



The Innovative Control Management of Travel Companies

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ABSTRACT

Tourist business is considered to be the global socio-economic phenomenon of the modern world, society. Half a billion of tourists, vacationers, travelers spend more than one-third of a trillion dollars on trips. The relevance of the study of innovation processes of the governance management, the policy of maintenance of company's strategies – the mission of the tourist business is dictated by practical and scientific considerations. In practical terms, the rapidly emerging industry of tourism business, using the obvious, lying on the surface the reserves of development require the latest momentum in the process of transformation and change, in search of innovation to justify their position in the competition. Especially big risks take on the organization, realizing the strategic guidelines. Russian tourist industry, forming its own way, needs a generalization of accumulated experience in the formation of a unified policy of innovation management and its application. This article contains the information about the directions of formation of innovative activity in the sphere of tourism services and in the literate application of it in the enterprises of this industry. Also it informs the main of innovative technologies of the governance management, its content, application and effectiveness.

Keywords: Innovation, Tourism, Management, Governance, Globalization, Competitiveness and Profits

JEL Classifications: M31, O35, M14, O32

1. INTRODUCTION

Innovation management in the tourism industry is a relatively new concept for the scientific community and commercial interests of the domestic economy. It is Russia nowadays experiencing a boom of innovation and innovative implementation in production, services. One forms and methods of government economies replaced by other, more acceptable and suitable for world market service consumption changes.

Under these conditions modifications and changes of the market system of innovative activity in the tourism business literally all tourist organizations, companies, associations, all economic entities from state-level management to the newly established limited liability company in the sphere of small tourism businesses are forced to engage in (Shkurkin et al., 2016).

The market conditions of the world economic arena, where tourism organizations have the full legal and economic independence, there

can be no question of introducing anything. This fundamental difference interprets the difference in the content of certain concepts in the field of innovation management.

It should be considered that the concept of "novation" is the Russian version of the English word innovation. The exact translation from English means "introduction of innovations" and in our understanding of the term "introduction of innovations." Under the innovation becomes clear another procedure, a new custom, a modified method of the invention, the newly-made phenomenon. Domestic concept of "innovation" in the literal sense of the "introduction of the new" refers to the process of using innovation (Yu, 1999; Kotler et al., 2010; Saenko et al., 2016).

In everyday practice of tourism organizations, it tends to identify the concept of novelty, novation, innovation, innovation, which is understandable. Only if the any inventions, new phenomena, tourist services or methods are taken to the spread (commercialization),

the application in the real world they will get social recognition and in the newly minted as they act as innovation (innovation).

Tourist business is a phenomenon known to every tourist, man and society. At all times, our planet crossed many travelers and explorers. But only recently tourist business is emerged as a specific form of human activity, which is required to control, manage, negotiate policies, has a stable positive reputation. Thinking about what a tourist management, eventually merged into one of the main functions of management is motivation of wandering.

The development of innovation management in the tourism business for many years, was influenced by the economic, “social, technical and technological, and cultural factors and changes in personal values.” On the one hand, the unmet need for travel combined with a desire to eliminate the obstacles on the way.

That is why the journey should be provided with purchasing power. On the other hand, the journey can allow yourself only one who has to do the necessary funds. This should be understood as follows: It is impossible to achieve mass tourist business, without income, which gives a developed economy, and, therefore, and there is no object of the board.

In addition to economic, personal factors in the tourism business of the Board are very significant and important (Mitrevna and Prodanovska, 2009; Page and Ateljevic, 2009). It is known that in the Constitution, law fixed the right of any citizen to rest, and to perform the right, you need to resolve a number of social orientation problems: Transport, roads, accommodation establishment, meals, accommodations and much more – everything that will take advantage of the consumer of tourist services on designated areas of the board (Sozinova et al., 2016; Vasilev and Akhmetshin, 2014). The point is about creating an appropriate tourist infrastructure, which we define as a tourist product.

As there is a tourist point as the ultimate goal of travel or tourism product, the best-selling in the country’s population, the world stage, it must be recognized that the components of the tourism product are demanded by management, i.e., a set of technical features and technologies, used at the base of the tourist product creates a group of technical and technological factors (Eraqi, 2008).

Factors of culture and the modification of personal values and ideals. The needs of tourists play a major role in the tourism business system of government. It is not possible to expose tourist activities to consideration in isolation from the general form of humanity. Such action cannot be done, as all the components are in certain relationships and connections with each other, which form (form) the integrity and unity of the tourism business system.

