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# **Optimal Strategy of Tourism Development for Rural Economic Development (By using SWOT Matrix)**

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**Abstract:** This paper is regarded as an applied research in terms of objective and a descriptive research in terms of method in which a questionnaire has been designed based on the research goals and hypotheses and sent to the statistical universe. Also it is a field research in terms of data collection. As regards theoretical bases, library data collection method has been used. So, data has been gathered by referring to the related references, books, libraries, and so on. During research implementation, field method has been used to design the questionnaire and gather the opinions of the statistical universe members. The statistical universe comprises experts and managers of transport companies of tourism destination, passengers of tourism destination in the course of questioning period, and residents of tourism destination. To access these persons, we referred to the terminals in Tehran, Chalus, and Kelardasht, and the sample was selected by using simple random sampling method. Also to estimate sample size, Morgan table was applied. The number of universe was estimated 70 and according to the table, the number of questionnaires was determined 59. So 65 questionnaires were sent and 60 questionnaires were returned. This paper applied SWOT matrix method for determining strategic zone of tourism destination. Sub-strategies of the offensive zone were prioritized by using AHP method. The main result of this paper indicates that Kelardasht is located at the offensive strategies zone according to the SWOT matrix, and among sub- strategies, the strategy of "establishment of a fund to support and manage attractive zones of tourism destination and visit taxes" has the first priority among four introduced strategies.

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Key words: Strategy formulation, rural tourism, economic development

#### 1-Introduction

Tourism has prevailed from 19<sup>th</sup> century when the French aristocrats had to travel to complete their education and gain the required experiences of life. They were called tourist at that time and later this term was applied in France for those who traveled to France for recreation and then it was extended to those who traveled with this intention. Gradually the word tourist was entered into other languages and then the word tourism was created. Since that time, tourism and tourist are applied for trips and passengers that are aimed at recreation. entertainment, and familiarity with people (Mitra, T., 2011).

Tourism refers to a set of activities that occur during the trip of a tourist; these activities include planning, residence, purchasing different products, cultural interactions, return and even writing memoirs. In general, any kind of activity occurred during the trip of a tourist can be regarded as tourism. This definition embraces four stages of the consumer activity (Carmen IORDACHE, 2013).

Lack of familiarity with tourism culture which causes contradiction of traditions and modernity in

some regions has provided an atmosphere in which customer- orientation and economic rules are not observed in this industry. Iran's geographical situation has two salient features. First it is mountainous and second it is in its dry belt. The mountainous situation of Iran has remarkable effect on the natural appearance of the environment. Among main features of Iran's mountainous situation is that its mountains belong to the great Eurasian system folds that is known as Alpine folding system. The second feature is that Iran is located in the dry belt, i.e. in sub tropical high pressure (STHP) belt. This geographical situation besides other natural factors has a great impact on the emergence of desert and semi-desert features. Since restrictive effects of geographic situation are moderated by mountainous height and effects, weather conditions are changed in the precipitation regime, temperature and pressure of air flows and so diversity of natural landscape is created. Ecological diversity existing in the natural environment of Iran stems mainly from these two features (Rahnamaei, M.T., 2010).

Iran's natural geography and also economic feasibility study of investable tourism attractions in

Iran indicate that "tourism" in Iran is a potential and unparalleled economic resource. Iran's tourism situation originates in the first place from its topographic conditions in the vicinity of the subtropical high pressure zone. Countries that are located in this high pressure zone enjoy dry and semidry climate and biological perspective of this climatic phenomenon. Geological factors including a set of folds have converted Iran into one of the greatest plateaus of the world (Karami, M., 2010).

This paper seeks to evaluate weaknesses, strengths, opportunities, and threats of determining optimal strategy of tourism development in order to present rural economic development solutions.

#### 2-Research Literature

Increase in the villagers' income is one of the most important goals of rural tourism. Among other goals of rural tourism, increase in the villagers' participation in policy making in such fields as providing recreation facilities, introducing geographical and natural landscape of the region, etc. can be mentioned. Also providing people with information about jobs, entities, and institutions involved directly or indirectly in tourism industry is regarded as among other goals of rural tourism.

#### 2-1-Theoretical Bases

Strategy: it states future direction and path of a part of an organization or the whole organization. Strategy has also been defined as the scope of activities of an organization in long term that brings about advantage for the organization through fulfilling customer needs and stockholder expectations (Wang, G., 2008).

Strategic planning: it is a powerful management tool designed for small companies so that they can adapt themselves to the predicted changes of the environment. Strategic planning is a formal process or a set of processes applied for determining strategies of an organization (Hill, W., 2004).

Strategic management: it refers to the process of guaranteeing the organization achievement to the benefits of applying a proper organizational strategy, and also art and science of formulation, implementation, and evaluation of multi dimensional decisions with emphasis on integrating management, marketing, financial, production, and services factors (Zargham, H., 1996).

