

## Approaches on The Future of Turkey Tourism in 2023

Cuneyt Mengü

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### Abstract

In 2023 Turkey will celebrate the 100th anniversary of the foundation of the Republic. For this reason since 2005 various institutions & organizations have issued different estimates on the Turkey's 2023 tourism targets. For some estimates, the researches were based upon unspecified method and for the others, it has been observed that an arithmetic average percentage was used. According to the forecasting model with econometric analysis, single variadic regression (point & interval estimations) made by us in 2006, through the years, the realized and the estimated global international tourists travelling from abroad till 2023 in the world and the estimation of tourist arrivals to our country from abroad were formed in a single projection. As it is understood from the results of our research, between the years 2006-2015 the number of international tourists arrived in Turkey were almost the same as the projected figures, even at the level of usual expectations. However, in 2016, as a result of unfavorable events that occurred in Turkey, of which 30% decline was experienced comparing with the previous year and this also affected the result of our projection study negatively. Within the scope of this study, with regard to Turkey's 2023 target, besides the normal course of the predicted econometric forecasts analysis made by us for the years, along with derived "force majeure" actual and estimated figures comparison, pessimistic, usual and optimistic expectations were obtained. On the subject literature search was made, secondary data sources were utilized and suggestions for the realization of the objectives were examined in the conclusion & recommendation section.

**Keywords:** Turkey's 2023 tourism target, Tourism forecasts, Econometric analysis, Point & interval estimations.

### Author 1

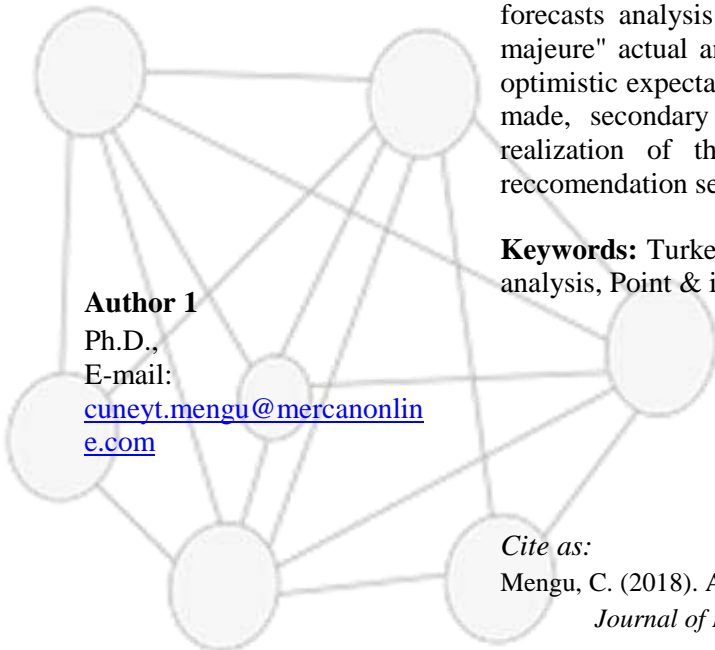
Ph.D.,

E-mail:

[cuneyt.mengu@mercanonline.com](mailto:cuneyt.mengu@mercanonline.com)

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## INTRODUCTION

The international tourism industry constitutes one of the indispensable areas of economic life. The macroeconomic effects of this industry can be summarized under three headlines:

- Firstly, it supports economic growth.
- It is a very important economic instrument in closing foreign trade deficits.
- International tourism also called the factory without chimney both directly or indirectly has an undeniable importance for the total employment.

For this reason, firstly it is seen to be a very important tool in reducing unemployment, which is one of the most important social problems of our time. On the other hand, due to the economic effect of tourism activities, in the international tourism industry has been the focus of the world countries.

The tourism sector is rapidly changing every day in the world, it is self-renewing and continuously developing the sector.

As it is known, international tourism is directly affected by political, demographic, environmental and socio-cultural issues worldwide. On the other hand, it is remarkable that international tourism is ranked on third position in the world national income after chemistry and automotive industry.<sup>1</sup>

As a result of globalization, the world has begun to shrink, and people have tended to travel to far distances. Among the reasons for this development is the increase in disposable personal income, the rapid development of Information and Communication Technologies.<sup>2</sup>

As you can see in Table 1 below, actualized international arrivals for the years 1980, 1995, 2010 and 2020-2030 estimated projections are shown.

Table 1: Projection of international arrivals by regions Including 2030 (Million)

	INTERNATIONAL TOURIST ARRIVAL (MILLION)					AVERAGE ANNUAL GROWTH (%)					SHARE (%)	
	REAL DATA			PROJECTIONS		REAL DATA		PROJECTIONS				
	1980	1995	2010	2020	2030	1980-1995	1995-2010	2010-2030	2010-2020	2020-2030	2010	2030
<b>WORLD</b>	<b>277</b>	<b>528</b>	<b>940</b>	<b>1.360</b>	<b>1.809</b>	<b>4.4</b>	<b>3.9</b>	<b>3.3</b>	<b>3.8</b>	<b>2.9</b>	<b>100</b>	<b>100</b>
DEVELOPED ECONOMIES	194	334	498	643	772	3.7	2.7	2.6	2.6	1.8	53	43
DEVELOPING	83	193	442	717	1.037	5.8	5.7	4.9	4.9	3.8	47	57

<sup>1</sup> Stephen J. Page ve J. Connell, **Tourism A Modern Synthesis**, Third Edition, South Western Cengage Learning EMEA, İngiltere, 2009.

