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## Modern Aspects of Adapting Sustainable Strategic Business Planning. Studies Case from Oil Industry and the Tourism Industry

Andrey LINNIK

Almaty Management University, Kazakhstan

[artum80@mail.ru](mailto:artum80@mail.ru)

Altyn AMERKHANOVA

L.N.Gumilyov Eurasian National University, Kazakhstan

[amerkhanova080@gmail.com](mailto:amerkhanova080@gmail.com)

Nuradin KUDAIBERGENOV

Kazakh Ablai Khan University of International Relations and World Languages, Kazakhstan

[kanur1312@mail.ru](mailto:kanur1312@mail.ru)

Zhanargul SARIYEVA

Kazakh Ablai Khan University of International Relations and World Languages, Kazakhstan

[jisarieva@mail.ru](mailto:jisarieva@mail.ru)

Gulmira NURLIKHINA

University of Almaty, Kazakhstan

[gnurlihina@mail.ru](mailto:gnurlihina@mail.ru)

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### Abstract:

Currently, Kazakhstan is an attractive country for attracting foreign investment in the oil and gas sector, since the country's position in the overall ratings of the business environment is generally favorable and growing in comparison with other countries. Taking this into account, the application of strategic planning to oil and gas companies and companies in the tourism sector will be able to successfully counter new global challenges and threats. The specialization of the national economy and the domination of TNCs, the development and growth of entrepreneurship and business as a whole sets in motion flows of managers, representatives of the largest corporations and small private businesses looking for new profitable partnerships, niches to promote their business, increase the capital of a company or a group of people, learning something new for career advancement. The entry of oil companies and companies in the tourism industry to the world market makes the problems of strategic planning of companies especially significant. For the study, fundamental research and applied works of leading domestic and foreign scientists on the formation and development of the business "business" tourism industry and the development of the oil industry were used as a theoretical and methodological basis.

**Keywords:** adaptation; strategic planning; management decisions; resources; analysis; forecasting; entrepreneurship; oil and gas industry; tourism.

**JEL Classification:** Q56; Q40; Z32.

### Introduction

The mechanisms of strategic management of enterprises in various sectors of the economy should consider the main trends and specifics of the development of the industry; it is also necessary to adapt them to modern

economic conditions. These circumstances confirm the feasibility of improving the processes and mechanisms of strategic management of enterprises, industries, complexes, as well as further research in this area.

The efficiency of production and the development of modern enterprises is largely determined by the degree of their adaptation to the ongoing changes in the operating environment. The processes that characterize the domestic economic situation often do not fit into the framework of generally accepted theory, therefore, in order to solve the problems arising in these conditions, the enterprise is required to search for new and non-standard solutions and approaches.

The most important task for a modern industrial enterprise is the transition to the production of competitive products using advanced technologies, advanced equipment, and the best methods of labor organization. The adaptation of economic activity to market conditions is becoming a key problem in the economy. In its most general form, adaptation can be understood as the adaptation of the system to changing conditions of the external environment or to its internal changes, which leads to an increase in the efficiency of its functioning.

## 1. Research Background

One of the most important aspects for the oil and gas industry is the need to optimize pricing approaches and regulatory reforms - both to attract new investment in an extremely competitive global market, and to pave the way for successful integration into within the EAEU.

In a difficult situation of political and economic confrontation between the world powers, which are key partners of Kazakhstan, and against the background of growing demand for energy resources, the degree of instability in the world oil and gas markets and competition for long-term supplies of hydrocarbons are increasing. In these conditions, Kazakhstan, systematically developing not only fuel energy within the country, but also an alternative segment, remains a stable supplier of energy resources and a reliable international partner for world consumers.

Currently, Kazakhstan is an attractive country for attracting foreign investment in the oil and gas sector, since the country's position in the overall ratings of the business environment is generally favorable and growing in comparison with other countries. Taking this into account, the application of strategic planning to oil and gas companies and companies in the tourism sector will be able to successfully counter new global challenges and threats.

One of the urgent tasks facing the governing bodies in the context of the global financial and economic crisis, prevailing in the context of a pandemic, is to identify priority areas that can become locomotives of socio-economic development. Experts from many countries of the world pay attention to the prospects of the oil industry and tourism as a catalyst for development, since this sector can give much more than many other areas of activity.

Among the various types of tourism, "business" tourism stands out, which is characterized by an all-season, massive travel, predictability, high profitability, which puts it on a par with priority areas of the economy, as well as the oil and gas industry, which is one of the most important sectors of the economy of Kazakhstan, which allows receive capital inflows to ensure the country's economic growth based on industrialization and innovation.

The development of the "business" tourism market is rightly considered as a complex factor in the socio-economic development of both the country as a whole and its regions, contributing to the growth of business activity, the creation of new jobs, an increase in the income of the population, etc. Meanwhile, the effective use of this potential is currently hampered by the lack of proper relationship and interaction between the numerous actors in the business tourism market.

The specialization of the national economy and the domination of TNCs, the development and growth of entrepreneurship and business as a whole sets in motion flows of managers, representatives of the largest corporations and small private businesses looking for new profitable partnerships, niches to promote their business, increase the capital of a company or a group of people, learning something new for career advancement. The entry of oil companies and companies in the tourism industry to the world market makes the problems of strategic planning of companies especially significant.

Tourists for the host side are connecting threads with the outside world, an opportunity to get foreign capital, investments in new production, tax deductions to the territory budget, gain experience and new technologies, development strategies not only for business, but for the entire economy of the surrounding space as a whole.

International management practice and modern aspects of adaptation of sustainable strategic planning of entrepreneurship show that achieving a high level of development largely depends on the ability of public

authorities to build an effective mechanism for making and implementing decisions aimed at achieving a strategic goal. Therefore, a special place in the development of a development strategy should be occupied by the application of a program-targeted method of management, which is focused on achieving the final result in the logic of step-by-step action.

Business tourism is the fastest growing area of modern tourism. It has formed into a separate independent sphere of the tourism industry and has become an integral condition for the successful business of modern companies, has a significant impact on the development of the economy. Due to the rapid growth rates, this type of tourism is recognized as an economic phenomenon (Savin and Melnikova 2019).

Currently, the organization of events is becoming one of the main elements of company communications, an important tool for shaping their reputation; therefore, event management (event management) and event marketing (event marketing) are becoming increasingly important.

A more lengthy definition is given by I. V. Zorin and V. A. Kvartalnov in the "Encyclopedia of Tourism", interpreting it as "temporary business trips and trips for official purposes, including participation in conferences, congresses, etc. without receiving income at the place of business trip" (Zorin 2018).

A better term is "meeting industry, MICE". This abbreviation stands for what constitutes business tourism: meetings - meetings, incentives - incentives (incentive trips for employees and partners), conferences - conferences and exhibitions - exhibitions.

