

# Smart Positioning Tourism and Hospitality Model for Economic Transformation in Saudi Arabia

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## Abstract

Tourism and hospitality industry is one of the well-placed industries with enormous opportunities to boost the national economy transformation and reduce the country's dependence on oil and bio fuel products revenues into new Saudi economy prosperity. The continued growth in religious tourism during the Umrah and Hajj pilgrims' season and holy sites, revival of heritage and archeological, civilization and eco-tourism sites is a positive development that signals that the Kingdom is on the right track in its national Vision 2030 action plans. The paper aims at promoting smart positioning of tourism and hospitality industry model, partnership and investment opportunities with key strategic approaches in boosting Saudi economy diversification and vision 2030 transformation. Key strategic investment targets are highlighted, but not limited to: (1) strengthening partnership commitment and resource mobilization in exceptional and amazing destination sites; (3) investing in promoting the increasing demand of better service delivery and building sustainable capacity and infrastructures (e.g.: Hotels and resorts accommodation, shopping centers and hyper-malls, transportation, food and beverage, culture and entertainment social and cultural events) and providing different job opportunities, (4) enhancing new lifestyles and Arab traditional culture opportunities in diverse fields; (5) boosting the enabling environment for strategic development of related agencies in maintaining sustainable interest of tourists including Umrah and Hajj pilgrims;(6). Fostering digital tourism and hospitality workforce awareness and marketing opportunities and benefits is in achieving Saudi economy prosperity.

**Keywords:** Tourism, hospitality, industry, pilgrims, visitor, hotel, restaurant, park, capacity, investment, Saudi Arabia

## Introduction

Recent years have seen the growth spikes in religious and nature-based tourism services attractiveness and gains. The increasing importance of tourism and hospitality as a growing industry remains of importance in local and national economic development and growth that complements the Saudi government's Vision 2030 initiative in Saudi Arabia [1]. Significant marked growth in hospitality operations showed the evidence of the need to increase of occupancy rate in hotel rooms during Umrah and Hajj pilgrims' season and holy sites, tourist visits on to cultural, heritage, leisure and archeological sites across

the Kingdom [1]. The increasing number of Hajj and Umrah pilgrims to 30 million annually and other cultural treasures for tourism adventure represents a positive key priorities and action plans in expansion and development. Tourism spending in Saudi Arabia forecasted to hit \$38.4 billion (SR144.3 billion) in 2016 in domestic tourists and tourists from overseas [1,2].

Tourism and hospitality industry is the second more important sector of the industries well placed to driving the national economic diversity; and help to reduce the country's dependence on oil and bio fuel revenues in the kingdom. Tourism sector transformation has become more acceptable and more attractive than before due smarter government top-down approach to develop enormous market and service; but also encouraging new foreign investors' opportunities for economy prosperity [3]. There are currently over 500 smart tourist guides, offering different types of accommodation (e.g. world class hostels), to attract hikers and nature lovers to these areas. However, 8,000 licensed guides, including pilgrim (mutawif) guides, are needed to help deliver the kingdom's Vision 2030 economic diversification plans. In these efforts to re-energize and expand this sector, Saudi Arabia is planning for more than 8,000 new tourist sites development and guides by 2030 [2,3]. Likewise, recent tourism reports have reflected a five per cent rise in Umrah pilgrims, which is being predicted to grow by 30 per cent in the next three years by the custodian of the Two Holy Mosques supported by the Saudi Commission for Tourism and National Heritage (NCTNH) and the Saudi Society for Tourist Guides (SSTG) [1, 2].

The increasing growth in religious and cultural tourism and recreation/leisure purpose is a positive development that signals that the Kingdom is on the right track in its national economic plans. It is estimated by the world's terrestrial protected areas (Pas) that altogether The Kingdom received roughly 8 billion visitors including pilgrims, which more than 80% of visitors in Europe and North America [3, 4, 5]. Linking our country-specific tourism indicated that these visits generated approximately US \$600 billion and US \$250 billion annually in direct in-country expenditure and in-consumer surplus respectively. This documented record underscores the greater needs to increase multi sectorial partnerships and investment with increasing number of visitors, including notable holy and religious sites pilgrims in Saudi Arabia [2]. Noteworthy, these visiting tourists have been coming from all over the world and composed of different nationalities, all of whom came specially to immerse themselves in the rich, religious and cultural traditions purposes. The Kingdom has opted for smart, prudent and adequate tourism and hospital model investment and host of opportunities in integrating tourism health, thermal, upland, winter and mountain sports, social and cultural leisure sites and settlements. In addition, offering a robust and sustainable tourism route and global destination of Muslim religion, hand-craftsculture, food and beverage facilities [1,2]. For example, the Kingdom has already started construction for 35,770 rooms in 81 hotels, with 24,133 rooms being constructed in Makkah alone. As showcases in the country's tremendous capacity, repositioning as the

