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AQABA TOURISM MARKETING STRATEGY 2010-2015

Developed by USAID/ Jordan Tourism Development Project II

June 2009

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June 2009
This publication was produced for review by the United States Agency for International Development. It was prepared by Chemonics International Inc.

GBTI Contract No. EPP-I-00-06-00013-00
Task Order No. EPP-I-02-06-00013-00

This publication was produced by the USAID/Jordan Tourism Development Project II.

This publication was produced by the USAID/Jordan Tourism Development Project II, under the direction of Ibrahim Osta, Chief of Party.

AQABA TOURISM MARKETING STRATEGY 2010-2015

WORKPLAN: SUPPORTING AQABA SPECIAL ECONOMIC ZONE INITIATIVES

REPORT: AQABA TOURISM MARKETING STRATEGY 2010-2015

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ACRONYMS

ADC	Aqaba Development Corporation
ASEZ	Aqaba Special Economic Zone
ASEZA	Aqaba Special Economic Zone Authority
CIS	Commonwealth of Independent States
CSR	Corporate social responsibility
DMC	Destination Management Company
EDK	Egyptian Desert Keepers
EU	European Union
GDS	Global distribution system
HM	His Majesty
IS	Institutional support
JITOA	Jordan Inbound Tour Operators Association
JTB	Jordan Tourism Board
JTD2	Jordan Tourism Development Project II
KHIA	King Hussein International Airport
LCC	Low Cost Carries
MBR	Market-based representative
MICE	Meetings, incentives, conferences and exhibitions
MOU	Memorandum of Understanding
MOTA	Ministry of Tourism and Antiquities
NTS	National Tourism Strategy
PPP	Public-private partnership
PSP	Private sector participation
PR	Public relations
RSCN	Royal Society for the Conservation of Nature
SMB	Surface marker buoy
SME	Small and medium enterprise
UAE	United Arab Emarites
UK	United Kingdom
UNNTO	United Nations World Tourism Organization
USAID	United States Agency for International Development
VCB	Visitor and Convention Bureau
VFR	Visiting friends and relations
VJV	Voyages Jules Verne
WTTC	World Tourism & Tourism Council

PART I
MARKET ANALYSIS

1. EXECUTIVE SUMMARY

1.1 BACKGROUND

In 2004 the Aqaba Special Economic Zone Authority (ASEZA) adopted a structured marketing strategy and established a Tourism Division (now Tourism Directorate) to implement marketing, training and product initiatives. A great deal has been achieved over the past few years (see annex 3) and ASEZA and its Tourism Directorate are to be commended on this progress. However, there are formidable challenges ahead.

Aqaba's share of Jordan's bed nights grew very slightly from 14% in 2005 to 15% in 2008. Aqaba's reported hotel room occupancy dropped from 52% in 2005 to 47% in 2008, while hotel room occupancy in the rest of Jordan improved (from 49% to 55%).

This performance is a "clarion call" in relation to the viability of the hotel projects that are currently underway. In addition, in 2008 the Jordanian property market slumped and Jordanians had been the main customers for Aqaba property sales to date. Aqaba thus faces a difficult marketing environment with major competition from other Red Sea resorts. Further planned expansion of hotel rooms will place more downward pressure on occupancy and viability unless strong and targeted marketing can deliver vigorous growth over the next five years.

It is therefore timely and urgent that Aqaba's marketing be reviewed and a renewed plan put in place for the future. A wide range of consultation has been undertaken in Aqaba and there is general consensus on the need for a much stronger tourism marketing partnership, an increased emphasis on training and quality, and the need to build on existing successes, such as the positioning of Aqaba as a destination suitable for older and middle market European traffic. An updated marketing strategy is required to cope with the challenges of filling Aqaba's increasing number of rooms and the expansion of its holiday home portfolio. Maintaining differential positioning over Egyptian resorts and Eilat is also important. Much emphasis during the consultations has been placed by people on the hotels themselves and their facilities being the city's key future attraction. This however will not be sufficient as evidence from elsewhere indicates that hotels and resorts in themselves are not generally a motivating factor for travel. Aqaba will not succeed unless it can provide a unique, desirable and multi-faceted destination experience that can effectively compete in global markets.

2. TOURISM IN AQABA OVERVIEW

The historic port of Aqaba, where the ancient city of Ayla was, is Jordan's outlet to the sea. It had traditionally been a domestic and back-packer tourism destination in the 1960s and 1970s, and then became a destination for northern Europeans in the eighties. Today it is in the process of being transformed by ASEZA into an attractive green city and international tourism destination that will strengthen and diversify Jordan's tourism product. It remains a popular domestic tourism destination. The seaside city and its free zone has become a significant location for inward investment in shipping infrastructure and tourism, and is now a developing urban centre, guided by the General Plan for the Aqaba Special Economic Zone (ASEZ).

2.1 REVIEW OF AQABA'S PREVIOUS TOURISM STRATEGIES

2.1.1 Aqaba 2002 strategy

Aqaba's tourism development has followed the roadmap outlined in the Strategic Plan for Aqaba Tourism (Price Waterhouse Coopers) prepared with USAID assistance in 2002, building on the Aqaba General Plan. The vision for Aqaba outlined in the Strategic Plan for Aqaba Tourism was:

Aqaba will flourish as a distinctive oasis city located in a spectacular waterfront setting, a popular destination for sun seekers and divers, an exciting gateway linking Jordan with its Red Sea neighbors, and a favored venue for meetings and exhibitions serving the Middle East's business community.

Needless to say an essential element of this is Aqaba's link to Petra and Wadi Rum

Many of the detailed 2002 objectives of this plan have now been realized, and this is a considerable achievement (see annex 3). The primary responsibility for achieving this vision lies with ASEZA itself, and with its success in attracting significant investment in new tourism plans for Aqaba. The city's tourism product offering is in the process of being transformed into a significant 4 and 5-star resort destination within Jordan, and a distinct tourism node on the Red Sea. However a great deal needs to be done to transform a destination with 5 star hotels into a fully functioning 5 star destination that meets all the requirements for this level of customer. In Aqaba there are significant

weaknesses in human resources, visitor attractions and activities, beach quality, night entertainment, general service quality, marketing and competitiveness, which need to be addressed as well as increasing access to underpin the accommodation expansion now in hand.

One significant aspect of the 2002 strategy that has yet to be realized is the development of Aqaba as a meetings, incentives, conferences and exhibitions (MICE) destination. This has been hampered to date by a limited product (the National Convention Centre was built near the Dead Sea), limited room supply and lack of scheduled access. The current Saraya Aqaba development will include a stand-alone convention centre, and this is scheduled for completion in 2011.

Aqaba's tourism development was further supported by a five year EU institutional support program for the Aqaba Special Economic Zone Autharity (IS-ASEZA). This facilitated the establishment of the Tourism Directorate within ASEZA, which is responsible for marketing, tourism training, guiding product development and tourist information. The major outputs from the EU program (IS-ASEZA) were a five year marketing strategy (IBM Business Consulting [2005] Aqaba Tourism Marketing Strategy 2005-2010), a five year training strategy (Hypodomi Consulting [2006] Aqaba Tourism Training Strategy 2005-2010), and an e-marketing strategy (Trust Digital 2006) together with technical support for implementation in the three years (2005, 2006 and 2007). In addition, various reports on key aspects of product development issues were commissioned for ASEZA. A wide range of marketing materials were produced, including brand guidelines, a website, visitor servicing literature in six languages, DVDs and so on. In addition, a range of special interest stock advertisements was produced. The Tourism Component of IS-ASEZA had an overall budget of €2,2 million ($2.8 million, JOD 1.96 million). ASEZA's contribution was an additional 100%. Implementation of many of these studies' recommendations has commenced, but there remain significant capacity shortfalls within ASEZA which hamper their effective implementation. In the area of marketing, a clear branding statement with very detailed guidelines was developed, and has begun to be implemented in some (limited) advertising in special interest publications. Also, a suite of visitor servicing literature was developed, and the branding is more visible on taxis in Aqaba (following a taxi training program), a hot air balloon in Wadi Rum, and from 2009 on shuttle busses. However a move to 'change the brand' after just three years, without conducting market research to guide this decision, shows a lack of understanding of basic marketing principles (Is there depth and substance to this brand or is it just a logo?).

2.1.2 Aqaba Tourism Marketing Strategy 2005 - 2010

The five year Aqaba marketing strategy launched in 2004 had three overall objectives:

- To progressively re-position Aqaba as an international destination as more high quality, high yield products come on stream.
- To broaden awareness of Aqaba as a holiday base, a quality diving centre, a cruise liner port, and a potential gateway to Jordan and the region.
- To increase the length of stay of visitors in Aqaba.

The marketing strategy's targets were bed-night-based and aimed to deliver 1.89 million bed-nights by 2010 (this target was based on an assumed doubling of room supply, which has not happened yet).

The marketing strategy outlined the following principles for ASEZA to follow:

- Focus marketing activity on creating awareness amongst the international and Jordanian travel trade, encouraging better access and enabling the travel trade in Aqaba to form linkages with international partners.
- Develop a visually stunning, state-of-the-art tourism Web site to communicate Aqaba brand values and to enable the Aqaba private sector through maximizing internet linkages.
- Drive the brand image of Aqaba through a regular program of news-worthy press releases, promoting high profile events related to key product clusters and through hosting journalists and travel writers in Aqaba. Co-operate closely with JTB and its overseas public relations advisors.
- Appoint an advertising agency to devise a series of superb branded advertisements for each product cluster and for a domestic holiday campaign. The advertisements will form part of the brand portfolio and, once created will be used consistently for a three year period at least. The agency will be responsible for the placement of advertisements, in accordance with an annual brief from ASEZA Tourism Directorate.
- Co-operate fully with JTB in planning and attending relevant overseas promotional events in order to maximize the exposure of Aqaba. ASEZA should give preference to travel trade oriented events in order to develop travel trade connections and access development. ASEZA should work to maximize private sector participation in marketing activities.
- Produce a range of high quality tourism marketing print pieces in accordance with the brand guidelines. The print runs should be determined on the basis of a literature distribution plan. The print pieces should be made available on the Internet in downloadable format. The range of languages in which literature is produced should be expanded as soon as possible.
- A commitment should be made to research-

based decision making and to communicating research findings to the private sector, JTB and MoTA.

The Aqaba marketing strategy 2005-2010 quoted and effectively followed the guidelines outlined in the National Tourism Strategy 2004-2010 and JTB marketing (boutique or special interest positioning), but with a special emphasis on targeting charter traffic and cruise liners.

Some interesting new markets were opened up where JTB does not operate (in particular Scandinavia and Poland), by targeting charter operators with an incentive scheme (annex 4). Consultations undertaken for this assignment indicate that the 2005-2010 marketing program is generally regarded as having been helpful to Aqaba, particularly with regard to repositioning the destination, training ASEZA staff and opening up new markets (such as Scandinavia).

Two of the three overall objectives of the 2005-2010 strategy have shown some progress:

- Aqaba has progressively re-positioned itself as an international destination; and
- The main target of the 2005-2010 marketing strategy was Europe and Aqaba has already broadened its source markets here considerably. In 2004 Aqaba was dependent on Hungary; by 2008 France, Italy, Scandinavia, the UK and the USA were the main sources of hotel bed nights. Awareness of Aqaba as a holiday base has been broadened amongst the travel trade in key markets identified by the strategy. However, length of stay remains virtually unchanged at an average of just under 2 nights, indicating that Aqaba is not yet a destination in its own right, in that it cannot hold tourists for long. This reflects lack of action on product development (other than accommodation expansion) as well as marketing.

Progress is illustrated by the following facts:

- The proportion of total tourists from West European markets to Aqaba more than doubled from 2004 to 2008.
- In 2004 Aqaba was largely dependent on low value charters from Hungary and domestic tourism. It was not really seen as an international tourism destination, just as an add-on at the end of a classic Jordan tour. By 2008 regular charters were flying from most of the markets that the marketing strategy had specifically targeted: Scandinavia, the UK, Benelux, Spain and Italy (Western European markets). It remains the case however that very few Jordanian ground handlers market Aqaba as a viable holiday base, and this is an important issue to be addressed in the next five years.
- Aqaba has established itself as a regular cruise liner destination through targeting cruise line companies. The number of cruise liner calls has increased from eight in 2003 to 103 in 2008.
- Very detailed brand guidelines were produced and were applied by ASEZA Tourism Directorate in tourist publications, and physically in Aqaba itself through extensive 'you are here' street maps in key locations, and through branding taxis and buses. The brand objective positions Aqaba as a hub for visiting Aqaba (the Red Sea), Petra and Wadi Rum, and emphasizes the distinct culture of the Red Sea port. The English strap line 'The oasis and beyond' reflects the 2002 USAID-supported vision for Aqaba ('Aqaba will flourish as a distinctive oasis city'). The Arabic strap line recommended reflected domestic market research but has not been extensively used.
- Aqaba's EU-funded PR campaigns and advertising has helped re-open business from Scandinavia to Jordan and created some awareness in the UK, Benelux, France, Poland and Spain (TUI and Thomas Cook have commenced charters from Belgium and the Netherlands and up-market Voyages Jules Verne (VJV) charters started from the UK in 2005 using Aqaba as their holiday base for Petra and Sinai). These successes illustrate the merits of adopting a travel trade focus, rather than engaging in consumer advertising. Discussions with the travel trade indicate that not all tour operators, especially in overseas markets, are aware of ASEZA's charter incentive scheme (annex 4).
- The domestic tourism market has grown by 15% despite strong competition emerging for domestic traffic from the Dead Sea.

It is very difficult to re-position a tourism destination from one dominated by low spend East European charters and domestic tourists, to one that attracts higher spending West European tourists, and this is a major success for ASEZA (and Jordan), one which many other tourism destinations would wish to emulate. In overall terms however Aqaba's bednights growth has been disappointing: What has changed is the type of tourist, shifting from domestic to international and from East European to West European. As room supply did not expand as quickly as the strategy had predicted in 2004, an apparent shortfall on the strategy bed night targets did not negatively affect hotel occupancy in 2005-2007, and up until December 2007 the hotel sector remained viable in a situation of expanding supply. Cruise liner traffic has boomed.

There are aspects of marketing Aqaba where improvement is needed:

- Budgets are not sufficient for attaining the level of impact required. For instance the maximum combined EU-ASEZA budget was $1.9 million 2005 [JOD 1.3].This hampered the penetration and effectiveness of the Aqaba tourism brand.
- In the domestic market the tourism brand has been overshadowed by other Aqaba campaigns, such as Saraya Aqaba and ASEZA's own 'Turn sand to gold' advertising.
- Lack of market research in determining the different PR and marketing tools needed.
- Virtually all significant advertising decisions are taken by an ASEZA commissioner due to the top-down management structure of the organization. Personal preferences can determine marketing rather than market research.
- Consultation with the private sector, whilst regular, is informal and unplanned and there is generally little private sector input or participation in decision making. An 'advisory' committee was formed with the private sector, but this was not effective.
- In some cases, private sector consultation did take place (for example in creating the 2008 'Breathe Aqaba' TV advertisement), however effective advertising is generally based on a researched brief and examination of target audiences, not on the preferences of the local industry or government officials.
- A clear objective of the 2005-2010 strategy was strong cooperation with JTB, but this has not been realized. Opportunities for cost-sharing and joint activity are not being maximized. There is considerable scope for strengthening this.
- Aqaba has generally not carried the Jordan tourism logo on its literature, although it is a simple matter to do so (as in the Aqaba Tourism Newsletter), and as recommended in the brand guidelines under the section on co-brands. There appears to be reluctance by ASEZA to use the national brand.
- Based on extensive consultation with larger Jordanian ground handlers for this study (annex 2), it remains the case that few Jordanian ground handlers are convinced that Aqaba can be a realistic holiday base. Their preference remains to use it as a one-night

stay at the end of a classic 'round Jordan' tour, if at all. This is a critical marketing issue to be addressed, as ground handlers are some of the key sales agents for Jordan.

- Lack of promotional pricing by hotels results in Aqaba being seen by the travel trade as uncompetitive. The potential of Aqaba's special economic zone status has not been realized in terms of hotel, restaurant or retail prices. This is also a key issue in the current economic downturn.
- There are opportunities to strengthen further cooperation with the Ministry of Tourism and Antiquities (MOTA) regarding statistics and market research, which is critical to guide effective marketing and product development and ensure objective reporting and decision making. Very significant differences between ASEZA and MOTA figures for occupancy, room supply and arrivals became apparent during this study.
- The Aqaba tourism website 'http://www.aqaba.jo' is not dynamic or engaging and it provides little private sector linkage. Although some improvements are being made, this needs major attention to ensure an integrated approach. For example, it does not list the overseas tour operators or charter companies serving Aqaba.
- Although ASEZA has some excellent and dedicated Tourism Directorate staff and has won an EU marketing award, ASEZA corporately has had difficulty recruiting and retaining staff to deliver marketing effectively and implement the many strategic documents prepared for its Tourism Directorate and some key posts remain vacant.
- There is a need for skills in preparing research-based agency briefs, and in the negotiation of joint marketing.

Aqaba's tourism performance through this period is discussed in further detail at 2.1.3. It is becoming clear that key aspects of the 2005-2010 strategy are not being carried forward into 2009 activity and this is a concern.

Issues Includes the following:

- The need for absolute consistency in branding over time;
- The special interest and travel trade focus internationally (as per the NTS);
- The need to convince Jordan ground handlers that Aqaba can be an available and profitable holiday base;
- Maximizing cooperation opportunities with JTB; and
- The emphasis on targeting carriers in key markets.

