

**Achievement of Market-Friendly Initiatives and Results Program  
(AMIR 2.0 Program)**

**Funded By U.S. Agency for International Development**

**Design and Lead 2010 Strategy Process - Phase I  
Work Plan for the National Tourism Strategy Initiative**

*Final Report*

**Deliverable for BMI Component, Task No. 262.1  
Contract No. 278-C-00-02-00201-00**

*January 2003*

*This report was prepared by Matt McNulty, in collaboration with Chemonics International Inc., prime contractor to the U.S. Agency for International Development for the AMIR Program in Jordan.*

**A STRATEGIC APPROACH  
TO DOUBLING THE  
TOURISM ECONOMY  
OF JORDAN**

**2004 - 2010**

**TOURISM IS THE BEST IMMEDIATE ENGINE FOR GROWTH FOR  
JORDAN'S ECONOMY**

**WITHIN THE  
"STRATEGIC TOURISM CONTRACT"  
THE GOVERNMENT AND INDUSTRY WORKING TOGETHER  
CAN  
DOUBLE THE TOURISM ECONOMY OF JORDAN BY 2010**

**January 2003**

## **CONTENTS**

	<b>Page No.</b>
<b>Introduction</b>	<b>2-3</b>
<b>Why Tourism is a crucial sector for Jordan's National Economic and Social Development</b>	<b>5-6</b>
<b>Jordan's Opportunity</b>	<b>7-8</b>
<b>Creating the Strategic Environment for Successful Implementation</b>	<b>9</b>
<b>The Strategic Tourism Contract</b>	<b>10-11</b>
<b>The Targets</b>	<b>12-13</b>
<b>The Strategy</b>	<b>14-15</b>
<b>Strategic Principles</b>	<b>16-17</b>
<b>Product Development Strategy</b>	<b>18-21</b>
<b>Marketing Strategy</b>	<b>22-24</b>
<b>Human Resource Strategy</b>	<b>25-26</b>
<b>Institutional &amp; Regulatory Framework Strategy</b>	<b>27-30</b>
<b>Critical Success Factors</b>	<b>31</b>
<b>The Global Tourism Marketplace</b>	<b>32-35</b>
<b>Next Steps</b>	<b>36-37</b>
<b>ANNEXES</b>	
<b>Annex I - The Framework for Development</b>	<b>38-41</b>
<b>Annex II - The Six Pillars of Tourism</b>	<b>42-43</b>
<b>Annex III - The Organisation and Development of the Jordan Tourism Board</b>	<b>44-46</b>

## **INTRODUCTION**

The outlook for world tourism remains exceptionally strong. It is a true dawn industry set for exponential growth in the 21<sup>st</sup> century. It is a sector that Jordan should invest in as a central contributor to its future economic success. To secure this potential it will be necessary to put in place a strategy together with the policy instruments, action plan and investment environment that support its implementation. Traditional success in tourism was largely inherited; future success will have to be created through investment.

The immediate necessity to upscale the tourism economy involves the public investment policy in marketing Jordan as a destination. This is the critical factor for creating the context that can lead on to the implementation of the strategy to double the tourism economy by 2010. It is a very significant prize and well worth the investment. Underperformance doesn't just cost the economy; it also diminishes the income streams that could be available to Government to support its expenditure program in other vital areas. Tourism is a "no cost" income generating solution for Government.

Strategy formation, implementation and change are never easy and frequently fail. The forces of expediency and inertia are exceptionally strong; change adversity is widespread, so strategic change can only succeed with strong and committed leadership that is focused on the gains that strategy can achieve.

Centralised planning and its pre-occupation with the tools of operational efficiency - cost reduction, re-engineering, downsizing has weakened the role strategy.

Strategy is about using customer and sector knowledge to make choices, create priorities, and commit to expenditures and actions, elements that the Public Sector finds it difficult to implement. In the case of Jordan the information that derives from research is not available to support and enable strategic decision-making.

The future success of tourism in Jordan must be shaped by the Jordanian leadership in the context of positive global market opportunities, super competitive forces and Jordan's specific response to the current negative regional geo political factors.

In any independent assessment tourism is clearly a major priority for Jordan's economic and social development. The international evidence is however that inherited and traditional attractions are declining and that in modern and future tourism the factors that will drive destination competitiveness will be largely created and enhanced through investment.

Tourism provides Jordan with a firm foothold in the world's largest economic sector that is set for strong future growth. Jordan has the basis for special and unique products that serve world tourism markets and that can provide the springboard for the investment and innovation that will be necessary for future success.

With investment to support the strategy tourism in Jordan can:-

- Create increased economic activity, opportunity and wealth.
- Provide expanded employment in urban and rural areas.
- Create income streams and economic benefits for Government.
- Play a major role in regional and rural development.

A strategy for developing the tourism economy of Jordan 2004 – 2010 has very clear and defined Targets that will be set out in the Strategic Tourism Contract.

The core foundation principle of the strategy is that tourism should deliver the optimum benefit to the economy, people and communities of Jordan, as direct beneficiaries.

Tourism is the “oil” equivalent in Jordan’s natural patrimony and there are very compelling reasons why tourism has to be a top priority sector to help drive the economic and social development of Jordan.

Tourism success is best delivered through a partnership agreement that empowers result driven co-operative working between the Public and Private Sectors. Government and political leadership, must establish the economic and social priority of tourism as a sector that should be mandated and resourced to consistently deliver a major slice of Jordan’s growing GDP\* in the period 2004 – 2010.

The Public and Private Sector interests are represented at governance and policy making level through the Jordan Tourism Board, the central body whose core task is to sustain and manage the Public/Private Sector Partnership, and to facilitate and support the Private Sector as the tourism driver that can produce sustainable growth, economic benefit and employment.

A key issue is to create a context and environment that will attract additional public and private sector funding for marketing Jordan and its products so as to achieve higher levels of market penetration to drive growth and investment in the sector. To achieve this, the public/private partnership in Jordan has made two groundbreaking proposals to support and accelerate the doubling of the tourism economy:-

1. The unique concept of “The Strategic Tourism Contract” that is covered later in this report (page 9), and
2. The partnership-marketing fund through which both sectors can invest jointly and synergistically in a way that can produce sustainable incremental growth leading to the achievement of the economic and social targets. (page 11)

There are self-imposed as well as external barriers to the achievement of the targets and benefits. It will be essential to remove or diminish them to release the full potential of tourism as a bankable growth sector for the 21<sup>st</sup> Century economy of Jordan.

*\*Jordan’s GDP in 2001 was JD 6,258.8(M) and tourism receipts were JD 496.1(M).*

**WHY TOURISM IS A CRUCIAL SECTOR FOR JORDAN'S NATIONAL ECONOMIC AND SOCIAL DEVELOPMENT.**

- Jordan has a limited number of options that are “ready to go” as strong economic drivers. Tourism is one of these. It has the product potential; it has the hotels. What it requires most is a boost to its marketing capacity and capabilities to bring it into line with its competitors in terms of resources and skills.
- International tourism is a dawn industry of the 21<sup>st</sup> Century. As living standards and incomes rise, this growth will accelerate exponentially. The growth context for tourism is exceptionally positive despite current temporary setbacks.
- The problems that beset tourism can be diminished and eliminated by planned responsive marketing that is dynamically managed. In the economic mix of 21<sup>st</sup> Century, tourism can be more stable, enduring and sustainable than most sectors, and can react more quickly and decisively to changing market conditions and requirements.
- Tourism can sustainably contribute a major slice of Jordan's GDP and keep pace as the economy continues to expand.
- Tourism is a major earner of hard currencies and contributor to Government revenues and the national balance of payments.
- Tourism is an intensive employer and unlike industry, tourism jobs are not replaceable through capital investment. In fact the opposite occurs – the higher capital investment, the more jobs are created.
- Tourism requires a diversity of professional, technical, craft, skilled and operative staff.

Support to Governates, Communities and Rural Dwellers.