**Tourism**: the word tourism refers to a set of trips between source and destination for recreation, sport, visit, entertainment, commercial, or cultural motivations and the tourist does not have a permanent residence or job in the destination (Alvani, S.M., 206).

Rural tourism: the European Commission has defined rural tourism in 1986, rural tourism does not only include agricultural tourism but it also consists of all tourism activities in the rural regions.

### 2-2-Research Background

(Carmen IORDACHE, 2013), Taking account of the need to adapt towns to tourists' demands, this paper attempts to clarify certain aspects related to the contents, specificity and materialization ways of urban tourism as well as to adopt certain urban tourism development strategies. (Quin, Richard, 2013), due to its geographic impediments, rural setting, small population, and lack of large employers, cheat ham county faces unique economic issues. Leaders are looking for ways to increase revenue. An obvious way is to focus on the county's outstanding natural, cultural, and recreational resources. (Dovgal Yelena V. 2013), the article uses the analysis to present prospects of further development of rural tourism taking into account experience of EU country-members, in which adoption of state and local programs, directed at development of entrepreneurship in the sphere of rural tourism, their proper performance and sufficient financing, realization of measures of these programs through funds of support of entrepreneurship is one of prospective directions of development of rural territories. (Ionel, Barbu, 2013), in this paper writer try to show as well the main factors of the emergence and development of rural tourism in order to establish priorities in the joint action of local people, entrepreneurs, tourists and local and national administrations. (Darchuk Veronika G. 2013), The goal of the article is to identify prerequisites of development of rural (green) tourism in the territory of Ukraine by the following directions of analysis: state of the rural districts, size of rural population, number of registered rural (green) manors and proposed routes through manor sites of the rural (green) tourism. The conducted analysis of the state of rural settlements of Ukraine revealed that 641 rural objects (40 settlements and 601 villages) disappeared from the map of Ukraine during 1991-2013. (Romeo-Victor, Ionescu, 2012), the paper deals with an analysis of the European tourism. They operated during 2000-2010 time period, and they analyzed the specific indicators of the tourism in Romania. Romanian tourism is low developed and depends powerfully on domestic demand. Neither the myth of the rural tourism in Romania is not real as long as the infrastructure is lamentable and the services are shoddy and expensive. Practically, the international touristic flows in the country are still low and mainly for business purposes. (NICULA Virgil, 2012), in a society increasingly urbanized, the call for rural areas

and its specific lifestyle becomes increasingly stronger. Urban dwellers return to their places of origin and the simple lifestyle of the "old times". These are some of the motivations that led to an increase in rural tourism both in Romania and many other parts of the world. During visits, the tourist is more inclined to personally seek information at different places of contact - especially at transport and accommodation operators, as well as at tourist information centres. A good Tourist Information Centre (TIC) will not work only as office to be visited by tourists, but also as a distribution point of information through local transport accommodation providers. Even if the visitors are given good information when they ask for further guidance "on the road" to tourist attractions, a good network of brown signs in international format must be provided in order to facilitate the trip.

#### 3-Research Bases

## 3-1-Research Method

This paper is an applied research in terms of objective and a descriptive research in terms of method in which a questionnaire is designed based on goals and hypotheses and sent to the statistical universe. Also it is a field research in terms of data collection. So, the data has been gathered by referring to the related references, books, libraries, and so on. During implementation of the research, field study method has been used to design a questionnaire and gather opinions of the statistical universe members.

# 3-2-Statistical Universe, Sample, and Sampling Method

The statistical universe comprises experts and managers of transport companies of tourism

destination, passengers of tourism destination in the course of questioning period, and residents of tourism destination. To access these persons, we have referred to the terminals of Tehran, Chalus, and Kelardasht and selected them by using simple random sampling method. Also to estimate sample size, Morgan table was used. The number of statistical universe was estimated 70 and according to the table, the number of questionnaire was determined 59. So 65 questionnaires were sent and 60 questionnaires were returned.

#### 3-3-Validity and Reliability

To determine the questionnaire validity, content validity method has been used. Content validity of a test is determined usually by the experts. So, content validity depends upon judgments of the referees. To determine validity of the questionnaires, this paper has used opinions of the managers of terminals, hotels, resorts, and experts of tourism organization and local experts. The questionnaire was first sent to a 30-member sample universe and it was gathered and corrected. And then it was sent to the statistical universe for field research.

To determine reliability of the questionnaire, Cronbach's alpha coefficient was used. The value of Cronbach's alpha coefficient was estimated 0.777 for the questionnaire of tourism development optimal strategy. So, reliability of this questionnaire was approved.