2.1.3 Aqaba's recent tourism performance

Jordan has seen a strong growth in tourism in the past four years. By 2008 overnight visitors increased by 25% per cent over 2005 and bed nights by 3.6 per cent. Length of stay remains disappointingly short at 4.3 nights. Jordan's tourism performance is illustrated in table 1.

Table 1: Tourism to Jordan 2005 -2008

	2005	2006	2007	2008	Growth 05-08
Jordan overnight visitors	2,986,586	3,546,990	3,430,960	3,728,709	+25%
Average length of stay*	4.5	4.2	4.4	4.3	
Bed nights	5,552,477	5,022,965	5,148,488	5,762,432	+4%
Room occupancy	49.4%	42.4%	47.3%	55.3%	

Source: MOTA
Note: average length of stay in all MOTA statistics is only applicable to package tour visitors, not to all visitors occupancy is for classified hotels only.

Table 2 illustrates tourism to Aqaba, based on hotel records. It should be noted that Aqaba also has a very significant and growing second home product ('residential tourism') and that visiting friends and relations (VFR) traffic is not recorded. Whilst Aqaba has just under 3,000 hotel rooms, it is estimated to have over 10,000 apartments available to rent during key holiday periods. These are advertised to the local market through fly-posting on walls and through the local press. Although not formally considered part of Aqaba's tourism economy, this element of tourism has a very substantial economic impact, and has some potential to contribute to tourism if brought into the formal economy through classification. Thus it should be noted that true tourism figures are probably at least twice the numbers reported from hotel returns. The domestic market remains very important to Aqaba, and ASEZA succeeded quite well in addressing low occupancy during Ramadan with events programs and a marketing campaign in 2006. Seasonality is discussed further in (2.1.6).

Chart 1 shows Aqaba room occupancy (%) against room supply (00s). It clearly shows that marketing in 2006, 2007 and 2008 has been insufficient to fill expanding hotel supply. The results also fall short of the original marketing targets.

Chart 1: Room occupancy versus room supply 2005-2008

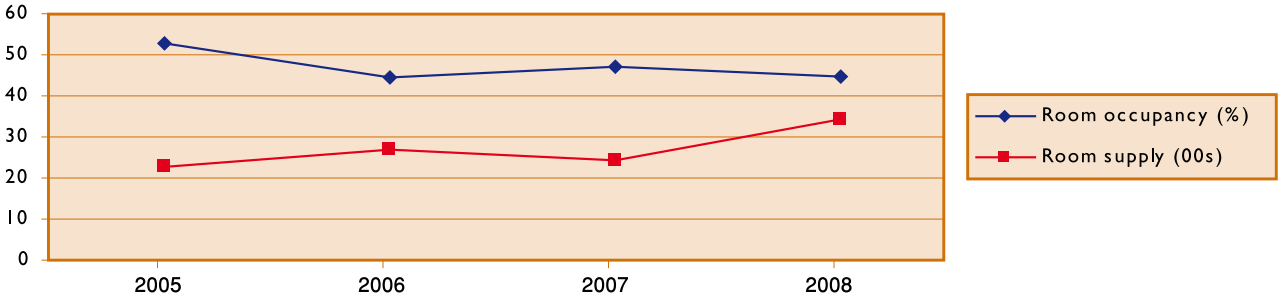


Table 2: Tourism to Aqaba hotels 2005-2008

	2005	2006	2007	2008	Growth 05-08
Aqaba overnight visitors	420,971	423,392	432,151	427,421	1.5%
Average length of stay	1.9	1.7	1.4	2.0	5%
Bednights	783,295	715,496	601,745	868,693	9.8%
Room occupancy	52%	46%	46%	47.5%	-16%
Aqaba's share of Jordan's bednights	14%	14.2%	11.7%	15%	6.6%

Source: MOTA (2005-7) and ASEZA Tourism Directorate (2008)
Note: The room occupancy here is also for only classified hotels. The average length of stay for package tours is higher, 2.3 although in numbers tours are only 1/3 of all Aqaba hotel arrivals

Aqaba is growing its share of Jordan's bed nights which indicates success in marketing, although there may be some displacement from other regions. Particularly disappointing however is Aqaba's performance in terms of hotel occupancy (upon which the viability of future hotel development largely depends). Although bed nights have grown slightly overall, room occupancy has fallen from 52% in 2005 to 47.5% in 2008. This is because expanding room supply is exceeding the growth in demand. Room supply is examined in Table 3.

Table 3: Rooms available in Aqaba

	2005	2006	2007	2008
Classified	2.077	2.077	2.460	3.074

Source: ASEZA Tourism Directorate

Aqaba's occupancy is now far below other city destinations in the region (Table 4), and in these circumstances inward investment in tourism to the Zone may slow considerably.

Table 4: Middle East city performance 2008

Destination	Room occupancy
Middle East overall	68.8%
Abu Dhabi	81.5%
Alexandria	72%
Amman	65.2%
Aqaba	**47.5%**
Dubai	78.9%
Hurgada	81.5%

Source: STR Global, MOTA

Visitor numbers to Wadi Rum doubled over 2007-2008, from 142,142 to 256,297, confirming Wadi Rum as the third most popular attraction in Jordan after Petra and Jerash. Aqaba may be failing to capitalize on its Aqaba-Petra-Wadi Rum branding by moving towards an 'Aqaba only' ('Breathe Aqaba') marketing message.

Aqaba is Jordan's domestic tourism resort and ownership of second homes and apartments in the city has been growing steadily. In 2008 however a property slump occurred, with a 20% fall in land transactions in Jordan in the first half of the year and a 30% drop in new housing starts. The property market deteriorated further in the second half of the year. Many new developments in Aqaba are financed by second home sales.

Five principle concerns regarding Aqaba's tourism performance have been identified:

1. Aqaba hotels are not price competitive in Jordan

Interviews undertaken with leading Jordanian ground handlers indicate that the reasons they did not use Aqaba hotels as much as they might are as follows:

- Aqaba's hotels are not considered price-competitive. The benefits of Special Economic Zone status are not being passed on.
- It is not necessary to include Aqaba in a Jordan tour where the main demand is for Petra.

One of the largest inbound operators to Jordan summed this situation up as follows: 'We don't have to use Aqaba, it isn't price competitive. There are other choices for good hotels in Jordan which are just as convenient to the places our clients want to see'.

2. Linking Aqaba more closely with Petra

In July 2007 Petra was declared one of the 'new seven wonders of the world'. It would appear that Jordan's national marketing has capitalized well on this but that Aqaba did not. The opportunity to run a specific tactical campaign directly associating Aqaba as part of Jordan and the optimum base for visiting Petra (as per the branding strategy) was missed. Aqaba's tourism marketing strategy highlights the need to sell Aqaba as the base for visiting Petra and Wadi Rum.

3. Awareness of Aqaba as a potential charter base for Petra and Jordan is low, as is awareness of improvements in Aqaba's product.

Tour operator interviews indicate that:

- Awareness of King Hussein International Airport as a charter destination is poor in the overseas travel trade; as a result Aqaba-based charter traffic has not developed enough to affect market share and the 'Petra opportunity was missed'.
- Some tour operator principals are not fully aware of the improvements in Aqaba's tourism product, and have not visited Aqaba for a number of years.

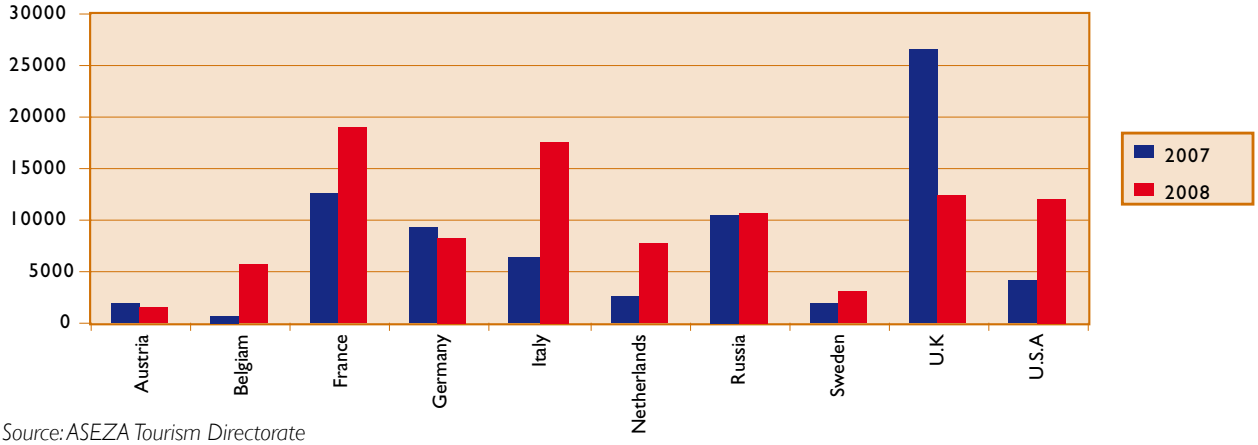
4. Communication between ASEZA and JTB has not been effective

ASEZA TV advertising has been running in some markets without the schedules being communicated to JTB market managers. This is a wasted opportunity because JTB could enhance and follow up on Aqaba advertising in the markets where JTB has representation. There appear to be few examples of joint marketing campaigns, although ASEZA participates with JTB at trade fairs. In some markets however (e.g. Scandinavia) JTB has not had representation.

2.1.4 Source markets for tourists to Aqaba

Chart 2 illustrates visitor numbers to Aqaba by source market in 2007 and 2008. It should be noted that this chart significantly understates the importance of domestic tourism to Aqaba's economy as residential tourism and VFR traffic are not counted.

Chart 2: Top ten source markets for arrivals to Aqaba hotels 2007-2008

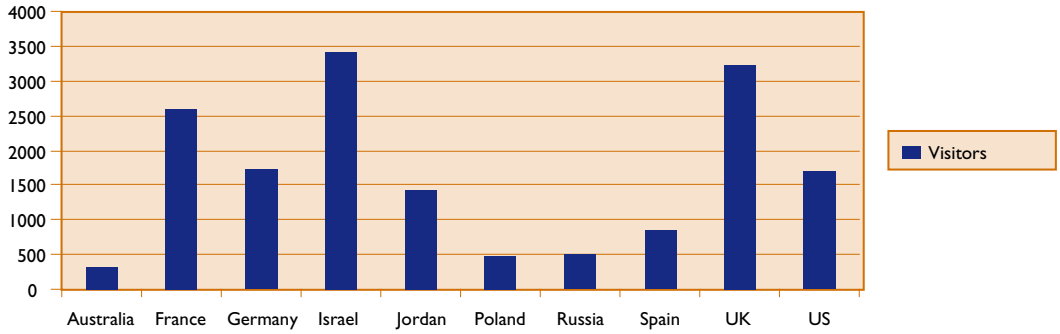


Source: ASEZA Tourism Directorate

2.1.5 Types of tourists to Aqaba

The vast majority of arrivals come for general leisure purposes; business visitors are a much smaller percentage than for Jordan generally and significantly smaller than for many city destinations. Accurate estimates of VFR traffic are not available as tourism statistics are hotel-based. Domestic tourism to Aqaba is however very significant. Cruise visitors are of rapidly growing significance. The number of dive tourists is very small: Israel and the UK are the main source markets for divers at present (Chart 3). It should be noted however that divers peak in the summer months when hotel occupancy is lowest (Chart 6), and that many Israeli visitors are excursionists rather than overnight visitors.

Chart 3: Top ten source markets for diving by nationality (2008)

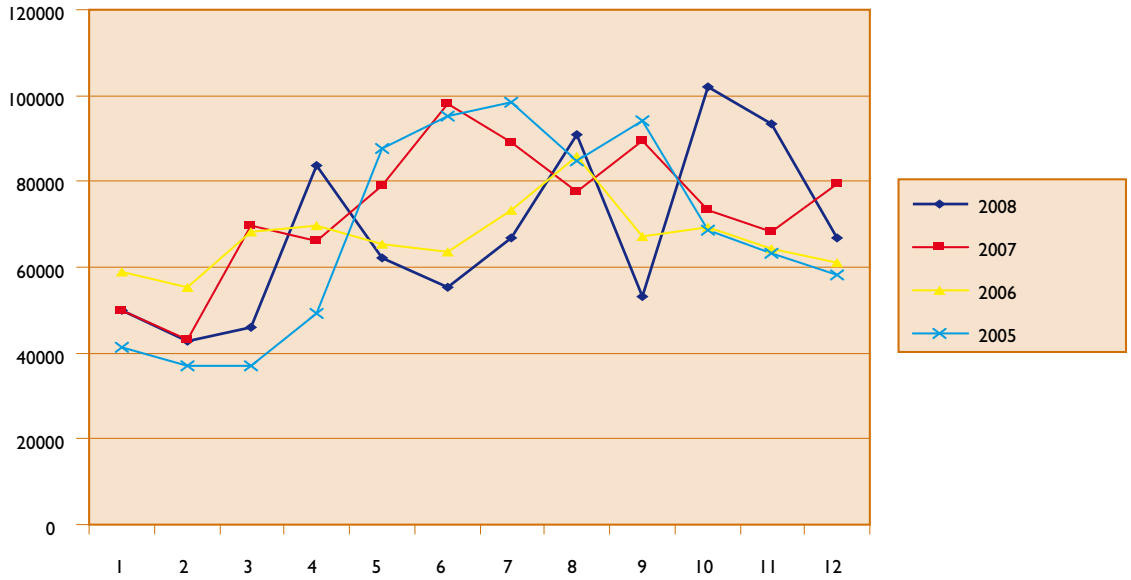


Source: ASEZA Tourism Directorate

2.1.6 Seasonality

Aqaba's hotel seasonality varies considerably depending on the arrival time of charter series (Chart 4). The timing of Ramadan also affects the domestic market (for example September 2008). A general trend apparent is poor occupancy in the winter months, implying that Aqaba is not capitalizing on its climatic advantage over Amman, and not selling itself sufficiently as a winter sun destination to international and local markets. The local market is however constrained by the timing of holidays and tends do be weekend related.

Chart 4: Aqaba bednights by month (2005-2008)

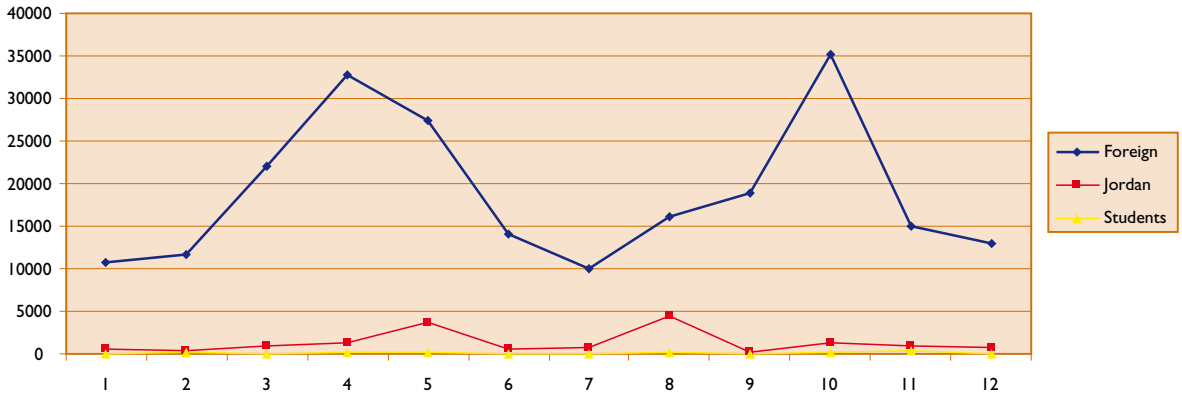


Source: ASEZA Tourism Directorate

Note: Needs to be treated with caution as ASEZA figures and MOTA figures do not agree.

Wadi Rum visitor arrivals show a high degree of seasonality, as visitors avoid hot summer and cold winter temperatures. This is illustrated in chart 5.

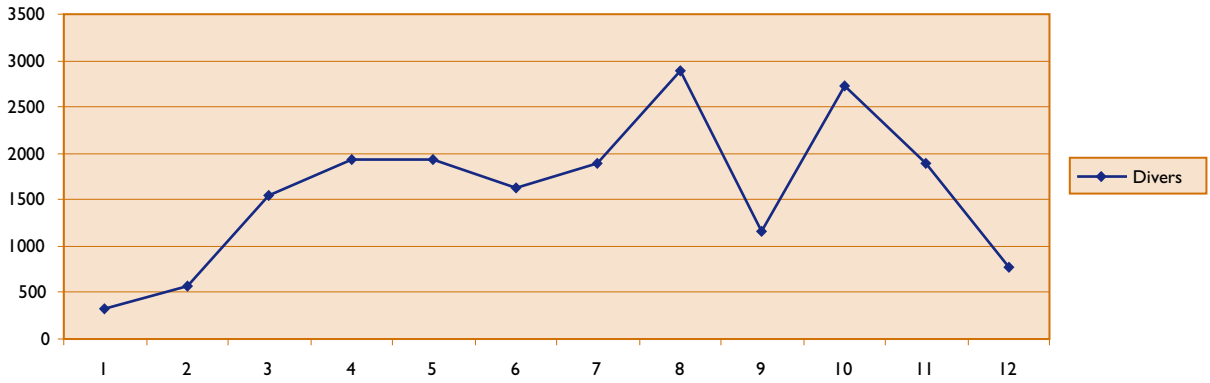
Chart 5: Wadi Rum visitors by month (2008)



Source: Wadi Rum Protected Area annual report 2008

In contrast it is interesting to note that the monthly diver numbers peak during the hot summer months (chart 6) and that there is a more even pattern of demand, except for December, January and February when water temperatures are cooler.