As O. G. Chimitdorzhieva notes, there are certain differences between the concepts of business travel and MICE. She identifies three aspects of the difference:

- firstly, they differ in the specifics of the service. When conducting a business trip, the agency is not responsible for its content, but only provides support in the form of visas, hotel reservations, tickets. The MICE event is not only held by the mediator, but also organized by him;
- secondly, the difference in the focus of the service. A business trip is a protocol event, while a MICE event is at the intersection of a protocol and an internal PR campaign;
- third, differences in the attributes of the service. The attributes of a business trip include the ability to optimize business travel expenses, compliance with the rules for organizing business trips. Apart from the attributes of a business trip, MICE attributes include creativity, mood creation and individuality (Chimitdorzhieva 2020).

Thus, business tourism is very multifaceted. It includes individual and group business trips of managers and employees, participation in events organized by industrial and trade corporations, participation in congresses, conferences, seminars organized by political, economic, scientific, cultural, religious and other organizations, visits to trade and industrial exhibitions and fairs and participation in their work, business courses, business trainings, incentive trips for employees and clients (Yurkova 2017).

Networking is an opportunity to establish new business contacts within the framework of events, which is understood as the ability to find useful people from the point of view of business (potential customers, partners), to establish and maintain contacts with them and make these connections work (Vanneste 2016).

The principles of networking were developed by American businessmen in the middle of the twentieth century. Among them are Keith Ferrazzi (2019) and Darcy Rezak (2018). The first is the CEO of Ferrazzi Greenlight and the author of *Never Eat Alone*, in which he tried to show that a person can never achieve anything without support. Networking, in his opinion, is the ability to build a network of contacts in the right sequence.

Networking is very popular in business today. It is based on long-term relationships built on trust and mutual assistance.

Tourism organizations in a market economy are increasingly aware of the need to develop new products and services and the associated economic benefits. Due to its unique natural and cultural potential, as well as the great interest of tourists from far and near abroad as to a new uncovered destination, Kazakhstan has every reason for the innovative development of the tourism industry (Solodovnik 2018).

In her research, E.V. Shumakova (2019) focuses on the features of innovation in the hotel business, which are concentrated mainly in the segment of organizational and managerial innovation and in the development of innovative hotel infrastructure.

The problems of innovative development of the hotel industry have been given great attention by such scientists as: A.A. Abozhina (2017), J. X. Hao, Y.P. Liu (2018), R. Musavengane (2019), M. Myratdurdyev, Yu. A. Doroshenko (2017), A.V. Tanina, S.V. Kalmykova, E.B. Mudrova (2020), M.R. Smykova, Zh.S. Rakhimbekova, R.E. Tarakbaeva (2017), E.V. Vintaykina, A.V. Vinogradova (2018), E.N. Baron (2016), E.V. Pecheritsa (2016), L.L. Dukhovnaya (2019) and others.

Let's highlight the main directions of innovation in the field of tourism (Vartanova 2017):

- introduction of new tourist routes, release of a new tourist and restaurant product, provision of new hotel services, etc.;
- application of new equipment and technologies;
- the use of new tourist resources;
- application of new ways and methods of organizing a business process;
- opening new directions and new sales markets, etc.

Modern economic conditions require companies to be flexible and not be satisfied with what has already been achieved, constantly improving approaches to doing business, where the following can be named among the main directions of development of strategic planning mechanisms:

- a systematic approach to strategic goal-setting at all levels of management;
- creation of a model for assessing the conditions and limitations of strategies for the development of territories and analytical tools for making strategic decisions (Semenov and Filatova 2017).

Various entities operate on the business tourism market: representatives of the MICE industry, travel agencies, tourism and recreation facilities, representatives of infrastructure (hotels, congress halls, transport, communications, public catering, etc.), authorities, consumers of business tourism services (enterprises and organizations science, education, branches of the national economy) - each of them has its own goals, realizing its interests and needs on the market.

Sustainable economic development can be achieved through the formation of a favorable innovation environment in them, contributing to the intensification of investment activities and allowing to ensure the effective use of innovative potential in order to increase competitiveness and accelerate socio-economic development.

According to A.S. Novoselov, A.V. Faleev (2020), strategic planning and management of the country and its regions is a process that includes the definition of long-term goals of socio-economic development, the problems associated with their achievement, the allocation of priority areas for economic development, the principles underlying the basis of the management mechanism, as well as the tools of the management mechanism and the system of institutions that ensure the implementation of the management decisions taken.

According to V.A. Kulakovskaya (2019), the positioning of the non-mining industry as an income-generating sector of the economy is due to several factors: the presence of large reserves of minerals, the existing structure of the domestic economy and the system of taxation of the industry.

According to the research of A.I. Dmitriev (2017), the key task of the firm's strategy should be the development of a model for searching, adapting and introducing innovations that create a steady stream of investments and innovations that provide competitive advantages and achieve the strategic goals of the firm.

When forming the priority areas of the region's industrial policy, it is necessary to take into account that the resulting indicators should be achieved at the level of key industrial companies in the region, and this makes it necessary to increase their profitability and innovativeness in the strategic perspective (Zhogova 2017). Therefore, the efficiency of production and the development of modern non-mining companies is largely determined by the degree of their adaptation to the ongoing changes in the environment of functioning and development (Ganus and Krasnikova 2020).

Many scientists analyze the innovation and investment indicators of the development of the world economy over the past ten years, which shows that in search of competitive advantages and effective technological solutions, the world's largest corporations have begun to increase investments in R&D (Strelets and Chebanov 2020).

In their studies G. Zervas G., D. Proserpio, J.W. Byers (2017) distinguish the development of the phenomenon of shared economy (sharing economy), the intensification of the use of outsourcing, the changing role of small and medium-sized enterprises in a number of industrial and high-tech sectors of the economy, among which the non-mining industry occupies an important place.

