

# MARKETING OF SOCIAL TOURISM

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## ABSTRACT

*The article explores the issues of social tourism marketing as a driving tool for ensuring the growth of regional socio-economic development. Within the concept of social tourism, a large number of local market entities interact, so it is appropriate to pay attention to its research.*

*Within the study, the authors give hypothesize that the same regional entity that develops in the field of social tourism is perceived differently by subjects that interact with it. In particular, the perceived quality of services and the level of available information will be different for representatives of different regions of the same nationality. A systematic survey of respondents who used the services of the typical regional business entity providing health services for locals, employees of the city-forming industrial enterprise, and the population of Ukraine was conducted. One uses the Smart PLS program to analyze the answers of a marketing survey. It was selected the target outer and inner model variables. The authors obtained discrete results in two cases of analyzes. The same result in both cases was the coefficient of determination that determined customer loyalty. At the same time, for the respondents from other regions, the variables that determined their expectations from the future consumption of services were more important. For the local entities and employees of the enterprise, the actual perceived quality of services was crucial. In the first case, emotional and informational support for service provision prevails, and in the second case, rational motives for consumption. Such a psychological feature of service perception should be taken into account by regional businesses in the field of social tourism while forming their marketing programs of development.*

**Keywords:** *customer loyalty, marketing survey, regional development, service perception, social tourism marketing.*

## 1. INTRODUCTION

The tourism industry has become one of the world market leaders. In recent years, this industry has been called the global market driver. According to 2018 data, tourism employed about 300 million people worldwide (Zanuda, 2020). Tourism is accessible in both developed countries and developing countries. A large number of countries are trying to improve their position in the tourism industry. Tourism from a service that only a select few could afford has become a mass service that can be enjoyed by citizens of any state, regardless of their profession and status. However, everyone chooses to travel both to their taste and to focus on their financial resources or features, such as their health status (individual tourists cannot visit mountain

resorts, it is difficult to carry cruise tours for some of them, a separate category of tourists is formed by people with children, etc.) (Teletov et al., 2013).

Considering the features of the modern tourism industry, we can distinguish its branches: mass tourism (under the special attention of practitioners and scholars of different countries today) and niche tourism (includes several specific destinations). Thomas Cook's, the first tourism marketer, formed the main principle of success in this field, namely "the ability to catch the wave". He organized the first trips for workers from union organizations on their vacation, railroad tours when it first appeared, and its services became available to many citizens, literary trips in places, which were described in works of art of that time, etc.). The process of decentralization, which has been going on for several years in Ukraine, facilitates the transfer of responsibility for resources to specific regions and creates the need for local authorities to take care of revenue part of the local budget. The tourism industry can supplement it (Melnik et al., 2019; Rybina, 2020). Many Ukrainian regions include tourism as one of the critical areas of territorial economic development. However, the domestic tourism industry is still far from ideal. According to polls (Zruchno.travel, 2018), about 30% of domestic tourists are dissatisfied with the Ukrainian level of tourist service. Furthermore, a higher percentage of dissatisfaction will be for foreign tourists. Much attention soon should be expected to social tourism, including health, medical, green tourism. It is essential to understand the needs of clients properly and, at a high level, to satisfy their requests for successful activities in this field. The authors dedicated the study to investigating social tourism services marketing.

## 2. THE ESSENCE OF SOCIAL TOURISM

### 2.1. Literature review of the study of social tourism concept

Scientists have been researching various aspects of the development of social tourism in their works. Their thoughts and experiences are in line with the 2016 Tourism Day celebration in Bangkok's slogan: "Tourism for All: promoting universal accessibility" (Tourism, 2016). The concept of social tourism in modern studies is considered in particular as the accessibility of tourism to the general public regardless of the person's status, age, and gender, which is an especially relevant limitation for some countries.

