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Issues Of Improving Management Mechanisms For The Diversification Of Tourism Products And Services

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Abstract: Today, the tourism industry is one of the fastest growing sectors of the economy, and ensuring its competitiveness is one of the urgent issues. Competitive tourism products and services require constant structural improvement and updating, and, according to the scientific community, the most effective way to do this is to diversify tourism products and services. Based on this, this article discusses the issues of improving the mechanisms for managing the diversification of tourist products and services. The purpose of the study is to study the issues of improving the management mechanisms for the diversification of tourist products and services. The study examines the methods of diversification of tourism products and services, and also proposes to determine the most favorable for Uzbekistan, based on the results of the study, recommendations are formed

Keywords: Tourism Sector, Tourist Attractiveness, Tourism Diversification, Diversification Of Tourist Products And Services, Competitiveness Of Tourist Products, Tourism Market, Methods Of Diversification

1. Introduction

Today, as world experience shows, the tourism industry and its complexes are one of the main sources of economic success and social development. In recent years, Uzbekistan has also been carrying out large-scale reforms in this direction, since the potential of our country is very high in many areas, such as pilgrimage tourism, extreme tourism, medical and wellness tourism, and new agrotourism.

The tourism industry is an important source of increasing national income in many countries. Being an important sector of the global economy, the share of the tourism industry in global GDP is 6%, taking into account the multiplier effect in the relevant sectors. The tourism sector of the economy leads the world in job creation, which provides 6-7% of employment. According to the International Tourism Organization (UNWTO), tourism provides 30% of the world's exports of services [3].

As the President of the Republic of Uzbekistan Shavkat Mirziyoyev noted at the "video conference call on June 3, 2024 to discuss measures to improve tourism infrastructure in the regions and increase the flow of foreign tourists: it is necessary to support areas that create more jobs in the current conditions, increase investments and exports, which are difficult for the economic situation in the world. Such potential is great in the field of tourism. Every dollar that will be redirected to this area will bring 3-4 times

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profit in the future. Each new workplace creates 2 more jobs in other sectors" [1], which, in turn, indicates that the tourism sector is one of the main directions in Uzbekistan.

Based on the above, it should be noted that the conditions of innovative economic development in our republic also show the invaluable importance of improving management mechanisms for the diversification of tourist products and services. This is determined by the current need and demand for the development of domestic tourism in our republic on the basis of expanding the geography of tourist sites and increasing the attractiveness of the offered tourist products. In this regard, the development of the tourism sector is inextricably linked with the need to improve the infrastructure of transport, housing and catering for tourists, in particular, it cannot be said that all tourist facilities in this regard comply with existing standards.

Increasing the attractiveness of the tourism sector of Uzbekistan and its development can be carried out primarily by diversifying the location of tourist centers and increasing the range of tourist products offered, that is, increasing the variety and number of regional tourist products. It is the diversification of the tourism regional product that is considered one of the promising directions for the development of the tourism sector in Uzbekistan. Therefore, in subsequent years, great attention was paid to issues related to the development of the tourism sector in Uzbekistan, which necessitates consistent scientific research on the effective use of its potential.

Literature Analysis.

The conditions of political and economic instability in the world, as well as the threatening situation of demographic processes in countries, cannot but affect the tourism sector. In the same vein, the expediency of research aimed at solving the problems currently faced by the tourism industry in Uzbekistan is justified, which makes the industry more changeable and flexible.

Thus, before studying the issues of improving the mechanisms for managing the diversification of tourist products and services, it is necessary to further clarify the theoretical aspects of diversification in tourism, to dwell in more detail on this concept.

The study of the theory and practice of diversification begins with the works of K. Andrews, M. Gort, and S. Berry, who defined diversification as improving the structure of an enterprise by expanding the range of enterprises, manufacturing industries and sales markets [2]. E. Esinar proposed a fundamentally different interpretation of the ratio of diversification to the level of risk, presenting it as a strategy to reduce the risk of market activity in adverse conditions and increase the level of financial stability of the company [4], as appropriate as possible for the purpose of diversification.

