RECOGNIZING BUSINESS OPPORTUNITIES IN SPORTS TOURISM IN IRAN (TEHRAN PROVINCE)

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Abstract

The combination of tourism as the biggest industry in the world (Goeldner & Ritchie, 2006) and sports as the sixth profitable industry in developed countries (Puis Brenda et al. 2002) is created one of the most amazing modern service industries entitled "sports tourism" (Biddiscombe & Rose, 2004). Sports tourism makes it possible optimal use of natural attractions for attracting tourists and increasing revenue from tourism (Firoozjah et al., 1988). On the other hand, the predictions made indicate that in 2020, we will see 5% growth in tourism and travel in the world and it is interesting to know that these predictions about sports tourism show 10% by 2020 (Weed, 2006). The purpose of this study is to recognize business opportunities for sports tourism business in Tehran province. In this research which is considered as an applied research, according to the four-stage model of James L. Morrison, business opportunities in sports tourism industry in Tehran Province is scanned, monitored, forecasted and assessed. The four-stages according to that this research is made include: to recognize the current situation and emerging trends in sports tourism and the related environmental aspects (Scanning), to analyzes the economic trends recognized in sports tourism and the effective trends (Monitoring), to forecast future market of sports tourism (Forecasting) and finally to assess the amount and time of formation of need and demand and profitable potential in sports tourism (Assessing). In the study, mixed method research (quantitative–qualitative) is used for three stages i.e. Scanning, Forecasting and Assessing and only qualitative stage is used for Monitoring stage. Population universe includes the managers of Cultural Heritage Organization working in Tehran, Tehran Hotels' managers, administrators and managers of the Sport Tourism Committee affiliated to the National Olympic Committee, managers

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of sports industry (Physical Education Organization) in Tehran and consequently sports federations and academic experts in the areas fields of sport and tourism which are different in each stage according to the study. Furthermore, data collection method, sample size determination, sampling, data resources, data scale, data tools and manner of analyzing data are different in each stage. In scanning stage, after interviewing the relevant managers and gathering the required statistical data, a list of opportunities were recognized which each of them creates list of jobs. These opportunities include: 1 - Sports facilities (sports fields and lands, sports halls, swimming pools, pistes), 2- Welfare facilities (hotels, motels, restaurants, air transportation systems, local transportation system), 3 - Recreational and Cultural facilities (recreational parks, museums, cultural centers), 4 - Security and Health facilities (police centers, medical institutions, health centers, pharmacies) and 5 - Side or lateral facilities (shopping malls, handicrafts shops, sports tourism training, advertisement). In the monitoring stage, it was concluded that sports facilities, recreational and cultural facilities, welfare facilities and security and health facilities have increased than before that concerning side facilities there is partial changes in the tourism training sectors and advertisement. The quality of side and welfare opportunities is low and quality of recreational and cultural facilities, health facilities and sports facilities is moderate. In Forecasting stage, it was concluded that there is need for about 93% welfare facilities, 82% health facilities, 69% recreational facilities, 70% side facilities and 100% sports facilities. After assessing the obtained results, the ranking of these business opportunities is as follows:

1- Sports facilities, 2- Welfare facilities, 3- Security and health facilities, 4- Side facilities and 5- Recreational facilities were ranked fifth.

**KEYWORDS:** tourism, sports tourism, scanning, monitoring, forecasting, assessing
Introduction

The history of sport is arguably richer than any other form of human activity. Sport has variously developed across the world as a ceremony, a celebration, a physical pursuit, a leisure activity and now, increasingly, a business (Chadwick; 2009). Although tourism is not as old as sports but it is considered as a major and growing part in the economic activities (Esfahani, 2009). Tourism development provides an avenue for overall economic development and a boost for local entrepreneurship (Alejevic & Page, 2009). Tourism is a major global economic force. International tourism has grown substantially in recent years. According to UNWTO (2009), international tourist arrivals reached 922 million in 2008 (up by 1.9% on 2007). International tourism receipts grew to US$ 944 billion (euro 642 billion) in 2008, corresponding to an increase in real terms of 1.8% on 2007. Nevertheless, the UNWTO believes the industry is robust and estimates there will be 1.6 billion visitor arrivals in 2020 (Mbanwa; 2010).

