

A SWOT Analysis of Tourism Development Strategies in Western China

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Abstract: Starting with a comparison of features of Western tourism resources and eastern tourism resources in China, the current analysis of tourist industry in the western area of China is analyzed from the following advantageous aspects: orientation, evaluation, combination, location, adjustment and strategies (S). Second, the weak points such as transportation, capital, fundamental establishment, human resources and regional views have been focused (W). Third, the opportunities such as international environment, domestic economics, industrial structures and ecologic environment have been mentioned (O). Fourth, the threats such as obtaining capital, financial adjustment, beneficial relationship, economic quality and international competitions are studied (T). Finally, the development strategies of marketing promotions, image location, festival marketing, ecological development, green system, product model, electric network, rich achievement and educational service are put forward in this paper.

Key Words: Western China, Tourism industry, SWOT analysis, Development strategies.

Introduction

A close examination of China reveals significant socio-economic gaps between the eastern, central, and the western regions. Differing levels of development between regions have long been a major concern of the Chinese central government. Several policies have been established to support the rapid development of western China since the 1990s. Current policies are conducive to the development of tourism in western China (Fan & Yang, 2002), but much less so for the east. Along with the performance of large-scale development strategies in the west (Jiang, 1999), the then western provinces (i.e. Sichuan, Chongqing, Guizhou, Yunnan, Shaanxi, Ganxu, Ningxia, Qinghai, Xinjiang and Tibet) have considered tourism to be a priority development industry. Studies on the current structures of development

strategies for tourism in western China are believed to offer a strong impetus for tourism development (Li, 2003). Key strategies for tourism development include the following: reducing the large gap in economic development through tourism between the eastern, central and western regions; lessening the regional disparities in social development difference by developing tourism strategies; and dealing with the various types of problems inherent to each region, especially in the western area of China. Based on previous studies of western China and annual statistics published by China's National Statistics Bureau and the Chinese National Tourism Bureau, this paper analyzes the differences in tourism and other industries between the western and eastern parts of the country. The main objectives of this study are to introduce the current features of tourism resources in western China; to analyze the strengths, weaknesses, opportunities and threats facing tourism in the west; and to introduce the tourism-directed development strategies that are being utilized to promote the development of the industry.

Current Features of Tourism in western China

Tourism Resources

Western China has a large territory with various and complex natural and socio-economic conditions. The region's area amounts to 6.724 million square kilometers, which is 80 square kilometers more than India, 90 square kilometers less than Australia, and almost twice as large as Germany. There are some 50 minority groups that have different histories, cultures, local customs, and ways of living. The area borders more than ten countries and includes 20,000 kilometers of boundary lines. The area is known for its great mountains, plateaus, basins, deserts, grasslands and other geographical features, which have functioned as barriers to human activities for thousands of years.

Second, the western area is the original place of "Yellow River of the Culture". The tomb of the Yellow Emperor in Shaanxi province houses the remains of the ancestor emperor of the Chinese nation and is highly respected by the Chinese. The tomb figures of military forces of the Qing Dynasty, located in Lintong County, Shaanxi province, are often referred to as the 'Eighth Wonder of the World'. Ancient Chinese civilizations have met in many scenic locations, such as the ancient city of Xi'an, for many centuries. The one-time capital of Loulan, during the Xixia Dynasty, as well as the Mogao Grottos in Gansu province, have now been designated UNESCO World Heritage Sites. Furthermore, the old Silk Road and the media attention it has received in recent years, has created important heritage connections between the ethnic Chinese and the western minorities.

Third, there is a rich and diverse array of natural resources in western China comprised of complex and unusual features. The estimated reserves of water, oil, gas, coal and metals in the western area are among the highest in China. Qingzang is the hometown of the mysterious Tibetan medicines, whereas Sichuan province is known as the 'land of abundance'. Yunnan province is known by many names, including "the Kingdom of creatures", "Realm of Plants", "Regality of Colored Metals", "Medicine Treasury" and "Kingdom of Flavors". The complex environment and climatic conditions constitute an important part of the west's tourist appeal.