The interest in various forms of diversification of companies and their evaluation contributed to the formation of the theory of strategic management as a new science. The main research that forms ideas about diversification from the point of view of the company's development strategy is considered to be the scientific research of P. Ramelt [5].

Further research formed the basis for the analysis and evaluation of enterprise diversification strategies, the formation of approaches to determining priorities. Among the works in this field, it should be noted I. Ansoff, F. Kotler, M. Porter, A. A. Thompson and A. J. Strickland [6]. Based on this, I. Ansoff's definition can be considered as general: "diversification involves the redistribution of resources of this enterprise to other areas of activity that differ significantly from existing ones" [7].

Russian scientist, prof. B. Z. Milner defines diversification as "expanding the range, changing the type of products produced by an enterprise, firm, mastering new types of production in order to increase production efficiency, obtain economic benefits, and prevent bankruptcy" [8].

Based on the above, diversification (from Latin. *diversus* – different *facio* – I do) generally represents the expansion of the range of goods and services produced by individual organizations, associations and other business entities. It is associated with the

organization of new types of production at different scales, penetration into other industries, affects such areas of production and economic activity as organizational structure, personnel management, organization of the production process, etc.

Based on the interpretation of diversification, experts derive the definition of diversification in tourism, meaning by it the expansion / diversity of the existing supply both within the framework of the development of new products and services, and in relation to new markets. No serious discrepancies were found in this area.

Thus, the diversification of a tourist product is an innovative variety of offers from tourism entities. It involves the creation and development of new types of tourism products and services, combinations and changes of existing offers, the formation of new and/or expansion of the existing sectoral structure of regional tourism, the reorientation of markets and the development of new production technologies [9].

At the same time, diversifying processes means reducing the risks from using only one direction of tourist products (etc.: by adding an ethnic type of tourism, developing new routes), homogeneous types of services (expand the categorization of hotels used, diversify specialized types of accommodation: holiday homes, campsites, etc.), the sales market (identification of new target audiences).

2. Materials and Methods

In the course of the research, when studying the mechanisms of managing the diversification of tourist products and services, the process of its development, goals, objectives and directions, the following methodological foundations were used: the developments of domestic and foreign scientists and specialists in the field of tourism were studied using a dialectical and systematic approach, comparative and comparative analysis. Using a statistical approach and grouping methods, the indicators were investigated, which served as the theoretical and methodological basis of the study.

3. Result and Discussion

Today, the global tourism market is becoming an integrated system consisting of interrelated factors, in which every demand and supply is undergoing significant changes, and more and more tourists feel the need for a variety of tourist services and products. These requirements serve as the basis for the development of mechanisms for managing the diversification of its products and services.

Uzbekistan has also carried out many reforms in this direction in recent years, because the ancient historical and architectural monuments of Uzbekistan, natural resources and rapid modern development attract the attention of the whole world. The Ichan Castle complex in Khiva, the historical centers of Bukhara, Shakhrisabz and Samarkand are included in the special UNESCO World Heritage List. The unique monuments and architectural structures located in these cities reflect bygone times that played a big role in the history of the country.

The Government of the Republic is carrying out large-scale work to modernize the tourism sector, improve transport and hotel infrastructure, as well as develop and improve the legislative framework in the field of tourism. According to the analysis of the tourist flow, if in January-September 2024 5,732.7 thousand foreign citizens visited Uzbekistan for tourist purposes (an increase of 16.8% compared to the corresponding period last year), then citizens of Uzbekistan who went abroad – 4,588.3 thousand people (an increase of 35.8%).

According to the statistics agency under the President of the Republic of Uzbekistan: in January-September 2024, compared with the corresponding period of 2023, commercial trips increased 2.6 times, business trips by 21.5% and leisure trips by 53.9%. In addition, the number of trips for the purpose of education increased by 47.9%, trips for the purpose of treatment - by 80.4%, and trips to eliminate relatives - by 9.4%.