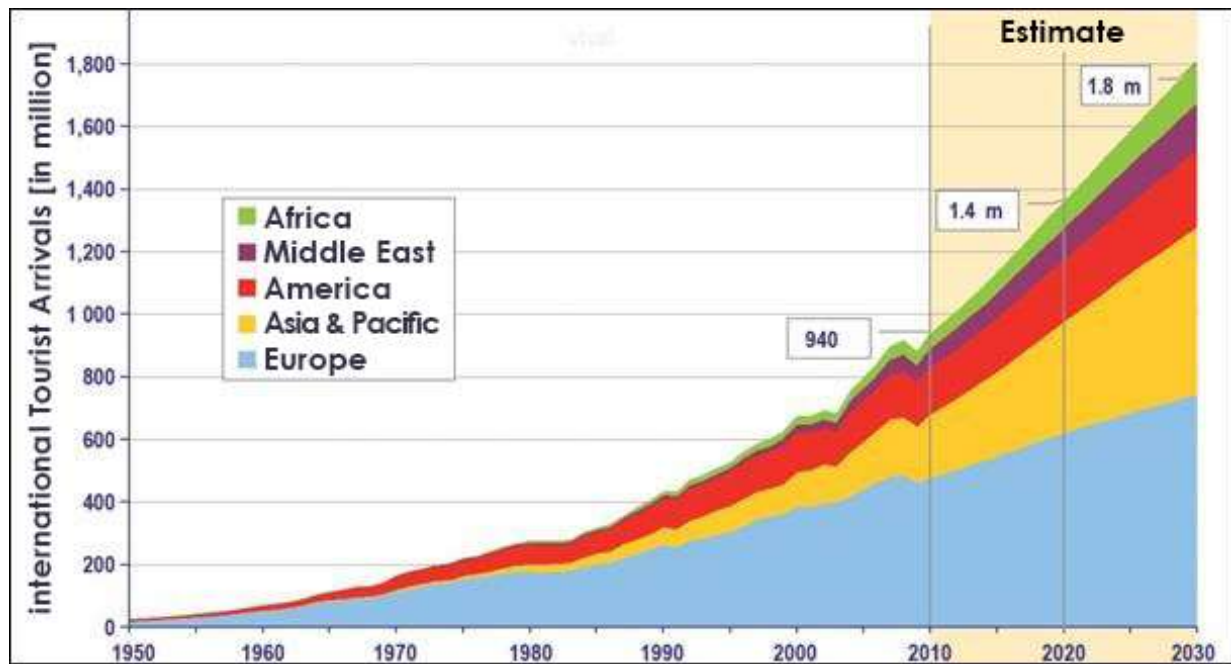
<sup>2</sup> Chris Cooper, J. Fletcher ve diğerleri, **Tourism Principles and Practice**, Fourth Edition, Prentice Hall Financial Times, İngiltere, 2008.

G												
<b>ECONOMIES</b>												
<b>REGIONS</b>												
<b>AFRICA</b>	<b>7.2</b>	<b>18.9</b>	<b>50.3</b>	<b>85</b>	<b>134</b>	<b>6.7</b>	<b>6.7</b>	<b>5.0</b>	<b>5.4</b>	<b>4.8</b>	<b>5.3</b>	<b>7.4</b>
North Africa	4.0	7.3	18.7	31	46	4.1	6.5	4.6	5.2	4.0	2.0	2.5
Western and Central Africa	1.0	2.3	6.8	13	22	5.9	7.5	5.9	6.5	5.4	0.7	1.2
East Africa	1.2	5.0	12.1	22	37	10.1	6.1	5.8	6.2	5.4	1.3	2.1
South Africa	1.0	4.3	12.6	20	29	10.1	7.4	4.3	4.5	4.1	1.3	1.6
<b>AMERICA</b>	<b>62.3</b>	<b>109.0</b>	<b>149.7</b>	<b>199</b>	<b>248</b>	<b>3.8</b>	<b>2.1</b>	<b>2.6</b>	<b>2.9</b>	<b>2.2</b>	<b>15.9</b>	<b>13.7</b>
North America	48.3	80.7	98.2	120	138	3.5	1.3	1.7	2.0	1.4	10.4	7.6
Caribbean	6.7	14.0	20.1	25	30	5.0	2.4	2.0	2.4	1.7	2.1	1.7
Central America	1.5	2.5	7.9	14	22	3.8	7.7	5.2	6.0	4.5	0.8	1.2
South America	5.8	11.7	23.6	40	58	4.8	4.8	4.6	5.3	3.9	2.5	3.2
<b>ASIA &amp; THE PACIFIC</b>	<b>22.8</b>	<b>82.0</b>	<b>204.0</b>	<b>355</b>	<b>535</b>	<b>8.9</b>	<b>6.3</b>	<b>4.9</b>	<b>5.7</b>	<b>4.2</b>	<b>21.7</b>	<b>29.6</b>
North East Asia	10.1	41.3	111.5	195	293	9.9	6.8	4.9	5.7	4.2	11.9	16.2
Southeast Asia	8.2	28.4	69.9	123	187	8.7	6.2	5.1	5.8	4.3	7.4	10.3
Oceania	2.3	8.1	11.6	15	19	8.7	2.4	2.4	2.9	2.0	1.2	1.0
South Asia	2.2	4.2	11.1	21	36	4.3	6.6	6.0	6.8	5.3	1.2	2.0
<b>EUROPE</b>	<b>177.3</b>	<b>304.1</b>	<b>475.3</b>	<b>620</b>	<b>744</b>	<b>3.7</b>	<b>3.0</b>	<b>2.3</b>	<b>2.7</b>	<b>1.8</b>	<b>50.6</b>	<b>41.1</b>
North Europe	20.4	35.8	57.7	72	82	3.8	3.2	1.8	2.2	1.4	6.1	4.5
West Europe	68.3	112.2	153.7	192	222	3.4	2.1	1.8	2.3	1.4	16.3	12.3
Central Eastern Europe	26.6	58.1	95.0	137	176	5.3	3.3	3.1	3.7	2.5	10.1	9.7
Southern Mediterranean	61.9	98.0	168.9	219	264	3.1	3.7	2.3	2.6	1.9	18.0	14.6
<b>Middle East</b>	<b>7.1</b>	<b>13.7</b>	<b>60.9</b>	<b>101</b>	<b>149</b>	<b>4.5</b>	<b>10.5</b>	<b>4.6</b>	<b>5.2</b>	<b>4.0</b>	<b>6.5</b>	<b>8.2</b>

Source: UNWTO 2030 Estimations.

On the other hand, in graphic 1 below shows international tourism arrivals according to the continents, prepared by the World Tourism and Travel Council (WTTC).

Figure 1: International tourist arrivals by WTTC.



As it is seen in above table and graphic, the tourism industry has been growing at an extremely high pace over the last 20 years, in 2000 international tourist arrivals were about 690 million, 940 million in 2010<sup>3</sup> and about 1.2 billion tourists in 2015. In 2020 this figure is expected to reach 1.6 billion and approximately 2 trillion, and in the year 2030 1.8 billion tourist and 2.3 trillion US Dollars will be generated.<sup>4</sup>

In the direction of this development, in some countries, different improvements have emerged in the past years. Over the time, in many touristic destinations, their share of international tourism has declined, on the other hand, particularly in some of the developing countries' tourism destinations the share of international tourism will increase. Thus, in terms of world countries, as it happened in the past years, for tourist arrivals, touristic developments, the creation of new destinations, attracting more tourists among countries and earning more revenues will continue with even harder competition.<sup>5</sup>

It is understood that in terms of countries worldwide, for tourist arrivals the formation of new destinations, attracting more tourists and earning more income among countries, intense competition will continue in the coming years as hard as it has been in the past years.