world's premiere religious and leisure tourism destination is vital to provide innovative packages with the highest quality of service for pilgrims and visitor's needs [1,2,4].

The paper aims at promoting key strategic partnerships and investment approaches and strategies in positioning tourism and hospitality industry model and building sustainable capacity with increasing better infrastructures and service delivery demand, and job opportunities towards accelerating Saudi economy diversification and vision 2030 transformation.

## **1. Strengthening new tourism and hospitality policy commitment and investment in Saudi Arabia**

Promotion of tourism and hospitality sector and services is also synonymous to providing the enabling environment and regulation for attractive opportunities to support and protect stakeholders and local companies' partnerships and investment in infrastructures and commodities. This top-down model is needed in building a robust and sustainable economic diversification and growth in the Kingdom. Strengthening public and private sector strategic partnership and collaboration is crucial to support investors, hotel operators and new facilities provision. Moreover, encouraging international hospitality companies eager to invest is necessary in new Saudi market opportunities such as tourist marketing and accommodation, tours and travel agents, tourist guides, committee for overseeing tourism policy and regulation, infringement and tourist destinations with provision of services incidentals [2,4].

Besides, the unveiled new classification system of hotels/ resorts and transport sectors aimed to improve access, service quality and transparency to increase employment of Saudi nationals, and improve hospitality to annual Umrah and Hajj pilgrims and leisure tourists [1, 2, 3]. Hence, embarking on joint cooperation to develop tourism in the kingdom through the Saudi Commission for Tourism and National Heritage and national health safety and protection bodies in various areas including the development of tourism products can be a good and profitable business opportunities. Exploring human resources via professional tourism and hospitality training capability and empowerment is needed such as the Saudi-French joint teams for the promotion of heritage tourism in an around and archaeological explorations in the kingdom [2].

New policy reforms in tourism and hospitality license, regulation and government support play a foremost role in transforming the country into a more attractive tourism destination and betterment of annual pilgrimage activities. Hence, the Saudi Commission for Tourism and Antiquities (SCTA) has recently announced the new hotel licensing and classification requirements for hotel/resort operators, which aims to modernize tourism and related facilities and services in general, and to guide their activities besides tourist safety and security interests. Saudi Arabia is investing in all national tourism essential measures and safe environment for tourists in boosting and creating a credible

and sustainable industry for local and international tourists [1, 2, 6]. This practical approach could be more efficient and enriching for various public and private tourism and hospitality actors, stakeholders and organizations over time in Saudi Arabia. Such Saudi model and strategy need to articulate on the expansion of tourist hub; increasing investment in coastal leisure, health and cultural tourism areas; creating new attractions and recreational parks through museums, cultural and historical rich choice of destinations; and implementation of hilarious pre, during and post-Umrah and Hajj programs and activities including forums and conferences in the Kingdom [1,2,3].

Implementing the newly adopted Tourism Law is vital to support government and stakeholders' investment and development of tourism and hospitality industry contribution to the economy. The SCTA is tasked with responsibility for tending, upgrading, conducting and monitoring inspections to ensure that licensees are compliant with the Tourism Law enabling environment and regulation enforcement in accordance with the Tourism Law [2]. Ensuring quality control in planning, investment, organization, domestic tourism, research and development (R&D), service, strengthening transport and infrastructure, promotion and marketing, education, urban scale branding, the diversification of tourism, rehabilitation of existing tourism fields is needed to meet international standards in providers service delivery within KSA. For example, anyone in violation of the Tourism Law may be subject to a fine ranging from SAR 1,000 – 50,000, and or cancellation of their license. The Commission has the power to multiply fines in the case of repeat offenders. The Tourism Law authorizes the Commission to determine the criteria for the publication of any printed or electronic material including articles, books, maps, guide books, pictures or posters to promote tourism. This will ensure that a positive impression is given with regard to the Kingdom, and encourage Saudi nationals to explore more of their own country, whilst also attracting international tourists [2].