Based on the above indicators, the region determines how necessary it is to diversify tourism, provide diverse and customized products. Uzbekistan also strives to apply and implement the experience of developed countries leading in the tourism industry. As an example, the tourism industry, which is currently being offered in the United Arab Emirates and Saudi Arabia as an alternative to the estimated income from non-renewable oil and gas resources, which is becoming increasingly important for regions where mining is one of the main areas of activity.

There are three types of methods for diversifying tourism products and services, which are shown in the figure below.

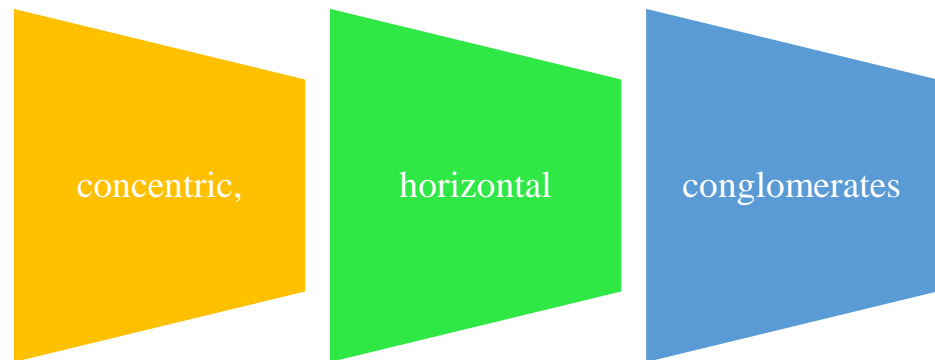


Figure 1. Methods of diversification

In order to explain the essence of the methods of diversification of tourist products and services, Table 1 is given by examples.

Table 1. Ways to diversify tourism

View	Concentric diversification	Horizontal diversification	Diversification of conglomerates
Point	Adding similar products or services to an existing regional offering	Provision of new and unrelated products or services related to the main product of the region to existing consumers	Adding new products or services that are technologically unrelated to the main product to a new market
Example	A new eco-tourism route, the development of camping in a destination with a nature-oriented specialization	The destination, which previously developed beach tourism, introduces new related products: health and wellness, natural tourism, provides spa services	The implementation of a new route for the region on farms in order to attract foreign tourists.

The considered strategies for improving management mechanisms for the diversification of tourism products and services in practice are most often not applied in isolation, they can be combined and vary depending on the goals and objectives of the region for the development of tourism. The development of a clear and consistent tourism development policy is essential for successful implementation and positive results.

Strategies for the diversification of a tourist product can be more effective if they are developed based on the characteristics of the region, its conditions, taking into account the general regional tourism development policy, opportunities to meet the needs of tourists, as well as the complementarity of the products produced. Such approaches can help to increase the overall attractiveness of the territory. Product diversification can be enhanced if the product themes complement each other (e.g., through a variety of rural

tourism products that meet the needs of tourists seeking countryside, nature, and cultural experiences), and through physical proximity between attractions. This is confirmed by a study by Weidenfeld, Williams and Butler, who found that complementary neighboring attractions have the greatest positive effect on each other's attractiveness to visitors (Cornwall County, 2011) [10, 16, 17]. In addition, diversified alternative travel products can complement mass-market travel products to maintain competitiveness.

On the other hand, with the introduction of a growth strategy (such as diversification), one should not ignore other measures to support tourism, such as strengthening infrastructure, employing qualified personnel, etc.

We consider it important to take into account the role of tourism in the region (at different levels, based on strategic planning documents) when developing diversification strategies to decide on its feasibility, choosing directions and opportunities, interaction with other regions, etc.

Based on the fact that regional products are often based on the resources of the territory, its prevailing features and conditions, it can be concluded that the nature of diversification depends on the regional heritage of a different nature, respectively, it is advisable to consider them when planning a diversification strategy.