To analyze the term of social tourism, we apply the methods of bibliometric analysis. Thus, the analysis of Scopus scientific-metric base on the keywords "social tourism" showed that the publication activity by a given parameter is low, that is, the field of research is at an early stage of growth, although the first article was recorded in 1953, in 2019 there is a noticeable comparative increase of research. At the same time, 2020, with four indexed documents, is not yet indicative, especially the particular complexity of the subject of the study due to the crisis of the tourism industry, caused by the worldwide pandemic coronavirus (Figure 1. As the pie chart shows, most studies on the concept of social tourism are in the field of social and economic sciences (Figure 2).



Figure 2: Trend in academic publications in the field of social tourism

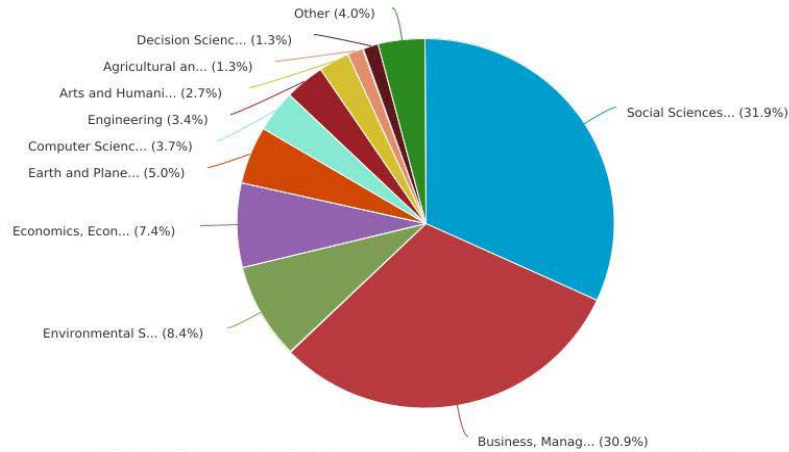


Figure 2: Classification of academic works on social tourism by research of scientific sources

## 2.2. Development of social tourism in Ukraine and all around the world

The Law of Ukraine “On Tourism” does not mention social tourism (Zakon, 2018). However, the Ukrainian Tourism and Resort Development Strategy until 2026 (Tourism, 2017) notes the obligation to provide access to tourism services for all populations. The official documents refer to the social tourism product as a product that should be accessible to every member of society, meaning that subsidies for recreation and health for low-income citizens are available. This document outlines the predicted indicators of domestic and foreign tourist flows, which should increase by five times and by 2.5 times, respectively, if the Strategy is successfully implemented. However, according to the statistical indicators of 2019, the planned indicators were not reached, namely the increase of the number of domestic tourists by two times (compared to 357 thousand people in 2015) and foreign by 1.5 times (compared to 12.9 million people in 2015) (Table 1). The statistics up to 2018 does not show any significant positive dynamics on these indicators.

Table 1: Indicators of tourist flows in Ukraine, persons  
(Source: generated by the authors according to the data of State Statistics, 2020)

	The 2015 year	The 2016 year	The 2017 year	The 2018 year
Domestic tourists in Ukraine, served by Ukrainian tour operators and travel agents	357,027	453,561	476,967	456,799
Foreign nationals coming to Ukraine	12,900,000	11,600,000	12,600,000	12,400,000
of them: foreign tourists served by Ukrainian tour operators and travel agents	15,159	35,071	39,605	75,945

Statistics on household income and household composition in 2018 (Figure 3) shows that, although 21.3% of full-time workers have more than 315 euros in pay, only one person works in the vast majority of households (the rest of the household are minors, retirees, students or the disabled). That is, even such income should be distributed according to the characteristics of a

particular household. The majority of the working population received salaries of up to 250 euros in 2018. It is low compared to European indicators. In 2018, among the European countries, Ukraine was second to last in the average wage – 276 euros (below it Azerbaijan with value in 271 euros) (List, 2018).