Fourth, various minority groups have unique traditions and cultural customs. For instance, the Xinjiang Uygur Autonomous Region is not only home to native dancing and singing, but it is also a place where western and eastern cultures converge. The massive cultural value and long history of minority groups is demonstrated in the Buddhism of Tibet, the female society of the Mosuo people in Yunnan, and the "Water-splashing Festival" of the Dai minority group (Liu & Yang, 2002).

Eastern and Western Tourism Differences

The first contrasting feature between east and west is natural tourism resources. The western area is characterized by plateaus, snowy mountains and deserts. The central region is best known for mountains and rivers. Eastern China features coastal tourism resources combined with beautiful mountains and waterfront sites.

A second contrasting feature is cultural resources. There are rich and colorful cultural tourism resources with minority group folk customs in remote parts of the west. Han cultural traditions, the most modern and civilized cities, buildings and other human created tourism resources are concentrated mainly in the east. The west is better known for its traditional folk customs, ancient architecture, and handicrafts.

Another point of contrast is the development of tourism resources. Western China has more advantages for ecology-based tourism, owing to lower levels of air pollution compared to those in the east. Furthermore, tourism development in the western area focuses on a variety of tourism types, including educational and adventure travel, while eastern China's tourism is based more on urban areas, convention/business tourism, and marine-based tourism.

Another point of difference is that earnings from foreign tourists through tourism development have increased rapidly in the west, owing to the region's image and opportunities for ecotourism and adventure travel (Table 1).

Although the western region was affected by the Asian financial crisis in 1998 and SARS in 2003, total spending by foreign tourists in China shows a higher increase in the west than in the east (Zhu, Ding & Han, 2003).

Table 1. The Tourism Income Of Foreign Visitors Of China (Unit: US dollars)

Year	1993	1994	1995	1996	1997
Eastern Areas	392407	633456	721261	810948	875315
Middle Areas	15761	32507	46792	62673	81568
Western Areas	34777	43337	56872	74000	89275
Year	1998	1999	2000	2001	2002
Eastern Areas	912065	1009877	1211139	1338901	1204760
Middle Areas	76241	87648	106240	130335	154357
Western Areas	87839	103684	115221	127515	147780

Sources: China National Tourism Bureau, calculated from the Yearbook of China Tourism Statistics (1992-2003).

A Tourism SWOT Analysis in Western China

Strengths (S) of the Tourism Industry in Western China

To understand the current situation and the potential for tourism growth in the western provinces of China, a SWOT analysis was undertaken in 2004, based on extensive field work, secondary sources, and observations while living in the region. The first strength is the wide array of natural resources. Because of the conditional restriction of resource development and utilization, the advantages of some resources in western China are not as good as originally considered. There is a wealth of mineral resources, even though they are non-renewable. Along with undertaking large-scale development strategies in the western area of China, there will be increasing conflicts between reserves and demand for the western resources. Some fuels and raw materials in the west have no competitive advantage, nor has the comparative advantages in the international market, which will continue to be impacted since China's entry into the World Trade Organization (WTO) (Lu, 2000). A high price has been paid for the large-scale development and utilization of resources in the western area with few benefits. There were no protections in place for the development and utilization of tourism resources. The unique natural and human environments, which had been restricted from other industrial development, have become the main tourist resources in the west's tourism industry. Tourist resources in western China are exceedingly rich, and could be easily developed. There is also a large potential market for these resources.

The second strength is the high quality of tourism resources. The number, quality and array of tourist resources in western China are unmatched by those anywhere else in the world. The combination of ancient civilization and local customs is a major attraction, and nine of the 29 world heritage sites in China are located in the western region. As noted earlier, the west is also home to many minority ethnic groups, which creates a rich and interesting

cultural map that appeals to adventuresome tourists. In short, the wide variety of natural and cultural resources make the western region a unique and powerful destination for international and domestic tourists (Table 2).