There is a dual challenge facing tourist organizations today in the field of management:

The first is to enter the market relations into the practice fully i.e., to fill the innovative management of tourist firms, companies with market content;

Second is to adapt the know-how in the field of tourist business in conditions of the new century, i.e. as fully as possible to take into account the global changes, modifications, introduction of innovations in this respect.

2. DISCUSSION

In our state they take vigorous actions to transition to an innovative way of unwinding of the economy. Innovation – is something other than the actions for the implementation of scientific and technological advances in the technology and management, including in the social sphere, i.e., organizations involved in the provision and implementation of services population of the country.

During the second half of the twentieth century growth dynamics of the rate of innovation and scaling up innovation firms, companies is observed and marked in all sectors of the economy, world politics, including socio-cultural service and tourism.

Tourist business is shown as one of the leading and the most dynamic sectors of the economy and during the rapid pace of development and the formation it received an economic phenomenon of the century – For the 38% of the countries the tourist business is the most important source of small business income as a private nature, and source of income of the state economy, while 83% of the country’s tourism business is expressed in one of the five main sources of income for both the population and the state.

Tourist business is found in the present time as a global socio-economic phenomenon, working and operating in conditions sometimes very strict and corrupt competition, characterized by a high degree of exposure to the innovation process, innovation, the application and observance of which is often essential and determining the competitiveness of tourist organizations (Omta et al., 1994; Osadchy and Akhmetshin, 2015), both in the world and on the domestic market factor.

The objective of each management, in particular management of the travel agency becomes the acquisition of guarantees and assurances that income is from investments in the tourist business in the introduction of technology and the management of this direction will be as it is possible more significant than expected or is available for competitive organizations.

Prosperous innovators of tourism business, owners and implementers of new management technologies indicate by their experience that today the foundation of the new and implementation is not just desirable, but necessary in the competitive world politics. In our time – it should be recognized as a condition of survival of organizations, including tourism, in terms of sanctions, political misunderstandings and other factors of the world market (Ritchie, 1985). The exemplary example of this is the day-to-day hardening and sometimes wrongful competition between tourist companies of Russia.

The success of the enterprise, companies and organizations in the sphere of tourist business is largely dependent on management

innovation, the result of its application and implementation of the control policy on provided by the enterprise of tourist sphere.

Innovation activity – is a complex of scientific, technological, organizational, financial and commercial activities that lead to innovation. The activity is an innovative, if new knowledge, technologies, methods and approaches for the acquisition of a positive outcome, which is widely demanded in the society implement in it.

The innovative activity of the enterprise can be determined as the joint work of all workers facing the base and the introduction of innovations.

Innovative activity is systemic; the system will create a society and subjects of innovative activity (Kobersy et al., 2016). The main directions of innovative activity in the sphere of tourist business are as follows:

- The creation of new types of tourism product, catering products, hotel services, etc.;
- The use of modern technology in the production of traditional products;
- The use of newly made tourism resources, have not previously used – (a unique example – travel tourists in spacecraft); – The changes in the organization of production and use of traditional tourist products, hotel services, etc.; new marketing, new management;
- Identification and implementation of new sales markets.

The basis of the innovation in all sectors of the economy determines the implementation of scientific and technological progress.

Scientific and technological revolution has not only accepted material pinnacle of doing mass tourist business. She has had a considerable impact on innovation in the socio-cultural service and tourism business through significant technology, which include new materials, microprocessor technology, mass media and communications, biotechnology.

The appearance of polymeric, composite and other new materials has led to the emergence of new types of clothing, shoes, sports and other new equipment, new packaging and packaging, etc. The newest materials have become the material basis of extreme tourism business; they contributed to the unwinding of water, rock and other types of tourist businesses (Camelo-Ordaz et al., 2005; Kobersy et al., 2015).

The creation of modern media and communications has had a significant impact on the social production and life of people.

The current tourist activities and the work of tourist firms cannot be imagined without the Internet. Today's audio-video appliances significantly changed the governance of management technology and business. The guidance moves to real-time mode, etc.

Thus, innovative business in the tourism business is directed on creation of a newly made or modified existing product, on the improvement of transport, hotel and other services, the mastering

of recent market, the introduction of advanced information and telecommunication technologies and modern forms of organization and management activity.

