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Lytvynenko Alina

*PhD in Economics, Associate Professor,
Associate Professor of the Department of
Entrepreneurship and Hotel and Restaurant Business
Simon Kuznets Kharkiv National University of Economics
ORCID: 0000-0003-0372-5130*

Lytvynenko Olena

*PhD in Economics, Associate Professor,
Associate Professor of the Department of Marketing,
Management and Trade Entrepreneurship
Kharkiv Trade and Economics Institute of
Kyiv National Trade and Economics University
ORCID: 0000-0002-8360-4461*

GLOBALIZATION IMPACT ON THE HOTEL AND RESTAURANT BUSINESS

Summary. *The article considers the key issues of the impact of globalization on the hotel and restaurant business. The market of hotel and restaurant services began to be actively mastered by private business: the upper price segment was formed, represented by high-class hotels, in which there is already a real and quite fierce competition; middle-class hotels are being built and reconstructed, although not at such a rapid pace, new niches are being mastered, such as the niche of small high-class hotels; attempts are being made to create domestic hotel chains. Thus, the key role in these processes is played by management, providing in hotel and restaurant business realization of*

investment projects, effective current management, including all its aspects: operations, personnel, finances, marketing.

The article substantiates the need to deepen sound recommendations for improving the activities of hotel and restaurant businesses based on their effective management, including strategic, operational and financial aspects in the global ecosystem. The hotel and restaurant business is the result of globalization, and at the same time the expansion of hotel groups in the world market is the result of globalization. Hotel practices and policies must respond to changes in the socio-economic and political environment. The impact of globalization on the hotel business is defined precisely in terms of how business image, skills, attitudes and behavior constitute effective and efficient intercultural interaction, how people use critical cultural knowledge.

Reflections on the research of these specific phenomena and their interrelationships underlie the fact that globalization has affected and changed the lives of people throughout the entire world. Thus, the hotel and restaurant industry as a working environment cannot remain unchanged. The term globalization has recently been widely used to describe the state of the hospitality industry. The expansion of hotel brands globally, the recruitment of global workforce and the placement of global customers in the hotel business are the consequences of globalization.

The situation with the hotel and restaurant business is complicated by the fact that at the moment no one knows how long the quarantine will last and how quickly the flow of guests will resume after its completion. Even if the pandemic is stopped by the end of 2021, the market will not be able to recoup its losses quickly. For at least another two to three months after the end of quarantine, people will refrain from traveling, even within the country.

Key words: *hotel and restaurant business, globalization, strategy.*

Statement of the problem. The hotel and restaurant business occupies an important place in the economy of a great many developed countries and not just those. Having become a deep social environment, today it makes a significant contribution both to the economic development of an individual country and to improving the quality of life of a modern person, who in the context of globalization is becoming increasingly mobile. Ukraine is no exception in this process – in the last decade the domestic market of tourist services and, consequently, the hotel industry are developing rapidly, especially in large industrial and financial centres of the country. However, it should be noted that the significance of this segment for the domestic economy as a whole is still significantly lower than in developed countries.

The hotel services market began to be actively mastered by private business: the top price segment represented by high-class hotels with available actual and rather relentless competition has formed; middle-class hotels are being built and reconstructed, although not at such a rapid pace, new niches are being mastered, such as the niche of small high-class hotels; attempts are being made to create domestic hotel chains. The key role in these processes is played by management providing implementation of investment projects and effective current management in the hotel business, including all its aspects: operations, personnel, finances and marketing.

Formulation purposes of article (problem). The research goal is to deepen sound recommendations for improving the activities of hotel businesses through their effective management, including strategic, operational and financial aspects in the global ecosystem.

The main material. The development of a market economy has led to an increase in such a complex and diverse area of activities in the field of services as hotel business services. This area of activities requires a serious understanding of the world experience and close attention to the prospects of its use in Ukraine. In this context, it is important to determine the role and

importance of this type of business in the modern economy, determine the dynamics of its development in our country and abroad, compare business formation trends in different countries in order to be of benefit to the Ukrainian specifics. And, finally, it is essential to search the ways to increase its efficiency in Ukraine, the most important of which is the formation of business image and brand in the hotel business under conditions of current globalization.