- Tourism is not concentrated in cities, but distributes its benefits widely. It is particularly valuable as a measure to support internal development, distribution of income and opportunity.
- Tourism combines well with traditional industries, such as agriculture and crafts.
- Tourism properly managed has low import content. Most of its requirements can, through a planned approach, be met locally.
- Sustainable tourism development is not a threat to the environment, heritage or culture, but it can provide reasons to support investment in these areas, and therefore, improve them.

- Tourism brings considerable social benefits and its facilities are also available to local citizens and communities.
- Tourism is a necessary collateral, which supports industrial development, through foreign direct investment (FDI) in that it provides many of the lifestyle and leisure facilities top skilled people require.

Tourism supports higher levels of air carrier scheduled access that is also essential for business and investment.

## **JORDAN'S OPPORTUNITY**

### **Effective Government Leadership**

- The effectiveness of Government is determined primarily by its ability to allocate and support priorities within an integrated strategic framework of national interests. It is also necessary to give political leadership so as to engage the commitment of partners and society behind the selected priorities.

### **Critical national strategic questions for Government must consider: -**

- What sectors can best be prioritised to develop growth in Jordan's GDP, so as to lead to improvement in living standards, and provide returns to Government to enable expenditure in areas critical to social development, such as security, education, health etc.
- What sectors can best be prioritised to create employment and distribute employment and income benefits to all parts and sectors of the Kingdom.
- If Government does not invest in growth areas that create revenues, income and wealth, so that as its first priority it earns income, then where will the income come from to fund vital expenditures?

Where Governments analyse these issues and critically examine the options for their achievement, the tourism sector economy will receive a higher priority, because of its proven ability to deliver the highest economic and social returns on Government investment and to do so quickly.

The opportunity for Jordan is to sustainably achieve a major slice of its growing GDP from tourism and gain the real and valuable downstream benefits that derives from it.

This will require increased Government and Private Sector investment that should be made in a planned way, and on the basis that the tourism sector will deliver on agreed targets that will fully repay the investments made.

### **Jordan's Core Strength**

While Jordan can competitively bring many products to the market place one comparative advantage stands dominant overall – the iconic nature of its major heritage and natural landscape products that have already established strong images and are potential motivators for key growth segments.

The heart and roots of the Jordanian nation are in its natural landscapes.

They have shaped its history, culture and identity as a people. They are dominant, stable and enduring in a changing world. They demonstrate the evidence of human harmony with nature. They define the sense of place and common interest of the

Jordanian people and they hold a patrimony of history that is important to the world's major religions.

They also provide the potentially winning backdrop and interface for many successful tourism themes and innovative new products that they can anchor and support

This incredibly strong unique selling proposition can be linked directly to key growth market segments and “pull factors”, which can build motivational “high retention” images (retained good images) essential to support successful marketing.

These are: -

- The Dead Sea
- The Holy Land – Religious Clusters: Biblical, Christian, and Muslim.
- Petra
- Wadi Rum

Iconic heritage and landscapes have a unique role as keystone building blocks of quality visitor experiences and powerful motivators supporting tourism marketing success.

## **CREATING THE STRATEGIC ENVIRONMENT FOR SUCCESSFUL IMPLEMENTATION**

Strategic implementation has a high failure rate. It is clearly of little value unless it can effectively be transformed into planned action.

Experience of successful strategy implementation has provided some guidelines that can positively assist the process.

- The strategy must have measurable and easily understood values that makes it worth implementing.
- The participating partners – in the case of tourism, the Ministry, JTB, Industry and carriers – must be clear on how the strategy will be implemented. This clarity is a key issues and requires: -
  - Priorities for management.
  - Timescales for action.
  - Understanding of impacts on structures, staff and methods.
  - Participation through partnerships.
  - Risk assessment.
- The wider stakeholder groups must fully understand the strategy, its benefits and programme of action. This “communication” requirement is a continuous requirement and not a one off element.
- Responsibilities for implementing the strategic and change elements must be assigned and accepted.
- It is a top down process. The leaders must remain continually engaged and must follow through from planning to action.
- The barriers to strategic implementation must be realistically assessed and properly planned for.
- Strategic implementation must be positioned centrally and incorporated into normal work, rather than as something, which is operating in parallel. It must be planned as continuous activity to achieve excellence rather than “one off” effort.

## **THE STRATEGIC TOURISM CONTRACT**

The Strategic Tourism Contract is a concept specially developed through the AMIR assistance program for the conditions existing in Jordan.

**The principle being established through the strategic contract is that no one, including Government, should invest in tourism unless they can receive a return that fully justifies their investment.** Investors, including Government will need to know in advance, what the planned return on investment will be, and management and industry need tangible and clearly expressed targets that they can plan for, respond to and be benchmarked against.

The Strategic Tourism Contract will integrate these requirements. The risk factor for investors, including Government will be in annual increments. The risk element will be the difference between current investment and required investment. The gain will be the difference between non-growth and low growth with the achieved growth level against target.

A strategic contract for tourism will also eliminate the disruption occasioned by regular changes in political leadership by giving the sector the longer term stable direction that it needs for success

**Jordan cannot deploy the proposed strategy until certain current fundamentals are effectively dealt with;**

- **A growth pattern needs to be restored to the industry. A separate tactical bridge strategy – “Returning Jordan’s Tourism to Growth” was planned and approved by the industry, but requires Government agreement and support that will lead to implementation during 2003.**
- **To create industry confidence the government will need to upscale the JTB budget and approve the structural changes and recruitment of skills that will empower its capacity and capabilities.**
- **Information is now a key competitive advantage therefore the JTB’s web capability will be a key infrastructural investment to interface with customers and support and network the distribution system for Jordan’s holiday products. Research information for target marketing is also vital.**
- **The relationship between the national carrier (RJ) and the national tourism authority (JTB) is critical to tourism success and in the view of the consultant needs to be enhanced. It is proposed that as a prelude to the strategy a protocol be agreed between the organisations that will govern the series of relationships they need to develop to carry through the optimum results for Jordan in international markets.**

The Strategic Tourism Contract will be an agreed compact, linked to the annual action plan, derived from the strategy and signed by the stakeholder partners binding each to both the investments and targets.

## THE TARGETS

Core to the strategic tourism contract will be a series of agreed inputs and outputs, both of which will be set out in clear terms. Tourist numbers are deliberately avoided as being too vague.

### Output Measurements

<b>Mandatory</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
Tourism Receipts (JD)							
Government Revenues (JD)							
Tourism Balance of Payments (JD)							
Employment (Numbers)							
<b>Optional</b>							
Sustainability Factors							
Seasonality Factors							
Regional Distribution							
Entrepreneurial Development (SMEs)							
<b>Input Investments</b>							
Marketing expenditures by Public and Private Sectors							
Marketing Infrastructures							
Investment in product development, improvement and innovation							
Investment in training, skills and capacity building							
Investment in quality attainment							

### Input Investments

- Marketing Expenditures by Public and Private Sectors
- Marketing infrastructures
- Investment in Product development, improvement and innovation
- Investment in Training, Skills and Capacity building
- Investment in Quality attainment

### Doubling The Tourism Economy by 2010

The most important of all the outputs is the level of tourism receipts (visitor expenditures). All the benefits flow from increased expenditures generated from visitors to Jordan. It is these expenditures that create the income streams for

Government, the new employment, the contribution to the balance of payments and the opening up of opportunity.

The precise targets should be agreed in detail by the partners. These would show the revenue from tourism and its growth pattern. The action and investment plan derives from the revenue targets (The current tourism economy of C.500 million JD should be targeted to increase to 1,100 million JD by 2010).

## **THE STRATEGY**

The purpose of strategy is to create agreed future targets and positioning and to point the direction to achieving them. The level and complexity of the targets set dictates the degree of difficulty and commitment that will be required. The principle determinant will always be investment – investment in infrastructures, marketing, human resources, and product development and quality attainment. The target should require a “stretch response” from the sector but if they are realistically based then their achievement can be planned and benchmarked.

The strategy itself is bound in with a definition of the vision and mission as expressed in a concise form so that they provide a focus for the strategic objective that can be conveyed and understood. The strategy should be guided by principles so that it is underpinned by a series of fundamentals on which the partners agree.

