

## DIGITAL MARKETING AS A FACTOR IN THE DEVELOPMENT OF THE TOURISM SPHERE

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### ABSTRACT

The need for the socio-economic development of the country and increasing its competitiveness in the world market has led to the feasibility of digital transformations of social processes and production spheres. But there are problems in the way of using digital technologies, ranging from a lack of a clear understanding of the essence of the digital economy to the underdevelopment of digital competencies in economic entities, as well as an intuitive rejection of digital transformations. The purpose of this article is to comprehensively consider the theoretical and applied aspects of the problems of digital marketing and economics, as well as types of digital marketing. To achieve this goal, the methods of comparative analysis and generalization were used. Also considered are theoretical concepts of the digital economy and digital marketing. The article substantiates the need for the active use of digital marketing by organizations in the service and tourism sectors. It also provides guidance on how to use digital marketing and improve the effectiveness of digital marketing activities.

**Keywords:** digital marketing, social networks, digital economy, tourism, communications.

### INTRODUCTION

The need for socio-economic development in Uzbekistan predetermines the search for new directions for improving the production and social processes taking place in society. One of these areas is digital transformation. Considering the importance of digital transformation of public relations, in our country it is determined in the Decree of the President of the Republic of Uzbekistan No. UP-5953 adopted on March 2, 2020 "On the State Program for the Implementation of the Strategy of Action in Five Priority Areas of Development of the Republic of Uzbekistan for 2017-2021 ([Decree of the President of the Republic of Uzbekistan No. UP-5953 2020](#)) within the framework of the Year of Science, education and the digital economy". It defines the following tasks: "In order to double the share of the digital economy in GDP by 2023, including the introduction of a complex of information systems in production management, the widespread use of software in financial

and economic reporting, as well as its rapid formation through the automation of technological processes". The purpose of this document is to create an ecosystem of the digital economy to increase the country's competitiveness in the world market. The Program presents the basic directions for the development of the digital economy: regulatory regulation; personnel and education; formation of research competencies and technical groundwork; information infrastructure; Information Security. It also contains indicators to be achieved (the so-called "Roadmap").

Digital marketing as a means of promoting a product or service has become an important element of the modern economy. Every major segment of the market is developing in digital technologies, using them in order to increase sales, brand awareness and create certain trends related to the activities of a company or organization. Tourism, like all other players on the world stage, considers digital technology as the shortest and most efficient way to reach its client. In the field of tourism, digital promotion is especially important, since the end consumer can be thousands of kilometres from their travel itinerary.

Today 3.5 billion people have access to the Internet. This number includes people of all age groups, with different earnings and social status. This indicator is growing every year. If earlier it was believed that the Internet is mainly used by young people, now more and more adults and the elderly, especially abroad, use social networks on a daily basis and use the Internet to find information [9]. It can be seen from there that everyone now understands the inevitability of digital transformations. However, there is a big difference between understanding and reality. There are many challenges on the path of the digital economy. The purpose of this study is to comprehensively consider the theoretical and applied aspects of the problems of the digital economy, as well as options for digital marketing in the field of tourism.

## LITERATURE REVIEW

Marketing of basic services in the field of tourism, management of service processes, commercialization, organization of advertising activities using digital tools are the subject of research by various foreign and domestic scientists. In particular, V. Minghetti and D. Buhalis 2010 developed the concept of "incompatibility in the digital economy," Della Corte (Della Corte et al. 2017) studied the problem of smart tourist zones and tourist cities, W. Gretzel, L. Yuan, D. Fesenmaer (Gretzel, Yuan, et.al. 2000) studied tourist destinations, conducted research on the use of information technology in marketing, Grudistova studied the role of digital marketing in the digitalization of the economy. Also, domestic researchers

O. Khurramov studied digital marketing in the field of tourism (Khurramov 2020), G. Kh. Kudratov, M. Khoshimov dealt with issues of tourist service on the Great Silk Road (Kudratov and Hoshimov 2008), M.K. Paradaev, R. Atabaev, B.R. Paradaev investigated the possibilities of the development of the sphere (Paradaev et.al. 2007), B.N. Navruz-Zoda studied the competitiveness of the tourist zone (Navruz-Zoda 2017), D.A. Aslanova investigated the creation of tourist clusters (Aslanova 2013), O.Kh. Khamidov - development of ecotourism in Uzbekistan (Khamidov 2016), A.A. Eshtaev studied the marketing strategy of the tourism industry management in the context of globalization (Eshtaev 2019).

The initial theoretical problem is the lack of a common understanding of what the digital economy is. So, in the mentioned Program there is no definition of this term. And this, in our opinion, is a significant flaw - after all, in any regulatory legal act in the first lines (articles, paragraphs), a list of terms used and their required interpretation is usually given. Various definitions are found in literary sources.