3. RESULTS

In the process of travel agency activities, it can be assumed that the leadership's task is to acquire the most out of investments and innovative technologies used in the management policy. For this it is important distinguish at least five elements:

1. To establish the objectives and strategy of the company;
2. To determine the value of research and development (R&D);
3. To be determined the extent of R&D-activities;
4. To evaluate the results of R&D;
5. To find a common ground of science and management.

3.1. Aims and Strategy

The first application is, quite naturally, will be the following: To establish fully common goals and strategy of the company, basing on a joint analysis and forecast of markets of consumption by services, in other words the market society, as well as the true technological resources used in the implementation of activities.

Management should be sure that the officers in charge of policy management innovation know the desired level and the direction of the growth of tourism companies, the relative significance of the improvement and diversification of the tourism product or service processes.

It is necessary to clarify whether a product requires improvements and, above all, in the area of quality of service, service process, the timing or price. Performers need to know what should be directed their efforts: For a small profit or to great achievements.

Travel agency with the best-developed and most successful strategies is able to understand their own strengths and weaknesses. The necessity to find the key strategies is actual for them where it will be used technological resources of all agencies or firms in general.

3.2. To Determine the Value of R&D

In a broad sense, the problem has three possible research aspects, depending on the strategy and objectives of the travel agency:

1. The fundamental or basic, the study in order to acquire information (for example, Athens hotel "Holiday Inn" would not be able to hold such a successful modernization activities without prior studies of this type);
2. The use of R&D to create favorable prospects for innovation within the existing business;
3. The use of R&D for the opening of a new business tourism consumption market.

Each of these roles may be accompanied by alternative tactics of management policy. The right choice is very important. Tactics can be aggressive or defensive. Initiator or leader tactics. Tactics of acquisition of know-how or diversification strategy (Frolova et al., 2016). Travel agency can strive to be the first in the industry of consumer market; if so, it should include the number of special

resources and the quality of the research needed for aggressive governance.

Or the firm eager to take the second position in the industry or given the enormous tourist resources, it seeks to create a variety of services. Or where it is required substantial financial resources and joint R&D are further tactical alternative. Some travel agencies use joint developments. Greek firms have joined forces and with the active participation of “Hellas” (National Organization of the Tourist Business in Greece) have developed a remarkable text advertising appeal “Athens – center of the centers of all over the world:” “Ultimately, Athens – it’s not the beginning and not the end. Athens is everywhere. At any point on the map. Because Athens – the center of enters of all over the world...”

This appeal uses “Hellas” in the special issue of the newspaper “Travel View” in describing the beauty of Greece, as well as companies “Med-Imer” and “Mibs” (Cyprus – Greece) in their catalogs. This tactic allows you to use the most professional and expensive developers and at the same time to spend on it minimum means. Undoubtedly, the successful proponent will be rewarded with a certain prestige, but the initiative is not in every case is a prerequisite to success. Therefore, management should determine priorities in conjunction with the research department.

3.3. The Scope of R&D

Before the leadership arises the third general problem: How big should be the result investment in R&D? The general rule is: The more knowledge-intensive industries, the higher the share of investment in R&D. The main innovations when used, are usually the result of traditional or advanced technologies (Watada et al., 2014; Connolly, 2000; Vesna and Guseva, 2013).

At the same time, management should see the technical threshold that varies depending on the company and its activities, below which the efficiency of R&D decreases rapidly.

In the tourist industry the firms must keep up with competitors in service quality, pricing, advertising effectiveness, booking technologies, modes of transport, good service and others i.e. taking into account the tourist market circumstances, they are forced to provide improvements and develop a completely new product, when this competition requires. This threshold is the ratio of the estimated cost of R&D of the new product to the master of time. It is important to determine the driving time as the time required to turn an idea into a finished product. Producers looking to reduce lead time enough to become a leader in the industry will have to double the annual spending on research and the search for technological innovations. If a small company corresponds to the sales of larger competitors, its research costs are lowered below the threshold level.

Sometimes companies find themselves in a situation where the lead time is too long, the market share is declining rapidly, the ratio of R&D to sales is growing rapidly, and profitability is reduced and cash flow necessary for the future development and investment. If the threshold is R&D in a certain area has been set

too high for a particular company, the only alternative to failure of the line can be the connection to another company having resources exceeding the threshold for a sufficient period of time to restore the position.