### ***Vision for Tourism to 2010***

*To position tourism within the priorities of Government and Society as a vibrant industry sector, that with planned investment and support can more than double its economic contribution to Jordan, together with the associated employment, entrepreneurial opportunity, economic and social benefits for the people of the Kingdom.*

### ***Strategic Objective***

*The principal objective of Jordan’s strategy for tourism over the period 2004 – 2010, will be to double the tourism economy through increased international visitor expenditures. Planned capacity building, marketing and product investment, will be the key drivers of the targets and deliverables set out in the partnership and agreed by the Government and industry in the strategic tourism contract*

### ***Tourism Mission***

*To sustainably develop the tourism economy of Jordan through a result driven partnership of Government, tourist board and industry, investing and working together within the terms of the strategic tourism contract to achieve agreed and clearly defined targets and the associated economic and social benefits for the people of the Kingdom.*

Deriving from the main strategy framework, the following Sub-strategies have been considered for further development and implementation:-

**Product Development Strategy**

- Quality
- Investment
- Environmental Care and Sustainability

**Marketing Strategy**

- Packaging
- Distribution

**Human Resources Strategy**

- Training
- Capacity Building

**Institutional and Regulatory Framework**

- Institutional
- Regulatory

## **STRATEGIC PRINCIPLES**

**The tourism strategy for Jordan is based on the following principles: -**

- The context for the marketing and development of Jordan's Tourism shall be a result driven partnership between Government, the Public Sector, the Private Sector and carriers within policies and structures that facilitate collaboration, co-operative working and investor confidence.
- The partnership will negotiate a "Strategic Tourism Agreement" covering the period 2004 to 2010 that will set out the inputs that are agreed to and the outputs that are targeted to provide the agreed return to all stakeholders.
- Government and Private Sector will invest in tourism, based on the defined returns both plan to work to achieve.
- Investment is the principal and dominant determinant of future tourism success. This includes capital investment, product development and innovation, marketing investment, investment in quality, service delivery and human resources.
- In developing its tourism economy Jordan will plan to ensure that its tourism development is sustainable with: -
  - The preservation of its environmental excellence and eco principles.
  - The lifestyle and culture of its people and communities.
  - The fundamentals of profitable and socially responsible business operations.
- Market and customer requirements will drive the development and marketing of the industry within the principles of sustainability established by the strategy.

### **Social Equity**

- Tourism should target the citizens and communities of Jordan as its primary beneficiaries by providing opportunity for income generation and employment, and by positively contributing to Government programmes, supporting quality of life, environmental excellence and the development of society.
- Tourism should be inclusive in its approach to involving people, culture and communities.
- Tourism policies should always consider social impacts and the erository effects on underlying resources and should plan to minimise them.

- Tourism enterprises should invest in skill development and training to enhance human resource development and capacity building.
- Tourism developments and facilities should always be open to local residents, as well as visitors.

## **PRODUCT DEVELOPMENT STRATEGY**

The optimum strategy for the development of tourism to Jordan 2004 – 2010 will concentrate on the following:-

- The creation of a “Framework for Physical Development Plan for Tourism ” (Annex I) that will be consistent with the strategy and will prioritise the development of those areas, products and services identified by the partnership as necessary to support the planned expansion of tourism and re-enforce its capability to achieve the agreed targets, while ensuring a balance between supply and demand and regional development.
- Government should devise conditions to allow for Private Sector investment in and management of public assets.
- Focus in the initial period on improving the visitor experience at existing key sites, through enhanced presentation and innovative additional visitor services.
- Creating a position of excellence in heritage and natural product experiences, which will differentiate Jordan from its close competitors in these areas.

Create beacon/flagship attractions to lead the development of the position of excellence.

Because of their inherent strength in scale, image and content such attractions play a vital part in attracting and motivating tourism. Jordan is exceptional by having four iconic products that fit the highest-level designation (The Dead Sea, The Holy Lands, Petra and Wadi Rum).

As Jordan has been gifted with such heritage riches, it is critically important that they are presented with exceptional care to heighten visitor experiences within the full multi-sensory range.

- Diversifying the product range through innovation to create new visitor experiences. As the core attractiveness of Jordan is centred on heritage and nature, it is a vital part of the strategy to deepen and enrich the experiences and broaden the scope where possible with products such as health and wellness to avoid the perception of a tourism mono focus.
- Developing primary and secondary touring routes and services for mobile visitors to support a greater future emphasis on FIT visitors.
- Developing a cluster strategy as a counter strategy to scale, so as to facilitate employment, SME opportunity and marketing. The cluster strategy would represent itself on either an area basis like Aqaba or on the basis of product associations as are proposed.

- Improving product quality and service delivery. (see Annex II)
- Expanding the range of accommodation options. (see Annex II)
- Reducing the effects of seasonality by developing “long season” capabilities in products and areas.

### **The Quality Revolution**

The accelerated development of the quality aspects of tourism over the past two decades has re-categorised many previous tourism advantages as essential, or given current requirements.

The winning quest in tourism is now focused on quality and innovation that will exceed visitor expectations.

Quality does not derive from a big idea, but rather from the confluence of many small ideas and the perfection of services. Affluence has contributed to customisation, which is one of the most important trends in high yield tourism.

Product and service responsiveness to the customisation trend has led to advanced quality techniques that are dedicated to customer satisfaction and choice. They seek to meet individual needs precisely in all the fields of customer satisfaction, such as accommodation, food, leisure etc. For example, some advanced quality establishments are offering customers a “pillow menu”, with up to 10 choices while most proceed on the basis that one type suits all.

Quality is the main contributor to value consideration as distinct from price.

Quality has become a significant differentiation and competitive element for tourism in the early 21<sup>st</sup> Century and this will intensify as new investment comes on stream. It will be particularly important to these destinations like Jordan, who plan to target high yield markets and customers.

### **Investment**

**Investment is the dominant determinant of future tourism success.** Attracting and sustaining capital investment for new product development and innovation is a priority strategic factor. The role of the total investment mix in marketing, human resource development and quality attainment supports the strategy objective.

There are a number of current problems that need to be corrected in the context of the new strategy;

There is a current debt overhang from the rapid capital investment (particularly in hotels) of the past few years.

The incentive support mechanism managed by government needs to be as flexible as possible. It should to be backed by an assessment model that can examine all of the

development criteria, which must include mechanisms to avoid dilution, low occupancy rates and inability to remunerate borrowings.

The best way to resolve the current difficulties is through a marketing investment that will return Jordan to growth.

### **Private Sector Investment in and Management of Public Assets**

The public sector is unlikely to be able to meet the heavy demands for investment in publicly owned tourism products. The strategy recommends that the conditions be developed by the Ministry (MoTA) that will permit most of the investment to be provided by the private sector including the development and management of public assets such as heritage. As has been stated the evidence is that future destination advantage will be created rather than inherited. While the traditional assets remain important their future importance will only acquire added values in the context that they can anchor and support private sector investment that is targeted to create innovative new visitor experiences and upgrade management.

An early example of this is the plan to attract private investment and management in the castle at Ajlun.

The strategy is recommending that the Ministry (MoTA) should with the necessary care develop the conditions that will enable this development to proceed to implementation.

### **The requirements for a successful investment environment:**

- Good Government, providing accountable, transparent and stable governance.
- Economic soundness, with GDP showing annually improving trends.
- Continuity in fiscal policies.
- A competitive taxation code.
- Effectiveness and continuity in corporate and contract law, with enforceable agreements and contracts.
- Access to land and property titles.
- Private sector opportunity to invest in and manage public assets
- Access to funds for capital investment at competitive interest rates, and over appropriate time scales, to meet the requirements of tourism.
- Free movement of capital and profits.
- Incentives to encourage and support investment priorities on a product or area basis.

- An effective, efficient Public Sector, free from corruption.
- Planning and licensing systems that are equitable and fair.
- Education, technical education and training for workers to serve the industry.
- A local population that is receptive to foreign visitors and supports tourism development.
- An effective international tourism marketing budget so that potential investors can see additional return on investment and partnership in promotion.