According to American researchers T. Peters and R. Waterman, hotel business executives who have formulated only financial goals for themselves, as a rule, do not achieve the financial results achieved by hotels with a wider range of values. More specifically, this wider range of values can be defined as the hotel ideology, its internal and external image.

An image is not an accurate and unambiguous reflection of the merits and characteristics, but a pattern designed by experts, which is based on both real, objective features and, in addition, on the features introduced to form the appropriate image. The image must be adequate to the real pattern and be addressed to a specific group of consumers, while remaining plastic and dynamic [1].

Market economic reforms carried out in the country in the early 90's of the last century, opened new, virtually unlimited opportunities for the development of the hotel business. However, it should be noted that so far there are a significant number of factors of political, institutional and purely economic nature in the Ukrainian economy that limit this development.

Over the past 30 years, Ukraine has experienced quite a number of political and economic crises, seen two revolutions, accustomed to the constant collapse of the hryvnia and is living in a state of military conflict. And all this time the hotel business market has existed, adapted to new realities and developed further, although it is very vulnerable to such vicissitudes.

The role to be played by the hotel business in Ukraine's economy will become increasingly important, contributing to improving the life quality.

Unlike any other areas of the service sector of the economy, focused mainly on meeting utilitarian needs, the hotel business performs an important socio-economic function, i.e. being one of the main elements of the tourism market infrastructure, it generally determines its development, given that the tourism market of Ukraine has virtually unlimited growth potential.

In a professional business and social context, such as global hotel brands in Ukraine, intercultural communication, contacts and relationships underlie day-to-day operations and customer service.

A significant part of the customer base of hotels in Ukraine consists of people belonging to different cultural groups who travel around the country for both leisure and business. Global travel and labour mobility are phenomena caused by changes taking place at the socio-economic, cultural and political levels due to the phenomenon of globalization. Therefore, the hotel industry is well aware of the essence of different cultures or the process of accommodation in hotel premises, both in the case of external customers or diversity management, when different cultures come together in the hotel business, and in the case of internal customers.

The research aimed to answer the question of how hotels are organized to address intercultural communication in customer service and whether intercultural barriers arise in the intercultural interaction of hotel staff and global customers. To understand how global hotel brands work, the held research was focused on three main areas related to each hotel: organizational culture; customer service; customer service and intercultural issues. The research used interviews with hotel management and non-managerial staff from different cultures, observation of public space among customers and staff during check-in and check-out in the reception area and during lunch in the cafe-bar and restaurant. The search for the official website of each hotel and job advertisements were also used to improve the results of interviews and observations.

It is generally found that hotel staff often have language barriers and religious problems as well as interpret different non-verbal behaviours or food culture issues related to the intercultural aspect of customer service. Moreover, it was found that attention to customer service by hotel staff is the highest organizational value, and customer service is a priority. Despite this, the brands of the participating hotels do not seem to have yet realized how intercultural barriers can affect the day-to-day running of the hotel, the work results and the psychology of the hotel staff. The employees noted that they seek to receive diversity training provided by their organizations to learn about different cultural needs and to expand their intercultural skills. The concept of diversity training in global hotel brands is based on the fact that one of the numerous goals of diversity management in the workplace of hotels is a better understanding of intercultural differences. Therefore, global hotel brands can view diversity training as a practice that benefits both their hotel staff and customer base. It can have a special organizational advantage for organizational matters in the hotel business, which can affect the efficiency and performance of hotels.

The practice and policy of the world hotel business in Ukraine are influenced by socio-economic, cultural and political phenomena of interculturalism, multiculturalism and globalization. Reflections on the research of these specific phenomena and their interrelationships underlie the fact that globalization has affected and changed the lives of people throughout the entire world. Thus, the hotel and restaurant industry as a working environment cannot remain unchanged. The term globalization has recently been widely used to describe the state of the hospitality industry. The expansion of hotel brands globally, the recruitment of global workforce and the placement of global customers in the hotel business are the consequences of globalization.

Under these circumstances, it is understood that as a result of organization globalization, hotels in particular, shall adapt to the new socio-economic, cultural and political conditions associated with the diversity of the workforce

and global consumers. Globalization as a process develops within a society and its social systems. Hotels as service organizations are components of this social context, and, therefore, they are expected to be able to respond effectively to the consequences and changes brought by globalization to the hotel's work environment. This becomes mandatory for hotel organizations, because global customers and the workforce in general are related to customer service issues in terms of intercultural contacts and intercultural communication.

