

Promoting Tourism Industry as a Suitable Way for Development of Shiraz City

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1. Introduction

Iran has a lot of opportunities in developing various types of business but in the current time they are not used at full capacity. The main objective of the Iranian government is to achieve development of the urban areas. For this purpose, many improvement projects have been initiated in urban areas to bring new industries into such areas.

For a long time, tourism industry is considered as one of the most profitable and intensively developing branches of the world economy. This is confirmed by the fact that the share of tourism is about 10% of the world's gross national income. Development of tourism plays an important role in social and physical activities.

There is an abundance of historical, archaeological and religious sites of outstanding interest in Iran. There also exists, of course, an exciting range of architecture from various periods of history. The variety of artistic pursuits and the range of handicrafts is immense. Apart from its famous carpet weaving, miniature painting, calligraphy, metalwork, ceramics and carving, there is a further wide range of craft products. There are many musical forms of great interest, and the country can boast having leading writers and poets of international fame. There also exists, of course, an exciting range of architecture from various periods of history.

With the nomination of the Islamic Republic of Iran as the host country for World Tourism Day 2001, it is hoped that the country will become a major tourist destination in the region. In this situation, the Shiraz City Government has decided to work more on tourism. It should be noted that most of the foreign tourists that come to Iran, necessarily visit Shiraz. There are many objects of interest in Shiraz and Shiraz region. Architecture masterpieces, museums, and historical buildings and other unique objects attract the tourists. Therefore, for conditions of Shiraz, an absolutely right choice is preference of the tourist development of the city as priority in comparison with other industrial development.

This research objective is to work out recommendations on development of highly efficient and competitive market type of tourist and capable to ensure considerable contribution to the development of the Shiraz city economy through increase of work places, higher tax revenues, foreign exchange inflows, preservation and rational utilization of historical/cultural heritage and natural environment. It also anticipates search for ways to solve the tasks on improvement of Shiraz international image.

The research methodology will be based on recommendations of the World Tourist Organization. Project information base will be compiled of data from the Shiraz Statistics organization and materials presented by the national experts and materials that describe international experience on development of tourism. During the research the sociological methods (i.e. in depth interviews, focus groups with representatives of tourist sector in order to get full picture about problems and potential ways of their resolution) has been used.

2. Analysis of the economic benefits of tourism

The tourism industry is one of the most important industries in terms of foreign exchange earnings in the world. The expansion of the tourism industry, will have an effect on the growth of other related service industries, particularly food, accommodation, handicrafts/souvenir products, transport, entertainment, shopping and other small and medium-sized industries. The tourism industry creates employment opportunities in other related industries. The impact of the tourism industry on the economy can be seen from its foreign exchange earnings, government taxation revenue and employment generation. . According to available statistics in Iran, a total of 573,449 foreign visitors were recorded in 1996, 764,092 in 1997, 1,007,597 in 1998 and more than 1,300,000 in 1999. Over the past two years, due to good coordination between the Iran Touring and Tourism Organization (ITTO) and other organizations concerned, there has been a good increase in growth. In view of the above, it is estimated that 4 million international visitors will visit the Islamic Republic of Iran by the end of 2010.

Complete statistics are currently unavailable on length of stay, but it is about six days. Current government estimates indicate average expenditure per visitor to be \$US 100 a day for a 6-day stay, a total of \$US 600. All aspects of visitor profiles require further study.

Commodities tax income derived from tourist consumption contributed to some extent to the national economy, with the largest percentage being generated from hotels, restaurants, shopping and the sale of handicrafts/souvenir products. However, the vacation/leisure market will become more diverse as time goes by, and to a greater degree than for domestic visitors.

Nature and culture are not the only aspects that the country can develop in order to promote tourism. The location and geographical features of the country provide a good potential for tours that combine visits to neighboring countries.

Iranian government has been formulating a policy on tourism development under the National Social and Economic Development Plan. Tourism is one of the priority national development programs.