According to the World Tourism Organization (UNWTO) data, this continuous growth trend in the international tourism industry will shape new striking destinations, effective working environments, infrastructure developments, life facilitating measures, new techniques in marketing and appropriate conditions and effective policies for human resources. However, in

<sup>3</sup> UNWTO, World Tourism Performance 2011 and Outlook 2012,

[http://dtxtg4w60xqpw.cloudfront.net/sites/all/files/pdf/unwto\\_pisa\\_2011\\_2.pdf](http://dtxtg4w60xqpw.cloudfront.net/sites/all/files/pdf/unwto_pisa_2011_2.pdf), Erişim Tarihi: 01.06.2012.

<sup>4</sup> UNWTO Tourism 2020 Vision, <http://www.unwto.org/facts/eng/vision.htm>, Erişim Tarihi: 01.06.2012.

<sup>5</sup> Cüneyt Mengü, Ortadoğu Turizm Pazarının Türkiye Açısından Analizi, İstanbul 2008,

Page & Connell, Tourism A Modern Synthesis, South Western, Third Edition, UK, p. 620.

addition to opportunities in tourism, minimizing adverse effects, maximizing the social and economic benefits of tourism and providing sustainable tourism development should be the most important goals of the countries.

There are no borders in tourism. Tourism will be exciting with the development of future products and services. Travel agencies and tour operators are always at the forefront of the development of this industry and they are giving direction to the countries' tourism.

### **Turkey's place in the International Tourism Industry**

Turkey is the only country in the international tourism arena with its natural and cultural resources, historical structure and geographical location and with its splendid climate offering all kinds of tourist attractions.

In recent years, with the investments in infrastructure and superstructure, new airports were built with international standards, rapidly increasing bed capacity compared to previous years, quality of touristic facilities and product standardization, thanks to the sustainable development policy based on the 2023 targets in tourism. In this respect, Turkey has more advantageous position than the competing countries in the region.

The World Bank has long been indicating that tourism should be one of the areas that need specialization in Turkey. Since 2000 onwards, our country has an upward trend in line with international tourism movements and strengthening the position in the world tourism day by day. In this context, it is useful to examine the data on international tourist arrivals to Turkey in the following table.

Table 2: Top 10 countries according to the international tourist arrivals and Turkey's place (Million tourist)

Years	France	USA <sup>6</sup>	China	Spain	Italy	Germany	Turkey	England	Malaysia	Mexico
2000	77.1 (1)	51.2 (2)	31.2 (5)	46.4 (3)	41.1 (4)	18.9 (10)	9.5 (17)	23.2 (6)	10.2 (15)	20.6 (8)
2001	75.2 (1)	46.9 (3)	33.1 (5)	48.5 (2)	39.5 (4)	17.8 (11)	10.7 (16)	20.9 (7)	12.7 (14)	19.8 (8)
2002	77.0 (1)	43.5 (3)	36.8 (5)	50.3 (2)	39.7 (4)	17.9 (11)	12.7 (15)	22.3 (7)	13.2 (14)	19.6 (9)
2003	75.0 (1)	50.8 (2)	32.9 (5)	50.8 (2)	39.6 (4)	18.3 (10)	13.3 (14)	22.7 (6)	10.5 (17)	18.6 (9)
2004	74.4 (1)	46.0 (3)	41.7 (4)	52.4 (2)	37.0 (5)	20.1 (9)	16.8 (12)	25.6 (6)	15.7 (13)	20.6 (8)
2005	74.9 (1)	49.2 (3)	46.8(4)	55.9 (2)	36.5 (5)	21.5 (9)	20.2 (10)	28.0 (6)	16.4 (14)	21.9 (8)
2006	77.9 (1)	50.9 (3)	49.9(4)	58.0 (2)	41.0 (5)	23.5 (7)	18.9 (12)	30.6 (6)	17.5 (14)	21.3 (9)
2007	81.9 (1)	56.0 (2)	54.7 (4)	59.2 (2)	43.7 (5)	24.4 (7)	22.2 (8)	30.7 (6)	23.0 (9)	21.4 (10)
2008	79.2 (1)	57.9 (2)	57.1(3)	53.0 (4)	42.7 (5)	30.1 (6)	25.4 (7)	24.9 (8)	24.8 (9)	22.6 (10)
2009	72.2 (1)	54.9 (2)	52.2 (3)	50.9 (4)	43.2 (5)	24.2 (8)	25.5 (7)	28.1(6)	23.6 (9)	21.4 (10)
2010	77.1 (1)	59.8 (2)	55.7 (3)	52.7 (4)	43.6 (5)	27.0 (8)	27.0 (7)	28.3 (6)	24.6 (9)	23.3 (10)
2011	79.5 (1)	62.3 (2)	57.6 (3)	56.7 (4)	46.1 (5)	28.4 (8)	29.3 (6)	29.2 (7)	24.7 (9)	23.4 (10)
2012	83.0 (1)	66.7 (2)	57.7 (3)	57.5 (4)	46.4 (5)	30.4 (7)	37.7 (6)	29.3 (8)	Russia 25.7	Thailand 22.4
2013	--	69, 8 (2)	55.7 (4)	60.7 (3)	47.7 (5)	31, 5 (7)	39.7 (6)	31.2 (8)	Russia 28.4	Thailand 26.5
2014	83.7 (1)	74.8 (2)	55.6 (4)	65 (3)	48.6 (5)	33 (7)	39.8 (6)	32.6 (8)	--	29.1 (10)
2015	84.5 (1)	77.5 (2)	56.9 (4)	68.2 (3)	50.7 (5)	35 (7)	41.6 (6)	34.4 (8)	--	32.1 (9)
2016	82.6 (1)	75.6 (2)	59.3 (4)	75.6 (2)	52.4 (5)	35.6 (7)	25.3 (10)	35.8 (6)	--	35.0 (8)

Source: Tourist Arrivals Statistics (2000 – 2007),

[http://www.nationmaster.com/graph/eco\\_tou\\_arr-economy-tourist-arrivals&int=-1&date=2008](http://www.nationmaster.com/graph/eco_tou_arr-economy-tourist-arrivals&int=-1&date=2008), Date: 09.06.2012.

