

ПІДПРИЄМНИЦТВО ENTREPRENEURSHIP

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ТУРИЗМ У ЛЬВОВІ: РЕАЛІЇ ТА ПЕРСПЕКТИВИ РОЗВИТКУ

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Наголошено на важливості сфери послуг для західних областей України. Проаналізовано потенціал, тенденції та перспективи розвитку туристичного ринку м. Львова. Визначено, що туризм на сьогодні є одним із двох пріоритетних напрямів розвитку міста. Проаналізовано Стратегію підвищення конкурентоспроможності економіки Львова та План розвитку туристичної діяльності м. Львів на 2009–2015 рр. Ключовим показником для туристичного бізнесу визнано кількість туристів, що відвідує Львів щорічно. Орієнтовну кількість туристів, що відвідують місто, обчислено на основі оцінок експертів, – вона знаходиться в діапазоні від 1 млн. до 2 млн. осіб і щорічно збільшується.

Констатовано, що важливим фактором, який безпосередньо впливає на розвиток туризму у Львові, є політична ситуація, що складається в Україні. Популярність Львова серед туристів зросла після проведення Євро-2012, відбувся значний поштовх у розвитку готельного бізнесу. Натомість туристична активність сповільнилась після революційних подій взимку 2013–2014 рр. На основі аналізу відпочинкового та бізнес-туризму у Львові визнано пріоритетність ділового туризму й важливість формування необхідної інфраструктури. Також важливим завданням є збільшення тривалості перебування гостей у місті, зокрема за рахунок розширення можливостей для бюджетного відпочинку.

Ключові слова: туризм, туристичний бізнес, розвиток туризму міста, сектори туризму.

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TOURISM IN LVIV: REALITIES AND PROSPECTS

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The article analyzes the potential, trends and prospects of the Lviv tourism market development. The importance of service sphere to Western Ukraine is emphasized. It was determined that today tourism is one of the two priority areas for the city. The Competitiveness Strategy and the Plan of the Lviv tourist activities development for 2009-2015 were analyzed. The number of tourists visiting Lviv annually is recognized as the key indicator for tourism business. The estimated number of tourists visiting the city was calculated on the basis of expert estimates – it is in the range from 1 million to 2 million people and increasing annually.

It was stated that an important factor that directly affects the development of tourism in Lviv is a political situation in Ukraine. The popularity of the city among tourists has increased after Euro-2012, there was a significant boost in the development of the hotel business. At the same time tourism has slowed down after the revolutionary events of the winter 2013-2014. Based on the analysis of recreational and business tourism in Lviv, the priority of business

tourism and the need to improve the necessary infrastructure were recognized. It is also important to increase the length of stay of visitors in the city, in particular by expanding the opportunities for budget tourism.

Key words: tourism, tourism business, development of the city tourism, the tourism sectors.

Problem setting. Service sphere becomes increasingly important in the world today. In Ukraine, due to historical and geographical specific, production industries have been developing less effective than services in the western regions. In Lviv the main industry, which needs to be developed and can bring most revenues, is undoubtedly tourism. An important factor for the effective development of tourism is a discovery of trends, problems in this field and development of recommendations for their improvement.

Analysis of the recent research and publications. Analysis of the Strategy for Lviv Competitiveness improvement shows that tourism is now defined as one of two priority areas for the city [1, 2]. The main objective of the tourism cluster is to increase the number of tourists. Analysis of foreign publications suggests that Lviv is a popular destination for European tourists. The British news agency and provider of financial market data “Reuters” published the list of ten European cities that are worth visiting – Lviv topped the list [3]. The increase in the number of tourists in Lviv was undoubtedly affected by the Euro-2012, which allowed not only to increase cash flow to the city budget, but also to develop tourism infrastructure [4, 5, 6]. At the same time tourism has slowed down after the revolutionary events of the winter 2013-2014 [7].

The main goal of the article – to analyze the main aspects of the tourism business in Lviv and identify major prospects of its specific sectors.

