

INCLUSIVENESS OF FINANCIAL ACTIVITIES OF HOTEL INSTITUTIONS DURING THE COVID-19 PANDEMIC

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Abstract

Scientific work on “Inclusiveness of Financial Activities of Hotel Institutions During the Covid-19 Pandemic” aims to conduct a financial analysis of the state of the hotel services market in Ukraine and the world during the period of active progression of the Covid-19 virus infection.

The purpose of the article. The aim of the work was to study the peculiarities of the financial development of the hotel industry in the pandemic in the world and in Ukraine.

The methodology. The totality of research methods is a methodology for analyzing and organizing the main legislative acts and laws, namely the methods of generalization, comparison, chronology, analysis and generalization. Segment diagramming, elements of financial analysis, as a digital display of the state of the economic level of development are used to visualize the state of the hotel business market.

The results of the research. The study analyzes the level of change in sales revenue from the hotel business in Ukraine. The regions of Ukraine were divided into the main tourist regions and the structure of accommodation facilities by types and specialized accommodation facilities have been developed.

The scientific work considers the hotel industry as elements of the market of services of Ukraine, so the distribution of accommodation is divided into the following regions: central region, northern region and western and southern regions. The location of hotel business establishments is appropriately structured.

Conclusions that were made indicate the need to improve the quality of services while expanding their range, which is due to the ever-increasing demands of consumers in accordance with the requirements of advanced technologies. A significant expansion of the range of accommodation (apartments, villas, holiday homes, country and guest houses, chalets, etc.) will best guide different groups of tourists and diversify the types of recreation.

The presented paper depicts relevant and necessary research that will help hotel business leaders to respond in a timely manner to financial threats. During the Covid-19 pandemic, it is important to monitor the state of the Ukrainian services market, timely implement all possible security measures and prevent the impact of adverse factors on the development of the hotel business.

Keywords: Covid-19, hotel business, UHRA, region, hostel, accommodation, finance.

JEL Class: F65.

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INTRODUCTION

Hospitality is an important component of Ukraine's services. Its effective functioning is an indicator of positive changes in the economy of our country, an important prerequisite for the intensification of international relations and integration of the country into the world community. However, almost all hospitality establishments have faced new challenges, the most important of which is currently adapting to work in a pandemic.

The Covid-19 pandemic has led to a decline in the service sector, which has resulted in the closure of many hotels, restaurants and other hospitality establishments. Governments are closing borders, canceling flights, restricting transportation, which hinders the movement of tourists, both within Ukraine and between countries, and leads to their internal isolation.

The current situation is forcing the hotel and restaurant business around the world to adapt as quickly as possible to new realities. The task of enterprises is to restructure their business processes and quickly reduce costs. The extreme measures that companies have to resort to are maximum savings, reduction of operating costs, abandonment of outsourcing services, reduction of working hours, reduced wages, rental vacations for the quarantine period, suspension of investment plans.

The risk of rapid spreading of highly infectious COVID-19 variants determined a combination of measures consisting in border controls, mass testing, vaccines, quarantine procedures and lockdowns (Opriş et al., 2022: 605–610). COVID-19 is an unembellished problem not only for one particular country but globally. All individuals exist in time without any precedents. This horrible pandemic not only affects human health but also has impact on the society, environment, and the business world (Lenka and Kar, 2021: 41–50).

As the hotel business is closely linked to other areas, its support is very important because this industry fuels many other companies that provide cleaning and security services, produce and supply food, develop software, maintain engineering systems and etc. (Melnychuk, 2021: 62–64).

Therefore, the question of how to keep your business after the pandemic is the most pressing issue.

1. LITERATURE ANALYSIS

Finance plays an important role in the hotel business. Analysis and management of finance is a necessary component of business activation, ensuring proper control and organization of the monetary components of a company such as a hotel or restaurant. This industry is quite different from other service industries, but

a number of problems similar to other types of business may appear such as advertising costs and payback, or employee compensation, etc. There are a number of issues that are specific to managing money in the hospitality industry, such as a need to control food costs, etc. The financial part of doing business is one of the main links of the whole process and should be under constant control and analysis.

Of special attention, the state of finances began to interest the management during the onset of the global Covid-19 pandemic. Since the main function of the study of the finances of the hotel business in general is to ensure the proper handling of the financial resources of the business, in times of crisis many companies, regardless of the type of work in which they are involved, must balance their incoming income with outgoing expenses paid to employees and distribution users of products used by this company. Operating costs can also be a major problem, especially in times of crisis, when financially overseeing a hotel business, such as rent or taxes paid for the physical location of the business, which can be very high in some profitable locations. Today, during the pandemic, an important area of activity for the hotel industry is the introduction of effective security measures and improving the quality of hotel services.