Table 2. The National-Level Tourist Resources In The Western Areas Of China (Unit: Number)

Province & cities	World natural & cultural heritages	Person-Ecological circle of United Nation	National scenic spots	National level forest gardens	National historic and cultural cities	40 best of famous scenic spots in China	35 attractions of absolute astonishing beauties in China	National natural protection areas	National key cultural relics protections units in China	Best tourist cities in China
Sichuan	4	1	8	11	7	7	1	2	38	3
Chongqing	1		4	5	1		1	0	7	
Guizhou			8	2	2	2	1	4	9	
Yunnan	1	1	10	21	5		1	5	23	4
Yubai	1		1	0	3		1	2	24	
Shaanxi	1		3	7	6	2	2	4	51	2
Ganxi	1		3	8	4	1	1	4	19	1
Qinghai			1	2	1		1	1	5	
Ningxia			1	0	1		1	3	9	
Xinjiang		1	1	2	1		1	3	14	2
Western areas	9	5	40	58	31	12	12	28	199	12
China	27	10	119	296	99	40	35	90	750	54
%	30	50	34	20	31	30	34	31	26	22

Resources: National Construction and National Tourism Bureau (2002).

The third strength is the competitive advantages of tourism resources in the western area of China. The tourist resources have the dual characteristics of both uniqueness and universality. Natural scenery and famous cultural/historic sites are combined together, which are propitious to the development of tourist landscape. There are strong regional and complementary qualities that work together to form a unified product (Sun, 1999). These complementary advantages have improved the economic value of the tourist resources in western China, which have benefited the development and organization of cross-provincial tour circuits and tourist products. The different products of the east and of the west create a complimentary relationship, for many of the attractions of the west could not exist in the east. The combination of various natural resources, varying climate types and numerous folk cultures have formed different areas with different kinds of tourism resources in eastern China.

The fourth strength is the location advantage of the tourism industry in the west. The region is located in the northwest and southwest, bordering Kazakhstan, Kyrgyzstan, Tajikistan, Afghanistan, Pakistan, Nepal, India, Myanmar, Laos and Vietnam. Border trade and tourism are prevalent in these areas and could be developed further (Nin 1994; Timothy 2001; Zhenge 1993). The new Longhai-Lanxin railway line also forms a new Asia-Europe bridge that connects sections of the ancient Silk Road and links transportation and

cultural channels between Eastern Asia, Western Asia and Europe. Another advantage is the unusual location of the west, which has begun to attract more foreign investment and develop economic cooperative zones, including tourism.

The fifth is the positioning of tourism in relation to other industries in western China. Important factors in successful development include that every province can choose the best industries for their own needs to take advantage of their resources based on natural, geographical and other production conditions. The most lucrative industries in the west are primary extractive industries, such as coal, oil, gas and metals. Tourism is the most productive service industry. In the economic development plans of the ten provinces in the western area, almost every one has prioritized tourism very highly. Sichuan, Yunnan, Tibet, Shaanxi and Chongqing have apparently already confirmed the important role of tourism in their economies (Table 3). The natural features, cultural traditions, and cultural relics of the west offer a strong, attractive and internationally competitive advantage. Additionally, the rich and inexpensive human resource pool offers more potential for tourism development in western China compared to many other industries.

Table 3. The Present Industrial Constructions In The Western Areas Of China

Provinces & cities	Superior Industries	Structure Industries
Sichuan	Tourism, High-tech, Mechanism, Electricity, metallurgy, Chemistry Industry	Electric information, water & electricity, mechanism & metallurgy, medicine chemistry, tourism, grocery beverages
Chongqing	Electric information, biological engineering, environmental protection. Combining system of light-engine-electricity, tourism	Mechanism, Chemistry, metallurgy
Guizhou	Energy, raw materials, engineering electricity, light industry, tourism industry	Two smoke, one wine, electricity, colored metals, chemistry
Yunnan	Modern medicine industry, flower industry, cultural recreation industry, engineering-electricity, construction & material industry, commercial & trade industry	Smoking, bio-resource development, mine industry, tourism industry
Tibet	Agriculture, stock raising, machining industry, tourism industry	Exploitation machining, tourism industry
Shaanxi	Science & technology, tourism industry, fruit industry, war industry	High new-tech, tourism, fruit industry, war industry
Gansu	Agricultural byproduct machining, biological products, chemistry industry of oil and gas, late machining of raw materials, tourism industry	Oil chemistry, metallurgy, construction & materials, mechanism & electricity, light weave & grocery
Ningxia	Machining of special and green grocery, biological medicines and bio-engineering, energy industry, new materials, combining industry of mechanism & electricity, tourism industry	Energy, chemistry, metallurgy
Qinghai	Special agricultural and stock raising, special tourism industry	Water & electricity, oil and gas, chemistry industry of salt lake, colored metals
Xinjiang	Tourism, housing industry, colored metal development, name brand products	Oil chemistry industry, cotton & its industry

Resources: Every Planning Committee in the western areas of China (1999).

