

## ARTICLE

# CREATION OF THE EFFECTIVE ENTERPRISE IN THE TOURIST MARKET

Liliya R. Fakhruddinova, Boris M. Eidelman, Oleg A. Bunakov, Niyaz K. Gabdrakhmanov\*

*Institute of Management, Economics and Finance, Kazan Federal University, RUSSIA*

## ABSTRACT

*In this article authors describe creation of the effective enterprise in the sphere of tourism. For creation of the effective tourist enterprise it is necessary to understand the mechanism of the tourist market in general and a role of travel agencies and tour operators, in particular. Business in the sphere of tourism is quite good the fact that it is possible to open travel agency with the smallest investments and without experience of similar activity. This activity is not licensed in any way, for this reason there is no need for allowing documents. At the same time competition in travel business is rather high, and the need for service of travel agencies for circumstances of crisis naturally decreases. It is necessary to choose activity, being guided by own interests, skills of hired personnel or the general market tendencies. Then it is necessary to choose one of development models (independent travel agency, travel agency at home, a franchise or online travel agency). Already then to consider aspects of registration, the organization of office, the software, creation of the website, selection of workers and partner tour operators and also advertising. It is also necessary to choose activity, being guided by own interests, skills of hired personnel or the general market tendencies. It is necessary to attract buyers high-quality service, to cooperate only with reliable tour operators - to form an image which in the long term will begin to function on you.*

## INTRODUCTION

Only two types of players make the market of tourist services - it is travel agents and tour operators. The understanding of the mechanism of activity of these market institutes will allow functioning effectively in the tourist market.

Travel agents are engaged in realization of ready tours, development and pricing for which are carried out by the second. For young tour agency it is important to define the target audience with which it should work and also to decide on specialization of tours which it to them will sell. Experts consider that at an initial stage shipment outward of 500 tourists and overcoming the period of a low season becomes a main objective of firm. Already later, for the second year of work the base of clients of travel agency will grow by 3-4 times [1, 2].

Business in the sphere of tourism is quite good the fact that it is possible to open travel agency with the smallest investments and without experience of similar activity. This activity is not licensed in any way, for this reason there is no need for allowing documents. At the same time competition in travel business is rather high, and the need for service of travel agencies for circumstances of crisis naturally decreases.

According to data of the union of the tourism industry of Russia in 2015 requirement on numerous emigratory tendencies fell by 30-60%. It occurred as a result of reduction of a consumer possibility of residents of Russia. Because of the past incidents in society experts give not optimistical forecast for considerable decrease in demand for the following directions: Turkey, France and Egypt [3].

Unfortunately, forecasts of experts for 2016 came true. The same considerable recession in demand and the number of the going abroad Russian tourists is noticeable.

According to Rostourism change of number of trips of the citizens of the Russian Federation who left to foreign countries for the purpose of tourism in 6 months 2016 in comparison with a similar indicator of 2015 makes - 10% (about 1 million people).

## RESULTS AND DISCUSSION

Monitoring of long formation of tourism by 2017 shows that the sector has the huge potential for the subsequent systematic increase in a stream in the next years. The newest tendencies of tourism and those which developed earlier will be able to use this tendency if appropriate conditions are created and good strategy for infrastructure, business and marketing will be drawn [4].

It is possible to choose one of four options of development:

1. Independent travel agency. For this purpose, it is required to rent an office, to employ personnel. It is the most expensive method of opening, however with the smallest dependence. We are responsible for everything; we study at own mistakes. The option resembles that who meets the following basic requirements: understands how business works, has skill of work as the manager on tourism, contacts of potential partners (tour operators) and individual interrelations.

### KEY WORDS

tourism, tourism development, travel agent, travel agency, tourist enterprise

Received: 26 Oct 2018  
Accepted: 21 Dec 2018  
Published: 10 Jan 2019

### \*Corresponding Author

Email:  
nz99nz@yandex.ru  
Tel.: 89046626025

2. Travel agency at home. The easiest method to enter business without investments. So it is necessary that it to open? Only the computer, phone, the printer, Internet connection will be required. It is necessary to register SP, to create the page on social networks or to create the website and to promote also. Communication happens to clients by phone, the Internet or Skype, or appointment in cafe or houses are made.

This option - a touchy business. Russians trust business office environment more, than to a house sit-round gathering. The travel agency approaches at home and will be perspective only for the businessmen extroverts possessing a wide range of communication (ideally - have the client base), having professional skills and experience.