In accordance with Article 5(1) of the Regulation, non GCC tourists are required to obtain a tourist visa where applicable to enter KSA. Tourist visas are a relatively new concept in Saudi Arabia as visas were usually only granted for work, business or religious purposes. Previously, few tourist visas were issued, however it is envisaged that the number will now increase [4,5]. The Tourism Law specifically deals with development of tourist destinations, both within cities and other destinations such as beaches, islands and deserts. It emphasizes the need for and the ability of the Commission to coordinate with different authorities where tourist destinations are concerned [2,4]. Many tourist locations are protected sites owned by the State, and the Kingdom is particularly keen to develop and promote these sites further. This will be done through direct investment from the government and through commercial arrangements with the private sector. Saudi Arabia now has four World Heritage Sites, in addition to the holy sites of Makkah and Medinah. It also has the Red Sea, which is home to an abundance of varied marine life, as well as beautiful mountains and oases

[1,2]. Even though the Tourism Law has been approved and published, the classifications referred to the initial five implementing regulations are not stated or defined within them and have not yet been made publically available. It is understood that the implementing regulations are a framework from which the Commission's authorities and powers stem. The Tourism Commission have the ability and discretion to issue and amend the classifications as and when they deem it appropriate hotel accommodation in accordance with the classifications stated in the tourism and hospitality regulations [2]. However, the replacement classifications are currently unknown. Tourism industry data and database development is needed to compile all data and information related to the Kingdom. Tourism and hospitality data and information sharing amongst relevant stakeholders including ministries within the Kingdom. In such, placing additional responsibilities on the Ministry of interior and related agents on tourism laws and regulations in meeting Saudization and international regulations with respect to tourist data privacy and confidentiality, security and interoperability. In addition, every licensee must display its services and prices in a visible location at its premises, or online at the commission's discretion, to ensure accountability and transparency and encouraging healthy competition with emphasis on clients or tourists' protection, access and uptake in KSA [2,7].

Saudi Arabia tourism market is now officially open to foreign investment in line with the Kingdom's strategy to increase market competition and to support sustainable development. The tourism sector is believed to be the second biggest potential creator of jobs within the Kingdom and there is a large emphasis within the Tourism Law on creating employment opportunities for Saudi nationals over time. . Therefore, any foreign investor hoping to take advantage of the opportunities within the Kingdom must demonstrate a viable Saudization Plan, both to the Foreign Investment Authority and the existing Tourism Commission [1,2,7]. Notwithstanding, the Kingdom is aiming to consolidate the tourism and hospitality sector and attract local and international investment across the entire industry. Coherent and effective enabling environment for development is been set for tourism and to promote service providers and consumers' relationship, investment opportunities for Saudis and international interaction between/within different sectors alike commitments and satisfaction. Also, monitoring the tourism and hospitality industry reforms and regulations (Laws) should oversee standard and best practices including price, practice, license and other service delivery aspects [1,2, 5]. Development of tourism and hospitality new programs and actions plans within the Kingdom to become a destination outside of religious tourism is anchored by in the Two Holy Mosques and Holy sites uniqueness and diverse heritage to natural and marine archaeological resources and sites or leisurely tour and strategic tourism destination of choice in many ways.

## **2. Investing in sustained promotion and awareness on religious, archaeological heritage and coastal tourism destination of sites choice in the Kingdom**

Increasingly, necessary and luxurious religious tourism needs is growing rapidly and expected to drive revenue streams across the hospitality sector as performance in Riyadh and Jeddah. Medinah with Mecca is expecting 24,185 rooms in 2018; up from approximately 16,000 rooms in 2016 in Saudi Arabia [1,2].The growth in Saudi's tourism and hospitality sector forecasted that there will be 343,000 hotel rooms in Saudi Arabia by 2015, up from 250,000 in 2011. To buttress the fact, the number of tourist arrivals to grow by an average of 6 percent each year to 2015. Hence, investing in religious and other forms of tourism will significantly contribute to the country's shift toward the post oil era with a huge room for tourism growth, not only for perpetual annual Hajj and Umrah religious pilgrimages, but also leisure and health heritage and archeological sites tourists (Table 1).

Table 1- Summary of Tourism contributions to Saudi GDP and Economy from 2009-2025.

