DIGITAL TECHNOLOGIES AND DIGITAL MARKETING: NEW OPPORTUNITIES FOR TOURISM AND HOSPITALITY BUSINESS

ABSTRACT

The tourism and hospitality business have been significantly influenced by its sociocultural nature in recent years. The processes of globalization in the economy and the adaptation of the economy to the changes associated with the COVID-19 pandemic and the reorientation of the flows of tourists and travelers have become the priority problems of the scientific and economic discourse of our time. There was a need to actualize the tools which are able to minimize the negative impact on the economy as a whole and on the tourist and hotel and restaurant business in particular. Digital technologies and digital marketing have become such elements, which have the necessary potential to implement business development strategies. The purpose of scientific exploration is to analyze an effective marketing strategy for the tourism and hospitality industry based on digital resources. The key elements of digitalization are search engine optimization (SEO), social media marketing (SMM), search engine marketing (SEM), influencer marketing, content marketing, and advertising on digital resources. It is relevant to analyze the principles of digitalization in the marketing cluster of the tourism and hospitality economy. The objectives of the article are to determine the balance of the organizational, logistical, financial, production, and entrepreneurial features of the implementation of economic strategies for tourism development in a digital environment. The result of the study is the formation of the principles of marketing activity in tourism, leisure, and entertainment in today’s digital economy: interactivity, dynamism, accessibility, flexibility, and responsiveness. Information and communication in digital marketing is not only a format of economic activity but also modifies the content elements of the economic space. The ICT cluster defines new opportunities for economic activity under new (partly unfavorable) sociocultural conditions. The COVID-19 pandemic has led to ambiguous processes in the marketing elements of tourism and leisure. On the one hand, there has been a rapid reorientation of marketing strategies toward digital work; on the other hand, the contradictions between innovative digital marketing and traditional market elements have opened up after the pandemic restrictions were loosened. Thus, digital technology and digital marketing have demonstrated their relevance and effectiveness in the real sector of the economy in times of economic instability. The prospects of the study are to develop methodological and practically oriented attitudes to approve the digital cluster in the tourism and hospitality business as a fundamental component (rather than a situational, temporary, or alternative element).

Keywords: digitalization, tourism industry, tourism hospitality business, digital marketing, digitalization of the economy, content marketing, SEO, SMM

JEL Classification: O33, Q55, Z32, Z33

INTRODUCTION

The relevance of the research is due to the rapid growth of the digital share in the marketing strategies of the tourism and hospitality business. Any innovative elements, even more so large-scale, need theoretical and methodological analysis in the scientific and economic discourse. The principles of digitalization imply updating the competencies of specialists working in the tourism and hospitality industry. At the same time, the consumer experience is formed, when the recipients of tourism or hospitality services are introduced to them, choose them and receive them, thanks to the digital format.
Marketing has become a mechanism in economic life through which activity processes in all spheres of social activity are regulated. Marketing activity in today's globalizing society has become as important a cluster of the economy as production capacity. For many areas of the economy, marketing is a fundamental component, particularly in industry or agriculture (Voskouloupol et al., 2021). If we consider the tourism or hospitality industry, then marketing activity is decisive here, because it is essentially the driving force behind the industry, which launches production facilities or actualizes the sphere of services. This positioning of this component in the economy of the tourism and hospitality industry requires a constant transformation of the content and format of marketing. Innovative models are expressed in the digitalization of advertising activity. Innovative digital sales and marketing mechanisms create a challenge for the hospitality industry (Lau, 2020).

It should be noted that in addition to purely economic characteristics, the development of the tourism and hospitality industry is influenced by many other factors. The socio-cultural space determines the saturation of the service market, forming the social basis for tourist-hospitality activity. The natural environment is also an important factor in the development of the tourist industry. In particular, environmental realities have a direct impact on consumer choice and shape consumer experience (Prokopenko, 2011).