Chart 6: Divers by month (2008)



Source: ASEZA Tourism Directorate

2.1.7 Comparison with national marketing strategy

The Aqaba Tourism Marketing Strategy 2005-2010 includes reference to the Jordan NTS and the Jordan Tourism Marketing Sub-Strategy. The strategy follows the product groupings and target markets suggested in these documents.

The most significant difference is that the Aqaba strategy suggests targeting charters from Scandinavia and Poland and cruise liners, whereas the national marketing sub-strategy did not. Guidelines on co-branding (e.g. with Jordan national brand) are included in the Aqaba Tourism Brand Guidelines, however with the exception of the Aqaba Tourism and Marketing Newsletter, there has not been a willingness to use JTB's 'Visit Jordan' logo extensively. Likewise the JTB Brand Guidelines at chapter 2.29 detail how brand endorsement should be handled, but no joint campaigns have been devised with ASEZA.

2.1.8 Access

With the exception of difficult border crossings from Israel and Saudi Arabia, Aqaba is easily accessible by road, sea and air. Sea traffic primarily comes from Nuweiba (Arab Bridge Company) and is primarily commercial and immigrant labor. Secondly, tourist traffic comes from Taba with Sindbad boats. The King Hussein International Airport is a significantly under-used asset which is central to destination success. Flight movements and passenger numbers from KHIA are shown in Table 5 and show steady growth; however the airport is a loss-making concern and has no marketing plan, marketing budget or marketing manager as yet. This is a critical destination weakness.

Table 5: KHIA aircraft and passengers 2005-2008

Year	2005	2006	2007	2008
Scheduled movements	1,463	1,096	1,375	1,432
Charter movements	2,489	2,453	1,708	2,181
Other movements*	16,199	9,372	12,572	24,741
Military	1,608	1,545	1,584	1,329
Total	21,759	14,556	17,239	29,683
Passengers**	167,067	186,465	143,683	197,933

** light aircraft ** incloudes transit*
Source: Aqaba Airport Company

Of the 197,933 passenger movements in 2008, of witch 92,879 were arrivals. Without an active and specific specialist access marketing plan Aqaba's chances of becoming a 'destination in its own right' are critically undermined. Access marketing and destination marketing are not one and the same, and the airport is mistaken to think that tourism destination marketing alone will maximize the opportunity to sell the airport. There is an immediate need for Aqaba Airport Management to look for specialist advice on airport/access marketing, and for it and ADC to seek advice on commercializing and fully privatizing the facility.

2.1.9 Airlift

2.1.9.1 King Hussein International Airport

KHIA's open skies policy and 3km of runway allow for virtually unlimited airlift from charters to Aqaba. The KHIA terminal is designed to handle one million passengers per annum so is at present operating at 20% capacity. Despite this there are extensive plans for a terminal extension drawn up by Changi Airport Consulting, Singapore.

Securing additional airlift to the destination has to be a key objective of the new marketing strategy. Charters are the easiest option, but low cost carriers (LCCs) should not be ignored: EasyJet is now flying five days a week to Sharm el Sheikh from London Gatwick with fares from ☐60 each way ($203). LCC access from Europe to Aqaba would bring significant change to the competitiveness of both Aqaba and Jordan, and its potential as a second home destination. Jet2.com is an example of a company that could also be targeted by KHIA. For the past few years ASEZA has offered an incentive plan/support for charter operations (5,000 Euro per flight for 10 rotations; so the total is 50,000 Euros per destination/flight operator).

However, this "reward" incentive does nothing to lessen the risk for the operator. Sharing the risk will attract more interest.

2.1.9.2 Royal Jordanian

Royal Jordanian (RJ) is the only scheduled carrier servicing Aqaba from Amman, and flights to Aqaba generally do not connect from inbound European destinations, although RJ is willing to consider schedules when demand justifies it (for example from Germany). Some flights also stop at KHIA en route between Sharm el Sheikh and Amman, although this service is not operating at present. The Amman-Aqaba flight is currently twice daily, and in periods of stronger demand can increase to three return flights.

RJ generally serves the Amman-Aqaba route with its Embraer 195 (72 seats) and Embraer 175 aircraft (100 seats). There are two flights a day, morning and evening. A third flight is added when demand is there. Larger Airbuses will be used when demand requires it. RJ reports variable loadings on its Aqaba connection. RJ's marketing manager indicates that the airline is committed to Aqaba and is willing to consider joint marketing campaigns with the destination.

2.1.9.3 Future airport targets

At present KHIA has 197,933 passengers, approximately half of whom are departures. This means that there are approximately 100,000 arrivals to the airport, compared with 427,421 arrivals at hotels.

This implies that less than 25% of arrivals come by air, as some arrivals will not be staying overnight. This strategy calls for much stronger marketing of KHIA as a charter gateway to Jordan. The airport should also seek LCC options. In order to meet room occupancy and bed night targets, Aqaba needs an additional 497,802 visitors (i.e. doubling current visitation). Charter growth will be key to this and it is assumed that 80% of these new arrivals will come by air (398,254). This will require approximately 1,991 additional charter flights, assuming 200 pax per flight.

2.1.9.4 Access planning and development

The charts here indicate the massive growth in low cost carriers in Europe in recent years. This is now spreading to the Middle East. What this phenomenon has shown is that the cost of travel is an incentive to travel. Aqaba must become proactive in securing additional air services. ASEZA and Aqaba's tourism sector, working with KHIA, should research the potential of a wide range of gateways across the target markets to identify pockets of potential. Route planning studies will be undertaken and presented to carriers, scheduled or charter, and packages of incentives will be offered to secure services.

Chart 7: Expansion of low cost carrier networks in Europe 2001/2006

Connections in 2001

Connections in 2006

3. AQABA's PRODUCT OFFER 2010-2015

Aqaba in 2009

3.1 AQABA'S CURRENT PRODUCT OFFER

Aqaba's main product offer at present (as defined in its brand positioning) is Aqaba (the city and its people); the Red Sea (diving and water sports), Wadi Rum (desert activities) and Petra (archaeology/ heritage/ touring). Petra also attracts cruise tourism to Aqaba.

The constituents of these key products are as follows:

- City-pedestrian-friendly city with local shopping and some heritage aspects, poorly presented. Some fish restaurants, many fast food outlets. Some (limited) waterfront aspects. Aquarium (very poor).
- Red Sea – diving, snorkeling, water-sports, trip boats, some (limited) yachting.
- Wadi Rum – touring, some soft adventure, limited extreme sports, heritage and environmental products, camel racing (occasional).
- Petra – heritage, touring, soft adventure.

Other products which do not give strong competitive advantage are beach/sun tourism (summer and winter); and shopping (primarily a low-end offer at present). Residential tourism is beginning to emerge as major property development schemes get underway. This is presently an extension of domestic tourism as 70% of property sales are to Jordanians. With restricted access and no marketing for property rentals, there is no international self-catering tourism market at present (there may be some potential for rentals to Arab markets who often prefer self-catering accommodation, but hot summer temperatures are a significant negative for Aqaba in these markets). Extreme sports including aero-sports are offered, and this product can have significant economic impact, albeit on a small scale.

This mix of easily accessible products is an attractive base upon which to build a destination offer, however this enabling product offer is not always presented to the tourist by tour operators. The majority of international tourists currently come for a relaxation-beach experience as part of a 'classic' Jordan tour. This results in Aqaba's continuing short average length of stay.

On the other hand, the numbers coming for an Aqaba-based touring holiday remain small, but include high value charter traffic from VJV (United Kingdom), Apollo (Scandinavia), Oscar (France) and Thompson-

Jet (Benelux). Charter arrival numbers have grown steadily in recent years (Table 5). Excursions are operated from Aqaba to Petra, Wadi Rum, the Dead Sea and Egypt.

There is however a potential conflict between the older peace-culture-relaxation seeking tourist that Aqaba's winter charters currently bring, and domestic tourism's desire for a younger, and more party-orientated product ('why can't it be like Dubai?'). The conflict between this domestic rather than international tourism market-oriented aspiration is sometimes reflected within ASEZA itself, and by ADC. It is reflected in the current 'Breathe Aqaba' campaign. An Aqaba that becomes like Sharm el Sheikh will loose competitive advantage and boutique appeal.

On the ground this conflict is less apparent. The city is quite effectively zoned, with quiet resorts separated from the noisier shebabs and families enjoying the public beaches and weekend bargain hunting. The mixing between the two markets works well in the Al-Hafayer area, Zahran Street and Al-Hammamat at Tunisyya Street with little hassle to tourists (a considerable competitive advantage over Egypt and Morocco), and this is one of the unique and appealing aspects of the destination.

In marketing terms it implies the need for two campaigns, one aiming at Jordanian tourists with a fun, water-sports theme, and a very different campaign stressing peace and culture for international use. This is clearly indicated in the market research that led to the Aqaba brand, which clearly points out the following:

International visitors to Aqaba:

1. Aqaba is an oasis city on the Red Sea (combines the desert & the sea);
2. It is unique to its neighbors (Sharm & Eilat) by having a local Arab community that is very hospitable and friendly to international guests;
3. The combination of the Red Sea, Petra & Wadi Rum makes Aqaba a destination on its own merit (what used to be called the Golden Tourism Triangle);
4. Aqaba is an alternative gateway to the rest of Jordan.

Local Jordanians (categories A&B):

1. Negative attitude towards Aqaba being a boring city ('what to do in Aqaba')
2. Negative attitude towards the local Aqaba community
3. Prices do not differ much from Amman regarding shopping

3.2 CURRENT PRODUCTIVE SEGMENTS

3.2.1 Overview

The main products being sold are as follows:

- summer sun (charter)
- winter sun (mostly charter)
- diving
- cruise tourism (port for Petra)
- heritage (base for Petra)
- desert & activities (base for Wadi Rum)
- Jordan + Egypt (sold by some tour operators)
- other water sports and beach (mostly domestic tourism)
- domestic residential tourism (mostly informal rentals throughout the city)

3.2.2 Charters

In terms of value to Aqaba, charter tourism is very productive because it offers the potential of longer stays in the city's hotels. Charters currently come from Belgium, France, Hungary, Italy, Norway, Sweden, Switzerland and the UK. Segmentation of these markets is undertaken by the tour operators concerned, but it is clear that an older age group is the target segment with Aqaba being seen as a quiet sunshine resort with a cultural emphasis (as per the tourism branding strategy) in contrast to Sharm El Sheikh and Hurgharda. In 2008 however more visitors came to Aqaba by cruise ship than by charter airline. This illustrates the under-performance of King Hussein International Airport as a very marketable commodity.

3.2.3 Diving

Diving tourists are a very productive segment for Aqaba and Jordan as they will stay longer to undertake dive courses, spend well, will repeat, and (importantly for Aqaba) will come during the hot summer months when hotel occupancy is low. However this product is in very serious difficulty in Aqaba. At present there are small numbers of dedicated Aqaba divers who are attracted by lack of crowds, easy diving and the availability of technical diving expertise. Very few international diving tour operators feature Aqaba though, and this is a reflection of poor awareness, weak demand and very expensive access. In total Aqaba had 19,487 divers in 2008. There are ten dive centers in Aqaba, all locally owned and generally under-capitalized, so viability is marginal. The quality of service personnel is good but facilities are generally poor and safety standards can be lax (very rarely are surface marker buoys (SMBs) used by surfacing dive groups, and there is poor supervision of water-use zoning). Nonetheless two new dive centers are currently under construction by existing operators and a strong branded inward investor prospect, targeting the German market specifically. Restricted access to dive sites is a concern and there is a growing need to open more dive sites to refresh the product, and to allow reefs to regenerate.

The largest source market for the diving segment is presently Israel, followed by the UK, France and Germany. Although this is an easy market segment to identify through diving clubs, the Internet and diving tour operators, the high cost of access to Jordan (relative to Egypt) is a significant obstacle to growth of diving tourism from Europe. Numerous environmental and regulatory difficulties are currently undermining this product and without remedial action its potential looks very bleak (annex 5). It is only a matter of time before the restricted number of accessible dive sites (currently seven rather than the advertised 21) become over-dived; the continued destruction of coral due to port and other developments gets picked up by the diving press; and the visibly increasing coral deterioration and litter problem on 'Aqaba's pristine coral reefs' becomes more widely known in the highly informed diving community.

3.2.4 Cruise tourism

Cruise tourism, although rapidly growing, is of limited productivity to Aqaba city at present because of the lack of flagship attractions and poor retail offer. The main beneficiaries from cruise tourism are the State (admissions to Petra), ASEZA (admissions to Wadi Rum), the ground handling companies, and the port (berthing fees). There is limited impact on the city's general economy at present, although being a cruise tourism destination does give Aqaba some added marketing exposure. The main source market for cruise tourists is the United States, but an economic impact study on cruise liners to Aqaba undertaken by IS-ASEZA has shown that crews (when allowed

ashore) currently have more economic impact on the city than cruise tourists. This is indicative of the city's lack of quality retailing and poor visitor attractions. The need to develop better shore excursions is evident, but investment in product development is required.

3.2.5 Desert tourism

Desert tourism is discussed further in annex 1 in the context of Wadi Rum.

3.2.6 Domestic tourism

Domestic tourism has very considerable impact and is the most significant segment in terms of micro-enterprise and pro-poor contribution through purchases in local shops and restaurants. The characteristics and effects of this market have not been studied in sufficient detail up to now. However, MOTA and the Department of Statistics are in the process of working on definitions and systems for the collection of data on domestic tourism as part of the larger project to establish Tourism Satellite Accounts. A sample survey will continue on a regular basis. These studies will be very important for Aqaba's future marketing planning.

3.2.7 Water-sports

Other water sports (jet skis, banana tubing) are a motivating factor for domestic tourists, but not for international traffic. Sunset cruises and trips to Jazirat Faraun (Pharaoh's Island) are popular with international tourists. The main operator for international tourists is Sindbad, which has negotiated exclusivity agreements with the prime resort hotels. Glass bottom boats are a popular and now traditional domestic product offer, but there is a need to address safety and quality issues.

3.2.8 Residential tourism

Residential tourism is currently confined to the domestic and expatriate markets. There is potential to offer second homes for rent to tourists if quality can be guaranteed. Orascom Holdings already has a scheme operating and other developers should follow suit. Expensive air access to Jordan is a significant impediment to this market however. Securing LCC access to the destination would make a big difference.

3.3 AQABA IN 2015

3.3.1 New product development

The future product offer is likely to include the following additions:

- MICE
- up-market residential tourism
- weekend/short breaks

- events
- family tourism
- sailing (if regional security allows)
- Eco-tourism (new RSCN reserve)
- Hiking

By 2015 Aqaba will have a significantly expanded hotel stock. Examples of the type of developments coming on stream include the following:

- Tala Bay as an expanded tourist and residential resort featuring more hotels, a golf course, housing units, a busier marina and other entertainment and sports facilities. Four hotels are under development with a total capacity of over 1200 rooms. The Radisson SAS: a 5-star hotel with 336 rooms and suites expendable to 463 rooms is already open, as is the Marina Plaza, a 4-star 243-room hotel for Orascom Hotels. Other hotels under constriction at Tala Bay are the Jaz Tala Bay: a 5-star 318-room hotel for Zara South Coast Developing Company and a 5-star 320-room Mövenpick hotel.
- Saraya Aqaba is a $800m tourism project comprising 610,000 square meter development combining shopping, dining, entertainment, freehold accommodation and cultural activities.The project includes 5 resorts managed by Jumeirah (Al Qalaa and Qasr Al Aqaba hotels) and Starwood (Westin Hotel, Light House and Beach Bungalows) sports and spa facilities, a water park, convention center, an aquarium and other facilities. This development is well underway.
- Ayla Oasis, a $700m project featuring a man-made lagoon, 5 hotels and resorts with a total room capacity of 1700 rooms, 300 residential units; a marina village and an 18-hole golf course constructed over 430 hectares (1,060 acres). Construction has commenced.
- Kempinski Aqaba just opened a 5-star beach front hotel with 216 rooms, cabanas & suites (June 2009).
- Red Sea Resort, a 50,000 sq m project consisting of a hotel, restaurants, a club house and sports facilities.
- Palm Hills Hotel & Residence by Amaar Prop.
- Aqaba Heights consists of the development of a 4-star hotel containing 300 rooms in addition to 100 serviced apartments, a comprehensive commercial center and 1000 residential units with a large beach club. The project is estimated to cost $390m and to be

implemented in 2 phases over the coming 8 years.

- Other hotel projects in Aqaba include the Hills Co of Kuwait (4-star 186-room hotel) and Cooperation Co (a 152-room hotel). Growth of smaller enterprises (retail and restaurant) will continue in the city and at the South Beach.
- The movement of the commercial port to the Saudi Border will be nearing completion and a new high rise city center will be developing where the current port is. There will be a new Marine Port as well as an integrated land and sea border at the new port on the Saudi border.

The pace of the change from port city to Arabesque leisure resort is likely to slow due to current economic circumstances, but there is no doubt that Aqaba in 2015 will have many more rooms and hotel facilities to sell than is currently the case, lots of villas/ apartments/ second homes available and some added tourist facilities.
The most significant of these new products from a tourism marketing view point will be:

- the convention centre
- the marine port
- the golf courses
- the aquarium (if of scale and international best practice quality) and
- the water-parks (a draw for the domestic market)

Of these the convention centre has the highest potential to attract international (and domestic) tourism to Aqaba. However, its success will be tied to KHIA as air access to Aqaba will be critical.

