

Jordan

NATIONAL TOURISM STRATEGY 2004 - 2010

"I do not set the strategies. In Jordan the economy is private sector led so we challenge the private sector to propose the strategy for their sector and we respond to and facilitate their requirements."

*His Majesty King Abdullah II
Dublin, March 1, 2004*

Jordan National Tourism Strategy: 2004 - 2010

VISION

Tourism is an essential and vibrant growth sector that will contribute to improving the long-term economic and social well-being of Jordanians.

MISSION

Jordan will develop a sustainable tourism economy through a partnership of government, the private sector, and civil society to expand employment, entrepreneurial opportunity, social benefits, industry profits, and state revenue.

GOAL

Double Jordan's tourism economy by 2010 in real terms.

EXECUTIVE SUMMARY

Tourism is the largest global industry, and the tourism market is growing. According to the World Tourism Organization (WTO), the global tourism market will triple in size by 2020. Tourism benefits local economies substantially by increasing foreign exchange earnings, creating employment and investment opportunities, increasing government revenues, developing a country's image, and supporting all sectors of the economy as well as local communities.

Tourism is of vital importance to the national economy of Jordan. It is the Kingdom's largest export sector, its second largest private sector employer, and its second highest producer of foreign exchange. Tourism contributes more than US\$800 million to Jordan's economy and accounts for approximately 10 percent of the country's gross domestic product (GDP).

Jordan is a destination with many iconic tourist attractions, such as Petra, Wadi Rum, and the Dead Sea. Yet despite its advantages and its importance to the economy, Jordan's tourism sector is performing at a level far below its potential. To achieve reasonable growth in the tourism sector that will in turn contribute to economic development and job creation, Jordan needs to make a significant investment of funds and efforts.

Jordan must focus on attracting high-yield visitors, developing niche products, enhancing the visitor experience, increasing international marketing, and improving infrastructure and the regulatory environment.

Jordan's National Tourism Strategy 2004 – 2010 outlines the steps for doubling the Kingdom's tourism economy by 2010 using an integrated, value-chain approach involving government facilitation and investment in partnership with the private sector.

The strategy is designed to bring about the following results by 2010:

- Increase tourism receipts from JD570 million in 2003 to JD1.3 billion (US\$1.84 billion)
- Increase tourism-supported jobs from 40,791 in 2003 to 91,719, thus creating over 51,000 jobs.
- Achieve taxation yield to the government of more than JD455 million (US\$637 million)

The strategy targets the following priority niche markets:

- Cultural Heritage (Archaeology)
- Religious
- Eco-tourism
- Health and wellness
- Adventure
- Meetings, incentives, conferences, and events (MICE)
- Cruising

The government of Jordan is committed to allocating four percent of national tourism receipts for international marketing, product development, and human resources development through 2010. This contribution will more than double the current level of tourism investment. In addition to financial commitments, the government and the private sector will work together to strengthen the industry's institutional and regulatory framework. Together, they will take action to improve the competitiveness of the tourism sector and achieve the strategic objectives and plans set out in the National Tourism Strategy.

A comprehensive action plan and monitoring system have been developed to guide the implementation of the strategy. The strategy's four pillars, shown below, will produce the expected results.

National Tourism Strategy - The Pillars

<p>PILLAR 1 Strengthen Tourism Marketing Objectives:</p> <ul style="list-style-type: none"> • Enhance Jordan's image • Brand Jordan as boutique destination • Increase arrivals of high-yield tourists • Maintain position in current markets • Enhance market intelligence to identify future opportunities 	<p>1.1 Secure Financial Resources for Tourism Marketing and Invest in International Marketing</p> <p>1.2 Strengthen Jordan Tourism Board</p>
<p>PILLAR 2 Support Product Development and Competitiveness Objectives:</p> <ul style="list-style-type: none"> • Increase visitor yield • Enhance competitive advantage • Diversify tourism products 	<p>2.1 Tourism Planning and Development</p> <p>2.2 Promote Private Sector Investment and Management of Public Assets</p> <p>2.3 Industry Competitiveness</p>
<p>PILLAR 3 Develop Human Resources Objectives:</p> <ul style="list-style-type: none"> • Improve tourist services • Increase availability of human capital • Expand employment opportunities 	<p>3.1 Adopt a National Tourism Manpower Strategy 2004-2010</p> <p>3.2 Develop High Standards of Training and Education</p> <p>3.3 Support Tourism-related Small and Medium Enterprises</p>
<p>PILLAR 4 Provide Effective Institutional and Regulatory Framework Objectives:</p> <ul style="list-style-type: none"> • Enhance institutional capacity and legal support for tourism strategic objective 	<p>4.1 Enhance Ministry of Tourism and Antiquities Mandate to Ensure Effective Implementation of Tourism Plans</p> <p>4.2 Public-Public and Public-Private Sector Partnership</p> <p>4.3 Enabling Environment for Aggressive Tourism Growth</p>

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LIST OF ABBREVIATIONS

ASEZA	Aqaba Special Economic Zone Authority
FDI	Foreign Direct Investment
FIT	Frequent International Traveler
GDP	Gross Domestic Product
GNP	Gross National Product
JHA	Jordan Hotel Association
JITOA	Jordan Inbound Tour Operators Association
JRA	Jordan Restaurant Association
JSTTA	Jordan Society for Tour and Travel Agents
JTB	Jordan Tourism Board
JTGA	Jordan Tour Guides Association
MENA	Middle East and North Africa
MOTA	Ministry of Tourism and Antiquities
NTA	National Tourism Authority
NTC	National Tourism Council
NTS	National Tourism Strategy
RJ	Royal Jordanian Airlines
WTO	World Tourism Organization
WTTC	World Travel & Tourism Council

1. INTRODUCTION: TODAY'S CHALLENGE IS TOMORROW'S OPPORTUNITY

The outlook for world tourism remains exceptionally strong in spite of current difficulties. Tourism is a sector that Jordan should prioritize and invest in as a central contributor to its future economic success. To realize the sector's potential, it is necessary to put in place a strategy, together with the policy instruments, action plan, and enabling investment environment that would support its implementation. Jordan's traditional success in tourism was largely inherited; future success can only be created through investment.

The core principle of Jordan's National Tourism Strategy (NTS) is that tourism should deliver the optimum benefit to the economy, people, and communities of Jordan. If successfully implemented, the strategy has the potential to:

- Increase economic activity, opportunity, and wealth for its citizens.
- Create income streams and economic benefits for government.
- Expand employment in urban and rural areas.
- Play a major role in regional and rural development through investment.
- Build a strong and competitive tourism sector as a pillar of the economy.

Successful implementation will require significant investment. The necessary funding will only be raised if the government and political leadership establish the tourism sector as a priority and one that must be supported.

Successful implementation will also hinge upon the development of public-private partnership. In particular, the Jordan Tourism Board (JTB), whose core task is to sustain and manage the public-private partnership, must support the private sector as the engine of sustainable growth, economic benefit, and employment.

Jordan's unique natural beauty and historic legacy present tremendous opportunity for the Kingdom's tourism industry. Nonetheless, achieving the targets set out in this strategy will be challenging. Only through a comprehensive and integrated effort will Jordan be able to realize the full potential of tourism as a bankable growth sector for the 21st century economy.

The National Tourism Strategy is Jordan's guide for returning Jordan's tourism sector to sustained growth. It aims to achieve clear and defined targets, which can be easily monitored by Jordan's key stakeholders. It was initially agreed upon and adopted by key stakeholders at a retreat in May 2003. Delegates from the National Tourism Council (NTC) and the Strategy Steering Committee approved the strategy and decided to appoint the NTC to guide the strategy's implementation and monitor its achievements.

The strategy was augmented in 2004 to follow a value chain competitive approach recommended by the private sector in response to the challenge set forth by His Majesty King Abdullah II.

JORDAN'S TOURISM STRATEGY THE VALUE CHAIN APPROACH



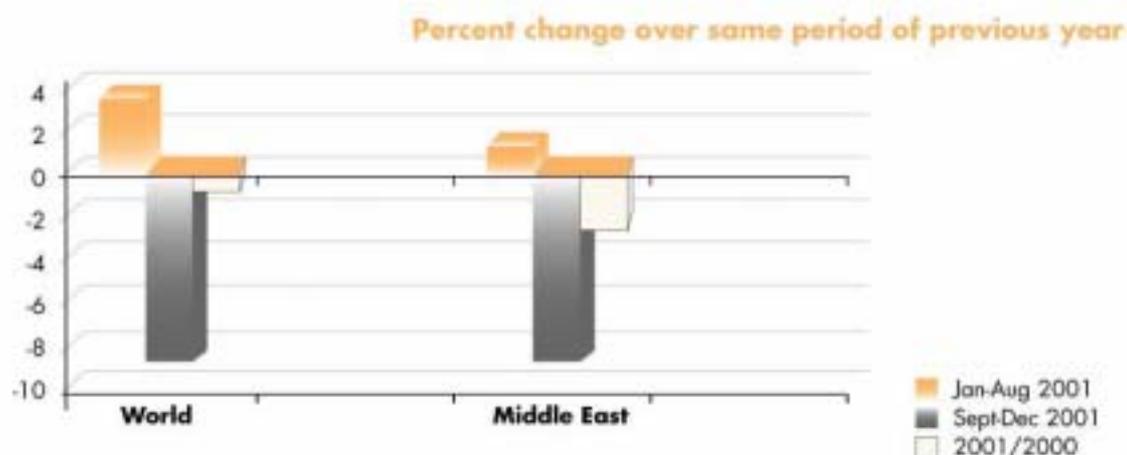
2. SITUATION ANALYSIS

Evaluation of Arrivals and Receipts

There is no doubt that the events of September 11, 2001 caused a major disruption in the growth of tourism worldwide. Chart 1* shows the downturn in tourism on a global level, and especially in the Middle East.

Chart 1

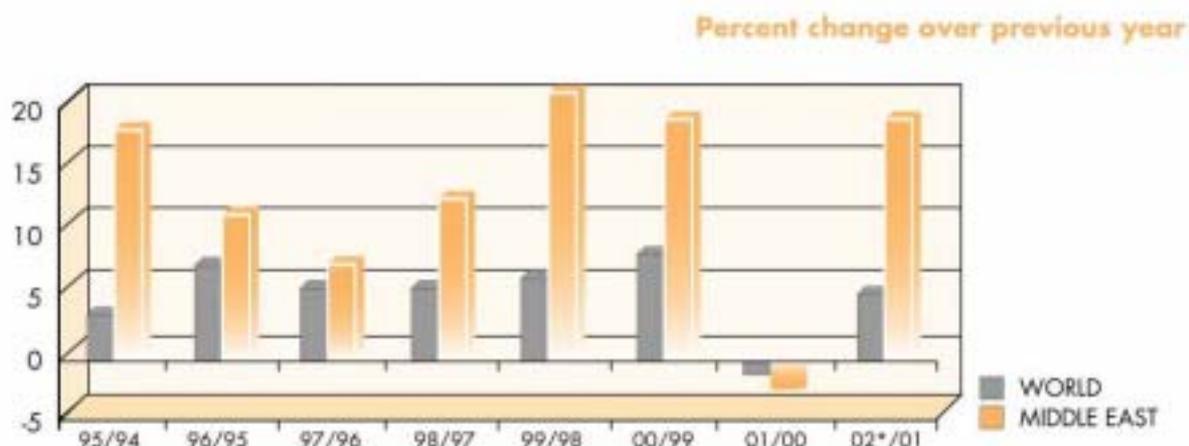
World and Middle East International Tourist Arrivals (2001-2002)



Before September 11, the tourism industry was growing remarkably well in the Middle East. Growth in international tourism arrivals in the Middle East consistently outpaced the world average until 2001. This trend resumed in 2002. (See Chart 2.)

Chart 2

World and Middle East International Tourist Arrivals (1994-2002)



* Unless otherwise noted, the information in the charts and tables in this document comes from the WTO.