The prospects for globalization, anti-globalization and alter-globalization as well as how they contributed to the emergence of three different theories relating to globalization: globalists; sceptics; traditionalists and transformers are presented further. These different theories and viewpoints make clear that there are no unambiguous answers as to how globalization is interpreted, but emphasize that its consequences can be multiple. In addition, the impact of globalization on the hotel industry is discussed. Moreover, it is described that interculturalism and multiculturalism as concepts feel their presence in the academic world and as the word multiculturalism is generated and replaced by other synonymous terms, such as multiethnicity and cultural pluralism. Initially, multiculturalism was seen primarily as an issue with a political dimension, but multiculturalism is a multidimensional phenomenon that, in order to be understood, can be considered in relation to other social, cultural, economic and political phenomena.

Globalization has affected hospitality and, consequently, the hotel business in Ukraine. The economic benefits of globalization seem to have positive effects on the hospitality industry. Being an integral part of the international import-export business, the international travel and tourism industry has become a direct beneficiary of the globalized world economy as most countries have lifted travel restrictions to facilitate business and travel. These economic benefits have facilitated the experience of traveling abroad, but globalization, in addition to the economic benefits derived from global incomes

in the country, has led to changes in the recruitment of global labour. markets globalization, increasing diversity of the workforce and the use of Third World citizens by transnational organizations have made training issues important for the rest of this decade [2]. Migrants have historically been a significant part of the tourism industry [3]. This persistent link between migration, labour migration and employment in tourism continues in part because the mobile international workforce offers a solution to labour shortages when the local workforce is unwilling to participate in low wages, low status and seasonal employment. The fact that globalization has increased the cultural diversity of the workforce and the presence of global customers in the hotel business in Ukraine, clearly indicates that importance should be given to intercultural service meetings that exist in the interaction of hotel staff and customers of different cultural backgrounds. To achieve this, hotel organizations need to assess the different cultural needs, behaviours, beliefs, values and practices of global customers. There is a demand for hotel staff to be provided with the appropriate intercultural knowledge, skills and motivation to be able to deal effectively with intercultural interaction in customer service.

Nowadays, the hotel sector survives as best it can and tries to understand how to be and what to do, and the government is procrastinating with the industry support. Now the countdown is no longer a month or a week, but a day. If there is no support, stagnation, mass layoffs and a crisis will start. There are a number of necessary priority measures to save and mitigate the economic impact of the coronavirus that the industry needs. The hotel business is now waiting for the government to take the next steps as shown in Figure 1.