The Islamic Republic of Iran intends to develop its tourism sector to meet innate needs and as an effective economic factor in the national economic and social development plan. Tourism offers an opportunity for development not only through its contribution to the economy, but as a vehicle for bringing about further dialogue among nations and reinforcing the sense of national identity.

The Tourism Industry Development Law passed in September 1991 in Iran and empowered the Ministry of Culture and Islamic Guidance to handle tourism. The Tourism Industry Development Law also made provision for the establishment of the Tourism High Council under the chairmanship of the vice-president and with the participation of the Ministers of Culture and Islamic Guidance, Foreign Affairs, Finance and Economic Affairs, Higher Education, Roads and Transportation, and the Interior.

The government has put great effort into improving and developing the basic infrastructure throughout the country, such as telecommunications and the transportation network in order to meet the requirements of all concerned. The urgency of this research has been prompted by the need to search for ways on resolving problems that can be accrued in the development of Shiraz tourist industry.

3. Overview on the Shiraz City

Shiraz, one of the most beautiful, historical cities in the world, is the center of Fars province in the south of Iran. It is located at longitude 32-52'E, latitude 29-37'N. and 1,540 meters above the sea level. It is 895 kilometers away from Tehran and its area is 220 square kilometers. Shiraz now is honor to have the cradle of royal civilization of the world and of Persian history.

Shiraz has moderate climate. There are lush gardens all over the city that moderate its atmosphere. Most of the gardens for which Shiraz was once famous are now long gone, but it still has a number of parks and gardens, which are particularly pleasant to wander through in the

summer. One of the most popular gardens is Bagh-e Eram (Eram garden) in the north-west of the city, which is famous for its cyprus trees. The 19th century Qajar palace lies in the middle of this garden, with its own reflecting pool.

The average annual temperature stands at 17.3 degrees centigrade. The maximum temperature mounts to 43.2 degrees centigrade in the hot season and the minimum temperature drops to 14 degrees centigrade below zero in the cold season. The average annual rainfall tops 307 millimeters, with the freezing season lasting 54 days. According to the 1996 census, Shiraz's population stands 1,030,994 having increased from 170,656 in 1956.

Shiraz was one of the most important cities in the medieval Islamic world and was the Iranian capital during the Zand dynasty (1747-79). Through its many artists and scholars, Shiraz has been synonymous with learning, nightingales, poetry, roses.

Shiraz has two different structures, old and modern. The old structure consists of different gates and districts at different times. The modern structure has been chiefly set up around the old districts in suburbs. Fig. 1 shows the map of Shiraz.