Main part of the article. The domestic tourism industry plays an important role in social and economic life of the country providing: the constitutional right of a person to rest, a positive image of Ukraine as a friendly country, establishing international relationships, the inflow of investments into the economy, filling state and local budgets etc. Gradually increasing its status as a service industry, active tourism impacts almost all areas of human life and activity, and thus enhances the understanding of the need for further government support of the industry.

Let's try to analyze tendencies of development and prospects of tourism in Lviv.

In 2013 the Lviv city administration has spent more than 4 million UAH to attract tourists. By the hotel tax only the city government received about 1 million UAH last year. At the same time the real income of the city is much higher; – calculations show that tourists each year spend about 500 million in Lviv. An important element of Lviv tourism development is also domestic tourism. The city administration is trying to attract Ukrainian tourists by promoting Lviv among urban residents in the east and south of the country. It was planned to spend more than 900 thousand UAH on such advertising last year.

It should be emphasized that Lviv is a tourist center. Every year more than 50 festivals are held and about a thousand cafes and restaurants are operating, half of them are located in the center. The city is trying to preserve Ukrainian traditions, ancient architecture and historical monuments.

An important tourist element is also the availability of the railroad and the new airport in the city. Lviv is located in the heart of Europe and tourists can also travel by their own transport. Thus, 60 % of the tourists get to the city by train, 13 % – by their own transport, 6.5 % – by air.

To determine the priorities and main tasks of tourism the Plan of development of tourism in Lviv for 2009-2015 was formed [1]. The main partner who provided direct assistance in the preparation of the Strategy was the Vienna Tourist Office. Analytical Group committee of entrepreneurs of the city conducted market research to create the required database of recreational objects, tourist attractions, and tourism infrastructure. The database of interpreters and guides was formed as well. I.Hurnyak, coordinator of the study, noted that almost half (46 %) of the total number of guides are fluent in foreign languages. Of these 21 % (32 people) speak Polish, 14 % (22 people) – English, 4 % (6 pers.) – German and Czech, others speak French, Italian, Romanian, Serbo-Croatian, while 10 guides speak two foreign languages.

Among guides the proportion of youth (18-30 years old) has increased significantly (25 % now). Almost a third part of the guides has practical experience of about 20 years.

The new web site of the Culture and Tourism department “www.cultureandtourism.lviv.ua” [8] is provided in five languages. It provides easy access to information on the legal regulation of tourism in Lviv, current events in the city, tourist organizations and cultural and art institutions.

The first important steps in maintaining the city’s tourism industry have already been done. In accordance with the Strategy of the city competitiveness, which was adopted at the session of the Lviv City Council on May 7th, 2010 [2], tourism today is seen as one of two priority areas of the city. The main objective for the development of tourism cluster is to increase the number of tourists from 1.5 million (in 2013) to 1.9 million (in 2015).

At the beginning of the project “The Strategy for the city competitiveness” the company Monitor Group in October 2008 conducted a comprehensive sociological study of tourists who come to the city [9]. With the help of these data we can calculate the number of tourists visiting Lviv, their expenditures and time spent. These studies are conducted on a regular basis now, which allows using the updated data in the analysis of strategy effectiveness.

The key indicator to determine the effectiveness of tourist business is the number of tourists visiting Lviv annually. The amount of money spent by an “average tourist” can be determined fairly accurately on the basis of annual sociological research while to estimate the number of tourists it’s necessary to use expert estimations. It should be noted that even in Europe there is no methodology for calculating the exact number of tourists.

