

# Managing Tourism Crises in Jordan

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## Abstract

Policymakers are faced with the predicament of if and how they should respond to an unexpected and sudden downturn in tourism demand. In the past, they have made these decisions in the absence of research into the relative effectiveness of different responses. This paper analyzes the effects of this crisis by evaluating the most important tourism crises in Jordan between 1990-2005, assessing the impact of the tourism process in the international, regional and local issues, and identifying the management of tourism crises and the programs suitable for each type of crisis. The results of the study show that the causes of the crisis are divided into two types, one of which is the result of the tourism sector itself and the other resulting from crises in another sectors. In both cases, the causes are related to the internal and external environment of the tourist destination. And the study recommended the need to adopt the national tourism strategy 2004/2010 and work on its application because it is capable of resolving the crises resulting from the tourism sector itself, and the need to diversify the tourism product to include new and integrated patterns to mitigate the damage that may be caused by tourism when exposed to crises due to the diversity of supply.

**Keywords:** tourism, crises, tourism crises management, Jordan.

## 1.1 Introduction

The enormous growth tourism has experienced in the past 50 years, also as a consequence of technological advancements in transportations, which brought the world's many destinations, no matter how far, within reach, has resulted in a much stronger interconnectedness and complexity within the tourism system and made the industry in many regions around the world an important factor in their socio-economic development. With tourism now being 'big business' based on more than one billion international tourists any crisis will have a much stronger negative impact compared to the past and will affect a much larger part of the population (Beirman, 2016).

Tourism seems to be particularly susceptible to negative events and, since there is always a crisis somewhere in the world, the industry appears to be under an almost permanent threat with the certainty of yet another crisis already looming somewhere (Pforr, 2006).

Economically Jordan would like to increase tourism investment, because of its political stability, religious toleration, a higher quality of life, better healthcare and education compared with surrounding areas, cosmopolitanism, exquisite cuisine, friendly and welcoming people, together with a reasonably liberal social and economic environment. Jordan's greatest development has been in urban heritage as a major tourism source because tourists are fascinated by the manifestation of culture over time in varied civilizations as found in Jerash, Petra, and many other paces in Jordan (Alafi, 2014).

The national strategy for tourism in Jordan has been a matter of concern following the efforts that have been put in the tourism industry that labors under the weight of the region's instability. The region's instability has worked against the growth of tourism industry in Jordan with the local officials indicating that the year 2016 was characterized by a 14% decline in the numbers of visitors who visited the country. The country has taken on a number of initiatives under the national strategy to bring the industry back into recovery and promote continued economic development. This is critical due to the nature of Jordan's tourism industry characterized by the high potential for the industry to promote economic development. Jordan's tourism industry is unique due to its positioning in the Middle East, its relative stability as compared to other neighbors, and the diversity of its tourist destinations (Alhroot, 2007).

These factors have made the country to continue attracting a large pool of visitors every year. In addition, the unique demographic conditions in the country have also made many visitors especially from Europe to find the country a destination of choice. The national strategy for tourism plays a key role towards determining the success of the industry in expanding its activities and revenues leading to increased economic development (Mahafzah, 2015).

Despite the great importance of the rapid developments in the field of communication and technology in the tourism sector, it has made human activity complex and that is specifically related to the sensitivity and vulnerability of any emergency in the internal and external environment. The factors and events that affect tourism demand vary in intensity, causes and results. Some affect tourism globally and some affect the regional level, some affecting the local level and sometimes the impact is confined to a particular area. Hence, the need to employ a new administrative style in the field of tourism and called crisis management, which means identifying the causes and severity of crises and their consequences on the tourism industry and human activity in all its dimensions, to find solutions characterized by speed, accuracy and effectiveness of each type of crisis before

becoming a disaster (Boella & Goss-Turner, 2013).