Some aspects of the functioning of the hotel industry are presented in the scientific works of domestic and foreign authors: S.I. Baylik, V.A. Azara, R.A. Braimer, O.P. Durovich, An. Iyengar, M.I. Kabushkina, V.I. Karsekina, V.A. Kvartalnova, N.M. Kuznetsova, Yu.M. Melnychuk, G.A. Papyryana, T.I. Tkachenko, A.D. Chudnovsky, D. Walker, T.A. Horova and others.

However, they do not sufficiently cover the fundamentally important issues related to the comprehensive study of the hotel industry and scientific substantiation of problems and prospects of the hospitality industry. They have not developed any priorities and objectives of their economic stability for crisis situations in the economy, especially when it comes to a pandemic (Azarian and Donets, 2013: 111–119).

In the work of Iyengar An. entitled *Hotel Finance*, the author pays great attention to the creation of a certain financial culture, which is focused on obtaining high profitability for the owners, while at the same time creating joint social benefits for the customers, of which we are a part. It is worth agreeing with the opinion of the author, but the factors affecting the level of profitability during the global crisis differ sharply from influencing factors in an economically stable environment. Therefore, one should deeply consider the conditions of doing business and take into account unforeseen risks (Iyengar, 2008: 19–33).

According to C.P. Krishnan Nair, the key to long-term financial stability in the hotel business is: growth in investment, growth in revenue and growth in return on capital employed. It is worth agreeing, because such a vision of business

development is natural and captures the satisfaction of the goal of any business i.e. obtaining maximum profits (Iyengar, 2008: 8–19).

Gittens S. believes that as soon as the outbreak of Covid-19 occurred, it became clear how many trustworthy customers of the hotel business were affected by financial problems of the industry. One way to solve this problem is to find experienced and reliable professionals in the field of finance. Financial success also depends on accountability – the responsibility of employees and managers to meet financial goals of their respective functional area (Gittens, 2022). Professionalism in this case is closely related to in-depth research into this problem, analysis and planning of financial activities of the hotel business.

British scientists studying the hotel business came to the conclusion that all hotel owners should have a good understanding of the financial aspects of hotel management i.e. timely bookkeeping, filling out forms and dealing with complex numbers. The more difficult the financial situation at the end of the financial year, as a result of the pandemic, the more work will have to be done. By implementing practical financial controls from day one, you will have a good idea of your cash flows, profitability and tax liabilities throughout the year (Assetsure, 2022). It is worth agreeing with such an opinion, which is relevant and active, especially for business in Ukraine. Any petty cash borrowings must be taken into account, while any income received must be allocated to the profit and loss account and included in your personal tax calculation. Using just one accountant will have the added benefit of minimizing your overall tax burden as your accountant will be prepared to look at the bigger picture with all the information available. Using two accounting firms or two individuals creates unnecessary duplication, confusion, uncertainty and doubt, which will inevitably lead to a higher accounting bill at the end of the year.

Therefore, the study of problems and prospects for the development of the hotel business during the pandemic is very relevant and necessary for the development of the services market. In the situation of deep biological crisis (as opposed to economic crises), the social factor will ultimately have the final word at the expense of all other factors (Rydzewski, 2021: 15–21).

2. OBJECT, SUBJECT AND METHODS OF RESEARCH

The object of study – the activities of hotel facilities in a pandemic.

The subject of the research is the role of strategic development of the world and Ukrainian hotel establishments in the conditions of a pandemic.

Research methods include: a survey method (data collection), a method of information processing and analysis, an empirical method, logical-structural, statistical and graphical methods of information processing and provision, as well as comparative, economic and financial analysis.

The information base of the study consists of laws and regulations of Ukraine, other states, international legal documents; statistical data, rating materials; reference books, Internet; reporting data and accounting reports of individual hotel complexes, namely: “Balance Sheet”, “Statement of financial performance of the enterprise”, “Statement of cash flows”. The data of monographic and periodicals, materials of international, all-Ukrainian scientific-practical conferences and Internet resources are also used in the work.

3. RESULTS

The coronavirus pandemic has caused serious damage to the hotel business in Ukraine, and it may take more than a year for the sector to recover.