The sixth is the ability of tourism to absorb employment layoffs and other factors in other industries. Although the west is large, with rich resources

and unique populations with many minorities, there still exist population pressures in terms of relative level of economic development and underutilization of resources. To increase employment levels, employment must become one of the main policy objectives in economic development in western China. Furthermore, owing to efforts to return farmland back to its natural vegetative state and the entrance of China into the World Trade Organization, there will be a considerable surplus of agricultural labor in the west, and it is likely that there will be more jobless peasants. This potential joblessness might end up being felt along ethnic lines with some minority groups experiencing higher levels of unemployment than others. The surplus agricultural labor could be displaced by tourism jobs, because it is a labor-intensive service industry (Table 4).

Table 4. The Status And Indirect Related Functions Of Tourism Industry In National Economics In The Western Areas Of China (Unit: %)

Province & cities	Percent of tourism income in GDP	As much as the third industry	Percent of import & export	Percent of direct obtaining employment	Ratio of indirect and direct obtaining employment	Number of indirect obtaining employment (Unit: person)
Sichuan	3.40	11.00	2.90	0.08	5.00	0.40
Chongqing	3.70	10.10	3.30	1.20	—	—
Guizhou	1.50	5.70	4.60	0.10	5.00	0.50
Yunnan	5.10	5.90	7.80	—	—	—
Tibet	3.80	11.10	33.50	27.00	1.50	40.00
Shaanxi	5.30	14.50	8.10	0.22	5.00	1.40
Gansu	1.10	3.30	3.90	1.10	2.20	2.40
Ningxia	0.70	1.11	5.20	0.14	1.80	0.25
Qinghai	0.50	1.30	1.40	0.10	—	—
Xinjiang	0.50	0.70	5.20	5.20	—	—

Resources: The Yearbook of China Statistics (2000).

The seventh strength is the strategic advantage of tourism as a focus of development efforts in the west. According to the department of tourism, eight of the ten provinces in western China have proposed supporting tourism in their tenth five-year plans. The other two provinces have chosen tourism as a potentially new and developing industry and consider it only a supporting industry (Table 5). Nearly all of western China remains undeveloped in the realm of tourism, so establishing the industry on a firmer footing may be difficult to start. To establish a strategic industry and to foster support industries are key steps for the development in western China and may help avert some of the development problems facing the region. Owing to its relative newness, tourism in the west has the potential to be developed in such a way that its positive effects will outweigh its negative impacts. Meanwhile, the tourism industry remains an important development option for all western regional governments.

Table 5. The Positioning And Development Objects of Tourism Industry in the Western Areas Of China

Provinces and cities	The industry positioning in the "Tenth Fives"			Percent of tourism total output in GDP (%)		
	Present situation	Direction	Development objectives	1996	2000	2005
China	New increasing point	Support industry	World great power country in tourism	3.8	4.6	5.6
Sichuan	Support in the third industry	Support industry	Big power province in biology	3.4	5	5.9
Chongqing	Support industry	Support industry	Big power city in tourism	3.7	5	7
Guizhou		Support industry	Big power province in tourism	1.5	5	6
Yunnan	One of the four support industries	Key support industry	Big power province in green biology	5.1	8	10-15
Tibet	Support industry	Key support industry	Big power province in biology	3.8	6	8
Shaanxi	Support industry	Key support industry	Big power province in tourism	5.3	7	8-10
Gansu	Forerunner industry	Support industry	To become support industry in 2015	1.1	-	3.3
Qinghai	Forerunner industry	Superior industry	Big power province in bio-tourism of plateau	0.5	2	5.6
Ningxia	New increasing point	Support industry	Special tourism base in northwestern	0.7	3	5.4
Xinjiang	Forerunner of the third industry	Forerunner industry	Base in support of Chinese tourism in 21 st century	0.5	6	8

Sources: The programming thought of the "Tenth Fives" in the western provinces and cities (2000).