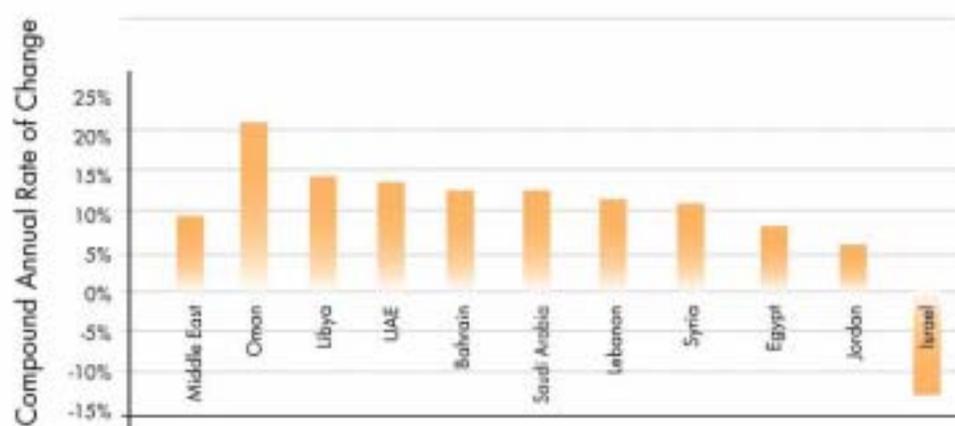
Jordan, at least temporarily, also followed the trend of post-9/11 growth. Actually, arrivals increased from 2000 to 2001 by 1.5 percent, but receipts fell 4 percent (Table 1). Recovery in both arrivals and receipts followed in 2002. From 2002 to 2003, tourist arrivals decreased 3.1 percent, although receipts actually increased by 3.7 percent.

Table 1
Jordan Tourism Arrivals and Receipts 2003

Measure	2000	2001	2002	2003	Percent change 2003/2002
All Arrivals	2,838,322	3,190,027	3,559,959	3,632,135	2.0%
Tourist Arrivals	1,365,504	1,386,810	1,505,008	1,458,222	-3.1%
Tourism Receipts (million JD)	482.7	463	515	534	3.7%

During the past 10 years, Jordan has not been among the top performers in the region. The WTO indicated that nine of the 30 top emerging destination countries are in the Middle East North Africa (MENA) region. All of them are Arab countries – but Jordan is not among them. As noted in Chart 3, the average annual growth rate in tourist arrivals for the Middle East was 12.2 percent between 1995 and 2002. The world average for the same period was 7 percent. However, Jordan achieved an average annual growth for the same period of only 5.8 percent.

Chart 3
International Visitor Arrivals in the Middle East, Average Annual Growth Rates 1995-2002

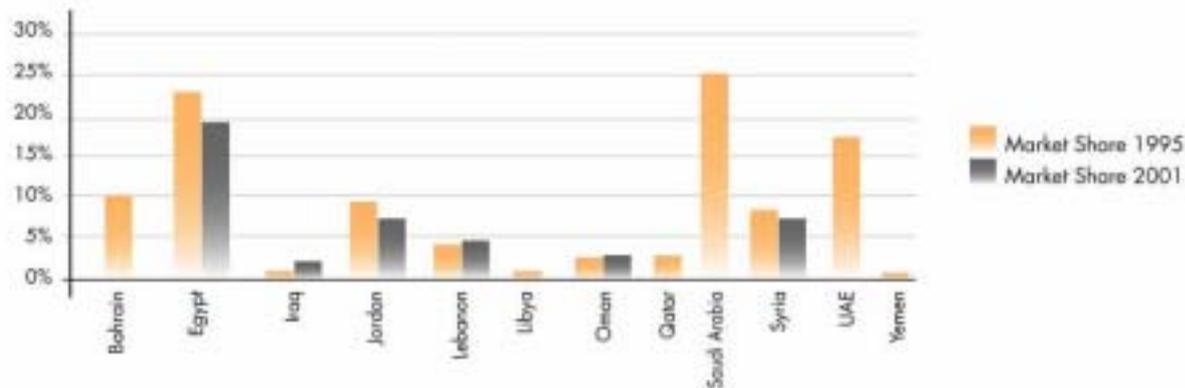


Note: Data on average annual growth rates for Palestine, Kuwait, Yemen, and Qatar were not available.

Only one Middle Eastern country – Oman – achieved a growth rate of 15 percent or more over this seven-year period, and no MENA country posted a 15 percent growth rate for two years in a row. Furthermore, Jordan's share of the Middle East's international tourist arrivals fell from 8.2 percent in 1995 to 6.5 percent in 2001. Clearly, Jordan has been under-performing relative to other destinations in the region. History suggests that achieving a growth rate of 10–15 percent per year from 2004 to 2010 would be quite a challenge. Were Jordan to achieve such an annual growth rate during 2004–2010, the number of additional visitors would average more than 440,000 per year.

Chart 4

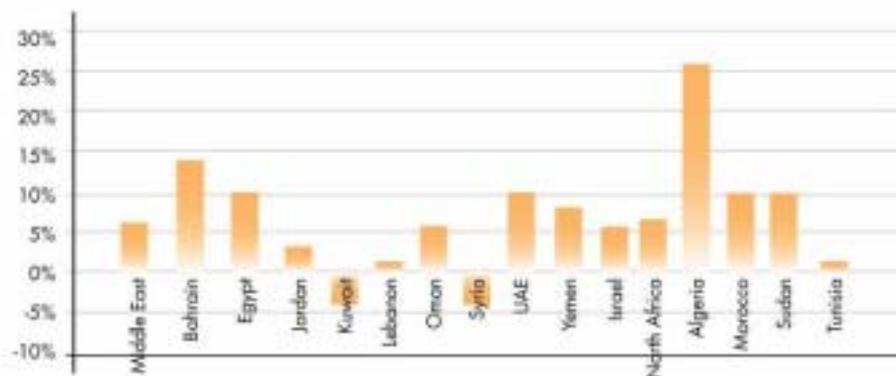
Middle East Market Share (%) 1995 and 2001



In terms of tourism receipts, in many regards a more critical indicator than arrivals, Jordan's average annual growth rate between 1995 and 2000 was just 2.1 percent—well below the Middle East average of 6.5 percent (see Chart 5).

Chart 5

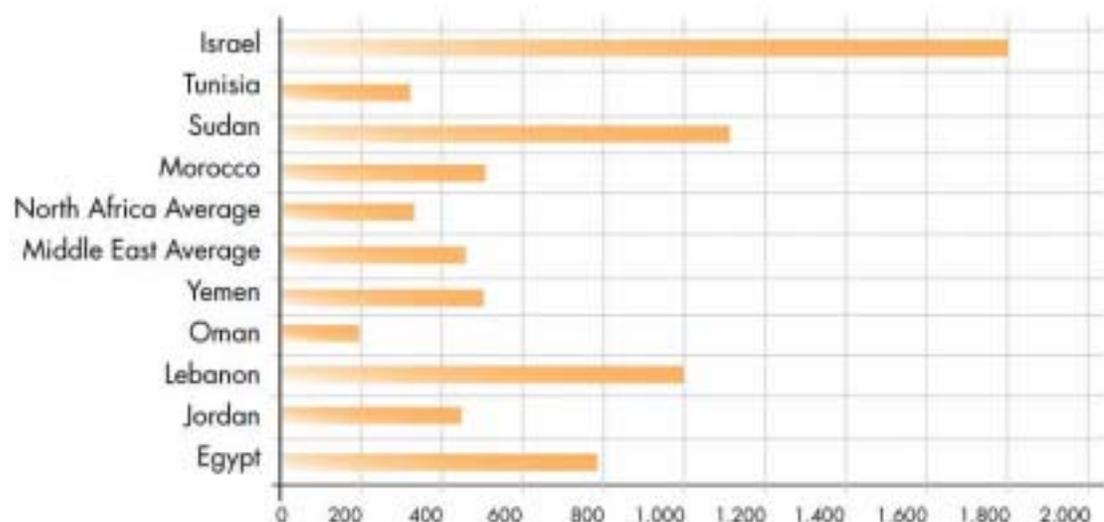
Average Annual Growth Rates (%) 1995-2000 International Tourism Receipts



One important reason that Jordan's tourism receipts are below corresponding figures for its arrivals is that revenue per visitor has been falling. In 2002, the Middle East earned US\$470 per tourist arrival (Chart 6). This is below the world average of US\$675. Jordan, at US\$485, is well below the world's average. Israel, Lebanon and Egypt all have higher receipts per arrival.

Chart 6

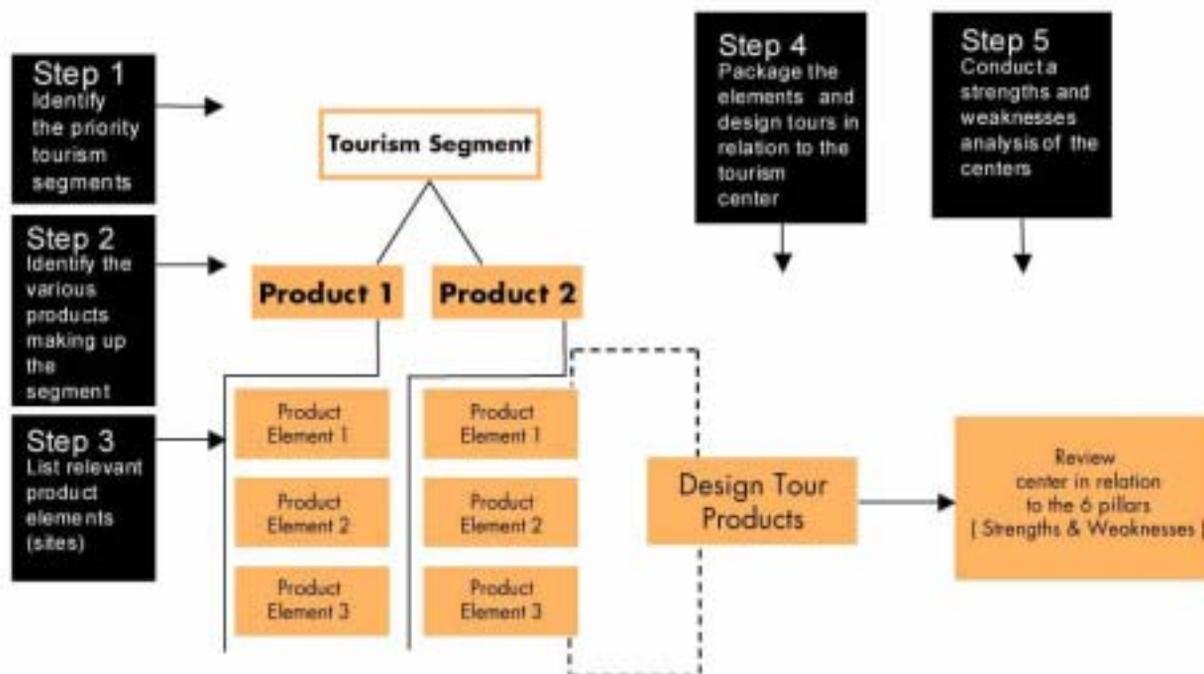
MENA Region Receipts Per Arrival US\$ - 2002



Assessment of Tourism Resources

Extensive inventories of tourism resources are available, but they should be systematically organized and analyzed for best decision-making purposes. For the purpose of the strategy, a select group of industry stakeholders representing various private and public sector organizations and NGOs performed an assessment of Jordan's tourism products and developed a list of recommendations for areas that need improvement.

The group employed the following methodology:



The group identified 12 tourism segments with potential for long-term development. These segments were then prioritized according to product readiness and resources availability. The group identified the key priority segments that could provide high returns provided adequate product development and enhancement effort were exerted.

Accordingly, it was agreed that the long-term strategy would focus on the following eight segments:

Priority Tourism Segments:

1. Cultural Heritage (Archaeology)
2. Religious
3. Eco-tourism
4. Health and wellness
5. Cruising
6. Meetings, incentives, conferences, and events (MICE)
7. Adventure
8. Scientific, academic, volunteer & educational (SAVE)

Other potential tourism segments :

9. Filming and photography
10. Festivals and cultural events
11. Summer and family holidays
12. Sports

The first eight segments on the list are semi-ready but require further enhancement and development, which could be realized through the 2004 – 2010 strategy. The remaining four segments have prospects for development once the potential of the priority segments is realized.

All of Jordan's tourism segments require enhancement and development. However, the group's objective was to identify a balance of segments that would generate returns while development is underway.

For each tourism segment, products and product elements (sites) were identified and corresponding themes were developed. Based on the themes and product elements pertaining to each segment, tour products were designed with designated primary and secondary centers and routes.