<b>Year</b>	<b>Contribution to GDP (US Billion)</b>	<b>Tourist arrival (Million)</b>	<b>Contribution of Tourism to GDP (USD Billion)</b>	<b>Percentage of Total GDP</b>
<b>2009</b>	54,63	10,9		
<b>2010</b>	54,36	10,85	18,66	3,1
<b>2011</b>	55,43	17,5	16,53	2,55
<b>2012</b>	53,56	14,28	16,21	2,38
<b>2013</b>	55,96	13,38	16,51	2,33
<b>2014</b>	58,63	13,75	18,24	2,4
<b>2015</b>	63,95	14,58	19,39	2,51
<b>2016</b>	67,01	15,6	20,38	2,53

Promoting hospitality and tourism awareness and education outreach, entertainment/recreation and communication capacity and training programs and activities is vital on tourism healthy relationship between exposure, social norms and lifestyles. This bottom up approach integration embeds religious, social and educational entertainment programs that bring about positive lifestyle, social and behavior change in upholding healthy living and productivity. For example, the Jeddah Chamber of Commerce and Industry (JCCI) Academy aims to launch training programs, whereby it will prepare the youth to develop skills required in the tourism, health, and hospitality sectors. This training is also expected to help in qualifying the Saudi Arabian women for managerial and supervisory positions. Likewise in June 2016, Makkah hotels reported a 24% increase in the average occupancy rate to 80.7% due to increased demand throughout Ramadan with the report highlighting that the average daily rate was \$467, representing a 70% year to year increase. The NTP committee has approved 13 initiatives run by the Saudi Commission for Tourism and National Heritage, although it did not disclose full details of the projects. For

example, the Abraj complex—known for its looming clock tower—has 15,000 housing units and 70,000 square meters of retail space. The complex offers luxuries such as Asprey toiletries, a 24-hour butler service and \$270 worth of chocolates for every customer, in addition to existing luxury hotels in and around Makkah as expensive as Raffles Hotels and Resorts, Inter Continental Hotels Group and Starwood Hotels and Resorts. Affordable, convenient and comfortable up-market businesses located in the best spots in Makkah, Riyadh and other provinces. Furthermore, Accor's 4-star Novotel (450 rooms) and Adagio Apart hotel (77 rooms) and 3-star Ibis and Ibis Styles (463 rooms) will open in Saudi Arabia in 2016-2017 [2]. Proactive and robust bottom-up model support is needed in preserving local and national heritage and cultural initiatives in the Kingdom such as the Custodian of the Two Holy Mosques Program for the Care of National Heritage and Culture, and fund the development of heritage sites, museums and exhibitions, handicrafts centres, funding to hotel, tourism and heritage projects in the kingdom, including interest-free loans to investors working in tourism projects and other places of national interest across Saudi Arabia [2]. Hence, the NTP is part of the kingdom's Vision 2030 strategy to diversify the economy away from oil. For example, Elaf has always maintained its position as one of the leading providers in the Middle East Travel and Tourism sector, particularly specializing in offering religious tourism services and facilitating Hajj and Umrah for all pilgrims through key partnerships with notable hospitality organizations to ensure that the distinguished clientele is provided with unparalleled services. Likewise, HadiHelal, a marketing agent for Abraj al-Bait, a complex of luxury hotels or resorts, shopping malls and flats on the outskirts of Makkah, Jeddah, Riyadh and Medinah [1,2].

### **1. Building robust tourism and hospitality resource capacity, programs and projects in the Kingdom**

The determination of Saudi government to boost investments in tourism infrastructure, strategic lease partnership and mutual agreement supported by the various ministries including the Saudi Commission for Tourism and National Heritage of Makkah, Medinah, Riyadh and other cities. More than 2,800 new hotel rooms will be built as a result of 11 projects under way with international investments [1,2]. These are intended to stimulate investment in the kingdom's fledgling tourism industry including the camp and 350,000 square meters "ecotourism or eco-hotel" within the Sharan National Park, the city of Souq Okaz, Taif, planned to have an environmental camp covering an area of 115,000 square meter with green space. The site is close to major cities in the Makkah region and Taif airport as well, the Uruq Bani Ma'arid, to create an environmental desert camp resort across an area of around 50,000 square meter between the Al Dawaser Valley and Najran, comprise 24 tents and environmentally ecofriendly infrastructure [2]. Exploring own grounded model hotel and its own paradigm, investment opportunities for future achievements of lays on the foundation of a sound tourism and hospitality sector, infrastructures and services network expansion in accelerating the future outlook of this promising sector in Saudi

