



International Business and Management
Vol. 6, No. 1, 2013, pp. 47-50
DOI:10.3968/j.ibm.1923842820130601.1050

ISSN 1923-841X [Print]
ISSN 1923-8428 [Online]
www.cscanada.net
www.cscanada.org

Tourism Marketing Strategy Case Study: Aqaba Special Economic Zone (ASEZA)

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Received 28 October 2012; accepted 30 December 2012

Abstract

The purposes of this article is to assess how many of the tourism marketing strategy and actions contained in the Aqaba Special Economic Zone Authority (ASEZA) Tourism Marketing Strategy 2005-2010 adopted. In addition, the article will provide information about the size and scope of activities that were completed or are in process. A questioner was developed and interviews were follow-up with administrators, department chairs and commissioners in March 2010 to gather data on specific activities related to the ASEZA tourism marketing strategy, and additional data was drawn from the ASEZA database. The result shows that there is no obvious tourism marketing strategy, goals, and consistency between the tourism marketing strategy and the real market of the ASEZA. The main conclusions war that the budgets are not sufficient for attaining the level of impact required; lack of market research, advertising decisions, the personal preferences rather than market research was the main reasons of the marketing strategy gap.

Key words: Tourism; Marketing strategy; Aqaba

Mozfi Al-Amyan (2013). Tourism Marketing Strategy Case Study: Aqaba Special Economic Zone (ASEZA). *International Business and Management*, 6(1), 47-50. Available from: <http://www.cscanada.net/index.php/ibm/article/view/j.ibm.1923842820130601.1050>
DOI: <http://dx.doi.org/10.3968/j.ibm.1923842820130601.1050>

INTRODUCTION

Tourism is a service sector which earns a substantial foreign exchange to developing countries. In Jordan,

Aqaba is one of the important destinations for the international tourists with its unique nature beauty with underwater life, Arabic culture and heritage, mountains of Wadi Rum and beaches. Tourism has become a popular global leisure activity and it a highly competitive industry, it is necessary for tourism industry to formulate marketing strategies which should include the overall business objectives, an assessment of the market environment. The strategy provides an overarching framework for guiding necessary action to promote the growth of the tourism, strategic planning is the process of formulating and implementing decisions about an organization's future direction. This process is vital to every organization's survival because it is the process by which the organization adapts to its ever-changing environment, and the process is applicable to all management levels and all types of organizations (Kerzner, 2001, p. 15).

Tourism is a highly competitive industry; the traveler has a wide range of choices and looks for good value for money. The lack of quality infrastructure, uncompetitive rates, indifferent or poor product quality, difficulty in getting access to information on travel and tourist destinations, untrained service providers have an enormously negative effect on the competitiveness of the tourism product. For all these it is necessary for tourism industry to formulate marketing strategies which should include the overall business objectives, destination marketing is designed to identify the target market by the way to collect information about its visitor as well as to audit the destination attractions and select segment that might logically have an interest in them (Kotler, Bowen & Makens, 2010). The objective is to create a brand image for tourism destination that highlights the attractions best features, provides an economic impact to the destination. As part of its intuitional support for the Aqaba Special Economic Zone Authority (ASEZA), a European Union development programme (IS-ASEZA) providing support to help market Aqaba as a branded tourism destination.

This report made the corner stone of the Tourism Promotion Plan for Aqaba 2005-2010. A market research has been done to examining the image of Aqaba in overseas markets did not exist, but was felt to be positive, related to its history and Gulf of Aqaba location. In the domestic market some limited research is available, and this shows that Aqaba is seen as a pleasant and relaxed beach destination but lacking in things to do.

1. PROBLEM STATEMENT

This study trying to answer the following questions:

- To what extent ASEZA rely on the adopted tourism marketing strategy to reach its strategic marketing goals?
- Did the ASEZA reach its strategical marketing goals that?
- Did the ASEZA efforts result in conversion in the tourism market?

2. OBJECTIVES

The main object this paper is to reveal the gaps that have emerged from the strategic marketing planning that need more investigation to point out the deference between what have been planned and the reality from those working in the tourism sector.

3. IMPORTANCE

There is lack of studies in the field of strategic marketing planning among tourism. We argue in this paper that there are gaps that have emerged from the strategic marketing planning, which require further examination.