**LITERATURE REVIEW**

The problem of the digitalization of the economy is one of the key issues in the scientific and economic discourse of the last two decades. The digital cluster is asserting itself in the tourism and leisure and entertainment industries, which is certainly reflected in scientific research. The peculiarities of digital format functioning in the tourism or hotel and restaurant industry are closely related to the socio-cultural conditions in which this sphere develops. Therefore, scientific research on this topic correlates with the most relevant cultural and historical events in global or local dimensions.

Scientific research devoted to the use of information and communications technology (ICTs) in tourism and hotel and restaurant economic activity can be conventionally divided into publications of the pre-pandemic period and studies of digital space under pandemic constraints. A promising direction in the literature is the analysis of economic strategies that model the future format of the use of the digital arsenal in economic activity.

The dark negative aspects of digitalization in tourism industry marketing were pointed out by Bourliataux-Lajoinie et al. (2019), noting that an excessive preoccupation with ICT elements could lead to a human resource problem in the industry, as digital displaces the productive forces of workers while creating imbalances in the distribution of intellectual and physical labor.

Aspects of the inclusive use of digital marketing in the tourism industry are found in Gupta (2019), which analyzes the appeal of digital to all stakeholders in the tourism and hospitality industry. Alford & Jones (2020) propose the actualization of a new concept: the “digital tourist entrepreneur”, which analyzes the potential of a subject of economic activity driven by innovative information and communication technologies.

The new positioning of the digital format in scientific and economic discourse has been actualized with the beginning of the COVID-19 pandemic and its associated constraints. The tourism and hospitality industries became platforms for the implementation of economic principles in the real economy. Scientific research was aimed at determining the influence of sociocultural circumstances on the specifics of the implementation of the principles of digitalization in the marketing cluster. Kerdpitak (2020) analyzed the effectiveness of the implementation of elements of digital marketing during the COVID-19 pandemic, examining the development of the tourist location in Thailand, which was significantly affected by restrictions. New technologies used in the hospitality sector were presented in Lau (2020), analyzing the hospitality sector in the Chinese economy.

Separate elements of the research on the hotel and tourist industry are the consideration of clusters of this sphere of economic activity. In particular, cultural tourism (Ammirato et al., 2020) involves digital elements in the promotional, organizational and logistical, and practically oriented business segment of its development. For social tourism (Alves et al., 2020) digital marketing takes into account not only economic factors but also the relevance and demand for digitalization in society as a whole. The sports tourism cluster (Prokopenko et al., 2020) also increasingly clearly gravitates toward digitalization, which is manifested in more active use of digital online sports media.

It is important for understanding the specifics of the use of digital potential in the tourism and hospitality industry to consider the digitalization of these economic spheres in a geographical-administrative context. Carlisle et al. (2021) point out the specifics of the use of digital technologies in the tourism cluster of the European continent. Kumar (2020) offers an analysis of the mechanisms of tourism and entertainment digital marketing in the economic realities of India and other developing countries.
We find a concretization of digital marketing tools in the study of Fedoryshyna et al. (2021), which indicates the determining role of SEO (optimization) & SMM (content component) in the development of advertising strategies for tourism and hospitality.

AIMS AND OBJECTIVES

The purpose of scientific intelligence is to analyze the digital tools that are actualized in the tourism and hospitality industry of today's economy. SEO, SMM, SEM, influencer marketing, content marketing, advertising on digital resources - all these elements of the digital space have their own specifics and should be used according to certain algorithms and sequences that ensure marketing efficiency. Based on the goal set, the objectives of scientific intelligence are:

- analysis of the principles of digital marketing in the tourism and hospitality business (principles of interactivity, dynamism, accessibility, flexibility, responsiveness), which are actualized when using digital tools;
- highlighting the peculiarities of the implementation of digital marketing principles in different clusters of the tourism and hospitality industry.

A promising area of research is to balance the principles of digitalization in the marketing segment of the tourism and hospitality economy. The key importance in this process is the definition of organizational, logistical, financial, production, and entrepreneurial features of the implementation of economic strategies for the development of tourism and hospitality in the digital environment.

