

A. V. Dubodelova, I. Ya. Kulyniak, Kh. Yu. Malkush
Lviv Polytechnic National University,
Department of Management of Organisations

TRENDS OF HOTEL INDUSTRY DEVELOPMENT IN LVIV REGION

© Dubodelova A. V., Kulyniak I. Ya., Malkush Kh. Yu., 2014

Basic parameters of the hotel industry in Lviv Region are analysed. The structure of the hotel industry is investigated according to the types of hotels, non-permanent capacity, territorial location, categories, served segments. The results of activities of categorized placing facilities are assessed. Trends of hotel industry development in Lviv Region are discovered.

Key words: hotel economy, categorical facilities of placing, tourism infrastructure, one-time capacity, quality of service.

A. В. Дубодєлова, І. Я. Кулиняк, Х. Ю. Малкуш
Національний університет “Львівська політехніка”,
кафедра менеджменту організацій

ТЕНДЕНЦІЇ РОЗВИТКУ ГОТЕЛЬНОГО ГОСПОДАРСТВА ЛЬВІВЩИНИ

© Дубодєлова А. В., Кулиняк І. Я., Малкуш Х. Ю., 2014

Проаналізовано основні параметри готельного господарства Львівщини. Досліджено структуру готельного господарства за типами готельних закладів і одноразовою місткістю, територіальним розташуванням, категоріями, обслуговуваними сегментами. Оцінено результати діяльності категорованих засобів розміщення. Виявлено тенденції розвитку готельного господарства Львівської області.

Ключові слова: готельне господарство, категоровані засоби розміщення, туристична інфраструктура, одноразова місткість, якісне обслуговування.

Statement of the problem

On the modern stage of development of socio-economic and public relations in the world a role and value of tourist industry activate, that assists of the revival of all social-economic contacts, strengthening of economic potential of regions, increase of rating of the country, its separate regions and cities in a world concord.

Ukraine owns powerful and unique tourist potential. However, according to the World Economic Forum, in the field of trips and tourism Ukraine takes 74 place among 124 countries of the world [4]. The rates and quality of height of sphere of tourism don't correspond the modern world tendencies and real potential of the country. Providing an effective return from such potential is possible on condition of strengthening present and forming the new hotel economy corresponding to the international standards, as a tourist product consists almost on 33 % from services of facilities of placing of people, and a hotel economy comes forward as a visiting-card of tourist potential of the country and its regions [5].

On the 1st of January, 2012 503 the certificated facilities of stirring functioned in Ukraine, 15 – five-stars, 77 – four-stars, 215 – three-stars, 100 – two-stars. In the cities that accepted Europe soccer championship, 12 hotels that contain 975 numbers on 2044 places are put into an operation in 2012.

Lviv Region is one of the Ukrainian regions that take a leading place in the maintenance of tourist streams with the use of hotel economy that counts on the 1st of January, 2012, 228 hotels and analogical establishments, including 118 hotels, 22 motels, 8 hostels and 80 other facilities of placing. The non-permanent capacity of such establishments made 14,8 thousand places, a number fund counted 6051 numbers. 89 units of specialized facilities of placing, namely 43 sanatoriums, 5 child's sanatoriums, 6 resort hotels with treatment, 6 sanatoriums-clinics, 4 resort hotels of rest, 21 bases of rest and 4 health establishments 1–2 daily of staying were counted.

During 2011 services of hotel economy in Lviv Region took advantage of 620,4 thousand visitors, including the hotels and analogical facilities 396,2 thousand persons were stopped and 224,2 thousand persons were revitalized in specialized facilities. The profits of hotel establishments presented 1169,8 million hrn. from the rendered services in 2011 [2].

Today the Lviv enterprises of hotel economy for organizational forms, degree of development of assortment of services and material and technical base, the level of quality of service of customers don't answer the requirements of international standards, although they are in status of permanent development. In such circumstances, the immediate problem of management of modern Lviv hotel industry is its orientation on the stable and sustainable development in the conditions of globalization the tourism business that requires development and realization of the regional program of strategic development of tourism and its infrastructure. The most important factor of reasonable development of such program is the actual informative base, which has got as a result of research the modern state and tendencies of the arrangement of the activity of specific territorial units.