Weaknesses (W) of Tourism Industry in the western area of China

The first weakness in the area is the transportation bottleneck. The western area is far from the majority of China's tourists, who tend to be located on the east coast and eastern cities. The shortage of railways and highway networks also limits tourism development considerably, as getting around is more difficult than in the eastern portion of the country (Table 6). Likewise, the small number of airports in the west and their distance from major international airports leads to a serious dearth in international arrivals and results in higher travel costs.

Table 6. The Comparison Condition Of Transportation And Communication In The Three Areas Of China

Item	Transportation transits (M/Km ²)		Taking account of average percentages in China (%)		The total number of telephones for every hundred persons	
	1994	2001	1994	2001	1994	2001
China	1175.4	70,057.2	100	100	2.4	25.9
Eastern	3193.7	40,143.2	65.8	59.97	3.9	36.81
Middle	1366.9	20,234.0	24.5	26.52	1.7	19.48
Western	584.8	9,680.0	9.7	14.51	1.0	16.31

Sources: Yearbook of China Statistics (2003).

The second weakness is a lack of capital. Since the western area lacks fiscal resources, it experiences great difficulties in operationalizing tourism and developing related resources. If the western area continues to be unable to attract domestic and international capital, it will be difficult to develop

tourism on a larger scale. In areas other than tourism, it is obvious that the west is also lacking in economic strength. Most areas are undeveloped with no strong economic strengths (Table 7). Meanwhile, many of the original tourist attractions and services have aged considerably and are falling into disrepair. The tourism infrastructure is also weak, and a great deal of capital will be required to construct green areas, transportation networks, tourist attractions, and tourism marketing campaigns (Fu, 2000).

Table 7. The Basic Situations Of The Three Regions In China

The three areas	GDP (0.1 billion \$ US)		Area (%)		Population (%)		GDP per capital (\$ US)	
	1998	2002	1998	2002	1998	2002	1998	2002
Eastern Areas	5376	7074.44	13	13.50	41	41.61	1077	1333.46
Middle Areas	2610	3138.50	28	29.62	36	35.26	597	697.83
Western Areas	1225	1589.13	59	56.88	23	23.13	437	538.87

Sources: China Statistics Bureau, Yearbook of China Economic Statistics (2003).

Notes: There is a little difference between Gross Domestic Production and Gross National Production and could be regarded as equal with each other.

The third weakness is the imbalance in governance and development priorities between western provinces. Because of differing economic powers among different provinces and cities, investment commitments have different priorities between provinces. The cumulative investment in infrastructure is under 10 billion RMB yuan in the provinces of Gansu, Guizhou, Tibet, Qinghai and Ningxia. Uneven investment levels lead to large differences in levels of development priorities in each area (Ma & Qing, 2000). There exist insufficient hospitality establishments in the western area, and construction moves slowly. Therefore, it is difficulty to meet the daily increasing consumption demand of western travelers (Table 8).

Table 8. The Comparison Of Tourism Establishment And Tourism Services In The Three Regions Of China

Foreigner hosted hotels		International travel agencies		Tourism employees		Foreigner hosted hotel (%)		International travel agencies (%)		Tourism employees (%)		Tourism income of foreign exchanges (%)	
1997	2002	1997	2002	1997	2001	1997	2002	1997	2002	1997	2001	1997	2002
3439	4949	615	1021	974856	3476957	62	55.73	66	58.75	72	58	83	79.95
1042	2270	201	304	235686	1537741	20	25.56	20	17.49	17	26	8	10.24
720	1661	175	413	142875	956893	18	18.70	14	23.76	11	16	9	9.81

Sources: China National Tourism Bureau, Yearbook of China Tourism Statistics (2003).

