

Challenges in Iran Tourism Industry

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ABSTRACT

The goal of this study is to investigate and explore the challenges in Iranian tourism industry. In spite of the vast tourism resources and potentials, Iranian tourism has experienced enormous issues due to evolutions of the 1970s and the Iran- Iraq war of the 1980s. Using secondary data and literature review, the research has explored some fundamental flaws towards the tourism sector, which are embedded in the lack of commitment to, and a strategy for, the tourism sector. Tourism industry can develop through increased international advertisement, expand foreign relation, improve the quality of welfare services, decrease tourism products prices as much as possible and encourage foreign investors to invest in the industry.

Keywords: Tourism Development, Challenges, Iran Tourism; Attraction.

INTRODUCTION

Iran has a variety of landscapes with the mountains, dry lands, lakes and deserts. Geographically, Iran, has an area of 1.6 million km sq. with a population of more than 70 million (Iran's Public Census of Population and Housing 2006). The country is dedicated with abundant historical and cultural attractions, heritages and sites of which many, including Iranians, are unaware. Iran is linked to the Caspian Sea in the north and the Persian Gulf in the entire belt of the south. However, more people pay so attention to the northern resorts because of the availability of facilities and modest climatical conditions. Similarly, Southern tourist resorts in the Persian Gulf which are more of tropical climate, have been developing in the past few years. In fact, Iran is a country with sustainable tourism potential. One of the UK's most influential newspapers, The Financial Times, claims that 'Iran is undoubtedly a blessed country. In addition to its vast reserves of natural resources, its vibrant cultural makes it so much more than just another resource-rich developing economy' (Financial Times, 2016). However, over the past three decades Iran's tourism industry has been suffering from a range of issues, including the negative imagery, international sanctions, political instability and conflicts in the Middle East region, and poor management (Khodadadi, 2016). In fact, Iran has become a debated subject

between two main parties in the government. One side considers tourism as a means to achieve economic benefits as well as to modernize the international community, where the second side sees tourism as a means of globalization and a danger to the Islamic values and norms (Alipour and Heydari, 2005). Without a doubt, tourism industry has grown fast in the world economy with a persistent growth in a highly globalized and complex environment (Harill and Potts 2003; Olsen 2001). The purpose of this study is to investigate and explore Iran's tourism sector, which has been neglected for so long, and to restate its potential as an economic means for developing the country. Despite the potentials and attractions, Iran has failed to invest on its resources to gain the advantages of international tourism. While tourism industry has become one of the fundamental ways to escape of the economic issues in the developing countries, (WTO 2001,2002), Iran's share of the pie remained as one of the lowest in the world.

REVIEW OF LITERATURE

Tourism Industry

Tourism refers to a set of activities and communication between tourists and countries which are hosts and responsible to prepare all the needs of tourists, including accommodation, foods, funs, transportation, security and other essential things and a tourists is a person who

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eagers to spend his time in another city, province or country for recreation, holiday, business, study or other purposes. It must be noted that tourism words for the first time were used by the nations union in 1937. It has a very long history since then (Gharanejad, 2007). In Iran, tourism has an old history and since long time ago it has developed, for example: western historians and tourists traveling, old caravansaries between the ways, and widespread communication road. One of the main eras of tourism industry in Iran was at the time of Safavi's kingdom that led to the internal security, development and welfare of roads and architectural blossoming of Iranian were the most important factors in attracting foreign tourists at that time.

In 1935 an office was established. The purpose of this office was to attract foreign, tourist and advertising administration and tasks related to the tourism industry. After the victory of Islamic revolution in 1978, ministry of information and tourism were built and its name later changed to ministry of culture and Islamic guidance. In 1971 an agreement was conducted and signed between Iran a foreign company called Tourist Consult. The purpose of this agreement was to consider different aspects of tourism industry such as policies, advantages and facilities. In fact this was the new perspective of the enriching of tourism industry in Iran before the Islamic revolution. From this date onwards the country has witnessed the development of the industry, and acceptable rate of tourists entering has increased. For example in 1978 only seven years after the above contract the number of tourists in comparison with the year of 1969 which were 241,198 tourists, increased to 502,278, and this is almost more than 100% increase (Iran cultural heritage organization, 2009). Unfortunately, after the Islamic revolution, various political and security events,

and also the war between Iran and Iraq disconnected, decreased the development of tourism industry and caused a severe drop in international tourist's arrival. An thus event, lack of growth and development of the Iran tourism industry, continued until 2006, but after this year we could see more tourists coming to Iran due to the special attention of the government. It needs to be stated that tourism industry creates job opportunity and provide foreign exchanges. Moreover, it is also causes to increase the power of production in countries. Although Iran has achieved some progresses in this industry but still has a long way to reach its suitable place in international arena. Therefore, it needs to improve and expand fundamental aspect of its tourism industry in order to attract more foreign tourists. More to point, it also needs to improve visa issue, to expand international relationships, to enhance advertising for introduce more Iran to other nations and increasing the quality of welfare services.

