## FUNDAMENTALS OF INNOVATIVE DEVELOPMENT OF ACTIVITIES OF TOURISM ENTITIES

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## ABSTRACT

This article discusses issues related to the essence of the foundations of innovative development of activities in the field of tourism. Perspectives on observations examining innovation in their scientific activities are presented in detail. The regulatory framework aimed at improving the tourism activities of the Republic of Uzbekistan is considered, and the concept of development of innovative development of the tourism sector is outlined in detail.

*Key words: infrastructure, innovation, private business, tourism activities, tourism resources, marketing, tourism business* 

**Introduction**. Currently, the condition for the dynamic development of the economic sector is the accelerated introduction of modern advanced technologies, that is, successful activity is impossible without innovation. All spheres of state and public life of the country are rapidly emerging and require urgent support for reforms based on modern ideas, developments and technologies that ensure a rapid and high-quality breakthrough of the country into the ranks of the leaders of world civilization.

Innovative development is becoming an effective market tool for managing modern economic and social systems. The current stage of development of a market economy indicates the emergence of the need to reorient activities, that is, the transition to an innovative type of development. The goal of which is to increase competitiveness, both in the domestic and foreign markets.

Tourism is one of the priority areas for the development of the economy and culture of the republic. Uzbekistan is a bright and inspired country of the East.

The presence of ancient sights, mosques, mausoleums, madrassas, as well as many untouched corners of nature, treatment centers, and many resources allow the development of many types of tourism. World-famous historical monuments, modern cities, the unique nature of Uzbekistan, unique national cuisine, as well as the unsurpassed hospitality of our people attract travel lovers. Thanks to this, the country may have a breakthrough in receiving foreign exchange earnings from tourism activities and replenishing the country's budgets. In other words, the tourism industry produces a tourism product that is in demand both in the foreign and domestic markets.

The main branch of tourism is the creation of a high-quality and sought-after tourism product.

Innovative activities in the tourism sector are formed at the level of organizations of various processes: that is, the production of goods, the provision of quality services, skills, qualifications and professionalism of personnel, adequacy of funding, preferential taxation, etc. all this is an integral part of the activity, without which innovative development is impossible.

The process of improving innovation activities is not possible without the involvement of tourist resources such as the cultural attractions of the city, the city landscape, entertainment facilities and recreation areas. Due to the absence of a tax on tourism resources, they are relatively cheap, which contributes to the high profitability of the tourism business.

It follows that the Republic of Uzbekistan creates favorable conditions for attracting innovative investments in the tourism sector, based on targeted policies within the framework of a program of action strategies.

**Materials and methods.** In the process of writing the article, textbooks, regulations of the Republic of Uzbekistan, statistical data of the State Committee of the Republic of Uzbekistan were used, and a method of statistical analysis was carried out.

**Degree of knowledge.** Issues related to innovation activity and its development were considered in the works of domestic and foreign scientists such as: J. Schumpeter, Yu.A. Chicherina, Ya.Yu. Gribova, F. Valenta, L. Vodacek, O. Vodacekova, M. Huceka, G. Mensch and others.

Innovation activities are focused on the results of scientific research, as well as experimental developments.

**Main part.** The term "innovation" in its modern sense was first used by the Austrian scientist J. Schumpeter. He emphasized that innovation is a significant change in the function of what is produced, consisting of a new combination and commercialization of all new combinations based on the use of new materials and components, the introduction of new processes, the opening of new markets, as well as the introduction of new organizational forms. [4]

To produce, according to Schumpeter, means to combine the things and forces available in our sphere. To produce something different or differently means to create other combinations of these things and forces. The central place in his theory is occupied by the entrepreneur - the innovator as the creator of new products, new markets, new technologies. According to J. Schumpeter, innovation is the main source of profit: "... profit is essentially the result of the implementation of new combinations", "... without development there is no profit, without profit there is no development" [5].

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Having studied the works of scientists (J. Schumper, F. Valenta, M. Huchek, P. N. Zavlin, A. A. Ipatov, L. Vodachek, O. Vodachkov, A. S. Kulagin, O. V. Smorudov) we came to the conclusion that, based on the research, scientists considered innovation as a transformation of a system using new materials, new equipment, technologies, the introduction of new processes in the field of production activities, that is, the creation of a new consumer product, the quality of which was much higher than the previous ones.

But, on the part of scientists, the essence of innovation in the service sector (tourism activity) was not revealed; in our opinion, an innovatively developed sector of activity should be engaged not only in the production and supply of goods, but also in the provision of quality services.

Today, the development of the tourism industry is considered one of the most important areas. Based on international experience, many regulations were reviewed and adopted in the country. For example, in January 2020, regulations important for the tourism sector were adopted. Decree of the President of the Republic of Uzbekistan "On additional measures for the accelerated development of tourism in the Republic of Uzbekistan" [1], as well as the Decree of the President of the Republic of Uzbekistan "On measures for the accelerated development of the Republic of Uzbekistan "On measures for the accelerated development of the tourism industry [2]". These regulations define the main strategic directions for the development of the tourism sector. In particular, the Decree of the President of the Republic of Uzbekistan approved the Concept for the development of the tourism sector until 2025 [3] with the annual adoption of a plan of specific activities for the implementation of the Concept.

Despite this, in the near future it is also necessary to form factors that can ensure the innovation and investment attractiveness of the Republic of Uzbekistan:

- favorable geographical location;

- developed transport infrastructure;

- the presence of legislative acts aimed at supporting the investment activities of business entities, i.e. the tourism sector;

- the presence of universities capable of training qualified personnel.

As we know, any activity begins with the development of a scheme that considers the classification of demand for new types of services or goods. This classification creates the basis for studying the demand for goods and services in the field of innovative activities in the tourism sector.

Innovative development of activities is the basis for increasing the efficiency of this area.

Nowadays, the activities of the tourism sector largely depend on the development and application of innovations, that is, innovations that are designed to improve customer service and increase service tourism opportunities, which will accordingly attract an influx of tourists and tax payments to budget revenues at all levels.

The effectiveness of innovative activities in the tourism sector contributes to intensive economic development. Tourism today is one of the promising and rapidly developing areas of activity, which is of high importance in the development of the country's economy. The activity of the tourism sector is primarily determined by the presence of a functioning investment system, a simplified lending system, as well as preferential taxation.

But, despite the adoption of a number of regulations, as practice shows in the country today, there are a number of problems that impede the development of the tourism sector, such as:

- low efficiency of using the existing financial potential of the territory and state property

- high share of the shadow economy and opacity of financial flows from market developed countries;

- lack of a mechanism for attracting innovative investments, especially during a period when there is an increase in inflation and refinancing rates (see Fig. 1-2);

- small number of countries with a simplified visa regime;

 lack and unprofessional provision of quality tourist services in hotels, transport services, services at catering facilities, etc.;

- lack of hotel complexes, as well as hotels with international class of service;

- underdevelopment and poor condition of sanitary and hygienic networks;

- underdevelopment and poor service of operators, as well as the lack of a mobile network and Internet outside the city;

- lack of a marketing company engaged in studying this area of tourism;

lack of development (improvement) of modern hospitality infrastructure with the involvement of international networks;

- lack of professionally qualified personnel in the tourism sector.

## LITERATURE

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