METHODS

The methodological basis for the study of innovative digital marketing transformation in the tourism and hospitality industry is general scientific methods. Thanks to the analysis, induction, deduction, and systematization we were able to develop the features of the implementation of digital marketing in the economic sphere. The tourism and hospitality industry is mainly focused on consumer experience, so empirical methods of modeling and forecasting are also in demand in our study. The interpretation of economic experience allows us to assess the positive and negative sides of innovative actions in marketing activity.

The key to the study is the methodology of scientific and economic discourse, which is represented by:

- the method of absolute and comparative advantages (especially important in the context of comparing the marketing strategy in the pre-pandemic and post-pandemic periods);
- the method of economic optimization provides insight into the effectiveness of marketing moves applied by elements of digitalization;
- the method of determining the equilibrium, indicating the synergistic effect associated with the alignment of traditional and innovative marketing principles.

One of the promising methods used in the study of the principles of implementation of digital marketing, we note the transdisciplinary method of solving uncertainties (Pólvora et al., 2020), through which the interdisciplinary potential is actualized. Because cultural tourism and hospitality are closely related to creativity, the article used the innovative method of scientific and technical art. (Bo et al., 2020).

In local variations, the potential of digital marketing in domestic tourism is determined by the analysis of statistical tools (e.g. SPSS and AMOS) and other elements of structural equation modeling (Nofal et al., 2020). For our study, such methodology is relevant as information for comparative analysis of the effectiveness of digital marketing at different levels of economic activity. A similar methodological technique is interpretive structural modeling (ISM), which defines the fundamentals of digitalization of the tourism and hospitality industry (Kumar et al., 2020). For scholarly exploration regarding the principles of digitalization implementation, the question of factors that enhance digitalization in tourism is relevant and contributes to the formation of a holistic marketing paradigm.

RESULTS

In modern scientific and economic discourse there are several groups of innovative technologies for the development of the tourism industry:
The use of all available digital resources as broadcasters of information content (neutral-introductory or aggressively promotional) of the tourism and hospitality industry. A feature of this principle is the involvement of all available digital marketing elements (SEO, SEM, SMM, influencer marketing, content marketing).

Ability to quickly change the content and format of marketing activities in accordance with changes in market sentiment in the global and local tourism and hospitality industries. This cluster actualizes the elements of influencer marketing on the economic activity of the sphere of services and recreation (influencer marketing).

Digital marketing provides coverage of a wide audience of stakeholders in the tourism and hospitality sector. Elements of digitalization are acceptable both in terms of creation and in the context of perception. The search elements of digitalization, in particular SEO & SEM are acceptable both in terms of creation and in the context of perception.

Marketing strategies and tactics built on digital potential can be reoriented according to socio-cultural conditions and change the emphasis in relation to the producer or consumer of tourism and hospitality services. First, the principles of digital marketing, focused on the advertising product (influencer marketing, content marketing, advertising on digital resources) are actualized.

The modern permanent economic space requires quick decisions in all spheres of the economy, which is expressed in the development or improvement of marketing activities in the shortest possible time while maintaining their effect.

One of the manifestations of digital marketing is the accessibility of tourism to the consumer regardless of his social or financial status. Social tourism involves the implementation of the principle of “tourism for all” (Alves et al., 2020). To achieve this result, relational marketing mechanisms are used, successfully working in the format of online contexts. If traditional marketing strategies worked mainly with the target audience, now the dynamism of socio-economic relations in society requires universal marketing activities, which can be achieved only through digital resources.

The flexibility of digital marketing implies the possibility of making changes or adjustments to the system of services provided in advance. Stakeholders in the tourism or hotel and restaurant industry can make their wishes in improving the service. Fotis et al., (2021) define user-generated content (UGC). Customer feedback or adjustments by tourism facility managers directly in the course of their activities generate information that expresses transformational needs and potential transformations in performance. This is how the gap between the expectation of online reviews and the actual satisfaction of hospitality services is bridged.

One tool that unlocks the potential of digital marketing is Internet technology (Gupta, 2019). The tourism industry as a whole hold onto two human dimensions: loyal customers (stable segment) and new customers (potential segment). If the cluster of regular customers does not need aggressive marketing moves, attracting a new audience involves the use of
innovative elements. The potential audience must have comprehensive access to all the characteristics of travel or hotel and restaurant offerings. The digital product both in content and form is fully consistent with the principles by which it influences the decisions of the customer.

