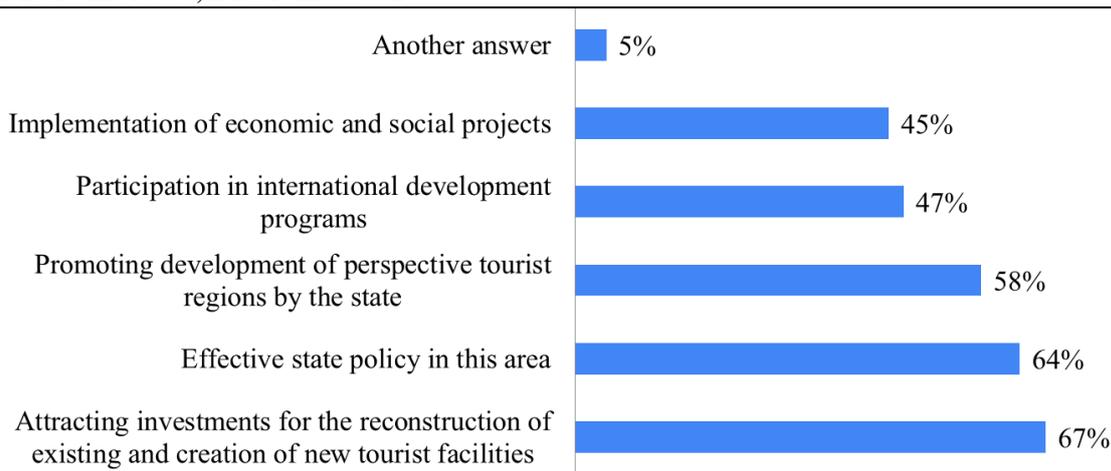


Fig. 8. Factors that contribute to the successful development of rural tourism
 Source: own representation.

We asked how to stimulate demand for rural tourism in Ukraine (Fig. 9). 81% of respondents believe that good transport connection with rural estates are needed. 59% of respondents consider that low prices for accommodation and meals are the significant factor. 45% of respondents preferred a wide range of entertainment services. 34% of respondents said that the most important thing for them is to eat only environmentally friendly products. And 5% of respondents indicated their own answer: advertising; training of estate owners; good roads; Internet access; compliance of the provided services with European standards; information

campaigns by government programs: on reservoirs – cleaning of reservoirs; in mountainous areas and forest belts – prevention of deforestation; in the Black Sea and Azov regions – the creation of recreation centers with a wide range of services inherent in this area; there should be a certain feature that would encourage people to relax in the area more than once; support of advertising and promotion of rural tourism services at the regional, state and international levels; improving the quality of services through training programs for owners of rural estates; organization of law enforcement in the fight against fraud and hooliganism.

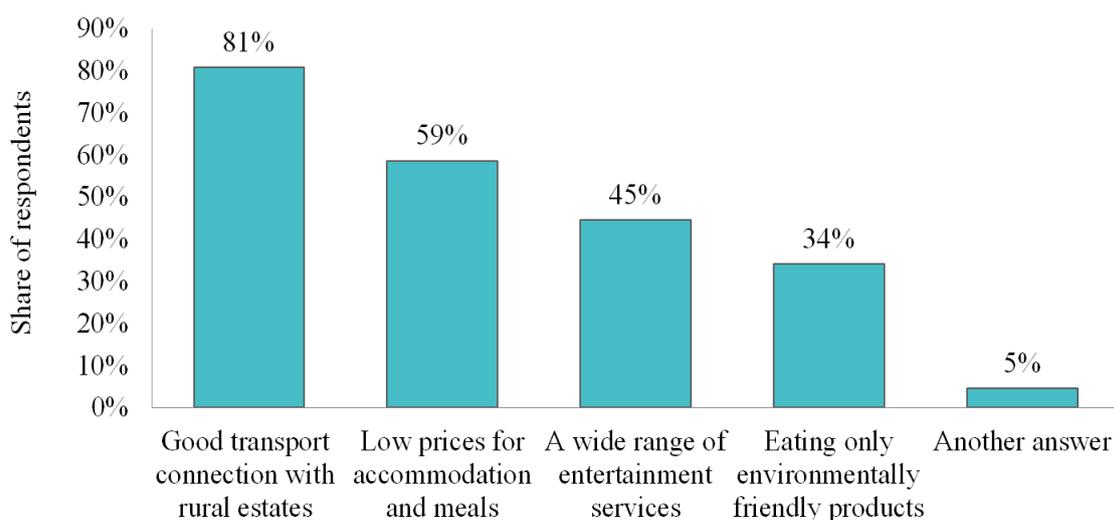


Fig. 9. Ways to stimulate demand for rural tourism in Ukraine
 Source: own representation.

According to the conducted sociological survey, the rural area attracts tourists with a variety of unique features inherent peculiar to a certain area. It is worth noting that due to the COVID-19 pandemic, tourists more often began to choose the rest in small rural estates located in an ecologically clean area. It is here that a wide range of leisure services opens for tourists. They have the opportunity to choose interesting entertainment and educational routes as they wish, to take part in folklore events and song festivals, etc. Or tourists just can spend time in peace and quiet, which are so lacking in modern cities.

