

# A Preliminary Case Analysis on the Contributions of Tourism to Economic Development of Antalya/Türkiye

#### Mustafa Daskin

Tourism Department, Amasya University, Amasya/Türkiye ORCID iD: 0000-0002-2453-490X

#### Reha Ozder

Social Sciences Vocational School, Amasya University, Amasya/Türkiye. ORCID iD: 0000-0002-3439-4947

Abstract: Tourism is an industry that has positive effects on local development. It is an important development tool that provides economic, social and political development in many regions. In this regard, the aim of this study to evaluate the economic contribution of tourism in Antalya Province/Türkiye. It is the examination of the perspectives of the local people living in Antalya on the contribution of tourism to economic development as a result of certain scales. As this study is a preliminary one, hundred questionnaires were aimed to collect from the local people living in the region using simple random sampling technique. The results of the study were tested using the SPSS program, such as descriptive statistics, explanatory factor analysis, and independent samples t-test were performed. As a result of these analyses, the participants were mostly agree of the economic contributions of tourism sector, however, the participants were undecided for the statement 8 (The development of public tourist facilities is very costly) and as an important result of this study, strongly agree for the statement 5 (The prices of goods and services increase due to tourism), which expresses a negative impact of tourism. Therefore, the contribution of this study is to have an overview regarding the effects of the tourism sectors on regional economic development and to draw attention to the tourism potential of Antalya and to raise awareness.

Keywords: economic development, tourism, Antalya, local people.

#### Introduction

It is known that increasing tourism activities have economic, social and cultural effects on the region and its people. Especially in regions where tourism activities are developing, the positive effects and even economic returns are emphasized. Of course, the positive contributions of tourism to the economy cannot be denied. Providing foreign exchange inflow, increasing employment, sectoral increased investment etc. It is thought to be a sector that creates resources for the country's economy with its contributions (Akdu and Öktem, 2019). According to World Tourism Organization (WTO, 2019) data, while world tourism grew by 3.8 percent in 2019, the number of international travels increased to 1 billion 461 million and the revenues from international tourism to

1.5 trillion dollars. According to the data announced by the World Travel and Tourism Council (WTTC, 2019), the total contribution of the tourism sector to the world economy is 8.9 trillion dollars. According to the WTTC assessment, the tourism sector accounts for 10 percent of the world's employment and provides employment to 330 million people. All these data pointed to the highest levels reached by the tourism sector in history (Association of Turkish Travel Agencies-TÜRSAB, 2019). However, tourism revenues in 2020 decreased by about 20% to 30% compared to 2019 data due to the global epidemic. There has been a loss of 300-400 million dollars in tourism income at the global level (World Bank, 2019).

Tourism has become a sector that plays an important role in the sustainable growth of the economy with its effects such as earning foreign exchange, creating employment and increasing income in Turkey as in the world. At the same time, economic growth also makes significant contributions to the tourism sector. It provides a positive economic environment that enables the use of national resources in an accessible, balanced and sustainable way, and the increase and strengthening of tourism activities in the country (Antonakakis, Dragouni, and Filis 2015, p. 143). While this situation brings vitality to the country's economy and tourism, it contributes positively to the quality of life of the local people (Srinivasan, Kumar, and Ganesh, 2012, p. 397).

It is seen that tourism activities, which have provided important developments in recent years, have been used as a tool for countries to achieve their goals in many areas. However, although tourism activities are generally perceived as activities with positive effects, there are may be some negative effects within the country's economies such as import effect, effect on inflation, seasonal effect and etc. Also, the indirect effects like environmental degradation and irregular urbanization activities within the region are possible (Kumar, Hussain, and Kannan, 2015). So, in this regard, tourism activity should provide economic benefits and equal opportunities for whole residents in a region. Tourism has positive effects on regional development, which is one of the subheadings of sustainable development. Sustainable development, in its broadest form, is to meet the needs of the present while meeting the needs of future generations. It is defined as a development strategy based on not jeopardizing their needs (Han and Kaya, 2015). While this development is realizing, the residents' involvement in the whole process should be taken into account; their support and expectations during tourism development process.