Analysis of recent research and publications

The different aspects of activity of the native enterprises of the hotel economy in the country reflected in the works of such scientists, as I. Vynnychenko, L. Ivanova, K. Ladychenko, H. Munin, S. Sokolova, L. Tkachenko, Z. Tymoshenko, L. Shulhina etc. An insignificant attention is paid to the researches of activity, exposure of tendencies and development of strategy of hotel economy on the regional level.

The formulation of objectives

The aims of this research are to analyse the basic parameters of hotel economy in Lviv Region, to exposure tendencies, influential factors and results of its activity for forming the strategy of development of the hotel business in the region.

Presentation of main materials

The hotel economy in Lviv Region during the latest years develops dynamically, that is conditioned by activation of tourist streams. According to the official statistics Lviv Region takes the fourth place for the amount of the served tourists in Ukraine after Crimea, Kyiv and Ivano-Frankivsk. In 2011 12097 foreign and 40729 native tourists visited Lviv Region.

2287 hotel establishments carry out maintenance of tourist streams (table 1).

During the period of 2008–2011 in Lviv Region a tendency was set to the increase of amount of the hotel establishments. So, in 2011 it presented 228 units, more than 69 units (43,4 %) in comparison with the previous year and 54,1 % – in 2008. The amount of numbers grew in 2011 on 12,9 % in comparison with 2010 and on 22,7 % – in 2008. Increase in the number of fund of the hotel establishments is provided, as a rule, by introduction to exploitation new hotel enterprises of middle class (3*, 3+*) and small boutique-hotels (3*-4*).

In an analysable period there were both building the new establishments and restructuring of material and technical base of present enterprises of the hotel economy by reduction of multi-seater low-paying rooms, reduction of seating capacity in the room for the increase of level of comfort and quality of service the customers.

Table 1

The dynamics of basic indexes of development of the hotel economy in Lviv Region

Index	Year	Score	The rate of change, %	
			Base	Chain
1	2	3	4	5
Number of hotel establishments, units	2008	148	100,0	-
	2009	155	104,7	104,7
	2010	159	107,4	102,6
	2011	228	154,1	143,4

Table 1 Continued

1	2	3	4	5
Number of rooms, units	2008	4931	100,0	-
	2009	5116	103,8	103,8
	2010	5359	108,7	104,7
	2011	6051	122,4	112,9
Houseroom, thousand sq. metres	2008	98,4	100,0	-
	2009	109,4	111,2	111,2
	2010	117,5	119,4	107,4
	2011	120,6	122,6	102,6
One-time capacity, places	2008	11081	100,0	-
	2009	11364	102,6	102,6
	2010	11910	107,5	104,8
	2011	12589	113,6	105,7
Served visitors, thousand persons	2008	369,9	100,0	-
	2009	292,7	79,1	79,1
	2010	353,2	95,5	120,7
	2011	396,2	107,1	112,2

Source: it is based on [1]

Different types of facilities enter to the complement of the hotel economy in Lviv Region including hotels, motels, youth tourist camps and mountain refuges (table 2).

The structure of the hotel establishments is taken by the hotels (in 2010 – 60,2 %). The positive tendency is observed in relation to motels, youth tourist camps and mountain refuges, having regard to an increase there are amounts of tourists who travel own transport and to demand on rest in the Carpathians.