3. Online travel agency. Prosperity of Internet technologies transfers sales to network. Such way of the organization of travel business as opening of online travel agency, has big prospects. It is necessary to create, first of all, the website shop where the buyer can independently pick up and look at the options suitable him, reserve permits and tickets, to pay service, to form the necessary set of documents. The online agency can be, both an auxiliary sales channel, and the basic, and the only thing.

Pluses of this option: small operating costs, need for personnel it is minimized, the lack of feeling of conventionalism, realization of a tourist's product comes much quicker and at a minimum of resources, the management of travel agency from any the place, that is there is no binding to the place [5].

Shortcomings of this option: the dangers interfaced to breaking of the website, impracticability of realization of all necessary operations by means of the Internet (for example, the visas interfaced to registration: providing with photos, personal signature).

4. Travel agency on a franchise. This look is primary to beginners in the tourist sphere who are internally ready to creation of establishment; however, do not own important data. Own travel agency on a franchise is a chance to join in business with considerable extent of competition under the known brand and to achieve success. Relationship with the franchiser is regulated by the license agreement, commercial concession, etc.

Opening of travel agency on a franchise contains several positive sides.

The agreement considers that the franchisee finds:

- i) ready technological processes, including own website and special software, concepts booking online;
- ii) right of use of the well-known brand and corporate style;
- iii) the legal, marketing and advertising aid from the franchiser;
- iv) probability to delegate to the franchiser resolution of conflicts with tour operators.

Initial capital investments when opening travel company on a franchise make 150 000 - 450 000 rub, depend on the city size, and it is possible to pay back them for initial half a year of activity. The main minus - promotion by the franchiser of impossible sales plans, in particular for a starting stage. It is necessary or to select for this reason specially the partner who does not establish plans, or to change requirements of agreement [6].

To open tour agency, it is necessary:

1. Registration. The travel agency is capable to work both in the form of the legal entity, and in option of SP. It is easier for individual businessman to be made out, use the earned means in the individual purposes and to stop functioning. Such option is faultless for travel agencies at home. In other options it is better to open Ltd company - trust degree to such companies in the Russian Federation usually more, than to SP.

At selection of the concept of the taxation it is necessary to be guided by the simplified tax system with an object "income" (sum of 6%).

2. Organization of office. For travel agency there will be enough room (or rented) of 15-20 sq.m. The office is obliged to be light and convenient, to possess phone line and the Internet. It is required to make repair, to thematically issue the place, to buy furniture, office equipment, and stationery. On a construction facade the place for placement of outdoor advertising surely has to be found. An arrangement of travel agency - it is also important. The placement option - in shopping center, or business center, in a zone with considerable business activity is primary. It is good if close with an office kinder gartens, average educational institutions, beauty shops are placed - as a rule, directly girls stimulate a trip and collect all data on tours [7].

3. Software. Data on tours can be found in websites of tour operators, or in special search engines - on Internet resources, in bases of data which data on bigger number of tour operators

are consolidated. Similar concepts give to travel agencies more perfective aspect on essential services. Use is commercial, however allows saving time for business processes considerably.

The following search concepts are considered as the most popular: TOURINDEX (www.tourindex.ru) "to Go" (www.exat.ru) and "Tours.py" (www.tury.ru <http://www.tury.ru>).

4. Choice of activity. It is the main episode for start from which the subsequent policy when opening business is in dependence.

It is possible to choose the corresponding tourist tendencies:

- i) personally familiar and tested directions of travel;
- ii) the organizations coinciding with specialization of hired workers;
- iii) perspective and popular types of tourism (what tours, beach rest, extreme tourism, wedding tourism, etc.).

It is necessary to choose such niche where most it will be entertaining to function. All further organizational boundaries will be depending on the decision made in this step: selection of personnel, selection of tour operators for the purpose of partnership, selection of productive channels for the purpose of advertising.

5. Creation of the website. Before creation (order) of the website it is necessary to make a choice - what function it will carry out: representative (the ordinary website - the business card), informative with prospect of searching tours, or online store. A suitable conclusion on compliance between the cost and efficiency the second type is considered.

6. Selection of workers. It is one from the main difficulties when opening travel agency. To find the expert with own client base, capable to function with people, difficult. Similar experts are exclusive and expensive, however investments into them pay off, for this reason to save on remuneration it is not necessary. The salary to managers on realization of tours is counted usually: a salary share and percent from sales which depends on implementation of the plan.

Employees it is necessary to develop: thematic trainings, seminars, constant fact-finding tours on the picked-up states increase effectiveness of managers for the reporting period.

On the accountant, in particular at first activity, permissibly to save. At small sales volumes the businessman is capable to master accounting and formation of the reporting directly, applying special free online services.