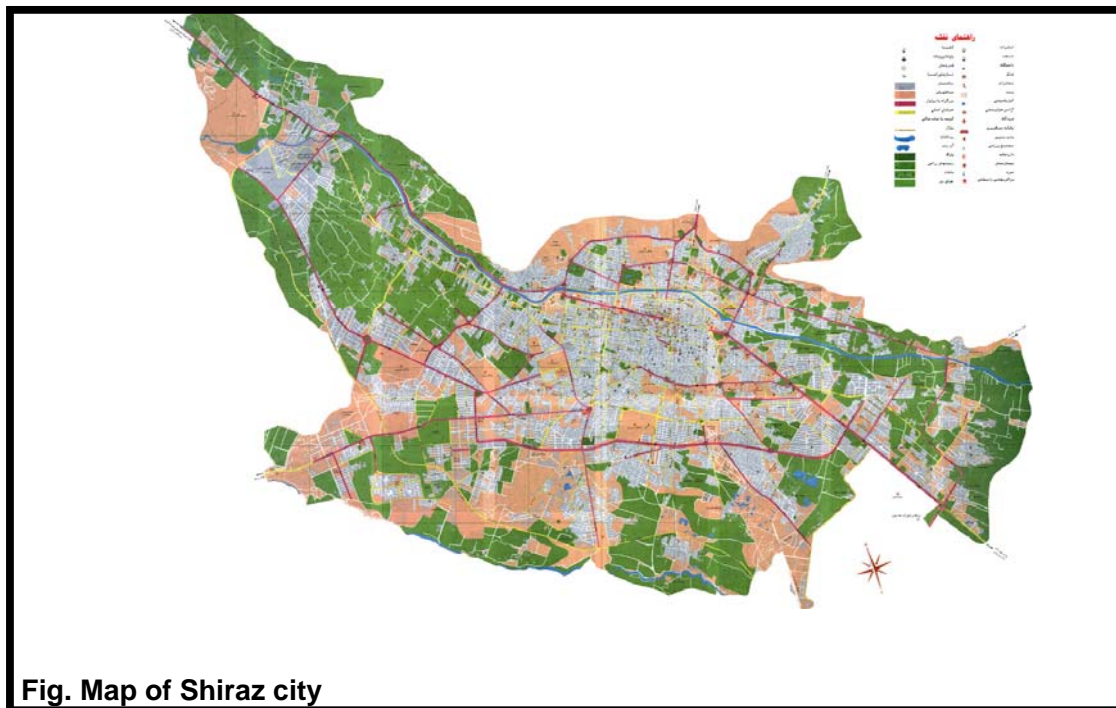


Fig. Map of Shiraz city

According to available statistics, a total of 552,542 visitors were recorded in 2004 in Shiraz which 43,861 were foreigner. Over in view of the above, it is estimated that 1million visitors will visit Shiraz annually by the end of 2010. Table 1. shows statistics of visitors that were recorded in Shiraz. This statistics is those who stay in hotels, guest house and inns in Shiraz. Statistics show that many stay in their relative's houses.

Table 1. Statistics of Tourist in Shiraz

Tourist	2000	2001	2002	2003	2004
Domestic	163164	112811	154759	523492	508696
International	57088	42598	37904	26998	43861
Total	220252	155409	192663	550490	552542

There are currently 169 hotels and accommodation establishments in Shiraz, with a total of 4,453 rooms with 10,488 beds. Hotels are rated according to a star system (one to five stars).

Other accommodations are inn and guesthouses. Table 2. shows statistics of hotels and inns in Shiraz.

There are 83 travel agencies in Shiraz, which help the domestic and foreign tourists. There are more than 500 coffee shops, restaurants and Fast Food and Sandwich Shops.

Table 2. Statistics of Hotels and inns in Shiraz

Type	Number	Room	Bed
5 star hotel	1	232	462
4 star hotel	2	210	409
3 star hotel	7	347	687
2 star hotel	13	560	1086
1 star hotel	17	328	651
inn and guest house	129	2776	7193
Total	169	4453	10488

4. Comprehensive program for tourism development in city of Shiraz

Today Shiraz is a relaxed, cultivated city, with wide tree-lined avenues and enough monuments, gardens, mosques and bazaar to keep most visitors happy for several days. The university here is one of Iran's finest, and the tourists will come across lots of students eager to speak English. The need to identify and develop tourism projects that are suitable for both internal and foreign tourists is very important.

Comprehensive program for development of tourism in Shiraz should be creating legal, organizational, administrative and economical plan. This program should create a tough challenge for the government, particularly in the rebuilding and speeding up of the momentum of the tourism industry. If we have a good management, short-term, mid-term and long-term programs, it would be possible to both the governments and the private sector to contribute to the development of tourism industry. Also, international and domestic factors have, to some extent, always impeded the efforts of the government to develop and promote the tourism industry.

The plan of development of tourism in Shiraz is considered as one of components of the general plan. Such approach should provide harmonious integration of tourism in life of city, that reduce to a minimum of a problems connected to a competition for use of the ground areas, with a chronic overload of a transport network, with definition of functional use of monuments.

