Effects of Government Incentives in the Tourism Industry and the Case of Turkey

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Abstract: According to World Tourism Organization (UNWTO) Turkey is currently the 6th most attractive tourism destination in the world. In year 2014 Turkey is expecting 38 million tourists and about $35 billion of revenue. Objective for 2023 is 50 million tourists and $50 billion of revenue. But the country is facing challenges in acquiring same success in terms of the receipts per arrival. To maximize the revenue per arrival government is planning to boost the sector by diversifying with innovative branches just as agro-tourism, geo-tourism, culinary, cultural, extreme, heritage, medical, wellness nautical, religion, slum, wildlife tourism.

Government incentives and support provided to tourism industry has an important contribution in development of tourism sector. Turkish government reveals abundant incentives for the industry that can be seen by evaluating the world statistics throughout the global outlooks. Government incentives for the tourism sector are becoming increasingly important and urgent in the context of globalization. The reason of this importance comes from the power of the sector’s contribution on the balance of payments. Main objective of this article is to emphasize; the changing structure of the sector in the last thirty years and the need for the government incentives in the tourism industry development.

Keywords: Tourism, intervals, government incentives, tourism promotion, tourism investments, world tourism, tourism statistics.