Public Perception’s of Tourism development: Baku Case

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Approval of the Institute of Graduate Studies and Research

__________________________
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We certify that we have read this thesis and that in our opinion it is fully adequate in scope and quality as a thesis for the degree of Master of Science in Tourism Management.

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ABSTRACT

Tourism industry has become one of the key driver in the development of third world countries. Tourism as a developing sector can positively and negatively affects the society, the economy of local governments, and host communities. From the point view of local governments, the tourism industry is vital power and main tool for economic growth and stability.

The quick improvement of tourism sector has impacts on the local communities. According to widely spread thought, the main advantage or strong point of tourism for local communities is the ability of the sector to create new job opportunities, reduce unemployment and raise the life standard of local communities. The economic development function of the industry plays considerable role for developing countries as the outcomes of survey demonstrate that the spread and development of tourism sector positively impacts developing countries.

Baku is one of the highly developing destination in last years and tourism being an important sector, can be a mediator for more development of the destination in next coming years. Baku is available destination for the development of tourism industry due to the resources of place. Some basic features make the destination attractive place for visitors e.g. location, capital status, economic development and ancient city images which are the main details for the destination in the tourism sector. Natural resources, strong and diversified industries are the second core components for the development of tourism sector in the selected destination.
The aim of this study is to investigate the host community perception and attitudes toward tourism development in Baku based on theoretical framework. Social Exchange Theory is considered as the main theoretical concept which studies the perception of local communities toward tourism and tourism development. According to the theory, the main principle of the concept suggest that local people like to participate and give support to tourism if they believe that they will benefit from it with no cost. This factor leads them to get involved and participate in tourism development in the society.

The data for this master thesis was collected from the capital of Azerbaijan and the most developed city in the Caucasus region, Baku. The research method of this study was based on qualitative method and the outcome of study was obtained with the aid of special questions which were prepared based on different factors.

The results of this study shows that community attachment, use of tourism resources, community concern and eco centric attitudes, use of tourism resource base, perceived cost and benefit of tourism, community support for tourism after the general attitudes and perceptions of host communities are main aspects measured for host community perception and attitudes toward tourism development. Generally, the host population of Baku have more positive mindset about the tourism and tourism development in their home town and they see tourism very important for the developing industries in the world. Also they consider that the participation of host communities in tourism development can bring more benefits to the national governments. Another important key finding of this study is the local community perceptions. They have positive perceptions for the future of tourism in Baku and they believe that the selected destination for this study can be one of the well-known
business tourism destinations in future, perhaps after resolving the existing problems which have been considered as the main obstacles toward tourism development in Baku.

The current study gives some limitations and also implications, based on outcomes of this investigation it can be beneficial to do the same research in other regions of Azerbaijan, not just at the capital even the same investigation can be done in other two country of Caucasus (Armenia and Georgia) for future times. According to other limitation of this master study, the locals of Baku doesn’t have more willingness to participate such kind of academic investigations. This study also gives contribution to the government officials, policy makers in the selected destination due to take account the perceptions of locals in Baku while policy making process. The development of tourism in Azerbaijan, the current image of Baku in the world as a rapidly developing destination, special interest of the local government toward tourism sector in Azerbaijan, tourism potential of the selected destination increase the significance level of this topic as a research issue in tourism.

**Keywords:** Tourism, tourism development, host perceptions of local communities, Baku
ÖZ


Bakü son zamanlarda hızla ilerleyen, gelişmeyeye devam eden şehirlerden biridir ve diğer bir önemli husus turizm sektörünün son yıllarda Bakü de pozitif şekilde ilerlemesidir. Şehrin böyle hızlı bir şekilde ilerlemesi turizm sektörünün de gelecekte önemli sektörlerden biri olacağını gösteriyor. Bazı önemli faktörler şehrin önemini bir turizm kenti gibi artırıyor, örneğin başkent olması, eski şehir imaji, ekonomik açıdan çok gelişmesi ve konumu. Doğal kaynaklar ve çeşitli sanayi sektörleri turizmin rolünü daha da güçlendiriyor.

Yerel halkın turizme bakışı ve turizme dair fikirleri de akademik çevrelerde en geniş şekilde araştırılan konulardan biri olmuştur. Sosyal mücadele teorisi de yerel halkın
turizme dair görüşlerini araştıran en önemli teorik konseptlerden biridir. Bu teoriye uygun olarak yerel halkın turizmden ekonomik olarak gelir sağlayacağını inandıkları zaman, kendilerini bu sektörün bir parçası olarak görüyorlar ve hem turizmin gelişmesine yardımcı etmeye çalışıyorlar hem de süreçte katılımcı olmaya gayret gösteriyorlar.

Bu çalışmanın ana nedeni Azerbaycan’ın başkenti olan Bakü de yerel halkın turizme dair görüşlerini araştırmak, Sosyal mübadele teorisi uygun olarak farklı faktörleri kullanarak halkın turizme dair fikirlerini öğrenmektir.

Bu akademik araştırmının çalışma metodu niteliksel olarak seçilmiştir. Toplam 20 kişiye sorulan, çeşitli sektörleri kapsayan içerisinde farklı –farklı faktörleri oluşturan sorulara göre araştırma yapılmıştır.

Araştırmanın sonuçları gösteriyor ki çevreye duyarlılık, turizmin algılanan maliyeti, turizmin algılanan zararı, toplumun turizme desteği, turizmin kaynak tabanının kullanımı, topluluk eki ve topluluk endişesi gibi unsurlar yerel halkın turizme bakışını araştırırken önemli rol oynamaktadır. Genelde, Bakü de yerel halkın turizme bakış açısı ve turizm sektörünün dünyadaki rolüne dair düşünceleri pozitiftir. Öte yandan yerel halk düşünüyor ki, kendilerinin kendi memleketlerinde turizmin ilerlemeye sürecine katılmaları hem yerel hükümete hem de turizm sektörüne faydalı olacaktır. Diğer önemli bir sonuçta yerel halkın turizmin geleceği dair pozitif düşünceye olmalıdır. Bakü de yaşayan yerel halkın düşünsesine göre turizm sektöründe bulunan problemleri çözebilirlerse, kendi başkentleri gelecekte dünyanın en ünlü iş turizm bölgelerinden biri olabilir. Yapılan bu araştırma birçok sınırlamalar ve öneriler de sunmaktadır. Örneğin, yapılan araştırma bir tek başkent Bakü de değil,

**Anahtar Kelimeler:** Turizm, turizm gelişimi, yerel toplulukların ana algısı, Bakü
I dedicate this master thesis to the 22nd independence of my home country, the land of fire, Azerbaijan. Hope that our independence will be forever and day by day our country will be strong in modern world. Best wishes for my home country, Azerbaijan, Long live!
ACKNOWLEDGEMENT

I am grateful to everyone for their valuable support to me during the thesis project. I highly appreciate their effort and support given to me during this study. Really their help and inspiration pivoted me positively for writing this thesis and I consider their support as one of the main factors which gave me power to conclude my thesis.

I offer a special thanks to my supervisor Prof. Dr. Mehmet Altınyay for his support given to me during the course of this thesis. I couldn’t have finished this master study without his contribution and valuable supports.

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I also give special thanks to the Institute of Tourism in Azerbaijan and the members of institution who also participated and supported me during the project. Their contributions and helps were valuable and supportive for me while writing this master thesis.
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Due to its great natural, historical and cultural potentials, the role of tourism sector is increasing in modern world. The impacts of tourism are visible on environment, historical-cultural resources and to the economy of tourism destinations. The relation of different components in the context of tourism system widely investigated by tourism researchers, the support of local communities to the tourism also accepted by researchers, the role of local communities attitudes and perceptions are significant in the tourism development process, especially the vital role of host population for the strategic decisions and marketing projects of vital importance. To investigate local community perceptions toward tourism development is considered as one of the main issues in current tourism literature. Understanding the role of host population in tourism development is important for achieving long term success and sustainability in tourism sector.

Generally, the system of tourism industry, also successful tourism development concept requires the understanding of local community perceptions and investigation of host communities attitudes toward tourism development in industry. Observations showed that local community perceptions can directly affect tourism development. The relationship between local communities and environmental values of tourism was firstly researched by Butler. According to Butler hypotheses, the increasing number of tourists in destinations causes a change of mindset of local communities.
towards visitors. All of these features increase the importance of tourism as a sector for host population, also the role of local attitudes is core in the context of tourism development in industry. Although doing research about local community perceptions toward tourism development is important for academicians, still more attention is given to economic power of tourism industry.

The results of the survey carried out in respect to the local community perceptions toward tourism development, indicates that participation of locals in tourism planning process is a vital component in tourism industry. Otherwise, not understanding local community attitudes may bring negative results to tourism development.

The main purpose of this empirical study is to understand the perceptions of Baku citizens toward tourism development in the capital of Azerbaijan. Especially the study investigates the perception and attitudes of host population based on some special segment points like, economic benefit, exploitation of the community resources, general commitments of locals to their community, their attitudes toward the protection of natural environment and how host population see tourism impacts in their destination.

Methodology part of this master thesis is based on qualitative research method, also the study gives some limitations, implications and ideas about the future of area from the point view of tourism development, the perceptions of host community.
Chapter 2

TOURISM TRENDS

2.1 Introduction to Tourism

Modern world is developing day by day and perhaps this development affects to different sectors in the world. It is clear that modern development does not just affects positively, also it effects negatively. Tourism is one of the sectors which is so prominent and it’s developing this century.

Tourism is experiencing a rapid growth from past decades most especially in the developing counties. The development of tourism reasoned also to improve some world destinations. Generally fast growth of tourism industry has become one of the main economic sector in the world. All of these points have made tourism to become the main socio-economic driver in this century.

The fast growth of tourism sector has impacted other sectors; from agriculture to telecommunication. The development of tourism has been reasoned to have some positive changes in other sectors as it triggered the birth of some interactions between tourism sector and other various sectors in developing world. The expansion of the tourism sector has caused the interaction between different social and cultural structures. This increasing interaction eliminates some threats, makes traditional and cultural structures come closer to each other, creates new opportunities for an everlasting peace and causes the formation of new ties between different societies.

The observations indicate that tourism is going to be the largest and fastest developing sector in the world. The tourism sector has effects on employment, attempting to solve the problem in society. According to 1990s’ data, world tourism arrival was 666 million, it reached 700 million in 2002, in 2011 is estimated to be 982 million, WTO forecasts show that it will be 1.6 billion till 2020.

The tourism sector positively affects economic growth in the developing countries. Most of developing countries see tourism as a main key power in economic development which makes it possible to face the mindset which argues that the fast growth of tourism sector is coming from economic impacts of industry. Economic improvement of sector is able to raise the locals’ standard of living in destinations. It shows that the sector of tourism plays considerable role for income source in national economies, that’s why the weight of tourism industry is increasing day by day in the world.

Another important power of tourism is that, the industry can bring changes to societies by changing the value of societies, beliefs and cultures of communities. Tourism tends to support the revitalization of arts, crafts, host culture and reinforces the cultural identity and heritage. The system of tourism is able to protect nature, environment, within different cultures. The high growth of tourism sector, social, economic, environmental impacts of tourism industry increase the importance of level tourism and attempts to affect society positively.
2.2 The importance and Impacts of Tourism Sector

Tourism is now more than ever, recognized as a major economic contributor in many destinations worldwide, adding value to foreign exchange and also support export industries, environs, social, cultural, historic resources and protection (Antigua and Barbuda Tourism Development Programme, 2003, cited in, Fateme.T.A, 2011:207).

Tourism industry is considered as a key indicator for economic growth in worldwide as a sector that increases income, employment and balance of payment in many countries. These impact increases the attention of governments to tourism industry.

Generally tourism impacts the society and culture of world nations. Perhaps variable, some considerable changes to the society of different countries occur as tourism development is able to change of societal values, beliefs, cultures negatively or positively.

According to widely spread thoughts, there exist relationship between host communities, tourism sector and tourism development. Most of communities recognize tourism as a power which can make changes in social, cultural, environmental, and economical dimensions. Certainly due to surveys, many hosts see tourism as a core source of income, basic power which can reinforce employment in societies. This is another important positive impact of tourism on the life standard of local communities.
Another significant role of tourism sector is the support given to poverty alleviation in the world. Perhaps the industry has positive effects to poverty alleviation because the poverty alleviation is one of the main problems in developing countries. Not well prepared or planned tourism developing process can have negative impacts on tourism system, as it able to reduce industrial power in societies which decreases the effectiveness of sector for local population.

Tourism has also some negative environmental impacts. One of the effects is on the natural and built environment which includes degradation of water and air quality, the destruction of vegetation and wildlife, environmental degradation of coastlines, mountain areas and lastly the obliteration of historical and cultural places. Social tensions, the loss of cultural identity are another negative impact on the social and cultural environment.

According to widely accepted thoughts, tourism industry also can be reason for creation of social conflicts in different communities due to the socio-cultural variables, differences, gaps between visitors and local population. The involvement and participation of local communities in the tourism system is valuable so as to reach success as soon as possible, also to gain sustainability in the tourism industry.

2.3 Context of the Study

Baku is the capital of Azerbaijan, the city is not only the largest city in the country, also, it is the largest city of Caucasus region. The destination is located at the Absheron peninsula, which closer to the Caspian Sea. Baku as the capital of Azerbaijan consists of eleven administrative districts. Various factors make the city as an attractive destination for foreign visitors such as, location, capital status,
growth economic development etc. Baku is also considered as one of the top city for urban nightlife among the world destinations. Ancient city factor is another main advantage of the destination. Inner city, Maiden Tower, Shirvanshah Palace are top places of Baku which also exist in the list of world heritage UNESCO. The Eurovision music song contest has brought special image to the capital of Azerbaijan, which was held in Baku in 2012. Baku is also famous for different international, cultural, sport and other ceremonies. Till current time a lot of ceremonies were held in Baku, that’s why it is possible to find information about Baku in media with the destination showing “the place of ceremonies”.