Arabia [2,6,7]. Economy diversification through public and private sector partnerships is necessary to build major infrastructure projects and other tourism and hospitality products and services that have potential in creating new cultural, religious and business tourism targeting domestic, regional and international visitors' opportunities and economic growth. Promoting diversification grounded model reforms by new visa issuance reforms and development of historic heritage sites would be integral to boosting these numbers the kingdom will be able to attract 30 million people coming for the Hajj and Umrah by 2030, following the new airport completion at Jeddah's new airport, the Haramain Train, the Mecca Metro, plus the expansion of Taif's airport, which is located 70km from Mecca new opportunities and economic growth [2,3,6].

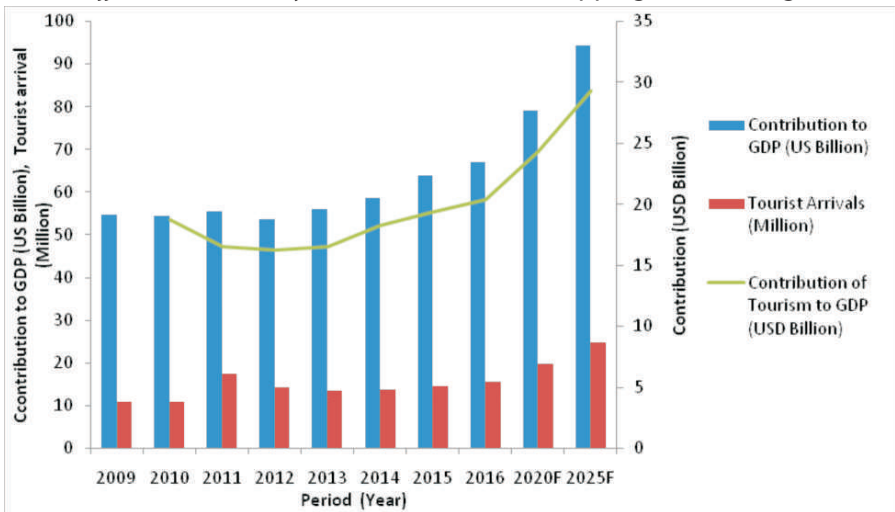
Additionally, there is a prospective future project of 11 international hotels projects in the pipeline that will provide over 2,800 are new rooms. There is an urgent need to support and provide the enabling environment to investors and make the best international and local hotels available in the tourism industry [2]. Tourism industry of the Kingdom is the second biggest sector in terms of attracting people to focus on strategies and visions to create economic sectors away from oil resources which have dominated the economy for a long time attracts 21 to 30 percent of the total spending of local and foreign tourists in the Kingdom [2]. It should be noted that in 2016, spending in the local tourism sector by local and foreign tourists would be SR144.3 billion, compared with SR86.4 billion spent in tourism abroad and it is expected the future of the local tourism industry was promising, particularly in Jeddah. For example during 2015, Jeddah had a growth of local tourism of 21 percent over 2014 compared to local tourism spending would be SR53.5 billion and SR90.8 billion (US \$9.4 dollars) from inbound foreign tourists during 2016. The city attracts 29 percent of domestic tourism for Makkah as investment of every \$1 million in the tourism sector would create 167 direct and indirect jobs opportunities and economic expansion [1,2,6,7].

## **2. Advancing in tourism and hospitality services and supply chain management best practice**

Saudi Arabia's government has always recognized tourism and hospitality industry best practice as a key pillar in its efforts to diversify its economy and move away from oil and gas sector dependence in Saudi vision 2030 [1]. Recognizing the driving force of Islamic principles and values new developmental tourism and hospitality innovations in our cities, the Two Holy Mosques, the pilgrims and all visitors to the blessed holy sites will continue to flourish the great vision. While promoting the values of best practice, culture of excellence and hospitality, discipline and tolerance, equity and transparency as bedrock of its tourism success [2,4]. During the last decades, the Kingdom treasured trove of Islamic heritage capacity as a the number of Umrah visitors has tripled up to 8 million. Hence, attracting more pilgrims to their Islamic spiritual obligatory journeys, religious tourists and pilgrimage experience,