In the plans of development, tourist zones should be developed in administrative districts of city. It is necessary, that their connection with the tendencies of development of Shiraz be coordinated. Thus, the important condition is the participation of the city dwellers in discussion of the project at key stages of planning. The following tourism-related activities are suggested to be done:

- Creation a good image of Shiraz for tourists by good advertisement;
- Establish comfortable information system for tourists;
- Development of tourism event base on the attraction of mass contingent of tourists, using some event in the city life;
- Social perceptions of tourist development by the population living in the tourist zones;
- Competition with other cities and countries in attracting tourists;
- Creating a favorable atmosphere for investment in tourism infrastructure and expanding economic benefits of tourism;
- Formation of legislative base of the tourist branch;
- Development of free enterprise in the field of tourism, and, first of all, development of small and average business;
- Support of tourism industry and companies involved in tourism activities by the government;

- Improvement of tourism product in Shiraz;
- Ensuring comfortable conditions of stay for the tourists;
- Growth of national self-esteem as a result of hospitality and referring to the cultural and historical heritage.
- Train some young person for tourism industry
- Development of human resources required by tourism-related industries in all the respective areas;

For satisfaction of tourists needs under the classical circuit of granting of tourist services: " transport + accommodation + entertainment ", - is necessary to provide the tourists with the following services:

- Residing, that should be satisfied with several types of the basic and additional means of accommodation; food, that is connected to necessity of maintenance various, including, entertaining food;
- Formation of a network of small private hotels and other types of means of accommodation, and also gradual development is offered, on the basis of regeneration of historical building, infrastructure of service designed as on temporary, and on the constant population of city.
- The development of basic infrastructure facilities should be further enhanced;
- Coordination of development of a tourist infrastructure with other branches of municipal economy: modernization of motorways, construction of parking places, including for excursion transport, development of urban public transport, development of a municipal services, restoration of parks, urban manors, museums and others cultural - entertainment of establishments, public health services, ecology, connection, adaptation of city for the people of elderly age and invalids.
- Development of transport services in tourism. Purchase of vehicles (buses, minibuses, cars).
- Creation of the effective and ordered system in work of the Shiraz taxi equipped with a radio communication and serving first of all tourist objects.
- Formation of zones of development of the international tourism in territory Shiraz and next areas on the basis of the basic historical and cultural centers of regions around Shiraz
- The expansion, modernization and renovation of hotels and other accommodations.
- The establishment of recreational camps.
- Clearing land for the purpose of a tourist project.
- Planting trees and plants (landscaping).
- Providing facilities on land used for a tourist project.
- The preservation and restoration of heritage buildings.
- The Development of tourist structures should " to work " on general idea of preservation of historical shape of city, its originality, renovations of its historical building.
- The important part of the plan is the security zones of two types - natural and historical. It has the direct attitude to development of tourist zones, on which they settle down

5. Conclusions and recommendations

Tourism industry has a huge potential for development. It results both from the existence of the large number of unique objects of nature and rich cultural–historical heritage in Shiraz city. For the sake of the development of tourist industry in Shiraz it is necessary to elaborate recommendations for comprehensive development of tourism industry at the government level aimed at creating of more favorable conditions for tourists visiting, development of the private sector, and attraction of internal and foreign investments in this sector. In this case, some conclusion and recommendation can be written as Follows:

There is a unique opportunity to combine various kinds of tourism activities. In the result of research, the main directions for tourist industry development strategy must be developed and presented for discussion.

Increase of the income from tourism, perfecting of the taxation system.

The municipal budget should be formed substantially at the expense of revenues from tourist activity in Shiraz.

One of the important activities in the development of tourism industry is, development and expansion of training, research and planning program to expand the tourism sector according to international standards.

Enhancement of privatization and cooperative activities in the development of the tourism industry (public-private partnership projects) is recommended.

Upon development of tourist industry it is necessary to focus on price formation ensuring that the service package (accommodation, food catering, transport, excursions, etc) be competitive. For doing it the price for different services related to tourism should be compared with other countries.

Visa requirement is not, at present, relatively simple. The procedures need to be further streamlined if tourism in the country is to be more actively promoted.

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