Centers were considered to be those cities strategically located in relation to tourism sites and possessing adequate accommodation facilities and relevant support services. Centers were classified as either primary or secondary depending on the surrounding attractions as follows:

Table 2
Primary and Secondary Tourism Centers in Jordan

Primary Centers	Secondary Centers
Amman	Azraq
Petra	Dana
Aqaba	Karak
Dead Sea	
Wadi Rum (potentially)	
Irbid (potentially)	

Subsequent to gathering and summarizing the aforementioned information*, the group proceeded to conduct an analysis of the strengths and weaknesses of all the tourism centers in terms of the following six pillars of tourism:

1. Accommodation
2. Food
3. Transport
4. Things to see and do before 6:00 p.m.
5. Things to see and do after 6:00 p.m.
6. Tourism services

*For a full summary of the group's work in relation to the eight priority tourism segments, products, product elements, centers, tour products as well as primary and secondary routes, and work related to the seven pillars please refer to "Product Development Work Group Report", September 2002, National Tourism Strategy CD/Reference Documents.

For pillars one through five, the centers were evaluated and graded on a scale of 1 to 10, 10 being the strongest. The following table summarizes the grading results of the various tourism centers. The grades should not be compared, as each is only relevant to that particular center.

Table 3
Grading of Tourism Centers According to Strengths/Weakness
In Terms of the Tourism Pillars

	Dana	Amman	Aqaba	Petra	Karak	Azraq	Wadi Rum	Dead Sea	Irbid
Pillars 1-5									
Accommodation	7	7	5	5	4	3	2	2	1
Food	6	7	3	2	3	3	1	2	2
Transport	5	3	2	2	N/A	0	1	0	4
To do before 6:00 p.m.	8	5	6	6	7	4	4	7	5
To do after 6:00 p.m.	6	3	1	0	N/A	3	5	0	1

Centers that scored low require intensive development effort. With respect to Karak, the group agreed that it will remain a secondary center, thus when evaluated in terms of transportation and things to do after 6:00 p.m., they found it not applicable.

The centers were not evaluated individually in relation to the sixth pillar, since a general analysis of Jordan was more relevant and indicative. The following were identified as the tourism services constituencies:

- Airports
- Boarders
- Tourist guides
- Signage
- Information
- Rest stops
- Tourist police
- Liability insurance
- Rescue services
- Training

Due to the importance of crafts to tourism and the need for its further development and enhancement, a complete analysis was carried out for crafts which were identified as pillar seven.

Challenges pertinent to pillar seven (crafts) include the following:

- Lack of awareness among tourists about the difference between local and imported craft items. Furthermore, the social and economic benefits linked to Jordanian-made crafts are not being properly communicated to tourists.
- Lack of certification and branding of Jordanian-made products under specific criteria (e.g., hand-made, machinery made, social and economic criteria).
- Lack of promotional materials or a national website for Jordanian handicrafts
- Limited representation in international trade fairs
- Non-competitive prices of locally produced crafts compared to crafts imported in bulk from the Far East.
- Lack of a research center to identify unique Jordanian cultural and historical characteristics that can guide artists in designing creative handicrafts.
- Lack of promotional activities (e.g., craft shows for tourists), festivals, fairs, and exhibitions that promote locally produced handicrafts.

Environmental considerations as related to product development were also explored by the group and major recommendations were developed*.

A summary of recommendations for product development are available in Annex 4.

Identification of Current Visitor Profiles

Currently there is little information about activities for visitors in Jordan. Detailed exit surveys need to be conducted to identify which segments Jordan is currently attracting. Such surveys identify spending activities for each element of the tourism value chain.

Tourism Value Chain



* Reference - "Product Development Work Group Report", September 2002, National Tourism Strategy CD/Reference Documents.

Sector Assessment and Challenges

The tourism sector is critical for Jordan's national, economic and social development. The following present the case for prioritization of the tourism sector in Jordan:

- Jordan has a limited number of options that are "ready to go" as strong economic drivers. Tourism is one of these. Jordan's tourism sector has product potential and infrastructure, but marketing capacity and staff capabilities must be improved to make best use of resources and skills.
- International tourism is a leading industry of the 21st century. As living standards and incomes rise, sector growth will accelerate exponentially.
- Tourism can contribute substantially to Jordan's GDP over the long term and keep pace with the expanding economy.
- Tourism is a major source of hard currencies and contributes significantly to government revenues and the national balance of payments.
- Tourism is an intensive employer. Unlike in other industries, tourism jobs are not replaceable through capital investment. In fact the opposite occurs. The higher the capital investment, the more jobs are created.
- Tourism requires a diversity of professional, technical, craft, skilled, and operations staff.
- Tourism is not concentrated only in cities, but distributes its benefits widely. It is particularly valuable for regional development and income distribution.
- Tourism complements 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.
- Tourism development need not be a threat to environment, heritage, or culture. It can provide reasons to support investment in these areas, and therefore, improve them.
- Tourism brings considerable social benefits to local communities, as facilities and income become available to local citizens and communities.
- Tourism is a catalyst for industrial development because it attracts foreign direct investment (FDI) and provides many of the lifestyle and leisure facilities that highly skilled workers require.
- Tourism supports increased air carrier access, also essential for business and investment.

Jordan's Priority Challenges

Correcting the Customer "Fear Factor"

The misperception of Jordan as an unsafe destination is the main barrier to near- and long-term growth in the tourism industry.

Under Re-Sourcing of Tourism, Particularly in International Marketing

The current level of government expenditure on tourism is not sufficient to equip the JTB with the resources necessary to manage the industry most effectively. Without policy priority and correction from the government in the near future, Jordan's tourism industry will fall further behind its competitors.

Establishing Working Partnerships

Optimum performance requires a new approach to partnership development that will capture and focus the resources and energies of the public and private sectors. There is a need for partnerships between government agencies at the operational and the policy level. Additionally, fragmentation among government agencies must be avoided, as it is inconsistent with a national and integrated approach. For example, the marketing of specialized forms of tourism, such as health and education, are relevant parts of the tourism mission – their diffusion to separate agencies would weaken overall effort.

Low Visitor Spending

There are many factors that contribute to lower visitor spending that is an estimated at US\$485 in Jordan, compared to a world average of US\$670. Two of Jordan's closest competitors, Egypt and Lebanon, average US\$767 and US\$1,000, respectively. This disparity is largely due to:

- Short length of stay
- Low visitor expenditure per day
- Uncoordinated visitor servicing after arrival in Jordan
- Lack of information on product range and diversity

Maximizing the value of visitors attracted is the most "controllable" aspect of the strategy's action plan. An immediate program of product development and marketing designed to lengthen stay is required.

Access, Entry, and Distribution

In August 2003, the JTB conducted a study comparing Jordan to other members of its comparative set. Jordan received the lowest score of any of competitors in the area of air access price. This is a critical weakness, as high airfares are a major barrier to growth. It is imperative that air access to Jordan be opened up if targets are to be met.

Jordan must also ensure that procedures at entry and exit points—including visa, immigration, and customs processing—are efficient and visitor-friendly.

Scale and Deployment of Marketing Resources

The effective deployment of marketing resources requires sophisticated market knowledge and assessment skills. This can only be acquired through good market research, market intelligence, and techniques, such as market attainability analysis. Part of the solution is hiring highly qualified personnel, putting a system in place, and encouraging all stakeholders to submit accurate and reliable numbers and information.

Over-reliance on Traditional Attractions

While traditional attractions are vital, their importance declines unless they are sustained by investment that enhances the visitor experience and introduces innovative developments to improve the experience. It is essential for Jordan to organize its public and private sectors to focus investment efforts in an integrated way to improve product competitiveness.

Many other regional governments have dramatic investment plans to transform their tourism economies. For example, the government of Morocco plans to invest US\$6 billion to add six new resort projects, providing another 40,000 rooms, to reach its target of 10 million visitors by 2010. Dubai has the massive Palm Island Project, and is investing strongly in tourism facilities and access transport. There are also strong investment plans in Bahrain, Oman, and Kuwait. Jordan's competitiveness depends upon a similar commitment to investment. A clear investment promotion strategy and plan for tourism sector development should be produced.

3. NATIONAL TOURISM STRATEGY

To become a world-class destination, Jordan must adopt a competitive approach that sustains its current positive momentum and leverages its strengths in the future. Essentially, this is a strategic decision to market Jordan to customers willing to pay a higher price for quality experiences.

Vision

Tourism is an essential and vibrant growth sector that will contribute to improving the long-term economic and social well-being of Jordanians.

Mission

Jordan will develop a sustainable tourism economy through a partnership of government, the Jordan Tourism Board, the private sector, and civil society to expand employment, entrepreneurial opportunity, social benefits, industry profits, and state revenue.

Goal

Double Jordan's tourism economy by 2010 in real terms.

Results by 2010

- Increase tourism receipts from JD570 million in 2003 to JD1.3 billion (US\$1.84 billion)
- Increase tourism-supported jobs from 40,791 in 2003 to 91,719, thus creating over 51,000 jobs.
- Achieve taxation yield to the government of more than JD455 million (US\$637 million)

Strategy Implementation Plan

Action plans guiding marketing, product innovation, human resource development, and institutional and regulatory reform have been developed. Each action plan includes a goal, justification, actions, responsible bodies, time frame, budget, and expected results. The action plans are included as Annex 5.

Required Investment

The budget for 2005 and 2006 is based on the recommended government allocation of two percent of receipts for marketing during the strategy period, one percent of receipts for product innovation, and one percent of receipts for human resource development. The action plan requests an allocation of JD9.6 million to fund the JTB for the remainder of 2004 and JD14.1 million for 2005, matched by an additional 25 percent contribution from private sector.

Strategic Principles

The NTS is based on the following principles:

- Marketing and developing Jordan's tourism shall be a partnership between the government, the public sector, the private sector, carriers and NGOs guided by policies and structures that facilitate collaboration, cooperation and investor confidence.
- The government and the private sector will invest in tourism, based on the actions required to achieve a return on their investments.

- The success of the strategy relies on investment. This includes capital investment, product development and innovation, marketing investment, and investment in quality, service delivery, and human resources.
- Tourism development in Jordan will be sustainable and characterized by:
 - Preserving the environment and adopting ecologically sound principles
 - Respecting the lifestyle and culture of its people and communities
 - Balancing the principle of profit with the need for socially responsible business practices
 - Adhering to Global Code of Ethics for Tourism as advocated by the WTO
- Market and customer requirements will drive the development and marketing of the industry within the principles of sustainability established by the strategy.
- Jordan will position itself as a boutique destination with an expanded approach to niche marketing.
- Jordan will establish a destination image that can lead to branding at a suitable stage during implementation.
- The strategy should be based on four pillars: Product Enhancement, Effective Marketing, Human Resource Development, and Institutional/Regulatory Reform.

Social Equity

- Tourism should target the citizens and communities of Jordan as its primary beneficiaries by providing income generation and employment opportunities and by contributing revenue to government programs that support quality of life, environmental excellence and societal development.
- Tourism should contribute to poverty alleviation by implementing the recommendations of the World Tourism Organization's STEP (Sustainable Tourism-Eliminating Poverty) initiative.
- Tourism should be inclusive and involve people, culture and communities.
- Tourism policies should always consider social impacts and the potential deterioration of underlying resources and should plan to minimize 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.

Tourism Growth Forecasts

Setting realistic targets is important. These targets should be challenging enough so that they can only be achieved at the optimum limits of the best efforts of the sector and the priorities of government. To be effective the strategy and action plan must also include the inputs necessary to achieve the targets. Target setting that does not consider both sides of the input/result equation and market conditions cannot succeed.

Tourism receipts (visitor expenditures) are the most important consideration when creating targets. All other benefits and economic impacts flow from the expenditures generated from visitors to Jordan. These expenditures create the income streams for government and new employment, contribute to the balance of payments, and open up enterprise opportunities.

WTO Forecasts for the Middle East and Jordan 2010 and 2020

The WTO predicts a 7 percent growth rate between 2000 and 2010 and a 6.7 percent growth rate between 2010 and 2020 of visitor arrivals to the Middle East (Table 4).

Table 4

International Tourist Arrivals by Region - Percent Growth

	1995-2000	2000-2010	2010-2020	1995-2020
Middle East	6.2	7.0	6.7	6.7
Europe	3.2	3.0	3.1	3.1
East Asia/Pacific	2.7	7.7	7.4	6.5
Americas	3.4	3.9	4.0	3.8
Africa	6.1	5.6	5.1	5.5
South Asia	5.7	6.7	5.8	6.2
Global Average	3.4	4.2	4.5	4.1

For Jordan, WTO predicts that annual arrivals will increase 100 percent between 2000 and 2010, from 1.4 million and 2.8 million (Chart 7), and that receipts will increase by 72 percent, from US\$720 million to US\$1.24 billion over the same time period (Chart 8).