Gorelov N.A. and Korableva O.N., say that "the digital economy is an economic activity in which digital data is a key production factor" (Gorelov and Korableva 2019). Recognizing the priority of the digital form of information, I would like to note that the digital economy is not only production and economic activity, it also covers social processes, contains both factors for the development of the digital economy and the characteristics of the use of digital technologies - digital government, digital healthcare, digital business, digital citizens. Sologubova G.S. characterizes the digital economy as "a new paradigm of accelerated economic development based on real-time data exchange using information and communication technologies, institutions, proactive regulation and user skills" (Sologubova 2019). This definition, while emphasizing the peculiarity of digital processes (real-time mode), at the same time considers the digital economy from a philosophical point of view. Meanwhile, today it cannot be viewed only as a paradigm. This is already real life and practice. The team of authors of the National Research University Higher School of Economics in its report at the XX International Scientific Conference on the Development of Economy and Society gives the following definition: "Digital economy is the activity of creating, distributing and using digital technologies and related products and services" (Abdrakhmanova et.al. 2019). Here another aspect of the digital economy is presented: its main resource and product is information and information and communication technologies.

As can be seen from the list presented, the digital economy has a number of features that, reflecting its individual elements, cannot give a complete picture of it as a system. In this regard, it is worth remembering that "economics" in translation from Greek means "laws of housekeeping." At the same time, housekeeping is unthinkable without interaction with other "households".

There are also problems of misunderstanding of the prospects and opportunities created by the digital economy. According to V.I. Klistorin, "The use of digital technology is sharply increasing competition at the national and international level. But how many will like it?" At the same time, he further notes that the creation of effective technologies for processing and using information should increase efficiency, but only if traditional methods "die out" ([Klistorin, 2019](#)). Agreeing with the need to replace outdated technologies for working with information, I would like to note that only the presence of competition in the market gives incentives to market participants to look for and find new, more modern and efficient ways of doing business, which ultimately ensures the development of the entire society. This truth has been tested by centuries of practice. Whether someone likes it or doesn't like it is a secondary issue if national interests are at stake ([Grudistova 2020](#)).

Another point is related to the fact that it is not always possible to immediately switch from one technology to another. After all, any information system (in our case, information systems and information technologies are the basis of the digital economy) is created by people, therefore the possibility of errors is not excluded. As a result, the technology for creating and implementing an information system provides for a transitional stage (the stage of pilot implementation), during which it is tested, documented and trained. Therefore, if simultaneously with digital data there will be data in a traditional form for some time - this, in our opinion, is a normal phenomenon. Another thing is that it is advisable not to delay the transitional stage, because the results of the implementation of this strategically important development direction for the country may themselves turn out to be a factor stimulating economic entities to radically revise the system of life and management.

Thus, the current situation indicates that it takes time to replace the stereotypes that have developed in society, as well as to create really working means of ensuring information security. Meanwhile, there is one instrument of the digital economy, which is not stated in the Program. This is digital marketing. Its use by enterprises and organizations can give tangible results, especially if these are organizations operating in the service sector, including tourism.

## METHODOLOGY AND ANALYSIS

### Purpose of the Study and Research Questions

Today, there are no obstacles with the use of digital technologies in the tourism sector. And this is already being done by a number of companies (online sales, booking, the use of GIS systems, block-chain technologies, etc.) Moreover, digital marketing is able to solve a number of problems in the service sector, in particular, the problems of forming the communicative competence of the personnel of such organizations (in first of all, the ability to listen and understand the client). And customer focus is an indispensable principle of the modern concept of service marketing, which orientates organizations to provide customers with the highest quality services, establish long-term partnerships with them, and maximize management flexibility ([Grudistova 2020](#)).

Digital marketing is an interactive marketing of goods and services that uses digital technologies to attract, retain customers and ensure their customer satisfaction. By carrying out “targeted” strikes on the target audience, he provides opportunities to achieve the goals of the organization without spending a lot of resources, without requiring employees with fully developed communicative competence (the ability to speak and write competently, understand the feelings and emotions of the interlocutor, perceive cultural differences and use communications to address certain issues).

Communication with the consumer in digital marketing is carried out through intermediaries - the Internet and mobile communications. Next, we look at a few more successful digital marketing options for tourism.

### Features and benefits of tourism promotion using digital technologies

Deciding whether to travel to a new country can be a rather lengthy process. Seeing the frames of the film, a photograph, reading a book, hearing the story of a colleague or friend, a potential tourist gets inspired and begins to dream of a trip. Then a person looks for more information, plans, reads reviews of other tourists, receives advice - all this can happen exclusively via the Internet. Then the tourist can make a purchase of the tour online, and after arriving in the country, he will continue to search for the necessary information on the Internet, and will also share photos and impressions on social networks and leave a review on tourist sites. Thus, the tourist goes through all five stages of travel: Inspiration, Planning, Booking, Travel (getting impressions), and Post-travel stage (publishing impressions) ([The Steppe 2018](#)).