3.4. Evaluation of R&D

Touch upon the following management questions:

Whether the investment in research worthy of attention? Whether the return is comparable with the possibilities of alternative investments? Do scientific papers maximize efficiency? In other words, how can we judge the success of our work in the field of research? Faithful accounting of returns has never been an easy task. Society, of course, is the most valuable component in the R&D. In the tourism industry, exposed to a rapid change, is unlikely that the valuable experience will find a better use than the staff, especially the contact that is able to move easily between the departments of research, unwinding, marketing and advertising (Rabe, 2006). In addition, the horizontal mobility support opens the way to top management professionals with a complete understanding of the importance of science, technology and change. There are tools for quantitative evaluation of R&D, but they varied in different firms. The first requirement for the evaluation is clearly defined objectives and success criteria (Olsen and Zhao, 2008). The company has a R&D prosperous R&D –results may provide low profits due to the mismatch of other departments. Conversely, low R&D – the results cannot significantly damage the company’s profits from the normal current position, if other departments are in order. Key measurable achievements can be divided into nine groups:

1. New and improved product or service process (improvement) can be measured by quality, reduction of material costs, and etc. HOTEL “Holiday Inn” in Athens, will probably not make much effort to evaluate the effectiveness of hotel renovation and improvement of quality of service, as it takes into account all costs.
2. A new use for old objects. For the show to the tourists a variety of objects originally created for other purposes are often used, which brings considerable income.
3. Replacement of the tourism product in order to use the available means of production and service.
4. Patents, giving a competitive advantage.
5. Other licenses know-how.
6. Net income from the use of research.
7. Professional development of managers and staff.
8. Beneficial disposal byproducts. For example, in the Maldives, for example, bathing areas are regularly cleaned of shells and corals, which in turn are in high demand among the tourists as souvenirs, bringing income to the country.
9. Valuable information for the promotion and use of the product. In many cases, these benefits are measurable. They are calculated from the R&D related to the proposed sale.

R&D – spending gain special attention. Probably the most common cause of failure in the planning of a new tourist product or service process is the failure of top management to understand than to be engaged in the research department.

3.5. Cooperation of Science and Management

Scientists of various fields do not always work well together. Channels of communication between management and researchers and are often unclear; consistent implementation of standards and monitoring mechanisms are not always installed. Tourist business feature consists in the fact that it is very widely used international cooperation (Mullakhmetov et al., 2014). Tourists from different countries with different cultures, traditions, manners of behavior need to understand each other and come to common solutions. IT Management – a complex process, even within the same country – serves a great many difficulties when entrepreneurs and researchers of several countries have to work together. There is no guarantee of harmony, but if their goals are quite well defined and agreed upon, a multinational R&D, have every chance of success. Proof of this – the cooperation of tourist organizations and corporations at the World Forum on Business Tourist, as well as the activities of other international organizations and associations in the field of scientific Tourist business and technology.

4. CONCLUSION

Thus, the material presented suggests that currently the most important economic indicator of the outcomes and results of tourist activity, jobs and the use of innovative management policy management, is expressed in gross tourism product – which is the total amount of goods and services produced (consumed) in Tourist business this or that organization. In value terms, a tourist product normally evaluated the following two ways: As the amount of tourist expenditure (tourist expenditure); as the sum of the cost of production of the tourist product.

Given the social importance of the tourism business in the application of its economic policy and social strata, it is proposed instead of the traditional, already settled during many years, for decades, the economic approach to the assessment of gross tourism product and go to the distribution of social and economic resource management approaches. The methodology of this approach and the essence is as follows.

Tourist income on the formed technique can be purchased at the expense of the production of low-quality tourism product with unjustly inflated its price, which plunges to the growth of the profitability of the tourism company.

This discrepancy is increased across the region and the country, as a result there are significant by volume of unearned income, and there is a production of socially unproductive tourist product.

Especially the quality of the tourist product is its subjective and objective. The subjective result of the tourism product is expressed by the degree of satisfaction of the needs of tourists, which can be determined based on a survey of opinions of tourists, and serve as one of the tourist activity indicators. The objective result of the tourism product is measured by the quality of the package of tourist services rendered and their conformity with accepted standards.

The objective necessity of the use of information and communication technologies in the tourism sector is transformed from tourist business features below.

Firstly, tourism – is a varied and integrated trade in services, and secondly, a comprehensive service, from the point of view of the producer and the consumer, – Thirdly, an informational service is rich service. Therefore, the tourist industry, both international and domestic, is the scope of the growing use of information technology.

Together, these characteristics define the essence of strategic planning.

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