

Codification Domestic and International Tourism Development Strategies of Ocean Coast of Iran

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Abstract

The tourism is introduced as one of the wealthy and influential industry in the economy of countries. Hence a strategic plan to develop domestic and international tourism has particular importance. The aim of this study was to identify and select appropriate strategies to develop domestic and international tourism in ocean coast of Iran. This was descriptive analytical study and data collected through researcher-made questionnaire. Statistical population includes managers and experts of tourism organization. Sample size was determined 40 subjects. The method is Blue Ocean approach (internal and external factors matrix, SWOT and quantitative strategic planning matrix). The results of internal factors matrix showed that there were weakness in tourism ocean region and external factors matrix indicated having opportunities in the development of tourism region. Also strategies were suggested included economic stability, investment security and development recreation and tourism tours for ocean coast region.

Keywords: Strategy, Tourism, Blue Ocean approach, Ocean Coast

Introduction

For creating a comprehensive and sustainable development and to replace income sources instead of oil reserves, must be used all the features and capabilities [1]. The tourism industry is one of the suitable options to solve problems about excessive reliance on oil revenues and the employment in Iran. In today's world, tourism is job creation and lucrative industry [2]. Tourism has become a phenomenon affecting the global economy [3].

Countries compete to seize and determine the economic share of this industry. Strategic planning for development of domestic and international tourism has had great importance for countries [2]. Management and strategic planning is the best tool for the formulation of policies and strategies to increase market presence and innovation [4]. Therefore this study is important for tourism organization in order to reinforce the strengths and opportunities and reduce weaknesses and threats. The aim of this study was to identify and select appropriate strategies to develop domestic and international tourism in ocean coast of Iran.

Literature review

Strategic planning by evaluating environmental conditions (opportunities and threats) and internal capabilities of the organization (strengths and weaknesses) and with regard to organizational values identify and develop appropriate strategies [5]. A movement in the strategic management has been in the field of innovation and creativity in strategy [6]. Each organization should pay attention to the objectives, environmental opportunities and resources to choose their own strategy [7].

Suppose that the global market is composed of two oceans: red oceans and blue oceans. Red oceans represent all industries that exist in the market. Companies try to achieve better performance than competitors to obtain greater share of their market. There are many of competitors and chance of profitability and growth is low. In this busier and more crowded competitive environment

Market share and growth will reduce and finally, this competition will lead to the destruction of many companies [8].

Blue Ocean is all industries that currently do not exist in the market and there is no competitor in blue oceans. Therefore great potential exist for growth and profitability and a high potential demand for products and services in blue oceans. Competition is meaningless, because the rules of the game have not been proposed yet [9]. Blue ocean idea first was presented in 1988 at Michigan State University. Blue Ocean claimed Porter idea is flawed. Company to achieve a sustainable competitive advantage, should apply a combination of cost leadership strategies [4].

In studies were stated that competitiveness strategy is not appropriate and companies need to strategies that create excitement [10]. Companies can gain advantage in a new market without competitor and value innovation as a strategic business process was introduced [11]. Competitive strategy for superior and stable performance is necessary, but not sufficient. Companies should focus on issues beyond the competition, issue that bring growth and profitability and that is the concept of blue ocean strategy [12].

Many studies investigated tourism strategies using by SWOT¹ analysis and quantitative strategic planning matrix in Iran and other countries. Esmaeilzadeh [1] selected the optimal strategy for tourism development in Maragheh city, Kazemi et al. [13] strategy for tourism development in Lorestan province, Hashemi and Mahboobfar [14] strategic planning of tourism development in Kashan city, Almasi and Dorfard [2] tourism strategies in Iran, Ebrahimzadeh et al. [15] strategic planning with emphasis on religious tourism in Qom city, Ebrahimzadeh and Aghasizadeh [3] investigated affecting factors the development of tourism in coastal areas. Bachtiar et al. [16] analyzed agricultural tourism in Indonesia and Yuliana [17] evaluated tourism development of recreational park.

Methods

This was descriptive analytical study and Blue Ocean approach was used for data analysis. Statistical population includes managers and experts of tourism

¹ Strength, Weakness, Opportunity, Threat

organization in Sistan and Baluchestan province. Sample size was determined 40 subjects by Morgan table. Data collection carried out in 2015.

Data collected through researcher-made questionnaire consisted of 24 Likert scale items. Validity of questionnaire has been approved through tourism experts' opinion. Cronbach's alpha was used to test reliability. Cronbach's alpha was calculated 0.81 that indicated that questionnaire has had acceptable reliability.

The method is Blue Ocean approach (internal and external factors matrix, SWOT and quantitative strategic planning matrix). Internal and external factors matrix: First, with identification of internal factors (strengths and weaknesses) and external factors (opportunities and threats) is provided internal and external factors matrix.

a) In internal factors matrix after listing strengths and weaknesses, was allocated a weight between zero (unimportant) to one (very important) to each factor. Summation of weighted coefficients is equal one.

b) Each of these factors can be scored from 1 to 4. Score of 1 indicates high weak and score 4 indicates the high strength.