Based on this scenario there will however remain serious gaps in Aqaba's product offering. The city's cultural and events product/venues are poor and these are critical to satisfy Aqaba's target markets.

There are insufficient flagship attractions: icon attractions are needed. The city's tourist information centre service has improved considerably (to the extent that accolades are being received from international travel writers) and the 2005-2010 Tourism Training Strategy and Green Key initiative are being progressed. Beach facilities and beach cleanliness (although improving) will remain an important challenge for Aqaba. The diving product will require serious attention and support to survive. Sports tourism facilities, also important to city destinations, are generally limited to aviation-related. It is difficult to see the new cruise terminal being completed by 2014 given the scale of the proposed Aqaba port redevelopment project, but it is an important facility to prioritize from a tourism perspective.

Some guidance on product development and events strategy has been supplied by the IS-ASEZA project but action on implementation is slow. There is a clear need to address the lack of things to do outside hotels in Aqaba city, which is not receiving sufficient attention. There is a need to think big in this regard: Only "magnets" like a cable car running to a restaurant on top of the Aqaba mountains; a Gulbenkian Museum, a permanent outdoor cinema/ theatre with screen/stage rising from the Gulf of

Aqaba (in the style of Lake Constance), together with other projects recommended by previous advisers will really put Aqaba itself on the international tourism map. More high profile events (airshows, powerboat races, underwater photography competitions) are also critical to creating awareness and filling dips in occupancy.

3.4 KEY STRENGTHS AND WEAKNESSES

Key marketable product strengths are likely to be as follows:

- Aqaba's increased stock of high-end hotels and their brand connections. (This is not however a unique selling point by any means)
- Open skies airport (but not a strength until effectively marketed)
- Proximity to Petra and Wadi Rum (cultural and activity tourism options)
- Broadened product offer (MICE facilities, new residential tourism product)
- The only authentic city community on the Red Sea, relaxed, clean and friendly
- Red Sea.
- Proximity of Europe, Russia

Key product weaknesses requiring attention are:

- Quality of service (probably the major challenge)
- No flagship attractions in the city
- Environmental issues (dive sites, beaches, sustainable tourism hotel design)
- Few events and no large attractions in Aqaba itself

Much emphasis in consultations with developers has been placed on the hotels themselves and their facilities being the key future attraction. Evidence from elsewhere indicates however that hotels and resorts in themselves are not a motivating factor for travel. Unless Aqaba itself can provide a unique, desirable and multi-faceted destination experience it is unlikely to succeed in the long term with its destination strategy.

PART II
THE STRATEGY

Aqaba faces a difficult marketing environment with major competition from other Red Sea resorts. Further planned expansion of hotel rooms will put more downward pressure on occupancy and viability unless strong and targeted marketing can deliver vigorous growth over the next five years. It is therefore timely and urgent that Aqaba's marketing be reviewed and a renewed plan put in place for the future. The challenge in 2009-10 is particularly acute as 345,500 additional room-nights will need to be sold to bring occupancy to just 50%.

Aqaba needs to upgrade the quality of its destination experience in order to increase its market appeal and value proposition. The vision is that:

Aqaba will become a premier Jordanian holiday and residential tourism destination with a variety of quality experiences on the Red Sea and seamless links to Petra and Wadi Rum.

Specific program areas for marketing are as follows:

1. To extend and widen the international sales and distribution network by 25% and to support this by more extensive marketing expenditure and strategic communication; and by adopting a sales-oriented approach; also to work in partnership with JTB and industry partners so as to maximize productivity for Aqaba's hotels
2. To broaden the awareness of Aqaba as a quality holiday and cruise liner destination with unique links to Petra and Wadi Rum in Jordan, and as an attractive place in which to purchase holiday and retirement homes.
3. To increase the average length of stay and expenditure of visitors to Aqaba by 26% over the life of the plan. These objectives imply significant product development requirements, which must be delivered if the marketing strategy and Aqaba as a destination are to be successful.

The marketing strategy defines the promotable segments that Aqaba should focus on. It recommends that the resort continue to be positioned as a unique oasis city on the Red Sea, which offers easy access to Petra and Wadi Rum. It recommends that TV advertising should be evaluated as to its effectiveness and that resources be prioritized to working with charter operators, specialist tour operators, the travel press and other partners in a highly targeted way. Cooperation with JTB at every level should be stepped up to maximize opportunities for Aqaba and to recover lost ground. An action plan for the next six years is outlined.

The plan assumes a continuation of ASEZA-led activity however ASEZA and key stakeholders are currently investigating mechanisms for engaging private sector stakeholders in marketing planning and delivery. Should a new organization be formed, it will be responsible for drafting detailed annual marketing operational plans, and for building on minimum funding indicated in this report.

A marketing strategy for Wadi Rum is also outlined. This calls for a strengthening of the environmental and educational profile of the attraction, and a move away from products which do not maximize local contribution and that damage the environment.

4. AQABA TOURISM MARKETING STRATEGY 2010-2015'

4.1 BACKGROUND

Aqaba has been successful in attracting multiple large investors on a scale not experienced before. It is expanding its accommodation base very rapidly at a time of general market contraction caused by the world economic crisis. With more than 4,000 hotel rooms available by late 2009, and other major tourism and business-related developments underway, the need for greatly increased destination promotion capacity is urgent.

ASEZA's Tourism Directorate has led the marketing of Aqaba to date and introduced branding, which has helped to re-position the destination in a positive way. Charter flights are now being attracted from many markets. It is however timely to review the destination's marketing strategy. A separate review is underway regarding the most effective means of delivering an up-weighted marketing campaign.

This forward strategy follows a review of Aqaba tourism performance undertaken in April 2009.

4.2 VISION FOR AQABA TOURISM 2015

The vision for Aqaba tourism must be challenging, and must aim to address product weaknesses as well as capitalizing on product strengths.

Aqaba will become a premier Jordanian holiday and residential tourism destination with a variety of quality experiences on the Red Sea, and seamless links to Petra and Wadi Rum.

4.3 DELIVERING AQABA'S BRAND PROMISE AND POSITIONING

Aqaba's brand promise was defined in 2005 as follows: "Aqaba's brand has been built around its historical essence as an oasis town on the Red Sea. From here the visitor can experience the amazing desert landscapes of Petra and Wadi Rum. Unlike its Red Sea competitors, it is a city with a real, living Arab community. Aqaba is a destination which offers unique experiences, increasingly supported by quality services, be they luxurious or simple." (Aqaba brand guidelines 2005).

The delivery of the vision will require an extensive

updating of the Aqaba Tourism Training Strategy 2005-2010 to intensify and significantly expand tourism training (integrated to the national syllabus) and the integration of marketing, training and product development goals in order to deliver the Aqaba brand promise of quality.

The key attractions of the brand are defined as:

- Nature (underwater Red Sea, mountain and coastal landscape, sunshine, palms, Wadi Rum, camels, oryx)
- History (Petra, Arab Revolt)
- People and culture (Arab, Aqabawi and Bedouin hospitality and easy mix with tourists)
- Progressive 'green' attitude (an attractively landscaped urban oasis and a modern user-friendly city).

The brand feelings to be projected are relaxation, simplicity, freedom, community, adventure and mystery.

The brand guidelines sought to reposition Aqaba

from being described in JTB and other tourism publications in terms of product weaknesses (port city) and conflicting messages (relaxation versus jet skis) and to move away from projecting undelivered promises or half-truths (clean beaches, pristine coral reefs). The guidelines recommend that meaningless phrases to consumers such as 'golden triangle' should not be used in marketing. This brand positioning was based on market research in Europe and Jordan and remains valid.

The new positioning seeks to project Aqaba as a unique oasis city offering a quality product, and strongly associated with the Red Sea, and as a base for visiting Petra and Wadi Rum. Strong use of (genuine) people in imagery is recommended.

In order to deliver Aqaba's brand promise, more emphasis is needed on quality training, linking the destination to Petra and Wadi Rum, and on strengthening Aqaba's green credentials. The opportunity to maximize benefits of JTB marketing has not yet been captured. A mechanism for linking quality with marketing would be helpful. Greater integration with Jordan's boutique positioning and attractions product will also help to reinforce a more up-market positioning for Aqaba.

4.4 INTERNATIONAL TOURISM TRENDS AFFECTING AQABA

4.4.1 Global economic downturn

International conditions indicate that 2009 will be a difficult year for tourism and will show a decline in the tourism economy of 10% at the low end. Commentators such as UNWTO and WTTC see 2009 as very uncertain. Egypt and Turkey are both engaged on a massive program of price cutting as well as accommodation expansion involving the construction of 'new coastal tourism cities' such as Marsa Alam on the Red Sea. Aqaba cannot compete on price with mass tourism destinations that target lower sections of the market. Boutique positioning through identifying precise segments willing to pay more than for Egypt or Turkey, is essential. Tactical opportunities such as the current popularity of Petra must be capitalized on.

Overall the following predictions have been made by UNWTO's panel of experts (UNWTO 2009):

- Increase in short haul and intra-regional travel.
- Increase in visiting friends and relations (VFR) over leisure traffic.
- Decline in length of stay may be more significant than declines in volumes.
- Late booking will increase (a marketing opportunity for those able to promote 'special offers').
- Volatile exchange rates will require fast market positioning to capture business.
- Competitive deflation putting downward pressure on prices will require strong cooperation to offer value packages, right through the tourism value chain.
- Tour operators will go 'lean, green and mean', hoping to recover profits from cost savings when things pick up.

4.4.2 Other trends

Air access

Faster air travel, easier access and more destinations are significant features of worldwide tourism development. The low cost carrier phenomenon has not yet touched Jordan, but elsewhere it is making significant inroads into scheduled carriers' business and is transforming many sub-sectors of the tourism industry. It has also opened up new avenues for those lesser known regions and areas that otherwise would not be visited by tourists. Residential tourism has boomed up to 2008 with second home prices rising in destinations served by LCCs. This is an opportunity for Aqaba, but KHIA urgently needs international air transport marketing expertise and an aggressive marketing strategy.

The Internet

The rapid development in information technology is offering powerful new opportunities to reach consumers more easily and cost effectively. New emerging technology has triggered new consumer trends, like the rise of last minute bookings in mature markets and the shift away from traditional packages to "do it yourself-products". Aqaba's web site 'www. aqaba.jo' requires extensive upgrading and consideration of hosting it with JTB and benefiting from JTB's proposed e-marketing should be considered.

The web site should be the definitive source for all information on visiting Aqaba. A late booking mechanism for Aqaba hotels to improve room yield is also suggested. This should not be developed by ASEZA, rather it should be developed by the private sector. Training in yield management for smaller hotels may be necessary.

Ageing populations

In many large, industrialized countries, the rising average age means a growing market of people with more discretionary income and time to travel. By 2020 a third of the population of Germany will be over sixty years of age; more than a quarter of the population of France and the United Kingdom will fall into the same age category. Responding to the shifting demographics will require changes in existing travel products and marketing. Tourists aged 55 and over travel farther away from home, stay away longer, include two or more destinations in a trip, engage in more activities, travel with only one other household member and spend more per trip than tourists on average. This is a key opportunity for Aqaba, but requires better zoning of beaches and destination management to grow both young person-orientated domestic tourism, and the opportunity to position Aqaba as a quieter and much more attractive Red Sea resort city (than Hurgardha, Sharm El Sheik or Eilat) for older travelers. The success of Aqaba's VJV charter and its growing popularity with Saga Tours underlines this opportunity.

Special interest tourism

Increasingly tourism will be driven by a desire to learn, discover new experiences and add meaning to people's lives. This trend will supplement the traditional purpose of travel as an opportunity to rest, relax and rejuvenate. Already important, it may become a primary determinant in travel decision-making. Aqaba needs to invest in a product that will address this trend. Present facilities such as the Marine Park are in danger of being seen as 'green-wash' by this sophisticated audience. Degradation of desert landscapes (such as Wadi Rum) due to inadequately managed 4x4 tours and under-emphasis of alternative products (camel safaris, hiking opportunities) need to be addressed to capitalize on this opportunity (annex 1).

Responsible travel
Tourism will become responsible, meaning that greater account will be taken of the congestion tourism generates and of the negative effects on resources and host communities that can come with it. Although some developers (such as Saraya) are giving extensive emphasis to Corporate Social Responsibility (CSR), Aqaba has a long way to go in terms of responsibility.
Green winners
Green practices, such as reducing waste and emissions, using alternate energy sources, and producing natural products, have become something of a "me too" cause in recent years. Yet companies and destinations with a history in green innovation have reaped the most benefits and are making real cost savings, and will continue to do so through economic recession and beyond. ASEZA has initiated a Green Key program for hotels, and this needs to be marketed.

Safety
Safety and security are important to tourism's continued growth. Tourism does however show increased resilience: travelers are better informed; they have acquired a more balanced perspective; they now include security concerns as just another consideration when selecting their destinations. Aqaba and Jordan can benefit from this trend.

Value for money
While there will always be ultra-deluxe products catering for small but growing numbers of wealthy clients and for special occasions, value-for-money has become critical in most current travel decisions, facilitated by numerous travel blogs and on-line booking engines. Consumers now have much better cost-comparison tools. This is a key challenge for Aqaba: many hotels need to change to room yield pricing rather than using fixed pricing.

Globalization
The major European tour operators, already a very concentrated sector, have just taken another massive step towards integration with the merger of Thomas Cook and My travel, and of TUI and First Choice. The new TUI alone is predicted to handle 27 million customers per annum. The buying power of these major players will continue to put pressure on smaller suppliers and destinations, such as Aqaba.

The evolution of Global Distribution Systems (GDS) and open system platforms will make the travel industry truly global as travel service providers and intermediaries sell capacity electronically anywhere in the world. Coupled with expanding Internet access, consumers themselves will however increasingly link with suppliers in real time, and mix and match products to their taste. This is already evident in diving, where more and more customers are booking direct. Increased access to the Internet is shifting the focus of power from the industry to the consumer. Aqaba's tourism industry requires extensive IT training to develop this aspect of tourism marketing.

Competition
Competition amongst destinations seeking to attract visitors will intensify dramatically during the current

crisis and in the years ahead. The competitive goal is jobs and economic recovery.

Those destinations which are market-driven and responsive will be the most successful. Aqaba needs to be market-driven and not development ¬driven. The importance of destination brands will increase in an increasing myriad of competing web sites. Investment in marketing will continue to grow, with an increasingly sophisticated marketing mix of both 'above the line' and 'below the line' techniques. Aqaba alone cannot compete, it must partner with tour operators, JTB, RJ and others in specific targeted and measurable (room sales) marketing campaigns.

Word of mouth

The most effective tourism marketing is 'word of mouth' and the most productive marketers are satisfied clients. Concentrating on addressing market-led product needs and excellence of service, are likely to generate positive word of mouth. Social networking sites such as Facebook can play an important role here.

Public-private partnerships

A trend toward public-private partnerships (PPPs) in tourism promotion (and product development) is evident worldwide and will become more prevalent in the next decade, particularly in more developed countries with strong civil societies. The result of these PPPs is almost always a more effective and efficient expenditure of public funds: a better vehicle to attract private sector funds, in-kind contributions and active participation by industry. Partnership also helps ensure continued availability of government funds for marketing.

4.5 AQABA'S MARKETING OBJECTIVES 2010-2015

Aqaba's main marketing objective requires that significant attention be paid to improving product quality and the destination experience. It is to

To position Aqaba as a premier Jordanian holiday and residential tourism destination with a variety of quality experiences on the Red Sea, and seamless links to Petra and Wadi Rum.

Aqaba's product is built around its brand and combines activities with heritage and the city's unique Red Sea location. Significant improvement in product is required to ensure competitiveness. Price is determined by the private sector and must be competitive within Jordan, and reflect the resort's unique positioning as a year-round Red Sea resort offering easy access to Petra and Wadi Rum. The places where the product will be sold (overseas, domestically and online) are detailed in the sections following. Promotional activities required are also described in the following sections.

Each marketing action program has significant product development requirements which must be delivered if the marketing strategy is to be successful. Product development needs specific to the marketing strategy areas are as follows:

Marketing objective 1

To extend and widen the sales and distribution network and to support this network through more extensive marketing expenditure and strategic communication by adopting a sales-oriented approach to marketing and by working in partnership with JTB and industry partners, so as to maximize productivity for Aqaba's hotel base.

Program areas

- Develop a private sector focused approach to marketing;
- Setup excellent market research and trade performance to identify trends as new mice and niche facilities will come on stream (ASEZA is considering the re-orientation of its Tourism Directorate to establish a Visitor and Convention Bureau or Destination Management Company (DMC), empowered to employ dynamic, internationally experienced marketing staff).
- The commissioning of a specialist airport/ access marketing strategy for KHIA is also recommended, to maximize charter and scheduled service potential.
- Marketing objective 1 also requires an intensified commitment to developing quality in Aqaba's tourism products, and developing a room sales oriented events program.

Marketing objective 2

To broaden the awareness of Aqaba as a quality holiday base and cruise liner destination, linked to Petra and Wadi Rum in Jordan, and as an attractive place in which to purchase holiday and retirement homes.

Program areas

- Put much greater emphasis on cooperation and joint marketing with international tour operators, Jordanian ground handlers, JTB and RJ.
- Develop focused public relations (PR) campaigns for some products.
- Develop specific airport marketing by KHIA.

Marketing objective 3

To increase the length of stay by 25% over the life of this plan and increase expenditure level of visitors to Aqaba by 5% per annum through enhanced product offerings.