With combination of these two industries i.e. tourism and sports, a new and modern industry is created which is called “Sports Tourism” (Esfahani; 2009). Sport tourism has been defined as “all forms of active and passive involvement in sport activity, participated in casually or in an organized way for noncommercial or business/commercial reasons, that necessitate travel away from home and work locality” (Standeven and DeKnop 1999:2). Sports tourism makes it possible optimal use of natural attractions for attracting tourists and increasing revenue from tourism (Firoozjeh et. al., 1988). Tourism and travelling is expected to grow by 5% each year up to 2020 and it is interesting to know that the forecast for sports tourism is 10 percent per year (Weed; 2006). Middle East, despite how it is defined has been identified as a suitable place for a changeable volume of tourism. Tourism in the Middle East within a competitive global economy and global culture is facing many challenges (Daher; 2007). And IRAN which is located at the Middle East, is a land with a wide geographical area, climate diversity, various ecological conditions, ethnic diversity and rich culture; this country with 30 provinces in urban and rural forms with many historical and cultural attractions likes a vast continent which has been appeared in the form of a country (Esfahani, 1988).

Tehran Province, the capital of Iran, with 18814 km² and a population of approximately 14 million (quoting Director General of Civil Registration of Tehran, 2009) is distinguished from the other provinces because it is the political center of the Islamic Republic of Iran. Historical attractions of Tehran are scattered in all its cities and towns and all of them have created a special attraction for this province and changed Tehran to one of the important areas of tourism (Zagros tourism network). Tehran province has numerous monuments around itself and since it is the capital of Iran for more than 200 years, it has the most historical monuments, recreational centers and tourism facilities. Other cities of the province including Shahre- Ray, and Shahrizor have the oldest and the most famous
historical and religious attractions in their selves (comprehensive site of Iran Tourism). According to the Fourth Development Plan of the country, Iran will annually host at least five million tourists by the end of 2009, that this amount will reach 20 million persons per year by the end of 2024 and we can not easily ignore share and position of sports and sports tournaments easily (Moharram Zadeh, 2009).

*Figure 1: Tehran Capital of IRAN*

On the other hand, The term opportunity has been employed in different ways by different writers on entrepreneurship and this has created some confusion. Kirzner (1973), for example, suggests that opportunities are like dollar bills blowing around on the sidewalk, waiting for an alert individual to pick them up (Casson & Wadeson, 2007).

Recognizing opportunities is the first step in the entrepreneurship journey (Sardeshmukh & Smith, 2010) and entrepreneurship is concerned with the discovery and exploitation of profitable opportunities (Shane & Vandataram, 2000).

**Methodology**

In this research which is considered as an applied research, according to the four stage model of James L. Morrison, business opportunities in sports tourism industry in Tehran Province is scanned, monitored, forecasted and assessed (figure 2). The four stages according to that this research is made include; to recognize the current situation and emerging trends in sports tourism and the related
environmental aspects (Scanning), to analyzes the economic trends recognized in sports tourism and the effective trends (Monitoring), to forecast future market of sports tourism (Forecasting) and finally to assess the amount and time of formation of need and demand and profitable potential in sports tourism (Assessing). In the study, mixed method research (quantitative- qualitative) is used for three stages i.e. Scanning, Forecasting and Assessing and only qualitative stage is used for Monitoring stage.

