

ANALYZING TOURISM POTENTIAL AND DETERMINING STRATEGIES: CASES OF SOME CITIES IN TURKEY

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—Abstract —

Recent years, tourism is one of the major business areas for countries. Its effect on several disciplines can not be disclaimed. Because of analyzing this sector has a high importance. In this paper four cities in Turkey (Antalya, Istanbul, Izmir, and Mugla) are analyzed with their statistics of number of arrivals, nights spent average length of stay and occupancy rates by type and class of establishment. And according to these statistics, strategies have determined for these cities, and also for Turkey. This study guides governments, investors, and tourism employee with the determined strategies. And furthermore this paper can be a case study for international tourism sector.

Key Words: *Tourism, Case Study, Strategy.*

JEL Classification: L83, L16

1. INTRODUCTION

Many governments in developing countries have perceived tourism as an important means to stimulate economic growth (Jenkins, 1980; Jenkins, 1982; Woodcock, 1994). Those developing countries have frequently concentrated on the economic impacts of tourism development and ignored wider issues (de Kadt, 1979; Jenkins, 1994; Sezer, 1994).

According to United Nations World Tourism Organisation (UNWTO) tourism industry is one of the biggest industries all over the world with its contribution to employment, number of people whom to service and also its revenue and added values (Demirel, 2009).

Tourism is an attractive industry for investment not only for developing countries such as Turkey, but also for developed countries due to the low capital requirement and the shortness of the realization period for investments (Williams, 1992).

Turkey, situated at the junction point of Asia, Europe, and Africa, occupies some 780,000 square kilometers of land and is surrounded by 8,000 kilometers of coastline (Tavmergen, 1998). The objectives of Turkey's development plans are to utilize tourism resources in a way that increases contributions to national economy and to foreign currency earnings; to provide a larger portion of the population with holiday possibilities; and to maintain a balance between the utilization and protection of tourism resources (Tarhan, 1995).

As the country's second largest industry, tourism plays a crucial role in the economic development of Turkey. In addition to the phenomenal growth of tourist numbers and tourism revenues over the past two decades, the relative contribution of the tourism industry to Turkish economy has also shown a remarkable increase (Koc, 2007). The number of foreign tourists visiting Turkey grew from 2.1 million in 1984 to 26.5 million in 2008, and tourism revenues also increased from \$840 million in 1984 to \$16 billion in 2008.

And also growth in tourism industry can affect growth in a variety of industries, in fact as many as 30, ranging from food, furniture, transportation, construction, to durable goods, a special attention needs to be paid to tourism industry by policy makers in Turkey. (Koc, 2007). In this paper we will study about tourism potential in some cities of Turkey and will determine strategies for paying special attention to this sector. The most attractive touristic cities are Antalya, Istanbul, Izmir, and Mugla (in the alphabetical order) as shown in Fig.1.

2. A CASE STUDY OF TURKEY

During the last two decades tourism in Turkey has become a mass industry concentrated in the western and southern coastal areas. As these areas were part of the more developed regions of the country, tourism in its current structure contributes to the strengthening of interregional disparities in Turkey. In addition, in the centres of mass tourism socio-economical unsustainable demand and supply structures evolved (Seckelmann, 2002).

In spite of this, the country entered the international mass tourism market late compared to other Mediterranean countries (Clements, 1998); for only during the 1970s did the Turkish government begin to regard international tourism as a means of economic development (Ertekin, 1997). From then on it established

some tourism facilities and, more important, increased stepwise the incentives for private investments in this sector. Not until during the 1980s did the Aegean as well as the Mediterranean coast become a significant region of interest for domestic and foreign investors. During this decade the demand for Turkey as a “sun-and-sea destination” increased immensely, but in some sectors of the tourism industry (especially at the luxury level), the growth in supply created a superabundance of hotel capacity (TURSAB, 2000).

Figure-1: The Map of Turkey



But also it is more important to be aware of such variables as length of stay, and occupancy rates than determination of the number of foreign arrivals. By the statistics of accommodation it is possible to realize these important variables.

In this paper, we will study the statistics of some touristic cities in Turkey. And we will present some strategies for these cities and also for Turkey. We hope that this paper will meet an important need of the Turkish tourism sector and furthermore will be a case study for international tourism sector.

Total number of the persons accommodating in facilities with operation license was 24.9 million. 54.7% of this number corresponds to foreigners while the remaining 45.3% to Turkish tourists. The total number of nights spent was 77.8 million whose 73.2% was realized by the foreigners and 26.8% by the Turkish tourists (Ministry of Culture and Tourism, 2009).

