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MODERN PROBLEMS OF HOTEL AND RESTAURANT BUSINESS DEVELOPMENT

In modern conditions of management, the dependence of economic development of the state on the degree and scale of use of innovations can be noticeably traced. Due to globalization, the emergence of new technologies, management methods, expansion of the range of hotel services, the need to attract foreign and domestic investments in the hotel business is growing. Innovative activity of hotel facilities is inextricably linked with investment development, that is, there is a continuous formation and use of investment resources to achieve the operational and strategic goals of their economic activity. The development of innovation and investment activity of hotel enterprises will contribute to strengthening the economy of Ukraine, increasing its authority in the world market of tourist services, increasing the welfare of citizens, preserving the historical and cultural heritage, and raising the spiritual potential of society.

The analysis of the world experience of investing in innovation shows that the main part of innovation is created in the entrepreneurial sectors of different countries of the world, which are characterized by frequent updating of technological innovations (micro- and nanoelectronics, genetic engineering, biotechnology, information technologies, etc.). In these areas, the organization, financing and commercialization of fundamental and applied research is actively carried out, large projects are being developed that integrate the results of innovative search for small-

scale companies, global scanning of new ideas and markets, organization of the production process in (1, 122).

Today in Ukraine, the hospitality industry is not properly developed. The level of service for tourists at the enterprises of the hotel industry does not correspond to the world level, so they need a significant update of the services provided. Innovations play a crucial role in ensuring the effective operation of the hotel enterprise.

Scientists who study the problem of innovations in the field of hospitality, note that innovations in the service sector can be defined as new concepts of service, new channels of communication with customers, new distribution systems and technological solutions that most often jointly change the offer of services in the market, update the functions of the company and require structurally new organizational, technological and human capabilities. In the hospitality industry, it is important to consider innovations more widely than purely technological innovations, and to take into account that they can be primarily a complex of relations between the components of the tourist system (hotel enterprises, restaurant enterprises, entertainment establishments, transport services and information).

The development of the hotel and restaurant business is especially relevant. Innovation is the main characteristic of the modern economy. Nowadays, innovation in the hotel business plays a major role in the highly competitive struggle for each client. The use of the latest hotel business technologies allows hoteliers to increase the efficiency of their economy, to find new reserves for improving the quality of service, effective protection of rooms and property of guests, and the provision of new services.

Recently, significant competition for hotel management enterprises and, including large hotels, has been created by individuals - business entities that mainly maintain small hotels and are owners of private houses and apartments, the number of

which has been growing rapidly in recent years. They offer visitors a full range of basic and additional hotel services at a much lower cost.

In the world, the main problem in the field of hotel and restaurant business is huge competition. The market is very aggressive, supply is ahead of demand, so it is difficult for hotels to defend their interests. In this case, only improving the quality of service and offering special services can save the situation, but small hotels often have to survive and work themselves at a loss. Another problem is the unpredictability of return on investment. Modern trends in the development of the hotel business assume the return on investment for 5-6 years, but in fact it may turn out that a small hotel simply will not be able to cope during this period. This is because the risks are not fully calculated, business owners can not always immediately guess the right direction of work, and customers for some reason choose competitors.

The need to introduce innovations in the field of hotel and restaurant business stimulates competition and a number of other market requirements. The importance of their use is also due to the changing requirements of consumers. The introduction and diffusion of innovation becomes an objective necessity at all stages of the enterprise.

The modern development of the hospitality industry is aimed at creating innovative technologies that will help attract as many customers as possible, maximize sales, gain guest trust, and form a positive image of the enterprise.

Hotel and restaurant sector as one of the highly profitable sectors of the world economy in the XXI century. Hotel and restaurant business is based on the construction of such a service system, which is necessary to provide quality services to its customers. All over the world, the hotel and restaurant business is one of the most attractive for investors, and its profitability in developed countries is not lower than 40%, reaching a mark of 100% in the "tourist" zones. As for Ukraine, according to experts, the presence of not very demanding to the level of service of solvent

customers made it possible to achieve a profitability of 50% (1). Today we can highlight the following problems of hotel and restaurant business development (2) : – insufficiently high quality of services and level of customer service in many hotel and restaurant institutions; – differentiated tax system for various hotel and restaurant business entities, which creates unequal competitive conditions in the market of hotel and restaurant services; Current trends and strategies for the development of hotel and restaurant business } Section 1 } 35 is a low level of investment activity in the industry, due to the unfavorable business climate in Ukraine and insufficiently high profitability in the hotel and restaurant business;natural and resource opportunities for the development of tourist and hotel and restaurant business; – insufficient renewal of fixed assets. Many hotel and restaurant institutions in Ukraine were built in the 70-80s, they were almost not updated, they have big problems not only with comfort for customers, but even dangerous (emergency). Hotel and restaurant business in Ukraine is promising. In the country there is an increase in business activity, which mainly inevitably leads to an increase in the volume of "business tourism". The development of the hotel and restaurant industry in Ukraine today directly depends not only on the political situation, but also on the vector of development and spread of the pandemic.

Consequently, Ukraine has great potential for successful hotel and restaurant business, but does not use it. An example of this is the insufficient use of the factor of natural conditions of Ukraine and geographical location (Ukraine is located at the crossroads of many international routes). For the effective development of the hotel and restaurant economy, first of all, it is necessary to create a favorable business climate in Ukraine, which will allow not only to develop the hotel and restaurant business as quickly as possible, but also to develop the hotel and restaurant business as quickly as possible. The instability of the political situation, the aggravation of the conflict in the east of the country, a large level of corruption, a large tax burden, high land prices and large tariffs for utilities, a pandemic are factors that prevent the effective use of the potential of hotel and restaurant business in Ukraine. Many

reviews of foreign tourists indicate that Ukraine has all the prospects and ways to become one of the largest tourist centers in Europe, because it has a picturesque nature and comfortable resorts. But due to the annexation of the Autonomous Republic of Crimea, Ukraine has lost a large flow of tourists, according to statistics. Current trends in the development of the hospitality industry
Keywords: hotel and restaurant business, potential, prospects, development, innovations.

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