museums, cultural and historical sites should be prioritized in enriching 30 million visitors by 2030 [1,2]. Continued development of leisure and commercial areas, rich cultural traditions, medical, educational and shopping tours, visit exhibitions and conferences options, Hajj and Umrah religious purposes, and recreational sights [3,4]. These realizations require ample commitment in massive investment in tourism infrastructure in key cities like Riyadh, Jeddah, Makkah and Madinah, is fuelling the demand for affordable accommodation and transportation. The mid-market segment is currently under-supplied, pushing the demand for quality serviced apartments as well as 3 and 4-star properties. The authorities are working on a long-term strategy in encouraging diversified tourism business travel that contribute to development of the hospitality sector and other market segments [1,2]. Given the growing domestic and international visitors, increasing further more business components is a very promising future for hospitality to tourism and vice-versa (marketing culture and heritage sites, more mid-market segment, engaging and providing providers and tourists needs, developing and maintaining hotelsand/or restaurants) in line with Saudi economic diversification scheme. The increase of employment and tourism receipts would generate income for both the locals and country as a whole and with higher income, their standard of living will improve. In addition, improved transportation systems like the newly opened Chinese-built Hajj pilgrimage speed-metro/train stations [1,5,6]. The building of such transport can benefit the locals, making domestic travel much faster, safer and more convenient. With the purpose of reducing accidents (for e.g. stampedes) and boosting tourism, with this mode of rail transport that aims to make travelling easier for millions of Muslims who flock to the kingdom on the annual Hajj and Umrah, Holy sites visitations and shopping activities(Figure 1).



**Figure 1: Contemporary trends in tourism contribution in Saudi GDP and economy**

Religious pilgrims currently contribute 2 to 3 per cent of Saudi's GDP. In 2015,

Saudi Arabia generated SR53.7 billion (\$14.3 billion) this year from tourism net revenues (the number of tourists to Saudi Arabia reached 15.4 million in 2015) up three percent from the previous year and far outreaching tourism revenue of SR66 billion (\$17.6 billion) in 2010 [2]. The number of outbound Saudi tourists reached 6.4 million, whereas the inbound tourism expenditure was reportedly the highest spending group at SR5,120 (\$1,365) per capita, compared to SR3,020 (\$805) per capita for the outbound tourism group. The Saudi Commission for Tourism and National Heritage (SCTNH) found that domestic and inbound (foreign) tourism revenues reached SR53.7 billion (\$14.3 billion) this year, while outgoing Saudi tourists spent SR24.1 billion (\$6.4 billion) abroad and is expected to cross SR232 billion (\$61 billion) by 2020 according to local media [2,3]. Addressing tourism need and gaps for locally and internationally branded establishments alongside with increased government expenditure is crucial in establishing Saudi tourism and hospitality model and its colossal infrastructures. Although Makkah and Madinah have the highest supply of budget and economy hotels, both cities and Riyadh represent the highest opportunity for internationally branded economy hotels to make an entrance and guarantee high quality service while catering to price-sensitive travelers [2,9]. While the movers and shakers of the economy hotel industry have already laid out expansion plans in the Kingdom, it has become more apparent that these types of operations, with their inherent profitability and limited capital expenditure, have seen increased interest from investors in financial and economic expansion [1,10]. For example, the advantage of economy and 5 stars hotels and resorts lies in the low volatility of its revenues and low operation costs, as these properties largely depend on volume rather than price during Umrah Ramadan and Hajj pilgrims. Hence, Saudi Arabia is currently increasing brand penetration; in addition to quality supply chain management regulation and monitoring expected to bring the total number of branded economy keys to 11,626 by 2018. Likewise, in a bid to further enhance the sector, infrastructure projects to double the capacity and accommodate the number of both Hajj and Umrah pilgrims and visitors to around 5 million and 15 million respectively, are currently underway [1,2,4].

### **1. Expanding the value-added tourism and hospitality industry benefits and opportunities in achieving Saudi Vision 2030**

The rising tourism and hospitality market and services is one of the focal points of the government's strategy to strengthening the economy and reduce dependence on oil revenue. Boosting the kingdom's tourism and hospitality industry by attracting more than 1.5 million tourists and more job opportunities by 2020, revitalizing world heritage and Islamic museums, building charming coastal and mountainous sites to cultural and health tourism to increase the revenue by 18 percent in achieving the Saudi Vision 2030 [2,3].