According to the study, 93% of respondents confirmed a general decline in revenue of their hotel, in 21% of hotels gross revenue decreased by 25–40%, in a third of hotels – by 40–60%, in 30% of hotels such reductions reached more than 60%. Only 4% of hotels showed an increase in annual revenue, and for 2% it remained at the same level (see Figure 1 below).

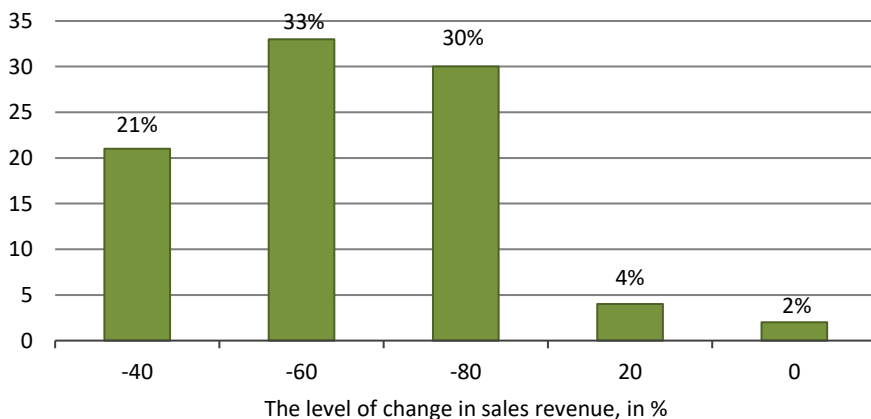


Figure 1. The level of change in sales revenue from the hotel business of Ukraine in 2020

Source: own study based on DiXi Group, 2021.

66% optimized their costs by reducing staff, 2/3 reduced prices for their services, 63% of respondents improved their product and services (repair, repositioning, updating standards and working conditions with suppliers, changing equipment, etc.). 1/3 of respondents introduced digital and marketing tools, 27% introduced alternative services (coworking, office suites, etc.), 7% decided to repurpose some of the premises, for example, for rent for gambling establishments.

There is no planning horizon, closed borders, a huge share of inbound tourism. The Ukrainian tourism industry has not received such a rapid systemic support from the government as in neighboring EU countries. As the industry as a whole has a very high cost structure, such a total reduction in revenue has been simply detrimental to most hotels.

The survey involved 122 hotels with an average of 72 rooms. In Ukraine, according to 2019, there are a total of 3,165 hotels and motels, excluding hostels, resorts and dormitories.

According to the State Agency for Tourism Development of Ukraine, it can be concluded that the demand for hotel services due to the pandemic is currently low and losses to the market are significant. However, the government is planning a number of measures to support the hotel sector (Borysiak and Brych, 2021: 302–309).

The Association of Hotels and Resorts of Ukraine (UHRA) is a public organization that unites accommodation establishments and companies working in the hotel industry for their sustainable development. The association represents the united position and interests of hotels in the domestic and foreign markets.

If the overall losses in the field of tourism in the world are about 800 billion dollars, in Ukraine, it is about 60 billion hryvnias, which the industry has lost over the last year. The budget of UAH 100 million provides a significant part of the funding for the creation of a single tourist register, in which we can register all accommodation and other resources of businesses. Additionally, relevant statistics are obtained as well as operational data on a monthly basis, which is necessary to properly plan marketing activities and attract investors to the industry.

According to the people involved in that industry, the recovery of the hotel business in Ukraine after the restrictive measures due to the pandemic may take more than one year.

The hotel industry sector today is the most popular and dynamic sector of Ukraine's economy, capable of bringing real profits. Taking into account today's trends in the industry, innovation and comfort in the hotel business play a major role in the highly competitive struggle of hotels for each client. The use of the latest technologies allows hoteliers to increase the efficiency of financial and economic activities, find new reserves to improve the quality of service, effective protection of hotel rooms and property of guests, providing new hotel services.

The study of the volume of investments in the fixed capital of the tourist regions of Ukraine shows that in 2018 more than 78% of the total investment is directed to the development of hotels and other places for short-term residence. For instance, 14% of the development of restaurants is noted in Kyiv, Kyiv, Odessa, Lviv regions; in 2017, the situation has hardly changed: 79% of investments are aimed at the development of hotel and restaurant business and especially hospitality enterprises (Burak, 2013).

An important guarantee of the development of this industry is a gradual increase in the number of foreign tourists who have received the services of tourism entities. The number of “domestic” tourists has increased significantly, in particular, due to family travel and the combination of business trips with leisure. At the same time, the number of active enterprises providing hotel and restaurant services in the regions of Ukraine decreased. This is due to the continuation of hostilities in eastern Ukraine and the temporarily occupied territories, as well as the annexation of Crimea with its unique natural and recreational potential. The economic factor is high competition, which is a prerequisite for intensifying domestic tourism and innovation.