CONCLUSIONS

Based on our socio-economic research, which concerned the assessment of the level of awareness and attitude of the population of Ukraine to the development of rural tourism, we can draw the following conclusions:

-recreation in the rural area attracts the most of the surveyed citizens (92%);

-among the main advantages of recreation in rural area, respondents noted the picturesque landscapes and cozy atmosphere of the village (85%); hiking and horseback riding, picking berries and mushrooms, fishing (56%); acquaintance with local culture and life, national cuisine (55%);

-70% of respondents would like to rest in the region of the Ukrainian Carpathians;

-95% of respondents said that it is necessary to develop rural tourism in Ukraine;

54% of respondents want to start a business in this area;

-the majority of respondents (82%) believe that the Law of Ukraine "On Rural Tourism" should be adopted in order to clearly regulate activities in the field of rural tourism.

The development of rural tourism at the macro level opens new opportunities and prospects not only for the tourism industry, but also for the economy of Ukraine as a whole. This is an effective way to improve the economic, environmental, cultural and household situation in rural areas. The development of rural tourism helps to increase the income received by villagers, encourages the local population to protect nature, preserve

national, cultural and historical heritage. That is why state support is very important, which would promote the development of rural tourism. It should include the attraction and effective use of foreign investment, the provision of soft long-term loans to rural residents for the organization and conduct of business, improving the activities of travel agencies for effective advertising of rural estates, and so on.

Our study makes it possible to identify the main factors that will contribute to the development of rural tourism in Ukraine. Important factors include the following: effective economic policy of the state in relation to rural tourism, available government funding and lending, reduction of the tax burden, creation of a favorable legal framework (including the adoption of the Law of Ukraine "On Rural Tourism"), development of village infrastructure, support of advertising and promotion of rural tourism services at the regional, state and international levels, improving the quality of these services. Ukrainian hospitality and rich cultural traditions attract tourists from near and far abroad.

REFERENCES

- [1]Blešić, I., Pivac, T., Besermenji, S., Ivkov-Džigurski, A., Košić, K., 2014, Residents' Attitudes and Perception towards Tourism Development: A Case Study of Rural Tourism in Dragacevo, Serbia, Eastern European Countryside, 20(1): 151-165.
- [2]Dimitrovski, D.D., Todorović, A.T., Valjarević, A.D., 2012, Rural tourism and regional development: Case study of development of rural tourism in the region of Gruža, Serbia, Procedia Environmental Sciences, 14: 288-297.
- [3]Dubovych, I.A., Seneta, Z. Ya., 2018, Current ecological and economic problems of cross-border cooperation of Ukraine and the European Union in the field of rural green tourism, Naukovi visnyk Uzhhorodskoho natsionalnoho universytetu. Seriiia : Mizhnarodni ekonomichni vidnosyny ta svitove hospodarstvo, 18(1): 158-161.
- [4]Herasymenko, V.H., Mykhailiuk, O.L., 2019, State re-enactment of the tourism sector of Ukraine in the context of the process of European integration (In Russian: Derzhavne rehuliuвання sfery turyzmu Ukrainy v konteksti protsesiv yevrointehratsii), Kyiv.: FOP Huliaieva V.M. 332 p.
- [5]Kudla, N. Ie., 2015, Rural tourism: the basics of reception and hosting (In Russian: Silskyi turyzm:

osnovy pidpriemnytstva ta hostynnosti), Kyiv: Tsentr uchbovoi literatury. 152 p.

[6]Maniv, Z.O., Lutskyi, I.M., Maniv, S.Z., 2007, Regional Economy (In Russina: Rehionalna ekonomika), Lviv: Mahnoliia 2006. 562 p.

[7]Muresan, I.C., Oroian, C.F., Harun, R., Arion, F.H., Porutiu, A., Chiciudean, G.O., Todea, A., Lile, R., 2016, Local Residents' Attitude toward Sustainable Rural Tourism Development, Sustainability, 2016, 8(100): 1-14.

[8]Rozmetova, O.H., Sydoruk, N.Yu., 2017, The role of agriculture and green tourism and socio-economic development is the extreme, Infrastructure to the market (In Russian: Sutnist ta rol silskoho zelenoho turizmu u sotsialno-ekonomichnomu rozvytku krainy, Infrastruktura rynku), 3: 68-72.

[9]Serdiukova, O.M., 2014, The essence of rural green tourism, Ekonomika te derzhava, 3: 87-90.

[10]Statistical bulletin "Collective Accommodation Facilities in Ukraine in 2017". <http://www.ukrstat.gov.ua/>, Accessed on January 11, 2021.

[11]Tsephe, N.P., Eyono Obono, D.E., 2013, A Theoretical Framework for Rural Tourism Motivation Factors, International Journal of Social, Management, Economics and Business Engineering, 7(1): 157-162.

[12]UNWTO, Rural and mountain tourism. <https://www.unwto.org/rural-mountain-tourism>, Accessed on July 18, 2021.

[13]Verkhovna Rada Ukrainy, 1995, Law of Ukraine for Tourism (In Ukrainian: Zakon Ukrainy Pro turizm). <https://zakon.rada.gov.ua/laws/show/324/95-%D0%B2%D1%80#Text>, Accessed on August 2, 2021.

[14]Verkhovna Rada Ukrainy, 2003, Law of Ukraine for the individual peasant economy (In Ukrainian: Zakon Ukrainy Pro osobyste selianske hospodarstvo). <http://zakon4.rada.gov.ua/laws/show/742-15>, Accessed on August 2, 2021.