4. THEORETICAL FRAMEWORK

ASEZA embraced the principle of results-based management in its strategic plan 2007-2010. The strategy performance link in international business according to four perspectives: dynamic capability, standardization, configuration–coordination, and integration–responsive (Luo, 2002; Zou & Cavusgil, 2002). Each perspective yields insights into assessments of global marketing performance and contributes to the development of market creation and market yield processes as bases for evaluating subsidiary performance. Performance assessment is a critical component of the marketing control process, so assessments should identify areas that need improvement, expenses to curb, and investments to make as well as provide a fair mechanism for evaluating (Kim & Mauborgne, 1993; Taggart, 1997). Strategic marketing activities not only affect immediate sales, such as those from a short-term promotion campaign, but also develop market assets that are more long term in their nature and impacts (Kamakura *et al.*, 1991).The Aqaba's tourism market success measured in hotel occupancy rates

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 (Aqaba Tourism Marketing Strategy 2010-2015). The five year Aqaba marketing strategy launched to re-position Aqaba as an international destination as more high quality, broaden awareness of Aqaba as a holiday base, a quality diving centre, a cruise liner port, a potential gateway to Jordan and the region, and increase the length of stay of visitors in Aqaba.

It is well-established that maintaining a long-term relationship with customers achieves competitive advantage and reduces the cost of attracting new custom (Kotler & Armstrong 2007; Jobber 2006). Planning and generating customer satisfaction should be the two major objectives of tourism businesses and destinations in maintaining competitive advantage, the key element of destination management and marketing strategy (Ritchie & Crouch, 2003).

The strategic marketing planning process include ten steps (McDonald, 1999), Figure 1 shows these steps.

4.1 Tourism Marketing

The marketing of services dependent much on interdependence of Marketing, Operations, and Human Resources. The differences between tourism marketing and other services are, (1) principal products provided by recreation/tourism businesses are recreational experiences an hospitality, (2) instead of moving product to the customer, the customer must travel to the product (area/ community), (3) travel is a significant portion of the time and money spent in association with recreational and tourism experiences, (4) is a major factor in people's decisions on whether or not to visit your business or community (Lovelock *et al*, 2004). Events and Destinations are significant motivators of tourism, and shape importantly in the advance and marketing plans of most destinations. Destination can extend tourism both geographically and seasonally, allow the destination to make merry its uniqueness, encourage itself, extend local self-importance and enhance its financial welfare, as well to produce large economic and tourism profit (Goeldner & Ritchie, 2009). Services tourism is a major component of special concentration tourism and a key component in destination marketing strategies, thus every society and destination can employ events successfully in a tourism function (Getz, 1997).

4.2 Tourism Marketing Strategy for Aqaba 2005-2010

The strategic principles was targeting for growth, the primary target of the marketing strategy is to drive international demand so that hotel development will continue to be triggered to maintain viable level of hotel operation. Future demand projections were mad and a short, medium, and long term targets were determined. The marketing activity was focusing on the expanding existing markets, opening new markets, and growing

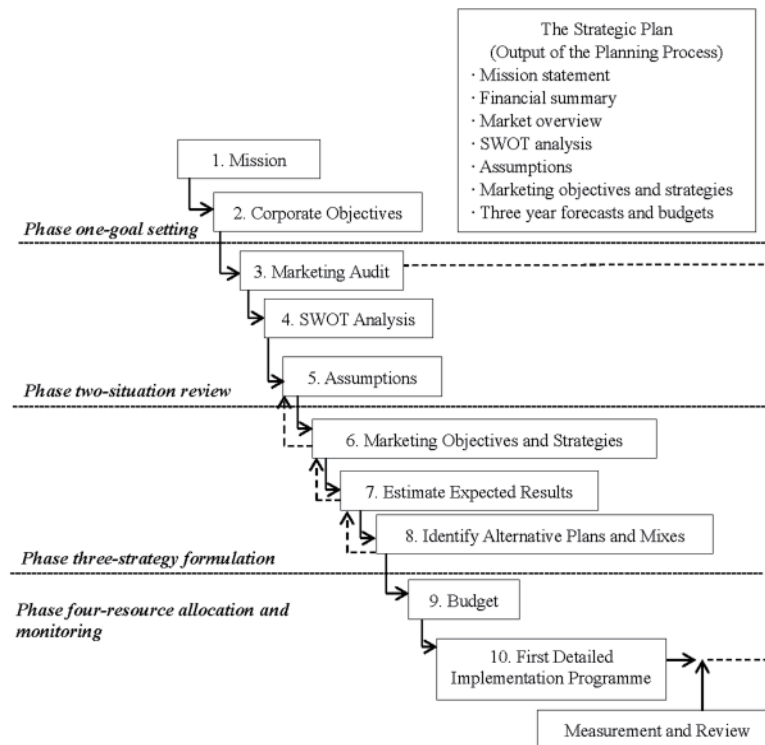


Figure 1
Ten Steps of the Strategic Marketing Planning Process (McDonald, 1999)

the domestic market. The key strategic principle is partnership with private sector. Three strategic marketing objective have been defined: re-positioning the Aqaba as an international holiday destination, broaden the awareness of Aqaba as holiday base, and increasing the length of stay. The promotion mix examined the branding and publications, travel trade, internet, public relations, advertising, exhibitions and market research. The human and financial resource needs were delivered for the strategy (Tourism Marketing Strategy for Aqaba, 2005). The tourism marketing strategy for Aqaba was a comprehensive one but the success depend on the application of the strategy.