As for the promising regions for development, there is a gradual shift towards the objects of tourist infrastructure and recreational and tourist economy of the country, in particular, regional health resorts.

The main areas are Odessa, Mykolaiv, Kherson and Zaporizhia regions. As for the western regions, these are the Carpathian and Polissya recreational regions (Melnychuk and Chyryva, 2021: 20–30).

This is evidenced by numerous media reports about the increase in tourist flows to these regions. This trend can further affect the simultaneous inflow of money capital from the intensification of the tourism business, which has shifted its desires to these regions, and the level of local budget revenues (Melnychuk et al., 2019: 584–590).

Analyzing the flows of tourists in some regions, we note that the flows of foreign tourists predominate in Kiev, Odessa, Lviv regions. In the Transcarpathian region, the number of foreign tourists has doubled in the last three years. In some regions (Rivne, Ternopil, Cherkasy, Kherson, Mykolaiv regions) in recent years there were no foreign tourists at all. The reason for this is the insufficient level of development of financial services and communication systems, the tourist infrastructure itself, as well as the poor quality of services, lack of marketing strategies aimed at developing the hospitality industry, and lack of trained staff.

The distribution of hospitality companies that provide temporary accommodation and meals in Ukraine by region is uneven, but given the climatic and geographical location of the regions and the presence of well-known cultural heritage is quite justified. The division of the regions of Ukraine into the main tourist regions (Table 1) by geographical location allowed to analyze the state of the hospitality industry in each of them, and then summarize this information.

Hotels and other accommodation facilities in Ukraine have changed their development to some extent over the last 3–5 years, which has been reflected in a 7–12% reduction in a number of sanatoriums and boarding houses with treatment. Although in 2017–2018, this trend decreased to 1.5–2.6%, the number of sanatoriums has decreased by 30%, and they are largely used only as accommodation facilities.

Table 1. Distribution of regions of Ukraine by the main tourist regions

Name of the region and the territories assigned to it				
Central	Northern	West	Southern	East
Vinnitsia	Zhytomyr	Volyn	Zaporozhye	Kharkiv
Dnepropetrovsk	Kyiv	Transcarpathian	Mykolayiv	–
Kirovograd	Kyiv–city	Ivano-Frankivsk	Odessa	–
Poltava	Sumy	Lviv	Kherson	Donetsk
Khmelnysky	Chernihiv	Rivne	–	Luhansk
Cherkasy	–	Ternopil	–	–
–	–	Chernivtsi	–	–

Source: own study based on DiXi Group, 2021.

They are used by dynamic, unpretentious tourists, mostly young people, or those who travel for business, as the number of dormitories where they used to stay is gradually decreasing. The distribution of accommodation by region is uneven and corresponds to the economic and geographical location, the degree of development of the transport network and infrastructure, natural and climatic conditions, the availability of interesting places to visit: monuments of nature, architecture, history and culture (Tkachuk et al., 2020: 1606–1613).

It should be noted that in all regions of Ukraine, there are insufficiently developed marketing tools to attract tourists. Information on many services in the hospitality industry is either insufficient or non-existent, as the range of services is very limited. Insufficient use of marketing activities is evidenced by the fact that on major tourist sites information about accommodation is much more modest and available information concerns about only half of the hospitality industry. Thus, on the well-known international Internet resource Booking.com, information is available on only half of enterprises across Ukraine compared to the data of the State Statistics Committee.

Analysis of the distribution of accommodation according to Internet resources (Figure 2, 3) (DiXi Group, 2021) shows that only in Lviv, Kyiv (at the expense of Kyiv), Odessa and Kharkiv regions, there is information about 70–85% of accommodation. This indicates ill-conceived marketing strategies or their absence at all. The distribution of accommodation in the central region, with the exception of the Kirovohrad region, is almost proportional.