Figure 1. Map of Azerbaijan.

The history of Baku comes from ancient times and according to historians, the foundation of city reaches to 1,500 years ago. The name of the city was derived from old Persian word bad kube, which means “the city of winds”. Actually the importance of city began after the famous earthquake which occurred in ancient city of Shirvan. Till the earthquake, the name of city has appeared in the ancient manuscripts of Caucasian Alban state. Baku was also under the Mongolian yoke which had been special role in the Shirvanshah and Safavi states in different times of
world history. The location of city has increased the role and value of place for foreign invaders.

From the beginning of XIV century trading with naval began highly spread, from different places of the world, for example from Genoa, Venice naval ships visited Baku. To the Caspian Sea countries, merchants, especially Italian came to Baku for the trade. Oil resources, carpets, and other goods made Baku one of the interesting places for trade. The economic and political role of Baku has highly increased after the second mid of XIV century, at times Caspian Sea was calling as Baku Sea by different foreigner merchants. In particular, it was noted in the atlas of 1375. There are some ancient and architectural monuments such as, “Bukhara caravanserai “(XIVcentury), “Caravanserai Multani “XV century) and others that show the importance of Baku in the middle ages , important role of the destination in trade in the middle ages .

There were a lot of khanates in the territory of Azerbaijan in xviii century; the khanate of Baku was one of them. With the agreement of Turkmanchay, the city joined Russia and stayed in the area of Russia till the foundation of democratic republic. In 1918, the first democratic republic founded in the territory of Azerbaijan was in the east. Perhaps, Baku was the capital of democratic republic till 1920. From 1920 till 1991 soviet times began in Baku. During the USSR the role of Baku as an industrial city increased showing itself, especially during the Second World War for oil industry. “City of winds “is the capital of independent Azerbaijan republic from 1991. Baku is not only important city in Azerbaijan, also in the whole territory of Caucasian region. It is clear that day by day the expectations and improvements are increasing from Baku, as one of capital cities.
2.3.1 Industrial, Demographic, Ethnic, Economic Dimensions of Destination

In the 1980s’ the contend of population varies in Baku as, Armenian, Russian and Jewish population were living in the capital. Actually according to local people opinions, they had contributed to the development of city, especially in the field of music, literature and architecture and these nations had exhibited excellent activities. After the 1988, before the Karabakh war, most of Armenians, Jewish moved from the city.

The growth of population started from the middle of the 19 century when Baku was not a huge city. The increase of population occurred in 1860 again and reached to 13.000 million. After the Karabakh war, 93,400 refuges came to the capital, located in Baku which created a negative impact on the total life standards in the city.

Currently the majority of the population of the city are ethnic Azerbaijanis. Total population of Baku is 4 million according to 2011 data. Contend of population: 91.6% are Azerbaijanis, 1.3% are Armenian, 2.0% are Lezgi, 1.3 are Russian, 1.3 are Talishand 0.10 are other nations(www.stat.gov.az).

Table 1. The natural population flow in Baku during 2009-2010 (www.baku.azstat.org).

<table>
<thead>
<tr>
<th></th>
<th>Births</th>
<th>Deaths</th>
<th>Natural Population Decline</th>
<th>Marriages</th>
<th>Divorces</th>
</tr>
</thead>
<tbody>
<tr>
<td>People</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td>35891</td>
<td>11896</td>
<td>23995</td>
<td>19133</td>
<td>3539</td>
</tr>
<tr>
<td>2009</td>
<td>32909</td>
<td>11660</td>
<td>21249</td>
<td>18615</td>
<td>3049</td>
</tr>
<tr>
<td>Per 1000 People</td>
<td></td>
<td></td>
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</tbody>
</table>
The IMF estimated GDP growth towards the end of 2011 as 0.2%, and inflation as 9.3%, down from 10.3% predicted earlier. GDP for 2012 was forecasted as 5.7%, and inflation at 8-9%. Inflation was kept in check with the Consumer Price Index officially as 5.7% (in line with unofficial estimates), compared with 1.5% in 2009, and 21% in 2008. During the last five years, foreign trade turnover has risen by more than 83%, to around US$ 25bn in 2010, while GDP steadily increased by 25% each year during the peak growth period between 2005 and 2007 (www.ukti.gov.uk).

Table 2. City with numbers, 2004-2010 (The statistic committee of Baku, Central Bank of Azerbaijan, The Ministry of Internal Affairs)

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2004</th>
<th>2006</th>
<th>2008</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Demographic Conditions</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of births per 1000 people</td>
<td>13.6</td>
<td>16.5</td>
<td>16.5</td>
<td>17.3</td>
</tr>
<tr>
<td>Number of deaths per 1000 people</td>
<td>6.0</td>
<td>6.4</td>
<td>6.1</td>
<td>5.7</td>
</tr>
<tr>
<td>Natural increase (decrease) per 1000 people</td>
<td>7.6</td>
<td>10.1</td>
<td>10.4</td>
<td>11.6</td>
</tr>
<tr>
<td><strong>Standard of living and social sphere</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average nominal payroll, manat</td>
<td>152.5</td>
<td>236.3</td>
<td>396.5</td>
<td>474.8</td>
</tr>
<tr>
<td>Area of living space on average per inhabitant (at the end of year), sq. m.</td>
<td>518.5</td>
<td>747.3</td>
<td>733.2</td>
<td>790.1</td>
</tr>
<tr>
<td>Number of recorded crimes</td>
<td>7419</td>
<td>8597</td>
<td>10722</td>
<td>11096</td>
</tr>
<tr>
<td>Perpetrators of crimes revealed</td>
<td>3952</td>
<td>4429</td>
<td>4296</td>
<td>6637</td>
</tr>
</tbody>
</table>
Economic and Industrial conditions

Number of enterprises and organizations (at the end of year)  1302  1349  1410  1245
Issuance of dwelling houses  1052  4136  7918  8697

Transportation

Length of operating tramways (at the end of the year), km - - - -
Number of passengers transported by buses per year  375192  403707  478330  538786
Number of shops and shopping centers (at the end of the year)  17378  18096  17381  19404

Investments

Fixed Asset Investments (at current prices), million manat  1504.7  1179.2  1910.9  2082.5
Share of fixed capital investment, financed through budgetary funds in total investment, %  5.4  7.6  10.5  18.4

Totally number of the labor force in country is 6.12 million (2011), labor force by occupation are: services (49.6%), industry(12.1%), agriculture and forestry (38.3%) (2008). Unemployment estimates 1.0% (2011). Due to last data the economic growth has slowed by 0.2% in 2011.

Table 3. Socio-economic indicators of tourism development in Baku during 2004-2010 (The state statistic committee of Azerbaijan)

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</thead>
<tbody>
<tr>
<td>1</td>
<td>The number of vehicles deployed in collective accommodation of persons</td>
<td>-</td>
<td>52924</td>
<td>5716</td>
<td>62788</td>
<td>686546</td>
<td>725195</td>
<td>725764</td>
</tr>
<tr>
<td>2</td>
<td>The volume of tourist-excursion and san. resort.</td>
<td>16473</td>
<td>16894</td>
<td>18979</td>
<td>31316</td>
<td>70453</td>
<td>79124</td>
<td>95968</td>
</tr>
<tr>
<td></td>
<td>services to the population (million manat)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>3</td>
<td>The volume of sales of services in terms of a tourist .take advantage of the tourism proposal (in manat)</td>
<td>4861.9</td>
<td>6061.8</td>
<td>10359</td>
<td>15552</td>
<td>45949</td>
<td>49496</td>
<td>54124</td>
</tr>
<tr>
<td>4</td>
<td>Income taxes and taxes to the state budget (million manat)</td>
<td>221.6</td>
<td>317.4</td>
<td>407.3</td>
<td>588.6</td>
<td>627.2</td>
<td>581.9</td>
<td>590.2</td>
</tr>
<tr>
<td>5</td>
<td>Income taxes and fees in the consolidated budget of the country (million manat)</td>
<td>277.3</td>
<td>299</td>
<td>821.1</td>
<td>793.8</td>
<td>4037.7</td>
<td>5197.7</td>
<td>61362</td>
</tr>
<tr>
<td>6</td>
<td>The number of tourist firms in Baku</td>
<td>-</td>
<td>71</td>
<td>82</td>
<td>104</td>
<td>107</td>
<td>119</td>
<td>121</td>
</tr>
<tr>
<td>7</td>
<td>The number of workers actually placing objects in the area of Baku</td>
<td>554.7</td>
<td>550.9</td>
<td>573.6</td>
<td>593.7</td>
<td>616.4</td>
<td>603.5</td>
<td>592.4</td>
</tr>
<tr>
<td>8</td>
<td>Number of jobs in accommodation industry in the area of Baku</td>
<td>15483</td>
<td>15310</td>
<td>20061</td>
<td>16153</td>
<td>11661</td>
<td>20268</td>
<td>20105</td>
</tr>
</tbody>
</table>

There also has been a significant rise in migrant workers over the past five years, with the registered number increasing from 2,000 to 54,000 in 2010, according to the SMS. Most migrant workers are from neighboring countries, such as Georgia, Russia, Turkey and Iran, but thanks to the significant investment in the energy sector, there also are many workers in Azerbaijan from the United States and Europe. The SMS also receives frequent appeals from foreigners seeking refugee status in
Azerbaijan, most of who are from Pakistan and Afghanistan, with some from Iran (usembassy.gov).

There are several important industries in Baku; the first of them is oil industry. Oil industry is the largest industry not just in Baku, also in the country. The oil resource of Azerbaijan was known to the world since ancient times. Different travelers had given information about oil resources of Azerbaijan, especially Baku in ancient times. Baku is well known place for oil resources, oil industry. As we know from history, during the Second World War, the oil of Baku was core and played significant role for Soviet Union. The importance of Baku oil increased from the “contract of century “which has signed in 1994. This contract plays important and significant role in the history, also in the developing of Baku oil. Due to this agreement signed collaboration among the government of Azerbaijan and different well known , famous oil companies , such as “ Lukoil “ from Russian ,”Delta” from Saudia Arabia , “BP” from Great Britain , “Amoko” from USA etc. have been established. Perhaps “the contract of century “increased not just importance of oil, also significance of the city. The tremendous evident went on with the construction of Baku-Tbilisi-Ceyhan oil piperline in 1998, in oil industry. There are a lot of oil fields, for instance, “Azeri”, “Guneshli” ,“Chiraq” “Shahdeniz”, and etc. “Azeri” is considering the largest one among them in current time. While the oil production was 15334.2 million tons in 2002, it was 45625.4 million tone in current time according to 2011 data (www.socar.az). Exploring oil and gas fields, oil and gas producing ,processing and transporting , marketing petroleum in local and international markets are main activities of the state oil company(SOCAR) of Azerbaijan. The structure of SOCAR consist of three productive division ,two oil
refineries, one gas processing plant, an oil tanker fleet, a deep water platform fabrication yard, one institution and 22 subdivisions. The foreign relations of SOCAR increases day by day as it was in past years, the company has signed up different collaboration agreements in different parts of petroleum industry with various countries. Furthermore, the company has opened its representative offices in abroad, in the some countries such as: Turkey, Romania, Georgia, Ukraine, Kazakhstan, Austria, Germany, Switzerland, Great Britain.

Total revenue of company is 20 billion dollar (2011), the number of employees estimates between 58,000-70,000(2007). Export of Azerbaijani oil products amounted to 1.4 billion manat(AZN) in 2011, which is 176.2 million manat(AZN) more than in 2010. It was stated in a government report on the results of 2011, presented to the Parliament. According to the report, the country exported about two million tons of petroleum products only in 2011. Around 3.69 million tons of oil has been sold on the domestic market of Azerbaijan in 2011, which is 448.3 thousand tons more than in 2010. Petroleum products worth 1.6 billion manat(AZN) were sold in the domestic market in 2011 in total which made it 194.8 million manat(AZN) more than in 2010(www.cesd.az).

The second important industry is gas industry, 90% gas of country is extracted from the Caspian Sea off-shore. The largest on shore fields are the Karadag-Gobustan, Gurgan-Zira and others. Six billion m$^{3}$ of gas was extracted in the country. The largest natural gas fields in the Caspian Sea are "Shah Deniz". In the future, the Azerbaijani gas will be sold to Turkey through the Baku-Erzurum gas pipeline(www.bakumach.com).
Mechanical engineering and chemistry industry also play important role in the developing of city. Electrical engineering, radio electronics, instrument-making are main fields of engineering in Baku. Due to the value of manufactured products as well as number of employees, machine-building which is considered as one of the main fields of engineering ranking no. 1 position. Actually most of fields in modern engineering are not developed, except petroleum engineering. “Bashnefkimmash Union” is one of the largest enterprises in oil machinery, located in Sahil settlement area. The other oil machinery enterprises locates in Keshla ,Binagadietc. Electrical engineering began to develop after oil machinery engineering in last few years. The famous and the largest electrical engineering companies are air-conditioners, refrigerators manufacturer factories in Baku.

The chemistry industry of Baku is also based on oil and gas ,the history of chemical industry begins from 1879 as the first chemical industry plant opened in Sumgait ,locates inside of capital. From the Soviet times Sumgait is known as the chemistry center of Azerbaijan. They are producing different kind of products such as : synthetic fiber, synthetic rubber, plastics, chlorine and etc.”Kimyasanaye” is the largest chemical enterprise not just in Baku, also in Azerbaijan. The other important enterprises in chemistry industry are: “Household Chemistry”, “Organic Synthesis”, “Synthetic rubber” etc.