Program areas

- Develop attractions and activity products in Aqaba to enhance tourism offering.
- Develop an events program that will give people more things to do;
- Develop MICE;
- Build add-ons to MICE business;
- Develop tourist retailing;
- Build a quality (added value) reputation, enhancing brand value;
- Further develop Aqaba's visitor information services; and
- Develop connectivity between Aqaba, Petra and Wadi Rum, and neighboring countries.

4.6 POSITIONING

Aqaba will continue to be positioned as a distinctive oasis city located in a spectacular waterfront setting (Strategic Plan for Aqaba Tourism 2002). Its unique selling points are the easy access it affords to Petra, Wadi Rum and the Red Sea, and (in contrast to other Red Sea resorts) its long history and native Arab population.

The positioning requires that the waterfront setting be made truly spectacular through product development designed to integrate the town with the sea that ensures that this becomes the focal point of Aqaba.

4.7 TARGETS

The targets outlined in table 1 assume a slight fall in occupancy in 2009 as a result of economic recession and increased room supply. Thereafter growth is targeted, relative to the forecast number of rooms available (target rooms coming on stream have been supplied by ASEZA Tourism Directorate).

It is important to note however that these figures assume a significant increase in effective marketing of Aqaba and greatly improved cooperation with JTB.

Perhaps the greatest challenge in the next five year period is already facing the destination: To achieve room occupancy of only 50%. In 2010 Aqaba must increase rooms sold from 664,227 in 2009 to 1,009,772 in 2010, a 50% growth on 2009 room sales in just twelve months.

Aqaba needs to move immediately to intensify its marketing and give it a sales-orientated focus, otherwise hotel occupancy will fall to uneconomic levels or prices be forced down dramatically to fill significant excess capacity. ASEZA urgently needs to sit down with JTB and its key stakeholders and draft detailed market actions to avert this situation of over-supply arising. The full involvement of JTB's market-based representatives (MBRs) is essential in addressing the severe challenge that Aqaba now faces. It is essential that the day-to-day working relationship with JTB is structured and made much more productive.

Owing to the short timescale now applying, in the short term effective marketing to fill rooms is likely to have to focus on domestic and near markets, as

for many international tour operators programmes for 2010 will already have been negotiated. Major investment in events to attract visitors from nearby markets will be needed, and special offers from new hotels.

Some tactical charter growth may also be possible and it is important that charter development once more becomes a focus of marketing activity.
It will be increasingly necessary due to the global slowdown in tourism growth to share risk with overseas operators willing to feature Aqaba, ideally through joint marketing campaigns.

Table 6: Aqaba forecast rooms available

	2009	2010	2011	2012	2013	2014	2015
Net additional rooms		1,489	0	470	0	300	1,940
Forecast rooms available	4,044	5,533	5,533	6,003	6,003	6,303	8,243
x 365 (room-night capacity)	1,476,060	2,019,545	2,01,9545	2,191,095	2,191,095	2,300,595	3,008,695
Target room occupancy (%)	45	50	55	60	65	67	70
Target rooms sold	664,227	1,009,772	1,110,750	1,314,657	1,424212	1,541,399	2,106,087

Source: consultant based on forward room projections supplied by ASEZA Tourism Directorate
Explanation: Forecast room supply has been estimated by ASEZA Tourism Directorate
The number of rooms is multiplied by 365 nights, to give the total capacity of room nights available.
Target room occupancy is applied (in 2008 room occupancy was 47.5%, a fall is predicted in 2009 owing to global recession)
Target rooms solds gives the estimated number of rooms that need to be sold to achieve the occupancy target.

4.8 DISTRIBUTION OF ROOMS AMONG VARIOUS HOTEL CATEGORIES

The majority of foreign tourists that visit Aqaba currently do so as part of a tour of Jordan that commences and ends in Amman. Few foreign or domestic tour operators view Aqaba as a destination in its own right . The developments that are taking place right now, together with those planned for the medium and longer term, will transform the touristic nature of Aqaba considerably. In 2006 there were 800 five star hotel rooms in Aqaba; by the end of 2010 or early in 2011 there will be 3,000 and by 2015 there will be 3,500. Similarly with the four star hotels; in 2006 there were 1,000 rooms and by next year that number will increase by 50%. There are other developments in planning stage that will add further four and three atar rooms to the city's accommodation inventory.

The touristic developments by SARAYA and the National Company for Tourism Development (Social Security) in the next 18 months will address some of the major issues that have so far prevented Aqaba from being universally recognized as a major tourist destination in its own right. Thus, Aqaba's future attraction will be as a second gateway to Jordan and as a destination in its own right will increase significantly. The Aqaba Marketing Strategy is designed to inform tour operators and individuals of the touristic benefits of Aqaba as a destination for holidays and leisure travel, and as an integral part of the Jordan experience. It is targeted at major tour operators and their associated charter airlines, as well as scheduled and low cost airlines that can be attracted to serve Aqaba and its hinterland via King Hussein International Airport.

Aqaba is a boutique destination but it is clear that the increase in visitors required to meet the occupancy level targets in the greatly increased hotel room inventory cannot be accomplished by targeting only five star customers. It is recognized that there is a large number of tourists that require other forms of accommodation that better suit their budgets and expectations and that there is a cluster of hotels in Aqaba that can serve this market. It is important that these tourists continue to be welcomed by Aqaba and the marketing plan is inclusive in that regard. The following MoTA figures indicate that there were plenty of available rooms throughout the stellar year that 2008 was.

Table 7 Aqaba Occupancy rates in 2008 by category of hotels

	5 Stars		4 Stars		3 Stars		2 Stars		1 Stars		Total	
	Rooms	Beds	Rooms	Beds	Rooms	Beds	Rooms	Beds	Rooms	Beds	Rooms	Beds
Annual daily availabilty	9.912	17.712	4.980	9.408	6.804	12.404	7.121	15.476	5.064	10.752	33.881	65.752
Annual total availabilty	301.523	538.799	151.492	286.191	206.978	377.330	216.621	470.780	154.047	327.076	1.030.661	2.000.176
Rooms/beds occupied	230.471	385.031	56.638	97.027	48.572	77.548	116.068	210.917	37..292	67.238	489.041	837.761
Occupancy rate	76.4%	71.5%	37.4%	33.9%	23.5%	17.1%	53.6%	44.8%	24.2%	20.6%	47.5%	40.4%
Rooms/Beds unoccupied	**71.052**	**153.768**	**94.854**	**189.164**	**158.406**	**288.782**	**100.552**	**259.863**	**116.755**	**259.838**	**541.620**	**1.162.415**

Source: MoTA

There is some question as to the accuracy of the reporting from some of the lower classified hotels but it is felt that the overall picture is relatively accurate. It shows that the five star properties filled three quarters of their rooms and just over 70% of their beds throughout the year. While this is a creditable and profitable result, it still left one quarter of their rooms and nearly 30% of beds unoccupied. Whereas the five star properties achieved a very encouraging result, none of the other categories came even remotely close to achieving good occupancy levels. Only the two star properties managed to exceed 50% in room occupancy with most being in the 20% to 30% range. Overall, over half a million hotel rooms and nearly one and a quarter million bed-nights remained unoccupied in Aqaba during 2008. Allowing for some inaccuracies in the reporting, this was a considerable inventory of rooms and beds that remained unsold.

The low level of occupancy has continued through the first five months of 2009, according to figures recently released by ASEZA.

Table 8 - Aqaba Hotel Occupancy, January-May 2009

Aqaba Hotel Occupancy, January - May 2009	
3, 4, 5 Stars	44%
1, 2 Stars	34%
Unclassified	53%

Unclassified hotels: Golden Tulip, Days Inn, Classic Hotel, Maswadi Plaza, My Hotel

The more inclusive approach to targeting tourists is particularly important right now as tourist numbers are down in 2009 compared to 2008. Though some markets witnessed increased arrivals according to airport data (like the Scandinavian market), others showed a dramatic decrease (like the Russian and other CIS countries). Aqaba needs to invest in expanding the product range it offers, and hence the markets it can attract.

The current economic downturn is expected to lead to declines in most markets for holiday taking in 2009. However it will be very important for the successful marketing of Aqaba to understand why there are large gaps in source markets.

It will be critically important to seek new source markets, not just to replace lost business , but to extend the reach of Aqaba ever further to cope with its expanded accommodation inventory. The major developments opening in the coming 18 months will be the 5 star properties at SARAYA and these additional 1,200+ rooms will need to be filled from new pools of customers. Certainly many of the existing source markets will be attracted to the new product but new source markets must be cultivated as well. The regional markets of Saudi Arabia, Kuwait, Bahrain, UAE and Qatar for example have been less affected than European markets by the global slow down. Their wealthy residents must be prime targets for the excellent facilities of SARAYA, together with the traditional Arabic charm of Aqaba city, and in some cases Jordan's more liberal society.

The marketing strategy emphasizes the need to develop its partnership with existing tour operators to bring charters from additional cities in the current source countries. For example, in the UK many tour operators operate to the same destination from several regional cities as well as from the London area. Manchester in north England is the second largest source market in the UK and should be a top target for Aqaba and should be pursued with existing UK tour operators. The same may be true in other European source countries as well. For example, in Germany charters may be organized from Frankfurt, Berlin, Munich, Stuttgart, Dortmund etc. In France, Lyons may be considered a second source city/airport. In Spain, charters may come from Barcelona (Catalonia) as well as from Madrid. The smaller source countries such as, Austria, Netherlands, Belgium are not likely to support service from more than the capital city area.

Tour operators in the countries that have recently acceded to the European Union should all be contacted as their middle class populations (those with the propensity and ability to travel) will be increasing over time. In 2004 the following joined the EU, Malta, Cyprus, Slovenia, Estonia, Latvia, Lithuania, Poland, Czech Republic, Slovakia and Hungary. As well, the EU recognizes three official potential candidates in Croatia, Macedonia and Turkey, and a number of unofficial potential candidates in the western Baltic nations of Albania, Bosnia & Herzegovina, Montenegro and Serbia.

While it may be some time before large numbers of residents of some these smaller and less developed and less wealthy nations may be able to afford sophisticated vacations, there is every reason to make contact with their airlines in anticipation of their wealth and propensity to travel growing over time. Contact now will help position Aqaba/KHIA to advantage for the future.

4.9 THE PRODUCT- MARKET MATCH

Marketing starts with the product and experience, and if the product and experience is not right for the higher spending visitor, no marketing strategy aimed at them will succeed. An integrated approach to product/ experience development, training and marketing is essential.

In the short term Aqaba's marketing approach must be to fill its growing room supply by concentrating on what works. It must return to concentrating marketing on retaining and building charter traffic to Aqaba. It must work with JTB and tour operators to maximize the inclusion of Aqaba in existing traffic to Jordan. It must stimulate domestic demand at key times of lower occupancy.

In the medium to longer term, brand values allow more emphasis to be placed on a more diverse and higher quality-value tourism product as this is developed.

Table 9 is a product-market matrix, matching products to main markets and indicating main seasonality factors. New products will require special attention to launch and create awareness for. The focus must be on educating the travel trade.

Table 9 Product-market seasonality matrix

	Western Europe	Eastern Europe	North America	Middle East	Domestic	GCC	Expats
Current products							
Cruise tourism							
Desert activities							
Diving							
Heritage							
Jordan + Egypt							
Summer sun							
Winter sun							
Future products							
MICE							
Residential tourism							
Self catering/rentals							
Events							
Weekend/short breaks							
Family tourism							
Sailing							
Eco-tourism							
Hiking							

Emphases: Summer | Winter | Spring/Autumn | Year round

As we can see from Table 9, diving and MICE are the most important products in terms of appeal to all markets. In volume terms however the sunshine product is important. However sunshine is a commodity in the region – everyone sells it – and it is highly price competitive. (Egypt's current marketing theme is 'the gift of the sun'). To achieve better hotel yields in Aqaba an added value approach for a higher spending market (heritage, desert activities, wellness) is essential.

Table 9 outlines very broad market areas, however to market effectively it is necessary to segment these markets. Segmentation can be done by location, demographics, lifestyles or theme; however the key point is that a segment must be an identifiable and targetable audience for marketing activity. Section 5 suggests segments that Aqaba should concentrate its marketing resources on.

Annex 1 of the JTB Strategy 2009-2013 contains

useful further detail of segmentation by product and market which Aqaba should also apply. Practical day-to-day cooperation with JTB and its market-based representatives is essential.

4.10 ADDRESSING SEASONALITY

Seasonality is a challenge for Aqaba, particularly in the hot summer months. Winter occupancy should also be boosted.

The following initiatives should be undertaken:

- Product development is needed to address seasonality: In winter indoor facilities are needed such as wellness, heated swimming pools, a theatre, a cinema, an aquarium, a better museum and an arts centre. Products for family tourism are also needed.
- Awareness needs to be created that it is possible to visit Aqaba all year, for example Eastern European markets and Scandinavians can be attracted in the winter, and Aqaba's climatic advantage in winter is not sufficiently realized.
- Diving is an all year round product although most popular in the summer, when hotel occupancy is low.
- More events need to be created to fill periods of lower occupancy. For example, time aero-shows in periods of lower occupancy.
- Creative packages are needed from hotels during periods of low occupancy: wellness promotion, cooking classes, art events, concerts, special feature weeks.
- Attract more people from Amman, Lebanese and Syrians in the winter. Specific campaigns are needed that highlight Aqaba's warm climate. Access links required (air access from Beirut and Damascus). Joint campaigns with bus companies and RJ needed.
- More special interest tourism: bird-watching and hiking trails with the new RSCN Aqaba Mountains reserve.
- Work more closely on promoting the flying school as this is a year round product.
- Market courses for diving and flying aimed at the domestic market (university students and others).
- Encourage the development of private sector apartment rental companies to sell Aqaba's large apartment and second home stock in periods of lower occupancy.

5 SEGMENTS TO TARGET

5.1 WESTERN AND NORTHERN EUROPE

Western and Northern Europe is a complex market area for Aqaba with differing cultural, economic and linguistic features, and one where competition is extreme for out-bound traffic. It is however Aqaba's most important target market in terms of higher spending (winter) visitors.

With the UK and main European markets in economic recession, Aqaba needs to focus its marketing activity on a limited number of countries that have the potential for direct charter access. In other markets, JTB activity should be relied on (including Aqaba's product offer). Joint campaigns with partner tour operators, JTB and RJ (and other airlines flying to KHIA in the future) is recommended in selected West European markets. TV advertising is not recommended as it is very expensive and unfocussed, and, in many European countries, of declining importance as an advertising medium. E-marketing campaigns are essential in the Western European market. This could be achieved through advertising through different internet mediums.

Aqaba should focus campaigns as follows:

5.1.1 Benelux

- It is essential that Aqaba works with partner charter airlines in this market, which has become very important to the destination. Joint campaigns with operators like TUI, Jetwings and Thomas Cook are needed.
- There is good potential to work with special interest segments: diving, desert activities, bird-watching, etc. Special interest tour operators and specialist press should be targeted. Special interest print and Internet marketing campaigns should be mounted with JTB.
- The most remarkable evolution in consumer behavior in Benelux is the highly increased use of the Internet as a booking channel. Internet users should be targeted. It is predicted that in the near future more than half of all the Dutch will book their holidays via the Internet (source: Visit Britain). Do-it-yourself holiday planning is already a feature of this market.
- After the Internet, Belgians consult tourist guidebooks, brochures and leaflets (21% of

holidaymakers). Aqaba needs to review these to maximize coverage, and target travel guide editors regarding new product development.

- It is also important to continue to target the travel trade, which needs detailed information on products to be able to offer 'tailor made' options to consumers who prefer to organize things 'themselves'.
- Vakantiebeurs is the leading regional travel exhibition and one of the largest tourism exhibitions in the world with over 140,000 visitors. Aqaba should partner with JTB and tour operators at this event.

5.1.2 France

- Aqaba's product offer should be aimed at the wealthy French who have a higher propensity to travel and increasingly use Internet 'tailor made' holidays, combining activities of interest to them. Joint Internet-based activity with partners (who have in-market expertise and speak French) should be the objective.
- French charter operators to Aqaba should be backed.
- Aqaba must also target the special interest segments of diving and desert tourism. These segments can be reached through specialist publications, clubs and societies. Aqaba should use a French agency to advise it on placement. Brand guidelines must be followed and concepts used which are appropriate to French tourists' needs. Joint campaigns with JTB or RJ (or others) should be negotiated to maximize exposure.
- Aqaba hotels and tour operators should target the French travel trade. Personal relationships are very important to the French and take time to build. French is essential, so the Aqaba trade may need to employ representatives.
- More up-market products are needed by these segments (wellness, golf, resorts) and Aqaba's PR must highlight new developments (when completed) with French language press information.

5.1.3 Germany

- The status of holidays is very important in Germany and a commodity that Germans are least prepared to give up, indicating that this is a good market to target in recessionary times. Germans are interested in most types of product that Aqaba-Petra-Wadi Rum can offer; especially beach, culture and activities. Cleanliness and value for money are important issues.
- There is good potential for special interest products in this market. Diving, desert tourism, city breaks, cruising, etc. all have specialist groups and tour operators that JTB's market office can target if stimulated by Aqaba.
- Aqaba needs to provide more detailed information in guidebooks and on-line for this market; Germans are greatly influenced by what they read. Travel writers should be targeted. A PR agent is needed, ideally in partnership with JTB or RJ.
- Targeting the trade at events like ITB Berlin, CMT Stuttgart, Reisen Hamburg and BOOT Dusseldorf are important for the Aqaba trade. Representation by the private sector at these events must be encouraged, as the value of local authority representation at trade shows is very limited. JTB stands should be used with strong Aqaba visuals. 47% of all trips (including domestic) are organized by operators and or agencies. In contrast to many other markets, some commentators predict that the percentage of tours organized by German operators and travel agencies will increase by 55-¬60% in 2015.
- The popularity of the Internet in Germany has resulted in a strong increase in online advertising over the past few years. Aqaba should work with partner operators to increase on¬line advertising.

