Comparative study on the competitiveness of Tourism industry between China and Ukraine

Abstract: Based on the above overview of the development of tourism industry in China and Ukraine, we have a certain understanding of the status quo of import and export trade of tourism industry in China and Ukraine. In this part emphatically from the two countries China and Ukraine tourism industry international competitiveness the size of the specific index to analyze the difference between the two countries tourism industry international competitiveness, so that we can better analyze the gap between China and Ukraine tourism industry international competitiveness, in order to promote their respective tourism industry international competitiveness.

Keywords: The competitiveness, Tourism industry, competitiveness index, China and Ukraine.

INTRODUCTION

1 Comparison of international competitiveness index of Tourism industry between China and Ukraine

1.1 International market share

The share of relevant products in the international market of a certain Chinese industry is the main performance of the international competitiveness of the industry. The larger the market share of the products in the international market, the stronger the international competitiveness of the industry. On the contrary, the smaller the share of the industry in the international market, the weaker the international competitiveness of the industry. International market share refers to the proportion of a country's total exports in the world. If the international market share of an industry in a country increases, it indicates that the international competitiveness of the industry is enhanced. Otherwise, international competitiveness declines. The international market share of the tourism industry used in this paper refers to the proportion of a country's total export of tourism products in the world's total trade of tourism products in the open international market.

A formula to calculate: International market share of tourism industry = total export of tourism products of a country/total export of tourism products of the world

![International Market Share Index](image)

Data source: Comparison of international market share of Tourism services between China and Ukraine according to WTO data (%)
1.2 Trade Competitive Advantage index

Trade competitiveness index (Trade Comparative; TC) refers to the proportion of the difference amount of import and export Trade of a country's products or industries in the total import and export Trade. The larger the coefficient is, the more advantages there are. Because TC index is an effective tool that can reflect the international competitiveness of industry structure and show the situation of trade competitive advantage, TC index is often used in the field of macro international competitiveness.

Calculation of trade competitiveness index:
TC index = (Export value - import value)/(Export value - import value)

The formula is expressed as:

\[ TC_i = \frac{(X_i - M_i)}{(X_i + M_i)} \]

In the formula: \( TC_i \) is the trade competitiveness index of i industry; \( i \) is for the industry; \( X \) is the export; \( M \) is for import; \( X_i \) is the export of i industry; \( M_i \) is the amount of import for I industry. The value range of THE TC index is between ±1. In order to analyze tourism competitiveness more carefully, the TC index can be divided into the following six ranges:

<table>
<thead>
<tr>
<th>TC Value</th>
<th>Competitive Advantage</th>
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<tbody>
<tr>
<td>(-1&lt;TC&lt;0)</td>
<td>The competitive disadvantage is very large.</td>
</tr>
<tr>
<td>(-0.6&lt;TC&lt;0)</td>
<td>The competitive disadvantage is greater.</td>
</tr>
<tr>
<td>(-0.3&lt;TC&lt;0)</td>
<td>The competitive disadvantage is small.</td>
</tr>
<tr>
<td>(0&lt;TC&lt;0.3)</td>
<td>The competitive advantage is small.</td>
</tr>
<tr>
<td>(0.3&lt;TC&lt;0.6)</td>
<td>The competitive advantage is greater.</td>
</tr>
<tr>
<td>(0.6&lt;TC&lt;1)</td>
<td>The competitive advantage is very strong.</td>
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As can be seen from the data given in the table, the trade competitive advantage of China's tourism industry has been on a downward trend. According to the data analysis of the trade competitive advantage index in the table above, the competitive advantage index of China's tourism industry and trade was \(-0.3<TC<0\) indicates that China's tourism industry trade is at a small competitive disadvantage, and its industrial production efficiency is lower than the international level before 2013. After 2014, the trade competitive advantage index of China's tourism industry is \(-1<TC<0.6\), indicating that China's tourism industry trade is at a strong competitive disadvantage in international tourism trade, indicating that the production efficiency of its tourism industry is far lower than the international level, and China has become a net importer of tourism products. The main reason is that with the rapid development of China's economy, the demand of tourism market keeps growing, while the rapid development of economy fails to provide enough and abundant tourism products, and the construction of tourism industry and related industries still needs to be improved. Ukraine tourism Industry trade Competitive Advantage Index 2015-2019 \(-1<TC<0.6\), indicating that Ukraine's tourism industry trade is in a strong competitive disadvantage, 2011-2014 tourism industry trade competitive Advantage index \(-0.6<TC<0.3\) indicates that Ukraine's tourism industry trade is at a small competitive disadvantage, its industrial production efficiency is lower than the international level, and Ukraine is also a net importer of tourism products. It can be seen that the competitive advantages of tourism industry in both countries are at a disadvantage. From the perspective of the trade competitive advantage index of tourism industry between China and Ukraine, there is no obvious difference between China's trade competitive advantage index and Ukraine's trade competitive advantage index, and the index of its trade competitive advantage index and Ukraine's trade competitive advantage index are basically equal. At present, the two countries' tourism industry trade competitive advantage index is not only at a weak competitive disadvantage, but also continues to decline without obvious signs of reversal.