### **1.2 Problem statement and questions of the study**

This research deals with tourism crises management in Jordan; particularly with the nature of the location of the country and its vulnerability to global events, regional or even local, which in general constitute weaknesses or risks that affect the image of destination and tourism demand at all levels. And this research aims to identify the most important crises faced by the Jordanian tourism sector from the early nineties to the present time, and evaluate the consequences thereof, and then develop the appropriate mechanisms and policies to manage tourism crises and to mitigate their severity, by answering the following questions:

1. Is there a difference in the severity of the crises depending on their causes in the internal and external environment of the Jordanian tourism sector?
2. Is there a difference in the consequences of crises depending on the causes of the crisis?
3. What are the effective mechanisms and policies to control and reduce the aggravation of tourism crises?

### **1.3 Importance of the study**

The importance of the study is of the importance of tourism crisis management as an important part of the tourism industry, because the wrong management has the reactions of the emergence of successive crises by virtue of tourism industry complex associated with many other industries and services. In addition, the crisis carries new opportunities and strengths that can be used to develop tourism growth rates as they are managed correctly.

### **1.4 Objectives of the study**

The study aims to:

1. Evaluate the most important tourism crises in Jordan between 1990-2005.
2. Assessing the impact of the tourism process in the international, regional and local issues.
3. Identify the management of tourism crises and programs suitable for each type of crisis.

### **1.5 Study Methodology**

Based on the objective of the study, preliminary information will be obtained from the annual reports issued by the Ministry of Tourism, and data available from the Tourism Promotion Authority to identify the tourism crises in Jordan between 1990-2016. The secondary data will be collected from the books and resources available to formulate crisis management mechanisms and policies as much as possible.

### **1.6 Literature review**

#### **The concept of tourism crisis management:**

There are many who have come to define the concept of "management", which in its general sense aims to accomplish business through others to reach specific organizational goals and objectives. Using the available resources according to scientific principles and concepts and their means in the elements of the administrative process (Al-Shami et al., 2001). In this regard, it does not mean the enormous quantity of the definitions, objectives and characteristics of the administration; the above definition is meant to show that the acceleration of global events and the changes in the international community created by man or by nature have resulted in many crises of an extended nature all over the world, which is known as crisis management. The definition of crisis management has been difficult to define, and the difficulty arises from the specificity of the perspective of each science to the meaning of the crisis, if the scope of this concept extends to various human relations of political science, social, economic and international.

The characteristics of each social activity on the other indicates that the tourism crises have characteristics, causes and consequences that differ from the crises in other social activities, and therefore, who manages the crisis is a team selected on the basis of the nature of the crisis, the team that manages political must be different from the work team that manages the economic crisis, it must be different from the team that manages the crisis tourist (Ritchie, 2004).

The crisis can be defined as a critical moment concerning the fate of the administrative entity that has been affected, which is all that can't be expected, whether as events or actions that affect and threaten the survival of people, business organizations and normal life. From the tourism perspective, the World Tourism Organization described the crisis as an unexpected emergency events affecting the choice of tourist destination because of the damage to the tourist image and the damage to the international tourism system from the inability to work normally (Gurtner, 2007).

After this review, the following definition of tourism crisis management can be formulated: the series of measures aimed at controlling the crisis and reducing its aggravation so as not to run out, leading to a disaster for the tourism sector in the affected country, it is a science that is concerned with studying sound decisions based

on broad knowledge and a comprehensive understanding of the crisis and its external and internal dimensions. The basis of tourism crisis management is the rapid response to the acts of the causes and its intensity and dimensions, so that administrators can then take the appropriate policy to alleviate the crisis on tourism demand. The resultant management is also have to poses greatest strength to maintain the distinctive image of the tourist destination that was once a reason to attract tourists (Konecnik & Go, 2008).

