

Tourism Demand Modelling of Turkey: Time Varying Parameter Approach

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ABSTRACT

In the globalizing world in which the borders and distances lose their significance, tourism sector, the importance of which is growing with each passing day depending on both the territorial development and economic growth, and on its social effect on a global scale, has become the preferred sector for many developed and developing countries. As the tourism is a versatile and dynamic sector, planning-investment-marketing process relating to the sector should be mutually interactive and compatible with the demand for the market functionality. The countries which are in a cut-throat competition in order to increase their market share in the international tourism should analyze the tourism demands for both their own country and the other countries very well in order to determine which plan and policy they will use for this competition. For this reason, the object of the study is to estimate the tourism demand for Turkey by modelling the international tourism demand model of Turkey via a time varying parameter approach. An important contribution has been made via this analysis results in terms of the sustainability of the growth that Turkey has obtained in the tourism sector.

Keywords: Tourism Demand, Time Varying Parameter Model, Turkey

Jel Codes: C53,R41,Q21

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