Table 2

A network of the hotel establishments for the types in Lviv Region

The analysed period (year)	Total	Including							
		Hotels		Motels		Youth tourist camps and mountain refuges		Others	
		Amount	Structure, %	Amount	Structure, %	Amount	Structure, %	Amount	Structure, %
Recreational facilities, units									
2000	55	43	78,2	5	9,1	2	3,6	5	9,1
2005	100	54	54,0	5	5,0	15	15,0	26	26,0
2006	110	62	56,4	4	3,6	18	16,4	26	23,6
2007	128	71	55,5	6	4,2	20	15,6	31	24,2
2008	148	75	50,7	11	7,4	22	14,9	40	27,0
2009	155	82	52,9	11	7,1	23	14,8	39	25,2
2010	159	84	52,8	13	8,2	23	14,5	39	24,5
One-time capacity, places									
2000	4893	4505	92,0	175	3,6	78	1,7	135	2,7
2005	8701	5373	61,8	146	2,4	1508	17,3	1674	19,2
2006	9438	5959	63,1	140	1,5	1800	19,1	1539	16,3
2007	9780	6081	62,2	141	1,4	1369	14,0	2189	22,4
2008	11081	6374	57,5	226	2,4	1444	12,7	3037	27,4
2009	11364	6697	58,9	226	2,0	1432	12,6	3009	26,5
2010	11910	7170	60,2	475	4,1	1413	11,8	2852	23,9

Source: it is based on [1]

The motels are located near the highways and provide the placing of travellers, technical maintenance of the cars (garages, parking, gas stations, repair shops). In spite of the increase of amount of motels, their one-time capacity does not provide market demand of the tourists and visitors.

At presence of certain tourist-recreational potential such situation is explained by the absence of routes of internal and entrance tourism and the disparity of suggestion of the hotel services the requirements of consumers.

Tourist camps and mountain refuges with a non-permanent capacity of 2852 places in 2010 functioned on the routes with the active methods of movement and intended for the residence of short duration and the rest of tourists. Unfortunately, in the structure of the hotel economy in Lviv Region there are absent campings in that the placing of travellers is provided in the cottages or bungalows or places are given for the location of tents, caravans and caravan-houses.

The greatest amount of the hotel establishments is in Lviv (29,0 %), Boryslav (11,4 %), Truskavets (9,2 %), Morshyn (3,5 %) dating the 1st of January, 2012 (fig.1). In Lviv the amount of the hotel establishments reduced on 9 units in 2011 in comparison with 2010, the reduction took place in a private sector. The reduction of the amount of the hotel establishments is observed in Boryslav in the private sector, too. During 2005–2010 one hotel functioned in Novyi Rozdil and it was closed in 2011. In Stryi there is a tendency of the stable functioning of 6 units of the hotel establishments, 94,0 % refer to the private sector. There is reduction of the amount of hotel establishments in Truskavets, especially in the private sector, what is increased by the special establishments intended for treatment and making healthy.

Among the districts in Lviv Region Skoliv district (23,6 %), Pustomyty district (6,6 %), Yavoriv district (3,5 %) and Turka district (3,1 %) lead in the amount of the hotel establishments. In the number of districts in the region namely in Busk district, Zolochiv district, Mykolaiv district, Radekhiv district, Sambir district in 2011 there were no establishments for placing of visitors.