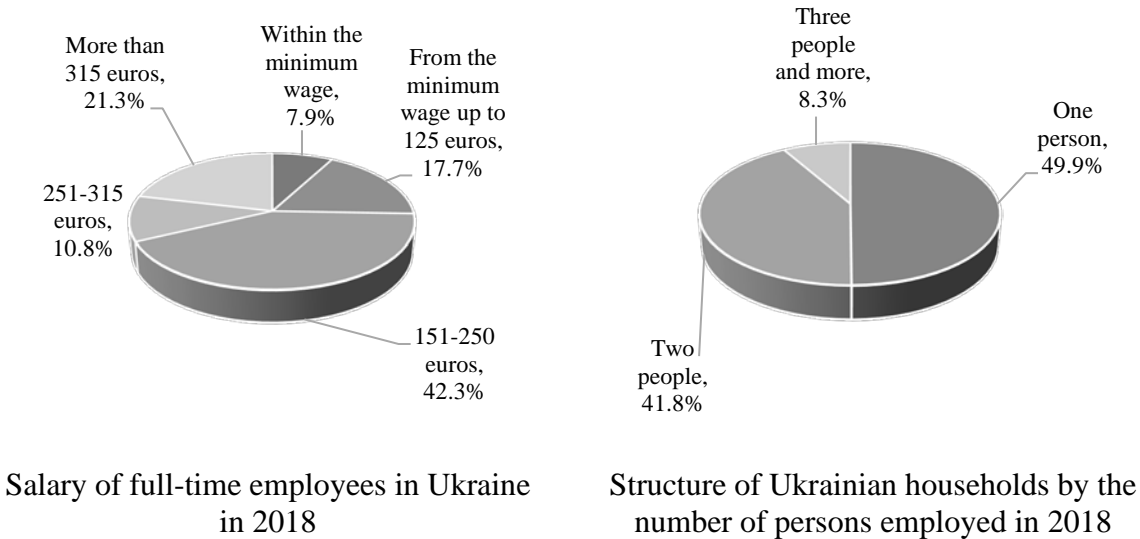


Figure 3: Labor market indicators of Ukraine  
 (Source: built by the authors according to the data of State Statistics, 2020)

By the Numbeo resource rating (Europe, 2018), Ukraine is in the last place among 30 countries in Europe by the quality of life index. It is noteworthy that the index of purchasing power is more than 20 units lower in Ukraine than in the nearest neighbor of the rating Russia. Expenditure on recreation in the total expenditures of households in Ukraine remains low. Comparing the share of Ukrainians’ spending on recreation with European households, Ukraine is inferior to the percentage of these spendings. However, when compared to health care costs, they are, in percentage terms, identical to European ones. Figure 4 shows percentage ratios for the share of expenditure on items in the dynamics.