Approximate number of tourists visiting Lviv can be estimated based on various experts’ opinions:

- According to Lviv travel agencies, since 2007 the city annually has been visited by about 1 million visitors [10]. The same figures are presented by the Department of Tourism and Resorts of Ministry of Culture [11] and the mayor of Lviv A.Sadoviy [12];

- According to the Institute of Lviv, the number of tourists who visited Lviv in 2012 ranged from 1.1 million to 1.7 million, in 2011 the range was from 660.7 thousand to 1.09 million tourists per year, and in 2010 the possible quantity of tourists was ranging from 560 thousand to 1 million people [13];

- According to A. Khudo, co-owner of the “Fest” restaurant chain, a lot more tourists than 1 million visit Lviv, and in fact the ultimate goal should be not to serve 1 million tourists a year but 2–3 million or even more. In 5-10 years these numbers can be doubled [13];

- According to the Department of Tourism of the Lviv City Council the number of tourists in Ukraine for the last 2 years has increased by 30-40 % because of the special festivals [14].

Considering all the above figures, we can roughly estimate that the actual number of tourists is in the range from 1 million to 2 million. That is, on average, Lviv annually is visited by 1.5 million tourists and this number is constantly increasing.

Recently there has been a gradual improvement of the situation in the tourism sector after the economic crisis, but a large number of tourists still prefer budget tourism. But paradoxically, this is just perfect for Lviv, which offers the opportunity of a good rest for relatively little money.

The study, conducted by the City Institute and the Center of City tourism development, shows that an average tourist spends three days and about 363 dollars in Lviv. The level of service that is provided was estimated at 4.06 points (maximum of 5). The revenues in the tourism sector in 2013 can be more than 592 million dollars (Figure 1) [13].

Tourism is a priority of the city. Every year there are many festivals and cultural events; tourism infrastructure – airports, hotels, hostels – is developing. This rapid development has received an international recognition – Lviv headed the list of the top 10 cities in Europe which are worth visiting this summer prepared by the British news agency and provider of financial market data “Reuters”. The publication describes the city as a modern business hub [3].

All this attract the attention of tourists both from Ukraine and other countries. Lviv is well-known city for tourists from all around Europe.

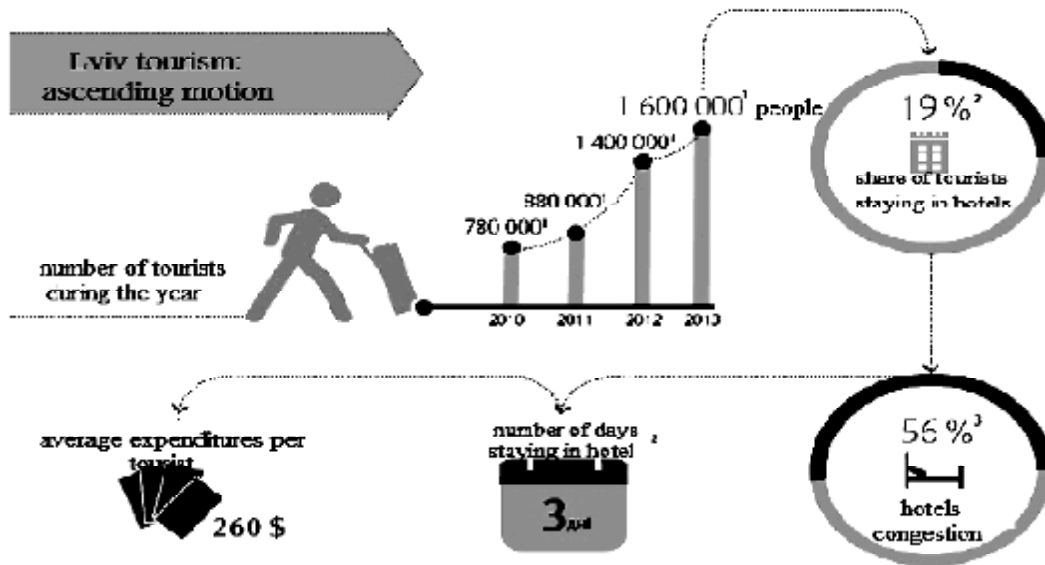


Fig. 1. Data on tourists visiting Lviv *

Note*: 1. Questionnaire survey by the Institute of the city (March 2012, September 2012, February 2013, June 2013).
 2. Research conducted by the “face to face”, 400 people questioned.
 3. The sample consisted of 500 guests of hotels and hostels.