# 3-4-Descriptive Statistics of Sample Demographic Data

## **The Respondents Gender**

Descriptive information of the respondents based on gender is presented in table 1.

Table 1- Frequency and frequency percentage of sample based on gender

Gender	Frequency	Percentage	
Female	24	40	
Male	36	60	
Sum	60	100	

#### **The Respondents Education**

Descriptive information of the respondents based on education is presented in table 2.

Table 2- Frequency and frequency percentage of sample based on education

	Education	Frequency	Percentage	Cumulative Frequency Percentage
	Diploma	43	71.6	71.6
As	ssociate Degree	7	11.7	83.3
	BSc.	7	11.7	95
	MSc.	3	5	100
	Sum	60	100	

# 3-5-Research Components

Table 3 presents all components of SWOT table.

Table 3- Components list of SWOT table

Table 5- Components list of 5 wort table						
Enjoying local market of tourism demand and increasing growth of touri demand	sm					
Consistency of tourism functions						
Potential and real markets for tourism						
Political and economic bargaining power of urban and regional management						
Opportunities Holding multiple national and international exhibitions						
Inclination to utilizing health and medical services of city						
Importance of tourism sector particularly local tourism in the country politi	cal					
and decision-making circles						
Exogenous High average time of tourists residence						
Factors  Region potential for ecotourism growth						
Lack of an integrated system for tourism management						
Evident trend of local tourists dissatisfaction and foreign tourists sensitivity						
Increasing pollution of urban space and environmental quality descending or	der					
in the social physical and functional areas						
Threats  Reduction of local people access to the social and welfare services of the city						
Immigration from old parts and depletion of original social and cultural regio						
Single product tourism despite having potentials of commercial tourism	sm,					
medical tourism, ecotourism, etc.						
Attractive historical and religious places for tourism						
Strengths Area and infrastructural facilities of the region						
Enjoying summer post shores with capacity of tourism development						
Access to the roads and electronic communications ways						
Low capacity of urban management in response to multiplied service deman	nds					
of tourists						
Low capacity of tourism management in tourism management and plann process	ıng					
Endogenous  Urgent measures for providing services for tourists only in the high seasons						
Factors  Lack of strategic and comprehensive plans in tourism development						
Weaknesses  Weak rules of establishment and utilization of tourism services and expans	ion					
of offences	1011					
Poor quality of residential services						
Poor quality of other tourism services						
Poor quality of public transport system and urban traffic						
Poor environmental quality of old or new areas						
Lack of precise and on time data of tourism sector						

# **4-Research Findings**

# 4-1-Calculations of SWOT Table

To avoid multiple tables, table 4 presents only general scores of SWOT analysis questionnaire.

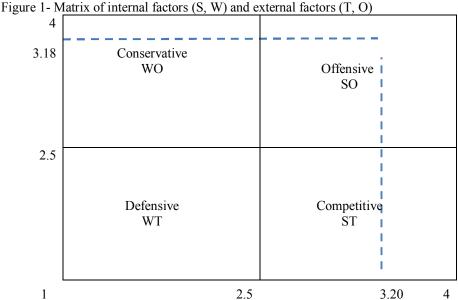
External factors							
Questions	AVE.	S.D.	Median	Skew	Kurtosis	Minimum	Maximum
Opportunities	3.975	0.035	3.929	-0.304	-0.489	3.001	4.988
Threats	4.033	0.037	4.043	0.020	-0.405	3.000	4.999
Internal factors							
Questions	Questions AVE. S.D. Median Skew Kurtosis Minimum Maximum						
Strengths	4.008	0.034	4.033	0.148	2.740	3.006	4.997
Weaknesses	3.962	0.027	3.943	0.046	-1.064	3.002	4.996

After determining values of strengths, weaknesses, opportunities, and threats of the questionnaire, matrix of internal and external factors of transport industry planning was made. Table 5 presents their final scores.