UNWTO, Yearbook of Tourism Statistics, (2007 – 2010)  
<http://dtxqtq4w60xqpw.cloudfront.net/sites/all/files/docpdf/2012noteseng.pdf>,  
 Date:25.06.2012.

UNWTO, Tourism Highlights 2014 Edition (2010 – 2014),  
<http://mkt.unwto.org/en/publication/unwto-tourism-highlights-2012-edition>,  
 Date: 27.10.2014.

UNWTO, Tourism Highlights Edition 2015

UNWTO, World Tourism Barometer, <http://mkt.unwto.org/en/barometer> (for 2000- 2011)

<sup>6</sup> ABD: Amerika Birleşik Devletleri

As shown in the above table in the international tourism industry Turkey had tremendous development trend over the years. Comparing the last 17 years, in 2000 Turkey was ranked 17<sup>th</sup>, and in 2011, 2012, 2013, 2014, 2015 was ranked 6<sup>th</sup> in the world countries.

Again, according to the below table 3, the position of Turkey comparison with the changes in the world over the years are shown.

Table 3: Turkey's place in the tourism exchange in the World.

Years	Turkey*	% Change	World	% Change
2000	10.428.153	0.08135	696.000.000	-0.00474
2001	11.276.532	0.14591	692.700.000	0.01486
2002	12.921.981	0.06031	703.000.000	-0.01991
2003	13.701.418	0.25556	689.000.000	0.10595
2004	17.202.996	0.19296	762.000.000	0.05774
2005	20.522.621	-0.03424	806.000.000	0.04218
2006	19.819.833	0.17765	840.000.000	0.04761
2007	23.340.911	0.12834	880.000.000	0.03977
2008	26.336.677	0.02811	915.000.000	-0.03825
2009	27.077.114	0.05743	880.000.000	0.06818
2010	28.632.204	0.0986	940.000.000	0.04468
2011	31.456.076	3.01645	982.000.000	1.41091
2012	37.715.225	3.61667	1,035.000.000	1.48706
2013	39.860.771	3.82241	1,087.000.000	1.56178
2014	39.860.771	3.94059	1,133.000.000	1.62787
2015	41.617.530	3.99088	1,186.000.000	1.70402
2016	25.352.213	2.43113	1,235.000.000	1.77442
2017	37.969.824	3.64108	1,322.000.000	1.89942

Source: Turkish Ministry of Culture and Tourism, Number of international tourists arriving to Turkey by years. <http://www.ktbyatirimisletmeler.gov.tr/TR,9854/sinir-giris-cikis-istatistikleri.html>.

As shown in the above table 3 starting from the year 2000 Turkey is having a comparative advantage in international tourism. From this point of view, till 2015 increase level of tourist arrivals to Turkey appeared above the world level. Thus, between the years 2000 - 2015 global international tourism movements percent change was approximately 1.5 to 1.7 times, in the same years, arrivals to Turkey were around four times higher.

However, while the expectation was for maintaining the same rankings in 2016, due to the unexpected events occurred in our country the ranking scale sharply dropped from the 6<sup>th</sup> place to the 15<sup>th</sup> place. It is observed that the number of tourists visiting our country decreased about 30% in 2016 compared to the previous two years. That means 10 million



tourists and more than 8 Billion dollars tourism income was lost. In 2017, even though a proper recovery was caught, 2015 figures could not be reached. However, when the number of tourists visiting Turkey in the first 5 months of 2018 is examined, even though it is a low season the figure which was reached 12 million, and it is such a record when compared to the same period of the previous years. Despite the negative events in 2016, in the end of 2018 the number of tourists will likely to reach 40 million and it will be encouraging the 2023 targets. <sup>7</sup>

### Turkey's place in the International Tourism Industry

For the year 2023 Turkey is in great expectations for almost every area. While for the country export 500 billion Dollars is targeted, different estimations are made by various institutions and organizations in the field of tourism. In this context, when estimates put forward by T.C Ministry of Culture and Tourism, DPT Tourism Specialization Commission, <sup>8</sup> 9th Development Plan, TÜRSAB and TYD are examined, it has been observed that these estimates differ with the results of our research.00000000000000000000

### DPT's 9th and 10th Five Year Development Plans (2007-2013 and 2014-2018)

By the Prime Ministry, State Planning Organization the 9th Development Plan between 2007-2013 approved by on June, 28<sup>th</sup> 2006. In this plan, it was predicted that the number of visitors with a growth of 7.4% per annum in 2013, 38 million tourists with 9.3% annual revenue growth will reach 36.4 billion USD. <sup>9</sup>

The table below shows the relevant data.

Table 4: Targets Related to Tourism.

### Tourism Goals

	2006	2013	2007-2013*
Number of Tourists [in million]	23,0	38,0	7,4
Tourism Income [in billion \$]	19,6	36,4	9,3

\* Average Annual Percentage Increase

On the other hand, according to the 10th Development Plan approved on July 2, 2013, the number of visitors foreseen for our country in the 5-year period between 2104-2018 is given in the following table.

<sup>7</sup> <https://www.tursab.org.tr/tr/turizm-verileri>

<sup>8</sup> DPT (Devlet Planlama Teşkilatı) Dokuzuncu Kalkınma Planı Turizm Özel İhtisas Komisyonu Raporu, [http://plan9.dpt.gov.tr/oik49\\_turizm/49turizm.pdf](http://plan9.dpt.gov.tr/oik49_turizm/49turizm.pdf), Erişim Tarihi: 09.06.2012.

<sup>9</sup> Cüneyt Mengü, Ortadoğu Turizm Pazarının Türkiye Açısından Analizi, yayımlanmamış doktora tezi, İstanbul Üniversitesi Sosyal Bilimler Enstitüsü, 2008, s. 61.



Table 5. The number of visitors foreseen for our country in the 5-year period between 2104-2018

	2006	2012	2013	2018	2014-2018 <sup>1</sup>
Number of visitors [in thousand]	23.149	36.778	38.500	48.300	4,6
Number of foreign visitors [in thousand]	19.820	31.782	33.500	42.000	4,6
Tourism Income [in billion \$]	18.594	29.351	32.000	45.000	7,1
Tourism Outcome [in billion \$]	3.271	4.593	4.990	8.000	9,9
Avreage Spending by Visitors [in Dollars]	803	798	831	932	2,3

Source 2006 ve 2012 yılı verileri TÜİK ve Kültür ve Turizm Bakanlığına aittir. 2013 ve 2018 yılı verileri Onuncu Kalkınma Planı tahminleridir.