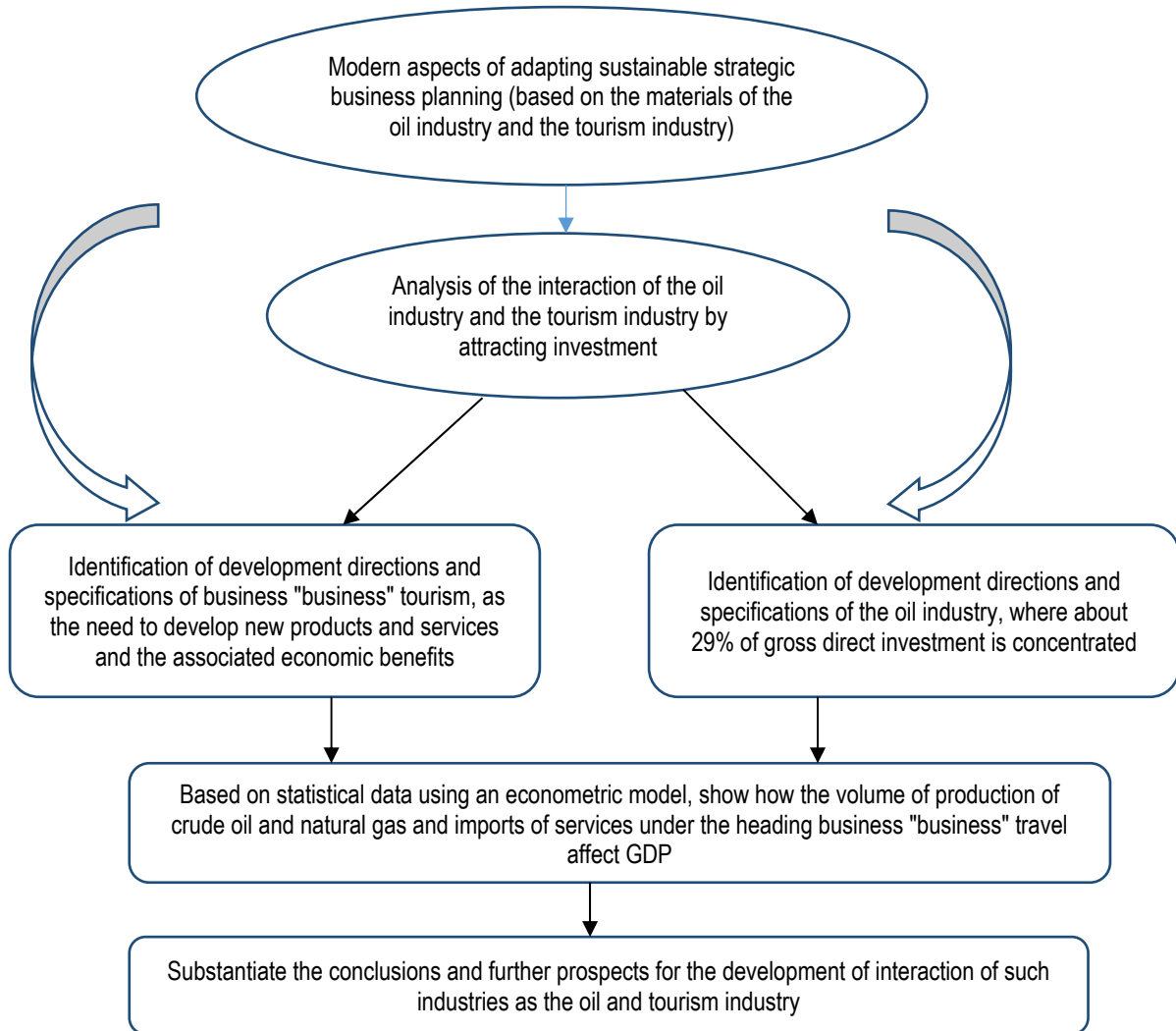
Kazakhstan's economic and investment policy from the very beginning was created as a market bold and supportive of a wide layer of local and foreign subsoil users. Individual contracts with them are developed within the framework of the adopted legislation, where the task of increasing the production and export of hydrocarbons is solved by creating an investment climate suitable for investors of various sizes, which will subsequently ensure the appearance of over 200 contracts for oil and gas subsoil use.

## 2. Scientific Novelty

Considering current trends and the current macroeconomic conditions for the functioning of industries, the expediency of improving the processes and mechanisms of strategic management is necessary. Kazakhstan, being an attractive country for attracting foreign investment, and applying strategic planning in oil and gas

companies and companies in the tourism industry, can successfully confront new global challenges and threats. Experts from many countries of the world pay attention to the prospects of the oil industry and tourism as a catalyst for development, since this sector can give much more than many other areas of activity. Therefore, the author in this study shows the relationship between the oil industry and the tourism industry by attracting investments, where, based on regression analysis, the influence of factors influencing the development of these economic sectors is shown.

Figure 1. Research questions



Source: compiled by authors

The mechanisms of strategic management of various sectors of the economy should take into account the main trends and specifics of the development of the industry, where it is also necessary to adapt them to modern economic conditions. These circumstances confirm the feasibility of improving the processes and mechanisms of strategic management of enterprises, industries, complexes, as well as further research in this area. The author made an attempt to show the interaction of the oil industry and the tourism industry by attracting investment, thereby analyzing the influence of some factors that affect the final performance of these industries by building a regression model, namely the impact on GDP of indicators such as the volume of crude oil production. oil and natural gas and imports of services for business travel.

### 3. Data and Analysis

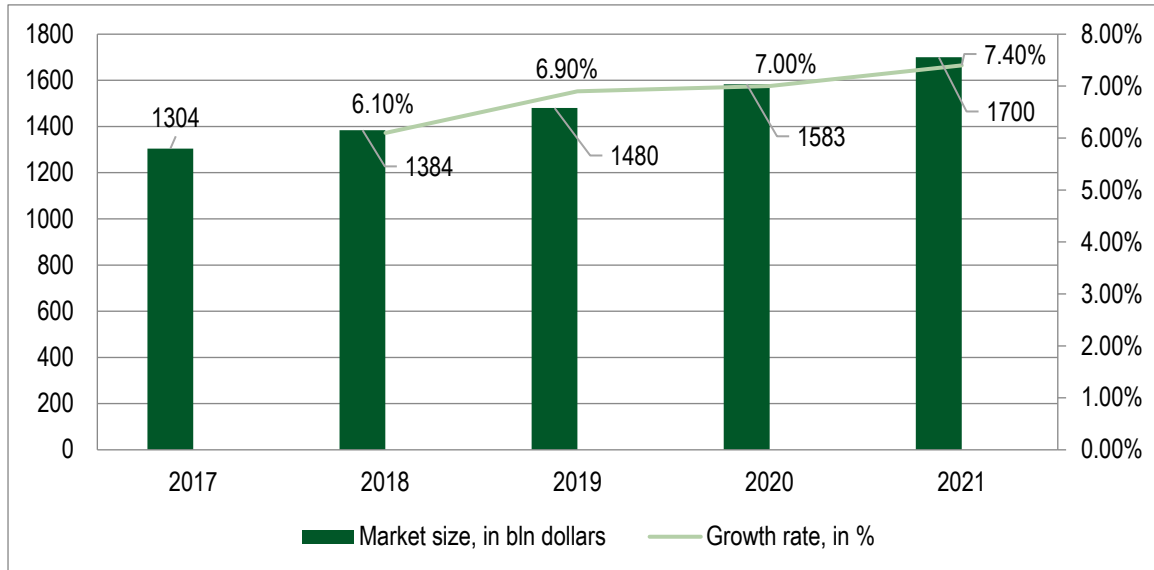
Tourism accounts for about 10% of the world's total product, 30% of world exports of services, 7% of global investment, 10% of jobs and 5% of all tax revenues.

Tourism is currently one of the most lucrative businesses in the world. Using about 7% of the world's capital, tourism has firmly taken the third place after the export of oil, oil products and cars.

Among the global tasks of modern organizations is the creation of an employer image, for which it is important to ensure the growth of the employee's multilateral experience (Kuzyakov 2019). As a result - an increase in budgets allocated for travel, organization of events and meetings, which partly determines the growth of the business tourism market as a whole.

According to the integrated assessment of the international association of business "business" tourism and research organizations, in 2017 the global business travel market reached 1.3 trillion US dollars (Figure 2).

Figure 2. Forecast of the dynamics of the global market of business "business" tourism



Source: compiled on the basis of the Business travel services market

With a projected growth rate of more than 6% annually, the market is expected to grow to \$ 1.7 trillion by 2021.

