Thanks to such significant factors as a developed infrastructure, geographical and cultural proximity of Belarus to Europe, significant tax preferences and a high level of education, Belarus is developing, improving and creating everything new and new in the field of information services and products. For example, some of the most popular applications in the world are being developed in the High Technology Park, namely: World of Tanks, Viber, MSQRD.

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## TOTAL POPULATION INCOME AS A CATALYST OF TOURIST DEMAND

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The growth in the population aggregate income in the region is largely determined by the development level of its economic activity. An important role in enhancing the business activity of business entities operating in the region is played by the aggregate income of the population, which stimulates the demand for goods and services. *The purpose* of the article is to assess the impact of the dynamics of the aggregate income and expenses of the population of the Vitebsk region and to predetermine the possibility of the growth of tourist services in the region.

**Material and methods**. The article uses the data of the National Statistical Committee of the Republic of Belarus, applied methods: descriptive and analytical, comparison, analysis and synthesis.

**Findings and their discussion.** The trends in the development of the economy affected by the crisis are the changes of proportions, which are appeared in a decrease in domestic demand for goods and services. This entails a reduction of goods and services consumption and, as a consequence, a reduction in incentives for organizations to increase production volumes. Stimulating

domestic demand is not possible in the context of declining total disposable incomes of the population.

We were conducted research on the dynamics of the population real disposable average per capita money income, which in 2019 in the Vitebsk region increased at a slower pace than in all regions of the Republic of Belarus, and amounted 2.8% compared with 2015. For the same period this indicator in Belarus was 9.6%, and in Minsk - 14.0%. It should be stated with confidence that regions with high growth rates of disposable cash income can be suppliers of tourist demand in the direction of not only outbound, but also the development of domestic tourism. According to the structure of households consumer expenses, the items: "culture, recreation and sports", "hotels, cafes and restaurants" (including public catering) are quite high in Minsk (6.9%), Gomel (6.6%) and Vitebsk region (6.0%). The highest expenses for other services in terms of structure are in the Grodno region.

Nevertheless, the average per capita money income of the population in the Republic of Belarus increased at a slower pace than the average per capita income of the population of the Vitebsk region in 2019 in relation to 2018, 12.9% and 14.7%, respectively.

Having studied the structure of the household expenses, we have identified the following proportion (Table 1).

Table – 1. Structure of the household expenses by main groups of	f
consumer expenses in the Republic of Belarus and Vitebsk region in years 2019,	,
in percentage of the total	

Regions	food	alcoholic beverages	non-food products'	services'
	purchases <sup>1</sup>	and tobacco products'	purchases	payments
		purchases		
Republic of Belarus	38,7	2,8	32,8	25,7
Vitebsk region	39,3	2,9	32,9	24,9

Source: own development on the base of statistical data [1, p.214]. <sup>1)</sup> Including catering

The data in Table 1 indicate about the predominance in the structure of household expenses on the food purchases. A fairly high indicator of expenses on the non-food products purchases, which stimulates production. A negative fact is that the population of the Vitebsk region exceeds expenses on alcohol and tobacco products. The reserve for the expenses growth for payment of services may be a reduction in expenses for alcoholic beverages and tobacco products while promoting the healthy lifestyle, which will entail an increase in expenses on recreation and tourism.

However, the disposable resources of households in 2019 compared with 2018 in the Vitebsk region increased by 8.1% only and in Belarus by 11.5% per month. The activity of the population tourist movements in Belarus is of interest.

Taking into account the fact that the total disposable expenses are divided into consumption and savings, it is possible to assume an increase in the demand for tourist services, which in turn will stimulate an increase in revenue from the goods sales of business entities in the visiting places for tourists and excursionists. The dynamics of tourists and excursionists number who visited the Republic of Belarus and sent along routes within the country will be shown in Table 2.

Table - 2.The dynamics of tourists and excursionists number who visited the Republic of Belarus and sent along routes within the country in years 2017-2019, in thousands of people

Regions	2017	2018	2019	absolute growth	growth rate,%
Republic of Belarus	1259,5	1373,3	1512,4	139,1	110,1
Vitebsk region	139,5	134,1	135,0	0,9	100,7

Source: own development on the base of statistical data [1, p.580].

As we can see from the data in Table 2, the dynamics of tourist inbound and internal flows for the three years is positive. However, the growth rate of the number of tourists to the Republic is higher and amounts to 10.1%, but in the Vitebsk region it is 0.7% only. In other words, the low level of tourist flows to the Vitebsk region will not contribute to the growth of proceeds from the sales of goods and services in the industries related with tourism.

The research is shown a high level of the population poverty in Vitebsk region, 6.6% of the total Belarus population (5.0% in the Republic) [1, p. 222]. Revenue from the sales of goods, works, services in the Republic of Belarus increased in 2019 comparison with 2018 on 46643.8 million rubles or on 15.5%. The specific weight in the republic revenue, Vitebsk region was 8.8%, with an increase of 8.6% in 2019, or on 2439.2 million rubles [1, p.597]. Moreover, this increasing was due to the cities of Vitebsk and Novopolotsk.

**Conclusion.** Summing up the research, the several conclusions can be drawn. It is necessary to position the Vitebsk region as an attractive region for tourism. It is the population disposable income can stimulate an increase in proceeds from the sales of goods and services. Changes in the proportions of consumption and savings can create opportunities for cross-sectoral interaction. Therefore, based on the research, the size and dynamics of the total disposable income of the population are important, as well as demand stimulating for recreation and tourism, which in turn will enable economic activity of economic entities in the regions and will entail an increase in the income of the population, which will be a catalyst for tourist demand.

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