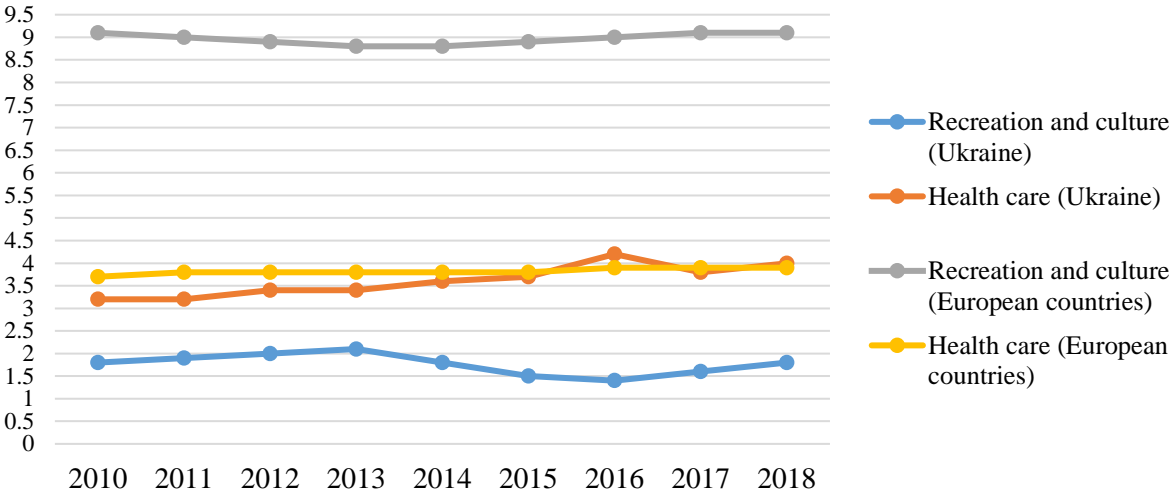


Figure 4: Household expenditures by directions, % of total expenditures  
 (Source: built by the authors according to the data of State Statistic, 2020 and Household, 2019)

At the same time, four out of five Ukrainians consider their health status to be good (43.1%) or on the medium level (40.8%). Half of the respondents (50.2%) say that they are middling looking after their health (Results, 2017). In terms of socio-demographic features in assessing one's health, Ukrainians are generally similar to Europeans (Health, 2020): men rate their health higher than women. Assessment of human health is influenced by several factors, including environmental, cultural, and socio-economic conditions. With age, self-esteem becomes less. For example, in European countries between the ages of 16 and 44, about 88% of men report good and perfect health. About 86% of women in this age group estimate their health at such level. By the age of 45-64, the percentage of people who are satisfied with their level of health drops to 68% and 65% respectively.

In Ukraine, in Soviet times, almost all tourism was called social because it was paid for 70% of the cost of permits by union organizations of enterprises or existing specialized agencies. Today, incentive tourism, a kind of social tourism, is becoming popular in many countries. These are travel trips organized by companies as a reward for honest work, which is a dominant motivating factor for employees. One often equals social tourism with medical tourism – a niche category that interests tourists that are looking after their health, seeking to recover, or want to combine medical procedures with rest. Niche tourism is a contrast to the concept of mass tourism and implies that such services are of interest to a select category of customers with a specific motivation to purchase a tourism product. Figure 5 demonstrates the classification of social tourism for a better understanding of this category.