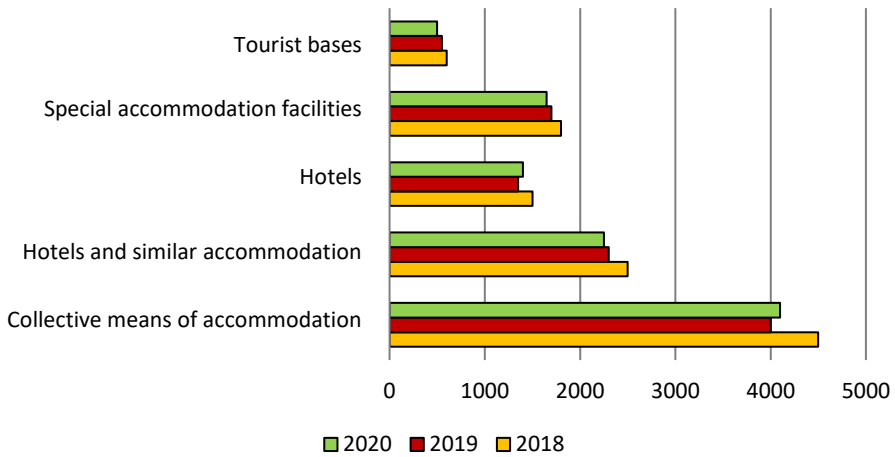


Figure 2. Distribution of accommodation by types, units

Source: own study based on DiXi Group, 2021.

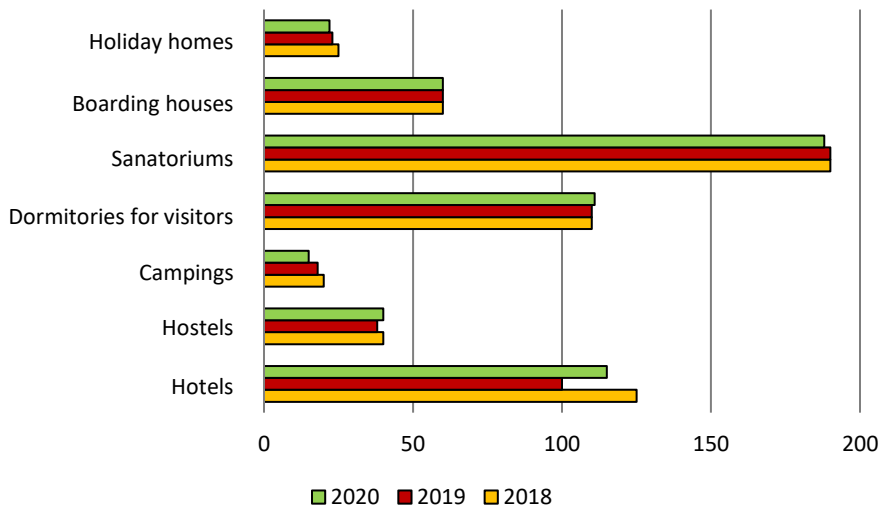


Figure 3. Distribution of accommodation facilities by specialized accommodation facilities, units

Source: own study based on DiXi Group, 2021.

The state of material support is also average, services are standard and do not differ in variety. As of the end of 2018, the number of collective accommodation facilities in Dnipropetrovsk region was 253 units, compared to 2019, their number

decreased by 12 units. The number of places in such facilities in 2018 was 25.5 thousand units, and the number of placed persons – 418.3 thousand people. In 2020, 160 enterprises began to operate in the Dnipropetrovsk region, most of which are hotels (50%), business hotels (27.3%), 4 motels and 11 hostels (Figure 4).

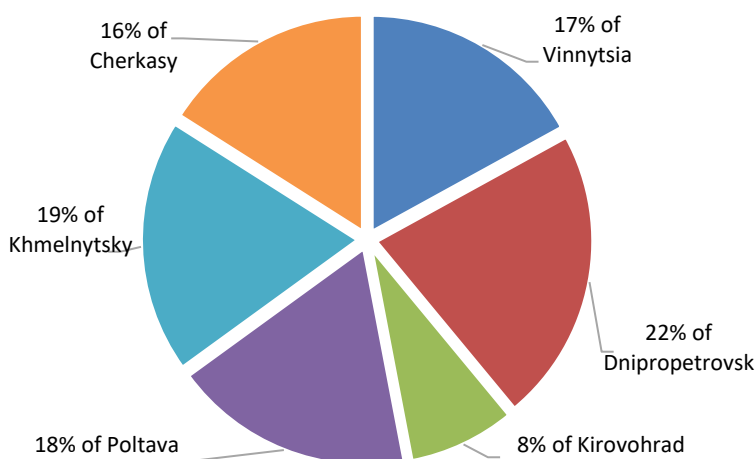


Figure 4. Distribution of accommodation in the regions of the central region

Source: own study based on DiXi Group, 2021.