Chart 7

Tourist Arrivals - Jordan / Middle East 2000-2010

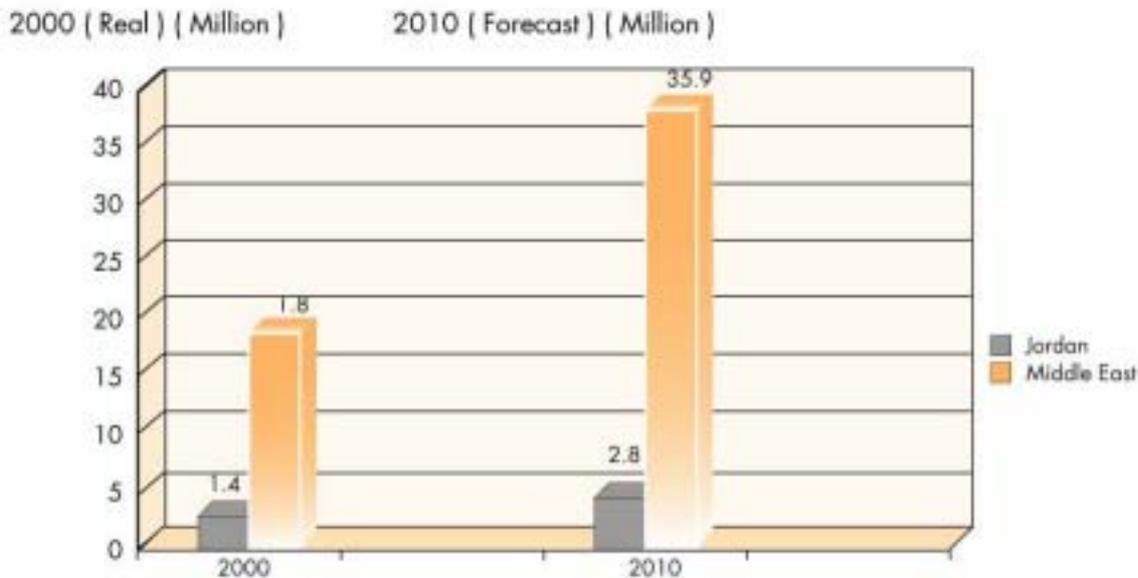
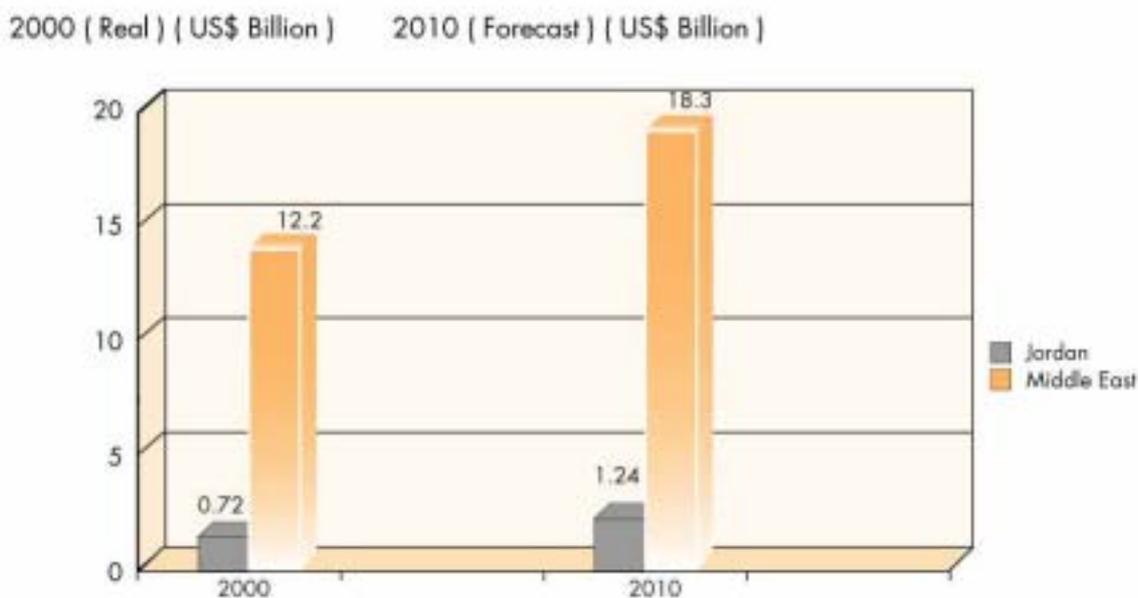


Chart 8

Tourist Receipts - Jordan / Middle East 2000-2010



Note: ME forecast based on 6% annual growth

World Travel & Tourism Council Growth Projections—2004

The World Travel & Tourism Council (WTTC) provides 2004 travel and tourism forecasts for 174 countries and the world developed by Oxford Economic Forecasting, following the United Nations standard for Tourism Satellite Accounting. The WTTC reported that the travel and tourism recovery from September 11, the war in Iraq, SARS, and the down-turned economy is now well underway, and that the overall outlook for 2004 and beyond is for robust growth. Forecasts worldwide for 2004 include:

Demand:

All components of travel and tourism, consumption, investment, government spending, and exports are projected to grow 5.9 percent (in real terms) and total US\$5.5 trillion in 2004. The ten-year (2005-2014) annualized growth forecast is 4.5 percent per annum, illustrating the outlook for a market recovery in 2004.

Visitor Exports:

A number of travel and tourism economies are expected to benefit from the strong pound and euro against the U.S. dollar, which is expected to spur nearly US\$727.9 billion in total visitor exports worldwide – a gain of 9.6 percent on 2003 results. This level represents 6.9 percent of total global exports.

GDP:

Travel and tourism's contribution to the world economy is illustrated by the direct industry impact of 3.8 percent of total GDP. The combined direct and indirect impact of the travel and tourism economy is expected to total 10.4 percent in 2004.

Employment:

The global travel and tourism industry is expected to produce 3.3 million new jobs in 2004, bringing the total to 73.7 million jobs, or 2.8 percent of total world employment. The broader travel and tourism economy (direct and indirect) is expected to create nearly 10 million new jobs for the world economy, bringing the total number of jobs dependent on tourism to 214.7 million, or 8.1 percent of total employment

Speaking about the state of the industry, Jean-Claude Baumgarten, president of WTTC, stated:

"We've learned a number of lessons these past three years about Travel & Tourism's sensitivity to external events. Perhaps one of the biggest lessons is that the economic impact of the industry goes well beyond the traditional notion of airlines, hotels, car rental agencies and tour operators, but reaches well into the fabric of our economies. When the front line of Travel & Tourism is hit by a fall in Travel & Tourism demand, our entire economy suffers. And although the industry can and does do a great deal to help alleviate the concerns of our customers and get them moving again, government officials must step in and become partners with the industry to strengthen its position and resolve."

WTTC estimated the following growth rates for the Middle East in 2004:

- Travel and tourism economy is expected to total 9 percent of GDP and 3,422,600 jobs
- Demand is expected to total 6.8 percent real growth in 2004
- Demand is expected to total 3.9 percent real growth per annum between 2005 and 2014

Jordan's Competitive Position in the MENA Region

Successfully implementing an aggressive visitor growth strategy will require careful assessment of source markets and well-funded, disciplined marketing aimed at markets most likely to visit Jordan. The first step in such a market identification process is to evaluate Jordan's effectiveness in attracting regional outbound markets.

Table 5 summarizes Jordan's current ranking in its competitive country set, here assumed to be the MENA countries as identified by the World Tourism Organization in its database.

Table 5
Jordan and MENA* International Visitor/Tourist Arrivals 2002

Source Region	MENA International Arrivals (000)	Jordan's Current Share of MENA Int'l. Arrivals	MENA Region's Market Shares	Jordan's Competitive Index #	Jordan's Volume % of Market Leader	Market Leader
From Middle East	12,629	10.7%	46.6%	178	32.0%	Saudi Arabia
From Europe	7,028	2.6%	26.0%	43	5.3%	Egypt
From Americas	1,077	2.8%	4.0%	47	11.1%	UAE
From All Other Regions	6,345	1.0%	23.4%	17	2.3%	Saudi Arabia
Overall	27,079	6.0%	100.0%	100		

* Excludes Kuwait, Palestine and Yemen since 2002 data are lacking.

Source: World Tourism Organization and George Washington University

Collectively, the MENA countries hosted more than 27 million international visitors in 2002. Nearly half of Jordan's visitors came from other MENA countries. Jordan secured nearly 11 percent of these visitors, even though it attracted only six percent of all international visitors to MENA countries. This indicates that Jordan was quite competitive in attracting MENA travelers. Jordan's competitive index in shows that Jordan attracted 78 percent more than its "fair share" of international visitors from MENA countries; in other words, more than would be expected from its overall market share of six percent. However, it garnered 43 percent or less of the other source region visitors to the MENA region.

However, Jordan is much less successful attracting visitors from Europe or the Americas than the average MENA country. Its competitive index indicates that it currently attracts only 43 percent of its fair share of European visitors, and 47 percent of its fair share of visitors from the Americas. Jordan is currently attracting 11 percent or less than the MENA region's market leaders for these source areas. In short, Europe and the Americas appear to be lucrative regions for that Jordan can target to attract additional international visitors.

Table 6 places Jordan's economic dependence on tourism in the perspective of its MENA neighbors, based on country projections by the WTTC released in March 2004. Jordan shows the largest proportion of national employment dependence on tourism of all 12 countries listed – seven percent. It is the second country in terms of share of GDP directly attributable to tourism demand. It ranks in the middle in terms of tourism's contribution to total exports for the year. While it may be difficult to expand inbound international tourism demand to match Egypt's 54 percent of export earnings, these data suggest that it may be possible for Jordan to double its export earnings from tourism by the end of the decade.

Table 6
Jordan and Selected MENA Countries Economic Dependence on Tourism

Country	Tourism Industry Share of Country GDP		Tourism Industry Jobs Share of All Employment		Tourism Visitor Exports Share of All Exports	
	Percent	Rank	Percent	Rank	Percent	Rank
Bahrain	2.5%	6	4%	5	1.7%	10
Egypt	7.0%	1	3%	6	54.0%	1
Israel	2.9%	5	3%	7	1.2%	12
Jordan	6.9%	2	7%	1	6.5%	7
Kuwait	1.9%	9	2%	9	2.2%	9
Lebanon	3.4%	4	7%	2	33.9%	2
Oman	2.2%	7	3%	8	19.5%	4
Qatar	3.7%	3	4%	4	24.5%	3
Saudi Arabia	1.6%	10	2%	10	17.7%	5
Syria	2.1%	8	5%	3	7.3%	6
UAE	1.1%	12	1%	12	1.4%	11
Yemen	1.1%	11	2%	11	2.9%	8
MENA	2.5%		3%		6.5%	

Source: World Travel and Tourism Council, March 2004

Growth Targets for Jordan's Tourism Economy

The growth projections in Table 7 call for growth of 10 percent per annum cumulative, which will require discipline, investment, and highly capable human resources. The inputs required in marketing investment to achieve this would be two percent of tourism receipts by the public sector and three percent of turnover by the private sector. Inputs for product innovation and human resource development would be two percent of tourism receipts.