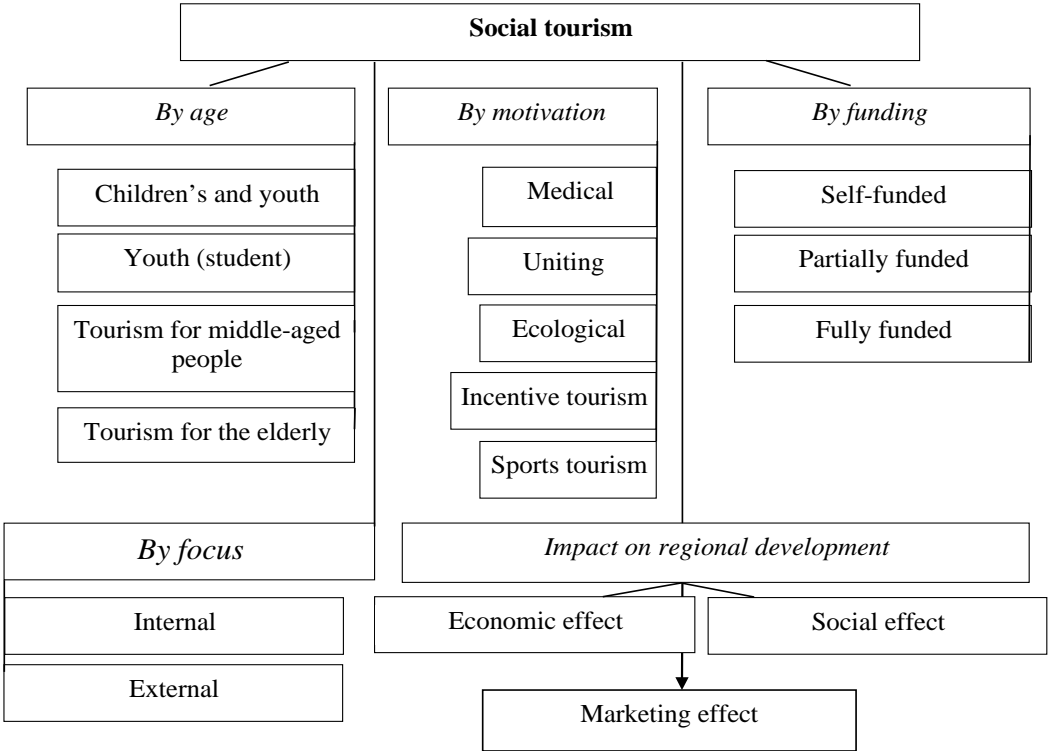


Figure 5: Classification of social tourism (Source: formed by the authors)

An essential feature of child-youth tourism, because of which it belongs to the category of tourism with a significant social role, is its medical and biological function, which lies in the healing of the younger generation. Despite the high potential of this type of social tourism and its important socio-economic role, only 21% of children aged 7-16 were in Ukrainian health and recreation facilities according to the statistics data of summer 2019 (State Statistics, 2020). The segment of youth (student) tourism in the world is increasing every year. UNWTO

estimates (UNWTO, 2020) that by 2030, the number of young tourists in the world will increase to 1.8 billion. A separate segment of this tourism is educational tourism and tourist exchanges. Indeed, most researchers in this field argue that the primary purpose of youth travel is education. In Ukraine, according to surveys, young people aged 14-29 cannot afford to travel abroad (62%) or travel Ukraine (50%) due to a lack of funds. Only about 20% of young Ukrainians took advantage of volunteer travel opportunities (Results, 2017). Tourism for middle-aged people is the largest segment of the domestic tourism industry. According to the results of 2019, this age category accounted for more than half of the tourist departures from the leading tour operators of Ukraine (Join, 2020). Social tourism has significant relevance for people of working age, who form human capital, professional resources for the development of the national economy. Maintaining and restoring physical and emotional health is an essential foundation for high human productivity (Pimonenko et al., 2018). In highly developed countries, the travels of the elderly are widespread and popular. The same category of tourists in Ukraine can count only on a sufficiently limited spa treatment.

According to the authors' mind, the best description of the phenomenon of social tourism is given by the following types: medical (the search on the Internet also shows the phrase "health tourism"), uniting, ecological, incentive tourism and sports tourism. While much of the world is drawn to the concept of "medical tourism", the phrase "health tourism" is more prevalent in some European countries (e. g., 60% versus 40% in Great Britain) (Figure 6).



*Figure 6: Search Query Ratio in Google Trends for phrases "medical tourism" and "health tourism"*

Sports tourism, developing on the verge of sports and active leisure in the natural environment, promotes the development of domestic tourism. It is a low-cost, socially accessible type of tourism due to minimizing the costs of material and technical infrastructure (Chigrin et al., 2011). Uniting tourism is still only gaining popularity. Some of its elements are implemented to domestic realities. Its communicative role is essential (Letunovska, 2013). This type of tourism one can divide into two subspecies: (1) tourism for geographically remote populations (for persons living in remote territories to increase their opportunities for communication); (2) tourist attractions that bring people together (all kinds of thematic tourist establishments that gather visitors for a specific purpose, for example, the famous Peter's Cafe that allows discussing innovative ideas or domestic examples of cat cafes for cat lovers). The thematic focus of catering establishments is becoming an increasingly popular concept in the world. Moreover, it has the potential for the growth of its social role. It is necessary to consider the concept of incentive tourism which is determined by the priority of the need for it by a consumer (an employee of a particular company) and is a determinant of building effective interaction in the four-component system "employee – enterprise – tourist entity – tourist destination" (Letunovska, 2017). This type of tourism is particularly popular among Ukrainian start-ups with foreign capital that send their employees on annual vacations, group trips or team-building trips,

and this is part of their motivation system. The first incentive tour was organized in 1910 in the United States by the National Cash Register Company of Danton when its agents and dealers were rewarded with a free trip to New York for excellence in work, but regular use of promotional travel began to be used only in the 1960s with the launch of civilian jet flights (Incentive, 2015). The popularity of MICE manager positions is increasing among the vacancies of large and medium-sized Ukrainian and foreign companies, whose primary responsibilities include organizing of incentive tours. Experience in organizing events and projects on different scales and the ability to follow a 360-degree marketing and organizational approach are crucial to such a professional.