Accordingly, digital marketing should cover all stages of travel: from inspiration to buying a tour or booking a hotel, then to returning the tourist home and inspiration to re-visit the country.

Digital marketing is an effective way to reach the attention of the consumer, also due to the fact that publications on the Internet mainly involve users and do not look like advertising.

The progress becomes imperceptible. Instead of overt advertising posts, brands build relationships with potential customers by literally making users fall in love with the brand. Giving emotions and building relationships with potential tourists is very convenient through social networks.

## **Research Methods**

In this article, the works and data of analytical reports of domestic scientists, statistical data on the problem of digitalization of the economy, digital marketing in the development of tourism were used as research materials.

## **Findings**

### **Development of countries using digital technologies**

Promotion of the destination, i.e. not individual companies, products or services, but an entire country or region as a tourist destination has its own characteristics. The most important thing in promotion is to create a good impression of the country. On a regular basis, you need to disseminate information, a key message about the benefits of travel and recreation in the country, that this particular country has those features that the user wants to see, live and feel.

### **Statistics and examples**

Israel spends 25% of its advertising budget on digital promotion, according to information provided by representatives of destination management and marketing organizations during the OTM Digital Days 2018. Since this year, the representative office of the national office for the promotion of Germany in Russia has decided to allocate 90% of the marketing budget to digital promotion and explains this by the greater efficiency of promotion on the Internet ([The Steppe 2018](#)).

More and more often, Visit Dubai's publications are promoted on a paid basis on social networks and websites. This means that Dubai chooses Kazakhstan as an audience for displaying its advertising. Other destinations also promote their publications for a fee on social media, each country has its own target audience.

For example, Iceland began to actively promote on social media with the marketing campaign Inspired by Iceland, in which the country was able to create a virtual social movement. According to their research, 90% of people who visited Iceland were willing to share their story. As part of the campaign, people from all over the world started posting on social networks like Facebook, Twitter and the video service Vimeo. According to some reports, during the week about 1.5 million publications on this campaign were posted on social networks. Each visitor became a brand ambassador (brand ambassador) of the country, and even the President of Iceland took part in this campaign. Following this success, Iceland has run several more social media campaigns, such as the Iceland Academy, a campaign to raise awareness about responsible tourism, and Ask Gudmundur, which has increased social media engagement and helped tourists plan their trip or get answers to various questions.

## **Social networks**

Social media should be used to communicate, reach out to your consumers / potential tourists and build trust with them. Photos and videos that capture the attention of users inspire tourists to travel, using social networks, you can advise them, upload useful information necessary for planning a trip, and also stimulate the sharing of impressions on social networks, thus increasing the number of those who disseminate information about your services among their friends and subscribers.

## **The audience**

Selecting the audience to which an advertisement or publication is shown according to specified criteria is called targeting. The criteria can be nationality, gender, age, interests, countries that the user visited earlier, countries about which the user searched for information earlier, various behavioral features or events in the user's life, and even the amount of his income. Thus, knowing the portrait of your tourist, you can very selectively choose those to whom your key messages will be shown, which will greatly save your marketing budget.

## **Websites**

Naturally, in addition to beautiful design, high-quality content (text, photos, videos, etc.), ease of use and intuitive placement of information on it, the site should be optimized for search engines. This means that you need to optimize your site so that potential tourists who are looking for the information they need in search engines (for example, Google, Yandex) can find the relevant web pages of your site on the first page of search results. In

other words, the most user-friendly and high-quality site is of little use if potential tourists cannot find it using keywords when searching for the information they need.

## **Trip Advisor case**

The world's largest travel site by reviews at the moment is Trip Advisor, with an 18% reach. Trip Advisor serves 415 million monthly unique visitors and has more than 70 million registered users with over 500 million reviews. TripAdvisor is a key resource that tourists use when planning their upcoming travel and influences a tourist's decision about choosing a destination.

When planning a trip, users read reviews about a hotel or a tour, and choose the best tours and attractions in the city / country based on the reviews of other tourists. Therefore, it is imperative that as many tourism services as possible are present on such sites.

Considering the prospects for the functioning of organizations in the sphere of tourism services, it can be noted that it will not be possible to get away from digital transformations. Companies looking to stay in this market and succeed will be forced to rebuild their customer experience technologies. At the same time, "companies offering the most customized process of interaction with a traveler will have an advantage in the tourist services market" (Bogomazova et.al. 2019).

## **CONCLUSIONS**

Based on the results of the study, it should be noted that progress is inevitable, while the use of digital marketing activities will contribute not only to an increase in the efficiency of organizations, but also to an increase in the quality of life of the population due to the creation of favourable conditions for a person's self-realization in the social and professional spheres. And the growth of the quality of life is the only significant indicator of any programs and transformations. This once again emphasizes the importance of digital marketing by service and tourism organizations as a means of constant interaction with customers and "adjusting" their work to their needs and wishes. As well as other organizations that care about their tomorrow and do everything to stay functional and prosperous.

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