5. METHODOLOGY

Case study methodology, using nonprobability purposive sampling was deemed to be appropriate for this research; interviews were follow-up with administrators, department chairs and commissioners in March 2010 to gather data on specific activities related to the ASEZA tourism marketing strategy, and additional data was drawn from the ASEZA database.

5.1 Study Hypotheses

From the study importance and objectives the following hypotheses have been derived:

Ho: There is no obvious tourism marketing strategy in the ASEZA.

Ho: There are no obvious tourism marketing goals in the ASEZA.

Ho: There is no consistency between the tourism marketing strategy and the real market of the ASEZA.

5.2 Community of the Study

The community of the study was the department chairs and commissioners in the ASEZA marketing division staffs which reach 100. We took the groups that involved in the tourism marketing and have a close contact, they ware 47 employees.

5.3 Tools of the Study

5.3.1 Questioner Survey

The questioner and the interview used as a primary method for collecting the data from the selected sample, it concentrate on the following axis:

- (1) The tourism marketing strategy in the ASEZA.
- (2) Tourism marketing goals in the ASEZA.
- (3) The consistency between the tourism marketing strategy and the real market of the ASEZA.

For each question the purpose was to evaluate the current situation and what should be the future goals closest to the employee opinion. The answers were gathered into an SPSS and Excel sheet for further examination. Charts for Operations and were drawn based on the Excel sheets.

5.3.2 Interview

Interviewing the senior management is the best method to collect the primary data, the open-end question gives more details about the subject. The Interview questions:

- (1) Do you think that the tourism marketing strategy in

the ASEZA is obvious?

(2) How much the tourism sector understanding the tourism marketing goals in the ASEZA?

(3) How much the consistency between the tourism marketing strategy and the real market of the ASEZA.

The answer from a specialist manager for this question present a huge data that needed in the analyzing, the open-end question have been provide a details about the system to evaluate the tourism marketing strategy in the ASEZA.

5.4 Study Hypotheses Testing

The first hypotheses, Ho: There is no obvious tourism marketing strategy in the ASEZA. Table 1 shows (T) value to test this hypothesis.

**Table 1
T Test Results**

	Significant	df	T	S.deviation	Mean
The obvious tourism marketing strategy	0.000	46	51.4	0.259	3.349

The Table 1 shows the calculated T is biggest than the tabulated one, and the rule for testing the hypotheses is accepting the null hypotheses and rejecting the alternative hypotheses when the calculated T value lower than the tabulated one, and rejecting the null hypotheses and accepting the alternative when the calculated T is biggest than the tabulated one (Zikmund, 2004). The result of our test is to rejecting the null hypotheses and accepting the alternative one, so there is no obvious tourism marketing strategy in the ASEZA the tourism marketing staff mind can be formulated in the reality. In the same way the second and third hypotheses had been tested, Table 2 shows T value to test the second hypotheses.

**Table 2
T Test Results**

	Significant	df	T	S.deviation	Mean
The obvious tourism marketing goals	0.000	46	53.3	0.458	3.897

The result of our test is to rejecting the null hypotheses and accepting the alternative one, so there is no obvious tourism marketing goals in the ASEZA the tourism marketing staff working to achieve them. Table 3 show T value to test the third hypotheses.

**Table 3
T Test Results**

	Significant	df	T	S.deviation	Mean
The tourism marketing consistency	0.000	46	52.5	0.345	3.271

The result of our test is to rejecting the null hypotheses and accepting the alternative one, so there is no consistency between the tourism marketing strategy and the real market of the ASEZA, the staff confirming on the strategic gab between the desired and the reality which means there is effective marketing strategic planning has been don.

5.4.1 Interview Results

The interview results show that the marketing decisions are taken by an ASEZA commissioner due to the top down management structure of the organization, And Personal preferences can determine marketing rather than market research. Another result shows that the opportunities for cost-sharing and joint activity are not existed because the strategy objectives was made based on the strong relations with parterres.

CONCLUSION AND RECOMMENDATIONS

Budgets are not sufficient for attaining the level of impact required; lack of market research, advertising decisions, and the personal preferences rather than market research was the main reasons of the marketing strategy gap.

The researcher recommends adding new value in the existing marketing staff and investing in the marketing human resource.

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