Metallurgy industry is also one of the developing industry in Baku, divides two parts: ferrous and non-ferrous metallurgy. Ferrous metallurgy consist of iron ore extraction and refining, iron and steel melting and rolling etc. manufacturing. Some of the largest centers of ferrous metallurgy of the country locate in Baku. Non-ferrous metallurgy includes: aluminum plants, aluminum rolling mill, etc.
The construction industry is mainly developed in Absheron peninsula. Especially during the last 8 years the construction industry has highly increased. Ferroconcrete construction plant, asbestos, brick plants, cement plant are main products of construction industry in Baku.

Baku is also famous for black caviar, near location to Caspian Sea is the first advantage of city. Totally the history of fishing in Baku comes from past times. The main fish plant locates in the settlement of Hovsan in Baku.

Another quickly improving sector is transportation. Day by day transportation system of city is developing. Main highly developed transportation is public transportation, for example, in domestic transportation based on public bus services. AZAL – Azerbaijan airlines is the only national airline company, private sector in airline industry not highly developed. International airport by Haydar Aliyev is the largest airport in the country. There are many international and domestic flights available and most of local people use domestic flight to their destinations. The quality of AZAL is estimated as 3 star in ranking. State Railway Company is public organization, total developing of railway transportation began after 2000 year. During 10 years opened a lot of domestic and international lines from Baku to other parts of the country, also from capital to aboard such as: to different cities of Russia, Ukraine, Georgia etc. have been created. As mentioned before Baku is well known destination for oil resources, oil factor increases the importance of railway and also especially the role of water transportation. Generally, the country has water borders with Turkmenistan, Iran, Kazakhstan and Russia. Baku is considered as the main city and port for sea transportation. Also it should be noted that the largest sea trade port locates in Caspian Sea which is Baku international Sea Trade Port. The capacity
Metro is basic type of domestic transportation within the capital. Founded in 1967, during in Soviet times, currently the number of metro stations are 23, with the existence of two core transportation line.

The development of tourism industry began in Baku and also within the country after 2000 year of its creation. Till 2000 year the main disadvantage or problem was the conflict with Armenia, due to Karabakh conflict most people recognized this destination as dangerous place. During Soviet times destination had well known tourism image. As compared with other developing or developed tourism destinations, Baku is a new destination in this sector, the government attempts to develop tourism and make it the second main sector in country. It should be noted that in 2010 by the government has accepted the act which is called “the state program for the development of tourism in the republic of Azerbaijan during 2010-2014”. The aim of this act refer to the development of tourism industry so as to increase the tourism potential of destination, to find the ways for solving of existing obstacles in the industry, to develop alternative tourism types, to involve inner and foreign investors to the tourism industry, to prepare tourism policy and planning process based on international area and experience in the destination. At times the industry of tourism seems an alternative sector against oil industry. According to survey, Baku is the place for business tourism, but health and spa tourism can also be developed in the destination. The first advantage of Baku tourism is based on location, Caspian Sea makes the destination attractive for visitors. In recent years a lot of international, cultural, educational, economic, political ceremonies and
exhibitions were held in Baku, it shows that place is going to be very popular not just in Caucasus, also in the world. While considering to organize huge ceremonies and evident in city, Eurovision song contest festival which was held in 2012, shows the increasing ranking of capital.

There are lots of different standards of hotels in Baku. In the last two years new brand hotels were founded like Hilton, Four Seasons, and Marriot in the capital. The data shows that the 5 and 4 star hotels opened in recent years are not so many; also there are a lot of hotels without star in the capital. It should be noted that the construction of hotels are not just located at the center of the city but also at suburbs of the city. The capacity of hotels varies and differs from each other, most of visitors prefer to stay in the hotels which locates in the center of the city and closer to famous places and central places in Baku.

Table 4. Hotel Classification in Baku during 2008-2012.(The ministry of Tourism and Culture)

<table>
<thead>
<tr>
<th>Star Rate</th>
<th>Number of Hotels</th>
<th>Number of Rooms</th>
</tr>
</thead>
<tbody>
<tr>
<td>1*</td>
<td>2</td>
<td>38</td>
</tr>
<tr>
<td>2*</td>
<td>2</td>
<td>48</td>
</tr>
<tr>
<td>3*</td>
<td>7</td>
<td>221</td>
</tr>
<tr>
<td>4*</td>
<td>19</td>
<td>939</td>
</tr>
<tr>
<td>5*</td>
<td>22</td>
<td>1827</td>
</tr>
<tr>
<td>Without Star</td>
<td>68</td>
<td>1705</td>
</tr>
</tbody>
</table>

Some historical places of destination also increase tourism capacity of city example the most famous place in Baku is Maiden Tower; the history of monument comes from past times. Walled city of Baku, Palace of Shirvanshahs, Ateshghahare are other
famous places for visitors in Baku. Gobustan Rock Art Cultural Landscape has two important points; the first point of visit is about the most visited place not just for foreigners, also for local people. The second point of visit is the historical value of monument. This place shows that Azerbaijan was one of the ancient destinations in the world. There are also a lot of beautiful national parks, museums, theatres in Baku and the architecture of old museums. According to 2011 data total number of visitors in Baku was 2239.2 in 2011, it was 1962.9 in 2010, 795.5 tourist visited by air, 792.2 by car, 372.8 by railway, 19.9 by water, 1561.9 visited for tourism trip, 591.9 visited for business trip, 33.3 visited for spa tourism, 10.5 visited for religious tourism (www.azstat.org).

Table 5. The number of collective means of accommodation in Baku during 2007-2012 (data collected from the Statistic committee of Baku)

<table>
<thead>
<tr>
<th></th>
<th>Year 2007</th>
<th>Year 2008</th>
<th>Year 2009</th>
<th>Year 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total collective means of accommodation, including</td>
<td>320</td>
<td>370</td>
<td>452</td>
<td>499</td>
</tr>
<tr>
<td>Hotels</td>
<td>73</td>
<td>79</td>
<td>89</td>
<td>120</td>
</tr>
<tr>
<td>Furnished rooms</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Motels</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>24</td>
</tr>
<tr>
<td>Pensions</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>Visitor dormitories</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>32</td>
</tr>
<tr>
<td>Other organizations for general purpose</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Sanatoriums</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>3</td>
</tr>
<tr>
<td>Children sanatoriums</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Sanatoriums for children with parents</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Health camps</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Sanatorium-preventoriums</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Polyclinic resorts, spa, mud</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
Generally the expectations of tourism in Baku are high as it must be noted that the destination is candidate for 2016 summer Olympics’, the tourism of Azerbaijan recognized in the exhibitions which were held in London and Berlin in 2012 year.

Another developing sector is banking; generally the growth of sector began after 1998. The main organization in banking sector is the Central Bank of Azerbaijan. Central Bank is the major policymaker and key facilitator in bank sector. There are 45 banks, some of them are foreigner banks, and the others are private banks. “Bank Standard”, “Pasha Bank”, “International Bank”, “Kapital Bank” are famous and well known banks in the city. Foreigner banks such as VTB bank from Russia, Yapi Kredi bank from Turkey play their roles in the capital.

Cuisine is one part of Azerbaijan culture and it has special role in society of Azeri peoples. History of Azeri cuisine comes from ancient times, actually based on searches, different cuisines impacted to Azeri cuisine from past times, in current time it is able to find similarities among Azeri and other cuisines. Especially, there exist similarities among dishes which are famous in Georgia, Armenia too. The famous dish is “Ash”, Turkish people call it plov, and actually there are different kinds of “Ash” in the world. There are 30 kinds of soups in Azeri cuisine. The other famous
meals in cuisine are: “Kebab” (it has different types), “Dolma” (it has also different types), “Dushbara”, etc. Tea is the most famous and popular drink among local peoples.

Religion, most of local peoples are Muslim but it is possible to find churches and synagogues in the area of capital. During the last 6 years a lot of mosques were opened by local government in Baku, some of the mosques were founded by Turkish government in the city.
Chapter 3

LITERATURE REVIEW

3.1 Global Tourism Development

The result of Second World War caused an issue to think about when it comes to economic growth and development in most developing countries. Tourism is considered as one of the popular issues in this century and perhaps its economic, environmental, social characteristics increases its importance in modern world. The importance of tourism also affects tourism development or is one of the core reasons for the birth of tourism development term. All of social, cultural, economic, environmental changes do occur which may affect tourism and society positively or negatively in the context of tourism development.

According to widely accepted thoughts well developed tourism systems rely on well planned tourism, as, it shows the success in tourism sector based on tourism planning which has changed over 50 years in the world. Due to economic, social, technological, political, environmental, physical changes, tourism sector has also been altered. It is understandable that tourism planning or tourism industry can answer to new changes in society which demands total development of tourism industry. Burtenshaw, Bateman and Ashworth (1991, cited in S. Jakpar, 2001: 265) argued that the main task of tourism development is to create a “saleable tourism product” on the other hand and an “environment for living and working”. It is widely
accepted that tourism should contribute to sustainable development at the local, regional, and national level (T.G.Ko 2003:437).

The nature of tourism system is to identify concerns and problems of society as well as local communities in the context of tourism development. Core concern is on infrastructure, building regulations, economical improvement, political stability, cultural progress in local societies. Perhaps to raise the standard of living is a key purpose of tourism development in modern world. It should be noted that the expectations from tourism sector also based on to rising of locals life opportunities, reducing unemployment problems and poverty alleviation in host communities.

Current tourism development system requires the involvement of locals in tourism planning process also to show the importance the relations between governments and resident communities. The developing system of modern tourism sector ignores the underestimation of locals’ power in tourism development process.

Hence, tourism planning is considered one of the key components in tourism development. Actually the nature of tourism development requires hosts involvement and participation, to support and collaborate with local governments each society. Tourism is a main part of modern globalization, the nature of tourism industry requires sustainable community involvement and participation in tourism planning process which is a main component of tourism sector.
3.2 Sustainable Community Tourism

Over the last decades, globalization, the development of capitalism, innovations in technology, transportation all highly supported the widely spread of tourism sector in the world. For decades tourism has become key tool for income, employment for locals communities and the ability of tourism sector been highly evaluated by local residents. Local residents are one of the key indicators in tourism sphere. Generally, the aim of sustainable community tourism refers to create high level of living standard for locals, protect their environment and nature from negative effects. Investigating the residents’ attitudes towards tourism development programs before during and after the implementation is vital for tourism projects (F. Alhammad 2012:152).

Due to widely accepted thoughts, the body structure of sustainable community tourism requires policy, planning, management, monitoring for sustaining long term success in industry. Active participation of local residents in tourism development system is reasoned to cause an increase in community tourism. As local governments, host residents are also responsible in the development process of tourism industry.

Planning plays a vital role in sustainably community tourism as, it has critical role for reducing negative effects, attempt to gain positive benefits, refer community to achieve success in industry. Planning is also critical component as a flexible, dynamic, adaptable framework in the context of tourism sustainability.
Two main elements have considerable place in sustainable community tourism. Community based tourism is considered one of these elements, as an integrated framework community-based tourism focuses on active involvement and participation of local residents in decision making process. The second one is full resident participation as, this element directly depend on local governments, political rules, more importantly the willingness of hosts. According to tourism scholars, the full participation of local residents in tourism development and in decision making process directly occur by understanding the local perceptions toward tourism development system because if the hosts’ see tourism as beneficial sector or if they can gain benefit from this sector, most of them think positively about tourism and attempts to participate in tourism development. Full participation of residents in tourism highly depends on local governments; sometimes national governments underestimate the role or power of local communities in tourism industry. Most of investigations show that, full participation and early involvement of local residents in tourism development process can give positive results for national governments, especially while they are attempting to gain long term success in sector.

The other key element of community tourism is the satisfaction of visitors. The satisfaction of visitors depends on education and training issues in community tourism process. Education and training enhance the power of stakeholder and hosts’ in the context of tourism development.

Thus, community tourism development requires a new planning agenda developed within the sustainability framework, with specified action plans and management, collaboration among local stakeholders, and the political and financial support of regional and national authorities (Mitchell and Shrubsole 1992, cited in E. Sirakaya, 2012).
H.S.C.Choi 2005:38). From the basic focus point of view in sustainable community tourism is grounded to residents perceptions toward tourism development not just in national level also in regional level. Especially most of research papers based on rural or regional tourism development, emphasize and evaluate highly the involvement and participation of local communities in tourism sector. Generally the sustainable community tourism can consider the core tool or way which takes the notions to the center of discussions about local residents toward tourism development, identify main perceptions of locals in tourism sector.

3.3 Resident’s Attitudes Toward Tourism Development

The impact of tourism on national governments and host population has become widely spread topic in research area. The participation of host community in tourism development is considered as one of the key factor for gaining long term success in tourism industry. The increasing effect of local people in tourism development also affect sustainable tourism process, that’s why most of the researchers see locals as feedback to planners, it means that tourism planners should take into account the perception of hosts. Perhaps the attitudes of locals toward tourism development are not constant, changes occur. Most of travelers look at tourism not just as vacation, also as a learning experience. The results of survey demonstrates interesting ideas about the perception of local communities about tourism and tourism development such as, to recognize different cultures, to have various socio-cultural experiences are the core points for locals in tourism development. Consequently, assessing resident attitudes toward tourism development and its impacts continues to be popular among tourism scholars (see Akis, Peristianis, and Warner1996; Allen et al. 1988; Lindberg, Dellaert, and Rassing1999; Fredline and Faulkner 2000; Gursoy, Jurowski, and
From the point of view of locals, the most important advantage of tourism sector is employment and income. That’s why host communities are interested in the development of tourism sector in world countries. The other benefits of tourism as a sector are: heritage and environmental preservation, creation of infrastructure, cultural communication etc. All of these elements make the locals to see tourism sector as a main tool for reducing unemployment problems, poverty alleviation, and the tourism industry is also playing important role for creating economic base and as a mediator between host governments, local communities. The perceptions and attitudes of host communities can impact not only toward tourism development, also it can effect the perceptions of visitors toward local communities.