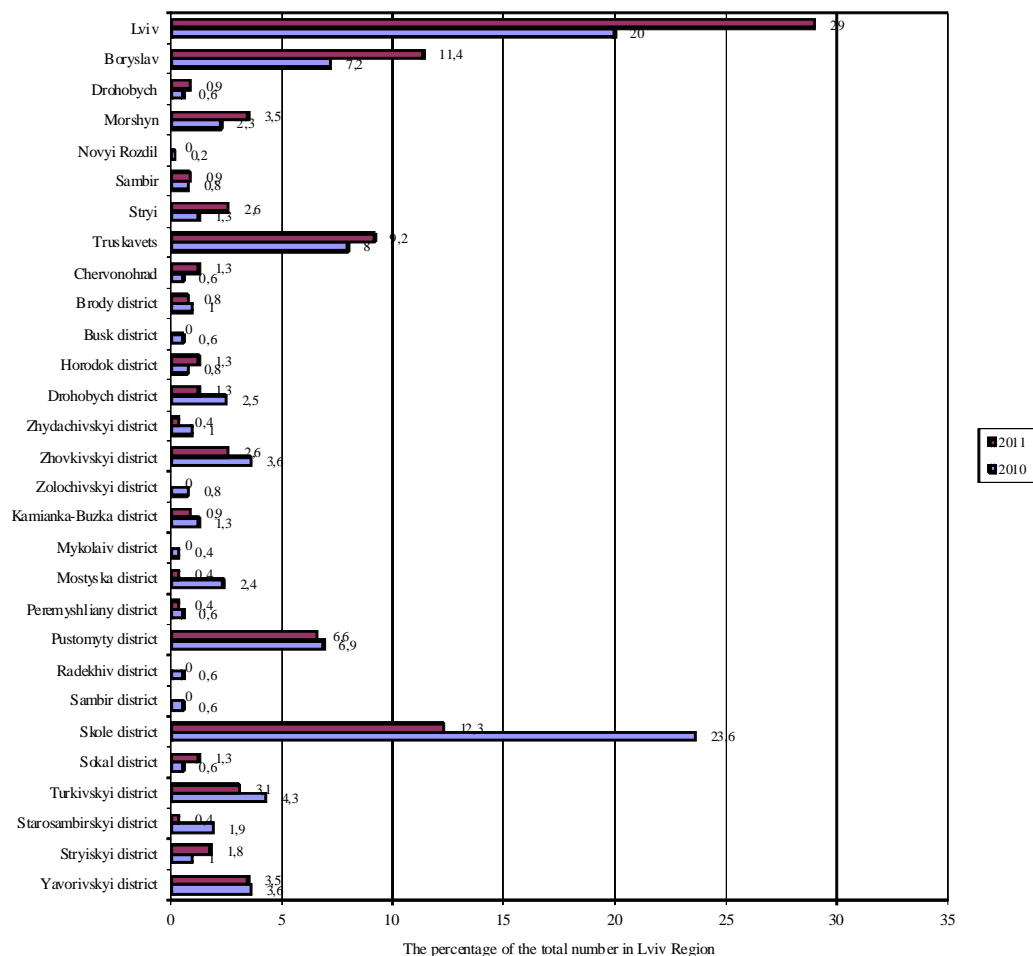


Fig. 1. The distribution of the hotel establishments for the cities and the districts in Lviv Region during 2010–2011
Source: it is based on [1]

In 2010 the guests were served by 7 four-stars, 19 three-stars, 5 two-stars and 1 one-star hotel in Lviv Region (table 3). In spite of the fact that the part of the hotels without a category reduced on 8,5 % for the latest 3 years, it is very high (55,7 %) on the 1st of January, 2012 by disparity to the complex of requirements of the state standards to logistical support. At that volume of direct foreign investments in the development of the hotel economy is insufficient, that is the consequence of absence of the clear and transparent rules of activity at the market of hotel services.

Table 3

A network of the categorical hotel companies – juridical persons in Lviv Region

The analysed period (year)	Total	Including							
		1*		2*		3*		4*	
		Amount	Structure, %	Amount	Structure, %	Amount	Structure, %	Amount	Structure, %
Recreational facilities, units									
2000	8	1	12,5	3	37,5	2	25,0	2	25,0
2005	16	-	-	5	31,3	7	43,8	4	24,9
2006	22	1	4,6	5	22,7	12	54,5	4	18,2
2007	30	1	3,3	6	20,0	18	60,0	5	16,7
2008	31	-	-	6	19,35	19	61,3	6	19,35
2009	31	1	3,2	5	16,1	18	58,1	7	22,6
2010	32	1	3,1	5	15,6	19	59,4	7	21,9
One-time capacity, places									
2000	1704	100	5,9	770	45,2	442	25,9	392	23,0
2005	2070	-	-	600	28,6	637	30,8	841	40,6
2006	2470	44	1,8	600	24,3	981	39,7	845	34,2
2007	2598	40	1,7	341	13,1	1334	51,3	883	33,9
2008	2649	-	-	341	12,2	1373	52,5	935	35,3
2009	2615	55	2,2	320	12,2	1253	47,9	987	37,7
2010	2986	54	1,7	339	11,4	1606	53,8	987	33,1
Served visitors, person									
2000	81446	3869	4,8	49610	60,9	10442	12,8	17525	21,5
2005	112768	-	-	30165	26,7	42156	37,4	40447	35,9
2006	125975	1322	1,1	34056	27,0	51396	40,8	39201	31,1
2007	133720	1190	0,9	22470	16,8	57179	42,8	52881	39,5
2008	145425	-	-	21877	15,0	59287	40,8	64261	44,2
2009	110468	376	0,3	5074	4,6	46942	42,5	58076	52,6
2010	140831	486	0,3	5810	4,1	63762	45,3	70773	50,3