SWOT analyzes each factor of strengths, weaknesses, opportunities and threats that have been identified in the previous step and appropriate strategies are determined. Strategies were score using QSPM and priority of each is determined [8].

Results

Matrix internal and external factors for tourism development of ocean coast were evaluated. Tourism internal factors are shown in Table 1. Strengths respectively included connection to international seas (0.48), market and border ports (0.33), beautiful beaches and scenery (0.3), free trade zones (0.27) and perfect weather (0.18). Tourism weaknesses included difficult access for domestic tourists (0.22), weakness in transport system (railway and airline) (0.18), underdevelopment of the provinces and cities of the coastal region (0.16), inappropriate hotels and accommodation facilities for tourists (0.14), weakness in tourism management (0.13) and shortage of tourist attractions (0.08). Internal factors matrix score was calculated 2.47 (less than 2.5) and indicated weakness in tourism of ocean coastal.

Table 1. Internal Factors Matrix

factors	Weight	gradation	Rating Weighted
Strength			
Connection to international seas	0.12	4	0.48
Market and border ports	0.11	3	0.33
Free trade zones	0.09	3	0.27
Perfect weather	0.06	3	0.18
Beautiful beaches and scenery	0.1	3	0.3
Weakness			
Weakness in transport system (railway and airline)	0.09	2	0.18
Difficult access for domestic tourists	0.11	2	0.22
Underdevelopment of the provinces and cities	0.08	2	0.16
Inappropriate hotels	0.07	2	0.14
Shortage of tourist attractions	0.04	2	0.08
Weakness in tourism management	0.13	1	0.13
Total	1	-	2.47

Tourism external factors are shown in Table 2. Tourism development opportunities respectively included ability to communicate with global markets (0.4), political security among neighbors (0.36) and development of tourism tours (0.27). Threats of tourism development were as follows: low investment (0.22), lack of support from the private sector (0.18) and the lack of economic stability (0.16). External factors matrix score was calculated 2.56 (greater than 2.5) and indicated having opportunity in tourism of ocean coastal in Iran.

Table 2. External Factors Matrix

factors	Weight	gradation	Rating Weighted
Opportunity			
political security among neighbors	0.09	4	0.36
development of tourism tours	0.09	3	0.27
Government insistence on domestic tourism	0.08	3	0.24
ability to communicate with global markets	0.1	4	0.4

develop water sports and water tourism	0.09	3	0.27
Capitalize on regional Islands	0.06	3	0.18
Threat			
Obstacles for entrance of foreign tourists	0.03	2	0.06
Development of ports and islands of neighboring countries	0.05	1	0.05
The lack of economic stability	0.08	2	0.16
Negative international publicity	0.04	2	0.08
Lack of support from the private sector	0.09	2	0.18
Low investment	0.11	2	0.22
Weak marketing and advertising	0.09	1	0.09
Total	1	-	2.56

According to SWOT analyses four categories strategy ST, WT, WO and SO are obtained. SO strategies included supply domestic and international products in coastal markets and holding tourism festival in South East coastal areas of Iran. WO strategies included the development of recreational tourism tours and improving air and rail transportation. ST strategies included widespread international advertising and removing entrance barriers to foreign tourists. WT strategies included establishing economic stability and investment security and supporting investment of private sector.

Results of QSPM are shown in table 3. Prioritization of strategies indicated The strategy of economic stability and investment security (5.21) in the first priority, the development of recreational tourism tours in south east coastal areas (4.71) in the second priority and holding tourism festivals (4.65) was in the third priority.

Table 3. Prioritization of tourism strategies

Category	Strategies	QSPM Score	Rate
<i>WT</i> ₁	economic stability and investment security	5.21	1
<i>WO</i> ₁	development of recreational tourism tours	4.71	2
<i>SO</i> ₂	tourism festivals	4.65	3
<i>WT</i> ₂	supporting investment of private sector	4.21	4
<i>SO</i> ₁	supply domestic and international products in coastal markets	3.85	5

WO_2	improving airline and railway transportation	3.57	6
ST_2	removing entrance barriers to foreign tourists	3.23	7
ST_1	widespread international advertising	2.98	8

Discussion and Conclusion

This study identified and prioritized appropriate tourism strategies in ocean coast of Iran using by blue ocean approach. Findings showed weakness in tourism sector and also opportunities in the development of tourism. SWOT analysis identified eight strategies and according to QSPM results three strategies were suggested: 1) economic stability and investment security, 2) development of recreational tourism tours and 3) tourism festivals.

According to the results has been suggested government prevent outflow of capital to neighboring countries through establishing economic stability and a safe environment for domestic investors. Encourage private investors to invest in tourism activities by removing barriers and bureaucracy. It also recommended that special recreational tours are provided to attract domestic and international tourists. One of the strengths of this region is connection to the ocean and international seas that through this route can be launch and develop markets and commercial ports to supply products and services.

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