Therefore, since the positive and negative economic effects of tourism is a reality, it stays critical to conduct research studies for better awareness of the situation. The current study aimed to investigate economic contribution of tourism from the residents' perspectives in Antalya region/Türkiye. Identifying the various effects of tourism activities in tourism regions stays critical in terms of not repeating the same mistakes done before. In the current work, depending on the results obtained, some suggestions are presented to interested parties.

### Literature review

Economic Contribution of Tourism in Türkiye and Antalya Tourism

Tourism, which is one of the rapidly developing sectors in the world, contributes to many economic developments such as creating employment, providing foreign currency input, increasing tax revenues and etc. Therefore, depending on the development of tourism in Turkey, new business areas have been opened and trade has been revived. Among the top 5 countries that accept the most tourists in the world is listed as France, Spain, America, China and Italy. France hosted approximately 89 million tourists in 2019. Thus, it is the country that receives the most visitors in the world. According to these ranking, Türkiye ranked 6th in the world with 51.2 million tourists that was an increase of approximately 10% compared to 2018 (Türkiye Culture and Tourism Ministry, 2020). As of 2019, the country with the highest tourism income in the world was America with 214.1 billion dollars. There is a great difference between the income of other income generating countries and the United States. Spain is the second country with the highest income, with a tourism income of approximately 79.7 billion dollars. Although Türkiye is the 6th most visited country in the ranking, its tourism income was approximately 29.8 billion dollars in 2019 (Türkiye Culture and Tourism Ministry, 2020). As a result, Türkiye ranked 14th among the countries with the highest tourism income. This percentage shows that mostly the tourists visited Türkiye were from low-level income group. Thus, new strategies needed to attract the tourists who have high-level income through alternative tourism types.

In this regard, Antalya province is a tourism center in the south of Turkey, with its center on the Mediterranean coast. It is surrounded by the Mediterranean Sea. The length of the Antalya coast of the Turkish Riviera reaches 630 km. When tourism is mentioned, it is necessary to open a separate parenthesis for Antalya. Antalya, together with Istanbul, is the locomotive of tourism in Turkey. Antalya is a city with tourism opportunities and facilities in all four seasons. In Antalya, especially cultural tourism, sea, sports, health, winter, congress, plateau, cave, camping and faith tourism can be done, and there are facilities for these tourism options (see Photo 1). The total number of visitors to Antalya in 2019 was 15 million 644 thousand; Russia with 5 million 580 thousand people, Germany with 2 million 670 thousand and Ukraine with 803 thousand took the first three place (Antalya Provincial Directorate of Culture and Tourism, 2021).



Photo 1: A view from Antalya.

Positive and Negative Effects of the Tourism Sector on the Economy

Especially since the 1960s, the economic importance of tourism has been better understood and started to develop rapidly. The complexity of the tourism system, the fact that the economic effects of tourism activities are spread over many sectors, and the presence of direct and indirect effects make this effect difficult to both understand and analyze. Tourism has economic effects on the economies of all developed and developing countries. This effect occurs at different levels according to the development characteristics of the regions, and as the development of the region increases, the economic impact of tourism also increases. The positive effects of tourism on the country's economy can be listed as follows: Increases income and living standards, Strengthens local economy, Increases job opportunities, Increases investments, development infrastructure expenditures, Increases tax revenues, Improves infrastructure of public services, Improves transportation infrastructure, Increases shopping opportunities, Direct and indirect in economy and has a induced effect, income entering the economy through tourism grows by circulating through the economy, develops new trade opportunities, and has a positive effect on foreign exchange earnings and balance of payments. On the other hand, the possible negative effects of tourism on the country's economy can be listed as follows: It may cause an increase in the prices of products and services, It may lead to increases in the prices of houses and land, There will be an increase in the employment of foreign workers, Additional infrastructure expenditures may be required (water, sewage, energy, fuel, health, etc.), Road maintenance and transportation system costs may increase, Seasonal tourism may pose risks to the employment structure, Profits are often transferred abroad, Low-paid jobs may increase, Regional inflation and land speculation may increase, and Foreign purchasing propensity may increase (İnançlı, Ekici ve Babacan, 2012; Seetanah, 2011; TÜRSAB, 2019).