The popularity of the city among tourists increased after the Euro-2012 championship. More tourists from distant exotic countries became interested in Lviv. Yet among travelers Germans and Poles are the leaders. According to recent sociological studies, they spend more than other tourists in Lviv and plan to visit it again [4].

Euro-2012 added a lot to development of the tourism, especially in the hospitality industry. The “Star hotels” association has identified several benefits that were brought by the championship Euro-2012 to the Ukrainian hospitality business. Firstly, it has become a powerful engine for the industry in terms of European crisis. In the host cities the number of hotels increased by 114 % compared to 2010. For example, in Lviv there was an increase by 66 units, Kyiv – 129, in Donetsk – 83 in Kharkiv – 33 (Fig. 2) [5].

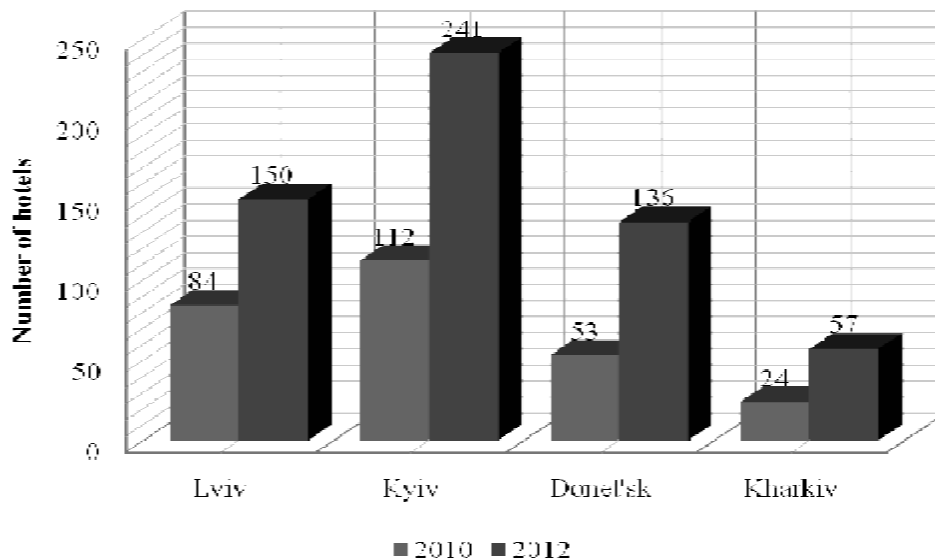


Fig. 2. Dynamics of hotels quantity due to Euro-2012

In addition, according to the executive director of the “Star hotels” association D.Prohorova the flow of foreign tourists to Ukraine greatly increased, the image of the country during the championship in ten days changed from negative to positive, and hotel infrastructure quantitatively and qualitatively satisfied demand of Europeans [5].

Considering the development of tourism in Lviv and data obtained after Euro-2012, one could argue that Lviv requires no increase in the number of five-star hotels but in the number of hostels. 86 % of foreigners who came to Euro-2012 visited Lviv for the first time. According to sociological surveys, tourists are mostly young people aged 18-36 years who spend most time on the Rynok square, spend over 300 Euros and prefer staying in hostels. 73 % of travelers plan a trip by themselves. 10 % of foreigners are coming to the city with business purpose, most of them live in hotels [6].

An important factor that directly affects the development of tourism in Lviv is the political situation in Ukraine. The revolutionary events of 2013-2014 in Ukraine were not favorable to tourism – part of foreigners, especially Poles, refused to visit the city. Experts had expected 300 thousand tourists during last New Year and Christmas holidays instead only 210 thousand came. The number of restaurants visitors decreased by 50 %. This information is published by Department of Tourism of the Lviv City Council [7].