2 Indicative comparative advantage index

Revealed Comparative Advantage index (RCA) was proposed by Balassa, an American economist, in 1965. To judge whether a certain product or industry of a country has a comparative advantage in export, a conclusion can be drawn by calculating the proportion of the export volume of the product or industry in the

<table>
<thead>
<tr>
<th>Year</th>
<th>RCA China</th>
<th>RCA Ukraine</th>
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<tbody>
<tr>
<td>2011</td>
<td>0.3978</td>
<td>0.2132</td>
</tr>
<tr>
<td>2012</td>
<td>0.4057</td>
<td>0.2187</td>
</tr>
<tr>
<td>2013</td>
<td>0.4136</td>
<td>0.2242</td>
</tr>
<tr>
<td>2014</td>
<td>0.4215</td>
<td>0.2304</td>
</tr>
<tr>
<td>2015</td>
<td>0.4294</td>
<td>0.2365</td>
</tr>
<tr>
<td>2016</td>
<td>0.4373</td>
<td>0.2426</td>
</tr>
<tr>
<td>2017</td>
<td>0.4452</td>
<td>0.2487</td>
</tr>
<tr>
<td>2018</td>
<td>0.4531</td>
<td>0.2548</td>
</tr>
<tr>
<td>2019</td>
<td>0.4610</td>
<td>0.2609</td>
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</tbody>
</table>

Data source: Calculated from the World Trade Organization database.
country and the proportion of the global trade volume. This calculation excludes the interference of changes in domestic or world trade volumes in analyzing the competitiveness of individual products or industries. Compared with other indexes, it can more objectively and accurately reflect whether a product or industry in a certain country is more advantageous than similar products in the same industry worldwide. This indicator is called RCA.

The formula is expressed as: \( \text{RCA}_{ij} = \frac{(X_{ij} / X_i)}{(W_j / W)} \)

In the formula, \( \text{RCA}_{ij} \) represents the emerging comparative advantage index of j product or industry in country i (region); \( X_{ij} \) is the export volume of j products or industries exported by country i (region) to the world market; \( X_i \) represents the total export volume of country i (region) to the world market; \( W_j \) represents the export volume of j products or industries in the world market; \( W \) represents the total value of exports of products or industries on the world market. For RCA index, RCA index can be divided into the following four sections:

- \( \text{RCA} < 0.8 \) indicates that the country's trade is less competitive internationally.
- \( 0.8 < \text{RCA} < 1.25 \) indicates that the country's international competitiveness is average.
- \( 1.25 < \text{RCA} < 2.5 \) indicates that this country has strong international competitiveness in trade.
- \( \text{RCA} > 2.5 \) indicates that the country's trade is highly competitive internationally.

### 2011-2019 RCA Index of Import and Export of Tourism between China and Ukraine

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<tbody>
<tr>
<td>China</td>
<td>4.12</td>
<td>4.09</td>
<td>4.03</td>
<td>4.14</td>
<td>4.11</td>
<td>4.08</td>
<td>4.12</td>
<td>4.17</td>
<td>4.21</td>
</tr>
<tr>
<td>Ukraine</td>
<td>0.01661</td>
<td>0.01790</td>
<td>0.01714</td>
<td>0.00534</td>
<td>0.00369</td>
<td>0.00358</td>
<td>0.00392</td>
<td>0.00421</td>
<td>0.00472</td>
</tr>
</tbody>
</table>

**Data source:** Calculated from the World Trade Organization database

The RCA index of China's tourism industry from 2011 to 2019 is between 4.03-4.21, all of which are greater than 2.5. Based on the Results of the RCA index, the international competitiveness of China's tourism industry from 2011 to 2019 is very strong. From 2011 to 2019, the RCA index of Ukraine's tourism industry ranged from 0.01661 to 0.00472. According to the RCA index, it can be seen that Ukraine's tourism industry is less competitive in the international market.