7. Selection of partner tour operators. At the same time, it is possible to sign contracts with several tour operators. On any preferred orientation it is necessary to sign contracts with several operators to sate all admissible requirements of travelers for dates of arrival, level of hotels and food, etc.

At searching possible partners, it is possible to apply the federal state registry where all lawfully acting tour operators, and besides, professional ratings, reviews on special Internet resources, reference books by travelers and the other list of sources are brought. [8]

Main aspects of selection:

- i) the tour operator functions according to the main tourist tendencies;
- ii) popularity of tour operator, favorable image, reliability level;
- iii) terms offered to the travel agent from tour operator (volume of an agency fee, recurrence of its increase, price offers on rounds, etc.).

8. Advertising. It is necessary to use all readily available channels with considerable return.

Well work: business cards in pre-sale area of supermarkets, the qualified untwisting of the website, useful and attractive distributing information (calendars, subway maps, leaflets and books), data at forums and in social networks, announcements in information stand in elevators and entrances, the organization of the general broadcasts / publications with regional media (printing, broadcasting, TV channels).

Whatever declared year-round demand for tours, about substitution by ski resorts beach, however business unevenly - experts fix decline in the market from January to February. Besides decline which is experienced by macroeconomic influences also travel business.

It is necessary to study demand, to be reconstructed quickly at change of external conditions. It is necessary to begin with the interesting exit directions, for example, to the CIS countries on which growth on demand is noticed: Moldova, South Korea, Vietnam and Sri Lanka.

Besides, it is necessary to get accustomed to internal tourism which possibilities are big. Already now in certain areas of the Russian Federation competitive infrastructure is created: Black Sea to a beach area,

St. Petersburg, Golden Ring. The promising in respect of tourism and domestic exotic: Mountain Altai, Kamchatka, Baikal, Kola Peninsula, Khakassia, Karelia.

And, of course, a lot of things solve compliance of cost and quality. It is worth offering bonuses, to develop bonus the loyalty program. It is necessary to attract buyers high-quality service, to cooperate only with reliable tour operators - to form an image which in the long term will begin to function on you. [9]

## CONCLUSION

Thus, for creation of the effective tourist enterprise it is necessary to understand the mechanism of the tourist market in general and a role of travel agencies and tour operators, in particular. It is also necessary to choose activity, being guided by own interests, skills of hired personnel or the general market tendencies.

Then it is necessary to choose one of development models (independent travel agency, travel agency at home, a franchise or online travel agency).

Already then to consider aspects of registration, the organization of office, the software, creation of the website, selection of workers and partner tour operators and also advertising.

Only having thought over these aspects, it is possible to approach a business model of the tourist enterprise in a complex and further, having calculated expenses, risks and profitability, to start the project of the new enterprise

### CONFLICT OF INTEREST

There is no conflict of interest.

### ACKNOWLEDGEMENTS

The work is performed according to the Russian Government Program of Competitive Growth of Kazan Federal University.

### FINANCIAL DISCLOSURE

None

## REFERENCES

- [1] Bunakov OA. [2016] Development of tourism in the region on the basis of cluster approach. *International Business Management*.10(21):5104-5106.
- [2] Chumarina GR, Fakhruddinova LR, Eidelman BM. [2016] Methodological aspects of advertising activity efficiency evaluation. *International Business Management*. 10(23):5572-5576.
- [3] Eidelman BM, Fakhruddinova LR, Galimov SS. [2016] Applying of the territorial marketing technologies in organizations of socio-culture service and tourism. *International Business Management*. 10(23):5568-5571.
- [4] Bunakov OA, Zaitseva NA, Larionova AA, Suslova IA. [2017] Improving the training system as a basis for improved management of sustainable development. *Man in India*. 97(3):275-283.
- [5] Bunakov OA, Rubtsov VA. [2016] Complexity of positioning in tourism on the basis of cluster approach *International Business Management* 10(21):5101-5103.
- [6] Eidelman BM, Fakhruddinova LR, Gabdrakhmanov NK, Nayda AM. Ways of formation of regional brands in modern conditions. *Academy of Marketing Studies*. 20:39 - 44.
- [7] Eidelman BM, Fakhruddinova LR. Improving of Using of Advertising Technology in Tourism. *International Business Management*. [2016] 10(21):5086-5088.
- [8] Gabdrakhmanov NK, Rubtsov VA, Baybakov EE. [2016] Tourism and sustainable development. *Academy of Strategic Management Journal*. 15(1):21-26.
- [9] Gabdrakhmanov NK, Rubtsov VA, Mustafin MR. [2016] Role of historical cities in the tourist breeding: (Case study of Republic of Tatarstan) *International Business Management*. 10(22):267-5272.