Source: it is based on [1]

The greatest part in the network of categorical hotel establishments in Lviv Region in 2010 was on three-stars hotels (59,4 %), a positive tendency to the height of their amount and one-time capacity (53,8 %) is observed. Services of the hotel enterprises of such category took advantage of 63762 persons (45,3 %) including 18192 foreigners (12,9 %). At the market of the hotel services a situation to the height of this market segment was folded.

Four-stars hotels with an increase comfort level present 21,9 % in the structure of the categorical establishments. One-time capacity of four-stars hotels has a tendency to the insignificant increase that testifies about the building of boutique-hotels and reconstruction of containing the number fund of present establishments.

A part of two-stars hotels gradually diminishes and in the structure of the categorical establishments which fold 11,4 % on the 1st of January, 2011.

70733 (50,3 %) visitors took advantage of the services of four-stars hotels in Lviv Region in 2010, among 26041 foreign (56,5 %). In comparison with 2009 the amount of visitors grew to 12747 persons (21,9 %) including foreign – 5172 persons (24,8 %). These facts affirm about the change of values both native and foreign clients to perception of the hotel services. As a rule, the businessmen use the services of four-stars hotels that carry out the trips with business aims and travelling for individual tours.

The amount of the served visitors in two-stars hotels has a tendency to considerable reduction. Thus, in the hotel establishments of such category 5810 visitors were served in 2010 that is 28246 persons less than in 2005. Visitors with the short-term of staying use the services of two- and one-star hotels.

The expansion of assortment of additional services is the valid source of receipt the profits and effective method of increase of competitiveness of the hotel economy in Lviv Region. According to the results of the research [5] it is found that a list of additional services of native hotel establishments is considerably less than in most hotels of Europe that offer the clients over 80 names of additional services. As for the weak service position of the hotel economy of country only one fifth (21,1 %) profits depend on the grant of additional services. Approximately the same (19,4 %) is the part of profits from other activity (rent of accommodations).

The operators of the hotel market consider that the categories of hotels accepted in Ukraine for quality indexes considerably differ from the world standards, but considerable part of the hotels does not correspond the declared categories [5]. Therefore the segmentation of the market of the hotel services in Lviv Region is expedient to carry out for the standard of middle prices on a residence in the hotel establishment, namely on three price groups: cheap, middle-price and high-price.

The low level of service and comfort characterizes the cheap hotels. Mainly large hotel complexes (“Sykhiv”, “Lviv”, “Turyst”, “Hetman”), which were built in soviet time or small private objects for 10–20 places, are included in such group. The level of loading of such segment folds 10–30 %. A part of segment does not exceed 15 %.

Small and new enough complexes (20–60 rooms) are included in the middle-price group that gives the wide enough assortment of the services in moderate prices. Such segment occupies near 35–40 % at the market. A level of filling the hotels of such group hesitates from 40 % to 70 % according to the place of location, size, assortment of additional services and activity of their advancement to the market.

The hotel establishments of high price group are located, as a rule, in the central part of the city, they offer the high level of service and price-boom. In spite of such price politics, the level of loading the hotels of such segment folds 60–80 %. “Leopolis”, “Opera”, “Grand-hotel” “Shveitsarskyi”, “Dnister”, “Citadel” take in the hotels of high price level in Lviv. A part of such hotel establishments is estimated in 45-50 % at the market.