Annual average of length of stay for foreigners at facilities in 2008 was 4 nights and for Turkish visitors was 2 nights. Annual average rate of occupancy for beds was 51.5%. The highest rate of bed occupancy was realized in August with

69.4%; the 52.9% of this occupancy was realized by foreigners while 16.5% was by Turkish tourists (Ministry of Culture and Tourism, 2009).

Among all facilities, tourism complex, according to parameters of type and class, had the longest average length of stay of 8.2 nights for foreigners. This sequence was followed by holiday villages with 6.3 nights and golf establishments 5.6 nights. For Turkish tourists, however, apart hotels had the longest average length of stay of 9.6 nights and were preceded by golf establishments with 5.0 nights and tourism complex with 3.9 nights (Ministry of Culture and Tourism, 2009).

Holiday villages were, in 2008, the facilities having the highest rates of foreign occupancy with 55.5% and were preceded by golf establishments with 45.7% and five star hotels 44.6%. For Turkish tourists, apart hotels had the highest rates of occupancy with 49.9% and were preceded by thermal hotels with 31.1 (Ministry of Culture and Tourism, 2009).

Table 1: Statistics of Antalya by Type and Class of Establishment

Type and Class of Establishment	Number of Arrivals			Nights Spent			Average Length of Stay			Occupancy Rate %		
	F	C	T	F	C	T	F	C	T	F	C	T
HOTEL												
5 Star	3115863	689663	3805526	17760998	2036225	19797223	5.7	3	5.2	57.38	6.58	63.95
4 Star	1394283	243773	1638056	7738229	634393	8372622	5.5	2.6	5.1	60.89	4.99	65.88
3 Star	470975	150430	621405	2749683	354725	3104408	5.8	2.4	5	53.75	6.93	60.68
2 Star	89330	73741	163071	496413	147899	644312	5.6	2	4	37.19	11.08	48.26
1 Star	40523	33622	74145	201343	72310	273653	5	2.2	3.7	40.79	14.65	55.44
TOTAL	5110974	1191229	6302203	28946666	3245552	32192218	5.7	2.7	5.1	57.2	6.41	63.61
BOARDING HOUSE	5602	11890	17492	37080	26906	63986	6.6	2.3	3.7	21.37	15.5	36.87
HOLIDAY VILLAGE	911331	136887	1048218	6100128	571313	6671441	6.7	4.2	6.4	62.67	5.87	68.54
CAMPING	1048	1155	2203	2111	2375	4486	2	2.1	2	29.36	33.03	62.38
GOLF EST.	16953	3436	20389	96531	11610	108141	5.7	3.4	5.3	54.38	6.54	60.92
TOURISM COMPLEX	21094	8012	29106	173724	30950	204674	8.2	3.9	7	27.2	4.85	32.05
SPECIAL EST.	9892	7550	17442	41719	25117	66836	4.2	3.3	3.8	10.66	6.42	17.07
BOUIQUE	4818	745	5563	8170	1574	9744	1.7	2.1	1.8	55.5	10.69	66.2
APART	92449	10555	103004	451802	33883	485685	4.9	3.2	4.7	42.02	3.15	45.17
GRAND TOTAL	6174161	1371459	7545620	35857931	3949280	39807211	5.8	2.9	5.3	57.08	6.29	63.37

F-Foreigner C-Citizen T-Total

Source: Ministry of Culture and Tourism: 2009.

Table 2: Statistics of Istanbul by Type and Class of Establishment

Type and Class of Establishment	Number of Arrivals			Nights Spent			Average Length of Stay			Occupancy Rate %		
	F	C	T	F	C	T	F	C	T	F	C	T
HOTEL												
5 Star	903899	454995	1358894	1850265	749578	2599843	2	1.6	1.9	26.87	10.89	37.76
4 Star	975544	395760	1371304	2308920	692855	3001775	2.4	1.8	2.2	39.96	11.99	51.95
3 Star	608580	325793	934373	1418991	509655	1928646	2.3	1.6	2.1	36.02	12.94	48.96
2 Star	208416	201893	410309	491147	361506	852653	2.4	1.8	2.1	22.21	16.35	38.57
1 Star	14261	39222	53483	43508	78929	122437	3.1	2	2.3	13.27	24.08	37.35
Special Licensed	3708	284	3992	8387	546	8933	2.3	1.9	2.2	52.08	3.39	55.47
Apart	862	725	1587	3582	6948	10530	4.2	9.6	6.6	25.75	49.96	75.71
TOTAL	2715270	1418672	4133942	6124800	2400017	8524817	2.3	1.7	2.1	31.95	12.52	44.47
MOTEL												
	1169	1665	2834	2272	4662	6934	1.9	2.8	2.4	9.7	19.9	29.6
BOARDING HOUSE												
	2038	1618	3656	5473	2198	7671	2.7	1.4	2.1	29.13	11.7	40.83
GOLF EST. SPECIAL EST.												
	770	2063	2833	3245	15797	19042	4.2	7.7	6.7	7.92	38.54	46.45
BOUTIQUE												
	11163	824	11987	27023	1662	28685	2.4	2	2.4	54.29	3.34	57.63
APART												
	466	363	829	3006	6294	9300	6.5	17.3	11.2	24.16	50.58	74.73
GRAND TOTAL												
	2930019	1479959	4409978	6652379	2547188	9199567	2.3	1.7	2.1	32.42	12.41	44.83