The Berlin Declaration(1997) made a strong normative point by suggesting that tourism should be developed in a way so as to benefit the local communities, strengthen the local economy, employ the local workforce, and wherever ecologically sustainable, use local materials, local agricultural products, and traditional skills(E.Sirakaya, H.S.C.Choi 2005: 382).

Job creation, income generation, to enhance of community infrastructure is considered as the positive impacts of tourism to local communities, local societies by hosts’. Other important points are the understanding and estimating locals’ perceptions by local governments and the result of investigation made recently, showed considerable facts about the important role of locals in tourism
development. Surveys investigate that success and constant improvement depend on active participation and involvement of locals in tourism development process.

Day by day citizen involvement, public services and the environment are going to be the most sensitive for the tourism development in the relationship between tourism development and satisfaction of local communities. The nature of tourism system also requires the involvement of host population in development process, as, tourism researchers consider the participation of local communities in tourism necessary for the development, successful operation and sustainability of tourism.

There exist a clear causal relationship between the involvement of host population and tourism development process. Many tourism plans now emphasize development in the community rather than development of the community in recognition of its pivotal role in the tourism development planning process (Hall, 2000, p.31 cited in P.Schofield 2011:218).

The basic impacts of host communities to resources occur in the term of environmental and social dimensions. Also the local communities play as a main tool for protection of national resources, to care and conserve national resources effectively. Usually the positive and negative changes on the structure of every community do not take in place in a short term. According to widely spread thoughts, from social point of view, the changes which occur positively or negatively are normal but all of these changes can be associated with important differentiations in self-esteem and culture.
In a study of northern Wales, Sheldon and Var (1984, cited in R. Harrill, 2004:253) discovered evidence suggesting that residents’ attitudes toward tourism development are culturally bound, finding that natives and Welsh speakers were more sensitive to tourism’s social and cultural impacts than the nonnative and non-Welsh speakers.

From the point view of tourism impacts, tourism itself also negatively affects to host communities in destinations. It has been found that negative impacts of tourism to host communities occur because of socio-cultural and environmental costs. Crime rates, prostitution, damage to environment, incorrect land use, the use of national resources incorrectly are main negative impacts of tourism to local residents in society. All negative effects of tourism sector increase the dissatisfaction of local residents and negatively impacts to overall tourism development process.

Next, advanced information technology (e.g. distance-education, the World Wide web, e-mail, and ecommerce) brings benefits to host communities, since these technologies can provide communities with communication networks that permit stakeholders to exchange information (Marien & Pizam, 1997), allowing for the creation of visitor-education networks and giving access to a wider market through the Internet (Milne & Mason, 2000, cited in H.C. Choi, E. Sirakaya 2006: 1276).

Hence, the tourism sector should develop tourism system with involvements of local communities to process; host population should be a willing part in this process. The improvement of local residents’ life quality must be one of the key aims for sustainably tourism development, tourism planners have to enhance it by protecting the natural resources, economic benefits, care for the environment.
3.4 Past Theories and Concepts

3.4.1 Irridex Model

The wide range of community attitudes toward tourism development was one of the main reasons for the development of some host-guest models in social sciences, which try to incorporate both the positive and negative reactions. DoxeyIrridex Model and the tourism area life-cycle model of Butler have significant role in investigation of local attitudes toward tourism development in literature, as the authors considered the first researchers which explained residents’ attitudes toward tourism development. However, these two theories have been demonstrated to be too unidirectional and monolithic, being not able to recognize that “various combinations of strategies which may exist simultaneously within a region” (Dogan, 1989, cited in L.Osti, M.Faccioli, J.G.Brida 2011:364). From the beginning 1970’s more attention has been paid to local attitudes toward tourism development in literature.

The main idea of DoxeyIrridex Model is the relation between tourism development and the attitudes of host population toward tourism development. Theory claims that the participation of visitors creates tension for local population, and this situation continues due to increasing number of tourists visiting the destinations. Local population responses vary and general studies argue that hosts’ perceptions toward tourism development focus on to behavioral strategies which are able to cope with the visitors. Doxey (1975) suggests that there is temporal sequence in the irritation index (Irridex) of locals towards tourists, progressing from euphoria, to apathy, to annoyance, to antagonism, as certain saturation points are reached (O.Gjerald 2005:40).
According to Doxey’s (1975) Irridex Model, host communities try to pass through a sequence of reactions which can be seen as the impacts of tourism industry and they think that, their perceptions can be altered with their experiences. Some of studies also confirm the model of Irridex as, the perceptions of local communities toward tourism development will be different, sometimes the hosts’ will be against, sometimes locals will support to tourism development in tourism areas. The major weakness of Doxey’s (1975) model is about homogeneous group as, he assumes that, residents do not represent a homogeneous group. The model is not unambiguous because it depends on both the host communities’ and the visitors’ characteristics (P.Laakso 2011:32).

Hence, the Irridex Model can play important role for investigation of host-guest interactions in future periods, as, model can support to locals for gaining the expectations of the development of tourism, even if it mustn’t be taken as a core point in host-guest relations. After Irridex model, the investigations about local attitudes toward tourism development continued by Social Exchange theory in scientific literature.

3.4.2. Social Exchange Theory

In the late 1960s and early 1970s, exchange theory began to play a major role in family studies. Scholars pointed out how exchange theory could be applied to a variety of family issues such as mate selection, courtship, sexual bargaining, marital quality, marital power, family violence, and many others at both the micro- and macro-levels. (www.csun.edu) Social Exchange Theory was founded by George Homans in 1960s. After the foundation of theory Richard Emerson and Peter Blau were key peoples that have developed theory. The source of theory comes from
philosophical traditions of utilitarianism, behaviorism, and neoclassical economics. Basic principle of theory suggests that people prefer to choose behavior in social situations which are able for them to maximize their self-interest in these situations.

There are some main assumptions in Social Exchange Theory. Firstly, theory shows that individuals are generally rational and they are also key points in the process of calculation of costs and benefits in social exchanges. The other assumption shows that individuals which are considered as key role in calculation process have their core interest in maximizing benefits and profits. According to last assumption, rewards which are gained from exchange process lead to patterning of social interactions for individuals.

The Communication Theory of Social Exchange is a theory based on the exchange of rewards and costs to quantify the values of outcomes from different situations of an individual. People strive to minimize costs and maximize rewards and then base the likeliness of developing a relationship with someone on the perceived possible outcomes. (www.uky.edu.com)

From the beginning of 1990’s Social Exchange theory began widely researched by tourism scholars in literature. Nations and also world destinations approach tourism for increase residents’ income, and employment. From a tourism perspective, social exchange theory proposes that individuals’ attitudes towards tourism and their subsequent level of support for its development will be influenced by their evaluations of the outcomes of tourism for themselves and their communities (Andereck, Valentine, Knopf, & Vogt, 2005, cited in 2011:1557).
Several studies have been adopted to explain local attitudes and reactions toward tourism development based on Social Exchange Theory. Some of these studies attempts to evaluate local community residents’ attitudes, costs and benefits of tourism sector which try to strength further development in different regions.

One of the roles of Social Exchange Theory is about understanding workplace behavior and it is also considered as one of the most influential conceptual paradigms in literature. Comparison is recognized as one of the component of social exchange as it provides the standard against judgmental relationships. Costs and benefits in term of economic benefits also exist in social exchange theory but they are not so much concerned as social and cultural benefits.

Ap (1992)suggests that “residents evaluate tourism in terms of social exchange, that is, evaluate it in terms of expected benefits or costs obtained in return for the services they supply” (p. 670). He concludes that when exchange of resources is high for the host actor in either the balanced or unbalanced exchange relation, tourism impacts are viewed positively, while tourism impacts are viewed negatively if exchange of resources is low(Ap 1992 ,cited in Y.Wang, R.E.Pfister, D.B.Morais 2006:412).

Social Exchange Theory is able to investigate positive and negative attitudes toward tourism effects in local communities. Theory assumes that host residents are aware of positive and negative impacts of tourism but based on their perceptions of the benefits and costs, hosts will think whether or not to support tourism development in tourism areas.
For example, in a study of rural resident perceptions of tourism impacts of development in Colorado, support for additional development was positively or negatively related to the perceived positive or negative impacts or tourism. Support for additional tourism development was also negatively related to the perceived future of the community (Purdue et al, 1990, cited in T.Yutyungyong, N.Scott:5).

Thus, past studies note that, not just economic components, also social and environmental factors offered by local communities, the participation of locals in tourism development depends on the willingness of hosts i.e., if they feel a gain at the result of involvement, they will support tourism development, otherwise they will not support to tourism development based on their perceptions.

Exchange theory attempts to examine relationships between hosts and visitors at individual and collective level, it also try to explain positive and negative perceptions by locals, this feature consider the main advantage of theory. Social Exchange theory assumes that, the residents will participate in development process after they evaluate tourism impacts, will support tourism if the locals will be one part of the development. Then such kinds of theories were basic reasons for the creation of other concepts like Social representation approach which also focuses on investigating residents’ attitudes toward tourism development.

3.4.3 Social Representation Approach

Over the last three decades, the theory of Social representation approach developed, successfully investigated in empirical research areas by Moscovici in scientific literature. Social representation theory is considered one part of social physiology and also plays significant role in social physiology. Markova, Wagner, Duveen, Farr,
Jodelet, are well known scholars in social representation approach, especially they investigated more the issue and explained it to the society. Main purpose of social representation theory is based on the understanding everyday knowledge of peoples, how peoples use this knowledge for understanding the world, to guide peoples actions and decisions. According to scientific literature, social representation approach is a tool or a mediator between the familiar and unfamiliar; theory attempts to understand and judge the complexity of social interactions.

The body structure of approach consists of two main formations. Firstly, it is a process which based on reference point between unfamiliar and familiar, second is that, one of the aims of theory is to transform abstractions into process as concrete, intelligible and communicable. The importance and value of social representation theory in tourism studies has been outlined in previous research (i.e. Pearce, Moscardo and Ross, 1996; Andriotis and Vaughan, 2003, cited in E. Meliou, L. Maroudas 2010: 116).

Social representation theory can help to understand the minds of different groups about tourism, and the results which comes from different groups thoughts should be located in tourism planning process. Observation of ideas, values and practices can be used as key points in approach. Social representation theory happens in the context of the social influences and interactions to the local communities and to societies.

Theory also can be used for learning in psychological studies of tourism, the gaining information and results can be core tool to guide their actions and evaluations in tourism planning process. From point view of academicians, the research has
developed local community perceptions toward tourism development, ideas, values in Five Factor Model and in other approaches in scientific area.

3.4.4 Five Factor Model

The classification of personality disorders has become one of the core topics in research area by scholars over the last decade in the developing world. The ‘Five Factor Model’ is a model of personality that consists of main five separate elements to describe an individual’s character. Costa and McCrae were suggested the Five Factor Model in 1989 are considered as a founder scholars of theory. The model has five broad higher-order factors called domains (neuroticism, extraversion, openness to experience, agreeableness, conscientiousness), also each of components of models divides six sub factors called facets.

General point of the five-factor model is separated from various analyses and demonstrates main idea as the core body structure of normal personality. Furthermore, it has been empirically demonstrated that personality disorders are related to these normal personality trait dimensions in meaningful and predictable ways (Ball, Tennen, Poling, Kranzler, & Rounsaville, 1997; Blais, 1997; Brieger, Sommer, Blo’ink, & Marneros, 2000; Brooner, Schmidt, & Herbst, 1994; Cloninger & Svrakic, 1994; Coolidge et al., 1994; Costa & McCrae, 1990; Duijsens & Diekstra, 1996; Dyce & O’Connor, 1998; Hyer et al., 1994; Lehne, 1994; Morey, Gunderson, Quigley, & Lyons, 2000; Schroeder, Wormworth, & Livesley, 1992; Shopshire & Craik, 1994; Soldz, Budman, Demby, & Merry, 1993; Trull, 1992; Trull, Useda, Costa, & McCrae, 1995; Trull, Widiger, & Burr, 2001; Wiggins & Pincus, 1989; Yeung, Lyons, Waternaux, Faraone, & Tsuang, 1993, cited in L.M. Saulsman, A.C. Page 2004: 1056).
Additionally the Five Factor Model has been shown to be reliable across cultures, Trull and Geary (1997) for example found that the five traits could be replicated in China, while Ostendorf (1990) found the same in Germany. All these suggests that the Five Factor Model can be used reliably in a variety of contexts and has real-world validity and at least seems to be as capable for explaining personality in other cultures as it is in our own. All minds which suggested theoretical approaches also affect host-guest relation, found out the key points in host-guest interaction research sphere. (www.healthguidence.org)

3.4.5 Host and Guest Interaction

Host-guest interaction is one of the significant topics in current tourism literature. Due to definitions in tourism literature, tourist is not permanent visitor, tourism system or the structure of tourism requires host and tourist interaction. It is clear that host-guest relations also affect sustainable tourism development. Perhaps hosts and visitors are main points in tourism sector. Most studies shows that host-guest relations has impacts on local community. Williams and Lawson (2001) define the host community as “a group of people who share common goals or opinions” while Aramberri (2001) argues that “host societies are in fact communities, made of one piece” (P. Wassler 2010:7).