This is a time of dynamic change in the business travel industry. In pursuit of professional ambition, corporate employees travel the world more often than ever before. According to the World Bank, the number of international travels has doubled over the past two decades, from 600 million to 1.3 billion, and the GBTA predicts that the business travel market will reach \$ 1.7 trillion by 2022.

One of the reasons for the steady positive dynamics of the business tourism market is the growth in world trade, since this indicator significantly correlates with the development of the business travel sector. According to the International Monetary Fund, in 2017, the volume of world trade showed an increase of 3.8%, in 2018 - 3.9%. This correlation is explained by the need to provide the movement of goods and services with escorts involved in the business travel sector.

Also, significant contributions are expected from emerging markets. By 2015, the largest emerging markets: Brazil, Russia, India and China accounted for 58% of the growth in the global business travel market.

In the structure of the business tourism market, the largest share is MICE, which includes the organization of conferences, industry exhibitions, meetings and accompanying group bookings - in 2017, the share of MICE in the volume of the business tourism market was 61.7%, energy supply and real estate, the contribution of each industry to the volume of the world business tourism market exceeds 8% (Figure 3).

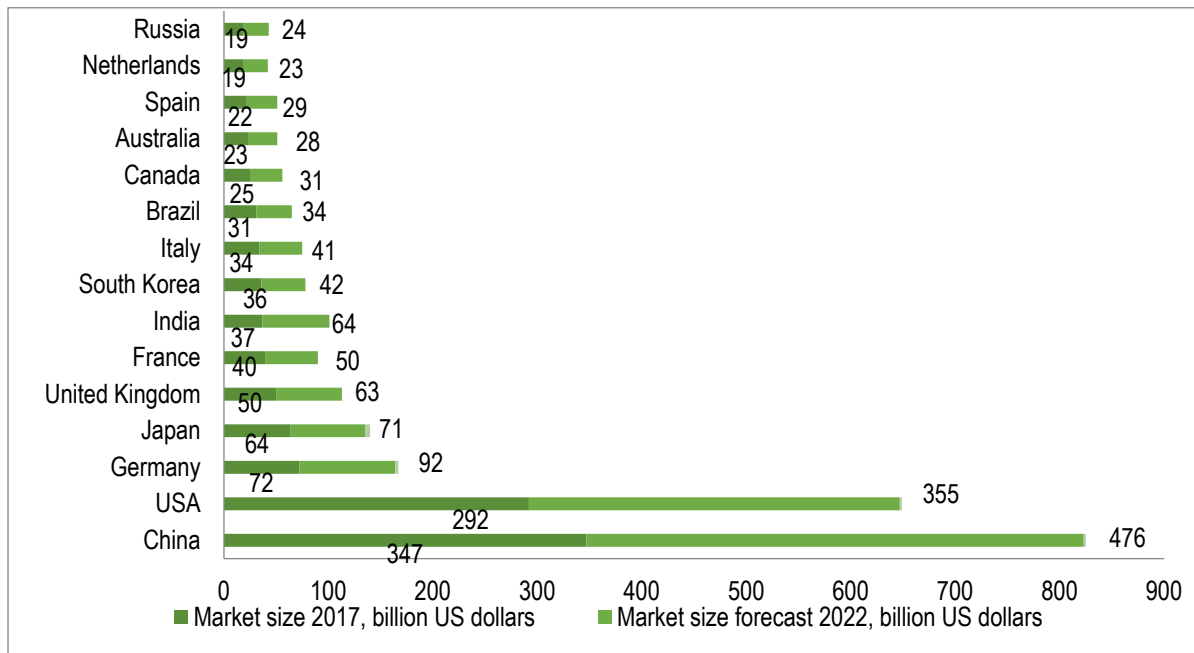
In the TOP-10 industries, half are in the markets traditionally characterized by high involvement in business tourism: food industry, B2B services, management, wholesale, construction and communications. These business travel markets are well established and are not expected to grow strongly in the coming years (CAGR 6% and below).

Other industries are new to the market and are actively developing within the business travel. These are energy supply, real estate, B2C and transport, characterized by high growth rates in the business tourism market.

Since 2005, the relatively developed markets of the USA and Japan have seen moderate growth - 14% and 21%, respectively. In turn, China has become the fastest growing market in the world with annual rates exceeding other countries by more than 6 times

Brazil's business travel market has also grown significantly since 2014. Emerging markets in the business travel sector: Brazil, Russia, India and China have accounted for 58% of global market growth since 2015.

Figure 3. Geography of the business "business" tourism market



Source: compiled on the basis of the Business travel services market

The undisputed market leaders for the period of 2017 - China and the United States (347 and 292 billion US dollars, respectively) will remain in their positions until 2022. Highest growth rates from 2017 to 2021 expected from India (CAGR 12.5%), Great Britain (CAGR 9.5%), Germany (CAGR 9.0%) and Spain (CAGR 8.4%). Business "business" tourism in China will continue to develop rapidly.

For many countries in the world, tourism is one of the most profitable industries that generate huge profits. Tourism occupies a leading place in the national programs of economic development of many countries, being part of a comprehensive plan for the socio-economic development of countries along with such sectors of the economy as agriculture, industry, health care, education, etc. Tourism gives every tenth job; it accounts for 7 % of capital investment.

Drawing a parallel between the interaction of such industries as tourism and the oil industry, I would like to note the tendency that the oil and gas industry in Kazakhstan, having the highest profitability of production among other types of activity, accumulates most of the foreign direct investment attracted to the country. By attracting investments in the oil industry, there is interaction with such industries as the food industry, tourism, transport, etc.

Currently, Kazakhstan is an attractive country for attracting foreign investment not only in the oil and gas sector, where the country's position in the overall ratings of the business environment is generally favorable and growing in comparison with other countries, but also in other industries, such as, for example, tourism.

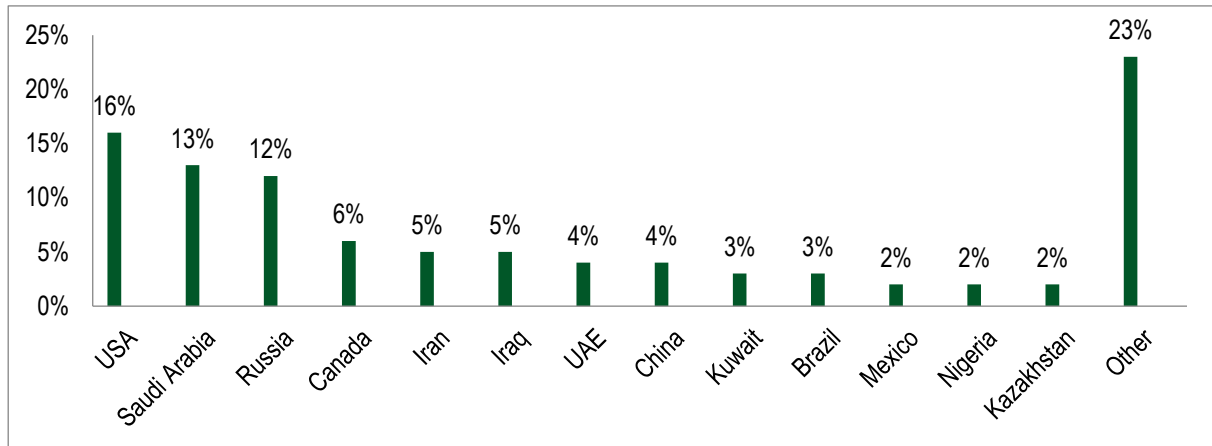
By the way, as of the third quarter of 2019, the profitability of the oil and gas industry was 49%, while in the republic this indicator was 23%. At the same time, in 2005-2018, Kazakhstan attracted 289.6 billion US dollars of gross foreign direct investment, 25.8% of which was concentrated directly in oil and gas, and another 26.9% in geological exploration, which to a greater extent also applies to the oil industry.