The competitiveness of any territory is of a comparative nature and, in terms of tourism, is determined by the totality of the natural, cultural, historical, social, economic and political conditions prevailing on it [11]. Then, the competitiveness of the region's tourism products can be expressed through the presence of certain advantages, their characteristics, the level of use with reference to the importance for potential tourists.

Within the same region, as part of improving the mechanisms for managing the diversification of tourist products and services, it seems impractical to simultaneously develop all types of them, reasonable specialization in the most popular and promising areas is needed, taking into account the possibilities of the territory (allocation of the core of the tourist product). Regions with similar conditions and resources, bordering each other, can compete to attract tourists. In view of this, attention is paid to the definition and establishment of competitive relations with other territories (neighboring regions and not only).

It is important to emphasize that the presence of advantages does not make the region competitive, it is also important to effectively use the competitive advantages available in the region to meet the existing and potential needs of tourists.

Consequently, when planning management mechanisms for the diversification of tourism products and services, it should take into account the realities of a particular region, its capabilities, prospects, existing threats, conditions and potential.

Based on the above, based on a number of works by modern researchers, the main stages of the formation of a competitive regional product in the context of a diversification strategy have been identified and formulated (see Figure 2):

1. The definition of the tourist specialization of the region, which can be based on the social, economic and natural conditions and factors of the region (in different proportions).
2. Analysis of the competitive environment to identify similar and distinct features in the tourist positioning of the regions.
3. Study of the tourism resources of the destination and their use to further determine the directions of development.
4. Characteristics of the state of the tourist infrastructure in order to identify its capabilities and constraints.
5. Determining the existing structure of the region's tourist offer, swot analysis of previously obtained data, highlighting the region's capabilities to meet tourist needs

6. The formation of a regional tourism product with the allocation of the main, related and additional products, based on the identified features, constraints and opportunities of the region [12, 13, 14].



Figure 1. Plan for the formation of a competitive regional product in the context of a diversification strategy

At the same time, when expanding the range of tourist offers in the region, it is important to observe the following principles:

- Ensuring that tourism resources do not deteriorate or exhaust,
- Regular work on monitoring the development of tourism and the corresponding transformation of products;
- product parameters should fit seamlessly into the optimal regional recreational capacity of the region;
- demand and accessibility for tourists [15].

Thus, we can say that the choice and implementation of a diversification strategy in modern unstable conditions, taking into account market factors of intense competition, becomes a powerful tool for risk management, redistribution of resources, elimination of development imbalances, allows the territory to maintain its condition and develop.

4. Conclusion

Thus, in order to form a competitive regional tourism product, special attention should be paid to the peculiarities of local tourist resources and the advantages of a particular region, the rational use of natural and cultural heritage available on the territory. In accordance with the growing needs of tourists, it is necessary to diversify the offers of tourist facilities and services that meet the modern capabilities of the region. Regional tourism products should be adaptive in nature. This approach will make it possible to expand the time frame of the RTP economic cycle based on taking into account the transforming environmental conditions and changes in the nature of tourist demand [18].

To sum up, the increasing tourist needs, in a rapidly changing market, require efforts to diversify and update tourist products. Diversification can be important to cope with changes in tourist demand and reduce the seasonality of tourism. At the same time, a diversified portfolio of the region will not necessarily protect it from social, economic or environmental shocks, but may mitigate their effects and provide a more reliable basis for recovery.

The process of planning and developing a diversification strategy requires time and money, research and other activities that require effort, therefore, for successful

implementation it is necessary to take into account possible problems and prospects, existing goals, the current state and conditions of the region, the possibility of meeting the needs of tourists and world practice [19].

If these conditions are met, we can talk about creating high-quality regional products. Therefore, it can be concluded that the diversification of tourist products is, first of all, an increase in their diversity, an expansion of the range of offers of tourist products presented to the market. This strategy can be achieved by developing tourism products, connecting existing ones in such a way as to increase their flexibility and adaptability, entering new markets and mastering previously unused technologies. At the same time, the goals of increasing the competitiveness of tourist regions and increasing demand are being achieved [20].

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