Social media and social messengers are important tools for implementing digital marketing strategies (Chu et al., 2020). Reaching a large audience without exorbitant technological costs makes social networks and messengers an ideal platform for implementing the principles of marketing digitalization. Another obvious positive point is the ability to communicate among visitors and discuss the quality-of-service delivery. Digital format implies the freedom to express impressions and the ability of moderators to influence public opinion by attracting digital resources confirming the benefits of tourist sites.

One of the digital tools in marketing is the live streaming cluster (Lau, 2020). 5G and Wi-Fi 6 technologies greatly improve the quality of communication. So far, technologies are able to use such mechanisms as face recognition, the formation of the characteristics of the average consumer, the introduction of artificial intelligence. New opportunities contribute to the development of a qualitatively new model of marketing. If previously the optimal marketing format was targeting, now the innovative economic tool is the concept of "24/7 marketing", which involves meeting market needs for the tourism and hospitality industry online. The use of live streaming for offers and sales is being actively implemented in the hospitality industry. Douyin, Wechat, Taobao, Weibo, and Xiaohongshu platforms are not a complete list of digital resources that offer the creation of a new marketing channel capable of online promotion of tourist destination content and live image presentation, revealing their leisure or entertainment offerings.

An important element of digital marketing is targeting advertising, which is actively used in the Internet environment. The peculiarity of this type of marketing activity is the ability to target information content to a specific audience, which is formed by the advertiser, based on his abilities and wishes. Targeting advertising can be based on demographic, geographic, or social parameters, relevant directly to their integration into the consumption of tourism and hospitality products (Ihnatenko, 2022).

In order to maximize the potential of digital marketing, it is necessary to specify the types of the tourism industry in which the principles of digitalization of marketing activity are implemented (Figure 2).

Figure 2. Tourism industry clusters for which elements of digital marketing are relevant.

Sports tourism is a separate cluster related to the integration of sports competitions or sports activities into the entertainment and active recreation industry. Digital space has been closely integrated into the sports world. As a consequence, digital marketing has received a favorable environment for the development of sports direction in the tourism and hospitality industry. Sports tourism is no longer limited to the physical role of the individual in active recreation. Attendance at sporting events, participation in sports competitions, active viewing of sports and entertainment shows - all this forms a cluster of the sports and tourism industry. Consequently, digital marketing is designed to stimulate a person’s desire to join a sporting event (in active or passive form). Even without being directly in the arena of sporting action, the individual
is integrated into the economic component of this process. Encouraging the purchase of sports paraphernalia, participation in gambling, and the actualization of related goods (food, drinks, content) when participating in sporting events are all economic activities that form a segment of the modern understanding of sports and entertainment tourism.

Let us also consider two key practice-oriented results of the implementation of digitalization in the sector of cultural tourism:

- providing tourists with mobile services that enhance the cultural experience;
- the formation of new business models that focus on the dynamism of the sociocultural space and offer relevant services (Ammirato et al., 2020).

The cluster of socially oriented digital marketing (SEO, SMM) is relevant for cultural tourism since the formation of a network of cultural monuments and attractions is the result of a combination of cultural and socially oriented processes. Social communication becomes key in the dissemination of information that encourages the traveler to visit a particular cultural and historical location. The socio-digital advertising resource or mechanism is an effective translator that provides the consumer with the necessary information.

Holiday tourism is an integral component of the entertainment segment. Note that digital marketing in holiday advertising has two key phenomena: active (the potential of content marketing is filled with thematic materials just before the holiday), passive (influencer marketing tools constantly hold the attention of the consumer in the aspect of expediency and the need for celebration as an integral part of human life and happiness).

The segment of travel and hospitality services associated with travel, travel, and outdoor recreation requires predominantly aggressive visual marketing support, corresponding to the model of active recreation. Digital banner advertising, situational digital marketing tools - all these advertising elements combine one feature - dynamism, which is fully correlated with the preferences of the active consumer.