### **Environmental Care and Sustainability**

Jordan's current tourism products fundamentally depend on nature, the environment, heritage and culture. These are fragile and precious resources, and require strong protective policies to protect the underlying resources, while making them amenable to visitors and permitting private sector investment to improve presentation and product innovation

The Rio Earth Summit (1992), Agenda 21 action plan and Johannesburg Summit (2002) identified tourism as one of the very few sectors of economic activity, capable of providing an economic incentive for the preservation of the environment.

Jordan already enjoys some differentiation over competitors in terms of the scale of intrusive practices of trading and services adjacent to major attractions but they are still present to an undesirable extent in terms of the strategic objective of achieving a centre of excellence in this product area.

Before this area expands to nuisance levels, Jordan should consider how traditional traders and others can be accommodated, and continue to derive their livelihood from heritage and natural assets, but in a much less obtrusive and unsightly way.

Jordan's strategy should be to adopt an eco tourism and sustainable approach with provision for private sector involvement as investing partners. The major national and heritage attractions are permanent and development should take a long-term view. Material choices, design and fit with the surroundings are vital issues.

Some existing developments close to major attractions do not currently reflect this policy, and should be scheduled for future replacement. Nature areas like Wadi Rum should be free from development in the reserve area.

The new visitor centre at Wadi Rum creates a gateway effect to the reserve area, which is good. It provides for the transition of the public to the attraction. It should be kept free of unsightly trading development in the immediately adjoining area but should make provision for local tourism services such as desert guides or special interest/activity services which should be centred at the visitor facility in terms of booking and pick up.

## **MARKETING STRATEGY**

Marketing Strategy will evolve and change over the strategy period. The current state of development and marketing achievement require changes in primary strategies for immediate action.

Jordan's positioning is recommended as a **"Boutique Destination"**, which draws its lead products and brand themes from its patrimony of heritage and nature, in the context of a secure, peaceful destination, and a friendly welcoming environment for high yield visitors. The implications of "boutique" positioning would require Jordan to define its motivational products, prioritise its markets, engage in target marketing and strive for positions of excellence in at least some of the selected product areas.

- Jordan's approach to the international long haul markets will be a niche marketing strategy, directed to well defined target markets and segments, using specialist networks of tour operators, media and web marketing to contact its customers.
- Jordan's approach to the regional markets (GCC+) will be focused and will concentrate on FIT visitors, special interest and family groups. These will be contacted and motivated by the most direct methods available.
- Jordan must correct, as quickly as possible, the current severe research deficit, so that it can effectively support these strategies with the level of information required for professional, targeted marketing campaigns and product development advice.
- The marketing platform to be used by Jordan will be a Public/Private Partnership, led by the Minister, managed by the JTB and dedicated to supporting and facilitating the Private Sector as the engine of growth.
- **To strengthen its position in reaching global markets Jordan will prioritise the development of a cutting edge distributed web site to provide customer and trade information, to support its niche marketing strategy, and to bridge access to product/package sellers. This web empowerment should be developed as a central marketing feature that will provide a market level competitive advantage to Jordan and its industry.**
- Correcting the under funding, funding uncertainty and under staffing and skilling of JTB, and improving its capacity as an international marketing support body will be a priority for public investment by government.

### **Funding**

Public and private sector funding for tourism marketing is the dominant critical issue for Jordan.

The national funding provision is not competitive with the sector and is insufficient to drive the opportunity available for growth. It is not just a matter of throwing money at what is obviously a funding problem – the foundations have to be laid and the necessary operational infrastructure, capabilities and skills put in place. A restructuring of the JTB has been proposed, an upgrade in equipment already been made but other deficits such as recruitment of skills, market research, data bases and information for decision making remain.

The tasks of marketing Jordan can be considered in three bands:-

- **The destination marketing of Jordan.** This is implemented through a diverse program that includes advertising, promotion, events, publicity, education and communication. It provides the umbrella under which more specific marketing becomes effective.
- **Product marketing** – promoting the products of Jordan to the niche and specialised markets for which these products are dominant motivators.
- **Direct selling** – where product providers promote and sell their own specific product or service to customers directly and through representational or central reservations systems to which they belong.

**Destination marketing** is dominantly funded by public investment from Government, **Direct selling** is funded entirely by the industry and **product marketing** is a shared funding alliance, where the public/private split is a variable depending on the objectives and targets of the strategy.

To meet the required level of destination marketing for Jordan the Government need to increase their investment through JTB in a planned way. The industry needs to spend between 3% and 6% of their turnover on direct selling and product marketing.

To provide a context in which both of these objectives can be achieved it is recommended that additional public funds be provided for partnership marketing. This would provide funds to the JTB under two principle measures. The first would fund the “normal” JTB needs as currently. The second fund could only be drawn down by the JTB according as they can secure trade partners to co-fund the activity with them to the required degree. Such an approach would, with good planning and the organisational infrastructure in place, underpin Jordan’s return to strong growth. Without an upscaled marketing effort Jordan will continue to under perform with both the economy and Government losing revenue.

### **Packaging**

To offer competitive packages as holiday solutions to selected target markets and segments within the context of lifestyle, customisation and customer choice. The web will be the distribution channel of choice to be used in a way that supports the tour operator base and selling network.

## **Distribution**

A twin strategic approach will differentiate between long haul and regional markets.

### ***Long Haul Market Distribution***

To offer Jordan's products to long haul markets through:-

- (a) A network of tour operators and specialist agents.
- (b) Support for direct product producers selling through specialist media or distribution systems.
- (c) The development of web marketing capability, which will include tour operators, direct trade sellers and links to private sector sites.

### ***Long Haul Market Support***

JTB will support the distribution system through:-

- (a) Market based representative promotional activity for a limited period
- (b) A 24/365 comprehensive customer and trade information system
- (c) Facilitating Trade-to-Trade selling activity.
- (d) Media and trade familiarisation and educational in Jordan\*
- (e) Destination Advertising and Publicity in selected media\*
- (f) Marketing/Promotional materials\*

\*JTB – Industry Partnership including RJ.

### ***Regional Markets***

To offer Jordan's products to regional markets through:-

- (a) Direct Consumer Advertising.
- (b) Consumer Promotions – “Discover Jordan”.
- (c) Web Marketing.
- (d) Advertising in Specialist Media.
- (e) Direct Promotional Activity to companies and associations for MICE and group business.

## **HUMAN RESOURCE STRATEGY**

All high performance comes from the human resource. To ensure a pool of skills suitable to the needs of the industry, tourism must link to the educational systems, as well as having an industry specific capacity and international connectivity through various colleges such as Ammon Tourism & Hospitality College.

Management capacity, technical skills, craft skills and service delivery training are all important supports that underpin Jordan's strategy as a boutique destination, with products and services targeted to appeal to high yield visitors.

Jordan's strategy for human resource development for tourism will have two principal elements:-

### **Training**

- For management, professional and technical skills, including marketing and language, Jordan will look to its third level and technical colleges. Tourism will influence the curricula in particular areas, and the industry will provide co-ordinated work experience, where this is appropriate.
- For craft and service delivery training, Jordan will look to Ammon College and other institutions as permanent hub facilities, where the industry has direct policy and curriculum influence. International linkages with similar colleges abroad are also important.
- For the future there will be more emphasis on "train the trainer" and "in house" "on the job" training, as a means of enhancing the pervasiveness of training throughout the industry.
- Jordan would benefit from placement training in five areas:-

International Marketing  
Product Marketing  
Marketing planning  
Heritage Presentation.  
Site Preservation

Under such a scheme key lead staff would be positioned in a capacity building context, with organisations of recognised excellence in other countries.

### **Capacity Building**

- The retention of high quality staff has become an issue for tourism throughout the world. This problem can be diminished where employers ensure that staff have the prospect of career paths and enjoy similar benefits to comparable employment in manufacturing and other service industries.

- A tourism industry which looks substantially to expatriate workers to fill its service level needs, diminishes one of the beneficial economic impacts – that of creating employment for locals. This area needs to be carefully monitored by government to ensure integration with its economic policies.

## **INSTITUTIONAL AND REGULATORY FRAMEWORK STRATEGY**

Tourism is primarily the domain of the Private Sector, but it cannot succeed without the leadership and support of Government and the Public Sector. Even in the most developed economies with strong private sectors, public funds are still required and are fully justified for the support of tourism development.