The negative tendency of activity of the hotel establishments of all groups is insignificant if attention is paid to the question of work with the consumers of the services and formation of their loyalty.

In most cases the operators of the hotel market give the typical package of services for the rooms, namely availability of mini-bar, conditioning, telephone connection, multichannel television, Internet, storage of belongings in a safe, service in the rooms. Among the assortment of additional services the food services in the restaurants and bars, sporting-health services (trainer halls, fitness centers, billiards, sauna), business services (xerox, fax, printer, rooms for negotiations, conference halls with arrangement), excursion services are typical [6].

The results of the conducted researches of the hotel economy in Lviv Region give an opportunity to establish, that it develops not enough rates in difficult macro- and microenvironment. The low level of grant of basic and additional services is not fully allowed to satisfy the necessities of clients.

Conclusions

The completed research allows educing the modern trends of the progress of the hotel economy in Lviv Region, namely:

- positive dynamics of basic indexes of the development of the hotel economy;
- gradual increase of amount of the hotel establishments and their one-time capacity at insignificant attention to development of other facilities of placing;

- negative tendency of reduction of the amount of the hotel establishments in the districts in Lviv Region and insufficient level of comfort and quality of service for the customers in the presence of considerable tourist potential;
- insignificant part of the categorical hotel establishments in composition of the hotel economy of the region through the presence of certain problems in the field of certification.
- increase of demand on the services of the hotels with an increase level of comfort and service among foreign and native clients;
- disparity of logistical support and quality of service of the customers to price politics of the hotel establishments;
- insignificant suggestion of additional services in the establishments of the hotel economy in the region.

The educed tendencies allow to estimate the condition and ground directions of the development of the hotel economy in Lviv Region.

Prospects for future research

Further scientific researches are advisable to conduct in the direction of development of the regional program of the hotel economy considering the educed tendencies, world experience and requirements of international standards.

1. *Holovne upravlinnia statystyky u Lvivskii oblasti: Tematychnyi rozdil “Kultura i vidpochynok”* [“Main Statistical Office in Lviv Region: Section “Culture and Recreation”]. [Online]. Available: http://www.lv.ukrstat.gov.ua/ukr/themes/21/theme_21.php?code=21. [Accessed: Dec. 11, 2013].
2. *Diiialnist kolektyvnykh zasobiv rozmishchuvannia Lvivskoi oblasti u 2011 rotsi: pres-reliz Holovnoho upravlinnia statystyky u Lvivskii oblasti* [“Activities of Collective Means of Arrangement in Lviv Region in 2011: Press Release of the Main Statistical Office in Lviv Region”]. [Online]. Available: <http://www.lv.ukrstat.gov.ua>. [Accessed: Dec. 11, 2013].
3. L.O. Ivanova, “*Doslidzhennia suchasnoho stanu rynku hotelnykh posluh v Ukraini*” [“Investigation the Current State of the Hotel Services in Ukraine”], *Marketynh v Ukraini – Marketing in Ukraine*, no. 1, 2008, pp. 33-38.
4. L.O. Ivanova, “*Rol yakosti pry formuvanni marketynhovoï stratehii pidpriemstvamy hotelnoho biznesu*” [“The Role of Quality in the Formation of Hotels’ Marketing Strategy”], *Marketynh v Ukraini – Marketing in Ukraine*, no. 3, 2009, pp. 50-56.
5. *Marketynhove doslidzhennia hotelnoho rynku Lvova* [“Marketing Research of the Hotel Market in the city of Lviv”], Lviv, 2007, p. 55.
6. *Prezentatsiia hotelnykh zakladiv m. Lvova* [“Presentation of the Hotel Establishments in Lviv”]. [Online]. Available: http://www.city-adm.lviv.ua/zed/images/stories/zed/presentations_hotel/hotelstudy.pdf. [Accessed: Dec. 11, 2013].
7. *Uriadovyi portal* [“Government Portal”]. [Online]. Available: <http://www.kmu.gov.ua/control>. [Accessed: Dec. 11, 2013].