5.1.4 Italy

- The family holiday segment is key here, especially during school holidays. Partnership with charter operators is essential. However buyers are extremely price sensitive and there is stiff competition from other beach tourism destinations, especially Turkey and

Egypt. Destinations preferred for Italian family trips and holidays are rich in history and culture, and those that are safe and easy on the organizational side: Aqaba has all these attributes and needs to bring out its heritage more (rather than beach per se) in its marketing;

- Dive clubs and dive shops in main cities should be targeted.
- Last minute bargain hunting is a feature of Italian booking patterns nowadays, and Aqaba is not sufficiently 'on-line' at present to capture this growth. If an LCC can be attracted by KHIA, this market could grow quickly. Italian people are progressively overcoming the traditional fear of buying products on the web.

5.1.5 Scandinavia

- Sun-seekers wishing to escape the long Northern winter are the key target segment for Aqaba. It is essential that current operators are supported so that this important source market for Aqaba can continue to be tapped.
- The most striking feature of the Swedish travel industry lies in its concentration; the business and leisure sectors are both dominated by a few very large interests. There are approximately twenty large tour operators in Norway, mainly based in the cities of Oslo and Bergen. A few large charter companies dominate the leisure travel market in Denmark. Sweden's trade is concentrated in Stockholm and Gothenburg. All operators are seeking products that can be easily booked and sold on-line.
- Internet users are a key segment. 76% of the Swedish population is on¬line so it is not surprising that Nordic e-travelers are the most active in Europe. Holidays, whether last minute short breaks or longer charter holidays, are amongst the most popular commodities purchased on¬line.
- TUR Gothenburg is Scandinavia's leading trade and consumer travel exhibition (March) and the Aqaba private sector dependent on Scandinavia should attend with JTB.

5.1.6 Spain

- 80% of Spaniards still take their holidays domestically so predictions are that Spain has a huge potential as an outbound market once its economy recovers. There are however numerous low cost carrier options to Europe, so charter traffic must be targeted if Aqaba is to compete. The role of KHIA is critical.
- Cataluña and Madrid together concentrate most of the Spanish population (29%). Madrid and Barcelona should be the focus of joint activity with JTB.
- Specialized tourist blogs are very popular, and enjoy a loyal audience who take the advice of the contributors very seriously. Spanish language e-marketing to the on-line segment is recommended using Spanish-speaking representatives or JTB (with partners).
- Diving and activity tours are popular, so specialist groups can be targeted.
- PR aimed at travel programs will help to raise awareness of Aqaba as a holiday base in Jordan.

5.1.7 United Kingdom

- The UK population is ageing and older visitors can stay longer. This is the market segment for Aqaba, not the younger 'party set' who go to Egyptian resorts. Aqaba marketing needs to reflect the needs of this segment in particular. Demographics will have a significant impact on outbound tourism in the coming years and Aqaba is well positioned if resort quality improves.
- There is excellent potential to target specialist groups such as diving clubs, nature and bird-watching associations, heritage societies and so on.
- Aqaba's UK charters have been a considerable success, especially in proving that Aqaba can attract and retain up-market and older visitors. It would be foolish however to assume that current charters will continue without improvements in product and the development of new product. The market is increasingly well travelled and demanding and will increasingly seek to sample new destinations.

- A vast array of on-line booking opportunities is now available from the web-based UK operators: Expedia; Lastminute.com, e-bookers, Opodo, Octupus etc. The increasing trend is that operators and retailers are promoting their own products and packages via their own bookable websites. Aqaba is falling behind in this regard. Joint initiatives with tourism e-marketing companies (such as Expedia) are recommended. E-marketing training for the private sector is needed however, so that bookings will click through.
- Special interest print and Internet marketing campaigns should be mounted. There are numerous well-travelled special interest groups (diving, bird-watching, heritage groups) and a partnership approach with JTB is needed. Concern about environmental impact has become more mainstream in the UK: World Travel Market 2008 was extensively themed around Responsible Tourism (as was ITB 2009). In early 2007, England Marketing commissioned research to investigate consumers' understanding of sustainable tourism and their emerging attitudes to it. The study shows that given a choice of two destinations or products, the UK holiday consumer will choose sustainable option and some are even willing to pay more. Aqaba must beware of 'green-washing' and must improve environmental conditions, especially along the coastline and in the Marine Park.

5.2 EASTERN EUROPE

Working with the travel trade is the key to accessing this market. PR for the destination is also needed. Growth from Russia, Poland, Ukraine and the Czech Republic has been very significant to competitor destinations such as Egypt and Turkey. However the devaluation of the Russian ruble in early 2009 has had a dramatic negative effect.

5.2.1 Czech Republic

- Czechs have huge opportunities for discovering Europe, fueled by LCC growth to Prague. In the era of cheap air travel within Europe, only charter operations to Jordan are likely to succeed until special interest tourism develops. Tour operators using charter operators are the key segment to target.
- There were 5.1m Internet users in Czech Republic (50% of the population) in June 2007, according to Internet World Stats. Eye for Travel (2007) found that IT growth has mainly been pushed by the tourism sector. National web sites were the most frequently used media rather than newspapers, highlighting the need for an e-marketing approach.

5.2.2 Hungary

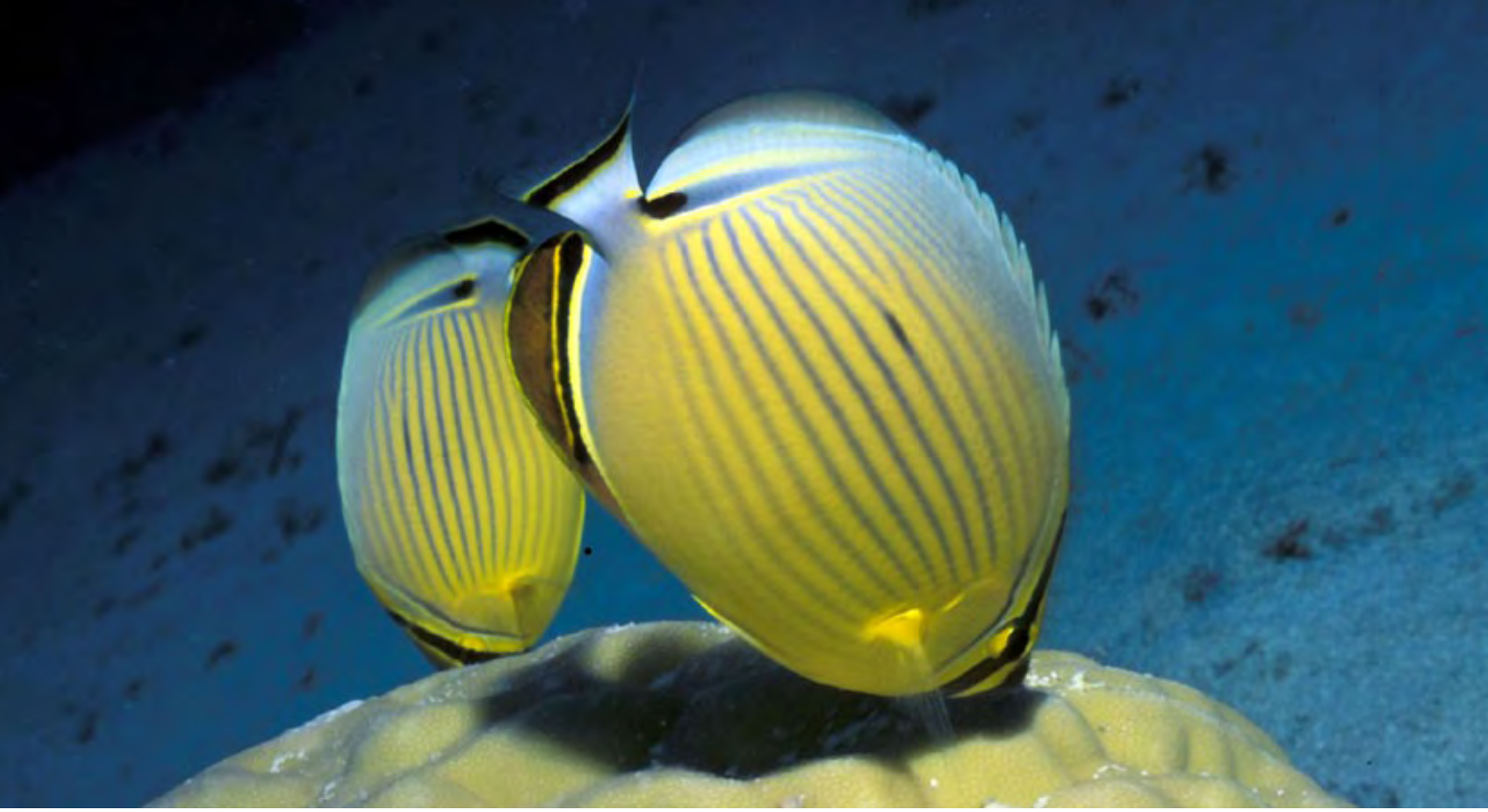
The Hungarian travel market is not specialized but it is currently in the process of transformation in terms of streamlining and consolidation. Due to the fact that Hungarian travelers are very price conscious, only a small margin can be applied on sales leading to better efficiency in selling volume tourism instead of demanding, specialized tours. The approach for Hungary should therefore be one of targeting potential charter operators, leaving the operators to determine the appropriate segments.

5.2.3 Poland

- Aqaba should continue to target the travel trade (with JTB). There are approximately 600 tour operators, both incoming and outgoing, in the Polish market and around 2,000 companies that are both tour operators and travel agencies.
- TT Warsaw and Tour Salon Travel Fair, Poznan are the largest trade shows organized in Poland. Aqaba should support Polish tour operators who feature Aqaba in future at this event.
- 30% of Poles are on-line and the Internet is an effective way to influence travel. Upgrading the Aqaba Polish web presence and e-marketing are needed.

5.2.4 Russia

- Moscow is the main base for the outbound travel trade, but other cities can provide interesting opportunities. Aqaba should focus activities here.
- MICE marketing is an area of the market that is embryonic but developing. In particular many Russian corporate travel agents are trying to develop this end of the market. This will be a potential market segment when



more conference facilities are available.

- Many Russian travel companies have tried to capture a market niche and offer a range of specializations (adventure, MICE). There is some potential for growth.

5.2.5 Slovenia

Slovenia is perhaps closest to the West, and Aqaba therefore needs a more PR and Internet-based approach to marketing, in partnership with JTB. Slovenes prefer recommendations from friends and family and searching the Internet, emphasizing the need for Aqaba to monitor and influence Internet exposure. ASEZA has initiated PR activity in this market but it was not sustained.

5.2.6 Ukraine

Aqaba should target the Kiev travel trade in partnership with JTB. There is charter potential as the economy improves.

5.3 ARAB MARKETS

5.3.1 GCC

In recessionary times travel is likely to become more intra¬regional (UNWTO 2009). Targeting Arab markets will be a key challenge for Aqaba, especially in circumstances where the effects of the financial crisis on the Gulf have been far reaching, with falling stock markets and dropping oil prices. Segments to address are as follows:

- Regular Arab travelers and their families will be the key target segment, through joint campaigns run in co-operation with RJ (and other regional carriers attracted to KHIA), JTB and travel agents.
- Jordanian's resident population in the Gulf may start to return as its economy slows. They are a target for property investment.
- Aqaba needs to target MICE agents in main cities: Dubai, Beirut, Damascus, Jeddah, etc. It should also target major businesses, government agencies, NGOs and meeting organizers in capital cities of Arab states.
- Transit traffic during the summer travelling north from Saudi Arabia, or travelling east or south for the Hajj has potential if Aqaba's retail product improves.
- Aqaba should mount appropriate promotions with partners (e.g. sales mission to Dubai, Kuwait, Qatar), provided significant private sector participation can be obtained.
- Expatriates resident in the region are also a target segment.

5.3.2 The Levant

More Lebanese and Syrian can be attracted to Aqaba's warmer climate in winter if access can be improved.

- Awareness needs to created in main cities.
- Partnerships with tour operators and travel agents need to be created
- Direct promotions can be undertaken

5.4 DOMESTIC

Domestic markets require particular attention during recessionary times. The following segments should be targeted, based on a further analysis to be undertaken by a local advertising or research agency:

- The domestic market has awareness of what Aqaba can offer, but this knowledge needs to be updated. It is important to target key influencers in the local press.
- Up-market residents of Amman, English readers, larger businesses, and embassies can be targeted.
- Travelers on luxury public transport (Jett etc.) should be addressed through joint campaigns.
- Divers, RSCN members, and specialist clubs should be targeted
- A campaign to encourage greater local uptake of 'learn to dive' courses should be mounted with Dive Centers.
- Shopping centre promotions should be undertaken, with support radio advertising.
- Joint press and radio campaigns with Aqaba hotels should be encouraged during traditional periods of lower occupancy, such as Ramadan.

5.5 NORTH AMERICA

The US outbound tourism market is experiencing significant change, which is an opportunity for growth when recession eases. The EU/ US Open Skies Agreement went live at the end of March 2008 and opens up new route opportunities between the US and European Union destinations, presenting more opportunities for getting to Jordan via Europe. This is a very large and expensive market to target, so all Aqaba marketing should only be with JTB or RJ (or other carriers). JTB should be encouraged to partner with Aqaba as follows:

- Intensive cruise marketing with sales calls to cruise line itinerary planners, and attendance at SeaTrade Miami. Ocean cruising is growing at a phenomenal rate worldwide, particularly in the US (Americans dominate the market), and Aqaba and JTB should address this opportunity together.
- There may be some potential within MICE, provided security concerns can be overcome.
- Strong interest in higher end activity and other themed holidays exists in North America. Aqaba must work with JTB to identify and target appropriate operators.

5.6 OTHER MARKETS

Other markets, such as India and China, should only be addressed in partnership with larger players such as JTB or RJ. The new European cross-border fund may present opportunities to market Aqaba with other Red Sea destinations, or other alliances, but it is important that Aqaba's product differences are not lost in any joint campaign.

6 COOPERATION WITH JTB

6.1 PRINCIPLES

Cooperation with JTB at every level is essential to maximize opportunities for Aqaba. At present ASEZA is represented on the Board of JTB and makes a financial contribution to JTB. However, details of what joint activities will be carried out each year need to be negotiated in detail.

Just as ASEZA is represented on the Board of JTB, so JTB should be fully and actively represented on the proposed new Aqaba Tourism Partnership Board. In a very small tourism destination like Jordan it is essential that opportunities for cooperation are maximized and that duplication of effort is avoided. The analysis of tourism performance carried out clearly shows that Aqaba is losing out by not maximizing cooperation with the rest of Jordan.

A particular opportunity for practical cooperation arises in 2009-10 as Aqaba faces major challenges due to increased room supply.

6.2 BRANDING

The national brand, endorsed by HM the King, is being applied by JTB and being used by ASEZA on some (limited) publications. The Aqaba Tourism Brand Guidelines and the JTB Brand Guidelines both detail how joint branding should be applied and are in agreement with one another on reciprocal placement. What is lacking is the will to use the Jordan logo on ASEZA-funded publications and advertisements, and this is a matter which can only be addressed by a better spirit of cooperation on senior and executive levels. ASEZA believes when you have different logos this means you have strong and alternative products. This approach is not helpful to cooperation and fails to recognize that Aqaba is fundamentally part of Jordan. There are many good examples of joint national and regional marketing: Indian states with their own logos

and brands will generally also carry the 'Incredible India' national brand endorsement; marketing by Malaysian states also carry the 'Malaysia Truly Asia' brand. The onus is on JTB to take the lead on guiding this, as it is the lead national marketing agency.

6.3 JTB STRATEGY 2008-2013

The JTB Strategy 2008-2013 has been extensively referred to in drafting this marketing plan. The JTB strategy charts a new phase in Jordan's tourism development with an emphasis on using world-class marketing and management tools to enhance the tourism sector's competitive edge in international source markets. JTB is adopting a marketing initiative based on utilization of technology, specifically the Internet, while re-organizing its international operations in a way that ensures achieving the highest return on investment. It is essential that Aqaba is fully integrated with these developments, so that the city can benefit from them. It is, for example, very important for Aqaba to be part of JTB's proposed research initiatives, because ASEZA alone is very unlikely to have the resources or skills base to input to key research questions detailing future tourism marketing and development trends. Based on the competitive positioning of Jordan and the capacity issue JTB will be concentrating on regional markets (Arab-Israelis, Saudi Arabia, Syria and Lebanon, Kuwait, Qatar and UAE in addition to the expats in these countries), Europe (UK, German speaking countries, France, Italy & Spain, Netherlands, Belgium, Scandinavian countries, Russia, Ukraine, and Poland), North America and Canada. Aqaba's recommended targets are fully in line with these, although Aqaba has developed other East European business during its very hot summer when no other market will come. In the longer term, JTB will also look at Eastern Europe, as well Latin America, Japan, Korea, India and China. JTB's market-based representatives (MBRs) are key to the promotion of Aqaba. JTB's MBRs will be assembled at least once annually in Jordan for a planning workshop and teamwork development. This time will also be used for them, together with JTB's Amman-based team, to experience new products, meet with local tour operators and product suppliers and deliver valuable market feedback to the stakeholders. It is vital that Aqaba-based familiarization and the communication of Aqaba marketing activity is fully integrated with these events. It is up to Aqaba to ensure this opportunity is grasped.