#### Method

### Sampling and Data Collection

This study, which was carried out to determine the contribution of tourism to the economic development of the local people living in the province of Antalya, tried to obtain information about the views of the local people in order to examine the relationship between "tourism" and "urban development". Simple random sampling survey method was used as data collection. The population of our research consists of the local people living in Antalya. The research team collected the data on a one-to-one and face-to-face basis in order to obtain a higher return rate. As a result, the majority of the questionnaires were collected according to the face-to-face principle with voluntary participants. Since this study was a preliminary one, a total number of hundred questionnaires were aimed to collect. Therefore, a total of hundred questionnaires were used for this study.

## Measures and Data Analysis

The questionnaire used in the current study was adopted from Çelikkanat and Gücer (2014). The questionnaire used as a research tool for this study consists of two parts. There are 5 questions in the first part regarding demographics; gender, marital status, age, and education level of the respondents. The second part is devoted to measuring the economic contribution of tourism by 13 questions. There are 5 likert scale type responds to measure these questions. Accordingly, the statements in the questions were arranged to be evaluated as 1-strongly disagree, 2-disagree, 3-undecided, 4-agree, and 5-strongly agree. The current study has used SPSS Version 23 for data analyses. The descriptive statistics was performed together with psychometric properties of the measures which are presented in the results section. Finally, independent samples t-test and ANOVA test were employed respectively.

### Results

# Descriptive Statistics

As can be seen in the table 1 below, data on the demographic characteristics of the participants were obtained. In the light of these data, 53 of the 100 participants are female and 47 are male. According to the age factor, out of a total of 100 participants, 44% of the participants are 24 years old and younger, 28% are 25-30 years old, 28% are 31 years old and over. Table 1 shows the distribution of 'education level' among demographic characteristics such as the 28% of the respondents had secondary education and lower, 68% had university degree, and 4% master's degree. Finally, according to marital status, 30% of the 100 participants are married and 70% are single.

Table 1. Demographic Profiles.

Demographic variable	Sample composition	Percentage
Age	24 years and less	44.0
	25-30 years	28.0
	31 years and over	28.0
Gender	Female	53.0
	Male	47.0
Education	Secondary education and lower	28.0
	University education	68.0
	Masters	4.0
Marital Status	Married	30.0
	Single	70.0

Psychometric Properties of the Measures

The details for the scale items can be seen in Table 3. The Cronbach's alpha ( $\alpha$ ) was checked and found over the threshold value of .60 (Hair, Black, Babin, and Anderson, 2010; Nunnally, and Bernstein, 1994). Further, as suggested by Field (2000), the analysis of the Kaiser-Meyer-Olkin (KMO) sampling was checked as to whether its measure is sufficient and consequently its 0.50 threshold value was exceeded (economic contribution of tourism = 0.730). Also, based on the Bartlett's test of sphericity measure, the multivariate normality of the set of distributions was normal for the each study variable, indicating a significant value, p = 0.000 (< 0.05). As a result, it is very suitable for factor analysis in the next step (Hair, Anderson, Tatham and Black, 1998). While included in Table 2, it is seen that convergent validity is ensured by the exploratory factor test review through which it freaks out and passes over a 0.40 threshold (Tabachnick and Fidell, 2007).

In addition, table 2 presents the mean values for each scale item. Accordingly, the participants generally had a positive perception that most of the statements (1, 2, 6, 12, and 13) regarding the positive impact of tourism were expressed as 'I strongly agree'. Along with this, the answers to the statements 3,4,7, and 11 were in the direction of 'I agree', and finally, among the statements that show the negative impact of tourism are 9 (High spending by tourists negatively affects our lifestyle) and 10 (Improving public tourist facilities causes waste of taxes) which did not take support from the participants, that is, the high expenditures of tourists did not have much effect on their lifestyles, and the development of touristic activities was not seen as a waste of tax. However, for the statement 8 (The development of public tourist facilities is very costly), the participants were undecided. As an important result of this study, the participants stated that they strongly agree with the 5th statement (The prices of goods and services increase due to tourism), which expresses a negative impact of tourism.

Table 2. Means, factor loads and standard deviations.