Social tourism improves the economic situation in the region through the activities of a network of thematic tourist establishments. In addition to the economic and social effects, social tourism has an important marketing effect. It is manifested in the awareness of the tourist product among a large number of a potential audience after its consumption and in the formation of a certain image of a territorial product.

There are many requirements for professionals in the field of tourism marketing, in particular social tourism. Glassdoor site analysis (Glassdoor, 2020) by influential global tourism market players showed vacancies in the tourism industry that are offered (Table 2).

*Table 2: Jobs in the field of tourism marketing from global companies and the role of marketing experience for applicants  
(Source: created by the authors based on the results of the analysis of vacancies on the site Glassdoor)*

<b>Company</b>	<b>Country</b>	<b>Vacancy</b>	<b>The need for knowledge in marketing</b>
American Express Global Business Travel	Great Britain	Travel Counselor	Ability to deliver excellent customer service through professional communication to a client base with very high expectations.
Expressions Holidays	Great Britain	Personal Travel Specialist	Marketing aptitude and be very numerate.
Uniglobe Candes Travel, Inc.	USA	Tourism Manager	Main responsibility is to develop, negotiate, consolidate and complete tourism products and packages to feed the operation and to selling them to both markets, B2B and B2C, locally, domestically and internationally.
uAdventure	USA	Travel Agent	Ability to understand clients travel goals and needs and exceed their expectations.
BKM Vacations	USA	Travel Consultant	Be adept about using social media.
MelRose Travels	USA	Travel Consultant	Candidates should apply proven marketing travel techniques.
Satguru Travel & Tourism LLC	USA	Travel Consultant	Excellent customer service and marketing skill required

Most vacancies assumed that the specialist should understand marketing and successfully apply marketing tools when offering and providing services in the tourism sector.

### **3. DISCUSSION**

Considering the popular concept of the Ps in marketing in the sphere of tourism, in particular social, it is appropriate to expand the content by adding the “Perception” component which includes satisfaction with the quality of the tourist product (Figure 7).