The Republic of Kazakhstan plays an important role in the world oil market. With a significant resource of hydrocarbons, the country is among the 20 largest oil-producing countries. In 2018, the country accounted for 2.0% of global oil production, making Kazakhstan 13th in the world.

In June 2019, oil production in Kazakhstan, according to the Information and Analytical Center for Oil and Gas (IACOG), amounted to 7.8 million tons (1.96 million barrels per day). World oil production, according to Thomson Reuters, in June this year amounted to 101.3 million bpd.

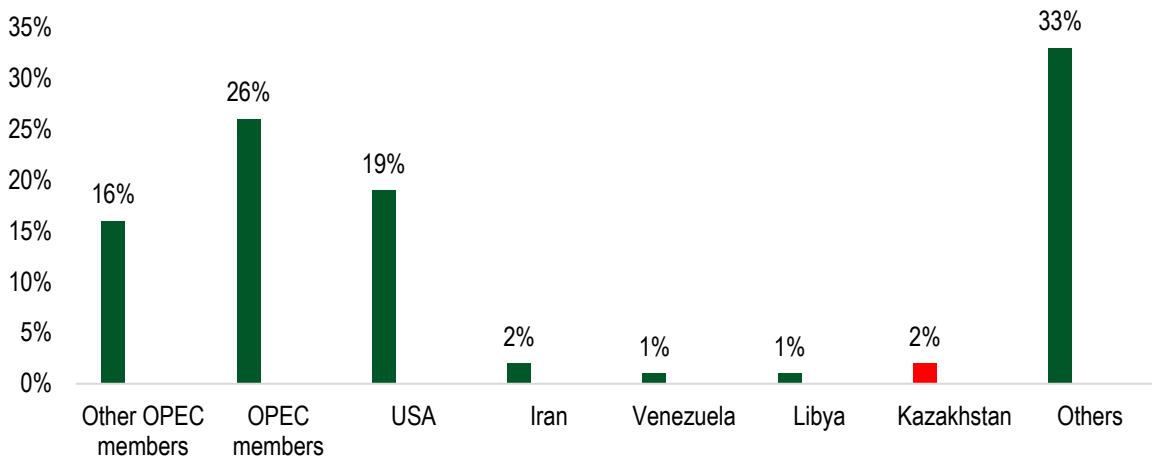
Thus, at the end of the first half of 2019, Kazakhstan accounted for 1.9% of global oil production. In the CIS countries, the republic, as you know, ranks second after Russia (11.4 million b / d in 2018 and 11.15 million b / d in June 2019) (Figure 4, 5).

Figure 4. Oil production in the world in 2018, in %



Source: compiled on the basis of the source of the JSC Information and Analytical Center of Oil and Gas

Figure 5. Oil production in the world in 2019, in %



Source: compiled on the basis of the source of the data of Thomson Reuters Eikon

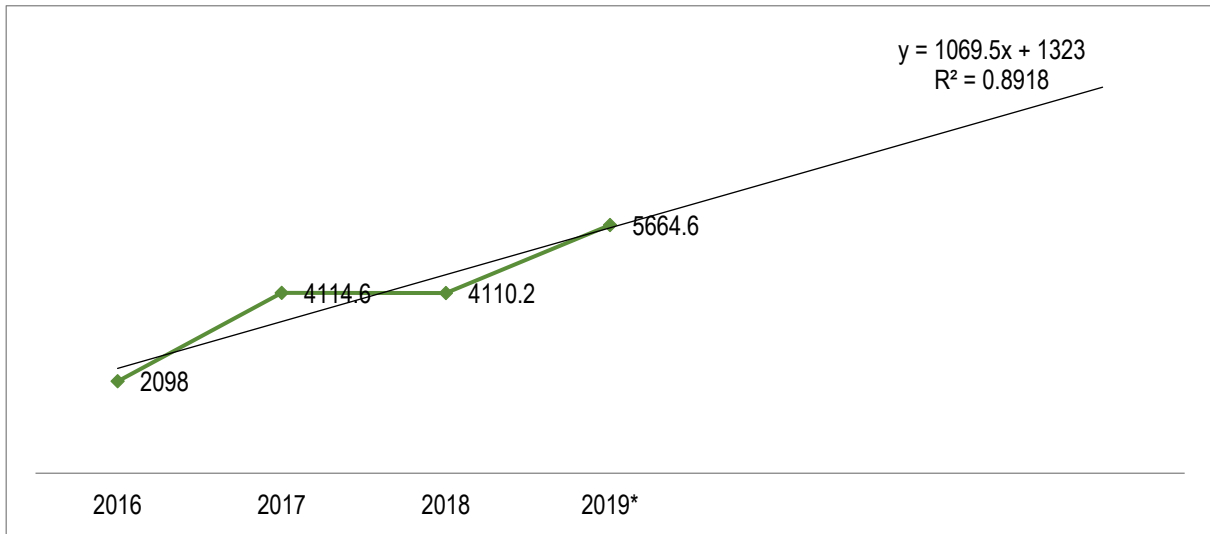
Oil production in the country is carried out by about 90 subsoil users, but more than half of the production volume is provided by three main super-giants:

- Tengizchevroil;
- NCOO (Kashagan offshore field);
- "Karachaganak Petroleum Operating B.V.

The net inflow of direct investments in the oil and gas industry of the Republic of Kazakhstan preliminary amounted to USD 5664.6 million of the total volume of direct investments in Kazakhstan. In 2016–2018, the inflow of investments into the oil and gas industry of the Republic of Kazakhstan increased by 95.9% (by 2,012.2 million US dollars) (Figure 6).



Figure 6. Net inflow of direct investments in the oil and gas industry of Kazakhstan, million US dollars



Source: compiled on the basis of the National Bank of the Republic of Kazakhstan

There are over 250 oil and gas fields in Kazakhstan, which are produced by 104 enterprises. For comparison, in 2018 their number was 100 enterprises, and in 2017 - 99.