Fourth is the lack of marketing power. At present, the total tourism marketing budget is inadequate. Advertising is not attractive to potential visitors. There is a lack of cross-border tourism marketing between provinces, and service networks have not yet formed. There is a need to create a tourism image that is persuasive and appealing. Overall, the physical development of facilities at scenic spots is the primary focus of development agencies in the government at the expense of tourism marketing, which is relatively neglected.

The fifth weakness is a lack of trained human resources for tourism (Xiang & Hong, 2001). Both absolute and relative levels of human resource capital and knowledge output are inferior relative to the rest of China (Table 9). Low levels of human resources and industry knowledge are important factors in the western region's lagging development. Furthermore, the lack of investment in education and scientific technology illustrates that insufficient investment leads to the relative low level of output. At present, it is vital for the tourism industry in the western area to train potential tourism employees and provide skills training to the general public.

Table 9. The Output Level Of Manpower Capitals And Knowledge

Areas Item Year	Eastern Area				Middle Area				Western Area			
	Number		Rate (%)		Number		Rate (%)		Number		Rate (%)	
	1998	2001	1998	2001	1998	2001	1998	2001	1998	2001	1998	2001
Number of universities & colleges	482	578	47.16	47.18	338	399	33.07	32.57	202	248	19.77	20.25
Number of students in universities & colleges	1721864	3548225	50.51	49.34	1073826	2356339	31.50	32.77	61307	128609	17.99	17.89
Professors & clerks in universities & colleges	521921	606794	50.69	49.97	316342	381784	30.73	31.44	19130	225851	18.58	18.59
Education fee (Ten thousand RMB yuan)	13917681	21782019	54.97	56.59	722284	10274925	28.53	26.69	41768	643386	16.50	16.72
Number of above counties in China	2857	1403	49.45	36.43	1743	1360	30.17	35.32	1178	1088	20.39	28.25
Governmental civil servants or R&D employees	492356	510868	52.79	55.4	216863	223884	23.09	24.28	22447	187379	24.01	20.32
Authorized number of three patents	23139	64837	84.32	72.92	2377	14567	8.6	16.38	1926	9518	7.02	10.7
Bargain number of technologic market (Ten thousand RMB yuan)	2900936	5699320	66.56	72.81	948980	1248572	21.77	15.95	50831	879597	11.66	11.24
Fee of three items of sciences and technologies (Ten thousand RMB yuan)	419129	6179037	57.16	68.99	202884	1486344	27.67	16.59	111303	129126	15.18	14.42

Source: China Statistics Bureau, Yearbook of China National Statistics (2003).

The sixth weakness is the lack of a long-term vision. Tourism planning has been of an ad-hoc nature in recent years. It lacks long-term vision and tends to emphasize rapid development and instant benefits as is the case in most of the developing world (Timothy 1998, 1999; Tosun 2000; Tosun and Jenkins 1998) There are conflicts between conservation and management rights of tourism resources and there is a lack of a suitable management system in many aesthetically important areas. These conflicts and lack of long-term commitment has negatively affected tourism investments and tourism development (Cao, 2002).

Tourism Opportunities

One opportunity is the potential for economic development through domestic and foreign investments. On the international front, foreign investments have grown a great deal in the Asia-Pacific region with relatively quick economic returns. In the long-term, it is likely that foreign investors will divert more of their attention to western China. Also, a positive future for the world economy and China's entrance into the World Trade Organization

may create opportunities for future economic reforms, attracting foreign investments, and other forms of international involvement in the west.

An increase in real domestic economic power is another potential opportunity. As a result of China's rapid economic growth in the past twenty years, the country's total economic power has been strengthened considerably. As part of this growth, billions of dollars in capital have been invested in the stock market, futures markets, and various financial institutions. If there were a chance for greater returns in western China, more of this money could be invested in the western region. In the west, the supply of production in most industries, including tourism, is generally larger than demand. There is also an abundant supply of strategic merchandise such as food. As a result, consumer prices and interest rates have been relatively low for many years, which can be seen as a major appeal for developing tourism in the west.