7 AQABA MARKETING BUDGET AND ACTION PLAN

7.1 FUNDING

A marketing budget of JD2 million in 2009 is assumed. This should be progressively increased to JD5 million as room supply expands. Joint campaigns refers to jointly negotiated campaigns for Aqaba, specifically with a broad marketing mix, that are run with overseas specialist or charter tour operators, JTB, RJ or other airlines. Table 10 outlines the recommended marketing mix for any new marketing entity.

Table 10: Marketing mix and budget (2009-2015)

Item	2009 (000s) JD	2010 (000s) JD	2011 (000s) JD	2012-15 (000s) JD
Public relations	100	150	180	250
Advertising	300	300	300	350
E-Marketing	50	200	150	200
Joint campaigns	1200	1800	2000	2400
Publications	50	50	70	100
Exhibitions	100	100	100	100
Events	200	400	900	1000
MICE	-	-	300	600
Total	2000	3000	4000	5000

7.2 INDICATIVE MARKETING ACTION PLAN

This section outlines some of the kinds of activities that should be included in a more detailed Marketing Action Plan. This plan should be produced on an annual basis for the year ahead, based on tactical opportunities arising.

The plan currently assumes a continuation of ASEZA-led activity; however ASEZA and key stakeholders are currently investigating, with USAID assistance, mechanisms for engaging private sector stakeholders in marketing planning and delivery. Should this result in the formation of a Tourism Partnership Board, a Visitor and Convention Bureau or a Destination Aqaba company, this entity should take the lead in taking forward marketing activity and prepare the detailed annual marketing plans referred to. It may also want to revise the indicative budgets above, which are indicative minimum budgets and can be expanded with further resources from the private sector and funding agencies, but it is important to follow the recommended distribution of funds above to ensure optimum use of marketing resources.

7.2.1 Year 0, 2009

Introduction

The current year marketing action plan, and that of 2010, are critical in view of the significant expansion in Aqaba room supply coming on stream. Urgent action by ASEZA is required, otherwise the viability of new Aqaba developments will be called into question as a situation of weak demand and over-supply of rooms is in prospect. It will be important to avoid a price-cutting 'race to the bottom', where tour operators will control the market. This will happen if Aqaba Is promoted as a sun-sea-sand destination as there is massive competition for this product in the region. A sense of urgency with regard to stimulating demand is called for and JTB needs to be strongly engaged, as the reputation of the destination will be called into question should market failure occur.

Revise the charter carrier incentive options and develop anew shceme which should be marketed in a highly targeted way..

Public relations

Devise joint PR campaign with RJ to promote Aqaba tourism, Amman-Aqaba flights (and residential product) in Arab region cities targeting press features and radio interviews. Engage a PR agency to assist. Initiate and organize familiarization visit to Aqaba for JTB head office and overseas representation. Initiate and organize a familiarization visit to Aqaba for JITOA.

E-marketing

Update and improve the Aqaba web site. It is recommended that this be that the web site is hosted and upgraded jointly and a larger common database can be created. This will free up ASEZA resources to be spent on e-marketing activity. An updated e-marketing strategy is needed for Aqaba specifically.

Joint campaigns

Detailed action plans involving JTB's market-based representatives in marketing Aqaba must be negotiated with JTB in return for ASEZA's financial contribution to JTB. These action plans need to be negotiated in detail by senior ASEZA staff and jointly committed to in an annual Memorandum of Understanding signed by both parties. ASEZA will also devise joint advertising campaign with RJ to promote short breaks in Aqaba including packaged hotel offers.

Continue promotion of Aqaba as a cruise liner destination. Target cruise line itinerary planners. Work jointly with JTB MBRs.

Publications
Update marketing materials (minimize design changes), in particular 101 things to do in Aqaba

Exhibitions
Organize road shows to support PR campaign with RJ and regional advertising. Attend international exhibitions in partnership with charter operators and JTB. Draw up with Aqaba Dive Group a jointly agreed marketing campaign for Jordan and selected European markets. Secure commitments from private sector to attend specialist promotions.

Events
Urgently organize events that will attract visitors from the domestic and nearby markets. Obtain specialist input if ideas for crowd-puller events are not forthcoming locally.

MICE
Start attracting smaller meetings to Aqaba (most MICE events are for less than 50 people). Target Jordan and neighboring countries initially.

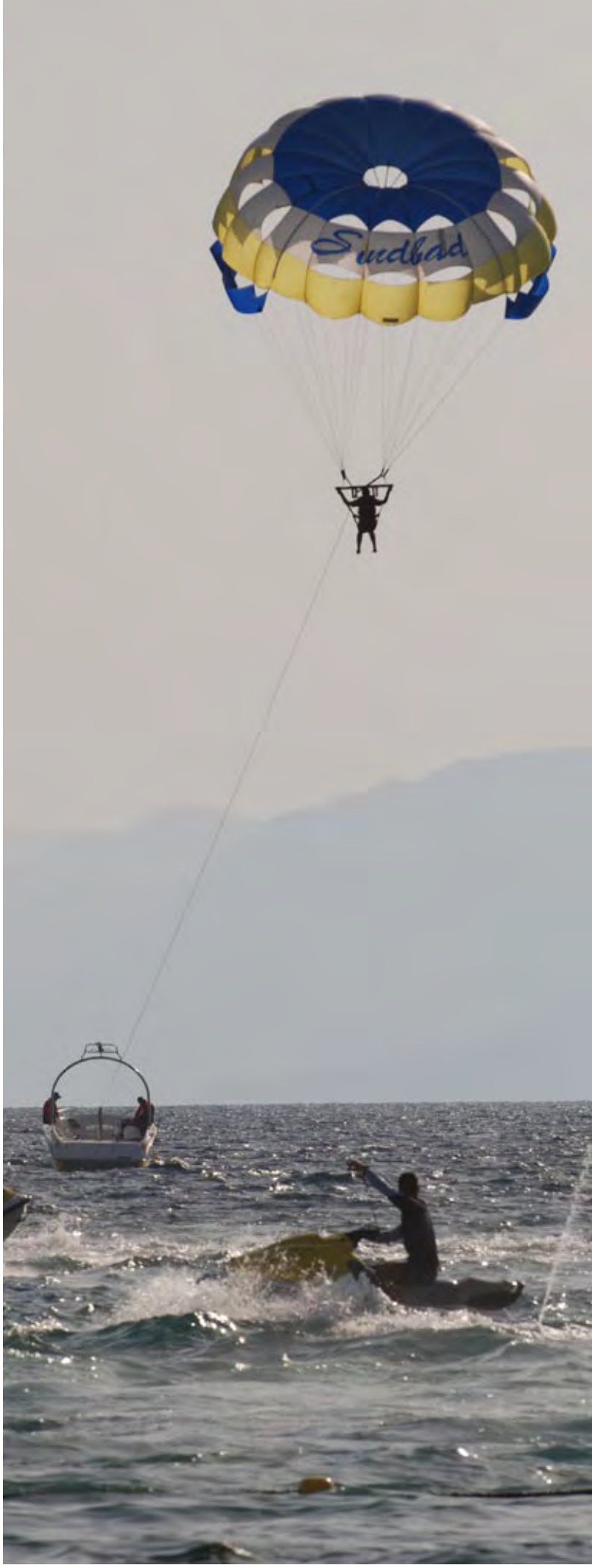
7.2.2 Year 1, 2010

A detailed annual marketing plan will be prepared before the start of 2010, elaborating on, costing and adding to the activities below.

Assumption: The private sector will be taking a much stronger role in marketing Aqaba through a partnership board or other mechanism. This will include helping to determine tactical marketing opportunities and representing the destination at some trade shows. ASEZA/Destination Aqaba will have applied for EU, USAID and other funding to support marketing of its emerging new product.

Public relations
Continue regional PR campaigns with RJ, JTB and others, based on effectiveness review.

Advertising
Following research undertaken in year 0 into the effectiveness of current advertising, ASEZA will draw up a detailed adverting brief for 2010 relating to Arabic-speaking markets and tender it to Amman and market-based advertising agencies. Continue/revamp



domestic campaign subject to performance review.

E-marketing
Start implementing the up-dated e-marketing strategy.

Joint campaigns
Devise and Implement joint campaigns with JTB, the new Aqaba Port Company and specialist tour operators for diving, cruise liner calls and desert activities. Devise and Implement joint campaigns with tour operators featuring Aqaba as a holiday base.

Publications
Commence production of specialist Aqaba MICE publication and website.

Exhibitions
Organize road shows to support PR campaign with RJ and regional advertising. Attend international exhibitions in partnership with charter operators and JTB. Secure commitments from private sector to attend specialist promotions and start obtaining financial contributions to costs.

Events
Develop major events program for 2011, Aqaba's year as 'Arab Capital of Tourism'. Focus on events which will fill the city's unallocated hotel rooms during periods of lower occupancy.

MICE
Commence market research for MICE, tracking and targeting conferences taking place in Sharm El Sheik and other competitor destinations that could be attracted to Aqaba in following years. Start preparing MICE information pack and other MICE-marketing materials.

Other
Commence more focused marketing of KHIA, based on airport marketing plan. Market the charter incentive scheme.

7.2.3 Year 2, 2011

Introduction
A detailed annual marketing plan will be prepared before the commencement of 2011. Aqaba will continue charter support marketing and special interest marketing with JTB. KHIA will continue specialist airport marketing.

Public relations
Continue regional PR campaigns with RJ, JTB and others, based on effectiveness review. Re-tender account with a revised brief centering on events and new developments. Organize targeted series of press visits with JTB MBRs.

Advertising
Continue domestic and regional tourism marketing.

E-marketing
Update e-marketing strategy, giving greater focus to events marketing and MICE.

Joint campaigns
Continue charter support marketing. Continue special interest marketing with JTB.

Publications
Arab Capital of Tourism events and other publications will be produced.

Events
Roll out major events for Aqaba's year as 'Arab Capital of Tourism'. Focus on marketing and PR opportunities related to cultural themes. Aqaba will by now have developed a major event program designed to attract visitors to the destination. The program will be available annually in advance.

MICE
Continue market research for MICE, tracking conferences taking place in Sharm and other competitor destinations that could be attracted to Aqaba. Recruit specialist MICE marketing staff. Launch Aqaba Visitor and Convention Bureau with special MICE-marketing remit.

Other
Organize familiarization visit to Aqaba for JTB head office and overseas representation.
Organize familiarization visit to Aqaba for JITOA.

7.2.4 Year 3, 2012

Introduction
Assumptions: Quality Assurance training will be

bearing fruit with increased delivery of the Aqaba quality brand promise. Extensive luxury properties will be available for sale and rental.

Public relations
Advertising
Launch 'Aqaba – my second home' campaign targeting Jordan, Saudi Arabia and other markets directed by the private sector.

E-marketing
Commence e-marketing of property rentals through private sector-led initiative.

Joint campaigns
Intensify special interest marketing with JTB, and continue domestic tourism marketing and charter support marketing.

Events
Continue events program, building on 2011.

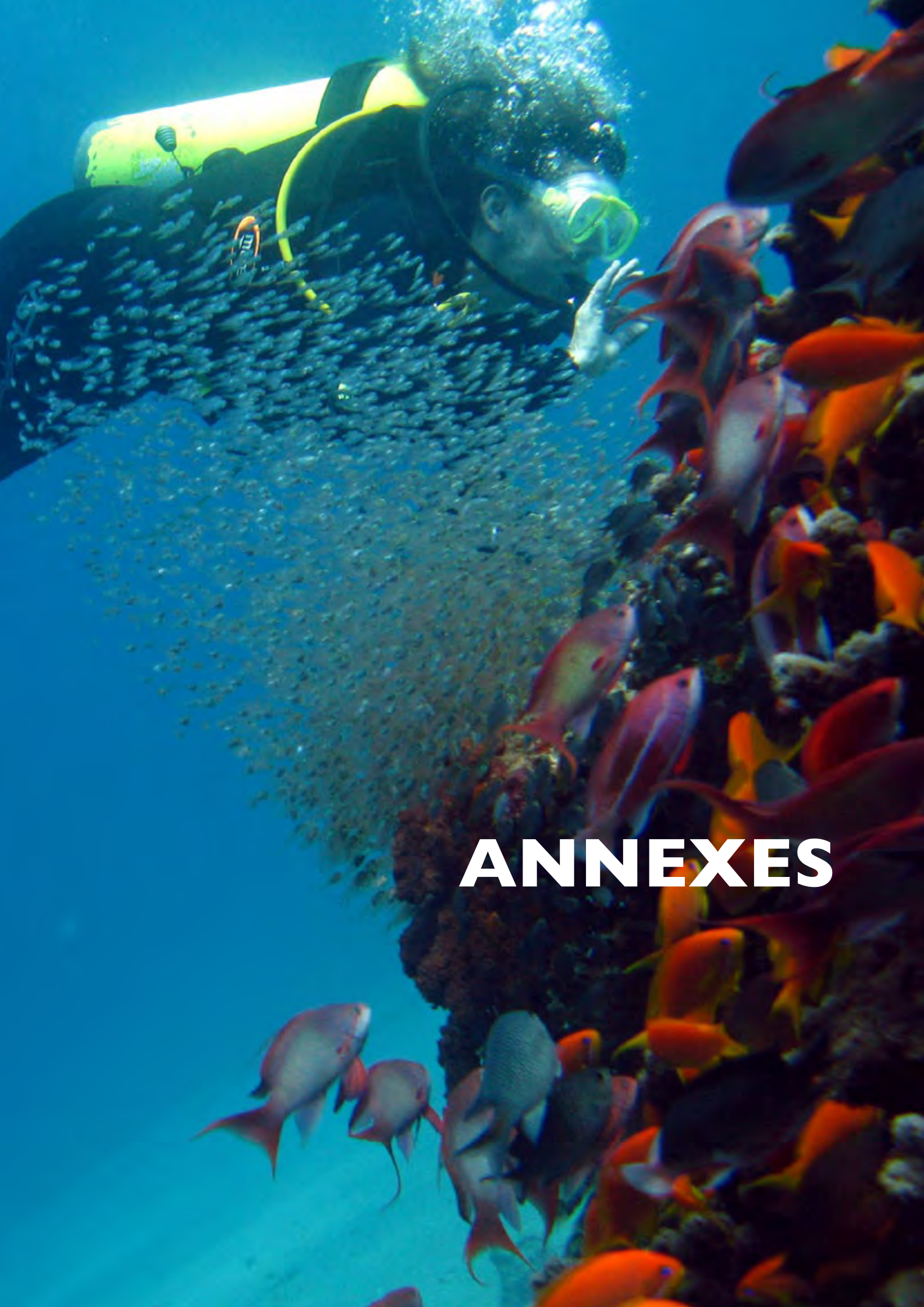
MICE
Continue market research for MICE, tracking conferences taking place in Sharm and other competitor destinations that could be attracted to Aqaba.

Other
Launch quality assurance program details. Review bed night targets and update marketing strategy with JTB.

7.2.5 Years 4, 5 and 6: 2013-2015

Detailed annual plans will be produced. It is assumed that high quality MICE facilities, including a Convention Centre, will be available.

- Review and continue events program
- Continue domestic tourism marketing
- Continue charter support marketing
- Intensify special interest marketing with JTB
- Continue airport marketing
- Organize familiarization visits to Aqaba for JTB head office, overseas representation and JITOA
- Organize targeted series of press visits with JTB MBRs



ANNEXES

ANNEX 1: WADI RUM PROTECTED AREA

Background

In 2008 Wadi Rum attracted 256,250 visitors, making it one of Jordan's three most popular visitor attractions. Entrance fees from foreign visitors are approximately JD470,000 ($662,000). Full day and half -day jeep safaris are the main product sold, raising national income to JD1.57 million ($2.21 million) in 2008. This amounts to 34,963 jeep trips, 61% of which take place in the protected area and 49% in Dissi. The number of jeep trips equates to approximately 100 jeep trips a day, however tourism in Wadi Rum is highly seasonal.

The environmental impact of jeep tourism is severe on the fragile desert environment, and the protected area staff are calling for the de-marketing of jeep tours in favor of marketing products which give greater local income, such as camel safaris, rock climbing and desert trekking (unfortunately this call for de-marketing has not been heard by ASEZA or JTB, both of whom feature footage of jeep safaris in current TV advertisements and some publications). Tour operators are not aware of the issue. The protected area has a marketing budget of JD70,000 but no detailed marketing plan. Publications are produced and staff attend overseas promotions with other ASEZA staff.