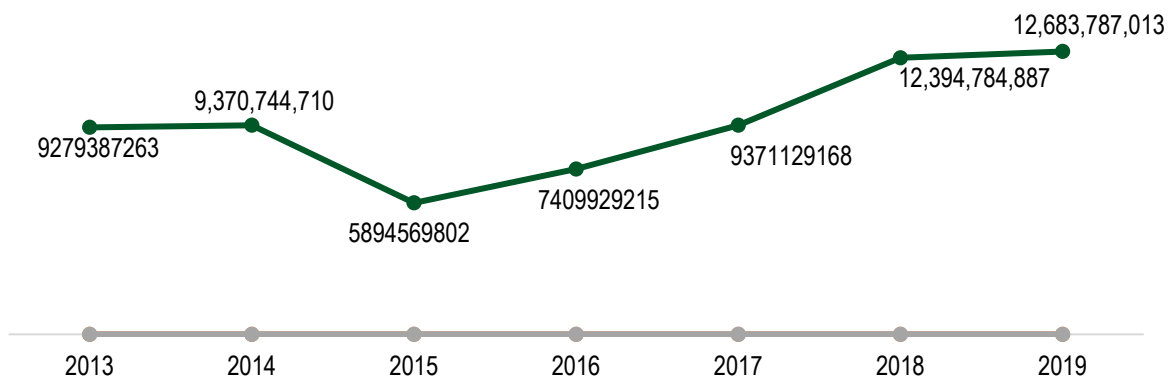
In 2018, after the completion of the modernization of the country's largest oil refineries, the volume of oil and gas condensate production reached a record figure of 90.4 million tons, and in monetary terms - 12.2 trillion tenge (an increase in comparison with 2017 - 33%).

The development of the oil and gas industry has provided strong support to the national economy - at the end of eleven months of 2019, the industry's share in GDP amounted to about 17%, which in turn made it possible to stimulate economic growth to 4.4%.

At the same time, GDP growth was mainly caused not by an increase in oil production, but by an increase in prices for oil and oil products. So, over the year, the cost of a barrel of oil increased by 8% from \$ 61 to \$ 66. The main result of the modernization was the full provision of fuel to the domestic market of Kazakhstan.

As of January 1, 2019, the share of oil and natural gas production in the republican volume of industrial production amounted to 44.3% (Figure 7).

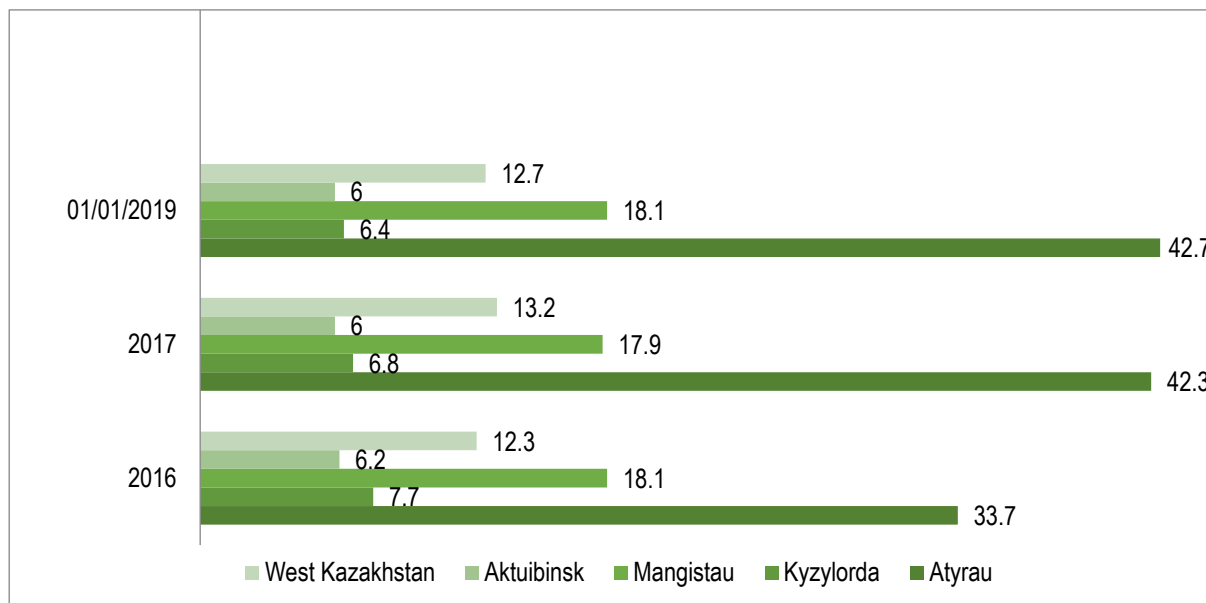
Figure 7. Indicators of oil production in Kazakhstan, including gas condensate, in thousand tenge



Source: Compiled by authors based on the source data of the Committee on Statistics of the Republic of Kazakhstan

In the regional context, as we know, the western regions of the country are the main "suppliers" of hydrocarbons in Kazakhstan (Figure 8).

Figure 8. Volume of oil production by regions of the Republic of Kazakhstan, in million tons



Source: Compiled by authors based on the source data of the Committee on Statistics of the Republic of Kazakhstan

In particular, to the western - Zhambyl, Kyzylorda and East Kazakhstan regions. And here, among the "non-Western" regions, the undisputed leader, of course, is the Kyzylorda region.

According to the data presented in Figure 9:

1) in the Atyrau region, major producers of crude oil and associated gas are:

- branch "North Caspian Operating Company N.V." (Kashagan field),
- LLP "Tengizchevroil" (Tengiz field),
- JSC "Embamunaigas".

2) JSC "Karazhanbasmunai", JSC "Mangistaumunaigaz", LLP "Karakudukmunai" operate in the Mangistau region.

3) in the Kyzylorda region, oil production is carried out by such companies as LLP Kuatamlonmunai, JSC Turgai Petroleum, LLP Kazgermunai and JSC Kor Oil Company.

If we consider in the regional aspect the production of oil, including gas condensate for the period 2013 - 2019, then the predominant part is occupied by - Atyrau, Mangistau regions, East Kazakhstan, WKO (Table 1).

Table 1. Crude oil and natural gas production rate ( in thousand tenge)

Year	Aktuibinsk	Atyrau	West Kazakhstan	Zhambyl	Kyzylorda	Mangistau	East Kazakhstan
2013	718318059	4119490270	1436339953	4657291	1139576826	1860386949	617915
2014	585066831	4367171850	1606158493	4710518	902239451	1901064057	4 333 510
2015	374893817	2908492540	1059077298	4964804	394181925	1150063770	2895648
2016	541607513	3763126907	1276176932	7266339	415600476	1 398 580 100	7 570 948
2017	523002099	4934202079	1639572505	13220970	509852410	1742733899	8545206
2018	678488042	6567796737	2157755022	13201882	674014752	2 288 232 270	15 296 182
2019	664497817	7053752797	2042774386	13105902	593040128	2 298 463 573	18 152 410

Source: compiled by authors according to Industry analysis report of JSC Kazakh Institute of Oil and Gas

In 2019, the country refined 17.1 million tons of oil with an increase of 5% compared to last year. As a result, the production of gasoline, including aviation gasoline, increased by 14.4% and reached 4.5 million tons (in 2018 - about 4 million tons).