Table 7

Tourism Strategy Growth Targets (10% Real Growth) (Note 1)

Mandatory Targets	2004	2005	2006	2007	2008	2009	2010
Tourism Receipts (Note 2)	623.8	704.9	796.5	900.1	1,017	1,150	1,298
Government Revenues (35%) (Note 3)	218.3	246.7	278.7	315	355.9	402.2	454.5
Employment (FJE's) (Note 4)	42,585	48,121	54,376	61,445	69,433	78,460	88,659

* All figures are in JD million except for employment

Table 8

Investments Requirements (10% Real Growth)

Input Investments	2004	2005	2007	2007	2008	2009	2010
International marketing expenditures (Note 5)							
Public Sector	9.6	14.1	15.9	18	20.3	23	26
Private Sector	2.4	3.5	3.9	4.5	5.1	5.7	6.5
Investment in Product Innovation and Human Resources (Note 6)	9.6	14.1	15.9	18	20.3	23	26

* All figures are in JD million

Notes

1. Assuming annual inflation rate of 3 percent.
2. Expenditures by non-resident visitors in Jordan or tourism revenues as accounted by the Central Bank of Jordan
3. Revenue accruing to government through taxation, fees and charges, assumed at 35 percent in the absence of any more firm guidelines. The range is 15 percent to over 50 percent from low-taxed to high-taxed countries.
4. Full time job equivalents (FJE) of Direct and Indirect employment, calculated at 50 FJE's per US\$1M (Dean/Henry Study-Ireland).
5. Public sector marketing expenditures are calculated at 2 percent of tourism receipts starting 2005 to achieve 10 percent real growth. The range for government investment internationally is 1.5 percent to 3 percent. Private sector expenditures are calculated at 1/4 of government investment in tourism marketing.
6. Investment in product development and human resources. More investment is needed in non-accommodation products. Investment should be targeted at areas that will support diversity, innovation and the development of niche products. Investment figures are structured at 50 percent for product innovation and 50 percent for human resource development.

4. VALUE CHAIN APPROACH

Value Proposition

Jordan will create a public-private partnership and allocate the appropriate resources to attract, and satisfy the needs of, high-yield customers seeking an excellent travel experience in a peaceful, secure country with natural beauty and significant cultural heritage sites secured by friendly and welcoming hosts.

Value Delivery System

Jordan's value delivery system will be driven by passion, pride, and confidence that visitors will experience the best that Jordan can offer through positive human interactions in a safe and secure destination committed to peace, cross-cultural understanding, and sustainable development.

Assumptions

- The first consumer travel decision focuses on where to go, not which tourism product to buy.
- The government of Jordan is the largest stakeholder in tourism. The JTB is its marketing representative and principal means of partnering with the private sector.
- Low-cost, Web-enabled technology is reducing the dependence on antiquated mainframe computer systems and traditional distribution channels.
- In this very fragmented and complex industry, the single universal commonality shared among all public and private stakeholders is the traveler who seeks to navigate seamlessly around the globe from destination to destination and supplier to supplier, and complete multiple transactions in a secure environment.
- Creating a partnership with customers will help Jordan make good decisions and harness the power and commitment it needs to weather volatile times. Customer partnership means finding mutually satisfactory solutions to shared problems and a dedication to excellence in every sale or service encounter. It also requires commitment to forging long-term relationships that create synergies of knowledge, security, and adaptability for both parties.
- Tourism products are perishable products. A supplier cannot go backwards and sell yesterday's unsold hotel room, attraction ticket, or air seat. A supplier's bottom-line is dependent on distributing this perishable inventory at the lowest possible distribution cost and at the right time.
- For most operations, only a small fraction of the total time and effort actually add value to the end customer. By clearly defining "value" for a specific product or service from the customer's perspective, all the non-value activities can be targeted for removal step by step.
- Transition to knowledge-based economies has established effective employee empowerment mechanisms that are crucial to maximizing the competitiveness of companies.

Operational Guidelines

For Jordan's value delivery system to be effective it is essential to:

- Make it easy for the consumer to purchase travel to Jordan by strengthening the usability of distribution systems worldwide.
- Maximize the use of continuously evolving information and communications technologies.
- Unite the industry's public and private sector around the customer by constantly improving the quality of tourism products and services.
- Reduce the cost of distribution for suppliers.
- Provide cooperative funding from the public and private sectors to reduce the affects of destination-adverse threat—both real and perceived.

Tourism Value Chain

The economic value of tourism arises entirely from the expenditures made by domestic and international visitors. The strategy envisages that a "tourism value chain" approach will be institutionalized to analyze the process and identify opportunities that increase value through positive action or the elimination of barriers. The total travel experience describes pre-trip planning and selection activities, the on-site experience and post-trip outcomes. The illustrative template that follows presents ecotourism as an example.

The real value of the approach is demonstrated when it is applied to the niche areas selected for Jordan's boutique destination positioning. Here, one can pinpoint with great accuracy those actions that will enhance value, increase competitiveness, or when linked to the exit surveys, will raise issues that affect the visitor experience or satisfaction rating. This template will assist Jordan in becoming more competitive and provide a tool for tracking progress.

Chart 9

An Example of the Application of the Value Chain Delivery System for Eco-Tourism:

Pre-Trip		
Planning	Key Demographics: 132 million ecotourists per year growing at a 10-25% rate per year. Sources: WTO 9-country profile and individual tour operator data	
	Innovative Action Plan:	Invite scientific writers from targeted magazines to write and publish articles about the natural wonders of Jordan.
	Website and Publication Information:	<ul style="list-style-type: none"> • Endangered and endemic species list • Explanation of variety of geographic and climatic zones • Menu of unique activities • Interpretive service listing • Listing of appropriate "green" accommodations • Facts about Jordan's safety
Selection	Typical ecotourist: 32-54 years old, well educated (82% college graduates), and relatively affluent.	
	Illustrative Information Sources	<ul style="list-style-type: none"> • Internet Websites (Green Travel Market) • Scientific Magazines (National Geographic) • Clubs (Audubon Society, Sierra Club) • Trade Shows (ITB, IATOS) • Specialty Tour Operators (Natural Habitat Adventures) • Trade Associations (TIES)

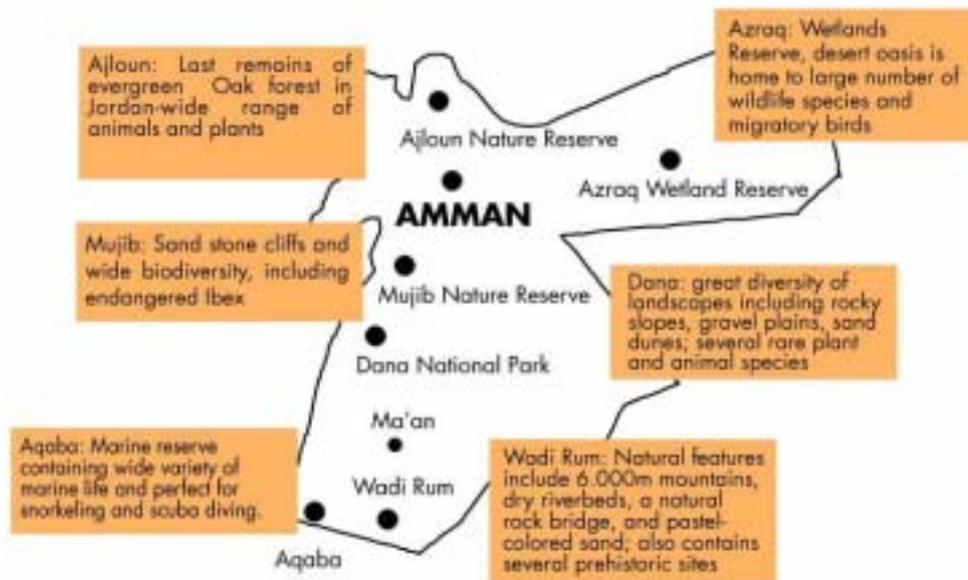
On-Trip		
Ecotourists seek pleasurable experiences in acquainting themselves with nature by visiting natural areas to view flora and fauna and unique geographic formations. Ecotourists require peace and serenity in outdoor environments.		
Value Chain Components (e.g. Hospitality Demands)	Needs	Prefer small ecolodges, will camp in non-primitive forms, enjoy high class fare for meals, need portable day lunches
	Local Examples	<ul style="list-style-type: none"> • The Azraq Reserve Lodge • Rummana Campsite • Dana Guest House
Activities and Services	Sample Activities: Wildlife Viewing, Scuba Diving, Nature Hiking, Horseback or Camelback Riding, Bird Watching, Flora Walks, etc.	
	Sample Services Required: Forum for Arts and Crafts, Energy-efficient Transportation, Well-trained Interpretive Guides, Information Books, etc.	
Suggested Itinerary	Day 1. Arrive in Amman, Jordan – Explore the Capital Day 2. Mujib Nature Reserve – Hiking on Circular or Lower Trail Day 3. Dead Sea – Relaxing and Bathing in healing waters Day 4. Arrive Dana National Park (DNP) – visit Dana Center Day 5. Explore DNP Day 6. Return to Amman w/optional afternoon visit to Shaumari Nature Reserve Day 7. Depart Jordan	

Post-Trip

- Collect information about ecotraveler's satisfaction and make improvements to product and marketing.
- Maintain contact with tourists, explaining new conservation initiatives and offer related travel opportunities.
- Periodically send questionnaires to determine frequency of return trips to determine rational for doing so.

Eco-tourism Assets

Responsible travel to natural areas that conserves the environment and improves the well-being of local people



Cluster Development Steps

- Convene NGOs, protected area managers, tour guides and inbound tour operators focused on ecotourism to develop plans and to implement activities to develop ecotourism products.
- Conduct cooperative research on ecotourists now visiting the areas listed above in the map. Create a data gathering and analysis system to use for determining consumer satisfaction and spending activities.
- Develop and implement cooperative marketing activities-fairs, Internet marketing and targeted sales in collaboration with JTB.
- Consider developing a system of ecolodges and developing an ecotourism certification program to encourage green operations, energy conservation and use of renewable energy systems.
- Identify ecotourism projects underway and promote investment opportunities.

Target Niche Markets

Table 9 presents a rating of Jordan's product portfolio.

Table 9

Development and Motivation Ratings* for Jordan's Product Portfolio

Product Portfolio	Development Rating			Motivational Rating		
	1	2	3	1	2	3
Heritage Tourism		•				•
Nature/Eco-tourism		•				•
Health and Wellness Tourism		•				•
Religiously Motivated Tourism		•			•	
Activity Holidays	•				•	
Desert Tourism	•				•	
Sports Tourism	•				•	
Meetings, Incentives, Conferences		•				•
Events		•				

Source: Jordan Comparative Competitive Study, August 2003, JTB

* The "Development Rating" is an assessment of the current development of the product: 1) is not well developed, 2) is developed, but there is scope for further development, and 3) is well developed. The "Motivational Rating" indicates 1) the portfolio appeals to limited niche markets, 2) it appeals to niche markets, and 3) it appeals to growing markets.

Each of the following niches are described for each phase of the value chain, followed by steps required to develop competitive clusters and to stimulate investment for product development and cooperative marketing (section 5).

Segments with Ready Products

Cultural Heritage (Archaeology)

Cultural heritage tourism is one of the fastest growing market segments and accounts for about 10 percent of tourists worldwide, about 60-70 million each year. The typical cultural tourist is 45-60 years old. The segment is expected to grow with the ageing of the baby boomers. Tourists interested in cultural heritage tourism are typically well traveled, affluent, highly educated, and stay in high quality accommodations.

As western culture ages, there is a growing need to get reacquainted with historical places, especially areas that serve as the birthplace of societies. Jordan is in a good position to penetrate this market segment and traditionally has done quite well in historical heritage with sights such as Madaba, Petra, and Ajloun. Many cultural sites exist in the capital of Amman, which dates back to pre-biblical times. Jordan currently has two UNESCO World Heritage Sites in Petra and Quseir Amra that would also be of interest to this market.

Religious

Religious tourists account for a large proportion of world travel. Trips vary in motive, including pilgrimages, religious tours, service projects, and missions. Some of the most popular Christian pilgrimage destinations are in Jordan's Holy Land, where the religion was founded. Worldwide, there are 1.7 billion Christians (970 million Catholics, 470 million Protestants, and 220 million Eastern Orthodox).

Jordan is in a unique position because of its religious heritage assets for three of the major world religions. Jordan is recognized as the birthplace of two of these religions, Christianity and Judaism. The story of Adam and Eve is said to have taken place in the Jordan River Valley near the Dead Sea. Jordan contains 50-60 percent of the Holy Land's sites, including Noah's Tomb and Bethany.

Adventure Travel

Growing at a rate of 18 percent per year, adventure travel continues to be one of the fastest growing niche markets in the travel industry. Contrary to popular opinion, this is not a young, backpacking, low-budget market. Participants are often at the peak of their careers, with a large amount of disposable income. The typical traveler is from 20-55 years old and takes trips that average between seven and 15 days. This market includes a wide variety of activities, including hiking, cycling, rock climbing, desert trekking, sailing, camping, ballooning, mountain biking, water sports, and horseback riding.