Strengthening integrated public-private partnerships and collaboration (government, private industries, local and international stakeholders) is needed to invest and support the scale up of tourism and hospitality capacity and

resilience programs and activities. This is crucial in ensuring safety and security during the Hajj pilgrimage, national heritage and cultural dimensions, and support of the Civil Defense against suspected or unforeseen disaster risks and accidents prevention, timely mitigation and control [12, 13]. The government and stakeholders have the imperative to promote and ensure tourist organizations to adhere to the safety requirements, regulations and business opportunities. In preparation for the Hajj and Umrah season of 2016, the government has allocated 17,600 civil defense personnel and invested in more than 3,800 items of equipment. The potentials of the Saudi Arabian tourism and travel market hold great promise to various investment opportunities in the industry [1,4]. It is a platform that brings together key players in the tourism sector from both the public and private sectors [12,13]. There are stalls, events, and conferences, which discuss the various elements of the industry, such as the challenges faced, government grants, achievements, and strategies followed. Educational workshops are conducted to educate the participants positioned as a means to improve medical and leisure tourism, while also improving employment opportunities in the Kingdom [2,14,15]. In contrast, Saudi population has consistently been Dubai's primary source market, experienced a big boost with guest numbers up by 19.9 percent to 1.35 million. In 2012, Dubai received 1.13 million visitors from Saudi Arabia. As Dubai's hotels welcomed more than 11 million guests in 2013, an increase of just over one million on the 2012 numbers or guest numbers across all hotel establishments (hotels and hotel apartments) in 2013 reached over 11 million, a 10.6% increase on almost 10 million in 2012 in Dubai [2,3,5].

Improving the tourism and hospitality facilities are expected to reduce the perils, due to probable overcrowding and stampede at pilgrimage locations, while promoting heritage tourism digital applications, which contain detailed information about historic sites, festival information, and events with videos application detailing the sites that last for 15 seconds content each [1,16]. These laudable initiatives from the ministry, stakeholders and government are expected to help in educating the youths, pilgrims and tourists about Saudi rich ancient histories and advancement, besides creating additional revenue. The country is also working with the United Nations Educational, Scientific, and Cultural Organization (UNESCO) to preserve these sites. For instance, the carved stone tombs of the 1st century Nabataean trading center, Mada'in Saleh has been recognized as the first UNESCO World Heritage site, conference and seminar / workshops on topics, such as aviation, budget, and emerging trends in Saudi Arabia [3,4,13]. Current and future tourism and hospitality needs assessment is critical to map and tap available career programs and opportunities including (tourism marketing, hotel management, tourism management, hotels and catering programs, health tourism, entertainment program and services, games) knowledge and skills activities and empowerment of professionals capabilities. As well as boosting employment creation and jobs workforce effectiveness and efficiency (Customer services, supply and operation managers, supervisors, restaurateur and chefs,

housekeeping, cashier, ride operator, security etc...) [13,17]. These are opportunities in building a robust and sustainable tourism and hospitality, assets, leisure and entertainment sectors, while also providing a sound understanding the combined needs and demand, standards and best practice in supply chain procurement and provision, as well educational and training capacity development openings.