For the first time the host–guest paradigm has developed in the seminal collection by Smith’s (1978) Hosts and Guests: the Anthropology of Tourism and is one of the well known and significant, central theoretical tenets of tourism studies in scientific research. The empirical research suggests that one of the important intrinsic predictors of overall perceptions of the impacts of tourism is utilization of affected recreation facilities. In the case of the Australian Formula One Grand Prix, the event
takes place in a large recreational park which is the home of numerous sporting venues providing facilities for basketball, netball, badminton, squash, table tennis, cricket, football, soccer, baseball, hockey, lawn bowls and tennis (E. Fredline 2006:277).

The relationship between locals and visitors’ is showing as severely asymmetrical in term of power in different tourism surveys and research places. Day by day, it is possible to face tourism impacts, its relation to local communities and tourism development from various sites and different perspectives in tourism literature.

Tourist–host interactions in tourism have to be studied in specific contexts. In Vietnam, Chinese–Vietnamese touristic interactions are often historically sensitive. Some Lao Cai travel agencies have made it a policy to forbid tour guides to mention the 1979 border war, as well as other historical conflicts (Y. W. Chan 2006:196).

There are some insights at micro and individual level that, hosts’ can adapt their lifestyles to cope with tourism. More important five behavioral responses including resistance, retreatism, boundary maintenance, revitalization and adoption could be employed by residents to cope with tourism activity in their community suggested by Dogan in tourism research area. Then Ap and Crompton has improved the measurement of locals responses to tourism based on Dogan’s categories.

Host-guest relationship makes cultural understanding necessarily for development of tourism in the cross-cultural context. According to widely spread thoughts, major misunderstanding occur between visitors and locals are due to their different cultures.
This study is based on Social Exchange theory because of its ability to identify basic and core details of factors which enable to investigate topic for this research project. Shortly, the body structure of theory empower the key research points for this study and creates opportunity to investigate deeply main research purposes in this study. Also the investigation of some previous studies, especially the outcomes of past studies which were based on or used Social Exchange Theory able to researchers to utilize it in such kind of studies for the future times.
Chapter 4

METHODOLOGY

Baku is one of the well-known destination in the region of Caucasus, more importantly the city is the capital of Azerbaijan which is considering that will be one of the highly developed country in the future. Some features make the destination an attractive place for visitors, also for researchers. The following reasons able us to select Baku as the study area for this master thesis such as: business city image, location advantage, capital city, ancient city, and existing opportunities for developing tourism sector and business sphere. Additionally, the rapid development of economy, stability of the city as capital place, active participation of local citizens in social and economic activities, high rate of population in the city are also vital reasons for choosing Baku as background area.

The methodology part of this master thesis given in this chapter and the primary data of this master thesis was collected through qualitative research method to identify the attitudes and perceptions of host population in Baku toward tourism development. An inductive approach has been used for this thesis and data were collected by in-depth unstructured interview techniques.

4.1 Aim of Research

Main focus point of this study is to identify attitudes and perceptions of host population in Baku toward tourism development. The participants (20) of this
research were chosen from different sectors, people from different occupations, 12 men and 8 woman were participated in current study. The age of respondents begin from 18 goes till 67, most of participants have undergraduate level, just few of them were high school. The following are chosen as the research questions for this study:

1. What does tourism mean for you? Is it important sector in modern world?
2. What is your idea about the future of tourism in Baku?
3. Your expectations from the future of tourism in Baku?
4. What type of tourism or what types of tourism are available in Baku as a tourism destination?
5. What are the advantages and disadvantages of tourism type which you prefer in Baku?
6. What are the social, cultural, economic, political effects of tourism type which one do you prefer?
7. Which factors make Baku as attractive tourism destination for visitors?
8. What are the main obstacles to the development of tourism in Baku?
9. External and internal factors?
10. What are the benefits of tourism for local communities?
11. Does the development of tourism sector bring more benefits to the host governments or to the local residents?
12. What is your idea about the increase of crime rates and traffic congestion in the context of tourism development?
13. What do you think about the relation between cultural exchange and tourism development?
14. Does the tourism really support the understanding of own culture?
15. What is the role of tourism at the protection of local culture or tourism damage to the local culture?

16. What do you think about the relation among tourism, the protection of nature and environment?

17. How much do you feel at home in this community?

18. Is it important to know what is going on in your society?

19. Would you be happy or unhappy if you leave this community?

20. What is you concern about the crime and cultural aspects of your community?

21. Do you think that the participation of locals is important in tourism sector?

22. How can we increase the destination image of Baku in tourism?

23. What are the roles of local community in this respect?

24. What are the main tools for the promotion of the area as tourist destination, in the case of Baku?

25. What are vital negative impacts of tourism for society?

26. Which factors can damage the image of destination and decrease its value in tourism sector?

The questions of this study have been prepared based on some conceptual models which was consisting of different variables. The questions: 1,2,3,4,20,21,22,23,24,25,26 are the general which attempts to identify general knowledge of host population in Baku toward tourism development, question 5,6,7 are based on use of tourism resource base, questions 4,10 and 11 identifies perceived benefit of tourism, number 8 and 9 investigates perceived cost of tourism, question 12 in this study identifies eco-centric attitude of host population, questions 13,14,15 are based on community attachment, question 16 identifies perceptions of
host population due to community concern factor, community support for tourism identifies by the questions 17,18,19 in this study.

Hence, main focus point of questions in this master thesis, try to investigate the perceptions and attitudes of host nation in the selected destination due to two main factors: general knowledge of host community toward tourism development and from the different 8 factors which could be feedback for identifying host community perceptions toward tourism development in Baku.

4.2 Research Approach

As mentioned before, the primary data of this study was collected through qualitative research method, qualitative research method is one of the widely spread research type in academic literature. The academic research style called qualitative approach is the appropriate type for this research study.

There are some basic differences between qualitative and quantitative research methods as, the characteristics of qualitative research method are: “soft” science, developing theory, interpretive, organismic, inductive, dialectic. Another main points of qualitative research method based on communication and observation, the size of samples are not important, research questions are core tool for investigate academic issues, researcher is also one part of academic process.

From point of view quantitative research type, hypotheses, test theory, “hard theory”, reduction, measurable, objective purpose, narrow focus point, deductive are basic parts of this research method. Quantitative method as research type focus
on using instruments, establish relationship and causation, based on statistical analysis, strives generalization.

Generally, the main point of qualitative research method is to collect sufficient information from few people instead of doing it with a large sample. Qualitative research method mainly used in social sciences is to investigate social and cultural aspects in different topics. One of the primary goal of qualitative research method is to support scholars, academicians, researchers understand peoples and their live in the context of social and cultural aspect.

Thus, the main idea of qualitative research method as one of the considerable research type is to understand, identify, investigate the real perceptions of people, what the real situation in their lives is from point view of social, cultural, political, economic aspect. Separately, all mentioned aspects play important role in academic researches. Another key point of qualitative research method is that, it enables academicians, researchers to understand and investigate the research process based on human or a social problem.

4.3 Inductive Approach

Inductive approach based on research concepts and theories is derived from surveys. In other word, data collection plays vital role in inductive approach, as, inductive approach is created by data collection of studies. Subjective minds are able to the creation of basic analyst research type and direction in the academic literature.
4.4 Data Collection In-Depth Interviews

The perceptions, attitudes, beliefs and experiences of local residents toward tourism development are identified by the in-depth interview techniques found in academic literature. In-depth interview techniques are considered one of the essential tools to investigate the attitudes and perceptions of host population toward tourism development in their local region. With the use of in-depth interview techniques, the researchers can get more deeply and sufficient information about the feelings, attitudes of host communities and for the result it brings academic success. In-depth interview techniques are considered an effective method in order to identify basic points in academic studies.

Discovery-oriented, open-ended are considered core parts in-depth interview techniques, the body structure of in-depth interview techniques, is also considering main format of interviews able to help researchers to explore studies deeply and effectively, semi-structured format of in-depth interview techniques is also able to assist researchers to ask pre-planned question during the interview with respondents. Recording of responses and documenting of responses are also core part of in-depth interview techniques, both methods are able to help researchers to investigate the issues effectively and understand the responses of respondents clearly.

Actually, respondents like to answer questions directly, sometimes during the interview the asked questions require broad and clear answers to the given questions and this point makes some differences between qualitative and quantities research method in the academic literature. The system of questionnaires is more complex than the qualitative research method.
To sum up, it should be mentioned that, in-depth interview techniques help researchers to explore and identify clearly the local community ideas based on their own perceptions, attitudes, beliefs, feelings.

### 4.5 Sampling

Purposive sampling was used as the main method in this master study. According to academic scholars, purposive sampling method assist the academicians to get sufficient information and particular needs within their project, this point makes it one of the core principle for its choice in academic studies. The perceptions of local community in Baku, in Azerbaijan toward tourism development in their home city were identified by questions. Interviews were made during the first week of March (4-10), 2013. The age of interviewers begin from 18 and goes on above 68.

The participants were selected from different sectors, each of participant has different occupation, total number of respondents were 20, 12 were man out of 20 participant and 8 were woman in this study.

Before the beginning of interviews, the purpose of this research was explained to each respondent and mentioned that their responses will be utilized for academic purpose. All of the interviewers with respondents were done by the author of this study with using telephone. During the interview all of the interviewers were tape recorded.
Table 6: Demographic Variables of the Interviewers

<table>
<thead>
<tr>
<th>INT. NO</th>
<th>Age</th>
<th>Sex</th>
<th>Education</th>
<th>Occupation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>31</td>
<td>M</td>
<td>Graduate</td>
<td>Government employer</td>
</tr>
<tr>
<td>2</td>
<td>25</td>
<td>M</td>
<td>Graduate</td>
<td>Student</td>
</tr>
<tr>
<td>3</td>
<td>39</td>
<td>F</td>
<td>Graduate</td>
<td>Housewife</td>
</tr>
<tr>
<td>4</td>
<td>41</td>
<td>F</td>
<td>Post graduate</td>
<td>Doctor</td>
</tr>
<tr>
<td>5</td>
<td>33</td>
<td>M</td>
<td>High school</td>
<td>Technical Worker</td>
</tr>
<tr>
<td>6</td>
<td>40</td>
<td>F</td>
<td>Post graduate</td>
<td>Academician</td>
</tr>
<tr>
<td>7</td>
<td>26</td>
<td>F</td>
<td>Graduate</td>
<td>Student</td>
</tr>
<tr>
<td>8</td>
<td>38</td>
<td>M</td>
<td>Graduate</td>
<td>Factory worker</td>
</tr>
<tr>
<td>9</td>
<td>52</td>
<td>M</td>
<td>Graduate</td>
<td>Self-Employed person</td>
</tr>
<tr>
<td>10</td>
<td>25</td>
<td>F</td>
<td>Graduate</td>
<td>Hotel employer</td>
</tr>
<tr>
<td>11</td>
<td>63</td>
<td>M</td>
<td>Graduate</td>
<td>Hotel manager</td>
</tr>
<tr>
<td>12</td>
<td>34</td>
<td>M</td>
<td>Graduate</td>
<td>Driver</td>
</tr>
<tr>
<td>13</td>
<td>43</td>
<td>F</td>
<td>Post graduate</td>
<td>Academician</td>
</tr>
<tr>
<td>14</td>
<td>45</td>
<td>M</td>
<td>Graduate</td>
<td>Painter</td>
</tr>
<tr>
<td>15</td>
<td>25</td>
<td>F</td>
<td>Graduate</td>
<td>Tour manager</td>
</tr>
<tr>
<td>16</td>
<td>35</td>
<td>F</td>
<td>Graduate</td>
<td>Teacher</td>
</tr>
<tr>
<td>17</td>
<td>24</td>
<td>M</td>
<td>Graduate</td>
<td>Athlete</td>
</tr>
<tr>
<td>18</td>
<td>32</td>
<td>M</td>
<td>Graduate</td>
<td>Accountant</td>
</tr>
<tr>
<td>19</td>
<td>60</td>
<td>M</td>
<td>Post graduate</td>
<td>Academician</td>
</tr>
<tr>
<td>20</td>
<td>46</td>
<td>M</td>
<td>Graduate</td>
<td>Bank employer</td>
</tr>
</tbody>
</table>
Table 7 shows the breakdown of the demographic variables of the sample, 60 % of interviewers were man, 40 % were woman. The indicator of age, from 18 till 27 was 25%, from 28 till 37 was also 25 %, from age 38 till 47 was 35%, age between 48-
57 was 5 %, age from 58 till 67 was 10 %. From point view of education, most part of interviewers in this study were graduates level (75%), rest of interviewers were post graduate (20%) and high school level (5%).
Chapter 5

FINDINGS

Chapter 5 evaluates the outcome of interviews within this study. Essentially, the results of this study show general attitudes and perceptions of host population toward tourism development in Baku. Then the study identifies the particular aspect of tourism development as, social, economic impacts of tourism, relation between tourism and different core side points in society, insights of hosts towards tourism development in future, advantages, disadvantages of tourism, main obstacles of tourism in the destination are included to the research that are in the interest area of the author. The outcomes of this research will be explained separately, especially the main aspects of tourism development.

5.1 General Perceptions and Attitudes of Host Community Toward Tourism Development

All of the participants (20 out of 20) in study mentioned that it is impossible not to accept the power of tourism or underestimate the role of tourism sector in this current century. They also noted that, tourism has become widely spread and a developed sector in the world which make most of the countries attempt to develop the tourism sector in their home countries. Tourism as a sector will continue to be one of the well-developed industries in world economy. This is an important area that, tourism supports local economy and it can bring benefits also to the host nations. Even most
of participants said, they couldn’t give a description about tourism but they see tourism as, leisure, travelling, development etc.

There are 3 interviewees’ thoughts about the above mentioned issues:

“Tourism is very popular in the world and it impacts the world countries and their economy. For me tourism is a sector which creates opportunities to the world nations, to travel, to work and to develop. I appreciate the role of tourism sector highly in modern world.”