There are also opportunities for the adjustment of industry structures in the west by the Chinese government. For the eastern and coastal areas, the development of high-tech industries has been quickened, the promotion of industry structures has been advanced, many factories have begun appear in low-cost areas, and the search is on for new development space to reduce costs to be competitive on the global scene since China's entrance into the WTO. For the west, the investment environment has improved after the construction of some infrastructure during the past fifty years. There are many structural advantages for the re-adjustment of industries from the east to the west.

Threats

One of the biggest threats for the western area is unpredictable capital growth. While the Chinese government has plans to increase public investments in the west, development efforts there should mainly depend on private capital in the long term. Nonetheless, foreign and domestic investments will be made based on market forces for the purpose of gaining high returns on the investment. Because of the region's limited infrastructure, compared to the east, both national and west provincial governments must take effective measures to attract foreign and domestic private investments.

There is also a degree of inflexibility in the central government's financial and investment policies, resulting in limited financial support from the central government. This is because central administration policies should play a critical role in stimulating both investment and consumption to ensure a moderate increase in the national economy. Also, the central government's financial support should play a greater role in building relationships between

the national administration and financial institutions to avoid risks in the functioning of the national economy and to make up for financial imbalances caused by flawed policies in the reformation process. Another reason for limited central government support is that there are ever more stop-production, semi-stop-production and seasonal enterprises with increasing joblessness and poverty among the people of western China. This unstable socio-economic phenomenon is more serious today than previously. Financial support by the central government is especially needed for this. All the factors clearly influence the investment tendencies of the central government. Without the support of Beijing, the strategies and development opportunities for the western area will surely be limited.

Another threat is the quality of economic increase. Large-scale development in the west faces several economic difficulties because energy and raw materials production has been decreased even though the production capability is relatively high. Outside demand has dramatically decreased and domestic demand has only seen slow growth. In some cases, high levels of production have taxed the resource based, while situations overwhelmed by the market system have been extended to include other types of resource production, which has further weakened the resource advantages of the west. The traditional, heavy industries and resource extraction in the west have been seriously challenged.

The change from international demand to domestic demand may also present some interesting challenges. The current situation appears to be that the domestic market is turning into an international market and the international market is becoming a domestic one. Currently, there are 200,000 enterprises in China that are classified as either foreign-invested, joint foreign and domestic-invested or domestic. In terms of the total level of industrialization in China, the eastern area has reached a medium level of industrialization, while the west has lagged behind.

Recommended Tourism Development Strategies

Several tourism development scenarios for the western region of China can be recommended. The first is marketing and promotion. Inbound tourism markets in western China are primarily from Hong Kong, Macao and Taiwan, although there appears to be a slight decrease in these arrivals in recent years. However, the percentage of travelers from Japan and Korea appears to be increasing quite notably. There is considerable potential for market growth from countries in Southeast Asia, Europe and North America. Therefore, perhaps the most basic marketing strategy is to promote the region in Hong

Kong, Macao, Taiwan, Japan, Korea, North America, Europe, the Middle East, Australia, and New Zealand. In addition to the international market, domestic tourism should be stressed at the same time, which will provide additional support for tourism growth in the western provinces.

A second strategy is image positioning. Generally speaking, western China does not have a positive or a negative image overseas. In fact, it actually has very little image at all, for when people think of 'China', the image is typically that of the Han Chinese and the eastern regions of the country. If an image does exist of the west, it focuses primarily on mountains and deserts. Therefore, the image of the western provinces should be developed in the minds of potential visitors from the main market countries, emphasizing its strengths and wide range of natural and cultural resources. Efforts should be made by the Chinese central government and the western provincial governments to highlight the competitive advantages of the west, including mysterious places, vast open spaces, wide array of colorful cultures, growing cities, and natural wonders.

A third strategy is promoting events. There are many cultural events in the western region, especially dancing and vocal performances that are very interesting for domestic and foreign visitors. These events should be exploited better for tourism, as they reflect remnants of western cultures and ways of life.

The fourth strategy is nature-based tourism development. There are many natural resources and hidden treasures in western China that could be developed in sustainable ways for tourists to enjoy. These natural resources are so great that western nature-based tourism could become a critical part of the brand image in the 21st sustainable tourism development program of China to increase visibility. Basic policies, managerial standards and codes of conduct in eco-tourism should be established to meet local conditions. Likewise, environmental protection laws should be enacted to assure the least amount of damage to the natural environment as tourism continues to grow.