(1) 2014-2018 dönemi yıllık ortalama artışı göstermektedir.

Source: T.C Ministry of Development, 10th development Plan, page 126.

As seen on the two tables above, estimates cover 5-year periods, and 2023 estimates do not appear in either table. Furthermore, the basis of determination for growth rates shown in both tables is not known. It has been seen that the estimates have been adapted only to a part of the forecasting studies carried out by our side.

### DPT Tourism Specialization Commission Report<sup>10</sup>

Tourism Undersecretary of State Planning Organization by the Special Commission Report issued in 2006 on the number of tourists arriving to Turkey in 2023 are presented in the following table:<sup>11</sup>

Table 6: 9th Five-Year Development Plan According to the Report of Tourism Specialization Board, Long-term (2023) Targets of International Visitors.

Year	NUMBER OF VISITORS (in Million)	OF (in 2002 = 100)	ANNUAL AVERAGE CHANGE BY PREVIOUS YEAR
2008	22.75	142	7,9
2009	24.41	153	7,3
2010	26.07	163	6,8
2015*	34.38	215	6,4
2020*	39.49	247	3,0

<sup>10</sup> DPT (2006), Dokuzuncu Beş Yıllık Kalkınma Planı (2007 – 2013), Ankara.

DPT (2006), Dokuzuncu Beş Yıllık Kalkınma Planı (2007 – 2013) – Turizm Ön İhtisas Kurulu Raporu, Ankara.

DPT (2013), Onuncu Beş Yıllık Kalkınma Planı (2014-2018), Ankara.

<sup>11</sup> T.C. Başbakanlık DPT Dokuzuncu Kalkınma Planı 2007-2013, Turizm Özel İhtisas Komisyonu Raporu, Ankara, 2007, s.92.

2021	40.35	252	2,2
2022	41.21	258	2,1
2023	42.08	263	2,1
*2010 – 2015 refers to the average annual change over the period.			
*2015 – 2020 refers to the average annual change over the period.			
Source Used in Calculation: 9th five years development plan (2007 – 2013) Tourism Specialization Commission report, Ankara, p.98 DPT (2006), Dokuzuncu Beş Yıllık Kalkınma Planı (2007 – 2013) – Turizm Özel İhtisas Kurulu Raporu, Ankara, s.98.			

As seen in the above table, the non-committal prediction of 42 million for Turkey regarding the year 2023 is well below the estimates made by other institutions as well as our company. Hence, the estimation of 40 million tourists in the years 2014 and 2015 was realized. In addition, it seems to be contradictory to the estimates set out in the above 9th Development Plan.

### **T.C Culture and Tourism Ministry of Tourism Strategy of Turkey – 2023**

By the T.C Culture and Ministry of Tourism in 2007, Turkey's Tourism Strategy 2023 was published. In this document, the arrivals and revenue income and the targets of 2023 to be realized was taken in part. In this context, in order to develop Turkish tourism, like in every field public and private sector cooperation was emphasized. In the document for strengthening the tourism sector effective planning process, elimination of bureaucratic obstacles, encouraging investments and companies must be documented, and the establishment of National Tourism Council, improvement of air transportation, restructuring of railways, development of marine tourism and health tourism and thermal tourism, winter, Golf, Sea, Eco-Tourism, MICE was emphasized.

In the framework of the strategic approaches Turkey's Tourism Strategy 2023, for the completion of work to be done and its development, infrastructure and accommodation needs in the designated areas, in 2023, 63 million tourists and 86 billion US dollars revenue is predicted.<sup>12</sup>

The above estimates of the Ministry seem to be closer and healthier than those of other institutions and organizations. As it will be seen in our research again the Ministry's estimates are in line with our pessimistic expectation. However, senior ministry officials have been repeating the word "50 million tourists, 50 billion income" for years in every tourism platform.

### **TÜRSAB (Association of Turkish Travel Agencies)**

<sup>12</sup> T.C. Kültür ve Turizm Bakanlığı, Türkiye Turizm Stratejisi 2023, Kültür ve Turizm Bakanlığı, Ankara, 2007, [http://www.sp.gov.tr/documents/Turizm\\_Strateji\\_2023.pdf](http://www.sp.gov.tr/documents/Turizm_Strateji_2023.pdf), Erişim Tarihi: 01.06.2012.  
Türkiye Turizm Stratejisi – 2023, [http://www.sp.gov.tr/documents/Turizm\\_Strateji\\_2023.pdf](http://www.sp.gov.tr/documents/Turizm_Strateji_2023.pdf)

By the Association of Turkish Travel for the year 2023 during various presentations for Turkish Tourism usual expectation target had been put forward as 50 million tourists, USD 50 billion revenue.<sup>13</sup> The calculation of Türsab's currently adopted foresight is although non-committal it is not known which research method was utilized.

### Tourism Investors Association of Turkey (TYD)

According to the estimations made by TYD on the international arrivals of 2023, around 60 million tourists will visit our country and USD 60 billion of tourism revenue will be obtained.<sup>14</sup>

Table 7: TYD 2023 Tourism Targets.

Years	Number of Tourists (in Million)	Change in the previous Year %	Tourism Income (in Billion \$)	Change in the previous Year %
2010	29	8	21	0
2011	31	7	23	7
2012	33	6	24	7
2013	35	6	26	7
2014	37	6	28	7
2015	39	6	30	8
2016	42	6	32	8
2017	44	6	35	9
2018	47	6	38	9
2019	50	6	42	9
2020	52	5	45	9
2021	55	5	50	10
2022	57	5	55	10
2023	60	5	60	10
Total	611	6	509	8

Source: Tourism Investors Association, 2012.

Although the method of percentage changes calculation prepared by TYD is not known, it seems that the forecast analysis with its pessimistic results is in a quiet harmony with the forecast of Tourism Strategy 2023 document prepared by Culture and Tourism Ministry of

<sup>13</sup> TÜRSAB (Türkiye Seyahat Acenteleri Birliği), [http://www.tursab.org.tr/tr/tursabdan-haberler/2023-turkiye-turizm-stratejileri-sunumu\\_1913.html](http://www.tursab.org.tr/tr/tursabdan-haberler/2023-turkiye-turizm-stratejileri-sunumu_1913.html), Erişim Tarihi: 09.06.2012.

<sup>14</sup> TYD (Türkiye Turizm Yatırımcıları Derneği), <http://www.ttyd.org.tr/arama-sonuclari.aspx?q=2023>, Erişim Tarihi: 09.06.2012.