### 3 Indicative comparative advantage index of net exports

To measure a country's international competitiveness of an industry is an important index of net export revealed comparative advantage index is put forward by famous economist in the Lhasa in Bella, net export revealed comparative advantage index, eliminating the influence of the intra-industry trade or division will import and export both comprehensive considering the influence of industry international competitiveness evaluation. Net export revealed comparative advantage index to evaluate the industrial international competitiveness is to first calculate the size of a country of a commodity in the international market with the country's total exports in the international market all the ratio of the total amount of export trade, and the country's total imports of this kind of product and the ratio of the country's total imports and then by calculating and the ratio of the size to determine whether a country than in the international trade Strength or weakness of comparative advantage. The calculation formula of indicative comparative advantage index of net export of tourism industry is as follows:

\( \text{NRC}_i = \frac{(X_i / W)}{(M_i / W)} \)

\( X_i \) represents the total export of national tourism products, \( X_t \) represents the total export of all commodities and services of the country; \( M_i \) represents the total import of national tourism products, and \( M_t \) represents the total import of all commodities and services of the country. When the value of is greater than zero, there is a competitive advantage. The larger the value the is, the more comparative advantage the country's tourism industry has in the international market, and the stronger the international competitiveness of its tourism industry. On the contrary, when the value of is less than zero, there is a competitive disadvantage. The larger the absolute value is, the more disadvantageous the country's tourism industry's trade has in the international market, and the weaker the international competitiveness of its tourism industry.

### The net export of tourism industry in China and Ukraine shows comparative advantage index

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</thead>
<tbody>
<tr>
<td>China</td>
<td>-0.052</td>
<td>-0.114</td>
<td>-0.139</td>
<td>-0.325</td>
<td>-0.37</td>
<td>-0.368</td>
<td>-0.377</td>
<td>-0.385</td>
<td>-0.382</td>
</tr>
<tr>
<td>Ukraine</td>
<td>-0.141</td>
<td>-0.1381</td>
<td>-0.1382</td>
<td>-0.322</td>
<td>-0.403</td>
<td>-0.458</td>
<td>-0.491</td>
<td>-0.481</td>
<td>-0.486</td>
</tr>
</tbody>
</table>

**Data source:** Calculated from the World Trade Organization database
From the absolute value of the tourism industry net export indicative comparative advantage index of China and Ukraine during 2011 to 2019, the two countries' tourism industry net export indicative comparative advantage index is less than zero, indicating that the two countries' tourism industry has a weak industrial comparative advantage, and the international competitiveness of the industry is weak. From the perspective of the development trend of the indicative comparative advantage index of the net export of tourism industry in China and Ukraine, the index of the indicative comparative advantage index of the net export of tourism industry in China is generally in a downward trend, while the index of the indicative comparative advantage index of the tourism industry in Ukraine is also in a downward trend. There is not a big gap between China and Ukraine in terms of the absolute value of the tourism industry net export indicative comparative advantage index or its development trend.

4 Comparison of problems existing in international competitiveness of Tourism industry of China and Ukraine

In the process of tourism development, both China and Ukraine have problems. Therefore, the problems existing in China's tourism industry will be analyzed from the aspects of industrial structure, tourism space and government policies. Meanwhile, the problems existing in Ukraine's tourism industry will be analyzed from the aspects of transportation, tourism safety and scenic spot management.

4.1 Analysis of problems existing in China's tourism industry

4.1.1 The tourism structure is not reasonable

The overall supply of China's tourism industry cannot meet the increasingly diversified demand of the market, that is to say, there is a structural contradiction between China's tourism supply and increasingly diversified tourism demand. First, the supply structure of tourism products is unreasonable. Second, the consumption structure of tourism products is unreasonable. In terms of proportion, ticket consumption and transportation consumption accounted for a high proportion, while shopping and entertainment consumption accounted for a relatively low proportion. The proportion of travel shopping consumption in China is only about 20%-30%, but it can be as high as 60% in developed countries. This kind of tourism consumption structure is unreasonable, which greatly reduces the overall benefit of China's tourism industry. Third, the hierarchical structure between cities is unbalanced. The hierarchical structure of first-tier, second-tier and third-tier cities produces imbalance in tourism attraction, tourism infrastructure, tourism service quality, natural tourism resources, social and economic level, tourism environment and so on.