F-Foreigner C-Citizen T-Total

Source: Ministry of Culture and Tourism: 2009.

As shown in Table 1, most of the foreigners that come to Antalya stay mostly in 5 star hotels, then 4 star and holiday village, respectively. In Antalya, there are no any special licensed, floating, and thermal hotels, motels, mountain houses and ranch/village houses. Average length of stay in Antalya is 5.8 days for foreigners and 2.9 days for citizens. Occupancy rates for 5 star, 4 star, 3 star, holiday village, camping, golf establishments, and boutique hotels are more than 60%.

As shown in Table 2, most of the foreigners that come to Istanbul, stay mostly in 4 star, 5 star, and 3 star hotels, respectively. In Istanbul, there are no any floating, thermal hotels, holiday villages, camping, training establishments, tourism complex, mountain house and ranch/village houses. Average length of stay in Istanbul is 2.3 days for foreigners and 1.7 days for citizens. Occupancy rates for apart hotels, boutique hotels, and special licensed hotels are more than the others.

Table 3: Statistics of Izmir by Type and Class of Establishment

Type and Class of Establishment	Number of Arrivals			Nights Spent			Average Length of Stay			Occupancy Rate %		
	F	C	T	F	C	T	F	C	T	F	C	T
HOTEL												
5 Star	210359	199725	410084	576631	421434	998065	2.7	2.1	2.4	25.85	18.89	44.74
4 Star	125116	171167	296283	491636	309052	800688	3.9	1.8	2.7	33.37	20.97	54.34
3 Star	51258	230367	281625	125757	344850	470607	2.5	1.5	1.7	9.76	26.77	36.53
2 Star	17553	114772	132325	36379	196985	233364	2.1	1.7	1.8	5.89	31.91	37.8
1 Star	894	10489	11383	4907	11785	16692	5.5	1.1	1.5	10.4	24.98	35.39
TOTAL	405180	726520	1131700	1235310	1284106	2519416	3	1.8	2.2	21.84	22.7	44.53
MOTEL												
	2891	929	3820	7376	3936	11312	2.6	4.2	3	24.45	13.05	37.49
BOARDING HOUSE												
	5185	1998	7183	5933	7213	13146	1.1	3.6	1.8	14.57	17.71	32.28
HOLIDAY VILLAGE												
	40140	39894	80034	175858	111492	287350	4.4	2.8	3.6	25.33	16.06	41.38
CAMPING												
	629	5269	5898	982	11364	12346	1.6	2.2	2.1	4.28	49.52	53.8
SPECIAL EST.												
	10785	28098	38883	62726	62908	125634	5.8	2.2	3.2	23	23.06	46.06
BOUTIQUE												
	3558	11482	15040	4990	15262	20252	1.4	1.3	1.3	9.92	30.33	40.24
APART												
	174	2553	2727	506	6007	6513	2.9	2.4	2.4	1.85	21.91	23.76
GRAND TOTAL												
	468542	816743	1285285	1493681	1502288	2995969	3.2	1.8	2.3	21.98	22.11	44.08

F-Foreigner C-Citizen T-Total

Source: Ministry of Culture and Tourism: 2009.

As shown in Table 3, most of the foreigners that come to Izmir, stay mostly in 5 star and 4 star hotels. In Izmir, there are no any special licensed, floating, thermal, golf, training, mountain, and ranch/village establishments. Average length of stay in Izmir is 3.2 days for foreigners and 1.8 days for citizens. Occupancy rates for 4 star and camping establishments are more than the others.