TYD Turizm 2023 Hedefi, <http://www.ttyd.org.tr/2023-e-dogru-turk-turizminde-yatirim-hamlesi.html>.

Turkey's and analysis study done by us. However, another important point is that the number of arriving tourists should not be the same as the amount of tourism revenue.

## EFFECTIVE ECONOMETRIC ANALYSIS, A VARIABLE REGRESSION FORECAST AND PROJECTION APPLICATION<sup>15</sup>

In this section, econometric applications will be made based on global developments and foreign dynamics. Primarily, between the years 1985-2006 according to the international travel volume which was realized annually in the world, a projection was formed by us taking into account the UNWTO forecasts of the visitor volume from abroad to Turkey.

The steps of the implementation can be grouped under three headings:

- Establishing a statistically meaningful and valid single regression application,
- According to the values to be given to the independent variable (International visitor entries in the world countries except Turkey) obtaining the dependent variable (entries from abroad to Turkey) by point estimation,
- According to the established model by doing interval estimation by value to be given of the independent variable, (total international visitor entries in the world countries except Turkey) the dependent variable (entries from abroad to Turkey) will be in the 95% confidence level (5% error share) the lowest (pessimistic), usual and highest (optimistic) values.

International visitor arrivals worldwide and in Turkey between the years 1985-2006 are shown in the following table;

Table 8: Worldwide and International Visitor Arrivals in Turkey (Million Tourists)

Year	World	World Except Turkey	TURKEY	LN (World Except Turkey)	LN (TURKEY)
1985	330.0	327,8	2,2	5,7924	0,7840
1986	341.0	338,6	2,4	5,8248	0,8743
1987	367.0	364,1	2,9	5,8974	1,0668
1988	402.0	397,7	4,3	5,9858	1,4505
1989	431.0	426,5	4,5	6,0556	1,5076
1990	459.0	453,6	5,4	6,1172	1,6860
1991	466.0	462,6	3,4	6,1368	1,2301
1992	503.0	495,9	7,1	6,2064	1,9607
1993	518.0	511,5	6,5	6,2373	1,8757
1994	546.0	539,3	6,7	6,2903	1,9015
1995	561.0	553,3	7,7	6,3158	2,0474

<sup>15</sup> Dr.Cüneyt Mengü, T.C İstanbul Üniversitesi Sosyal Bilimler Enstitüsü, İktisat Anabilim Dalı Doktora Tezi. İstanbul 2008.

TYD Turizm 2023 Hedefi, <http://www.ttyd.org.tr/2023-e-dogru-turk-turizminde-yatirim-hamlesi.html>.

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1996	595.0	586,5	8,5	6,3741	2,1446
1997	613.0	603,3	9,7	6,4024	2,2747
1998	629.0	619,6	9,4	6,4290	2,2440
1999	652.0	644,5	7,5	6,4685	2,0132
2000	696.7	686,3	10,4	6,5313	2,3445
2001	692.7	681,1	11,6	6,5237	2,4527
2002	703.0	689,8	13,2	6,5363	2,5839
2003	689,0	675,0	14,0	6,5148	2,6359
2004	762,5	745,0	17,5	6,6133	2,8649
2005	806,0	784,9	21,1	6,6655	3,0505
2006	842,0	822,2	19,8	6,7120	2,9866
Dr.Cuneyt Mengu, Analysis Turkey in terms of Middle East tourism market Istanbul University Institute of Social Sciences Unpublished PhD Thesis, 2008, Page 64.					

The regression equations are as followings:

Estimation Command:

```
=====
LS LNTURKEY C LNWORLD
```

Estimation Equation:

```
=====
LNTURKEY = C(1) + C(2)*LNWORLD
```

Substituted Coefficients:

```
=====
LNTURKEY = -12.70990368 + 2.334244874*LNWORLD
```

The established regression model is statistically significant has a high degree of specificity of 0.94. In other words, the model is both statistically significant and highly representative. The following Eviews 5.0 output is presented.

Dependent Variable: LNTURKEY				
Method Least Squares				
Date: 07/23/07 Time: 01:23				
Sample: 1985 2006				
Included observations: 22				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-12.70990	0.812296	-15.64689	0.0000
LNWORLD	2.334245	0.128793	18.12394	0.0000
R-squared	0.9426			
Eviews 5.0 output				

As a result of the LN test, the model was not autocorrelated. In other words, the series is not affected by the previous years. (Because the value of the prob. is greater than 0.05) So, the model is not fake or artificial. The following Eviews 5.0 output is presented.

Breusch-Godfrey Serial Correlation LM Test:			
F-statistic	0.191461	Probability	0.827412
Obs*R-squared	0.458266	Probability	0.795223
Eviews 5.0 output			

As a result of the White Heteroskedasticity test, the result of the assumption of the constant variance in the model was encountered. (Because the value of the prob. is greater than 0.05) The results are presented in the following Eviews 5.0 output.

White Heteroskedasticity Test:			
F-statistic	0.359812	Probability	0.702461
Obs*R-squared	0.802841	Probability	0.669369
Eviews 5.0 output			

Graphic 2: Expectations.