The fifth suggestion is to establish a greening system. To be in tune with e principles of sustainable development tourism as it develops should be maintained as a green industry from ecotourism codes of ethics to hotel and restaurant management. Management and tourism employees should receive training in green management and green practices, which is starting to be done in other parts of China (Deng and Burnett 2002; Zhang et al 2000). Green products should also be used to promote green management.

Another potential strategy is model communities. These could be developed to demonstrate cultures and ecosystems in places that are

representative of each one. This could assist in creating a more positive image of the western region and help develop domestic and international tourism.

The use of the Internet would also be an important move for the western region to assist in developing its tourism industry. Internet marketing is a highly valuable tool that the region could utilize to disseminate information in its main market regions and assist in creating the visibility that it needs. In addition to Internet marketing, a holistic and effective tourism information system could be established to assist in making reservations, business management, and tour programming a simpler process. This would certainly be a major attraction for international tour operators who might be put off somewhat by the lack of technology in the west. Easier access to the Internet in tourism locations might also assist in developing business tourism, including meetings and conventions.

Tourism should be developed with economic prosperity in mind for the people of western China. Tourism has the potential to alleviate poverty if the destination residents are permitted to be involved in decision making and in the economic benefits of tourism (Timothy 1999). Working groups should be established to determine how best to develop tourism that will alleviate poverty and better the lives of the people in the western provinces.

Human resource development is another critical and necessary component of tourism in the west. Skilled tourism employees are key to the successful development of tourism; thus, a high priority should be given to training residents to work in the industry. Management skills, foreign languages, and customer service abilities should be high priority items for training. Such efforts can help western poverty by qualifying people for employment in the tourism industry.

Conclusion and Limitations

In summary, this paper described and examined the current tourism situation in the western region of China. Strengths, weakness, opportunities and threats in the industry were highlighted, and various development strategies for tourism were proposed. The overall framework and summary is demonstrated in Table 10.

The western provinces of China have a great deal of potential when it comes to tourism development. While there are a number of obstacles to tourism development there, including economic problems, lack of adequate infrastructure, and peripheral location, the region has many strengths and with commitment from the Chinese government, western provincial governments, and international investors, tourism could grow considerably

Table 10. The Development Strategies Of The Tourism Industry In The Western Areas Of China

Items	Features and characteristics
Strengths (S)	1 The orientation advantages of natural resources
	2 The evaluation advantages of tourism resources
	3 The combination advantages of tourism resources
	4 The location advantages of tourism industry
	5 The positioning advantages of tourism industry
	6 The adjustment advantages of tourism industry structures
	7 The strategy advantages of tourism industry
Weakness (W)	● The weakness of transportation bottleneck
	● The weakness of lack of capitals
	● The weakness of fundamental establishment
	● The weakness of lack of marketing power
	● The weakness of lack of human resources
	● The Weakness of regional views
Opportunity (O)	● The development of economic environment in both domestic and abroad
	● The increase of domestic total economic power
	● The adjustment of industry structure in the eastern and western
	● The need of improvement of ecological environment in domestic
Threats (T)	● The changeable modes of capital obtaining
	● The limitation of central financial adjustment
	● The adjustment of deep beneficial relationship
	● The quality benefit of economic increase
	● To the domestic change from international competition market
Strategies	● The strategy of marketing promotion
	● The strategy of image positioning
	● The strategy of event marketing
	● The strategy of ecological development
	● The strategy of green system
	● The strategy of sample models
	● The strategy of electrical inter-net
	● The strategy of escaping from poverty and reaching richness
	● The strategy of human resources

and successfully in a sustainable manner. New scenic spots should be developed, a global image created, and Internet marketing utilized to accomplish these goals.

On the basis of practical and theoretical notions, this study analyzed the current tourism situation in western China through published statistics extensive field work in the area, and SWOT analysis. It is hoped that this study will be helpful to the Chinese government, the subnational governments of western China, and domestic and international investors as they work together to develop tourism in this remarkable region.

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