It is an important context for tourism that the Jordan Tourism Board can work within an empowering institutional framework.

### **Ministry of Tourism, Antiquities and Crafts (MoTA)**

Jordan's policy of combining tourism and antiquities, and now crafts in a single Ministry is widely admired internationally.

In other countries divergence between these groups can create major access and operational difficulties for tourism industries with a heavy reliance on heritage. Jordan's Ministerial structuring ensures the convergence of these key policies essential to tourism. The Ministry is also a major provider of product and visit opportunities for visitors and this helps to dilute the negative aspects of the gap that exists in Jordan where that JTB is limited to a pure marketing mandate and has no involvement in product provision or quality attainment. A recommendation has been made which while it retains the JTB's marketing only mandate would permit it to influence vital issues on the supply side of tourism.

**It is anticipated by the strategy that because of the heritage riches of Jordan that the Ministry will face a future difficulty in investing in the quality enhancement and diversification of the products for tourism within its control. This may well affect other public assets for tourism as well. It is recommended that the Ministry should take the lead in establishing conditions through which the private sector can invest in public assets – including heritage and become involved in their management and presentation to the public. If this is not done it is likely to give rise to a marketing problem in terms of product quality, diversity and innovation that will impact negatively on the development of tourism and growth of the tourism economy.**

### **Jordan Tourist Board (JTB)**

International Best Practice is for independent Tourism Boards with commercially sized boards of Directors (maximum 10); with substantial Private Sector majorities of senior skilled and business experienced Directors, with marketing and industry experience.

Jordan has gone most of the way to meet this model. The Minister is the Chairman of JTB. Because of the requirement for the Minister to take a holistic approach, and his direct link to Government, this can have a positive value as long as the ability of the Board to reach independent decisions, and make commercial, rather than political decisions, is not compromised.

The JTB is solely involved in the demand side marketing activity. As this is structured it is a weakness that affects current and future performance. The marketing and promotional cutting edge must be put in a position that they can at least have a major influence on the planning of products on the supply side and any incentives provided by government to expand investment and encourage enterprise. It will be important for the future that the JTB develops and manages strategic information and is in a position where it can use this information resource to influence product and service development, quality attainment and innovation.

**Further details on the organization and development of JTB are provided in Annex III.**

### **Institutional Fragmentation**

The essence of tourism is that visitors who live outside the Kingdom of Jordan are promoted to come to Jordan to consume tourism, leisure and other products in Jordan. It is known as “export tourism”, because it is similar to “exports”, except that in the case of tourism the customer comes to the product.

Selling and promoting Jordan’s products abroad requires a networked and integrated approach, with reach and presence and presence in international markets.

Any arguments for disaggregating this responsibility and establishing sectoral networks to sell products from the tourism portfolio, weakens the national effort, and can cause wasteful overlap and duplication of effort, diminishing the effectiveness of resources that are always limited.

Institutional fragmentation has been identified as Priority Weakness 4. The strategy argues for the prevention of this fragmentation by an inclusive approach using the JTB that should include sectors such as medical services, wellness, education in tourism and higher education, eco and others that wish to attract visitors to avail of their products and services in Jordan.

Their inclusive unified approach can strengthen the effectiveness of the JTB, and combining their functional budgets will create greater synergy and focus in international markets through the JTB network.

Arguments for excluding some sectors on technical knowledge grounds are not valid, as tourist boards are always made up of teams of people with diverse technical skills, and conversely technically qualified people may lack marketing and sales skills, which are the strength of the JTB.

The strategy is based on a unified approach that proposes that the JTB should develop a strong product marketing capability, and that this should be inclusive of all products Jordan puts in the market place to attract consumer/visitors to Jordan within the definition of tourism.

## **Tourism Associations - The Industry “Voice”**

The structuring of tourism works best where the legal and institutional framework supports the emergence and effective operation of private sector associations. These are not sufficiently catered for in the modern dynamic business environment by “Chambers of Commerce” in terms of their sectoral interest and counterpart international connectivity. In Jordan such associations as the Jordan Hotel Association (JHA) Jordan Restaurant Association (JRA) Jordan Tourist Guides Association (JTGA) and the proposed Jordan Incoming Tour Operators Association (JITOA) are typical of associations that fall into this category. These match with similar association structures in other jurisdictions. To improve the productive involvement of the private sector in all aspects of tourism development the strategy should be to encourage and support their emergence. It is desirable in the important structuring stage that the Ministry and the JTB should agree on criteria and on a process through which such bodies can be recognised and as a result of such recognition they can be actively involved in consultation, planning and marketing as well as having a recognised communications line to the Ministry and JTB.

A pillar of the strategy is the recognition that the private sector is the engine of growth. This requires that the industry should have a strong voice and the means of expressing it as a vital part of the public/private sector partnership. It is not sufficient for partnership purposes alone that the private sector is represented on the board of the JTB there must be a series of integrated involvements across the industry so as to capture the full input of ideas and capacity. It is recommended that within the early period of the strategy that National Tourism Council would emerge that would incorporate the full range of associations.

## **National Tourism Council**

Partnership working requires the private sector to organise so that it can properly engage with the public sector and manage both the consultation and negotiation process and the implementation that arises from it. The individual trade associations will bring together groups that have a closely shared view of their niche sector. This collective of views from the different associations must be funnelled so that it can create a unified and effective voice for advocacy for the tourism industry. The private sector representation on the JTB board is a vital part of this but it is not the whole. The private sector voice must be heard in a number of different ways and from different sources. This creates the proper dynamic for public private partnership and implementation capability. The JTB as the national tourism agency would generally have observer status and would participate in the council on that basis.

## **Legal Committee**

Within the national tourism council there is a role for a “legal committee” that will consider new legislative and regulatory initiatives and consult and negotiate on behalf of the industry in this vital area. A well-developed committee can also propose areas to government where legislative reform is necessary and can indicate the nature of the reforms needed. The government of Jordan have proven that they will respond

quickly to measures designed to improve competitiveness and support economic development. All constituent bodies who are members of the national tourism council will have an interest in the legislative and regulatory area and the committee can establish an operating methodology where they act as a “one stop shop” for government and the public sector and circulate for comment all proposals as well as retaining an open door policy within the national tourism council membership as to the make up of their negotiating or interface representatives so that they are always the most knowledgeable in the areas under consideration.

### **Royal Jordanian Airlines**

The relationship between a national tourist board and a national airline carrier is critical to the success of tourism and particularly to a strategy requiring annualised double-digit growth in the tourism economy. Both bodies have differing tasks but where interpretation of these tasks can be aligned there are tremendous beneficial synergies that can enhance benefit to the economy and national interest. Each organisation has to retain the freedom to act independently so the relationship is best covered by a negotiated “protocol” that recognises this but commits to working together in agreed areas designed to bring greater numbers of visitors of the correct demographic profile to Jordan. There can be important collaborations in terms of opening new markets and expanding into new sectors of existing markets. Competitiveness in air access is a fundamental of tourism and business competitiveness, any shortcomings in this area can build quickly into a significant barrier to growth. **A successful alliance can best be created where both parties consider national as well as corporate imperatives.**

## **CRITICAL SUCCESS FACTORS**

- Improved priority and increased planned funding for the development of the tourism economy, and for destination and product marketing to deliver the targets agreed in the strategic tourism contract.
- Partnership working between the Public and Private Sectors in agreeing objectives, planning their achievement and undertaking the necessary actions and operations, through pooling of resources and skills.
- Improved international air access within a competitive “open skies” policy.
- Structuring tourism for inclusive participation from national to community levels.
- Creating a safe environment, free from crime and nuisance.
- Quality enhancement of the visitor experience, through presentation, customisation and service delivery.
- Product design, diversity, presentation and innovation to build more satisfying visitor experiences.
- Market Research to empower target and segmented marketing.
- Improving “the welcome” to Jordan at all appropriate entry points.
- Adopting and implementing sustainable tourism policies.
- Enabling, supporting and facilitating investment.
- Obtaining greater involvement and support from all of the beneficiaries of the tourism economy.
- Provision of training and capacity building measures to improve the human resources contribution and capability.
- Creating awareness, understanding and support for tourism by the community of Jordan.