Figure 2: 4 stages model for recognizing the opportunities (Morrison; 1998)

Population universe includes the managers of Cultural Heritage Organization working in Tehran, Tehran Hotels' managers, administrators and managers of the Sport Tourism Committee affiliated to the National Olympic Committee, managers of sports industry (Physical Education Organization) in Tehran and consequently sports federations and academic experts in the areas fields of sport and tourism which are different in each stage according to the study. Furthermore, data collection method, sample size determination, sampling, data resources, data scale, data tools and manner of analyzing data are different in each stage.
Recognizing the Environment of Tourism

Most of the literature related to management and economic issues in tourism defines the organizational environment in an increasingly hostile, volatile, competitive and complex state (Chon & Olsen, 1990; Olsen, 1999). Dynamism in demand, competitors, technology and human resources immediately comes to mind when talking about the tourism environment (Oreja-vorzguez & Yanes-Estevez; 2007) In such circumstances, it has been said that the only way of facing up to the volatile environment is by analyzing it (Crawford-Welch, 1991). The impact of the business environment on organizational behavior is also clear from the definition of environmental scanning (Aguilar, 1967, p.1): It is the process of searching for and collecting information about events, trends and changes external to the firm that guide its future course of action. Olsen cites the difficulty in identifying and measuring the representative variables of the environment as a reason for the lack of contributions in the field (Oreja-vorzguez & Yanes-Estevez; 2007).

Environmental analysis is considered an important step in the strategic management process within the tourism area (Chon & Olsen, 1990; Costa & Teare, 1996; Costa, Teare, Vaughan, & Edwards, 1997; West & Olsen, 1989). The collection of information was studied by West and Olsen (1999), and they found that most companies practice an informal process. Some years later, Costa and Teare (1996) emphasized the need for a "straightforward and well-organized" process of environmental scanning. More recently, those same authors (Costa & Teare, 2000) assessed the relevance and structure of a formal process, its barriers and possible solutions. One of their conclusions is the need for a structured format in the scanning process in order to obtain more competitive advantages.

Environmental scanning should be more important in tourism than in other industries because of the greater complexity of service firms arising from their external environment (Sharma, 2002). Environmental issues in the strategic management literature on tourism are always among the most prominent. For example, Butler and Jones (2001) identify demography, the internet and climate as the major challenges that the industry will face in the 21st century. Olsen (1999) previously added globalization, economic changes and the growing consumer desire for improved well-being (Oreja-vorzguez & Yanes-Estevez; 2007).

Morrison's Four Stage Model

The tools of opportunity recognition i.e. scanning, monitoring, forecasting and assessing, used in the context of a model that uses these tools to expand vision, formulate strategic direction and strategic plans, implement these plans, and evaluate the implementation, enable us to shape the future of our organization and meet the challenges of global change (Morrison, 1996):
Environmental Scanning

Environmental scanning is an analytical process that allows investors and executives to anticipate future trends and allocate their human and economic resources accordingly (Formica & Kothari; 2008). Scanning identifies signals of change (Morrison; 1997). Environmental scanning is a tool used by strategic planners. When an organization scans the environment, it looks for external trends and events important to the institution, and then identifies threats and opportunities that those trends and events may present (Arte; 2002) scanning the general environment for trends that affect the organization's mission is essential to developing an effective strategic plan (Bourgeois; 1980). An example of the user of an environmental scanning system is an nuclear submarine captain. His periscope is not only equipped with optics to aid in viewing the immediate area out to the horizon, but it is also linked up to a satellite relay that allows him to see beyond the horizon. Each time he uses the periscope he is looking for possible targets (opportunities) and the enemy (threats). He scans the horizon for external environmental threats and opportunities (Morrison; 1989). The purpose of environmental scanning is to serve as an early warning system by alerting institutional leaders to potentially significant external developments in their early stages. The earlier the warning, the more lead time we have to plan for the implications of these changes. Consequently, the scope of environmental scanning is broad-a full circle sweep to pick up any signal of change in the external environment. Scanning provides us with critical trends and potential events. Brown and Weiner (1985) define environmental scanning as "a kind of radar to scan the world systematically and signal the new, the unexpected, the major and the minor (p. ix)." Aguilar (1967) has defined scanning as the systematic collection of external information in order to (1) lessen the randomness of information flowing into the organization and (2) provide early warnings for managers of changing external conditions. More specifically, Coates (1985) has identified the objectives of an environmental scanning system as including the following:

- detecting scientific, technical, economic, social, and political interactions and other elements important to the organization
- defining the potential threats, opportunities, or potential changes for the organization implied by those events
- promoting a future orientation in management and staff
- alerting management and staff to trends which are converging, diverging, speeding up, slowing down, or interacting (Morrison; 1992)
Monitoring

Monitoring follows scanning. Monitoring follows the signals which have been identified in the scanning process (Morrison; 1997). The purpose of monitoring is to ascertain the past and possible future directions of trends or to enable us to estimate the strength of indicators of potential events. Monitoring entails using trend descriptors or potential event indicators as key words in a systematic search to obtain information about them. Thus, when monitoring, we seek information containing forecasts and speculations about the implications of trends and events identified in scanning for colleges and universities (Morrison; 1997).

Forecasting

Events and trends affecting the tourism industry are becoming more complex and fast-paced. In response to these radical changes in the external environment, destination managers are striving for new approaches to predict future forces driving change (Fornaci & Kothari; 2008). Forecasting estimates the duration, direction, acceleration, and amplitude of the signals (Morrison; 1997). Forecasting entails ascertaining the future direction of trends or the probability that potential events will occur within a certain timeframe (e.g., 10 years). Trend forecasting may be accomplished mathematically (e.g., using regression techniques) or judgmentally. We anticipate the future by searching for signals of potential change in the environment, defining these signals in event statements, estimating their likelihood of occurrence, and judgmentally forecasting their impact on our organizations. This process provides us with as much lead time as possible to take action to shape our future (Morrison; 1996).

Assessing

After forecasting the events and trends, the interval and the profitability of them will be assessed and ranked.

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Findings

In the context of this article, a number of significant findings relating to the recognition of business opportunities in sports tourism in Tehran province are presented and discussed which is as follows:

**Tehran** is the capital of Iran (I.R.) and Tehran Province. With a population of 14,448,000 (statistic of 2009), the area of 18814 km², 15 cities, 37 sections, 56 towns and 83 villages (statistic of 2010), it is also the largest urban area, one of the largest cities in Western Asia, and is the world. The number of expatriate tourists which visited Iran in 2009 was 2272375.

In order to recognize the business opportunities in sports tourism in Tehran province, firstly; the authors needed to scan the external environment in order to identify signals of new trends and development which could become emerging issues possible affecting this industry's future. Therefore, the relevant statistical data related to the years 2008 & 2009 were gathered from the statistical centers of Iran and after interview with the relevant managers (stated in "Methodology") , some important opportunities were recognized in Tehran province which can create different jobs and affect the economic growth. These opportunities include:

*Figure 3: List of Recognized Business Opportunities in Sports Tourism in Tehran Province*

The statistical data which was obtained from the Statistic Center of IRAN includes: in sports section, number of sports facilities such as number of sports lands and fields, number of stadiums, swimming pools, pistes, sports halls; in welfare section, number of hotels, restaurants, air and local transportation systems, in the recreational and Cultural section, number of recreational parks, museums,
cultural centers in health section, number of medical institutions, health centers, pharmacies and in side or lateral sections, number of shopping malls, handicrafts shops, sports tourism training, advertisement within these two years. After obtaining these statistic and the result of interview, in the second stage, the frequency distribution of each of them within the years 2008 & 2009 was determined, for instance concerning Health facilities:

*Table 1: Frequency Distribution of Health Facilities of Sports Tourism Opportunities in Tehran Province*

<table>
<thead>
<tr>
<th>Health facilities</th>
<th>Number 2008</th>
<th>Number 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical Institutes</td>
<td>154</td>
<td>167</td>
</tr>
<tr>
<td>Health Centers</td>
<td>1358</td>
<td>1492</td>
</tr>
<tr>
<td>Pharmacies</td>
<td>2054</td>
<td>1962</td>
</tr>
<tr>
<td>Medical Laboratories</td>
<td>973</td>
<td>1003</td>
</tr>
</tbody>
</table>

*Diagram 1- Frequency Distribution of Health Facilities of Sports Tourism Opportunities in Tehran Province*