(interviewee 7, age 26)

“I can say that, tourism is one of the widely spread sector in the world, even nowadays the image and name of tourism as a sector increases day by day, it attracts peoples, it should be noted that, tourism has become more than travelling and leisure in current century. Many countries try to develop their tourism sector and invest money to this sector as soon as possible. For example during past times, tourism as a sector was not highly attractive for peoples, but now tourism is one part of modern globalization.”

(interviewee 14, age 45)

“To give description to the tourism is very difficult for me, also to answer exactly your question i.e. what does tourism mean to me? Shortly, tourism is a key economic driver for world countries from the point view of host governments and local communities. Perhaps, national governments earn money from sector, peoples
that are travelling, developing, recognizing different cultures and people. In recent years, tourism as a sector has become popular sector in the world.”

(interviewee 3, age 39)

Majority of interviewees (16 out of 20) noted that, business tourism is an appropriate tourism type to Baku as one of the tourist destination. They think that the image of Baku is very closer to the business tourism type. Baku is a business city and it has capital status, also the city is considered the main business center of the Republic. Even it compared with other 2 Caucasian country (Armenia and Georgia), Baku is the first business city in this region. From the point of economic impacts, perhaps the development of the city as tourist destination (as one of the well-known business tourism destination) will positively impact the quality of the standard of living for local people.

From the point of social impacts, it can support the recognition of our republic to the world countries quickly. The incoming of different tourists from different countries will be valuable for local people as it will create more opportunities for the young peoples too.

The visits of foreigners and foreign business people to our capital also can contribute to the recognition of our culture by foreigners. They also mentioned that our culture can impact them too.

According to the local peoples’ thoughts, the following can be the main and vital negative impacts: demographic problems, damage to nature and environment, traffic congestion. All of these kinds of negative impacts influence the image of city
negatively and it will bring decrease in tourist destination image of Baku in tourism sector. Participants also noted that increased population is going to be one of the main problems in Baku and perhaps it will also negatively affect the business city image of Baku.

Some of examples from the interviewees:

“I think that business tourism is very closer to our capital, with comparison other regions of the republic, there exist a lot of business opportunities for business peoples, also for foreign business peoples. According to my personal opinion, if we can develop our capital as business tourism center, we will see more economical benefit and advantages; perhaps it will have cultural, social benefits impacts. Most especially for cultural effect, I am sure our culture will influence them and they will be interested in our culture. From the point view of negative impacts, terrorism, highly population will be vital negative impacts on Baku and it will decrease the popularity of destination as a business tourism center in the world. “

(interviewee 17, age 24 )

“Personally, I prefer business tourism, in reality except business tourism , there is no another choice for tourism , just search about the past times , the purpose of people visiting here , you will see that most of them recognize our capital for business opportunities especially in current time the image of our country is increasing and certainly it also affects positively the image of our capital , there are a lot of opportunities for business tourism .

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Also the development of business tourism in Baku will lead to some positive and negative effects from point view of social, cultural and economic sides. From economic side, really, I hope it will positively impact the life standards and life quality in the main city of republic, perhaps it will positively affect our national government, just imagine, it will create new opportunities, job opportunities, income will increase, shortly from economical point it will be positive but from the social point of view, we can face some unexpected cases like family problems, but I don’t think that it will have many negative impacts due to cultural impacts. I am sure they will like our culture and by this way we can publicize our culture to the world. Unfortunately, in spite of more benefits I mean for business tourism and its development in our capital, we can face some negative cases like, traffic problems, immigration, terrorism and etc. “

(interviewee 9, age 52)

“Business tourism as one type of modern tourism sector can be an appropriate type for our capital. Baku has opportunities to be one of the main business tourism destination in the world, as, in our republic, even in this region for business opportunities, our capital has special place and I am sure business tourism can bring more benefits and success to our capital. Economically, perhaps it will bring more cash to the capital and also to the national government, it will positively influence to the life quality of host peoples in Baku. We have well developed culture and foreigners will like our culture, even they will learn about our culture and will talk about it in their country. I don’t think that will affect our culture which could lead to some cultural problems. From point view of social sight, we can face with demographic problems, nowadays most of peoples attempts to move to Baku from
other regions of republic and just imagine, also foreigners will move to the capital and it will be a vital reason to the demographic problems in the destination. The development of business tourism in our capital can be also cause some negative problems such as, high population, traffic problems and etc. “

(interviewee 12, age 34)

Only 4 interviewees out of 20 mentioned that sport tourism is suitable tourism type for our capital, they also stated that, till today a lot of international and continental sport activities were held in our capital and especially this point increases the sport tourism image of capital. For the future also, the capital has opportunity to be main place for these kind of sport activities, they also noted that, we don’t say that there is no way to have business tourism in our capital but comparison with sport tourism opportunities, Baku can be one of the well-known sport tourism center in the modern world.

Some examples from interviewees:

“Our capital has great chance to be sport tourism center in the world, we held a lot of competitions in our capital and perhaps these kind of activities will occur again as we have infrastructure opportunities to be recognized as sport tourism destination in the world. “

(interviewee 17, age 24)

“I think that sport tourism is the most appropriate tourism type for our capital, for your interest, your will see that a lot of different sport type competitions were held in
Baku, certainly I am sure, it will continue, we have opportunities to hold such kind of activities in our capital. With this, we can also give more information about our country to the foreigners. Just think that, we are going to be candidate for the Olympic Games and world football cup, these are just few cases, it shows that we have strategy and we can do it in the future. As a sport tourism destination, we can get more benefits and can be the leader in tourism destination for sport tourism type in the developing world as soon as possible”.

(interviewee 11.age 63)

All interviewees stated that, the vital obstacles which creates problems to the development of tourism as a sector in Baku are as follows: infrastructure problems, corruption cases, tourism as a new sector for society, unskilled employees in tourism sector etc. They noted that, actually we had more problems with infrastructure problems 10 years ago but right now we could solve some of them, corruption causes damage to the development as it creates extra more problems. Tourism sector is new for society and local community hasn’t got enough information about the tourism, unskilled employees negatively impacts to the tourism development system of country.

Some examples from the interviewees:

“Tourism is a huge industry and world countries try to develop it as well as our country but we have some considerable problems, we call them main obstacles toward tourism development in our capital and in our country. The main problem is corruption, even our president in his speeches mentioned that, we have problem with
corruption and we should struggle against it. Otherwise it will negatively impact the overall development of our country. It also negatively impacts the tourism sector, just imagine, visitors are travelling to our capital and they are faced with bribe cases, perhaps this is decrease the tourism image of our capital and it decreases the number of visitors to our country. Another main obstacle is infrastructural problems, some people think that we have solved them but till today but I don’t think, really we have infrastructural problems and it impacts the tourism sector. It is nice that we have a lot of hotels but it is bad that we have a lot of unskilled sector employees. All of these points are vital obstacles for the tourism development in Baku “

(interviewee 4, age 41 )

“Certainly, there are exist some obstacles in tourism sector, we can’t underestimate them, for example, corruption cases, the head persons of our national government also states that we have problem with corruption cases and it negatively impacts the tourism sector, also I can add infrastructure problems, which is also important, we are considering that our capital and our country can be well known tourism destination in the world but without solving problems in infrastructure, I think it will be difficult for us. Unskilled employees in tourism sector are also one main obstacle in the tourism development in our country. If the visitors face such kind of unskilled employees, it can negatively impact their revisiting to our capital again. “

(interviewee 13, age 43 )

5.2 Use of Tourism Resource Base

Majority of interviews (18 out of 20) stated that, Baku is a developing place and this development also creates more opportunities to the destination. Even Baku has
become the most visited city in the region due to its business and other capacities. It is a reality that day by day the interest to Baku by foreign visitors is increasing and this is an important point for the capital of the republic. Perhaps there exist special aspects as, they support the increase of the image of the tourism industry. The interviewees mentioned that some aspects like, capital status, ancient city image, business opportunities, location advantage are main advantages for Baku to be one of the well-known tourism destination in the world.

Some of examples from Interviewees speeches:

“Our capital is developing day by day, the capital of 5 years ago and current capital is not the same, really there had been a lot of changes, also day by day the interest of foreign visitors is increasing toward our capital, firstly, capital image and location are important factors for Baku and secondly there exist a lot of business opportunities in here for foreigners.”

(interviewee 8, age 38)

“Baku is an attractive place for visitors, you know why, because our capital is one of the ancient cities in modern world. Really if you can walk through the capital, you will see it as easily some of visitors travelling to Baku and most of them states that, we saw ancient city image in Baku. Also capital status supports the development of place as tourism and well known destination in the world. There are a lot of business opportunities, which are important point for business world and business peoples. Location also brings extra advantage to the our capital for being most visited tourism destination in Europe and also in the modern world.”
“Baku as a well-known city in this region was famous also during in the past times. The role of Baku in this region is increasing day by day due to some reasons according to my personal believes, location advantage, capital status, ancient city image are main factors which brings advantage for our capital. Additionally, existing of business opportunities are also plus for Baku to be famous tourism destination in tourism industry. “

5.3 Perceived Benefit of Tourism

Most interviewees noted that tourism is a developing sector and most of countries take into account the power of tourism industry in their strategies. Perhaps the development of tourism industry brings positive results for local communities too, especially, it brings economic benefits, it can positively affect the life standards of local people and create more job opportunities for local people etc. All of these features make tourism an attractive industry for local communities in the world. Most of participants noted that, economic benefits are important factors for local communities, and social and cultural benefits can be an interesting feature in the tourism development.

Some examples from interviewees’ speeches:

“I think that tourism can bring economic benefits to the local communities. The role of tourism is very high in modern life, that’s why local communities are interested in tourism industry. The economic capacity of tourism sector makes it attractive for
host population. I don’t believe that tourism as a sector can bring more cultural or social benefits than economical benefits and more important, host communities are interesting directly on the economic ability of sector because they believe that, especially economic side of tourism sector can result with desired outcomes for them and it can positively affect their daily life quality.

(interviewee 16, age 35)

“Tourism as a developing sector or important sector can bring more economic benefits, for example, the sector can bring more cash for national governments and it can be reason to the changing of host communities life standard. It can create job opportunities for young and local people”.

(interviewee 20, age 46)

“Tourism is equal to the development and income in this current century, that’s why national governments and host communities do not underestimate the power of tourism industry in the world. Perhaps tourism as a sector can bring more economic benefits than cultural and social benefits. The tourism industry can positively affect the life quality of local communities even, it can create new job opportunities for local peoples, at the end it will be cause to the general development of destination in the world.”

(interviewee 7, age 26)

High percentage of interviewees (12 out of 20) noted that, national governments get more benefit from tourism than local communities. They noted also that, national governments appreciates the role and power of the sector in current century and they
don’t want loose high amount of income , tourism as a sector supports the economic development of world countries and destinations , but they don’t believe that tourism brings more benefits to the local residents than national governments. Due to outcomes , local peoples in Baku are considering that the bringing more benefits from tourism sector is one responsibility or should be one of the main responsibilities of national governments. They also accepted that national governments earn income which supports the economic development , but while you are looking at the other side or from the point view of local communities , based on particular destinations you will see various results. It is important that nowadays , developing countries refer to the success of tourism sector and positive results of tourism industry to the local communities has changed their life quality and standard of living.

Some of examples from the speeches of interviewees :

“ I accept the role of tourism sector in the world , really it is developing and going to be well known and famous sector in world economy but I don’t think that local communities can get more benefit from tourism than national governments . This is undoubted that tourism is a key driver for economic development in the developing countries. National government earn income but they do not support the local communities , as you see there are a lot of well-known tourism destination , I mean for developing countries but reality is that , national governments doesn’t want to do anything to change the life of host population with the income coming from tourism."
“Tourism is one and core part of current globalization and national governments takes accounts the power of tourism industry in their national policy why? It’s because they get income from the industry and it supports to the economic development. Unfortunately they don’t want to disturb it with local communities, if you can do your search, you will see what I’m telling, there exist destinations, good for tourism industry but this development doesn’t see itself at the daily lives of host communities.”

(interviewee 3, age 39)

Only 8 interviewee stated that tourism development and tourism as a sector brings more benefits to the local communities than national governments. Based on their words, perhaps national governments earn income but also distributes it with local communities, they are attempting to raise the life quality of local residents.

Some examples from interviewee speeches:

“ I think that tourism brings more benefits to the local communities because their life standards raises and develops, it also positively affect to other sides of society and at the end it also end with good results for local communities”

( Interviewee 1, age 31 )

“Tourism as a development tool, is important factor in the world, it directly brings benefits to the national governments but indirectly brings benefits to the local residents more than national governments. Tourism has become key economic driver for world governments but it means high level of success for local communities,”
tourism incomes directly impacts the life standards of local peoples and creates more job opportunities for them, it brings benefit to the national governments, I accept it but also I accept that it brings more benefits to the local communities than national governments.”

(interviewee 17, age 24)

Majority of interviewees (15 out of 20) do not accept that tourism or tourism development can change their national culture, they believe that culture has important role in tourism development because local communities recognize other various foreign cultures and also gives more information about their own culture to the visitors. But they don’t think that tourism development will impact negatively to the local culture and damage the protection of local culture.

All of the interviewees stated that, they are absolutely disagree that tourism supports to understand our own culture. They told that for understanding our own culture we don’t need tourism development, it is true that we are interested in foreign cultures, with different cultures of different nations but we respect to our culture and we are proud of it.