**The importance of tourism crisis management**

The importance of crisis management as an important part of the tourism industry, it was not noticed until forty years after the start of organized mass tourism trips. The importance of crisis management can be illustrated by the following points:

- 1- Often the incident (Image damage) is a result that no one can mitigate its harmful effects, if accompanied by the crisis away from the tourist product or even a collective and isolate the affected area from the tourist market, so crisis management fails to reduce the disaster before turning it into a black image applied to the tourism source. This is what happened after the Sharm el-Sheikh bombings in 24/7/2005; an Italian tourist said after the blast: "I wanted to spend the whole summer here, but now I'm going home, it's useless to stay here, Sharm Sheikh have seen horror.
- 2- The impact of the crisis does not end after it occurs, but the echo continues, therefore, the crisis management through the mass media campaigns helps to overcome the incident within the announcements about the new security measures for the seat and the price of the tourist's and his right to travel. For example, despite the period of the assassination of President Hariri in Lebanon, the number of residents of Gulf nationalities has declined by 70% in search of another destination more stable and secure because of the echo of the incident.
- 3- Reduce the severity of the surprise and its impact by ending the state of confusion that could bring the impact of the crisis to the presence of policies that can be modified instead of becoming an incident that disturbs the parties concerned.
- 4- Experts estimate that the tourism sector is related to 52-72 other industries and services, that's why we can imagine the magnitude of the damage from tourism crises. Crisis management saves time, effort and material costs both at the time of the crisis and after it occurs.

In a study on the tourism sector conducted by Blake & Sinclair (2003) in the United States after the (September 11<sup>th</sup>), the researchers access to the following data in table (1).

Table (1): The impact of the events of 11<sup>th</sup> September on the tourism sector in the United States

Sector	Impact of the events of 11 <sup>th</sup> September without strategic management	Impact of the events of 11 <sup>th</sup> September with strategic management
Hotels	7.3 -	5.9 -
Air transport	11.0 -	5.0 -
Accommodation facilities	0.7 -	0.6 -

The above table does not cover all the sectors mentioned in the research, but the points mentioned are for clarification of these points:

- 1- Tourism is characterized by the impact of the tourist multiplier, so leaving the crisis without a solution will affect large segments of the society. After the events of 11<sup>th</sup> September, the oriental shops in Jordan declined from 173 in 2000 to 160 in 2001.
- 2- After the incident, individuals suffer of a kind of shock and loss of confidence in the continuity of the ability to work and the sense of frustration, so crisis management reduces the impact of the disaster and reduce the aggravation, which reflects positively on the feeling of the individual, where the tourist restaurants in Jordan because of the impact of the events of 11<sup>th</sup> September declined from 370 restaurants to 354 in 2001.
- 3- The crisis is accompanied by the ability of the destination to attract high quality tourists, which increases the social and environmental costs and the low level of services. Therefore, crisis management provides policies to create new markets for tourists through marketing programs for various tourism products.
- 4- Tourism is a source of comprehensive development processes, so any emergency in this sector may create a development crisis.

**1.7 Analytical survey**

**Causes of tourism crises:**

The crises do not arise for no reason, but they have signs to indicate the occurrence, and initial manifestations can be predicted by the emergence of crises; so the proper diagnosis of the crises is the key to deal with them, because the task of accurate diagnosis of the crises is not only to the causes and motives of the emergence of crises, but necessarily helps to determine how to deal with them, and the information and communications

management needs to stop the escalation of the crisis and then contain them. And tourism crises like other crises have causes and motives that are exposed to two types of crises: one stems from the same sector and the other result of crises in other sectors or activities, in both cases they are linked to the causes of the crisis internal and external environment.

The following table is a presentation of the tourism crises analysis in relation to the Jordanian tourism sector for the internal and external environment:

Table (2): internal and external environment tourism crises analysis in Jordan

Weaknesses	Risks
<ul style="list-style-type: none"> <li>- Pricing is above the market, in the sense of higher prices of tourism products and services compared to the prices of competitors, such as high costs of aviation and transport and accommodation.</li> <li>- Slow tourism development and the lack of sites to the infrastructure and tourism services in addition to the positive energy for air transport compared with the hotel family available.</li> </ul>	<ul style="list-style-type: none"> <li>- Fierce competition with some countries of the regions such as Syria, Israel and Egypt ....</li> <li>- Threatening by the entry of new competitors, where there are more than 170 high tourist destination in competition for tourism.</li> </ul>
Competitive position deteriorating due to the poor promotional budget and the difficulty of marketing Jordan as a single tourist attraction.	Offering products and services at lower prices than Jordan.
Low performance of labor and skills and experience compared with other countries.	The diversification and integration of tourism products in the countries of the regions, leading to faster growth in the tourism market.
Weakness in protecting the resources and tourism components in Jordan.	Promotional campaigns and marketing competition for neighboring countries, which attracts high-income tourists.
Different quality standards contrary to the expectations of high-income tourists.	The high proportion of investments, services and tourism activities in the competing countries.

The above points are not necessarily a tourism crisis, rather than a tourism problem, and this problem is not the crisis itself, but rather is a major cause of a situation that is undesirable. And that the criterion of governance to classify these points as the causes of a tourist crisis, the consequences are similar to the consequences of political crises, but it occurs in the long run, the difference is that the impact of political crises on tourism is surprising and fast, the crises caused by the tourism sector itself have a long-term impact on demand. But it can be said that this type of crisis is more serious than the crises resulting from other sectors, because the event quickly ends its impact after the event of a breakthrough is a temporary decline in the tourist demand for the purposes of the various components and integrated between the opposite in the crisis of the tourism sector where there is a breakthrough after which there is a decline in the long-term .

**Tourism crises resulting from other sectors:**

This type of crisis is related to both the internal and external environment; as shown in table (3):

Table (3): internal and external environment of other sectors crises analysis in Jordan

Weaknesses	Risks
Political factors such as internal conflicts and the relationship of destination in other countries.	External political factors such as conflicts and wars.
Economic factors: represented in the rise and fluctuation of prices and currency exchange rates.	Economic factors such as rapid economic market growth and per capita income of tourists in tourist-exporting markets.
Social and cultural factors: The prevailing social values, including the lack of tourism awareness of the local community and the transformation in culture and orientation to modernity.	Social and cultural factors: the behavior and expectations of the tourist and their impact on the community.

It is noticeable from the table that tourism, economic and health conditions are relatively stable in Jordan, which is reflected positively on the tourism sector. It is also noted that the most influential sectors on Jordanian tourism are the tourism factors, the location of Jordan and its vulnerability to conflicts and regional wars.

For example, the number of foreign tourists arriving to Jordan has been reduced by the events of 11<sup>th</sup> September, and the following table illustrates this.

Table (4): Number of foreign and Arab tourists arriving to Jordan after the 11<sup>th</sup> September events

Variable	2000	2001	2002
Number of European tourists	326.574	207.332	1670181
Number of American tourists	126.411	74.568	72.919
Number of Gulf tourists	770.795	963.051	989.798
Evolution of the number of tourist activities	2.753	2.738	2.656
Overall occupancy rate	%39.50	%30	%32
Number of tourist restaurants	370	345	367
Tourist guides	685	680	570
Eastern Antiques Stores	173	160	230

The table shows a drop in the number of foreign tourists, with a rise in the number of Gulf tourists, this may be due to the complex security procedures in the European countries to which the Gulf is heading, in addition to the feeling of the individual not welcoming, and led the Gulfs to participate in regional tourism, and this led to a decrease in the occupancy rate of hotel rooms in Jordan. The number of tourist guides and oriental shops declined in 2001, despite the increase in the number of Gulf tourists who are usually not accompanied by tourist guides and their lack of interest in handicrafts in general.

At the end of this regard, we cannot explain and activate the crises that face the Jordanian tourism sector, it can be said that the general feature of the Jordanian tourism crises is the cause of political factors represented by conflicts and regional and international wars. Which are recurrent and successive crises and cannot be prevented, but can be addressed by dealing with the consequences of them only.