Items scale	Factor	Mean	Std.
	loads		Deviation
Question1. Tourism creates more employment for our	,581	4,35	,57
region.			
Question2. Tourism attracts more investment to our	,756	4,37	,54
region.			
Question3. Tourism leads to more spending in our	,745	3,74	,93
region.	,648	3,82	1,14
Question4. Our standard of living increases			
significantly due to tourism.	,691	4,50	,75
Question5. The prices of goods and services increase			
due to tourism.	,456	4,28	,72
Question6. Tourism provides economic benefits for			
local people and small businesses.	,476	3,42	1,02
Question7. Tourism revenues are more important for			
local governments than revenues from other sectors.	,621	2,90	,91
Question8. The development of public tourist			
facilities is very costly.	,553	1,81	,89
Question9. High spending by tourists negatively			
affects our lifestyle.	,644	2,08	1,02
Question10. Improving public tourist facilities causes			
waste of taxes.	,584	3,61	,96
Question11. Tourism opens up more parks and other			
recreational areas for local people.	,844	4,36	,77
Question12. I support nature-based development			
(skiing, camping, park, climbing, etc.)	,789	4,26	,74
Question13. I support travel destinations/places			
designed for a large number of tourists (theme park,			
holiday complex, Disney etc.)			

Further, the present study employed Independent Samples t-test and ANOVA test in order to compute the perceptional difference among demographical groups. Based on the test results, only the demographic variables were presented that group differences were found significant. In this respect, the 'gender' variable was found significant only and presented in table 3.

Table 3. Independent Samples t-test for the nationality-based comparison in the perception of economic contribution of tourism.

Group	N	Std.	Mean	t	df	p
		Deviation				
Male	47	,30117	3,7218			
Female	53	,32579	3,5936	2,044	97,821	,044

After the t-test to compare the perceptions of male and female on the economic contribution of tourism, a difference was found these groups (t = 2.044, p < 0.05). Accordingly, although the number of male participants is less

than females, they were found to be more positive towards the economic contribution of tourism in Antalya (see table 3). The reason of this finding may be the dominant majority of males in the social work life and other reasons as well

#### Conclusion

It is generally accepted that tourism stimulates various sectors of the national economy because tourism has a "multiplier effect". Therefore, tourism is accepted as an alternative economic development strategy by most governments in developing countries. Türkiye is one of these countries that hosts millions of tourists from all around the world and takes the sixth row globally among its rivals. However, while these developments happen in terms of economy, the importance of sustainable development comes front because tourism has negative effects too. Thus this requires more continuous detailed information through research for better understanding the current situation and the relationship between tourism and economy and even sociocultural and environmental aspects. In this context, the current study aimed to conduct a preliminary survey in Antalya/Türkiye in order to have an idea of tourism-economy relationship.

When the results of the research were examined, it was observed that the participants of the research were satisfied with the economic contributions of tourism and they found the tourism-economy relationship quite positive. However, there is always a need for continuous research, as this relationship may change direction over time in terms of sustainability. It has been observed that the results of this study was generally consistent with the findings of previous studies (e.g., Akdu and Öktem, 2019; Antonakakis et al., 2015; Kumar et al., 2015; TÜRSAB, 2019). On the other hand, the participants were anxious about increase of the prices of goods and services due to tourism and also the high costs of development of public tourist facilities. As a result, these two issues should be specifically examined by the related parties and authorities in Antalya. In the light of the findings of the study, some suggestions made by this study are also included in the following section.

Prices of goods and services increase due to tourism. The local people living in Antalya are the most affected by this. While this may be profitable for small businesses or tradesmen, it has negative economic consequences for local people. It causes a decrease in the purchasing power of the local people due to excessive pricing. So the government should follow this take necessary actions by new legal arrangements; production of touristic goods and services should be increased by new policies in the country and this will pull down the costs for both tourists and local people. As a result reasonable prices bring competition power in the tourism sector for Antalya. The support of local people is of great importance for successful tourism development in the region. The local people should be willing in the process of tourism to be at the desired level and mutual

benefit between the tourists and the local people. Otherwise, the development of tourism cannot be expected.

As in other studies, this study has a few limitations in itself. For example, the findings cannot be generalized for the whole city, since the number of samples reached in the study is low. But since it is a preliminary study, it gives a preliminary opinion. There are effects of tourism in different dimensions, and only the economic dimension is discussed in this study, and it is important to consider tourism with its socio-cultural and environmental dimensions in future studies.