As shown in Table 4, most of the foreigners that come to Mugla, stay mostly in 4 star, 5 star, 3 star hotels, and holiday villages. In Mugla, there are no special licensed, floating, thermal, boutique hotels, motels, camping, golf, training, mountain, and ranch/village establishments. Average length of stay in Mugla is 5.1 days for foreigners and 2.8 days for citizens. Occupancy rates for 4 star, 3 star hotels, holiday villages, apart and 5 star hotels are more than the others, respectively.

Table 4: Statistics of Mugla by Type and Class of Establishment

Type and Class of Establishment	Number of Arrivals			Nights Spent			Average Length of Stay			Occupancy Rate %		
	F	C	T	F	C	T	F	C	T	F	C	T
HOTEL												
5 Star	267371	107778	375149	1533600	328232	1861832	5.7	3	5	43.33	9.27	52.6
4 Star	630908	200894	831802	2437919	532320	2970239	3.9	2.6	3.6	51.05	11.15	62.19
3 Star	234016	105948	339964	1447434	302403	1749837	6.2	2.9	5.1	49.18	10.27	59.45
2 Star	68102	89456	157558	406655	206685	613340	6	2.3	3.9	25.46	12.94	38.39
1 Star	12444	16950	29394	28190	37898	66088	2.3	2.2	2.2	8.88	11.94	20.83
TOTAL	1212841	521026	1733867	5853798	1407538	7261336	4.8	2.7	4.2	44.44	10.68	55.12
BOARDING HOUSE												
	2767	2076	4843	17292	3778	21070	6.2	1.8	4.4	27.45	6	33.45
HOLIDAY VILLAGE												
	215356	80196	295552	1549652	315204	1864856	7.2	3.9	6.3	47.8	9.72	57.53
SPECIAL EST.												
	11280	22573	33853	42481	48466	90947	3.8	2.1	2.7	17.33	19.77	37.11
APART												
	68481	18045	86526	302545	50723	353268	4.4	2.8	4.1	46.79	7.84	54.63
GRAND TOTAL	1510725	643916	2154641	7765768	1825709	9591477	5.1	2.8	4.5	44.71	10.51	55.22

F-Foreigner C-Citizen T-Total

Source: Ministry of Culture and Tourism: 2009.

3. STRATEGIES FOR TOURISM POTENTIAL OF TURKEY

As shown in Tables 1-4, occupancy rates of 5 star, 4 star, and 3 star hotels are more than other types of establishment. This can cause an increase for these types in the next decades. Therefore government must promote other types of establishment, investors must invest these types, and tourism employee must guide tourists to these types. This will increase Turkey's feasible investments and market sharing in the next decades. And also investments must be planned consciously in such a way that not to damage rich historical, cultural and natural beauties.

According to Tables 1-4 touristic places as Istanbul and Izmir have less average length of stay. These cities are also host international business centers. Because of average length of stay in these cities are less than the other cities (Antalya and Mugla). And occupancy rates in Istanbul and Izmir are less than the other cities. Special attention must be paid to these cities, as eliminating the lack of education of the society about tourism, and image improvement with the advertisements, promotion and education. Implementing this strategy not only in these cities, implementing all of Turkey surely will increase market sharing and annual tourism incomes of Turkey.

All of the cities that were analyzed in the previous section have no floating establishments. It can and must be developed in a country that is surrounded by 8,000 kilometers of coastline. This can increase market sharing of Turkey and can create new employment opportunities. Also these 4 cities have mountains and villages inside their borders, but have not any mountain, ranch/village houses. Developing these types will also increase market sharing of Turkey and create new employment opportunities.

4. CONCLUSION AND DISCUSSION

Society and the government play the primary role in making tourism a success, developing this sector and increasing market sharing of Turkey. The case study of Turkey provides an illustrative reference for the strategy evaluation. This model would be beneficial for evaluating any other national tourism strategies.

In this study we analyzed four cities in Turkey and according to this analyze we present some strategies for these cities and for Turkey. These strategies are:

- Government promotion for other types of establishment (except 3-4-5 star hotels), investing to these types, and guiding tourists to these types
- Conscious and planned investments in such a way that not to damage rich historical, cultural and natural beauties
- Eliminating the lack of education of the society about tourism
- Image improvement with the advertisements, promotion and education.
- Developing floating establishments
- Develop mountain, ranch/village houses

We hope that this paper will meet an important need of the Turkish tourism sector and furthermore will be a case study for international tourism sector.

But with the point of investors' view, the investment must be carefully evaluated before investing to the undeveloped types (floating, mountain, ranch/village establishments, etc...). Pay-back periods, predicted annual incomes, predicted annual costs, government promotion, and other financial data must be calculated. Feasibility analysis of the investment must be done carefully. This feasibility analysis will be done in further researches.

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