Table 5- Scores of internal factors (S, W) and external factors (T, O) matrix

External factors					
Area	Questions	Average Score	Final Score		
Opportunities (O)	01	3.2641377			
	O2	3.298168686			
	O3	3.053044832			
	O4	3.154074933	3.180		
	O5	3.06412183			
	06	3.204106571			
	O7	3.191829178			
	O8	3.258117822			
	09	3.133562426			
Threats (T)	T1	3.268416			
	T2	3.246405			
	T3	3.276423	3.226579		
	T4	3.252405	3.2203/9		
	T5	3.19912			
	T6	3.116706			
Total scores		3.2032895			
	Internal f				
Area	Questions	Average Score	Final Score		
			Final Score		
Strength (S)	S1	3.202974537	Final Score		
	S1 S2	3.202974537 3.212811263			
	S1 S2 S3	3.202974537 3.212811263 3.225751111	3.205979		
Strength (S)	S1 S2 S3 S4	3.202974537 3.212811263 3.225751111 3.182377392			
	S1 S2 S3 S4 W1	3.202974537 3.212811263 3.225751111			
Strength (S)	S1 S2 S3 S4 W1 W2	3.202974537 3.212811263 3.225751111 3.182377392 3.124907376 3.112451755			
Strength (S)	S1 S2 S3 S4 W1 W2 W3	3.202974537 3.212811263 3.225751111 3.182377392 3.124907376 3.112451755 3.179354025			
Strength (S)	S1 S2 S3 S4 W1 W2 W3 W4	3.202974537 3.212811263 3.225751111 3.182377392 3.124907376 3.112451755			
Strength (S)	S1 S2 S3 S4 W1 W2 W3 W4 W5	3.202974537 3.212811263 3.225751111 3.182377392 3.124907376 3.112451755 3.179354025 3.190527868 3.140014445	3.205979		
Strength (S)	S1 S2 S3 S4 W1 W2 W3 W4 W5 W6	3.202974537 3.212811263 3.225751111 3.182377392 3.124907376 3.112451755 3.179354025 3.190527868 3.140014445 3.300102339			
Strength (S)	S1 S2 S3 S4 W1 W2 W3 W4 W5 W6 W7	3.202974537 3.212811263 3.225751111 3.182377392 3.124907376 3.112451755 3.179354025 3.190527868 3.140014445 3.300102339 3.108159632	3.205979		
Strength (S)	S1 S2 S3 S4 W1 W2 W3 W4 W5 W6 W7 W8	3.202974537 3.212811263 3.225751111 3.182377392 3.124907376 3.112451755 3.179354025 3.190527868 3.140014445 3.300102339 3.108159632 3.103687653	3.205979		
Strength (S)	S1 S2 S3 S4 W1 W2 W3 W4 W5 W6 W7	3.202974537 3.212811263 3.225751111 3.182377392 3.124907376 3.112451755 3.179354025 3.190527868 3.140014445 3.300102339 3.108159632 3.103687653 3.257398399	3.205979		
Strength (S)	S1 S2 S3 S4 W1 W2 W3 W4 W5 W6 W7 W8	3.202974537 3.212811263 3.225751111 3.182377392 3.124907376 3.112451755 3.179354025 3.190527868 3.140014445 3.300102339 3.108159632 3.103687653	3.205979		

Figure 1 depicts final score of SWOT questionnaire evaluation. According to the results, offensive strategy (SO) must be adopted.



Proper offensive strategies for tourism destination in this paper are as following.

Strategy 1: establishment of a fund to support and manage attractive zones of tourism destination and visit taxes.

Strategy 2: preventing price increase in the tourism seasons and land and property exchange.

Strategy 3: formulating rules and allocating budget to improve roads network.

Strategy 4: creating particular workgroups for providing consultation services for investors of tourism sector.

## 4-2-Strategy Selection

To prioritize strategies, the results of prior stages are used. Table 6 presents attractiveness score of SO strategies based on computational prioritization by AHP method. To shorten the research findings, table 6 presents the results of calculation.

Table 6- Prioritization of offensive strategies

Strategy	Result	Priority	Bars
1	0.046	1	
2	0.024	2	
3	0.013	3	
4	0.017	4	**************************************

As shown in the table, the strategy of "establishment of a fund to support and manage attractive zones of tourism destination and visit taxes" has priority over other offensive strategies. Then, "preventing price increase in the tourism seasons and land and property exchange", "creating particular workgroups for providing consultation services for investors of tourism sector", and "

formulating rules and allocating budget to improve roads network" are respectively the next priorities with scores 0.024, 0.017, and 0.013.

## 5- Conclusions and Suggestions

By using SWOT matrix method and AHP method, this paper has formulated and prioritized optimal strategies for developing tourism align with rural economic development. The method and some results of this paper are similar to prior studies including (Kazemi, M., 2010), (Shi'e, A., 2009), (Taghvaei, M., 2010).

#### The Research Result

The main result of this paper indicates that Kelardasht is in the offensive strategy zone according to SWOT matrix, and among sub- strategies, "establishment of a fund to support and manage attractive zones of tourism destination and visit taxes" is the first priority among four introduced strategies.

#### **Suggestions**

Creating facilities and providing peace of mind for the investors in tourism sector

Absorbing small capitals and entrepreneurship Creating tourism databases on the World Wide Web managed by District Governor.

## **Suggestions for Future Research**

It is suggested to use other methods such as linear planning in the future research with regard to the tourism income trend for allocating resources to support strategies.

To formulate more effective strategies, deeper field research is suggested for finding more solutions.

It is suggested to prepare a list of research needs of tourism destination of this paper and specify future research needs.

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