## **THE GLOBAL TOURISM MARKETPLACE**

There is no country or region of our global world that is not actively seeking tourism in the 21<sup>st</sup> Century. Competition for economic gain from the world's largest growth sector is intense. Egypt, as a close regional competitor had plans and proposals to double the capacity of its tourism industry prior to September 11<sup>th</sup> 2001.

Modern tourism's rapid growth is entirely a product of the second half of the 20<sup>th</sup> Century. It is a sector that will see exponential growth in the 21<sup>st</sup> Century, but the benefits of this growth will be unevenly spread, with a clear priority in favour of those nations who as "early movers" adopt a strategic approach, with well-developed policy instruments and resources to support the achievement of their objectives and targets.

### **Correcting Jordan's Principal Weaknesses**

At this time Jordan has an excess of product, which is beyond the resources and capabilities of its current marketing achievement to sustain or to return to growth. This will continue to demonstrate itself through low occupancy and utilisation rates that could add further to the problem of debt overhang and failure to remunerate borrowings. Further investment will only add to the dilutionary effect.

The debt overhang from recent capital investment is a threat to continuing and further investment, which is the principal determinant of future success. This vicious circle of potentially deepening criticality must be addressed and reversed.

Inherent in the strategic approach is the objective of reversing or diminishing seven identified priority weaknesses. These actions will strengthen Jordan's positioning and approach to tourism, and they will be incorporated in the operations programmes deriving from the strategy implementation.

### **Priority Weakness 1 – Correcting the Customer "Fear Factor"**

The market place perception that Jordan may be an "unsafe" destination is the principal and dominant barrier to immediate growth.

A return to growth strategy will require an integrated series of measures and actions to diminish this barrier issue. The most effective counteracting activity is to quadruple the visits to Jordan by opinion forming media and tour operators. The JTB have already proved this is possible with the planned visits during 2003 of important tour operator groups to Jordan. The JTB work at a significant disadvantage to competitors where the costs of journalistic and travel trade familiarisations are borne substantially by in kind contributions from the carriers and industry. If the high target set by the strategy is to be met then the carriers and industry are going to have to combine in a new way with the JTB to upscale this vital component of marketing activity by providing their products for free.

### **Priority Weakness 2 – Under resourcing of tourism and particularly international marketing.**

The current level of government expenditure on tourism does not enable a full professional address by the JTB and the industry to the competitive global marketplace or to equip with the skills and capacity necessary to manage an industry sector that can deliver 10% of Jordan's GDP.

Without policy priority and correction from Government, future growth prospects will continue to be below the potential.

### **Priority Weakness 3 – Weak Partnership Working**

Optimum performance requires a new planned approach to partnership working that will capture and focus the resources and energies of the Public and Private Sector in a synergetic way. All professionals agree this, but the practical expression of partnership working to the level required for world-class success is not yet present.

The Private Sector should be prioritised and agreed as the engine of growth to be facilitated, assisted and supported by the JTB and Public Sector. Despite weaknesses that may be present the Private Sector is the only sustainable engine of growth. Where this is not understood or accepted, stronger intervention by Government in inappropriate areas of the economy can prolong this weakness thereby increasing the difficulty that has to be faced and solved eventually.

There is also a need for "Public/Public" partnership working. The normal disaggregation of authority by Government through its ministries has a slowing effect on change and development unless there are clearly defined national priorities driven by cabinet decision-making. The new economic order of the 21<sup>st</sup> century is much less tolerant of this Public Sector inefficiency and as a result it can present a deal breaking barrier to foreign direct investment and other benefits. Effective Governments have created "one stop shop" concepts as an alternative to sending investors/entrepreneurs on extended shopping marathons to comply with defused and outdated Public Sector requirements. As an example the JTB acknowledged that to get a new sign in position at Amman Airport it had to obtain clearance from over 15 different "authorities".

### **Priority Weakness 4 – Fragmented Approach**

Mission and institutional fragmentation produces weakness, as it cannot consolidate brand strength and integrated benefits. Sectors can justify within their own mandate the necessity as they see it of establishing separate structures. This is a wasteful and un-integrated approach as it replicates existing structures and dilutes resources and effectiveness. Internal sub-national competition is destructive of, and inconsistent with the effectiveness of a national and integrated approach. The marketing of health, educational and other specialised forms of tourism are relevant parts of the tourism mission – their diffusion to separate structures would weaken the resources and synergies that would otherwise be available to tourism and to Jordan's national interest.

### **Priority Weakness 5 – Low Visitor Value**

There are many issues that contribute to a lowering of visitor value.

- Short length of stay
- Low visitor expenditure
- Uncoordinated visitor servicing, post arrival in Jordan.
- Weak tourism ground organisation.
- Lack of information on product range and diversity.
- Site presentation that induces shorter visits through organisation that does not respond to the needs of visitors and create higher levels of visitor experience.

**Maximising the value of visitors attracted is the most “controllable” aspect of the tourism action plan arising from the growth strategy. An immediate programme of product development and marketing designed to lengthen stay is required.**

### **Priority Weakness 6 – Access, Entry and Distribution**

Competitive and scheduled air access is the critical element for the development of high yield tourism from key growth markets in Europe, USA and ASIA.

While Aqaba is planned as a regional airport with large aircraft capability, Amman is the current gateway to Jordan and is served by 27 international carriers. It can enhance its market share further by promoting itself as a secure entry of choice for pilgrims and visitors to the Holy Land and religious sites.

Entry procedures, which include visa, immigration and customs, must present a welcome to visitors, while working efficiently.

Distribution of visitors throughout Jordan via the development of touring routes needs to be strengthened, so as to link centres and products by the most interesting (rather than the shortest) routes and to contribute to length of stay. Touring routes once identified should be reinforced through the product development strategy and the framework for development plan.

### **Priority Weakness 7 – Scale and Deployment of Marketing Resources**

The effective deployment of marketing resources against targets requires high levels of market knowledge and assessment skills. This can only effectively be done in the context of good market research, market intelligence, and the use of techniques, such as market attainability analysis.

In managing to ensure the successful achievement of targets, the deployment of resources becomes critical, so as to gain the highest level of return on every marketing investment.

The strategy and targets agreed fix the principal measurement element as tourism revenue (visitor expenditures), but there are other considerations:-

- Seasonal spread
- Regional distribution of revenue
- Market sustainability and balance
- Length of stay
- Use of high yield products
- Employment creation
- Diminishing negative impacts
- Ease of access

Jordan must develop a resource allocation model, that will meet its very specific requirements on an ongoing basis, and to underpin the confidence of the Public and Private Sector partnership in the increased levels of marketing investment that are necessary.

## **NEXT STEPS**

When agreed the strategy points the direction for the future of Jordan's tourism sector and sets a target of doubling the contribution of the industry to the economy. This would raise the value of tourism to Jordan above 1 Billion JD at current prices by 2010. This is a very substantial target and identifies tourism as one on the "economic winning" sectors that the Government should prioritise and support.

### **The Strategic Environment**

The accompanying chart shows that there are three major levels to the strategic environment:

- **Strategic governance** – that steers and guides the process.  
The governance of the strategy has been routed through the strategy steering committee with major inputs by MTAC and JTB.
- **Strategy formation** – where the strategy is created  
To date the strategy exists in draft format for approval. It will then move on to develop four sub-strategies in greater depth for the four principle areas of activity.
- **Planning & implementation** - the vital stage where strategic objectives are converted into plans and actions for implementation. this part of the process will begin with the creation of a business plan with annualised outputs that will be implemented by the public and private sectors the constituents of which are shown on the chart.