Jordan's rugged and varied terrain provides the perfect venue for almost any adventure activity in which a tourist in this segment would want to participate, from the casual to the most hard core. Aqaba is a water lover's paradise, with the Red Sea providing unmatched scuba diving and calm warm waters for activities such as jet skiing and sailing. Hiking, desert trekking, and camel treks are available in nearby Wadi Rum and other desert areas. Mountain biking and trekking are offered around the Dead Sea and in the Mujib Wildlife Reserve.

Eco-tourism

Eco-tourism is a dynamic market where preservation and conservation are central to the destination's appeal. Typically, approximately 20 percent of tourists worldwide (132 million) are involved in eco-tourism and nature-related forms of tourism. Estimates put the annual growth rate for this segment at 10-25 percent. Activities include wildlife viewing, hiking, interpretive learning, and plant identification. Eco-tourists are likely to spend more money than general tourists. Eighty-two percent are college graduates.

Jordan has four nature reserves and one marine park that together offer a variety of eco-tourism opportunities. Wadi Rum is an excellent example of desert landscapes with exceptional mountain views. Dana National Park boasts a great diversity of landscapes and is home to several rare plants. The Mujib Wildlife Reserve hosts some of the most ancient and interesting wildlife in the Middle East, including the caracal. The Dead Sea, the lowest spot on Earth, is a wonder unto itself and draws many visitors each year to view its salt formations and swim in its healing waters. The Shaumari Nature Reserve is home to the Oryx, one of the few mammals indigenous to the Arabian Peninsula.

Health and Wellness

The health and wellness segment, which includes activities ranging from spa treatment to surgery, is growing worldwide. It tends to be less volatile than leisure travel. Travelers in this segment are often traveling out of necessity. The spa industry alone grew by 800 percent between 1978 and 1994, and is expected to continue grow as the world's population ages.

Jordan is a leader in the health and wellness travel movement and home to the world's largest spa. For thousands of years, kings and rulers have traveled to the Dead Sea to bathe in the healing waters, pack their body in the nutrient rich mud, and soak in the mellow sunrays. While the Dead Sea spas are world renowned, they are not the only location in Jordan to offer unique treatments. Afra Falls, Al-Himmeh, and Ma'in Falls each have special clinics for a variety of ailments.

Cruising

The total number of cruise passengers worldwide is expected to grow from 7.5 million in 1998 to 13.5 million by 2005. The cruise industry generated a total economic impact of US\$1.6 billion in the United States in 1997, and reached US\$18.3 billion in 2002. This segment is increasingly attracting the family market, as parents catch on to the fact that cruising is remarkably hassle-free with children on board. All inclusive cruise ships are small and luxury vessels which attract empty nesters and seniors. Getting married on ship is a growing trend for couples looking for a different way to spend their wedding day. Themed cruises attract travellers from a wide range of age groups, and therefore target markets vary depending on the theme of the cruise.

It is recommended that Aqaba authorities and operators focus on this segment, as it has good potential for the south of Jordan tourism component.

Meeting, Incentives, Conferences, and Events (MICE)

The MICE segment attracts large groups of affluent people. This strategy aims to capture high-level international business and political meetings. Each MICE event creates significant economic impact on the state and community. One of the benefits of this strategy is that it helps extend the length of the tourism season. MICE tourists are 40 percent more likely to return to the destination for leisure activities in the future.

Jordan has recently committed to this segment and has made improvements in infrastructure to grow the MICE market. Amman has built the new Zara Center, the Cultural Center, and sizable hotels that can accommodate large meetings. There are a number of hotels in Petra and the Dead Sea area (including the new Royal Convention Center) that can entertain MICE clients, and Aqaba has many hotels in development. Jordan has the benefit of a central location in the Middle East that could help it in the intensely competitive MICE market.

Scientific, Academic, Volunteer, and Educational (SAVE)

SAVE participatory products and holidays can provide both economic and social benefits to small-scale tourism initiatives. Activities include cultural immersion, experiential learning-based travel, volunteerism, and supporting local development projects. Especially significant in this segment is "voluntourism," where travelers undertake volunteer activities that enhance the tourist product at destinations, such as protected areas.

Such activities have been occurring for quite some time, but they are not traditionally associated with tourism. Current examples in Jordan include: scientific – archaeology at Mt. Nebo; academic – Arabic study at the Language Center at the University of Jordan in Amman; volunteer – interns for peace program throughout Jordan to advance Middle East cooperation in land reclamation, ecology, community and business development; and educational – bird watching in Azraq.

Other Potential Tourism Segments

Summer Holiday/Family Tourism

Attracting domestic and regional tourists is a key to maintaining a flexible tourism industry able to weather unforeseen international pressures or events. Jordan is relatively successful at attracting regional tourists, and they form a significant portion of the Kingdom's overall tourist market. In 2002, two-thirds of inbound travel was from Middle Eastern countries, and well over half of that was from the Gulf countries alone. One untapped hidden resource is the "summer-long fun segment." In Jordan's case, tourists in this market are usually residents of Gulf countries who come with families and stay in furnished apartments for the summer. The main draws for them are entertainment, attractions, and cooler weather.

Amman is a vibrant metropolitan city with all of the amenities necessary to cater to the affluent Arab world. The city has numerous restaurants, souqs (bazaars), upscale boutiques, and markets. It also has an amusement park. The Dead Sea resorts also attract visitors in this segment, as does Aqaba.

Festivals and Cultural Events

Festivals and cultural events provide significant cultural, sporting, and recreational opportunities for locals and attract many visitors to the country.

Realizing the importance of art and culture, Jordan offers a variety of cultural, folkloric, and pop festivals and other events around the year. One of the most important annual festivals is the Jerash Festival for Culture and Arts, founded in 1981 by Her Majesty Queen Noor Al Hussein to promote Jordanian, Arab, and international culture and artistic interaction. The festival showcases a wide array of singers, musical and folklore troupes, poetry readers, symphony orchestras, ballet companies, and Shakespearean and other theaters. It also includes handicrafts and art shows.

In 2002, UNESCO designated Amman as the 2002 Arab Cultural Capital. The Greater Amman Municipality created the JD 4.5 million King Hussein Cultural Center to enhance cultural awareness and create an appropriate environment for international intellectual interaction and for fostering creativity.

In 2000, the Souk Ukaz festival was established under the patronage of Her Majesty Queen Rania Al-Abdullah. This festival is an international cultural market and art exhibition in the form of a souk.

The strategy recommends better coordination of the timing of these events, taking into account the seasonal spread and the need for advance planning and promotion to reach the largest possible audience in the region and internationally.

Filming and Photography

Filming and photography are progressive industries that are always in search of new places and creative ideas. They can produce a huge positive impact on the tourism industry by helping to position and market the country.

In July 2003, the Royal Film Commission of Jordan was established with the goal of helping professionals and institutions working within the realm of physical and/or digital production, international institutions promoting intercultural global understanding through audiovisual arts, young artists and aspiring filmmakers. The Commission aims to provide a one-stop source of information for the global production community of all types of productions in Jordan, including features, documentaries, animations, 3D-designs, photo-shoots, independents and others. The commission also promotes cross-cultural interaction and global understanding by supporting the development of a Jordanian film industry, as well as encouraging foreign productions to film in the Kingdom.

The strategy recommends exploring further the potential of this sector to produce high yields at all levels. Jordan has a wide variety of landscapes and weather as well as infrastructure, well-trained and educated individuals, and state-of-the-art technologies. It also offers unique historical and cultural attractions that can be of use in themed films, documentaries, or digital media productions. Apart from many local and regional movies and series produced in Jordan, 10 international films were produced in Jordan since the 1960s, of which best known are probably "Lawrence of Arabia" (1962), "Indiana Jones and the Last Crusade" (1989), "Son of the Pink Panther" (1993), and "The Mummy Returns" (2001). Jordan has also been featured in numerous documentaries and advertisements.

Sports

The sports travel market consists of two distinct components. One is travel for active participation in a sport or event; the other is travel to view an event. In the past decade, international sporting events such as the Olympics and the World Cup have grown to epic proportions, but events do not have to be large-scale and world-class to attract spectators and participants. In the United States alone, 87 million people participated in sports tourism that involved an overnight stay.

Jordan currently has a number of sites and activities that cater to the sports tourist. Amman offer golf, Aqaba offers scuba diving, and the Mujib Wildlife Reserve offers mountain biking. Jordan hosts the annual Dead Sea Ultra Marathon, as well as the Jordan International Rally, a desert auto race. The 2004 world championships for fencing and snooker were held in Aqaba. This segment has room to grow in Jordan, with respect to both the passive (spectators) market and the active participants market. Jordan's relative stability provides excellent venues for sporting events in the underutilized Middle Eastern market.

Source Market Priorities

Table 10 suggests which countries would be the best targets of an expanded Jordanian international marketing effort. It shows the results of a project the Austrian Institute of Economics to forecast growth in resident outbound expenditures for countries expected to increase this spending by US\$ 3 billion or more by 2010.

Table 10
Leading National Source Markets for International Outbound Tourism Expenditures, 2001-2010 Projected

Source	Compound Annual Rate of Growth to 2010 (%)	Growth in Visitor Spending 2001-2010 (US\$ billion)
Europe	3.7	73.9
United Kingdom	4.1	16.0
Germany	2.5	11.5
Italy	5.0	7.8
France	3.6	6.6
Poland	11.5	5.8
Belgium	2.4	3.4
Netherlands	2.7	3.3
Czech Rep.	13.8	3.1
Sweden	4.2	3.0
Spain	3.2	2.9
N. America	4.0	32.8
United States	4.0	25.4
Canada	4.0	5.5
Asia		
Japan	2.4	8.7

Source: Egon Smeral, "Long term Forecasts for International Tourism," paper presented at the 22nd International Symposium on Forecasting, June 2002, Dublin, Ireland

5. COMPETITIVE POSITIONING

This section provides information on Jordan's competitive set. It also presents a differentiated competitive approach to guide Jordan's tourism development.

Jordan's Core Competencies and Uniqueness

While Jordan can bring many competitive products to the marketplace, one comparative advantage stands out – the iconic nature of its major heritage and natural landscape products.

Jordan's stunning natural landscapes not only define the country's sense of place, but also hold a history that is important to the world's major religions. They are dominant, stable, and enduring in a changing world.

This incredibly strong unique selling proposition can be linked directly to key growth market segments and "pull factors" that can build motivational, highly retained images essential to supporting successful marketing. These are:

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

The JTB's Competitive Comparative Study illustrated other strengths in Jordan's tourism market compared to its competitive set. (See Table 11) One extremely important area in which Jordan is strong is trade opinion, which indicates whether travel agents and operators have confidence in a country's products. In this area, Jordan, along with Egypt, received the highest scores of the set. (Table 12 explores this category in more detail.) Jordan is also strong in the National Tourism Authority (NTA) Trade Show category, in which Jordan shares the top spot with Egypt and Turkey.

Table 11
Jordan and its Competitive Set

	Hotel Pricing	Infra Structure	Number of Visits	Tourist Yield	Website	NTA Trade Shows	Market Performance	Air Access Price	Trade Opinion
Jordan	7	4	3	5	5	7	5	4	8
Egypt	9	8	7	7	5	7	9	7	8
Israel	7	6	4	9	2	3	4	7	2
Syria	7	4	3	7	1	3	4	5	3
Lebanon	7	4	2	8	2	1	4	6	3
Oman	8	2	1	2	0	0	3	6	2
Dubai	7	6	5	2	9	6	8	7	7
Tunisia	7	8	7	2	4	6	9	7	7
Turkey	7	9	9	7	6	8	9	9	7

Source: Jordan Comparative Competitive Study, August 2003, JTB

Travel Trade Competitive Survey

Thirty-eight tour operators from seven markets provided their perceptions about Jordan's standing with the trade. Table 12 contains a summary of their answers when asked which countries they would recommend to clients looking for specific experiences

Table 12
International Travel Trade Opinion: Jordan's Competitiveness in Specific Experiences

EXPERIENCE	TRAVEL TRADE OPINION
Heritage	Here Jordan rated ahead of Egypt, which has recently changed its advertising focus moving heritage to a more subsidiary position. Syria was in third place signaling the growing presence of this competitor.
Cultural	Jordan again led Egypt and Syria.
Family	Jordan rates well behind Egypt, but ahead of Syria and Dubai. There is an admitted gap in Jordan's family product and this will be important in its ability to compete successfully in this vital sector of the regional market.
Health & Wellness	Jordan rated well ahead of Egypt showing the strong association this product has with a unique asset like the Dead Sea.
Eco-tourism	It is not a surprise that Oman featured strongly, as this is a specialty area for it. What is a surprise is that Dubai shared the honors with it. There could be some distortion here as Dubai sells two holidays that include Oman. Jordan did not figure.