The largest volume of production was provided in the city of Shymkent - 1.9 million tons of gasoline or 42% of the total production volume were produced. The region has the newest oil refinery in the republic. 30% of gasoline production was provided by the Pavlodar petrochemical plant (1.4 million tons), and 27.1% - by the Atyrau refinery (1.2 million tons).

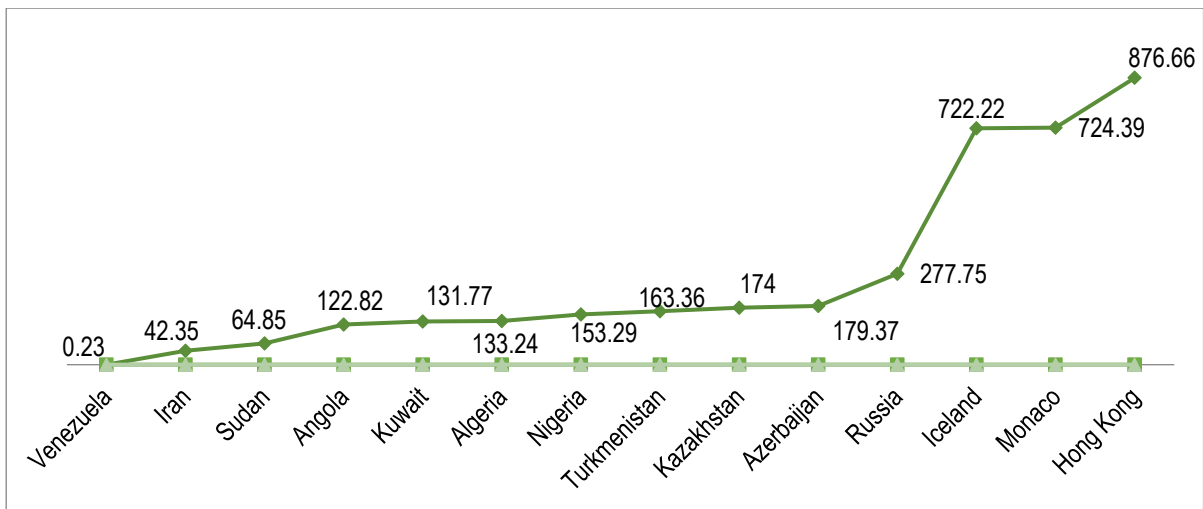
Previously, the domestic market was dependent on imports, its share for some types of oil products exceeded 40%. Nevertheless, the market experienced a fuel shortage.

Now, after an increase in gasoline production, the country managed to reduce the import of products to a minimum - at the end of the nine months of 2019, the volume of imports amounted to 18.7 thousand tons. For the same period in 2018, imports amounted to 590 thousand tons. Moreover, now the country does not need to import gasoline and independently covers the demand in the domestic market. So, with the volume of gasoline production at 4.5 million tons, fuel consumption amounted to 4.2 million tons. That is, at the moment there is a surplus in Kazakhstan.

Accordingly, to maintain the production of factories, it is necessary to develop export of products. In this regard, since July 2019, Kazakhstani gasoline has been supplied to foreign countries. About 20-30 thousand tons of gasoline are exported monthly.

As of the beginning of January 2020, the average price of gasoline around the world was 420.8 tenge per liter. In Kazakhstan, the cost of a liter of gasoline was 174 tenge (Figure 9).

Figure 9. World ranking of the cost of gasoline at the beginning of 2020, tenge



Source: Compiled by the author according to Data of the International Research Agency Global Petrol Prices

According to this indicator, the country took the 9th position in the world ranking, which includes 92 countries. It is noteworthy that among the CIS countries, gasoline is cheaper only in Turkmenistan - 163.6 tenge per liter.

In general, the gap in prices in different countries is significant - the cheapest gasoline in Venezuela (0.23 tenge per liter). Further, the rating includes Iran with a gasoline price of 42.4 tenge per liter, then Sudan (64.9 tenge per liter). And the most expensive gasoline in Hong Kong is 876.7 tenge per liter. Also in the top 3 countries for the high cost of gasoline are Monaco (724.4 tenge per liter) and Iceland (722.2 tenge per liter).

This price offer is explained by the fact that the difference in prices in different countries is explained by the level of taxation and subsidies of the sector. As a rule, taxes are higher in economically developed countries, which accordingly provides a high cost of gasoline. Significantly lower taxation in developing countries and countries with economies in transition, as well as in countries producing and exporting oil.

According to OPEC experts, the economic downturn caused by the coronavirus COVID-19 will slow growth in almost all countries in the medium term. At the same time, according to forecasts, global oil demand will continue to grow and will amount to 94.4 million bar / day in 2025 and 99.5 million bar / day in 2045. This represents an average growth rate of 0.9% per year over the forecast period.

Assuming the COVID-19 pandemic is largely overcome by next year, a partial recovery in oil demand is projected in 2021.

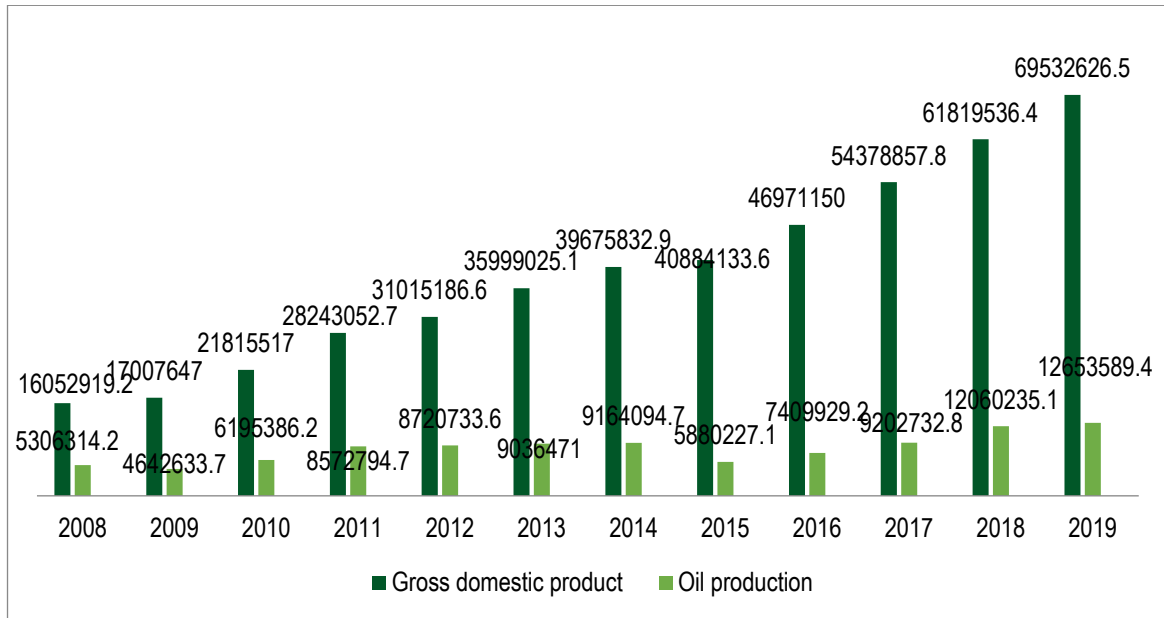
Until 2045, oil will remain the fuel with the largest share in the global energy balance. In 2019, oil accounted for more than 31% of global energy demand and is projected to remain the largest source of the energy balance until 2045, at over 27%, followed by gas (about 25%) and coal (almost 20%) ... The energy policy of the countries in the coming years will be shaped taking into account the Paris Climate Agreement.