#### Impact of tourism crises:

- 1- A severe shortage of tourism demand after the crisis as the number of tourists during the Gulf War declined from 577.446 in 1990 to 493.481 in 1991 and similar in other political events.
- 2- Decline in the quality of tourists, where the average expenditure per tourist in 2002 in Jordan was 435 US dollars, while 4 times that value in Israel to 1800 US dollars. The number of tourist activities in Jordan decreased from 2.738 in 2001 to 2.656 in 2002 following the attacks of 11<sup>th</sup> September and the American-Iraqi war.
- 3- The reverse situation in the increase of tourism demand and the consequences of overbooking that creates pressure on infrastructure and tourism facilities, such as after the Gulf War when the percentage increased from (493.481) tourists in 1991 to (1.573.549) of 1995 in Jordan.

#### Tourism crisis management mechanism depending on its causes:

##### First: crisis management in the tourism sector:

It is known that the development of the tourism industry is an undeniable priority for the instruments as their economic capacity exceeds the capacity of any other sector. Therefore, the National Tourism Strategy 2004/2010 outlines the steps necessary for the development of Jordanian tourism through a complete approach including government facilities, private and public sectors, as well as the obstacles facing the Jordanian tourism sector.

The National Strategy for Tourism aims at doubling the revenues of this sector to JD3 billion, creating more than 51,000 new jobs and collecting more than 400 million dinars of annual taxes by 2010 on four important pillars that will solve the crises resulting from the tourism sector In the internal environment and thus improve the competitive position in the external environment and achieve desired growth rates. The following is a quick presentation of these pillars, and these pillars are:

**The first pillar:** promoting tourism marketing: The promotion of Jordan's image and marketing is a distinct destination that will lead to maintaining a stable position in the current markets and opening up new markets that will increase the number of arrivals, especially those with high incomes.

**The second pillar:** enhancing competitiveness and developing tourism product: In the sense of creating diverse and integrated tourism products through:

- Enhancing the investment environment to manage tourism components and assets in general.
- Application of regulatory specifications for global practice related to quality and consumer safety.
- Airport renewal and facilitation of entry procedures.

**The third pillar:** Human Resources Development: To increase the quality of tourism education and training to ensure the availability of highly qualified and professional human resources to provide distinguished tourism services.

**The fourth pillar:** Improving the institutional and regulatory framework Supporting the institutional capacity of the sector organizations that will support tourism development and provide a sound legal and regulatory system for workers and investors in the tourism industry.

##### Second: Managing crises resulting from other sectors:

The management of this type of crisis is not easy for the large number of global events accelerated by the difficulty of controlling the course of work in other sectors in the internal and external environment on the other.



If strategic management cares about the present and the future from the same time, in the sense that it is what the organization can do (identifying the elements of strengths and weakness), and what it should do (opportunities and threats) this raises the question of whether it is possible to find a management system to prevent this kind of crisis. In this regard, it is necessary to link opinions so that we can answer this question. "We have to keep in mind that crisis management will not prevent it, but it can be mitigated before it becomes a disaster.

In my opinion, the reason for these divergent views is the cause of the crises themselves. In both cases, the causes are linked to the internal and external environment together. In light of this, it can be said that preventing crises in the tourism sector is possible only if accompanied by the internal environment except natural disasters. As for the external environment, crises cannot be prevented, but can be addressed by dealing with the consequences only by finding what called (crisis prevention system).

The so-called preventive system of crises can be found through strategic oversight based on assumptions, or forecasts necessary for the planning process. Strategic introductions are related to two types of factors:

- 1- Factors related to the environment, both direct and indirect.
- 2- Industry-specific factors from the presence of competitors, the existence of diverse and integrated products that dominate other markets.