Security

"Security" means avoiding any anxiety and stress which leads to disturbing the peace of mind. Security provides favourable and normal conditions in the society by police forces through the law and by the objective of protection of ethnic-social values and protecting individual and social benefits (Validi, 1999). Arguably, tourism industry and security have mutual relation, value and effectiveness. The main thing worth pointing out is that tourism will be realized only with security development. When discomposure happens in the borders, the importance of security will appear. In fact, the attractions of the country may lose beauty by the time and situation but security and stability can play a fundamental role in tourism development. In the other word, security is the most important tourism attraction in each society.

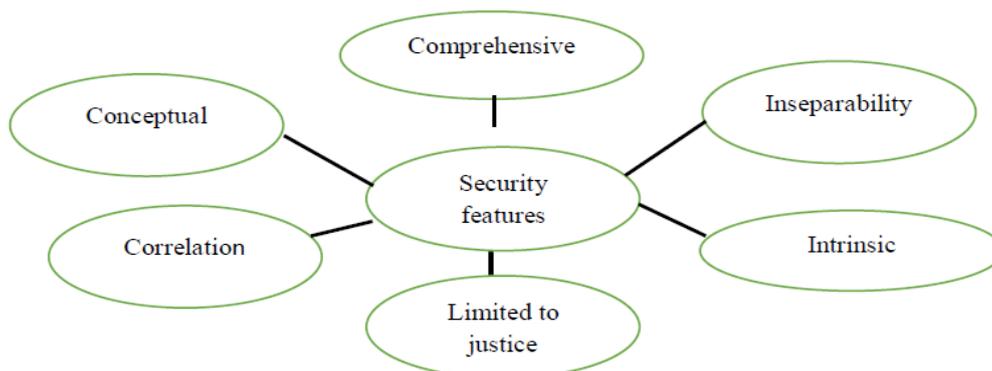


Figure1. Theoretical Framework of security of features

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Figure 1 presents security features which encompasses 1) Comprehensive which means its work field is large and comprehensive 2) Inseparability which refers to the lack of any dimension hurts security 3) Intrinsic means no need for reason 4) Limited to justice in I.R. Iran means that it includes divine commandments about right, parity and mutual responsible of governor and nation 5) Correlation among security and social and individuals values encompasses media propaganda, society public opinion and political powers 6) Conceptual refers to the existence of security which is the best tool to achieve concept of conceptual security (Pour Asadi, 2009)

Geographically, Iran is in the centre of the Middle East. Iranian's religious identity and economic capabilities had a big influence on countries located in the Persian Gulf region and the world. Iran as a bridge between east and west always was considered by countries and civilizations in the world. This role between continents and proximity to the Persian Gulf where is a place to transit oil cargo, increase importance of Iran for other countries, therefore any political revolution in this region leads to raising global sensitivities. Because of playing important role in the region, exchanges in the world and deep impacts on political-economic evolution in subcontinent-Central Asia and Indian Ocean-Mesopotamia and Anatolia, transit situation of Iran has been advanced into a special geopolitical statues. Findings show that during past years, tourism potentials of the countries in the Persian Gulf have been affected by unstable security, disturbing political stability, lack of effective policy, centralized political structure, and low levels of regional cooperation. But, role of political instability in recent years, such as violent behaviours and terrorism had a negative impact on international tourists and provided an abnormal situation of tourism industry in the region. Consequently, countries in this region had lack of advantage from tourism revenues because of uncertainty of public and private sectors for investing in tourism industry. Therefore, security as one of the variables affecting tourists attracting, has had fluctuations in recent years. It must be stated that without stable security, there is no promising vision for this growing industry in the region. Interdependence of countries has connected economy and security of all countries together (Pishgahifard & Jahanian, 2011).