4.1.2 The layout of tourism space is unreasonable

At present, China's tourism spatial layout, from the perspective of cities, the core is Beijing, Shanghai and Guangzhou, the three major port cities of tourism areas; From the perspective of economic development degree, the tourism pattern of the eastern developed region, the central economic zone and the northwest characteristic economic zone. However, this kind of tourism spatial layout is not the best spatial pattern. In terms of planning, first of all, there is the phenomenon of tourist attractions being developed before planning. Second, there are many tourism management. Thus causing disordered development in scenic spots, and even vicious competition phenomenon.

4.1.3 Tourism-related industries are lagging behind

The development of tourism-related industries in China has not kept pace with the development of tourism. In recent years, China's rural tourism is very popular, but in terms of accommodation, there are many so-called home stay, the level of home stay is different, some home stay is poor sanitary conditions or very old decoration, but the charge is very high, resulting in tourists will not come back. In terms of food, the restaurants near the scenic spots are also run by local people, many of which are just opened in their own homes or set up a simple tent. The souvenir shop in the scenic spot is not distinctive enough and does not have the local characteristics of the scenic spot. It is not attractive for tourists to buy and cannot promote tourists' independent consumption.

4.2 Analysis of problems existing in Ukraine's tourism industry

4.2.1 Traffic can't meet the demand for tourism

Foreign tourists are dissatisfied with Ukraine's transport and public facilities. Road, train and taxi services in particular have been a persistent problem. Transportation can not meet such a large influx of tourist population and people's living needs.

4.2.2 Travel insecurity

There are no red street lamps in many places, and the government lacks supervision measures for the cleanliness of roads. In some areas, roads are bumpy and even have open manhole covers. Some roads are repaired without warning signs to remind pedestrians. Lack of consumer security. Taxis in Ukraine's tourist areas are expensive and restaurants are not standard.

4.2.3 The political unrest affected the tourism industry

In recent years, due to the lack of stability due to domestic political reasons, the political stance of the government power is mainly divided into two groups. Both sides have their own center areas and government buildings to stir up the masses, with the purpose of driving out opponents. Protests sometimes take place in scenic spots or in important areas, which greatly affects tourists' travel schedules. There are also frequent
incidents of violence, even casualties on one side or the other, which hurt Ukraine's tourism revenues.

4.2.4 Tourist attractions lack effective management measures

No measures were taken to control the number of tourists in the scenic area, nor did ticket sales be restricted, and the scenic spots' internal facilities were also very limited, which led to an increase in dissatisfaction among tourists and gradual loss of interest in some scenic spots. For example, tourists did not want to go to the Grand Palace any more because of the large number of tourists and the crowd. Moreover, the facilities in the scenic area are not enough, such as public toilets. When the number of tourists increases and the service personnel in the scenic spot is not enough, the service quality in the scenic spot will deteriorate.

5 CONCLUSIONS AND COUNTERMEASURES

Due to the problems in the planning and management of tourist areas in both countries, China lacks scientific and reasonable planning and management, while Ukrainian tourist attractions lack effective management measures and have illegal guides. The development of tourism-related industries in the two countries can't keep up with the development of tourism. The style of souvenirs in Chinese scenic spots is monotonous and lacks Chinese characteristics, while the quality of service industry in Ukraine can't keep up with the rapid development of Tourism in Ukraine, so it can't fully meet the requirements of tourists. So both countries need to improve the competitiveness of their tourism industries. The countermeasures and suggestions for improving the competitiveness of China's tourism industry can be as follows: optimizing the tourism structure, rationally planning tourism resources, improving tourism layout, activating market subjects, strengthening management, realizing standardized management and providing perfect information services. To improve the competitiveness of Ukraine's tourism industry, it is necessary to promote the improvement of the transportation system, improve the management measures of safety, take effective management measures of scenic spots, improve the quality of employees and provide quality services.

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