EXPERIENCE	TRAVEL TRADE OPINION
Sun	Egypt rated the strongest followed by Turkey & Dubai. Jordan didn't figure.
Sun and Beach	When the question includes "beach", the leaders Egypt & Turkey retain their respective positions, but now Jordan shares third place with Dubai.
Diving	Egypt is the leader by a long margin of 5 to 1. Jordan comes in second.
Resorts	Egypt again rates well ahead, with Dubai second and Jordan last.
Adventure	Jordan wins this one comfortably over Syria, with Egypt & Turkey well behind.
MICE	Dubai wins this section, but Jordan is the second choice.
Religious	Israel is a clear first choice, Jordan is second.

Source: Jordan Competitive Comparative Study, August 2003, JTB

The survey yielded several other noteworthy findings. When asked which country they would recommend to clients, members of the travel trade most commonly name Jordan, followed by Egypt and Syria. When asked which country provides the best value for money, they ranked Egypt highest, followed by Jordan. With regards to having welcoming, friendly people, Jordan ranked highest, with a comfortable lead over the next to countries, Syria and Egypt. Finally, when asked which countries are Jordan's main competitors, the tour operators not surprisingly ranked Egypt first. Syria was second, which is further evidence of its emergence as a strong future competitor.

Sustainable Tourism Development Plan

The strategic approach outlined above works best when linked to a plan for development that recognizes the dynamics of Jordan's tourism industry and its role in regional development. This plan provides a framework for investment, product development and tour circuits, human resources development, and marketing. It links directly to government policies for supporting tourism through incentives, as well as for dispersing economic benefits, creating social equity, and developing human resources. To achieve the doubling of the tourism economy, Jordan will need substantial investment to upgrade products and create innovative new visitor experiences. The investment required may not be achievable unless the government establishes conditions that allow the private sector to invest in and manage public assets. The recommended framework for developing Jordan's tourism economy should have the following elements:

- Tourism Centers
- Developing New Tourism Areas
- Special Interest Tourism Attractions
- Protected Area Natural and Cultural Sites
- Touring Routes – Primary and Secondary
- Entry and Exit Points

Jordan should focus on creating an environment supportive of tourism development. Local infrastructure remains inadequate and cannot meet the needs of a growing tourism industry. Jordan's network of major roads and highways is good, but though there has been some improvement, the quality of secondary roads outside Amman and within tourist sites is generally poor. Another major problem is a lack of signage, although a project to update these is currently proposed under Jordan's Socio-Economic Transformation Plan [SETP], as well as some other tourism related developments.

The basic infrastructure – bathrooms, telecommunication systems, catering, promotional literature, and other services – at various tourist destinations in Jordan needs improvement. Transportation and communication networks and facilities next to potentially attractive sites also need significant improvement. Facilities for the disabled are virtually non-existent.

Tourism, Investment and Enterprise Development Linkages

Obstacles and constraints related to enterprise development and FDI in the tourism sector need to be identified and must include a review of existing incentives in relationship to other business sectors. Other measures needed to expand tourism investment opportunities include making public property available for tourism development, securing investment in small and medium enterprises (SMEs) in underdeveloped regions, creating renewable energy systems, and developing health and wellness facilities.

The improvement of the investment climate described in Chart 10 will also contribute to Jordan's attractiveness as a tourism destination and enhance its overall image in the international marketplace.

Jordan has a wide variety of accommodations designed to meet various requirements and budgets, including a number of four- and five-star hotels. In 2003 the Kingdom had 329 classified hotels, up from 129 in 1994. Additionally, a number of new hotel projects are being planned or developed. One negative aspect is the low occupancy rate, which was 32 percent in 2002, down from 39 percent in 2000. The hotels are not well distributed throughout the country. Northern Jordan, the location of popular tourist attractions such as Jerash, Ajloun, and Umm Qais, has a very limited number of hotels or other accommodations. Those that do exist are mainly one- and two-star establishments.

In general terms, the capital resources allocated to the development of Jordan's tourism industry have been limited in comparison to other countries. Barriers to entry, such as high capital requirements, minimum levels of investment, and minimum deposits, limit foreign and domestic investment. The government heavily regulates many tourism-related businesses, creating excessive levels of red tape and bureaucracy. For example, the government stipulates that in order to demonstrate their financial stability, tour operators must deposit JD50,000 as a financial guarantee. New coach companies must deposit of JD10 million, an excessive amount by most standards. Regulations and financial restrictions that prohibit competitiveness should be researched and rethought in terms of their overall effect on the tourism industry.

Chart 10

Tourism Investment and Enterprise Development



Differentiated Competitive Advantage Model

Jordan should adopt the Differentiated Competitive Advantage model and market itself to customers willing to pay a higher price for quality. The approach focuses on three pillars described in more detail in Chart 11.

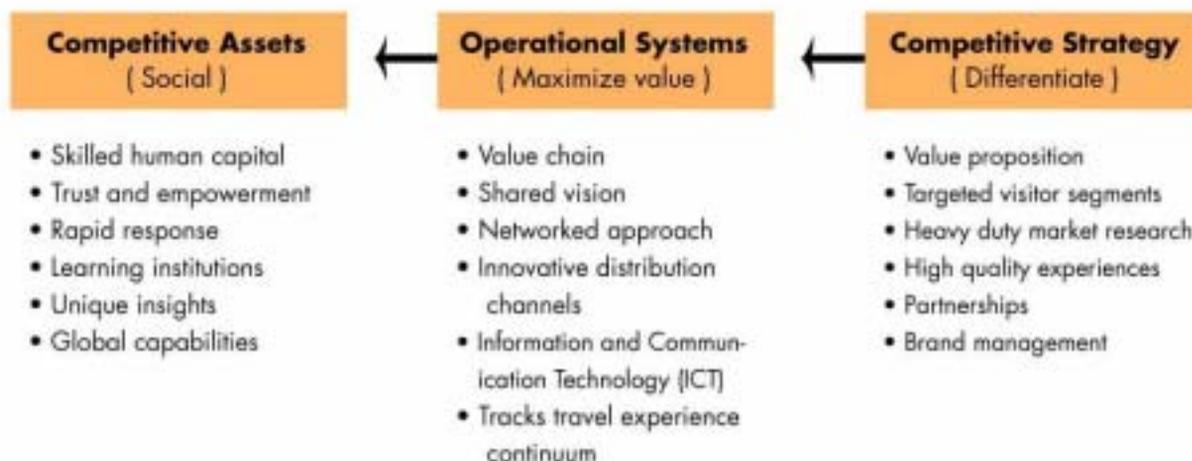
Chart 11

Differentiated Competitive Advantage Approach*

Old Model (Comparative Advantage)



New Model (Differentiated Competitive Advantage)



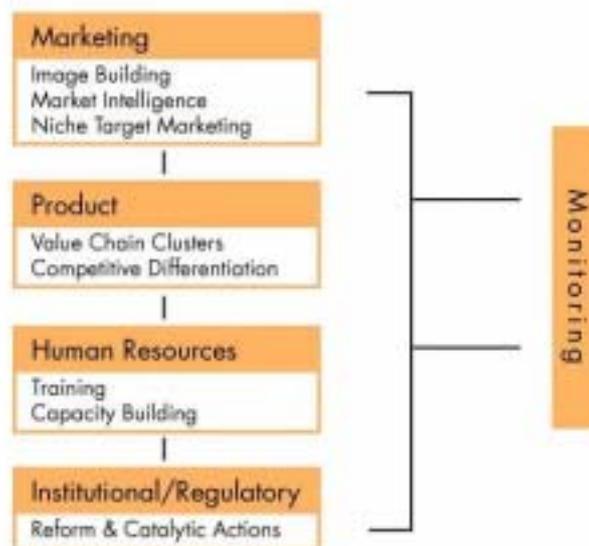
*Based on the Frontier Bermuda Competitiveness project

6. EXECUTION: THE KEY TO SUCCESS

The pillars in Chart 12 will guide the strategy implementation to meet the success targets. The execution phase will convert the National Tourism Strategy into actions that can be implemented.

Chart 12

Tourism Strategy Pillars



Pillar 1 – Strengthen Tourism Marketing

The recommended approach to Jordan's market positioning is that of a boutique destination which draws its lead products and brand themes from its heritage sites and natural beauty, in the context of a secure, peaceful destination, and a friendly welcoming environment for high-yield visitors.

The particulars of the marketing strategy will evolve over time, but in general Jordan will need to define its image in brand terms. Such a destination campaign will be central to sustaining the recovery and growth programs. The objective will be to attract a majority of visitors from higher spending groups, while making the best use of the product base. The niche strategy that follows from this positioning will require extensive market research to provide information for confident decision-making.

Jordan should develop a branded approach to its tourism marketing during the strategic implementation period. The recommendation is that the brand principle be applied as soon as the destination image is agreed to, and that full branding be introduced later during an appropriate implementation phase.

More specifically, the following steps are recommended:

- Jordan's approach to the international long-haul markets will be a niche marketing strategy, directed to well-defined target markets through:
 - A network of tour operators and specialist agents
 - Support for direct product producers selling through specialized media or distribution systems
 - The development of Web marketing capability among tour operators, direct trade sellers, and links to private sector sites

- Jordan's approach to the regional markets will be focused and concentrate on frequent international travelers (FIT), special interest groups, and family groups (locals as well as residents). These will be contacted and motivated by the most direct methods available:
 - Direct consumer advertising
 - Consumer promotions (e.g. "Discover Jordan")
 - Web marketing
 - Advertising in specialized media
 - Direct promotional activity to companies and associations for MICE and group business

- Jordan must correct, as quickly as possible, the current severe research deficit so that it can effectively support these strategies with the information required for professional, targeted marketing campaigns and focused product development efforts.

- Jordan must use a public-private partnership-led marketing platform directed by the Ministry of Tourism and Antiquities (MOTA), managed by the JTB, and dedicated to supporting the private sector as the engine of growth.

- Jordan must prioritize the development of a cutting-edge Website to provide customer and trade information, support its niche marketing strategy, and bridge access to product and package sellers. The Website can also capture valuable data from prospective visitors.

In order to improve marketing, the following conditions must be met:

1.1 Secure Financial Resources for Tourism Marketing and Invest in International Marketing

Sufficient financial resources must be secured and invested for regional and international tourism marketing, as demonstrated by table 13 below.

Table 13

Required Investment in International Marketing (JD million)

Year	Government	Private Sector
2004	9.6	2.4
2005	14.1	3.5
2006	15.9	3.9
2007	18	4.5
2008	20.3	5
2009	23	5.7
2010	26	6.5

1.2 Strengthen Jordan Tourism Board

The JTB's institutional capacity must be developed to compete with best international marketing organizations, and it should be maintained as a private sector organization with management autonomy.

Pillar 2 – Support Product Development and Competitiveness

The general market for tourism to Jordan is regarded as having plateaued and declined. Growth is now driven largely by customization and niche marketing strategies. The holiday decision is influenced by individual preferences and needs are becoming more specific. Technology and competition have provided the means to produce, promote, and support customization across the entire range of consumer products, including holidays and tourism products. All high-yield growth strategies must respond to customization trends.

Products can be defined in many ways. Range and diversity are critical to the success of marketing strategies responding to customization trends and niche marketing. They are also vitally important to areas such as visitor experience, length of stay, and short-break tourism. The strategy recommends both an increase in the range of portfolios and their diversification through innovation within the portfolios. More specifically, the following steps are recommended:

2.1 Tourism Planning and Development

Develop a national framework plan and policies for tourism development. The framework would encompass the following principles:

- Allocate one percent of tourism receipts to a product development fund that would be used to:
 - Enhance the visitor experience at existing key sites through improved presentation and innovative visitor services
 - Develop primary and secondary touring routes and services for visitors to support a greater future emphasis on FITs
- A cluster approach would be utilized to facilitate employment, SME development, and targeted marketing. The cluster strategy would be developed either on a geographic basis (e.g., Aqaba), on the basis of product associations (e.g., the Royal Society for the Conservation of Nature), or on the basis of specific themes (e.g., Holy Land development or archaeology).
- Build high-level research and analytical capabilities at JTB to enable effective decision making and engagement in product.
- Policies should meet international standards to ensure the protection of Jordan's environment and cultural heritage.
- Provide incentives for tourism development and investment in the sector.