Interesting to consider the practical implementation of the elements of digital marketing as the cluster of domestic tourism, in particular shopping tours. The peculiarity of this segment of the tourism industry is the coexistence of two digital marketing strategies: advertising goods and services directly and advertising shopping tours. Note that under such conditions there is a certain duplication of marketing content, so marketers are looking for ways to correlate these elements.

Medical and rehabilitation tourism is a prime example of a marketing strategy focused on a specific localized topic. Medical and rehabilitation services in the tourism dimension have a clear target characteristic and interact little with other segments of tourism. Consequently, digital marketing in this case focuses on the specificity of the services offered, rejecting other, traditional promotional elements.

**DISCUSSION**

A key factor in actualizing the principles of digital marketing is the alignment of digital solutions with business models (Alford & Jones, 2020). The correlation of digital marketing tools with the realities of the tourism and hospitality industry is necessary for effective business. The involvement of individual digital tools as marketing mechanisms is debatable.

Competition in the market of tourism and hospitality services requires a response from all clusters of economic activity. The sphere of marketing also responds to aspects of the competitiveness of the subjects of this business. On the one hand, digital resources are quite costly both in technological support and communication manifestation. Kerdpitak (2020) even points to the slow role in the development of the tourism business, caused by the high costs of the creation and distribution of digital content. At the same time, the high cost of elements of digital marketing is compensated by the ability to reach a large audience in a relatively short period of time. Consequently, the economic effect of marketing activity is quite tangible and obvious. Thus, the use of digital resources increases the competitiveness of a particular tourist or hotel and restaurant enterprise.

At the same time, digital marketing activity needs proper training to implement its principles. The competence of the staff segment of tourism and hospitality employees responsible for marketing activities remains a debatable issue. A study by Carlisle et al. (2021) indicates gaps between the level of professional digital competencies of marketers. The greatest difficulties in the formation of marketing activity are caused by the skills of working with artificial intelligence and virtual (augmented) reality.

An analysis of the economic activity of 102 Italian firms of different types (small, medium, and large businesses) in different sectors (design, fashion, food, alcoholic beverages) in 2021 (Elia et al.) indicated that businesses that use digital resources
have increased their revenues. Businesses that use an e-commerce manager significantly increase digital exports (the number of goods and services sold through digitalization). This type of research is critical to understanding the importance of digital marketing in the hospitality industry. All these groups of goods are directly or indirectly used in the hospitality industry, so the result of the demand for digital innovation in economic activity is undeniable. On the other hand, small and medium-sized enterprises are not a homogeneous group with large businesses in the tourism and hospitality industry (Sulaiman et al., 2020). Therefore, digital marketing develops specific development strategies for different economic groups.

It is necessary to consider the aspects of digital marketing in the tourism and hospitality industry depending on the results of their implementation. Let us note that certain tourist locations are more interesting for travelers, and certain hotel and restaurant complexes have acquired a corresponding status of demand in public opinion. Consequently, there is a need to regulate the information and advertising marketing flows in order to avoid such a phenomenon as over-tourism (Bourliatiaux-Lajoinie et al., 2019). Often there is a situation of marketing overload in some directions and marketing insufficiency in other directions. Such an approach causes imbalances in the global local tourist and hospitality networks and ultimately leads to disappointing economic performance. Destinations that are oversaturated with visitors cannot provide proper conditions for recreation and entertainment, which translates into dissatisfaction among service users. Lack of congestion in other destinations leads to lower revenues and dissatisfaction among the owners and employees of the tourism and hospitality industry. Therefore, digital marketing should take into account the realities of the market and promote a balance in the tourism and hospitality industry, differentiating the referral of potential customers to different locations.

CONCLUSIONS

So, digital technologies and digital marketing strategies in the modern paradigm are in the process of approval. The results of the implementation of innovative marketing elements in the tourism and hospitality industry have shown high efficiency. The positive effect of digital marketing moves was reflected in the key parameter of the tourism and hospitality cluster - the consumer experience. This means that digital marketing shows positive results in both short-term consumer strategy and long-term economic models. Unlocking the potential of digital marketing tools (SEO, SMM, SEM, influencer marketing, content marketing, advertising on digital resources) in the tourism hospitality business will further boost performance in this cluster of economic activity.