The Saudi Commission of Tourism and Antiquities (SCTA) in the grounded model have been actively supporting the importance of developing tourism infrastructure, upgrading tourism services, products and programs across the Kingdom [2]. The SCTA is currently shifting its focus towards the development of domestic tourism, diversifying its tourism offerings in multiple fields such as heritage tourism, archeological tourism, business tourism and even medical tourism. Current investment is being witnessed with the development of five economic cities and five medical cities throughout the country. Investment of SAR 75 million (US\$38.5 million dollars) is currently being allocated to the development of domestic airports. A larger number of Saudi youth are expected to participate in domestic travel [2,6,7,10]. In December 2013 the Saudi government announced its intention to introduce the Extended Umrah Visa Program, allowing passport holders of 65 countries who visit the country for religious tourism (Umrah), to extend their length of stay to 30 days. This aims at increasing inbound expenditure by promoting other non-religious tourism activities within the Kingdom, including shopping activities, heritage tourism and archaeological site visits from May 2014 based on reports from the SCTA [1,2]. Immense benefits from the new Umrah and Hajj visa surge in the Holy Cities of Makkah and Madinah, along with the gateway city of Jeddah, and neighboring cities such as Rabigh, Taif, and Yanbu. Jeddah's diversified guest segmentation along with its status as the gateway city to Makkah and Madinah presents itself as a comparatively low-risk investment, especially as the city grows its business and leisure commodities [1,2,7]. For example, around 6 million pilgrims come to Madinah every year to perform Hajj and Umrah rituals is currently being expanded to 800,000 pilgrims capacity by 2017, with a final holding capacity expected of 1.6 million by 2040. The Central Area is currently undergoing redevelopment, with over 25 hotels being demolished, clearing approximately 6,000 rooms [2,9,15,18,19]. However, this new void left by the demolition could well be filled with economy hotel rooms around the Haram, especially as the governing entities are enacting to make the pilgrimage experience more accessible to price-sensitive individuals. Additionally, economy hotels are space-saving, and are ideal for Madinah where developers are looking to maximize space utilization [2]. Moreover, the 1.6 million square meters Pilgrim City is currently under development and aims to provide lodging for 200,000 pilgrims, alongside offices for Umrah companies and museums and exhibition venues [2,4,5]. Currently, stakeholders have been considering investing in development opportunities include metro/railway station access to accommodate large groups of pilgrims to efficient and organized cultural, religious and medical/health tourism [5,7,20]. The newest tourism mixed-use

development aiming to diversify the Madinah economy for example has been revamped to catalyze growth of the business industry in the city, covering 4.8 million square meter and intends to attract over SAR 25 million (US\$ 6.7 million dollars) in investments [2]. For example, As a result of increased tourism at Abha, the capital of Aseer province in Saudi Arabia, has been named capital of Arab Tourism 2017, due in part to a diverse environment, with forests in the parks Soudah, Dulghan, Al-Hubala, and towering highlands in addition to the eastern plains and western coasts, while strengthening community-based projects, emergency preparedness and resilience in potential threats or disasters [4,5,7,10,21,22,23]. Boosting tourism and hospitality infrastructure projects if occur to double the capacity and accommodate the number of both Hajj and Umrah pilgrims to around 5 million and 15 million is crucial. The Saudi government has already started construction of 35,770 rooms in 81 hotels, with 24,133 rooms being constructed in Makkah alone as the sector has provided more than 1.3 million jobs to young Saudi nationals, it is expected that Saudi Arabia's tourism industry sector to employ 1.7 million youths by 2020 as well as cosmetics and other non-petroleum sectors industrialization bring positive economic benefits [4,10].

## **Conclusion**

Investing in positioning tourism and hospitality industry by building solid partnership and collaboration model holds great promises and opportunities in improving economy growth and Saudization programs in achieving the vision 2030 priorities and targets. Promoting tourism and hospitality expansion and enabling environment, maintaining standards, professional ethics and best practices is needed in the provision of quality of services and innovative packages satisfaction of pilgrims and visitors. Fostering tourism and hospitality skills and knowledge capacity development, training programs and activities, governance and resilience is imperative better evidence-based providers' and end-users service delivery performance and effectiveness, while enhancing their competitiveness in economy diversification, fast tracking sustainable development and Saudi Vision 2030 prosperity.

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Dr Tambo is a Specialist Researcher in Public Health Pests Laboratory, Jeddah, Saudi Arabia. He holds two Master degrees in Pharmacology & Therapeutics and Public Management Administrations, and a PhD degree. He has gained sound and wide in-depth expert knowledge, skills and experiences as technical advisor, consultant and manager in local and international funded projects (quantitative and qualitative studies) in China, Europe, Africa and Middle East. With experiences in public health and management, promoting smart positioning of tourism and hospitality industry and related sectors partnerships and targeted investment added-value remains of great importance in improving the quality of life and wellbeing of populations, economic transformation and sustainable development. Dr Tambo has over 14 years of teaching and research experiences in supporting academia, policy-makers and health systems implementers including capacity building of junior personnel to undergraduate and postgraduate students, mentorship and supervision. There is no doubt, the current article strengthens and promotes smart revitalization of tourism and hospitality industry, fostering ongoing research and development (R&D) in guiding evidence-based decision policy and programs and fast-tracking Saudi vision 2030. Dr Tambo has over 90 peer-reviewed publications in international journals.