However, the events that reduced the inflow of tourists to the city last winter can cause an increase in their numbers in the coming years. The Orange Revolution of 2004 attracted considerable attention of foreign tourists. Therefore, it may be worth considering opening of museums, exhibitions, thematic restaurants, associated with Eurorevolution 2013-2014.

Investigating tourism in Lviv by types, we can divide it into recreation and business tourism (Fig. 3) [10].

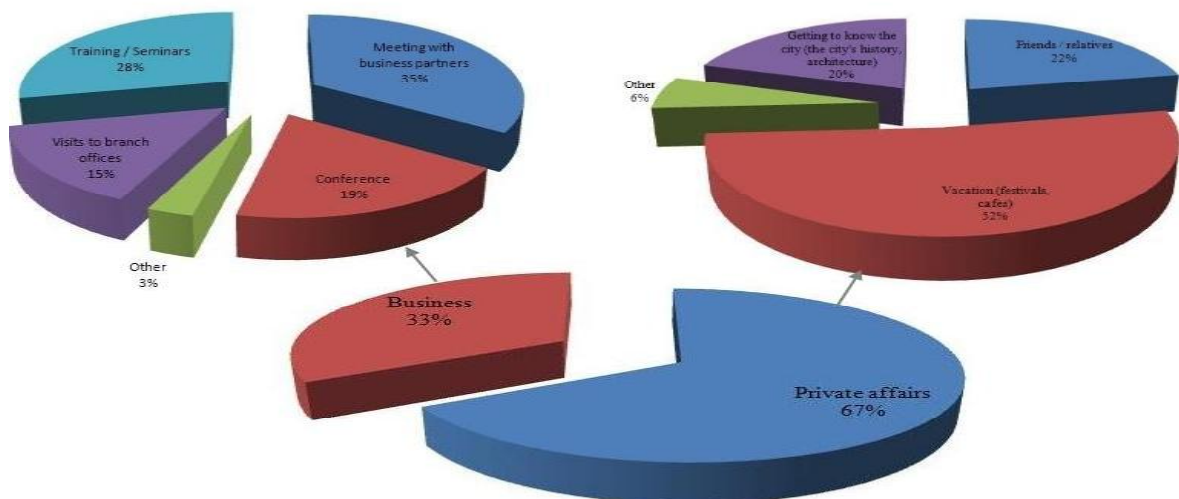


Fig. 3. Entertainment and business tourism in Lviv

In our opinion, based on the data in Fig. 3, the priority in the development of Lviv tourism should be business tourism. In Europe it becomes very popular. In addition, there is an increase of business meetings in Lviv, and appropriate infrastructure (conference centers, halls for meetings, etc.) should therefore be improved. Most niches in the hotel business are filled because of the increasing number of hotels due to Euro-2012. It should be also noted that 22 % of tourists stay with their friends or relatives in Lviv. Thus, the main focus should be given to the development of hostels and hotels that would be affordable to young people or tourists with limited budgets.

Also a top priority for the Lviv tourism industry is an increase of the length of stay in the city. Now a lot of attention is paid to the fact that guests should not just come to the city but should stay as long as possible – not 1–2 days but 3–4 or longer.

Conclusions and recommendations for further research. The potential, trends and prospects of the Lviv tourism market development were analyzed. The Competitiveness Strategy and the Plan of the Lviv tourist activities development for 2009-2015 were analyzed. Tourism was discovered to be one of the two priorities for the city. The number of tourists visiting Lviv annually was estimated – it ranges from 1 million to 2 million people and increasing annually. The political situation in Ukraine was found to be an important factor that directly affects the development of tourism in Lviv. The popularity of the city among tourists has increased after Euro-2012, there was a significant boost in the development of the hotel business. At the same time due to the Eurorevolution 2013-2014 tourism has slowed down. Based on the analysis of recreational and business tourism in Lviv, the priority of business tourism and the need to improve the necessary infrastructure were recognized. It is also important to increase the length of stay of visitors in the city. In further studies, it is advisable to monitor the popularity of tourism in Lviv.

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