Thus, the oil industry has a beneficial effect on the development of other industries, including the tourism sector, where the author specifically identified such a direction as business tourism.

#### 4. Application Functionality

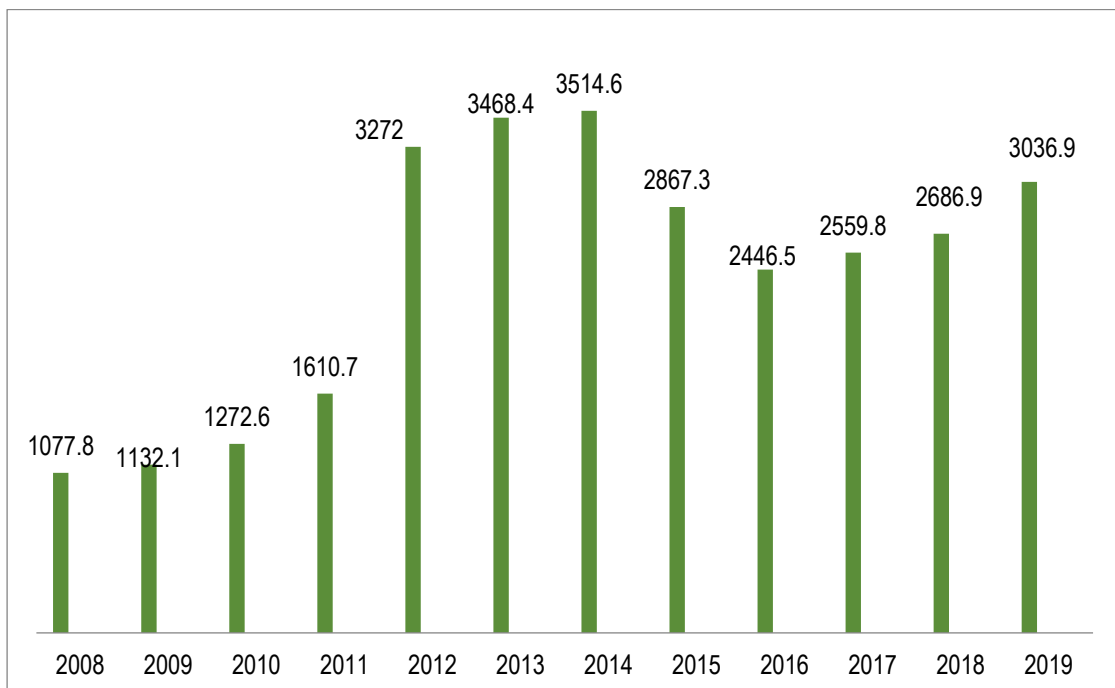
Of great interest is the analysis of the impact on GDP of such indicators as the volume of production of crude oil and natural gas and the import of services under the item "Travel". This study can be carried out using an econometric model, for the construction of which, were used the statistical data of these indicators for the period from 2008 to 2019, presented in Figures 10, 11.

Figure 10. Dynamics of GDP, crude oil and natural gas production



Source: Compiled by authors based on the source data of the Committee on Statistics of the Republic of Kazakhstan

Figure 11. Dynamics of imports of services of the Republic of Kazakhstan under the item "Travel" for 2008-2019, in million US dollars



Source: Compiled by authors based on the source data of the Committee on Statistics of the Republic of Kazakhstan

As a result of approximating statistical data, the two-factor regression model will take the form:

$$GDP = -10528100,64 + 5,142EONG + 2814,913IOT, \quad R^2 = 0,722$$

$$(-0,993) \quad (3,319) \quad (2,662)$$

$$F_{\text{exp}} = 11,693, \quad F_{\text{crit}} = 4,256, \quad t_{\text{crit}} = 2,262$$

where:

GDP - GDP, million tenge;

EONG - the volume of crude oil and natural gas production, million tenge;

IOT - imports of rides, USD million.

Multiple correlation coefficient  $R = 0,850$ , speaks of a close relationship of the resulting trait with two factorial traits simultaneously. The resulting regression model explains 72.2% of the variation in the dependent variable, as evidenced by the adjusted coefficient of determination.

According to Fisher's criterion, the 95% probability regression equation is statistically significant and reliable. According to Student's test, the regression coefficients at the significance level  $\alpha = 0,05$  are statistically significant and reliable, which is not the case for the intercept.

The resulting regression model allows us to draw the following conclusions:

- with an increase in the volume of production of crude oil and natural gas by 1 million tenge, GDP increases on average by 5.142 million tenge;
- an increase in the import of trips by 1 million US dollars leads to an increase in GDP by 2814.913 million tenge.

The multiple linear regression equation can be supplemented with commensurate indicators of the closeness of the relationship between a factor and the result, which allow ranking factors by the strength of their influence on the result. These indicators include the aggregate average elasticity coefficients:

$$\bar{E}_{GDP,EONG} = 1,097\%, \quad \bar{E}_{GDP,IOT} = 0,176\%$$

Elasticity coefficients indicate the following:

- 1) with an increase in the volume of production of crude oil and natural gas by 1% of its average level, GDP increases by 1.097% of its average level, while the value of imports of trips remains unchanged;
- 2) with an increase in imports of trips by 1% from its average level, GDP increases by 0.176% of its average level, while the volume of crude oil and natural gas production remains unchanged.

Based on the study of the oil industry (non-mining companies) and the tourism industry, certain conclusions were made:

1. An important element of strategic planning of companies is an increase in the volume of capital investments and investments aimed at increasing the level of production and proven reserves of the company by investing additional funds in the development of new technologies and geological exploration, as well as in improving the financial performance of the company.
2. It is obvious that the energy policy of companies is focused on stimulating investment in the development of alternative energy.
3. Development of international cooperation and integration is one of the priority areas of the oil and gas company.

## Conclusion

The oil industry has a beneficial effect on the development of other industries, including the tourism sector, where the author specifically identified such a direction as "business" tourism.

The author obtained evidence of a close relationship between the resulting attribute (GDP value) and two factor attributes simultaneously (the volume of crude oil and natural gas production, as well as the import of trips). The resulting regression model allows us to draw conclusions that it is necessary to develop mechanisms for strategic management of various sectors of the economy, where the main trends and specifics of the development of industries should be taken into account, where they also need to be adapted to modern economic conditions. These circumstances confirm the feasibility of improving the processes and mechanisms of strategic management of industries, and, accordingly, further research in this area.

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