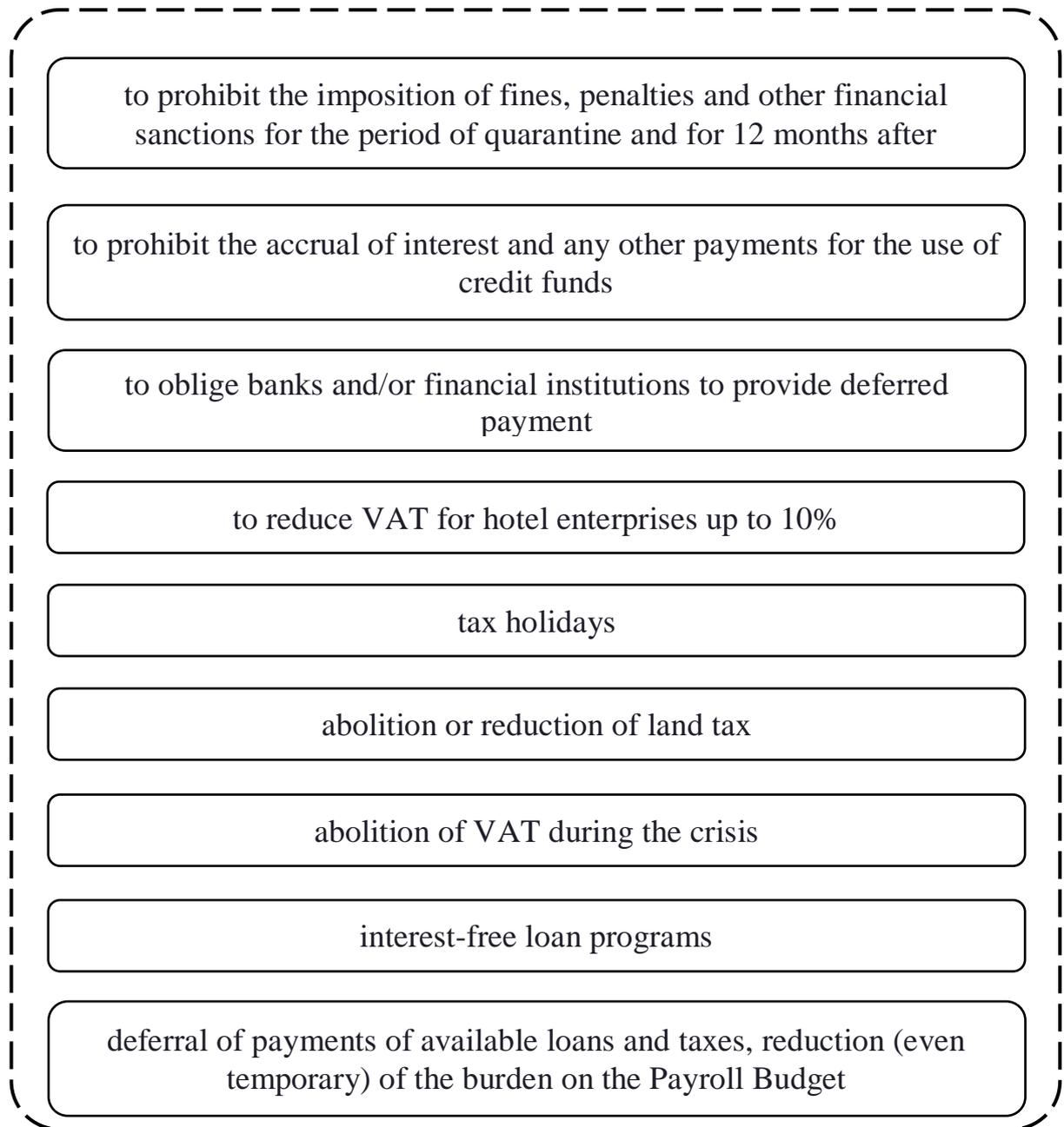


Fig. 1. Strategic solutions to save and mitigate the economic impact of the coronavirus in the hotel business

Insights from this study and perspectives for further research in this direction. Having studied some key aspects of the hospitality and customer service sector in the hotel business, it is suggested that the hotel business could be part of the working lives of hotel employees as part of their global citizenship identity. The hotel business is the result of globalization and, at the same time, hotel groups expansion in the world market is the result of globalization. Hotel

practices and policies shall respond to changes in the socio-economic and political environment. The impact of globalization on the hotel business is defined precisely in terms of how business image, skills, attitudes and behaviour constitute effective and efficient intercultural interaction, how people use critical cultural knowledge. Indeed, discussing the impact of globalization on the hotel business in the hotel business environment may be the first step to contradict the claim that hospitality is a low-skilled sector. The business image and brand can change the hospitality image and emphasize the importance of space to improve both hotel staff and customer service experience.

It is also important to form the efficiency of hotel business enterprises with the help of global computerization. All more or less large hotels are equipped with computers that control and take into account all aspects of the activities of numerous departments of the hotel (rooms booking, customer service, accounting, products purchasing).

Computer systems of centralized management of the hotel complex allow you to coordinate the work of even a large hotel without much time and effort. The system allows to solve such tasks as optimization of operational business processes; reduction of paperwork; increasing financial control over the activities of services and personnel; improving the quality of guest service; optimization of operating costs; statistical and analytical functions, thus improving the activities of hotel businesses based on their effective management in the global ecosystem.

The situation with the hotel business is complicated by the fact that at the moment no one knows how long the quarantine will last and how quickly the flow of guests will resume after its completion. Even if the pandemic is stopped by the end of 2021, the market will not be able to recoup its losses quickly. At least two or three months after the quarantine termination people will refrain from travelling, even within the country.

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