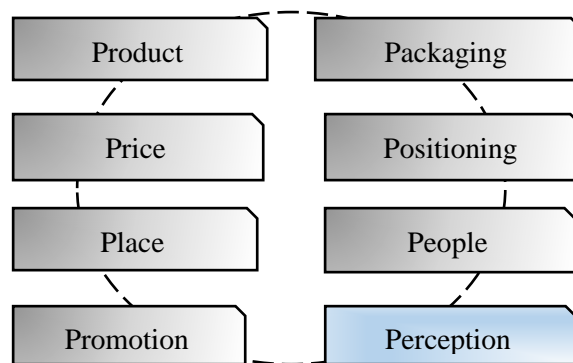


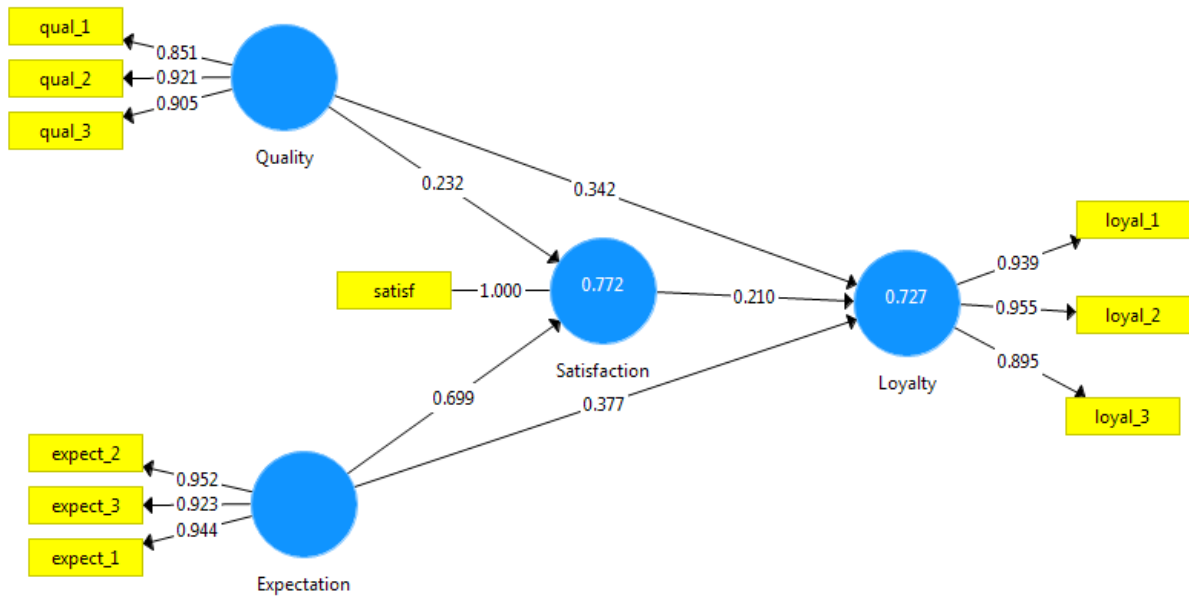
Figure 7: 8 P in social tourism marketing  
(Source: formed by the authors)

In the field of providing social tourism services, the perception of the quality and content of a particular customer's product according to his or her characteristics is a determining factor for a positive impression and re-use of a product. Successful marketing should be based on identifying the characteristics of a tourism product that are distinctive and most relevant to each customer. The well-known fast-growing tourist company "Velocity" noted: "Passion for delivering a great service to customers" (Glassdoor, 2020) is the key to successful and productive work in the tourism field.

The importance of such a marketing component of the tourism product as its perception by consumers, without which it is impossible to build effective interaction with the target audience and to form a loyal customer group, will be analyzed. In order to analyze the authors' assumptions, a survey was conducted among clients of a typical institution in Ukraine (Sumy), providing medical tourism services (recreation services in the forest area, sanatorium treatment). The respondents are people aged 28 to 65, women and men (56 and 44% respectively), who consumed services (fully-funded and partly-funded). In the summer of 2019, this facility provided services for partial financing for clients, when an enterprise bore part of the costs of employee health care. That is, all respondents under partial funding are employees of a local enterprise. There were 35 such respondents in the sample. And there are 23 respondents on terms of full payment in the sample. Most of them are people from other regions of Ukraine who came to rest in another region and receive health services in parallel. The questionnaire consisted of statements that had to be ranked according to the Likert scale: (1) completely disagreed with the statement; (2) disagree; (3) to some extent disagree; (4) more agree than disagree; (5) to some extent agree; (6) agree; (7) fully agree.

"Expectation" component of social tourism service delivery that precedes the receipt of the service is decisive: "I will receive what I expect" ("Perception" from the components of the marketing complex). The internal relationship model of the components ("Quality", "Expectation", "Satisfaction" and "Loyalty" with the use of Smart PLS software shows that expectation most influences the further formation of customer loyalty (coefficient 0.377) receiving services at conditions of partial payment, which is enhanced by the acceptable quality of service provision (coefficient 0.342) (Fig. 8). It follows that it is essential to work first and foremost with informing potential consumers about the services they can get. It is important to note that feedback from other employees of the enterprise is essential, which forms the expectations of future consumers. It should be noted that the coefficient of determination of  $R^2$  for the loyalty parameter is calculated at 0.727, which means that three latent variables ("Quality", "Expectation", "Satisfaction") influence the "Loyalty" parameter quite strongly. For example, "Quality" and "Expectation" by 77.2% determine the value of the parameter "Satisfaction".