A number of Gulf and North African states are currently developing Desert Tourism (Morocco, Tunisia, Libya, Egypt, Israel, Oman, Dubai, Syria, United Arab Emirates). Marketable products that desert tourism can offer include the following:

- backcountry and wilderness trekking
- historical tourism (following heritage trails, visiting archaeological sites)
- desert religious tourism, treks based on holy sites, Nabateans culture, oases, etc
- Bedouin, Arab or Berber cultural tourism
- bird-watching and wildlife tourism
- ecotourism
- desert camping (luxury to budget)
- desert resorts (the flagship in the region being El Maha near Dubai)

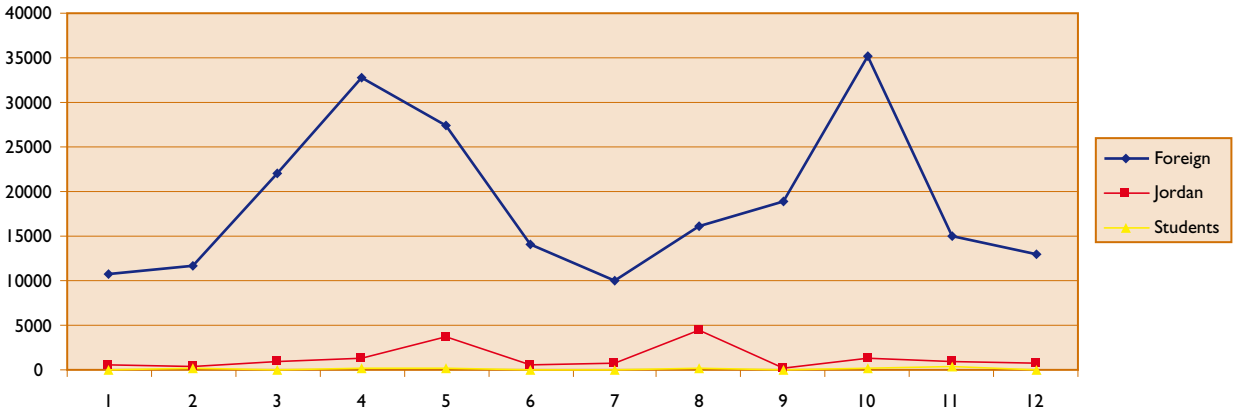
Egypt has re-launched its desert tourism product ('Desert Tourism and Oases: Egypt – nothing compares'). The product offer is the six Western Desert oases, great white sand seas, unique Berber culture, and the Wadi Al-Hitan (Whale Valley) world heritage site. Tour suggestions are outlined: for short trips (up to three days); longer trips (up to seven days); and expeditions (10-21 days). Activities include desert driving, camel riding and walking, and 'desert thrills' (dirt biking, mountain biking, sail boarding, etc.) A professional association of specialist desert tour operators, the Egyptian Desert Keepers (EDK), has been established to implement codes of ethics and conduct.

Wadi Rum by contrast is currently a mass tourism visitor attraction, with added overnight options. It is primarily a day trip facility and the main investment has been in a large visitor centre, with some added short break options. The main developments there have been the visitor centre and event facilities (e.g. camel race track). Major intervention will be required to market alternative longer stay options, improve overnight options and to de-market environmentally damaging aspects. Responsible tourism issues, in particular the challenge of local benefit versus the need for outside investment in quality product, are to the fore.

Source markets:

Wadi Rum attracts visitors from a wide range of source markets with a strong dominance by mainland Europe (France, Spain, Italy and Germany). Most visitors undertake a half-day jeep tour. Numbers engaging in sports or other activities (rock climbing, desert trekking and camel safaris) are very small but growing.

Chart 5: Wadi Rum visitors by month (2008)



Market segment details

Discussions with Wadi Rum Protected Area staff and tour operators indicate the following:

- In general the product offered is generalist rather than special interest, with Wadi Rum being offered as part of the Classic Jordan tour. The appeal is sightseeing (in a jeep) rather than activities. The profiles generally reflect tourism to Jordan.
- Cruise tourism customers are a growing source of business for jeep tours. The profile is older tourists with high numbers of Americans. The segment size is over 10 million Americans who cruise and 4 million Europeans (Mintel).
- The expatriate free independent traveler (FIT) segment is important for overnight camping within Wadi Rum. The profile is families and small adult groups.
- Selected overnight camps are used by tour operators, generally outside the protected area.
- School groups form a distinct segment, but numbers are currently very small (only 1,422 in 2008, just over 100 per month). This requires attention if Wadi Rum is to fulfill its environmental objectives.
- Numbers of Jordanian visitors are also modest (15,467 in 2008).
- There are very small numbers of rock climbers, working with specialist operators, one of whom is local.
- Winter desert trekking is growing in popularity, although numbers are still small. The profile is small adult groups, with a broad age range. European markets dominate.
- RSCN members are a potential market segment (not currently exploited).
- Events, such as desert raves and camel racing meets are attracting growing numbers to Disi.

Potential future international market segments

Climbing

It is difficult to measure the number of people involved in climbing and mountaineering although it appears to be growing with more potential for tour organizations working in the sector. The total number of individual European members that are active in mountaineering and climbing was 2,985,780 in 2007, compared to 2,351,540 in 2003 (Mintel). This figure obviously does not include other climbers that are not members of national federations. The British Mountaineering Council of England and Wales estimates that there are some 496,000 UK climbers, with 326,000 men compared to 170,000 women. It suggested 269,000 participants were aged between 16-34, 201,000 between 35-54 and 26,000 aged over 55 years. According to UK tour operator Rock and Sun, climbing is seeing a huge growth, with indoor climbing the fastest-growing sport in the UK, also spurring interest in outdoor climbing. Established in 2000, Rock and Sun has seen a 40% increase in interest each year. The company runs

courses and holidays in the UK, Europe and North Africa for all levels. Although the core of clients are between 25-35 years old, many families and older people are starting to show interest.

One of the fastest-growing destinations for rock climbing tourism is Spain. The best time for climbing is from October to March. Besides independent climbers travelling to Spain, a growing number of specialized tour operators are offering climbing holiday packages and courses (the Costa Blanca is the number one destination for Rock and Sun). Increasing numbers of low-cost flights make Spain an affordable and easily accessible location and the best climbing areas are often conveniently close to main airports. The cost of getting to Jordan is a significant disincentive for this market.

Hiking
Operators have seen an increase in popularity of organized trekking holidays and there is a huge and growing choice on the market, with trips to increasingly remote places. Options range in difficulty levels and may be based in one place or involve moving daily and sometimes camping en route, with between four and ten hours spent walking each day. Explore for example has 93 different 'on foot' holidays, ranging from challenging treks at altitude to gentle walks along alpine planes. There are four grades of walk, from A ('easy') to D ('tough'). Popular choices are those that combine hiking with other activities, for example, a two-week trip to Tanzania combining game viewing and time on the beach with climbing Kilimanjaro. Nepal is the world's leading trekking destination and saw a surge in interest in 2008. Intrepid has introduced seven new hiking trips to Nepal to meet a rise in demand for walking holidays, with new routes to Everest base camp included to avoid the more touristy routes. In Peru, restrictions on the number of people allowed to walk the Inca Trail each day has had operators introducing alternative hikes to Machu Picchu. Demand far outstrips space and the trips are booking up months in advance. Demand for KE Adventures was up 19% year on year.

North Africa is a key competitor for Jordan, particularly Morocco, with a growth in low-cost flights to Marrakech fuelling access. Interest in other Middle Eastern destinations, such as Oman, is growing steadily.

Means of reaching segments

- For climbing and hiking, segments can best be targeted through specialist operators, specialist press and clubs and societies. Web links can also be used.
- General incoming tourists are best targeted through guidebooks and press features, and through Jordanian ground handlers.
- Cruise line passengers can also be targeted through the ground handlers who organize cruise liner itineraries. There are about 200 cruise line companies who potentially use the Red Sea-Suez Canal region. These can also be targeted.
- Jordanian school and university groups can be targeted through direct marketing, sales calls and awareness campaigning.

Recommended Wadi Rum marketing strategy

Wadi Rum should have the following marketing objectives:

- To maximize the uptake of the range of pro-poor products available, de-marketing jeep tourism which is environmentally damaging and minimizes economic impact.
- To encourage overnight and longer stays.
- To maximize the use of the visitor centre and protected area as an environmental education
- To foster interest in Bedouin culture and eco-tourism products.

The following groups should be prioritized for marketing purposes by the destination partnership:

- Jordan-based tour operators (ground handlers)
- international tour operators, especially special interest ones
- tour guides
- JTB
- RSCN
- the travel press

Wadi Rum Protected Area staff should concentrate on educational objectives, marketing to

- universities and schools, particularly in the Aqaba-Ma'an regions
- the local market

Schools and universities should be the main focus of Wadi Rum Protected Area's own marketing budget, rather than attending overseas promotions which, for a visitor attraction, has very limited effect. Overseas marketing of Wadi Rum should be handled by the destination partnership and JTB.

Products which involve overnight accommodation need to be promoted more. At present the image of Wadi Rum appears to be dominated by jeep tours and a special effort is required to change this perception. ASEZA, JITOA and JTB have important role in this regard.

High profile environmentally friendly events which assist in achieving the marketing objectives identified and which are focused on the products identified should be developed and supported.

Joint marketing and advisory support from RSCN should be considered.

Dedication of a generous (and proven) % of the visitor centre admission fee towards community projects should be advertised as part of a responsible tourism commitment.

ANNEX 2: CONSULTATIONS

Date and Venue	Consultee	Organisation
22 February 2009, Amman	Shadi Majali	Saraya Aqaba
23 February 2009, Amman	Fayyad Al-Sukkar	MOTA
23 February 2009, Amman	Marwan Khoury	Tourism Consaltant
23 February 2009, Amman	Mohanad Malhas	Abercrombie & Kent
23 February 2009, Amman	Hussam Othman	Hussam Tours
24 February 2009, Amman	Khalil Adwan	Travellers International
24 February 2009, Amman	Ahmad Humeid	Syntax Brand Management
24 February 2009, Amman	Philipp Dennert	Syntax Brand Management
24 February 2009, Amman	Habeeb Habash	Tourism Consultant
24 February 2009, Amman	Awni Kawar	Petra Travel & Tourism
24 February 2009, Amman	Fadi Sayess	Discovery Global Holdings
25 February 2009, Aqaba	Samer Tarawneh	Aqaba Community & Economic Development
25 February 2009, Aqaba	Bashar Salman	Saraya Aqaba
25 February 2009, Aqaba	Ahmad Al-Manha	ASEZA Tourism Directorate (research)
25 February 2009, Aqaba	Amjad Shatnawi	ASEZA Tourism Directorate (marketing)
25 February 2009, Aqaba	Natasha Haddad	Radisson SAS Tala Bay Resort
25 February 2009, Aqaba	Osama Otoum	Jordan Tour Guides Association
25 February 2009, Aqaba	Mostafa	Dive Operator
26 February 2009, Aqaba	Emad Tannous	InterContinental, Aqaba
26 February 2009, Aqaba	Oula Ayyoub	Aqaba Development Corporation
26 February 2009, Aqaba	Nael Al-Kabariti	Aqaba Chamber of Commerce
26 February 2009, Aqaba	Nadim Abu Hantash	Aqaba Gulf Hotel
26 February 2009, Aqaba	Salah Amro	Karma House Travel
26 February 2009, Aqaba	Laila Manna	Dive Aqaba
26 February 2009, Aqaba	Khalid Darwish	Sindbad
26 February 2009, Aqaba	Kareem Nofal	Bridge Travel
28 February 2009, Aqaba	10 companies	Aqaba Diving Group
1 March 2009, Aqaba	Mona Hawa	ASEZA
1 March 2009, Aqaba	Amjad Shatnawi	ASEZA
1 March 2009, KHIA	Omar Manha	Aqaba Airport Company
2 March 2009, Wadi Rum	Khalil Abdallat	Wadi Rum Protected Area
2 March 2009, Wadi Rum	Naser Al Zawadeh	Wadi Rum Protected Area
2 March 2009, Wadi Rum	Saleh Imad	Wadi Rum Protected Area
3 March 2009, Amman	Yola Isaac	Royal Jordanian
4 March 2009, Amman	Fayiz Khouri	JTB
4 March 2009, Amman	Luma Al Khatib	JTB
4 March 2009, Amman	Elina Taji	JTB
4 March 2009, Amman	Sa'ed Zawaideh	JTB
4 March 2009, Amman	Tahoma Nabulsi	JTB, Communications & Media
4 March 2009, Amman	Siham Gammoh	JTB, Research

ANNEX 3: STRATEGIC PLAN FOR AQABA TOURISM 2002 - VISION AND REVIEW OF ACHIEVEMENTS

Vision in plan (2002)	Situation as at February 2009
Aqaba will be a destination with its own unique personality within the region, different from Eilat, Nuweiba, Taba, and Sharm el Sheikh.	Planning controls rand values developed in 2004 reflect this vision
Aqaba will be a relatively expensive destination with mostly 4-star and 5-star hotels for international tourists, partly because of a significant number of business travelers.	Achieved relative to competitors (Egypt, Eilat) although the percentage of business travelers remains low
Aqaba will be a destination that is seamlessly connected with nearby destinations including Petra, Nuweiba, Eilat, and Taba/Taba Heights, and maximizes synergistic effects with these areas.	Partly achieved, although connections with Eilat remain problematic.
Aqaba will be a family-oriented destination, and will also have activities that appeal to singles, couples without children, and business travelers visiting Aqaba alone.	Partly achieved. Aqaba is appealing to older, wealthier European couples without children and domestic singles and families.
Aqaba will be a destination where the Jordanian tourist or business traveler is considered as important as the foreign tourist.	Most emphasis has been on foreign tourism, although some domestic tourism initiatives have been undertaken
Aqaba will be a destination with a much higher proportion of international visitors than is currently the case, with an airport that has regular, reliable, scheduled service to Amman and a steady flow of charter flights from major European cities.	Considerable progress made
Aqaba will be a destination where residential real estate prices are appreciating because of the city's constantly increasing desirability and popularity.	Until recent collapse of property market prices had been appreciating considerably.
Aqaba will be a destination that takes full advantage of its Red Sea location to again emerge as a popular cruise port. The Red Sea will always be Aqaba's most important asset.	Achieved
Aqaba will be a more sophisticated destination, constantly making efforts to be appealing to tourists from foreign countries, with tourist providers learning multiple foreign languages.	Good progress evident.
Aqaba will be a destination where the residents and tourism sector employees understand the value of tourism, are very friendly and outgoing to tourists, and offer excellent service.	Good progress evident but more training needed.
Aqaba will be a destination attracting a large number of European tour groups on inclusive tours of Jordan or multi-country tours as well as tourists on beach holiday packages arriving by charter flights.	Being achieved
Aqaba will not be a mass tourism destination where tour operators dominate the market, controlling room rates at the majority of properties.	Being achieved

ANNEX 4: AQABA CHARTER SUPPORT SCHEME (OLD)

The Aqaba Special Economic Zone Authority (ASEZA), the governing authority of the Aqaba Special Economic Zone (ASEZ) is taking the initiative to support charter flight operations to Aqaba's King Hussein International airport (KHIA) as its contribution towards the cost of marketing and promotion to open new tourism markets and support existing ones. ASEZA's incentives amount to Euros 5,000 for each flight with a maximum of 10 flights within a 12 month period.

Charter prequalification conditions:

1. The charter operator/ tour operator should inform ASEZA the starting date of the operation and the last one.
2. The planes should land at KHIA (AQJ).
3. There should be a minimum of 10 flights for each operation from one destination during a period of one year from the starting date of operation (Non-Stop from Point to Point).
4. There should be a minimum stay of THREE nights in Aqaba hotels.
5. The plane should have a minimum load of 100 passengers staying in Aqaba for the three nights;
6. The scheme will start as of 1 April 2007.
7. A letter of commitment will be issued from ASEZA stating conditional approval.

Documents provided by the charter operator/tour operator to ASEZA when applying for the scheme:

1. A letter submitted by the charter/ tour operator requesting consideration for the scheme.
2. The letter should state the name of the source country/city and airport from which the flights will operate to KHIA (AQJ).
3. Copy of the tour program in Jordan.
4. List of hotels to be used by tourists in Aqaba.

Documents required when submitting the claim:

The following documents should be submitted after the landing of the 10th qualifying frequency in KHIA (AQJ);

1. A covering letter issued by the operator to ASEZA submitting the claim/invoice and the bank details.
2. A passenger manifest certified by KHIA/handling agent for each flight.
3. A letter attaching a rooming list issued by each hotel in Aqaba for the guests on each charter.
4. A detailed marketing plan which was implemented in the source markets and attaching the marketing and promotional tools utilized featuring Aqaba such as: brochures, advertisements, radio spots, TV commercials, web marketing, etc.

Source: ASEZA Tourism D rectorate

ANNEX5: MEETING WITH AQABA DIVE CENTRE GROUP (10 COMPANIES)

The consultant advised that the purpose of the meeting was to discuss future marketing, however the group members felt that unless remedial action is taken, Aqaba won't have a diving product. This is due to the following;

- Diving now restricted to 7 sites (of 21) in just 7kms of coastline.
- There is a shortage of moorings.
- Best sites (Kiwi and Saudi Boarder) closed due to developments and security.
- Sudden security decisions.
- There remain problems at borders regarding the import of diving equipment by tourists.
- Not enough clean up dives, limited impact. The serious litter problem is not being adequately addressed at source (on the public beaches).

Marketing issues are as follows:

- Wreck and shore diving popular, and trial dives.
- A lot of potential in education for divers
- Most business is walk-in: 90% +. Pre-booked divers are longer stay, but a very small proportion of business.
- Local market has potential. Education about the underwater environment should be a theme.
- Target specialist tour operators
- Combinations becoming popular
- Aqaba needs cheaper access
- FAM trips needed to sell the story, both for diving operators and diving journalists.
- Marketing should be aimed at diving clubs, but not just in the UK.
- Diving tour operators should be familiarized about new developments in Aqaba.
- Taba is becoming a good access point for Jordan.
- Underwater photography events should be organized.
- ASEZA and JTB's diving advertisements are not sufficiently eye-catching and there is need for better informed underwater photography.