Some of examples from interviewees speeches:

“Tourism is important sector in the world, the development of tourism as a sector affects other features of the society too. Culture also has a special role in tourism development. There exist relationship between tourism and culture for me but I don’t think that tourism development can damage the local culture. Also to protect the
local culture more importantly, I don’t think that tourism help in understanding our own culture. “

(interviewee 20, age 46 )

“I don’t think that tourism can negatively affect local culture talk less of damaging it. We have great culture, we don’t need tourism to understand our own culture, we like our culture and respect it, we have respect also to other foreign cultures. “

(interviewee 15, age 25 )

“Tourism is well known and famous industry in the world business and it has relation also with tourism development but I don’t believe that tourism development can damage to our culture and also to protect of our own culture. We have ancient traditions and it is one part of our local culture, we respect other foreign cultures but proud of our culture too “

(interviewee 9, age 52 )

Only 5 person out of 20 noted that, tourism development can negatively affect the national culture and it can damage the local culture because globalization is a widely spread issue in the world and it can impacts the culture of various nations and it is normal to face it.

Some examples from interviewees speeches:

“Tourism is one part of globalization, the development of tourism affects the local cultures and it is also normal for our society. It can damage to our local culture and
also the protection of local culture. During the tourism development process we will meet with a lot of visitors, all of them are coming from different places and as a result it can influence to our local culture, especially young people prefer the culture of foreigners especially European, American and etc. “

(interviewees 8, age 38 )

“ Tourism is important sector and it has interaction with different spheres in the society. Culture is one of them and that’s why it can easily affect the local culture even it can easily damage the local culture, it can make obstacles for the protection of our local culture.”

(interviewees 2, age 25 )

5.4 Perceived Cost of Tourism

More part of interviewees (17 out of 20) in this study noted that, tourism is a developing sector and it has relations with other important aspects of society in life but tourism can negatively or positively impact the life of local communities and people in the society. They agree that tourism development can be one of the main reasons for traffic congestion because right now traffic congestion is famous problem in the selected city and it is considered one of the main obstacle for the development of tourism in Baku. But they don’t think that tourism can result with high percentage of crime rates in the capital as, traffic congestion which has more negative effect for selected destination than crime rate.

Some examples from the interviewees speeches:
“I consider traffic congestion to be a main problem for the tourism development because it has been a problem till today and right now also is one of the main problem in our capital but I don’t think that the crime rates will increase after the tourism development or during the tourism development.”

(interviewees 1, age 31)

“Traffic congestion is well known problem in the capital and everybody suffers from it, I imagine that after tourism development how it will be in our place. Really traffic congestion will be vital problem but I don’t believe that crime rate can be a main obstacle for the tourism development in Baku.“

(interviewee 4, age 41)

Only 3 person believes that crime rate will be core obstacle and problem for the tourism development and it will negatively impact the tourism sector. They mentioned that crime rates are increasing day by day and during in the tourism development it will be more.

Some examples from the speeches of the interviewees:

“The development of tourism is wonderful for our society, perhaps we applauded it but this development will cause a high level of crime rates in our capital, traffic congestion has been a problem as we are experiencing it but really the increase of crime rates during tourism development process will be negative impact and it will negatively affect the overall tourism sector.“
5.5 *Eco-centric Attitudes of Tourism Development*

All of the interviewees stated that nature and environment are important parts of tourism and tourism development. The nature and environment has special role in tourism development even national governments takes account of this point in their tourism policy and planning objectives. All of them mentioned that tourism development should be based on the protection of nature and environment by mankind and societies. Otherwise the world will face undesired accidents and it will negatively affect the development of nations and countries in the world.

Some of examples from interviewees speeches :

“ The nature and environment are essential factors in tourism sphere , we have to protect them , they have special and considerable place in tourism development because tourism development is also depend on nature and environment , otherwise it will damage the tourism sector. It’s nice that in current time there exist special organizations in the world that care about it and they are struggle against the powers which gives damage to the nature and environment. The protection of nature and environment should be one of the main objectives of tourism development in each country. Actually I am aware that there exist special points for the protection of nature and environment in national governments strategies , but there are also problems about the protection of nature and environment in our capital . Generally, the protection of nature and environment are security for future generations , all of the nations must care about it and take account it in the development. “
“The protection of nature and environment are one part of tourism sector and also main part of tourism development. National governments should take account of environmental issues in their tourism development policy and planning strategies. Really it is an important issue for tourism development, we have also problems especially in this case. The development of tourism highly depend on nature and environment, the spoilt of nature and environment will bring undesired cases to the societies in the future, we have to protect our nature and environment and it will be beneficial for the tourism development in the future.”

(interviewee 5, age 33 )

5.6 Community Attachment in Tourism Development

Most of the interviewees (13 out of 20) in this research noted that they are happy in their home town and they have high level of interest to be aware of what is going on in their society. Also they will be unhappy if they leave their society. Most of them told that Baku is our motherland, we love our land, we proud of our Baku, it has ancient history and modern image in the modern world. There is no reason to leave our place, also to live in other place with other peoples can be difficult for us.

Some examples from the interviewees speeches:

“I am from Baku, this is my land, I love my mother land and never want leave Baku, we have also problems in Baku but it is the same for everyplace, if I am living in this place, perhaps I have to be of aware what is going on in this city, I am also one member of this society, I will be unhappy if I leave this place.”
(interviewee 10, age 25)

“I feel myself at home in Baku, this is my home and I love Baku, even I can’t imagine that one day I can leave my place, I have high level of interest to be aware of what is going in my society and I am sure I will be unhappy if I will leave my place.”

(interviewee 8, age 38)

“Baku is my everything, you know I am proud of my city, Baku is our honor, I feel myself in my home in Baku, I can’t think I can leave Baku, if I can, I will be very unhappy, as one member of this society I have interest to be informed about ongoing cases in this society.”

(interviewee 17, age 24)

From the interviewees, only 7 person noted that, they don’t feel themselves at home in this place and they haven’t got interest to know what is going on in this society and they will be happy if they can leave this place. They told that, there are a lot of problems and all of these factors force them to leave this society and move to other place, especially to European countries, USA and etc. They told that there exist some basic political problems, corruption is well known problem but still the government can’t solve this problem, life standards are low, doesn’t exist high salary and they can’t think positively about their future in this place.

Some of examples from the interviewees speeches:
“Baku is our place but I don’t feel myself at home in this place, we have a lot of problems, like, corruption, low salary, high population and all of these factors makes me unhappy in this place, even I haven’t got interest to be aware of what is ongoing in Baku and I will be happy if I leave this place. “

(interviewee 5, age 33 )

“This place is not good although here is capital, we have a lot of financial, social problems, low salary, high level of corruption, I can’t feel myself at home in here and I don’t care what is occurring in our society, I will be happy if I can leave this place, I want to move to Europe countries, to well-developed place than here, maybe I will return but if the situation will be available in Baku for future. “

(interviewee 11, age 63 )

5.7 Community Concern in Tourism Development

All of the interviewees (20 out of 20) in this study mentioned that they have concern about the crime and cultural aspect of their society. They want to be aware about the ongoing accidents from cultural and criminal aspect. All of them noted that, if we are member of this society, it is our right to be informed about the criminal and cultural aspects of this society. According to their believe, culture and crime has relation with tourism development and they affect each other directly or indirectly in society. Cultural and criminal factors can effect tourism development due to some core directions in destinations.

Some of examples from interviewees speeches:
“I am living in Baku, I am a member of this society and I am interested in crime and cultural aspects in this society, also it has relation with tourism development. Cultural development and generally culture is one part of tourism development, actually if you can search, your will find out that most of people in our country are interested in the ongoing cases happening in country and they want to be aware about it, also about cultural and criminal cases in the country.”

(interviewee 5, age 33)

“If you are living in society, you need to have interest in cultural and criminal cases, generally our peoples likes to be aware about the ongoing cases in the country, from newspapers, from tv locals follow the ongoing incidents and do some recommendations about them. I don’t think that we have high level of crime rate but we are interested about criminal cases of our community. I think I’m interested in the cultural and criminal aspect of society is our general concern as I told to your before, because all of these factors make locals more sensitive against ongoing cases in the destination.”

(interviewees 14, age 45)

5.8 Community Support for Tourism Development

All of the interviewees (20 out of 20) stated that the participation of locals in tourism development is a considerable point in tourism policy and planning and it must be one of the main strategy for tourism policy makers in the world destinations. They believe that, the participation and involvement of locals in tourism sphere will bring positive results to the national governments and host government should appreciate it instead of underestimating it. The interviewees also considered that for
the increase the image of Baku as a tourist destination, firstly the government should solve corruption cases because really it affects negatively to the overall development of the destination. The involvement of locals to the tourism sector must be increased by the government, to make advertisements in well-known places and well known media organizations about the destination. The interviewees also mentioned that the role of locals in the increase of Baku image are: to show ethical behaviors toward visitors, to protect the nature and environment of the destination, to protect the ancient factor of Baku for futures, to recognize the own cultures to the foreigners and etc. They also think that, hotels, restaurants, guide books about Baku, about the sightseeing places of capital, maps are main tools for the promotion of the area as a tourist destination in the developing world.

Some of examples from the interviewees speeches:

“Tourism is a huge system and is going to be leader sector in world economy and the participation of locals hold a vital part in tourism development. The locals can support to the national government for the development of tourism in the area, as they face a lot of incidents which can be a beneficial tool for the government but the underestimating of locals perceptions by host government is not good decision. We–locals can increase the image of Baku with the following behaviors like, to show ethical behaviors towards foreign visitors and be polite to them, with the protection of nature and environment etc. Hotels, restaurants, travel agents in guide books about Baku, maps of capital are basic tools for the promotion of area in tourism sector.”

(interviewee 8, age 38)
“The participation and involvement of locals to the tourism development is an important point in tourism sphere, I believe that the role of local communities are not little in tourism, their perceptions can be a feedback to the national governments, but unfortunately sometimes national governments underestimate the attitudes and perceptions of locals communities in tourism development process, the locals also has considerable role to increase the image of Baku as tourism destination in the world, like to protect the ancient image of Baku, to protect the nature and environment of Baku are examples to the roles of host community. I consider that, hotels, restaurants, maps and guide books about the Baku can be core tool for the promotion of area as well known tourism destination in the world. “

(interviewee 1, age 31)

“The local residents has special role in tourism development but unfortunately sometimes the national governments don’t care about it and they underestimate the role of local residents in tourism development. According to my personal believe, the perceptions, beliefs, feelings of locals can be beneficial for national governments in tourism sphere because the involvement and participation of locals in tourism policy and planning can bring more benefits and desired luck to the national governments in the future. Certainly, the host population can support to the increase of Baku’s image as a well-known tourism place but how can we do it? firstly, we need to protect our land, culture, nature and environment, secondly, we have to keep the ancient city image of capital, if we can do it, hopefully, we will see positive results in the future. Personally, I think that, hotels, guide books and maps are tools for the promotion of the area as tourism destination. “

(interviewee 6, age 40)
5.9 The Future of Tourism in the Selected Destination

Majority of interviewees (16 out of 20) in this research study states that they have positive thoughts about the future of tourism in the selected destination. They said, we feel that really our national governments want to do some great projects in tourism sector, even they are struggling with corruption cases and attempting to minimize negative impacts of tourism in Baku. They also told that, the developing infrastructure of tourism sector, interest of national government in tourism development, the natural opportunities of country and also the capital gives us to think positively about the future of tourism sector in our capital. Also it is clear that, day by day the interest of foreign visitors are increasing toward Baku and its tourism capacity, the current situation of tourism sector in the world, the conditions of globalization also makes the locals to be positive about the future of tourism in the selected area.

Some of examples from interviewees speeches:

“ I have positive minds towards the future of tourism because we have capacity to develop tourism sector in Baku, it is nice that our governments also tries to do tourism as the second important sector in Baku after oil industry. Hope that in future, our capital will be one of the most visited place in tourism rankings. “

(interviewee 13, age 43)

“ The future of tourism sector will be perfect in Baku, you know, actually why should be, because we have capacity, our government tries to develop tourism sector, local peoples are also aware the current situation of tourism sector in the
world, all of these features made it able for us to think positively about the future of tourism sector in Baku. “

(interviewee 16, age 35)

“May be the current situation of tourism sector is not good now in our capital but I hope that generally the future of tourism sector will be positive in our republic, according to my personal believe, we have capacity in tourism sphere, from the newspapers, I read very often that, government attempts to develop the tourism sector and make it the second important industry after oil in the republic. Due to all of these features we can be positive about the future of tourism in our country and also in our capital Baku. “

(interviewee 12, age 34)

Only 4 person out of 20 interviewees don’t believe that the future of tourism industry will be positive in the selected destination, also they mentioned that, it is impossible to underestimate the capacity of selected place from point view of tourism development but we have huge problems in regulation process, still exist obstacles, which I consider them as main problems in tourism development. Corruption cases, to understand the conditions of modern globalization and its rules are unclear for our peoples yet in Baku and all of these features made it unable for us to think positively about the future of tourism industry in Baku.

Some examples from the interviewees speeches:
“Unfortunately, I can’t think positive about the future of tourism in our capital, we have a lot of problems and with these problems to attain success is impossible. For me, just imagine we have problem with corruption which will damage the tourism system directly, unable to the development of tourism in the destination, plus infrastructure problems, high population (Baku is not large city), all of these make me think negatively about the future of tourism in the Baku.”

(interviewee 4, age 41)

“Sorry, but I can’t see any positive feature in Baku for current time that, it can give me to think positively about the future of tourism sector in Baku, if we want to get good results and think positively about the future of tourism sector in Baku, we need to change a lot of things in here and work hardly to reach to our goals. “

(interviewee 17, age 24)
Chapter 6

DISCUSSION AND CONCLUSION

6.1 Discussion

The perceptions and attitudes of local communities toward tourism and tourism development plays considerable role in the tourism development, it should be noted that, local community perceptions and attitudes toward tourism development has become one of the top issues for tourism scholars and researchers in tourism literature. The outcomes of most of academic surveys and studies suggest that, local residents like to participate or involved to the tourism development if they believe that, they will gain benefit from tourism, otherwise they will not have interest to tourism and also to the tourism development process. It means that, economic factor is the main component for host population which can highly impact in their participation and involvement in the tourism development process.