Advertising and Informing

Advertising and informing are considered as vital factors in tourism industry. In the tourism industry, advertising is only means that can fill the gap between supply and demand. This is because tourism product and services are not portable to the country in order to use, therefore only by advertising information can be introduced to different countries and disclosed their characteristic and features. Nowadays, developed countries in order to introduce natural

and historical attractions and attract more tourists, attempt to use large scale advertising. Such as: advertising brochures, TV and internet advertising, tourism satellite networks and movies. Tourists need enough updated information to select their destination because this decisions are based on information, therefore this information can be transmitted through the advertising sector that introduce all attractions of country and provides enough information to the tourists, but the main thing worth pointing out is that giving the proper information to tourists is very crucial, because if they travel to a country and realized that they have given them incorrect information they would become deceived, so their attitudes will change and think negative about the whole society, culture and the mentality of people and never again travel there, beside they might make negative propaganda against the country, so the others also discourage to travel. Therefore it is necessary that the advertising activities consider the expectation of all the society and attract the various tastes toward tourism industry. (Amiri Aghdaie & Momeni, 2011; Lumsdon, 1997).

Tourism Attractions

Tourism attractions is another important factor in tourism industry. In fact, tourists travel to a place in order to visit and enjoy from its attractions. So, recognition and introducing the attractions of region or country to the people is vital for tourism development and boom. Tourism attractions encompass two groups namely, natural attractions and handmade attractions. Natural attractions include green space, mountain, waterfalls, beaches, lakes and wild life that people play new role to create these attractions. While handmade attractions have been made by human and are production of history, civilization and culture. Handmade attractions are divided into two kinds of old and modern attractions. Historically, old attractions have not been made for tourism use. Persepolis, Tchogha Zanbil, Bisotun, Pasargadae, Bam citadel, Takht-e Soleyman, Soltaniyeh dome, Meidan Emam Isfahan, Shushtar Historical Hydraulic System, Armenian Monastic Ensembles of Iran, Sheikh Safi al-din tomb and Tabriz Historic Bazaar Complex are from old attractions of Iran that have been made for the

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purpose of military, religious, business purpose and some for life. Persepolis was made for different reasons such as need to royal and majestic atmosphere and a symbol for Pars Empire, also having a place for special ceremonies like Norooz (New Year) and acceptance foreign guests.. Persepolis has been located 45 km from Shiraz city and registered in UNESCO at 1979. Natural attractions are also very important, and always provides advantages for the countries. As these attractions cannot be easily developed, and it requires thousands of years, so countries with the natural attractions must pay so attention to this kind of attraction and use their benefits in maximum level. Unfortunately many tourists are not familiar with the natural attractions and have less information about the benefits of natural attractions but most often people are familiar with the historical attractions as they studied about them in history. Therefore, this is a big job for responsible organization to draw tourists' attention to them by promoting and introducing these attractions to different communities of the world. Iran is also a rich country in regard to its natural attractions especially in the north part. The city of Hamadan itself is an ancient town and one of important tourist centre. Hamadan once was the primary capital of the Medes, and its old name is "Hegmataneh". Medes were one of the Aryan tribes arrived in Iran about 3000 years ago and lived in this land. Ali-Sadr cave in Hamadan is the largest world's water cave, and one of the exceptional attractions of Iran and the world. The cave is located at the altitude of 1980 meters from sea level, and the depth of water in cave is 14 meters. The water of the cave is of the cold water categories (12 c. degrees centigrade), without a particular odor and taste (Amiri Aghdaie & Momeni, 2011).

Issues and Problems in Iranian Tourism

Tourism in Iran provides huge opportunity in terms of natural and cultural resources. At the same time, such opportunity is countered by what can be described as political ambivalence at best and antipathy at worst. Encouraging tourism in Iran is a highly debated issue between two main sects in the government, one considers tourism as means to get economic benefits and the other that sees tourism as leading to globalisation and thus threatening Islamic values and norms. The current political doctrine is highly suspicious of foreign, non-faith influences and this situation acts contrary to interests seeking to develop tourism as a

respectable and respected sector of the economy, particularly in rural and remote areas where native tourism is likely to appear. Rather than protect and support locally based tourism, the prevailing national ideology stifles local businesses from benefiting from cultural assets. The current environment is not, however, opposite to tourism as that which existed in the after post-revolutionary era. However, the image of Iran in the international tourist market is almost unique in terms of negative media attention over a sustained period. As an outcome, the core perception of Iran in the eyes of the world and in particular, in the eyes of potential tourists from North America and Europe has been of a troubled, strife torn country that should be avoided unfortunately. The Government in Iran does not help counter this image as tourism still tends to be subjugated to the 'big project' of promoting a religious – political agenda. The lack of foreign investment in tourism can also be seen as a major mainstream tourism challenge, especially in the hotel sector, in that both product and service are inadequate for the contemporary international leisure and business market. Service standards in the major state and quasi-state hospitality businesses are among the poorest in the world, contrasting with the warmth and natural hospitality of service in small, private, indigenous businesses throughout the country. Part of the problem lies in the widespread system of political and religious patronage and favour that operates in the allocation of senior government and quasi-government positions. This means that the leadership of public sector tourism, both in promotional and operational roles, is rarely professional or long term. Alongside this managerial failing, is the absence of effective and co-ordinated human resource development in support of the tourism sector, both in terms of pre-entry training and in relation to the in-service, life-long development of existing tourism employees. There are also major infrastructure issues with respect to accommodation and, in particular with respect to transport. The country suffers badly from the US embargo in the area of air transport, what might be described as the 'Tupolov blight'. In organisational and facilitation terms, there is a lack of credit card facilities necessary for modern tourism, also as a result of the embargo, and poor or out-of-date systems are generally in place. Such transportation problems constrain tourism development in the periphery where indigenous attractions are concentrated. In marketing terms, international tourism to Iran is