Today, the following digital marketing tools and mechanisms correlate with the principles of marketing activity in tourism, leisure, and entertainment in the modern digital economy, are relevant in the tourism and hospitality business:

- SEO, SEM, SMM - mechanisms that ensure interactivity, responsiveness, and dynamism of marketing activity;
- influencer marketing, content marketing, advertising on digital resources - tools designed to ensure the availability and flexibility of the marketing component.

Consequently, digital marketing is gradually gaining ground in economic life in general and in the hotel and hospitality cluster in particular. If this trend of digitalization of the economy continues, digital marketing will not be positioned as a situational or alternative component but will be reoriented to a fundamental status in all areas of the economy in general and in the hotel and hospitality segment.

REFERENCES


ЦИФРОВІ ТЕХНОЛОГІЇ ТА ДИДЖИТАЛ-МАРКЕТИНГ: НОВІ МОЖЛИВОСТІ ДЛЯ ТУРИСТИЧНОГО Й ГОТЕЛЬНО-РЕСТОРАНОГО БІЗНЕСУ

Туристичний та гостинний бізнес за останні роки зазнав суттєвого впливу соціокультурного характеру. Процеси глобалізації в економіці та адаптація економіки до змін, пов’язаних із пандемією COVID-19 та переорієнтацією потоків туристів і мандрівників стали пріоритетними проблемами науково-економічного дискурсу сучасності. Постала потреба в актуалізації інструментів, які здатні мінімізувати негативний вплив на економіку в цілому та на туристичний і готельно-ресторанний бізнес зокрема. Такими елементами стали цифрові технології та диджитал-маркетинг, які мають необхідний потенціал для реалізації стратегій розвитку бізнесу. Метою наукової статті є аналіз ефективної маркетингової стратегії для туристичної та готельно-ресторанної індустрії, яка ґрунтується на цифрових ресурсах.

Ключовими елементами диджиталізації є: пошукова оптимізація (Search Engine Optimization – SEO), маркетинг у соціальних мережах (Social Media Marketing – SMM), пошуковий маркетинг (Search Engine Marketing – SEM), маркетинг упливу (Influencer Marketing), контент-маркетинг (Content Marketing), цифрова реклама (Digital Advertising).

Актуальним є аналіз принципів диджиталізації в кластері маркетингу туристичної та готельно-ресторанної сфери економіки. Завдання статті полягають у визначені балансу організаційних, логістичних, фінансових, виробничих та підприємницьких особливостей реалізації економічних стратегій розвитку туризму в цифровому середовищі. Результатом дослідження є формування принципів маркетингової активності в сфері туризму, відпочинку та розваг у сучасній цифровій економіці: інтерактивності, динамічності, доступності, гнучкості, оперативності. Інформація та комунікація в цифровому маркетингу постають не лише форматом економічної активності, а й видозмінюють змістові елементи економічного простору. ІКТ-кластер визначає нові можливості для економічної активності за нових (як у частини несприятливих соціокультурних умов. Пандемія COVID-19 зумовила неоднозначні процеси в маркетингових елементах туризму та дозвілля. З одного боку — відбулася стрімка переорієнтація маркетингових стратегій на цифровий формат роботи; з іншого боку — після послаблення пандемічних обмежень розкрилися протиріччя між інноваційним цифровим маркетингом та традиційними ринковими елементами. Отже, цифрові технології та диджитал-маркетинг продемонстрували свою потрібність та ефективність у реальному секторі економіки в період економічної нестабільності. Перспективи дослідження полягають у вироблені методологічних та практично орієнтованих настанов для утвердження цифрового кластера в туристичному та гостинному бізнесі як фундаментального складника (а не ситуативного, тимчасового чи альтернативного елемента).

Ключові слова: диджиталізація, туристична індустрія, туристично-готельний бізнес, цифровий маркетинг, цифровізація економіки, контент-маркетинг, SEO, SMM

JEL Класифікація: O33, Q55, Z32, Z33