2.2 Promote Private Sector Investment and Management of Public Assets

Enhance and enable the investment environment. The government should create and promote a favorable environment to allow private sector investment in and management of public sector assets, including land, heritage sites, museums, and large scale infrastructure development.

2.3 Industry Competitiveness

- Eliminate barriers to competition in air access and internal transport.
- Modernize airport and streamline boarder procedures.
- Implement best practice regulatory standards for consumer health, safety, and protection.
- Ensure private sector competitiveness through initiatives, classification systems, registration, and oversight to improve product quality and service delivery. To be operated through improved professional industry associations.
- Support SME and local community development.
- Support the local handicraft industry.

Pillar 3 – Develop Human Resources

To create a pool of highly skilled human resources able to meet the requirements of the industry, tourism must link to educational systems. This includes building industry-specific capacity and international interaction through various Jordanian colleges and universities such as Ammon Tourism and Hospitality College.

Given that competent service providers are the main pillar of any successful tourism industry, stronger emphasis should be placed on improving the quality of tourism-related courses taught at Jordanian

universities and colleges and improving the quality of in-house training by job providers. Jordan would benefit from the development of training programs in seven areas: international marketing, product marketing, marketing planning, heritage presentation, guide training, site preservation, and destination management.

Management, technical skills, craft skills, and service delivery training all support Jordan's strategy as a boutique destination, with products and services targeted to high-yield visitors. Under such a scheme, key lead staff should be positioned in a capacity-building context with organizations of recognized excellence in other countries.

Therefore, to develop the tourism sector human assets, the public and private sector will work together to:

3.1 Adopt a National Tourism Manpower Strategy 2004-2010

3.2 Develop High Standards of Training and Education

In cooperation with local and international institutions:

- Develop a center for tourism human resources development
- Establish tourism occupation standards
- Support and facilitate a tourism qualifications framework, through which all learning achievements in the tourism industry may be measured and related to each other in a coherent way that defines the relationship between all educational and training awards
- Encourage and promote training culture in industry
- Develop quality tourism and hospitality programs in curriculum

3.3 Support Tourism-related Small and Medium Enterprises

Pillar 4 - Provide Effective Institutional and Regulatory Framework

Tourism is primarily the domain of the private sector, but it cannot succeed without the leadership and support of government and the public sector.

It is important for the JTB to work within an empowering institutional framework and with the support of both the public and private sectors. Selling and promoting Jordan's products abroad requires a networked and integrated approach, with presence in international markets. It should include sectors, such as medical services, wellness, higher education, ecotourism and others that have significant development potential, based upon the existing product base.

Therefore, the institutional and regulatory reform pillar aims to support the National Tourism Strategy through the following:

4.1 Enhance Ministry of Tourism and Antiquities Mandate to Ensure Effective Implementation of Tourism Plans.

The strategy recommends empowering the MOTa and introducing structural and operational changes to its current institutional set up. The ministry should benefit from a new organizational structure, better systems and procedures, better-trained human resources, operating with a private sector mentality, and leading the implementation of the strategy goals effectively and aggressively. The strategy also emphasizes building better and stronger relationships with the private sector to ensure mutual trust and therefore best contribute to common goals and objectives.

4.2 Public-Public and Public-Private Sector Partnership

It is necessary to ensure that various stakeholders are aware of their respective roles and responsibilities, and that strategic initiatives are incorporated into their annual plans. It is also important to have open communication and coordination channels between public and private sector organizations to ensure smooth implementation of strategy recommendations. It is vital that the private sector be allowed to take a more active role in tourism sector investment, development, management, planning, and legislation.

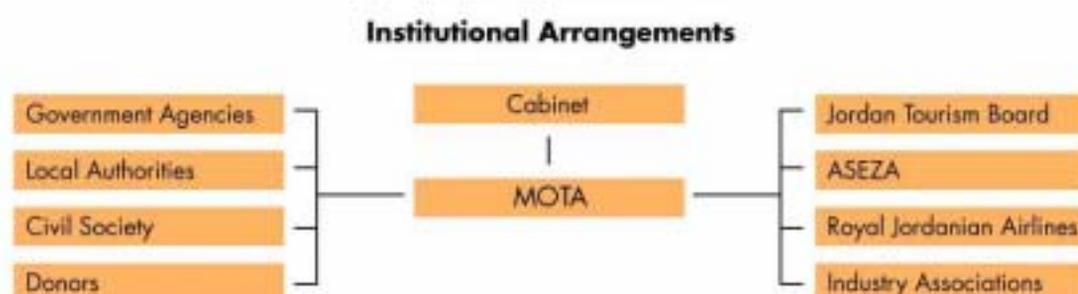
4.3 Enabling Environment for Aggressive Tourism Growth

There is a definite need for a holistic review of the Jordan legislative and regulatory environment pertaining to tourism sector development, operation, and investment, and for reforms that ensure a highly efficient legal environment, clear mandates, an empowered role for the private sector, and favorable investment conditions capable of attracting both domestic and foreign investors. It is recommended that MOTa launch a series of reforms to ensure high standards and incorporate international best practices.

Chart 13 summarizes the institutional arrangements, followed by brief recommendations for the major stakeholder organizations.

Chart 13

National Tourism Strategy Implementation Framework



Ministry of Tourism and Antiquities (MOTA)

MOTA's principle roles are leadership, policy development, and political mediation. It is recommended that the ministry take the lead in establishing conditions through which the private sector can invest in public assets and become involved in their management and marketing. MOTA's institutional framework should also be revised and upgraded to ensure professional follow up and implementation of all strategy recommendations. The NTC, through which the minister can receive policy advice from both the private and public sector on high-level issues, can be a beneficial forum as long as its focus is on strategic and policy issues, and that it does not duplicate the functions of the JTB and MOTA.

Government Agencies

Economic priorities, FDI, education, public investment, and infrastructure policies and actions require close coordination by government agencies who oversee the resources, laws, and regulations that impact tourism.

Jordan Tourism Board (JTB)

The JTB is solely engaged in marketing and promotion. This is a weakness that affects current and future performance. It should also have a voice in product development and planning.

Royal Jordanian Airlines (RJ)

The JTB and Royal Jordanian can collaborate to open new markets and expand into new sectors of existing markets. It is recommended that a protocol between the two bodies be initiated under the chairmanship of concerned ministers.

Aqaba Special Economic Zone Authority (ASEZA)

Aqaba must develop an independent strategy that is consistent with the National Tourism Strategy and the core principles of its integrated approach and partnership. Close partnership with the JTB is not just recommended by the strategy – it is essential to it.

Private Sector

The private sector is the lead implementer of the value delivery system. To enhance private sector involvement in all aspects of tourism development, the strategy should be to encourage and support the emergence of independent and voluntary tourism associations.

Civil Society

NGOs, conservation and historic preservation advocates, and institutions of higher education need to be actively involved in the planning and monitoring of tourism to help ensure its sustainability.

Donors

Development assistance from bilateral and multilateral aid agencies should be well coordinated, and used strategically for tourism-related projects.

Monitoring and Evaluation

In order to gauge the success of plan implementation, it will be necessary to develop clear targets and indicators for results, taking into account the following aspects:

- Effectiveness of increased funding for tourism development and destination and product marketing in helping the tourism industry meet the receipts and tax revenue goals
- The effectiveness of partnerships between the public and private sectors, including the agreement of common objectives, the pooling of resources and skills, and joint action
- Improved international air access within a competitive “open skies” policy
- Structuring tourism for participation from national to community levels
- Quality enhancement of the visitor experience through product design, diversity, presentation, innovation, customization, and service delivery
- Conducting market research to empower targeted and segmented marketing
- Improving the “welcome” that tourists receive 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 stakeholders of the tourism industry
- Provision of training and capacity building measures to improve human resource development
- Creating awareness, understanding, and support for tourism by the Jordanian public
- Utilizing a performance measurement system to monitor progress toward meeting growth targets and value chain outcomes

Chart 14

Monitoring the Value Delivery Process

Objectives

- Eliminate negative Perception of Jordan as a Tourism destination
- Generate international Tourism demand for Jordan's new tourism Experiences
- Build a network of Regional and International specialized Tour operators, travel Agents and other partners willing to sell Jordan's Tourism product



Based on the Frontier, Bermuda Competitiveness Project

Strategy Implementation Guidelines

Strategic implementation has a high failure rate and has little value unless it can be transformed into planned action. It is essential that the roles and responsibilities of each key public and private sector organization be clearly defined.

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

- The strategy must have measurable and easily understood values that make it worth implementing.
- The participating partners – in this case, the MOTA, JTB, industry, and carriers – must understand thoroughly on how the strategy will be implemented. This clarity is a key issue 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 understand the strategy fully, including its benefits and program 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 continuously 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 happens in parallel to normal work. It must be planned as a continuous activity.

7. CONCLUSION: A MANDATE FOR ACTION

The tourism industry is the largest productive sector of, and most important contributor to, the Jordanian economy. This importance is likely to increase in the future as tourism is a “dawn industry.” The development of a national strategy would unite all stakeholders behind one vision and set of goals to be achieved by year 2010. Key strategic directions include:

- Visitor expenditure should be the measure for assessing economic impact. This would include the length of stay, as well as money spent.
- A value chain approach should be used to develop Jordan as a high-value boutique destination.
- Revise the NTC mandate to include facilitation of policy dialogue between the public and private sectors and assisting with policy advocacy, monitoring, and accountability functions.
- It is essential to prioritize concerns related to the preservation and conservation of the environment and antiquities, as they are tourism’s underlying resources.
- There is currently a disconnect between tourism marketing and product development. This needs to be corrected and may require institutional changes and other linkages to achieve a viable result.
- Accuracy of statistics is very important for decision-making and benchmarking. The existing travel statistics system should be audited using international standards for data collection and use.

Technical assistance and grants should be considered to support emerging models for public-private partnerships such as the JTB, Amman Tourism and Hospitality College, the Jordan Inbound Tour Operators Association (JITOA), and other tourism associations representing private sector membership.

The following obstacles need to be addressed in the near term:

- **Legal and regulatory barriers.** It is essential to review Jordan’s legal and regulatory framework, benchmark it against international best practice, and develop recommendations for amendments and reform.
- **Necessity of transforming JTB into a private sector-oriented institution as opposed to a government body.** It is important to provide legal support to study the issue of JTB status to ensure its private-sector orientation and identify and assess legal and best practice evidence to support this as best practice.
- **Impediments to hiring qualified staff for JTB with international caliber skills.** It is essential to hire highly qualified staff for JTB to be able to implement the marketing strategy at the international level.
- **Low marketing budget from government.** It is important to project budget figures that are realistic for producing world-class work, and then present it to the government for approval.

- **Need for a clear mandate for follow-up on strategy implementation.** It is essential to execute an implementation process with clear responsibilities for follow-up and monitoring of strategy development where the private and public sectors should work closely together. It is agreed that best approach for this would be for MOTA to lead the effort for public sector reform needed by revitalizing the NTC, where a group of highly qualified employees from each ministry would follow up on their respective roles and responsibilities. Private sector responsibilities would be spearheaded by private sector associations or partnerships with participation from civil society.
- **Capacity to deliver on the Value Proposition.** The strategy proposes a value proposition that will be critical to the recommendation to reach upscale markets. This will require systems and processes to be put in place that will ensure the quality of the product and enhance the visitor experience in line with market requirements and feedback from the exit surveys.

It is essential to execute the strategy through a private sector-led effort with the full support of all stakeholders. The process recommended in the strategy identifies clear roles, responsibilities, and budget elements that will support and allow realistic and effective implementation.

Action plans have been developed to guide marketing, product innovation, human resource development, and institutional and regulatory reform. Each action plan includes a goal, justification, actions, responsible bodies, time frame, budget, and expected results. The budget for 2005 and 2006 is based on the recommended government allocation of two percent of receipts for marketing, one percent of receipts for product innovation, and one percent of receipts for human resource development. The action plan requests an allocation JD9.6 million to fund JTB for the remainder of 2004.

MOTA, along with other stakeholders, should follow up on implementation and conduct advocacy and monitoring activities to ensure active engagement by all stakeholders.