Another interesting and important point is the relation between local governments and local population, most of studies also have found that the interaction between local administrators and host residents are vital component in the tourism development. The participation and involvement of local residents to the tourism development should be implemented by local governments but it also revealed that, sometimes the participation and attitudes of local communities is underestimates by local governments in the tourism development process. The results of surveys demonstrates that, partnership between local governments and local communities
can bring positive outcomes and long term success in the tourism development process for societies. Due to the outcomes of current study, after identifying of general attitudes and perceptions of locals, it is also considerable to investigate their perceptions and attitudes based on different aspects and features like community concern, community attachment, use of tourism resources, and eco-centric attitudes which are main factors to determine the local community perception and attitudes toward tourism development in study area.

The results of this study also demonstrates some core aspects as, collection of information from local residents about important topics in tourism development, protection of natural resources, environment, main concern of host population about tourism development in area by local governments. This current study also notes that, the participation and involvement of local residents is main component in the tourism development process. Local residents are one of the key driver in tourism development and perhaps their perception and attitudes will be beneficial for local administrators.

The outcomes of current study and previous studies show some differences and also same results. Essentially, from the point view of similar outcomes the host population in Baku accepts the power of tourism sector in the world. More specifically, the residents of the Niasar community under study perceived tourism in a positive way because of its beneficial impacts on the local economy (Farid et al., 2012: 866). Also the locals of the selected area estimate the economic power of tourism as developing sector, they also states that especially economic impacts of tourism can bring more positive outcomes to society.
Another important similarity between current study and previous study which one is the participation and involvement of host communities in the tourism development process. The research findings of Tanzania (Muganda, M, 2009: 203) established that host population wish to participate in the tourism development and in the decision-making process. Due to local community minds of Baku, the participation of locals in tourism development can empower tourism system in destination, the collaboration between host communities and national governments is vital component in tourism development process.

The protection of environment and nature, natural resources as main component of tourism industry is evaluating highly by host community in Baku, due to locals the protection of environment and nature should be one of the main purposes of tourism development system, to damage to the nature in the context of tourism development will end unwanted results.

The main difference among current research results and past studies is about cultural exchange factor of tourism development. The research study of Nepal (Ramji, S, 2008:121) argued frequently that tourism does not only despoil cultures but also revives culture and gives added value to them, both intellectually and economically. Instead of previous studies, due to outcomes of this study host population don’t believe that, tourism development can negatively impact or can alter the main structure of their culture.

Hence, majority of host population in the selected destination are positive toward tourism development, to the role of tourism as a developing sector, to the impact of tourism sector to the society are considering positively, although some negative
effects. Especially the host population in Baku as in other destinations believe to the future of tourism sector in their destination and they notes that the future of tourism sector will bring more benefits to them and whole part of their country.

### 6.2 Conclusion

The outcomes of this study suggest several explanation for understanding the perceptions and attitudes of local communities toward tourism development and also how the perceptions of host population impacts the support to the tourism industry.

Firstly, local residents of Baku have more positive perceptions and attitudes toward tourism development. They also accept the modern role and power of tourism as a developing sector for the current time in the world. Host population of Baku considered tourism also as one of the important sector in the world due to its economic and other capacities.

Business tourism is the most available tourism type for the selected area for this study by host population. Some features like, location advantage, capital status, ancient city image, business opportunities makes the destination attractive for foreign visitors.

According to local community thoughts, business type of tourism can bring more economical benefits to the capital of the country, the development of business tourism in Baku is able to the open new perspectives for local citizens create job opportunities and at the end all of these features are reasoned to raise life quality of local residents in Baku.
Another important outcome of this study is that, local residents see corruption, infrastructure problems, unskilled tourism sector employees are main obstacles toward tourism development in their place. It shows that due to their minds, exist external and internal factors which makes obstacles against tourism development in Baku.

Local community in Baku considered that tourism can bring more economic benefits to the local communities which can create job opportunities, raise their life standards etc. Also most of interviewees stated that, they believe that national governments can get more benefits from tourism sector than local communities. Generally, tourism policy and planning are based on national strategies and perhaps the bubble of local communities should take account in their policies.

Other valuable result of this research is that, local community in Baku consider the participation and involvement of host population in tourism development by national governments which can bring benefits to the overall tourism development system in the world countries, also in their home country.

According the beliefs of host population in Baku, there is no danger for the protection of local culture in the context of tourism development. They think that, the development of tourism will not damage the local culture because local residents like their own culture, they don’t need the tourism sector to understand their own culture. Host population also mentioned that they like to recognize other different cultures of different world countries, even their own culture can affect the visitors and it is an excellent case for them. They have a little worry about the young peoples because of their huge interest toward the European and American culture. They state
that, such kind of features can damage to our culture but most of peoples sure that the development of tourism will not damage their national culture, in spite of that culture and tourism are main part of modern globalization in the developing world.

Most of interviewees think that, traffic congestion can be vital problem in the development of tourism because host population suffer from traffic congestion for the current time in Baku. But they don’t believe that crime rates will increase after the development of tourism in the selected area.

The protection of nature and environment are main parts of tourism development according to the local community thoughts in Baku. They also mentioned that the development of tourism based on natural resources and this means that environment and nature are great factors for tourism sector. To damage both sides can be result with undesired outcomes for the destination in future times.

High percentage of interviewees felt at home and they love their city. Baku is their motherland and most of them don’t want to leave the city and if they leave, they will be unhappy.

The community of Baku has high level of interest toward cultural and crime aspects of their society. They consider that, if they are member of their society, it is their right to be concerned about both aspect of their society. They also mentioned that most of the local residents in Baku are educated peoples and that’s why they are interested with the ongoing cases in their society, especially from the point of cultural and criminal sides.
Damage to natural areas, demographic problems, traffic congestion are one of the vital negative impacts of tourism for societies in tourism sector. Even they can be main negative direct impacts of tourism for society in Baku. All these kinds of features can also negatively affect the overall tourism image of Baku as a well-known tourism destination in the world.

Based on the thoughts of host population, hotels, restaurants guide books and maps about the city can be main tool for the promotion of the area as tourist destination in the world. Also with the protection of local culture, ancient city image of Baku, to be ethical toward foreigner visitors can increase the tourism image of Baku in world tourism sector.

Majority of interviewees consider that the future of tourism as a sector will be positive in Baku because the city has potential to be one of leader or well-known tourism destination in tourism sector, also some aspect which has been mentioned before in this research make the destination an attractive place for visitors. The regulation of the national government also gives hope to them to be positive or to think positive about the future of tourism sector in Baku. Some of them stated that they have problems and they are still obstacles for tourism sector but more importantly the government should be aware of which factors makes problems in tourism sector and national governments should attempt to solve them and gain long term success in tourism sector. Generally, host population believe that tourism can be the second main industry in within country after oil industry.

Basic theoretical supports comes from Social Exchange theory in current study. Social exchange theory was used as core base for understanding and identifying of
the factors which directly or indirectly affects the tourism support. There are two significant research direction in this study and they are considered as core aspects for this study. The perceived impacts of tourism by host population is the first important direction, the second one is the effort which able to determine the factors that impacts in order to attend residents support for tourism development in selected destination.

Due to the outcomes of current master thesis, it able to us to understand how the following aspects as, community concern, use of tourism base, community attachment, eco-centric attitudes effects to the perceptions of local communities and how their attitudes impacts to the their support to the tourism development. The importance level of Social Exchange theory and its principles are another considerable and important findings of this study as, the theory shows that local perceptions and attitudes are core in tourism development. They can give support to tourism development in destinations, they can also help to solving of gaps, problems in the development, all of these features makes the theory is effective and valuable for tourism literature. The main body of current study based on five factor model which also investigated by Gursoy et al. are able to divide the positive and negative effects into five basic cost and benefit aspect which includes economic benefits, social benefits, cultural benefits, social costs and cultural costs can play feedback role for understanding society reactions and their attitudes. Hence, discussions demonstrate that, the perceptions and attitudes of host population are significant in tourism development and it is also the main part of sustainable tourism because host community attitudes should be the core part of tourism development in order to gain long term success in the context of tourism development.
Due to widely spread and accepted thoughts, the host communities should involve the tourism development process, the participation of local communities in tourism can cause the positive results, solving of main obstacles and problems in process. Generally it can bring overall development to the nature of tourism system, as known from the tourism literature, most scholars argues that, the locals will support to tourism development if they believe that, they will attain benefit from tourism and avoid undesired costs. This point increases the place of local communities in tourism planning process, creates some responsibilities for local governments. Results show to us that, underestimating locals perceptions can be reason of main failures and unwanted outcomes in society. It can be also negatively impact to the visitors and can easily reduce the number of foreign visitors in world tourism destinations.

6.3 Limitations

Main interest area of this master thesis is the focus on only to Baku, the capital of the Azerbaijan Republic. To make the same investigations in the other regions of Azerbaijan, more important in the regions which has opportunities for the developing of tourism industry would be interesting and beneficial for local government in the destination. Also would be attractive for tourism researchers, especially while it should be noted that, the area which was investigated, was the first empirical study that has been done in selected destination. Perhaps the results of survey, the perceptions and attitudes of local community which will collected from various places will be different. It would be interesting also to be inform about the thoughts of other locals from other regions of the country. Additionally, with this study we just attempted to identify the perceptions and attitudes of local population in the capital city, in Baku. The total population estimate 4 million in the capital, but
the overall population of country estimates 9 million. Identifying locals perceptions and attitudes in rural areas would be beneficial for researchers. Another important point for the outcomes of this study is to make investigations in regionally, not just in one country of Caucasus, also in Georgia and Armenia. Furthermore, the tourism industry is developing rapidly in Georgia and all of these features able to learn deeply the tourism sector, to identify the perceptions of locals in the region, to find gaps and obstacles in tourism industry.

The current study can be used to recognize other type of tourism industry in the republic of Azerbaijan. The contend of questions can be altered or enlarged for future times. The outcomes of this study demonstrate to us that, four main aspects plays significant role or we can call them as a “main tool” for determining locals perceptions and attitudes toward tourism development, the basic aspects are: community concern, eco-centric attitudes, use of tourism base and community attachment.

Another important limitation of this study is about the interest of local peoples toward such kind of researches and the importance of such kind of research studies in society. The results shows that, host population in Baku are not so much interesting with such kind of researches, but it would be interesting to make such kind of surveys for future times, it will give support also for widely participation of host population in surveys. Positive result is that, really local peoples has positive thoughts about the overall tourism sector, they consider that their home country can be one of the most visited destination in world tourism sector for future times.
6.4 Implications of the Study

The outcomes of this survey which have been investigated about the perceptions and attitudes of local communities toward tourism development can be beneficial for policy makers, government officials, local administrators. Based on the results of this study, responsible organizations to responsible tourism sector in the selected destination can use the results of this study to identify specific tourism development directions. Also the outcomes of current research can be utilized for the future tourism development of destination by national government and tourism organizations.

Other important implication of this study is that it can be used for controlling the tourism sector by host government, especially they have to take into account the willingness of local community in tourism development process which should based on collaboration between local community and national government. Perhaps based on the sights of local community or from the point view of host residents, the involvement and participation of locals in tourism development should be one of the vital component in national tourism system and policy.

6.5 Areas for Future Study

Development, sustainability, long term success, perception and attitudes of host communities, the support of local population are significant factors for the tourism sector. The involvement and participation of local population in tourism development creates some major responsibilities for tourism planners. Most of studies demonstrate that, tourism planners should take into account the perceptions and attitudes of host population in tourism planning process so as not to face clashes and challenges in the
context of tourism development. Sometimes the underestimation of locals perceptions by local governments reasoned to the failure, un effective results and unwanted problems.

The main purpose of this study is to determine how the perceptions and attitudes of local communities affect the tourism and tourism development. Generally the future research issues should focus on investigating existing gaps in the sector, especially the main reasons why local governments underestimates the role of locals, their perceptions and attitudes in tourism development and why the locals – are they really main obstacles in tourism development. It would be interesting to investigate the perceptions of locals not just in developing countries, but also in less developed countries.
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APPENDIX
Appendix: Research Questions

1) What does tourism mean for you?

2) Is it important sector in modern world?

3) What is your idea about the future of tourism in Baku?

4) Your expectations from the future of tourism in Baku?

5) What type of tourism or what types of tourism are available in Baku as a tourism destination?

6) What are the advantages and disadvantages of tourism type which you prefer in Baku?

7) What are the social, cultural, economical, political effects of tourism type which one do you prefer?

8) Which factors make Baku as attractive tourism destination for visitors?

9) What are the main obstacles to the development of tourism in Baku? External and internal factors?

10) What are the benefits of tourism for local communities?

11) Does the development of tourism sector bring more benefits to the host governments or to the local residents?

12) What is your idea about the increase of crime rates and traffic congestion?
13) What do you think about the relation between cultural exchange and tourism development?

14) Does the tourism really supports to the understanding of own culture?

15) What is the role of tourism at the protection of local culture or tourism damage to the local culture?

16) What do you think about the relation among tourism, the protection of nature and environment?

17) How much do you feel at home in this community?

18) Is it important to know what is going on in society?

19) Would you be happy or unhappy if you leave this community?

20) What is your concern about the crime and cultural aspects of your community?

21) Do you think that the participation of locals is important in tourism sector?

22) How can we increase the destination image of Baku in tourism?

23) What are the roles of local community in this respect?

24) What are the main tools for the promotion of the area as tourist destination, in the case of Baku?

25) What are vital negative impacts of tourism for society?

26) Which factors can damage the image of destination and decrease its value in tourism sector?

Thank you for participating in this interview