In the third stage, the frequency distribution of quality evaluation of each one of business opportunities in sports tourism in Tehran province was determined, for example:

Since, mentioning the calculations made for each one of opportunities occupies a large space, the calculation related to one of opportunity (Health Facilities) is only mentioned.
Table 2: Frequency Distribution of Quality Evaluation of health Facilities of Sports tourism opportunities in Tehran province

<table>
<thead>
<tr>
<th>Health Facilities</th>
<th>Number</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low</td>
<td>23</td>
<td>38.3</td>
</tr>
<tr>
<td>Moderate</td>
<td>28</td>
<td>46.6</td>
</tr>
<tr>
<td>High</td>
<td>9</td>
<td>15</td>
</tr>
<tr>
<td>Total</td>
<td>60</td>
<td>100</td>
</tr>
</tbody>
</table>


In this stage, after evaluating the managers' comments and evaluating quality of each one of opportunities, it was concluded that the quality of side and welfare opportunities is low and quality of recreational and cultural facilities, health facilities and sports facilities is moderate.

In the fourth stage, distribution of forecasting the role of each one of business opportunities

In sports tourism in Tehran was reviewed:

For example concerning the health facilities, it was determined that the average role of the health facilities in business opportunities in sports tourism was 16.38, with standard deviation of 3.29 and skewness of -1.28. Minimum and maximum health opportunity was 4 & 20, respectively. Actually, after forecasting which was made by using the relevant manages viewpoints, it was determined that the role of health facilities in increasing business opportunities in sports tourism has been 82%. In this way, the role of each facility in increasing the business opportunity was determined which are as follows:
Table 3: Percent of Role of Each facility in increasing the business opportunity

<table>
<thead>
<tr>
<th>List of Business Opportunities</th>
<th>Percent(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sports Facilities</td>
<td>100</td>
</tr>
<tr>
<td>Health Facilities</td>
<td>82</td>
</tr>
<tr>
<td>Recreation &amp; Culture Facilities</td>
<td>69</td>
</tr>
<tr>
<td>Welfare Facilities</td>
<td>93</td>
</tr>
<tr>
<td>Side or Lateral Failities</td>
<td>70</td>
</tr>
</tbody>
</table>

And finally at the last stage, after assessing the recognized opportunities, they were ranked:

Diagram 3: Ranking the recognized Opportunities Of sports tourism in Tehran Province

Conclusion

The purpose of this paper was to recognize the business opportunities in sports tourism in Tehran, capital of Iran. The authors have done their research according to the four stage model presented by Professor James L. Morrison. Our findings indicate that: in scanning stage, after interviewing the relevant managers and gathering the required statistical data, a list of opportunities were recognized which each of them creates list of jobs. These opportunities include: 1 - Sports facilities (sports fields and lands, sports halls, swimming pools, piste) , 2-Welfare facilities
(hotels, motels, restaurants, air transportation systems, local transport system), 3 - Recreational and Cultural facilities (recreational parks, museums, cultural centers), 4 - Health facilities (medical institutions, health centers, pharmacies) and 5 - Side or lateral facilities (shopping malls, handicrafts shops, sports tourism training, advertisement). In the monitoring stage, it was concluded that sports facilities, recreational and cultural facilities, welfare facilities and health facilities have increased than before that concerning side facilities there is partial changes in the tourism training sectors and advertisement. The quality of side and welfare opportunities is low and quality of recreational and cultural facilities, health facilities and sports facilities is moderate. In Forecasting stage, it was concluded that there is need for about 93% welfare facilities, 82% health facilities, 69% recreational facilities, 70% side facilities and 100% sports facilities. After assessing the obtained results, the ranking of these business opportunities is as follows:

1-Sports facilities, 2-welfare facilities, 3-Health facilities, 4-Side facilities and 5-Recreational facilities.

Recommendations

- Private sectors investment in sports tourism
- To launch different sports tourism sites for wide advertisement in national and international levels in order to introduce Iran, its ancient monuments and its sports facilities to the tourists
- To establish tourism training centers
- To extend sports tourism culture in Iran

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