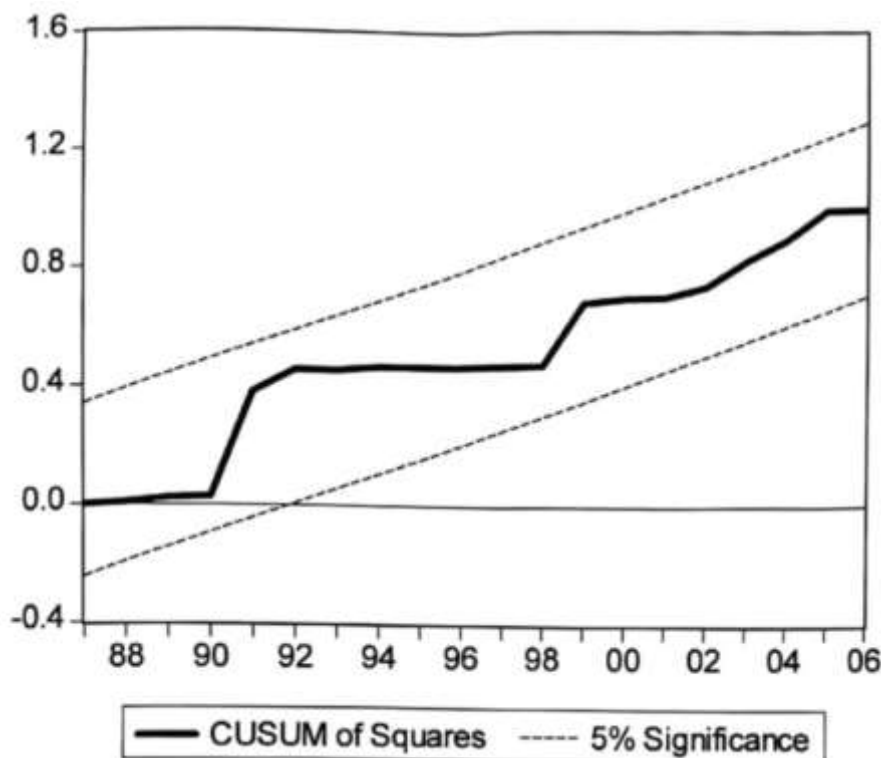


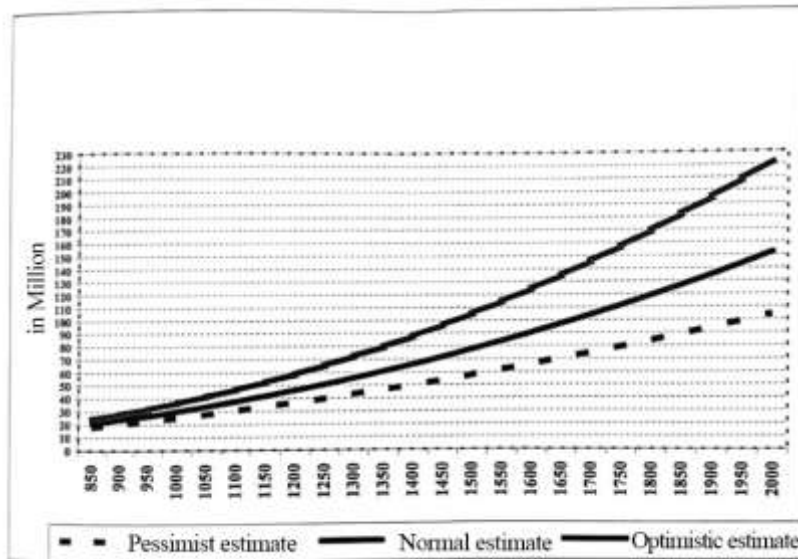
Table 9: Forecasting Analysis Results (Million tourists)

Total in World except Turkey	Pessimist.	Normal.	Optimistic.
850	17,9	20,7	24,0
900	20,2	23,7	27,9
950	22,5	26,9	32,0
1000	25,1	30,3	36,6
1050	27,7	33,9	41,5
1100	30,5	37,8	46,9
1150	33,5	42,0	52,6
1200	36,5	46,3	58,7
1250	39,7	50,9	65,3
1300	43,1	55,8	72,3
1350	46,5	61,0	79,8
1400	50,2	66,3	87,7
1450	53,9	72,0	96,1
1500	57,8	77,9	105,0
1550	61,8	84,1	114,4
1600	60,5	80,5	110,0
1650	70,3	97,3	134,7
1700	74,7	104,3	145,6
1750	79,3	111,6	157,0
1800	84,0	119,2	169,0
1850	88,9	127,0	181,5
1900	93,9	135,2	194,6
1950	99,0	143,6	208,2
2000	104,3	152,3	222,4

When we look at the above table number 9 according to the global international tourism movement, for example 850 million was realized in the year 2006. Other figures can be matched with other years and we can obtain pessimistic, usual and optimistic expectations.

Graphic 3: Predictive analysis results are presented as pessimistic-usual-optimistic estimates in the graphic below;





### Analysis of the Econometric Forecast Results and Comparison of the Tables

In the above table 9, except Turkey according to the World's total tourist movement in case of actualization between the gap of 850 million and 2 billion, the results of the application of econometric forecasting on what will happen to the numbers of visitors coming from abroad to Turkey.

According to this table; Estimated number of international tourist of the World of 850 million and which is the usual expectation of 20.7 million that Turkey will receive and in Table 3 where actualized tourists arrival for the same year 2006 showing the number of 840 million international tourists and the share of Turkey of about 20 million are in harmony with each other with the above forecast.

Again, in the same table 9, in case of World tourist movement reaches 1 billion, with the expectation of foreign visitors arriving to Turkey between 25.1 to 36.6 million, as it is shown in Table 3, in 2011, 982 million tourists travelled in the World and the actual number of tourists visited Turkey of 31.456 million have surpassed our usual forecast.

In 2012, in case of World arrivals reaches 1.050 billion, As shown in table 3, the number of 37.5 million tourists arrived Turkey was realized over than our usual expectations almost reached to our optimistic expectation.

Then, when 2013-2014-2015 years are examined, according to the data in Table 3 and Table 9, the number of tourist arrivals to Turkey is almost in harmony with the usual expectations of the results of the predicted analysis.

When the world tourist arrivals reaches 1.5 billion, in Turkey the number of tourists' arrival would reach to the volume of 58-105 million, when reaching 2 billion the gap of 104-202 million tourists would be actualized and it is expected with 95% confidence.

As seen in table 9 again, in case of the number of international tourists for the years between 2020-2023 would be 1.6 billion, in the normal tourist flow expectation, according to our study of Turkey's 2023 tourism estimations are, pessimistic 60.5, the usual 80.5 and optimistic is likely to be around 110 million tourists.

However, it is a fact that in 2016, the drop in the number of tourists by 30% compared to the previous two years negatively affected the results of the above study. In this case again, when the forecast figures are taken into consideration, according to the numbers realized in 2017 and 2018, it is strongly possible that the pessimistic expectation of 60.5 would be realized for 2023.

By this study, we continue collecting the data on the tourism sector. Including the negative events occurred in 2016, along with the other effects through the years to be considered and the structural break or change which might be caused on the number of tourists and income of Turkey will be examined at the later stage by the "Chow Test"

On the other hand, in the direction of the information mentioned in the previous sessions, the predictive analysis results made by us and its comparison with the estimates made by other institutions & organizations are shown in below table.

Table 10: Input of Visitors coming from abroad to Turkey.