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severely challenged by problems with respect to national image, relating to regional political concerns and also national social and cultural matters, notably the hijab requirement for women and the ban on alcohol (Mazloumi, 2007; Mohammadi, 1997; & Sajedi, 2007)

Table 1 and 2 present the country rankings in terms of visitors' exports' contribution in 2017

Table1. Country Rankings: Absolute Contribution, 2017

Visitor exports	2017 (US\$bn)
13 Turkey	31.3
31 Saudi Arabia	13.2
World Average	8.1
41 Egypt	8.0
46 Israel	7.3
Middle East Average	7.1
48 Lebanon	7.0
54 Jordan	5.2
57 Iran	4.6
75 Oman	2.7
101 Syria	1.2
108 Pakistan	0.9

Table2. Country Rankins: Long term growth, 2018-2028

Visitor export's contribution to total exports	2018-2028 % growth pa
6 Oman	6.9
12 Pakistan	6.4
24 Lebanon	6.0
Middle East	5.3
50 Israel	5.3
69 Jordan	4.8
96 Turkey	4.4
World	4.1
125 Saudi Arabia	3.9
129 Egypt	3.8
143 Iran	3.4
176 Syria	2.3

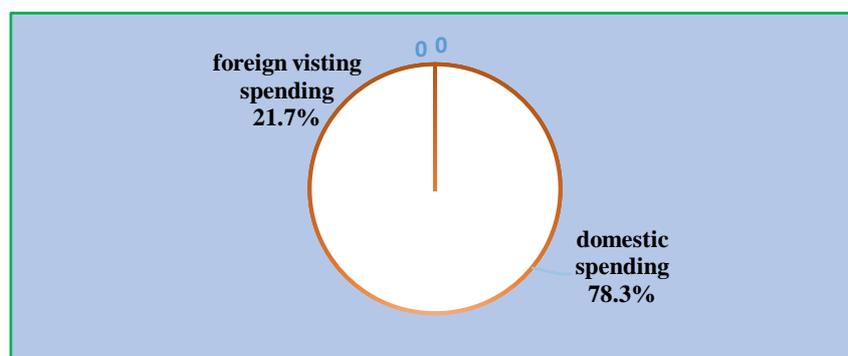


Figure2. Travel & Tourism's Contribution to Gdp: Domestic Vs Foreign, 2017

CONCLUSION

Tourism industry is the most interesting industry in the world and base on prediction of WTO (world tourism organization) it will be the first

and 2018 respectively. Moreover, figure 2 shows domestic travel spending generated 78.3% of direct travel & tourism GDP in 2017 compared with 21.7% for visitor exports (i.e. foreign visitor spending or international tourism receipts). As figure 2 shows the rate of international tourist in Iran in 2017 is less than domestic tourist.

industry in the world by 2020. Tourism is a multi-dimensional activity which is cardinal and essential to the life of the nations of the world including Iran. This industry assists to the

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development of social, economic, cultural and educational aspects of human being. Although tourism has found its priority within the managers and planners in Iran in the past few decades, still an efficient management is needed to gain tourism development in Iran which is often lacking. Similarly, development of tourism requires cultures to rethink and rebuild their unique identities. Muslim countries including Iran, need to build and maintain their tourism according to the Islamic codes. It must be noted that tourism leads to international understanding and free movement of culture, commerce, promotion of friendship and goodwill between/among communities and nations in all corners of the world. Iran should identify its weaknesses in the first step and in order to remove problems do effective action., the major deficiencies of Iran in tourism industry are regarding foreign policies, quality of welfare services and international advertising. Therefore it is really necessary for the government and those who are responsible about this industry to give more attention to above factors. Iran can develop its tourism industry through increased international advertisement, expand foreign relation, improve the quality of welfare services, decrease tourism products prices as much as possible and encourage foreign investors to invest in this industry.

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