The state of the hotel industry in this region is characterized by a small number of high-class hotels, single hotels have an “interest” that becomes their “business card” and attracts customers. The middle service segment is represented by a sufficient number of institutions. Prospects for the development of the hotel sector in the Dnipropetrovsk region are associated with an increase in the number of certified hotel enterprises in the budget price category, in particular, churches and one-star hotels.

Among all oblasts of the northern region (Figure 5) the leader is Kyiv oblast at the expense of Kyiv itself, where high-class hotels are available: the tendency to 4–5 stars is 83%, and the largest number of hotel chains is 10.

However, the main purpose of traveling to Kyiv is business, acquaintance with culture and recreation are almost non-existent. The western region is the largest in number of oblasts. The distribution of accommodation in the western region is shown in Figure 6.

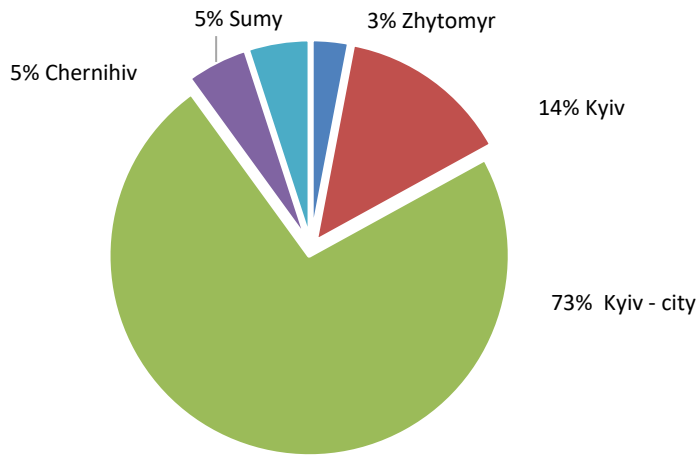


Figure 5. Distribution of accommodation in the northern region

Source: own study based on DiXi Group, 2021.

According to official statistics and Internet resources, the Lviv region is the leader in receiving guests. Over the past five years, it has ranked fourth in Ukraine in terms of the number of tourists, receiving almost 65% of all guests in the western region.

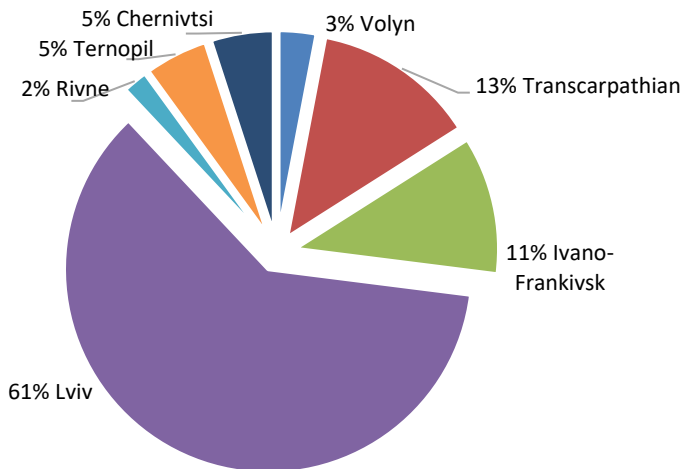


Figure 6. Distribution of accommodation in the western region

Source: own study based on DiXi Group, 2021.

According to the official data of the regional statistics department, Lviv region is visited by 130 to 200 thousand tourists every year for various purposes. Market operators believe that the region actually receives more than half a million guests. In the Ternopil region is a third of all castles and castle buildings that have survived in Ukraine. For rest and treatment in the Ternopil region, there are 20 sanatoriums created on the basis of local healing mineral waters. Despite the huge recreational and tourist resources, the infrastructure associated with tourism is under development. The main, most pronounced areas of tourism development are: recreational, cognitive, sightseeing, rural, green, water, speleotourism, mountain and ecotourism. In Rivne region there are favorable natural conditions and the necessary infrastructure for the development of extreme sports and health tourism, as there are 127 lakes, 12 reservoirs. There is also a potential for the development of pilgrimage, because in the region in the village of Onishkovtsi (Dubensky district) there is a miraculous spring of St. Anne with healing water. In all oblasts of the western region, except Lviv, the infrastructure is poorly developed, the number of additional services is insufficient. The buildings of hotel and restaurant enterprises require complete reconstruction, little attention is paid to the opening of new hospitality enterprises. However, green tourism, recreational and speleotourism with mountain tourism (in Chernivtsi region) and pilgrimage tourism (Rivne region) are actively practiced in this region. Most hotels are located in the main administrative centers. Many estates and houses are located outside the city. In general, you can provide recommendations to improve infrastructure, develop hotel businesses and open some new ones. Start financing ecotourism, recreational tourism, pilgrimage tourism, for which to develop new routes and make improvements to the existing ones. The material base of accommodation in the southern region is quite good, as this region is traditionally a resort and has a long tradition of receiving guests with different needs (Figure 7).