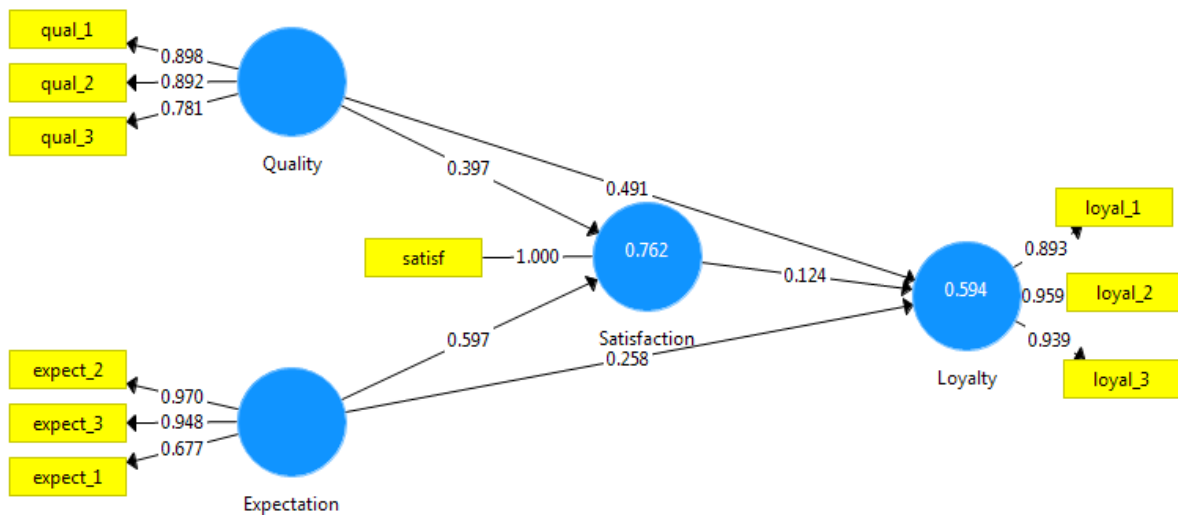




qual\_1 – services are provided at a high level; qual\_2 – services are available; qual\_3 – full information about tourist offer; expect\_1 – the institution has a wide range of primary and additional services; expect\_2 – the institution has “great atmospheric element”; expect\_3 – using the service, I got the desired result; satisf – complete satisfaction with a service; loyal\_1 – I recommend the institution to others; loyal\_2 – I will visit this institution in the future; loyal\_3 – if I choose between similar establishments in different regions, then I will choose this one

Figure 8: The results of the analysis of the respondents' answers (used services of the tourist institution in terms of part payment)

For the category of clients receiving full-payment services, the results of the analysis of the answers to the questionnaire are somewhat different (Figure 9).



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Figure 9: The results of the analysis of the respondents' answers (used services of the tourist institution in terms of full payment)

Customers on full payment terms are more demanding about the quality of the services they receive directly at the place of their provision (the value of the coefficient of concordance  $R^2$  is 0.491 versus the value of 0.258 for the “Expectation” parameter). For such target consumers, the defining components of the marketing mix are “Product” and “Place”.

#### 4. CONCLUSION

An analysis of the response base of the respondents who were clients of the medical tourism establishment in two cases showed slightly different results. In both cases, for both partial pay customers and full-pay customers, the loyalty indicator is mostly determined by the aggregate interaction of the three parameters – “Quality”, “Expectation”, and “Satisfaction”. At the same time, for respondents with full pay, mainly from other regions, the variables that determine their expectations from future consumption were more important (“Perception” component with the proposed concept of the supplemented marketing concept). For part-time customers, mostly local business employees, the perceived quality of service was more important (“Product” and “Place” components of the marketing concept). In the first case, emotional and informational support for the provision of tourist services prevails. In the second case – rational motives for consumption. Such features of social tourism product promotion should be taken into account by regional businesses when developing and modernizing their marketing strategies in the tourism field.

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