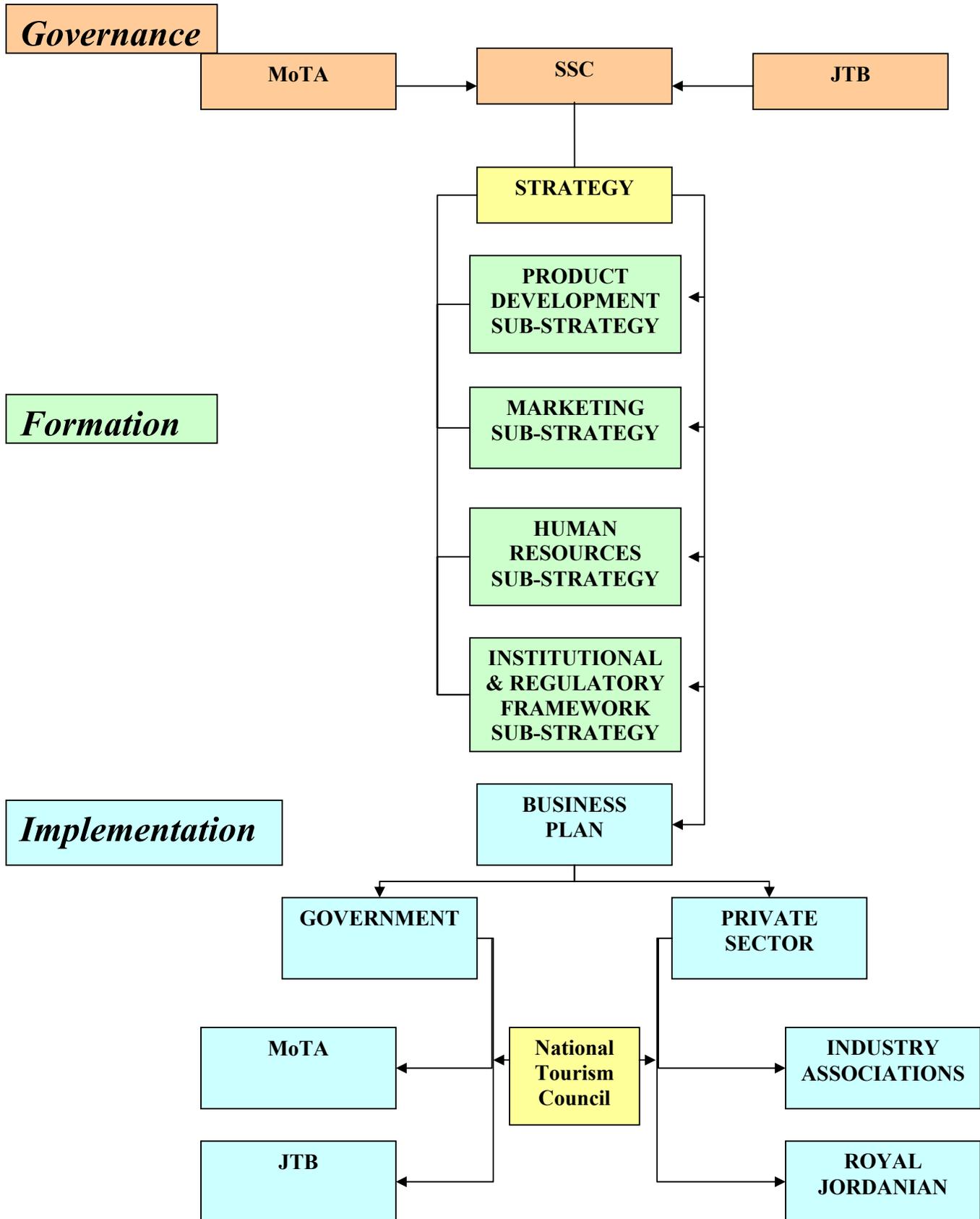
### **A Comprehensive Approach**

The chart shows that the industry is now engaged in a comprehensive approach. This must progress to a consensus approach to be effective. Reaching this consensus will require a confluence of the objectives of the partners so that all of their respective major objectives are achieved through the doubling of tourism target and their work is structured, resourced and supported to achieve it.

### **The Targeted Result**

The result is exceptionally important to Jordan's economic and social development. The gains can be substantial to:

- Economic activity
- Foreign exchange earnings
- Government revenues
- Employment creation
- Regional development
- Social equity
- Jordan's image in the world



## **Annex I**

### **THE FRAMEWORK FOR PHYSICAL DEVELOPMENT OF TOURISM**

The strategic approach works best where it links to a framework plan for development, which recognises the dynamics of Jordan's tourism and its role in regional development and distribution. This framework is the receptor for investment, product development, touring and marketing. It links directly to Government policies for supporting tourism through incentives, as well as for distributing income and creating social equity and developing human resources. To achieve the doubling of the tourism economy Jordan will need substantial investment to upgrade products as well as creating new innovative visitor experiences. The level of investment input required may not be possible unless the government establish conditions that will allow the private sector to invest in and manage public assets.

The recommended framework for Jordan should have the following distinctive elements.

- Tourism Centres (that may be graded)
- Developing Tourism Areas
- Special Interest Tourism Areas
- Nature and other reserves
- Touring Routes – Primary and Secondary
- Entry Points

#### **Tourism Centres (4)**

The selected Tourism Centres are characterised by having a substantial cluster of accommodation, together with the ability to meet all of the other five essentials for tourism within the centre and its immediate hinterland zone. These are indicated here but require to be fully developed within the framework plan.

#### **Amman City**

The capital of Jordan, and the principal entry point for international airborne visitors, Amman combines its history as one of the oldest continuously inhabited cities in the world, with modern progressiveness.

#### **Aqaba Special Economic Zone**

The historic city, port and sea access entry point to Jordan. Now a special economic development zone, which will boost its strength as a centre for business and tourism. Aqaba, because of the new forces created by the Commission, will be in a position to create an individual detailed strategy, and to deploy development and marketing resources to achieve its objectives. It must be part of the partnership for tourism working with the JTB.

### **The Petra – Wadi Mousa Cluster**

The world-renowned heritage icon of Petra is sufficiently strong to anchor an accommodation cluster and merit centre status.

### **The Dead Sea Hotel Zone**

The government decision to designate an accommodation zone on the shoreline of the Dead Sea for intensive development is with existing and planned investment leading to the creation of a new centre

### **Developing Tourism Areas**

Developing tourism areas are distinguished from tourism centres, mainly by their larger areas in terms of scale, in terms of the accommodation base. They will inevitably contain vitally important assets for tourism (both developed and undeveloped). They will be attractive for investment, and will be on the agreed tourism route network. They have the capability for accelerated development and may as in the case of the Dead Sea contain a designated centre.

### **The Dead Sea Tourism Zone**

The area of the Dead Sea tourism zone is a much larger area than the hotel zone that has also been included under centres. It anchors three important special interest product themes.

- Health and Wellness
- The Holy Land Religious Clusters
- Mujib Wildlife Reserve (Eco Tourism)

### **Special Interest Tourism Areas (8)**

Special interest tourism areas are areas that can provide at least one strong reason for visitors to come. It can be a natural or man-made product or something that is unique to that area. The core attraction can with investment and marketing be developed further. Special interest areas play a vital role in the framework for development in that they facilitate the distribution of visitors round Jordan and into rural areas.

#### ***Wadi Rum***

A desert environment of dramatic landscapes, which is the heart of Jordan, and central to its Bedouin history and tradition, made famous to outsiders through the writings of TE Lawrence and the film Lawrence of Arabia.

#### ***Salt – Old City***

Once the capital of Jordan, a well preserved heritage town (30 – 40 minutes from Amman).

### ***Dana Valley – Dana Wildlife Reserve***

A world of natural treasures, containing a diversity of valley, highland and desert landscapes.

### ***Ajlun and Jerash (Heritage – Nature Tourism)***

While close to Amman, this area has the potential for accommodation development, in addition to its day trip role from the Amman Centre. The Castle at Ajlun, while very dominant in its location lacks interpretation, animation and presentation. The Cardo at Jerash has the potential to be one of the great historic walk products.

### ***Azraq (unique wetland reserve)***

A unique seasonally flooded wetland in the Eastern Desert, which supports a diversity of birds, as a hub on the migration route linking Africa and Asia. ***Madaba and Mount Nebo (Religious, Pilgrimage, Heritage, Art and Touring).***

Madaba – “the City of Mosaics” is establishing a worldwide reputation for its Byzantine mosaic art, while Mount Nebo is one of the most revered biblical sites.