In the Nikolaev area, according to tourist sites, the category “option for vacation” and “hotels without stars” prevails. Most tourist flows are directed to Koblevo. In the Kherson region, there is access to two seas – Azov and Black, but recently the healing potential and unique natural objects are almost not used. The big problem of this area is the short duration of the tourist season. Recreation facilities are full at full capacity for only two months, and the actual duration of the bathing season is 3.5 months. Therefore, it is necessary to more intensively develop “green” and ethno-tourism, involving farms. Despite the presence of a sanatorium and resort base in the Odessa region, the purpose of the trip “treatment” is extremely low. No foreign tourist bought a tour to the Odessa region for the sake of improving health, which was reflected in the reduction in the number of sanatoriums and rest homes with health treatments. Domestic tourists have also almost stopped using sanatorium treatment, but this is mainly due to the low purchasing power of the population of Ukraine and the lack of social support for both trade unions, which previously took care of this area, and the state as a whole.

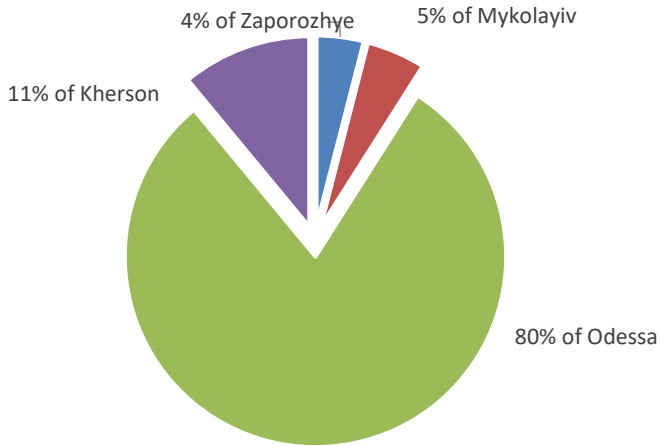


Figure 7. Distribution of accommodation in the regions of the southern region

Source: own study based on DiXi Group, 2021.

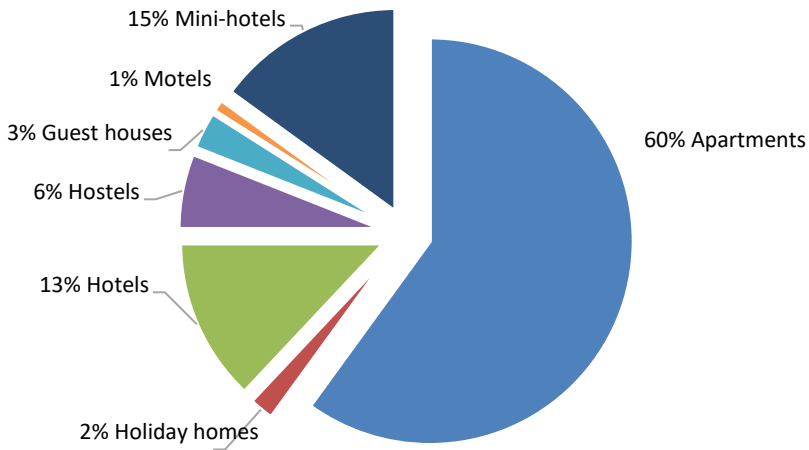


Figure 8. The structure of the hotel business in 2020

Source: own study based on DiXi Group, 2021.

The material and technical condition of hospitality enterprises in Odessa region is quite decent, recently actively working to provide services in the Gulf, Belgorod-Dniester and other resort towns. As far as active tourist areas are

concerned, in summer it is the lowest in resort areas – in summer and winter it is the highest. Also, the load of hotels during the year, as a rule, is still uneven and on weekdays – on weekends it decreases, increasing on weekdays due to those who are on a business trip. Significant competition for hotel enterprises, including large hotels, is created by individuals – business entities, which mainly maintain small hotels and own private houses and apartments (Skorokhod and Horbach, 2021: 456–464).

Only those hotels that can offer their customers high-quality service can withstand fierce competition, and this is impossible without professionally trained staff.