Year	UNWTO	UNWTO Assumption for Turkey	UNWTO Assumption Except Turkey International Arrivals	DPT "State Planning Department" 9th Development Plan	DTP "Tourism Specialization Commission"	Culture & Tourism Ministry of Turkey Strategy for -2023	TURSAB Target 2023	TYD "Turkish Tourism Investors" Target 2023	Our Research & Vision (Results of Predictive Analysis)		
									Pessimistic	Usual	Optimistic
2020	1561,1	40	1521,1	-	39,49	-	-	-	58,5	77,5	108,9
2023	1.600	50	1510	-	42,08	63,00	50,00	60,00	60,5	80,5	110,0

On the above table, the expected figures are shown as examined in the previous sessions by different institutions, organizations and by us for 2020-2023.

## CONCLUSION and RECOMMENDATIONS

As seen in the UNWTO data, it is understood that starting from the year 2000 the international tourists' departures have been increased with extremely high growth by 4-5% annually and in the coming years increase will be continued at the same level and intense competition will go on in order to achieve the largest share by the countries.

The results of our research in the normal conditions was, without any "force majeure" to be pessimistic 60.5, the usual 80.5 and the optimistic 110 million tourists for the year 2023. However, due to the negative events happened in Turkey, in 2016 we strongly believe that for 2023 the tourists arrival would be between pessimistic target of 60,5 and not more than 65 million. Again, this estimation will only be possible without the occurrence of any "Force Majeure" factor in the coming years.

In this context, taking into considering the following suggestions will constitute a significant part of the road map of Turkish Tourism's 2023 target:

- Turkey's current overall bed capacity is around 1.2 million. As a result of our further research on this subject, it is predicted that until 2023 it should reach a minimum of 1.8 million beds.
- Different tourism strategies should be implemented for each country and their need must be determined accordingly.
- The capacity of our existing airports seems to be sufficient to meet the 2023 target. However, especially Istanbul and Antalya with their international recognition will yearly handle 15 - 25 million tourists. For these two destinations, a necessary study should be done considering "Destination Management Principles."
- The Law No. 1618 concerning Travel Agencies and the Association of Travel Agencies (TÜRSAB) is not sufficient and does not serve to the target of 2023. The proposed legislation is generally concerning specialized outgoing agencies. On the other hand, incoming travel agencies are generating revenue for the country economy and not mentioned in the law. The new law should be given broad scope to the incoming agencies and they should be encouraged in accordance with certain criterias. It is also necessary to add a special section to the law for the tour operators.
- Tourism is intertwined with urban traffic. Traffic problem of Turkey's big cities and especially mega-city Istanbul must be solved. Otherwise, today's Istanbul traffic system will not respond to the targeted tourist flow in the coming years. It will be useful to pass on the alternative projects such as the Third Bosphorus Bridge (Yavuz Sultan Selim) and Marmaray projects.
- Turkey's and especially Istanbul's supply-demand balance on accommodation should be taken into consideration and on the European side of Istanbul, rather than the construction of the hotels wherever possible or in the same locations adjacent to each other the authorities should only allow for the hotel construction within the selected schedule and programs.

- In order to support the Eastern Marmara Region and Thrace, these regions should be encouraged with investments and the new hotels should be shifted to East Marmara Region and Thrace to alleviate the burden of Istanbul and to introduce the beauties and attractions of those regions in tourism.
- The cruise industry is one of the fastest growing segments of tourism. For Istanbul, sustainable cruise tourism development strategies must be set and due to the characterized structure of bringing large numbers of tourists to destinations for brief periods, Galata Port enlargement plan must be completed as soon as possible.
- Mega city Istanbul having a population of over 16 million residences is in desperate need of traffic relief. Central Istanbul's streets are narrow and always packed with hour-long traffic jams. The city needs to construct and develop a light rail system for public transportation because it costs less as well as an underground system network.
- China is the most populous country in the world with its 1,4 billion inhabitants. Currently, every year about 180 million Chinese are traveling abroad. According to UNWTO reports, Chinese people are one of the top money spenders. Today, the number of Chinese tourists visiting Turkey is a very small number compared to the number of tourists traveling abroad from China. In this context, systematic promotion programs should be carried out in order to attract more Chinese tourists to Turkey.
- One of the most important factors that will increase the tourist arrivals is that to organize multinational sporting activities in our country, such as the Olympic Games, World cup, Champion Clubs finals and so on. In fact, such international sporting events do not bring money immediately to the hosting country due to constructions of mass sports arenas, stadiums with high budgets. But in a long-term, the organization city will attract more tourists than during the event period.
- Turkey is one of the top sun, sea and sand (3 s) destination country in the Mediterranean. A significant number of tourists are coming to our country for (3 s) from many countries of the world. However, more emphasis should be given to the cultural and religious tourism of Anatolia, where many civilizations passed through from this land in many thousands of years' history.
- Good customer service is required at every part of tourism activities regardless of how demanding the customer is. Tourism is the industry is very much related to the customer service and those who get good service are more likely to travel to the same destination for their future travel arrangements. So, service always to be maintained and supported by the latest technology.
- Great importance should be given to written and visual media abroad. Quality presentations and promotion programs should be made.

- Within Turkey especially abroad the state should give support to the marketing activities of the travel agencies.
- Congress tourism should be supported and strengthened.
- In the Ministry of Culture and Tourism advisory board to be formed from the selected incoming travel agencies and tour operators and have regular meetings in order to discuss latest tourist flow.
- Hotels in Turkey are classified by a government-designated star system. Stars are awarded for the presence of such amenities and standards. However, the standard characteristics of Turkey's hotels generally are not rated according to the world standard. Correct and realistic star grading system must be implemented as per the international standards.
- Internationally meaningful, consistent and attractive promotional strategy and brand for Turkey to be created and implemented.
- By promoting expensive and branded products instead of cheap products in tourism to increase the number of qualified tourists who bring more income to the country.
- Establishment Tourism Research & Development Centers with the participation of public and private sector organizations, monitoring and evaluation of tourism statistics.
- Especially in Istanbul and in other tourist attracted towns unplanned urbanization, ugly structures, poor environmental views have the attention of tourists. Those types of unpleasant views should be avoided and measures should be taken in the name of rectification.
- Tourism Development Corridors (routes) such as silk roads, heritage, cultural and highlands should be launched where tourists can understand their travel more easily.
- Within the scope of health tourism, Central Physician Appointment System (CPAS) should be implemented in different foreign languages to strengthen the continuity of foreign patients treated within the scope of health tourism in Turkey.
- Planning of support mechanisms for thermal tourism facilities to operate in cooperation with hospitals, physical therapy and rehabilitation centers.

Sustainability in tourism is the first rule. Tourism should be spreaded all year around. Our country must always maintain its comparative superiority in the World countries.

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