Umm Al Rassas, which is under **excavation, has revealed some stunning examples of the mosaic art.**

### ***Um Qeis, Pella (Tabaqat Fahil) and Jordan Valley (Biblical, Greco-Roman, touring views).***

A rich area of archaeology and history, with stunning views and sightseeing.

### ***The Desert Castles – Qusair Amra Unesco World Heritage Site***

A touring area, which touches Crusader, Military and Regional history.

## **Touring Routes**

The primary touring routes should be designed to facilitate the principal distribution of coach and car borne visitors. An important priority will be to facilitate self-driven FIT visitors who are a target for marketing to high yield visitors

The secondary touring routes encourage visits to smaller communities, special interest and discovery areas off these routes or from tourism centres.

The development strategy for touring routes will involve a programme of route facilitation and route re-enforcement. This will involve: -

**Route Facilitation**

Signposting  
Maps  
Tourist Information Points  
Tourist Services  
Viewing Points

**Route Re-enforcement**

Route Development Plans  
Priority for on route projects  
Presentation enhancement of projects and sites  
Incentives for development.

**Provision for private investment in public assets**

The framework for development plan should examine how government can best provide for private investment and management of public assets. There are a variety of templates that can be used for different circumstances. The templates should provide for the sustainable development and conservation of assets where applicable but must also provide the private sector with viable opportunities for business and for multi annual operation where investment is required.

## **Annex II**

### **THE SIX PILLARS OF TOURISM**

#### **The six essentials for international tourism development**

Today's high yield tourists are sophisticated, well travelled visitors, with wide experience of other countries. They select their holiday choices carefully and have high expectations from the time and financial investment they make in them. Many areas that were in the past seen as "advantages", are now given requirements for tourism. The visitor experience, which has now become the central issue for successful tourism rests on six elements – the six essentials. These are given as an addendum to the strategy and can be used by authorities or communities as a method of self-assessment. All six pillars must be in place to successfully host international tourism.

#### **Accommodation**

The requirement is for a mix of quality accommodations to cater for differences in visitor budgets and tastes. It must, as a minimum, meet the criteria for internationally recognised classifications and preferably exceed them.

Registration, grading and classification systems and brands are now a norm for customer assurance. National systems, or systems not linked to internationally accepted quality criteria confuse the customer and damage repeat business, word of mouth publicity and recommendation.

#### **Food**

Food is a vital part of the holiday experience. Regional cuisines and local food dishes can play an enhanced role in creating customer-satisfying experiences. This is a flexible area for imagination, engagement and style. The overall role of fresh, quality produce, simply cooked and well presented remains a global fundamental.

#### **Activities, Facilities and Special Interest**

This essential embraces a diverse area of "things to see and do" during the active visitors day. They also range from passive recreation, leisure, heritage interpretation, to active experiences and pursuit of special interest or adventure. It also includes facilities for the MICE segment where relevant.

This essential area significantly impacts on length of stay, visitor spend and repeat business.

#### **Night Activities**

Late dining (dinner) by itself is insufficient to fill that period from circa 18.00 to midnight, when holidaymakers are still active.

Entertainment products frequently draw on local culture and music, but the area and options are limitless when imagination and skills are combined.

### **Transport**

Access transport is clearly a key essential, but the area also includes internal transport between centres, self drive car hire, bicycle hire, boats and more unusual transport options by horse, camel, or walking trails.

### **Visitor Services**

This varied area is extensive. It can begin with networked information services, tourist offices or tourist information points.

It very importantly includes guides, signposting, maps, and literature. It includes all those services required to support Jordan's portfolio of special interest tourism, such as scuba diving, rock climbing and trekking.

The provision of these six pillars provides the foundation for international tourism. Weaknesses in any of these pillars, as they apply to centres diminish success and they must be corrected in a planned way.

Local communities can use this six-pillar template as a self-assessment tool.

It is not possible for normal international tourism to thrive without this combination. There are simply no alternative assessment measures for general/leisure tourism.

### Annex III

#### **THE ORGANISATION AND DEVELOPMENT OF THE JORDAN TOURISM BOARD**

While a result driven partnership is the recommended way of governing the process from strategy to action and implementation the partnership needs to be managed and driven. The optimum, if not the only body that is designed to do this effectively is the JTB. The tourism strategy and Jordan's economic needs requires that the target of doubling the tourism economy to over 1.1 billion JD by 2010 be achieved. It is therefore essential to the strategy that the JTB is structured and resourced with the capacities and capabilities to succeed in the very competitive environment of international tourism.

There are five issues to be dealt with effectively:-

1. The structure of the JTB
2. The skills and capacities of the staff and conditions of employment
3. Budget and financial resources
4. Business plan for the JTB
5. Marketing plan for Jordan's tourism

The first two issues have already been studied with AMIR assistance and recommendations made to the JTB. These are under active consideration by their board. They are very much minimum recommendations as there is an acute appreciation of the scarcity of resources. Their acceptance and implementation will be an early signal of support for equipping the JTB to carry out the tasks that will be necessary under the strategy. AMIR can also extend assistance with items 4 and 5, but these can best follow a successful outcome to Budget and financial resources.

#### **Budget and Financial Resources**

It is impossible to compete in international markets without the deployment of substantial funds. The rate of marketing inflation is always ahead of general inflation and is also driven by the increased cost of finding voice in the market place as 174 countries compete for the tourism \$. The publicly provided budget and industry contributions made to the JTB are insufficient for what is needed to drive an industry with visitor revenues of .5 billion JD. There are always difficulties related to resources, but the JTB's difficulties are diverting management time to an unreasonable degree from higher yield work into dealing with administrative matters and funds procurement.

The tourism industry is a major source of revenue streams for Government from taxation and charges. It is therefore a no cost option for Government and should be looked at as a yielding investment in the productive sector of the economy. While Ministries of Finance have broadly resisted the dedication of specific taxes to sectors this is now being relaxed. It is legitimate for a sector, where growth plans are directly linked to government funding, to look for a formula that will reward their success and provide the funds to power their growth strategies. Withholding funding from tourism

marketing at present is depressing the economic impacts and reducing the income streams to Government itself.

The choices open to Government are to: -

- Link tourism funding directly to a dedicated and fair percentage of the measurable revenues that are paid by tourists. This links funding directly to the financial success factor and automatically deals with inflation.
- Examine the funding needs of the JTB to achieve the doubling of the tourism economy by 2010 and put in place a fair and equitable scheme that will enable this, and also accomplish the wider objectives of the strategy and burden sharing with the industry.

It is recommended that the JTB requirements for financial resources should be looked at and reorganised with the objective of increasing efficiency and securing a proper level of contribution and burden sharing from the industry.

The proposal is that the budget should have four components: -

**1. The Government annual “grant in aid”**

This should be at a level that will cover the overheads/costs of the JTB, and permit it to carry out independently a level of destination marketing that is greater than is possible at present.

**2. The partnership marketing fund contributed by Government with matching funds from industry.**

This will enable the JTB to have access to additional marketing funds provided they have secured a trade “partner” that will be co-investing with them. The government can set criteria for the percentage that the partner will pay and for the approved areas where expenditures can be eligible. The funding rate typically varies from 25% to 50% private, depending on the circumstances. This methodology has the advantage of tying the industry into co-marketing activity with the JTB on an ongoing basis.

**3. Industry membership payments**

These payments must be pitched at a reasonable level where they are affordable by the industry, but are also adequate to the needs of the organisation.

**4. Charges for services and self-generated income**

The JTB will charge the industry and others for services that it provides. It will also collect charges/contributions from the industry for participation on its stands, expanded web site and trade-to-trade marketing opportunities.

As has been mentioned elsewhere in the report the JTB also needs to receive much larger contributions of in kind assistance of industry products – airline seats, hotel rooms, meals, internal transport and other services that it can use in the recommended quadrupling of its programme of familiarisation/educational visits for media and travel trade sellers to Jordan. The up scaling of this activity is critically important to Jordan's return to sustainable growth given the regional situation.