To improve the situation in all regions of Ukraine, regardless of the focus on foreign or domestic tourists, it is necessary to focus on the following issues (Kozlovskiy et al., 2021: 26–33):

- expansion of types (range of services) and their quality;
- increasing the variety of accommodation (boutique hotels, guest houses, hostels, networking of the hospitality industry);
- development of transport services (expansion of the range and quality of services) and improving the quality of transport infrastructure;
- development of the range and increase the availability of financial services (both investment for enterprise development and services for tourists);
- development of services and communication systems (including in the field of informatization and telecommunications, development of online services) to create comfortable living conditions;
- development of tour operator activities and preparation of network, complex and thematic tour products, the possibility of combining them on individual orders;
- development of information support for the hospitality industry, marketing, creation of new and advertising of already known tourist routes;
- strengthening the role of health and medical direction and focusing on the needs of different categories of tourists;
- legislative and investment support by the state for hotel and restaurant enterprises, primarily those that implement innovations.

The general trend identified as a result of research in all regions of Ukraine is to determine the need for innovation and new partnerships, in particular, between travel agencies and hotels and restaurants, government and self-government for the effective development of regional infrastructures.

This should, first of all, be realized through mechanisms of cooperation with the involvement of various sources of funding. In recent years, the structure and development strategy of hotel enterprises have changed significantly. In the regions where there is an increase in their number, there has been significant differentiation. It largely depends on the economic capacity of domestic tourists

and the increase in the number of high-end enterprises for wealthy tourists and foreigners.

In Ukraine, since 2020, the total number of special accommodation facilities has decreased by 11.9%, while the total number of special accommodation in the Lviv region has increased by 3.4%. The number of collective accommodation facilities provided by legal entities and entrepreneurs in Ukraine as a whole decreased by 5.2%, and increased in: Ivano-Frankivsk region – by 19.1%; Kyiv region – by 2.5%; Kyiv – by 6.4%; Khmelnytsky region – by 3.4%; Lviv – by almost 2%.

In other areas, significant changes have taken place in the distribution of accommodation: the number of apartments has almost doubled, and the number of hostels is gradually increasing. The management of many hotels is reviewing the policy of providing services and is becoming more meticulous in determining the category of hotels and their compliance with international standards. The proliferation of hotel chains is also positive as they have begun to appear in regions where infrastructure needs to be developed, roads, in particular.

Dealing with the effects of COVID-19 is on the security agenda. Consolidation of efforts at the regional, national and international levels to exchange experience in the implementation of successful practices and the formation of institutional support of the sustainable development contributes to the post-COVID-19 revitalization (Borysiak, 2021: 302–309).

CONCLUSIONS

As a result of the analysis of the current state and trends of hotel business development in the regions of Ukraine, it has been concluded that in recent years the structure and strategy of hotel development has changed significantly. Today, it is necessary to improve the quality of services while expanding their range, which is due to the ever-growing demands of consumers in accordance with the requirements of advanced technology. A significant expansion of the range of accommodation (apartments, villas, holiday homes, country and guest houses, chalets, etc.) will best guide different groups of tourists and diversify the types of recreation. The prospect of further research should be to identify strategic alternatives for the development of hospitality enterprises in the regions of Ukraine, taking into account their natural and climatic conditions and specific features.

The main conclusions of the study were the following provisions:

1. The review of research provisions regarding the financial activation of the hotel business showed that most scientists are deeply convinced of the need for constant control, analysis and planning of the hotel business in order to avoid

a sharp decline in income during periods of crisis, especially during the Covid-19 pandemic.

2. The hotel business of Ukraine flourished in 2018 and rapidly began to decline with the onset of the pandemic in 2019. The period of 2020–2021 was a stage of adaptation to the global crisis for the hotel business. Many small hotels have ceased their activities. A large number of them were adapted for mixed services, and only a small part remained at its level.

3. The company is obliged to act socially responsible, in the interests of society. The goal of maximizing the owner's welfare does not absolve the owners of their responsibility to the society in which they operate. And therefore, finances during the crisis come to the level of ensuring the social effect, which is in the first place, and only then – profits. However, such an opinion is unjustified from a financial point of view.

4. Finance is closely related to the economy. For the hotel business, it is important to know the concepts and principles of macro- and microeconomics, and to understand the business environment. That is why the analysis of hotel accommodation zones directly affects future plans and business organization, financial results and solving business problems.

During the Covid-19 pandemic, it is important to monitor the state of the Ukrainian services market, timely implement all possible security measures and prevent the impact of adverse factors on the development of hotel and restaurant business.

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