### References

- Akdu U. and Öktem E. (2019). Local people's awareness of the economic, social, environmental and cultural effects of tourism: Gümüşhane example. Gümüşhane University Institute of Social Sciences Electronic Journal, 10 (Additional issue), 232-239.
- Antalya Provincial Directorate of Culture and Tourism (2021). Tourism information. https://antalya.ktb.gov.tr/.
- Antonakakis, N., Dragouni, M. and Filis, G. (2015). How Strong is the Linkage between Tourism and Economic Growth in Europe? *Economic Modelling*, 44, 142–155.
- Association of Turkish Travel Agencies-TÜRSAB. (2019). Unit 10: Tourism and Its Effects. https://www.tursab.org.tr/assets/pdf/tursab-akademi/e-egitim/konu-ozetleri/unite-10.pdf
- Çelikkanat, N. and Gücer, E. (2014). Local People's Perspective on Tourism: The Case of Bodrum District, Gazi University, 15th National Tourism Congress Accessible Tourism, 272-289.
- Field, A. (2000). *Discovering Statistics using SPSS for Windows*. London Thousand Oaks New Delhi: Sage publications.
- Han, E. and Kaya, A. A. (2015). *Kalkınma Ekonomisi: Teori ve Politika*. (Development Economics: Theory and Policy). Ankara: Nobel Publication.
- Hair, J.F., Anderson, R.E., Tatham, R.L. and Black, W.C. (1998). Multivariate Data Analysis. Upper Saddle River, NJ: Prentice-Hall.
- Hair, J. F., Black, W. C., Babin, B. and Anderson, R. E. (2010). *Multivariate Data Analysis*, 7th Edition. Upper Saddle River, NJ, USA: Prentice Hall.
- Kumar, J., Hussain, K. and Kannan, K. (2015). Positive vs negative economic impacts of tourism development: a review of economic impact studies. 21st Asia Pacific Tourism Association Annual Conference. Kuala Lumpur, Malaysia.
- İnançlı, S. M. Ekici, S. and Babacan. A. (2012). The determination of the long run relationships between foreign tourists and domestic tourists and per capita income from 1980 to 2011: the Turkish case. *The Sakarya Journal of Economics*, 1(3), 1-19.
- Nunnally, J.C. and Bernstein, I.R. (1994). Psychometric theory, Ed. ke-3. McGraw-Hill, New York. Seetanah, B. (2011). Assessing the Dynamic Economic Impact of Tourism for Island Economies. Annals of Tourism Research. 38(1), 291–308.
- Srinivasan, P. K., Kumar, S. and Ganesh, L. (2012). Tourism and Economic Growth in Sri Lanka: An ARDL Bounds Testing Approach. The Romanian Economic Journal, 45, 211–226.
- Tabachnick, B.G. and Fidell, L.S. (2007). *Using Multivariate Statistics*; Allyn and Bacon/Pearson Education: Boston, MA, USA.
- Türkiye Culture and Tourism Ministry. (2020). Tourism Statistics. <a href="https://sgb.ktb.gov.tr/TR-50930/istatistikler.html">https://sgb.ktb.gov.tr/TR-50930/istatistikler.html</a>.
- United Nations World Tourism Organization. (2019). World Tourism Organisation, eLibrary, https://www.e unwto.org/doi/pdf/10.18111/wtobarometereng.
- World Bank. (2019). World Development Indicators, https://databank.worldbank.org/reports.aspx?source=world-developmentindicators.
- World Travel Tourism Council. (2019). Travel & Tourism Economic Impact 2019. https://www.wttc.org/-/media/files/reports/economic-impact-research/regions2019/world2019.pdf.

### **About the Authors**

*Mustafa Daskin* is an Associate Professor of Tourism & Hospitality Management and working for Amasya University/Türkiye. He has recently worked in academia as a senior lecturer in Cyprus, Malaysia, Oman, and Türkiye. He has many publications in hospitality management and management journals. He can be contacted at: daskinmus@hotmail.com

**Reha Ozder** is a Doctor of Business and working for Amasya University/ Türkiye. He also serves as a financial advisor. He has publications in business and management field. He can be contacted at: <a href="mailto:reha.ozder@amasya.edu.tr">reha.ozder@amasya.edu.tr</a>