The crisis prevention system is based on the following foundations and components:

- 1- Speed in the face of the crisis and the immediate response to it by increasing the budget of promotional campaigns and public relations campaigns.
- 2- The need to establish a communication center to be the basic approach to information during the problem because the information spread in the world in minutes, if not released quickly information, the other media will provide news whenever needed.
- 3- Explain the problem by its real dimensions and deal with it with credibility and not to conceal the truth, especially for the extraordinary issues related to safety and security such as natural disasters, crimes and health problems.
- 4- Do not prevent the media from broadcasting Al-Khobar The first statements will not create many requests for information, details and interviews. This cooperation with the media will provide great benefit in the long term.
- 5- The need to provide a team that works on prediction, crises or disasters and study in terms of frequency and impact nationally, regionally and globally. This team needs full cooperation between the state institutions of social, political and economic and other.
- 6- To encourage domestic and regional tourism in the absence of international tourism.
- 7- To create a diversified tourist product that includes new tourist patterns in order to reduce the damage that may be caused to tourism when exposed to crises due to the diversity of tourism offer.
- 8- To find comprehensive tourism programs within the price policies appropriate to promote tourism demand.

During the crisis, it is important to have strategic implementation control, which means identifying events and taking them into consideration during strategy formulation. The strategic oversight function is also to close the gap between the planning and implementation phase and the term gap between the formulation of the strategy and the start time of implementation, as it is likely to take a long time to make significant changes that affect the effectiveness of the implementation of the strategy. With the importance of focusing on plans and subprograms because they are considered a real impetus for the strategy.

Finally, the review and evaluation phase of the strategy is reviewed, the success achieved, and the identification of deviations and shortcomings in the implementation tools, which later constitute more efficient management experience in addressing future crises.

## 1.8 Study results

The search results can be summarized as follows:

- 1- Despite the great importance of global developments on the tourism industry, but it has made human activity linked to many political considerations, economic and social, and made tourism sensitive to the impact of any emergency in the internal and external environment causing by crises that vary in intensity and results.
- 2- Jordan lacks this type of studies, despite the great importance of the existence of a crisis management system due to the location of the State and its vulnerability to wars and regional and global conflicts.
- 3- The causes of the crisis are divided into two types, one of which is the result of the tourism sector itself and the other resulting from crises in another sectors. In both cases, the causes are related to the internal and external environment of the tourist destination.
- 4- It is always different that crises resulting from other sectors such as tourism events are sudden and rapid while the crises resulting from the tourism sector itself results in a gradual and continuous for the long term in the sense that there is no difference between the causes of the crisis, the difference between

them is in the time period of crisis for the emergence of results.

- 5- The study also found that the most influential sectors on the Jordanian tourism sector are political factors and regional and international wars due to its frequency.
- 6- The operating characteristic of the tourist crises in relation to the external environment that cannot be prevented or controlled, but can be addressed by dealing with the consequences only.
- 7- Crises in general have paths and stages, and linking this path to the tourism sector contributes to a thorough understanding of the causes of the crisis and its dimensions and consequences and thus be removed by the foundations of growth before it worsens and becomes a disaster.
- 8- Management of tourism crises is primarily a strategic management because it means analysis of the internal and external infrastructure is an initiative process and do more than the planning of the work is also interested in the formulation of strategies for the long term.
- 9- The need to find what is known as the system of crisis prediction because it contributes to the rapid response to the crisis immediately and encircle the crisis in the stages of initial formation.

### 1.9 Study recommendations

Upon the study results, the researcher recommend the following:

- 1- The need to adopt the national tourism strategy 2004/2010 and work on its application because it is capable of resolving the crises resulting from the tourism sector itself.
- 2- The need to diversify the tourism product to include new and integrated patterns to mitigate the damage that may be caused by tourism when exposed to crises due to the diversity of supply.
- 3- The need to increase the budget of the Tourism Promotion Authority and to carry out promotional and marketing campaigns in the markets exporting tourism to show the truth and the right situation with regard to the occurrence of local crises.
- 4- The necessity of establishing a communications base to show the truth, because if the information did not arrive from official sources, it is subject to confusion and rumors.
- 5- The importance of encouraging domestic and regional tourism in the event of international crises to reduce the resulting effects.
- 6- The necessity of creating awareness among the local community, official bodies and others, the seriousness of any kind of crisis and its impact on the course of development, and the need for cooperation among all international economic, political and media sectors.

The need to find what is known as the system of crisis prediction because it contributes to the rapid response to the crisis immediately and encircle the crisis in the stages of initial formation.

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