Jordan

Data Collection Survey on Formulation and Promotion of Wellness Clusters in Jordan

Final Report

January 2023

JAPAN INTERNATIONAL COOPERATION AGENCY

PADECO Co., Ltd.

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Abbreviations and Acronyms

ACI	Amman Chamber of Industry
AmCham	American Chamber of Commerce
B2B	Business to Business
B2B2C	Business to Business to Customer
B2C	Business to Customer
CBI	Centre for the Promotion of Imports from developing countries
CRM	Customer Relationship Management
DSPMA	Dead Sea Products Manufacturers' Association
D2C	Direct to Customer
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
GMP	Good Manufacturing Practice
GWI	Global Wellness Institute
ISO	International Organization for Standardization
JCI	Jordan Chamber of Industry
JE	Jordan Exports
JEDCO	Jordan Enterprise Development Corporation
JFDA	Jordan Food and Drug Administration
JFDZG	Jordan Free and Development Zones Group
JHA	Jordan Hotels Association
JICA	Japan International Cooperation Agency
JNTO	Japan National Tourism Organization
JoPack	Jordan Package Center
JSMO	Jordan Standards and Metrology Organization
JSTA	Jordan Society of Tourism & Travel Agents
JTB	Jordan Tourism Board
MENA	Middle East and North Africa
MoH	Ministry of Health
MoITS	Ministry of Industry, Trade and Supply
MoTA	Ministry of Tourism and Antiquities
NCC	Natural Cosmetics Consortium
NFT	Non-Fungible Token
ODA	Official Development Assistance
OECD	The Organisation for Economic Co-operation and Development
OEM	Original Equipment Manufacturer
R&D	Research and Development
RSCN	Royal Society for the Conservation of Nature
SDC	Swiss Agency for Development and Cooperation
UNIDO	United Nations Industrial Development Organization
USAID	United States Agency for International Development

Chapter 1. Introduction

1.1 Background

Jordan's domestic economy has been stagnant for a long time, with a high unemployment rate of 23.2% in the third quarter of 2021. Total exports of goods and services have also remained low, at about 24% of GDP in 2020.

In its "Government Economic Priority Program 2021-2023," the Jordanian government has indicated that a policy of aiming to break out of the economic slump by exporting domestically produced goods and supporting tourism and strengthening the competitiveness of domestic industries with growth potential is an urgent issue.

Under these circumstances, the "Data Collection Survey on Promotion of Trade and Investment in Jordan" conducted in the country identified three industries with growth potential in the manufacturing sector: food processing, beauty, and cosmetics; and pharmaceuticals and medical products, as well as two in the service sector: medical and health tourism, and ICT.

In this survey, beauty/cosmetics and wellness tourism are selected as potential industries for wellness products and services. Strategic marketing and branding of a "wellness cluster" combining wellness-related products and services such as beauty and cosmetics from the Dead Sea with wellness tourism are expected to increase exports of Jordanian products, raise awareness of Jordan as a wellness tourism destination, and increase the number of tourists and the length of their stay in Jordan. The increase in the number of tourists, length of stay, and amount of money spent will also help revitalize the local economy in the country.

However, the main challenges in expanding exports of Jordanian wellness products include the lack of various types of information in the target candidate markets, lack of branding and marketing capabilities, and hurdles in finding partners such as import agents and distributors in the target candidate markets. Another important issue is the low recognition of Jordanian products in the global market and the lack of industry-wide branding (including assurance of quality and reliability).

Against this backdrop, the Ministry of Industry, Trade and Supply (MoITS) has requested the implementation of technical cooperation through the dispatch of experts to promote and trade in potential areas such as beauty and cosmetics and wellness tourism in the Dead Sea, which will contribute to strengthening Jordan's trade competitiveness and creating jobs.

1.2 Purpose of the Survey

1.2.1 Purpose

This survey is to collect and analyze additional necessary information and hold discussions with relevant parties for the formation and promotion of a wellness cluster centered on Dead Sea beauty and cosmetics and wellness tourism, to examine policies for the formation and promotion of a wellness cluster to formulate a draft marketing and branding strategy, and to propose directions for future cooperation.

1.2.2 Target Area

Hashemite Kingdom of Jordan

*The survey will mainly cover the capital city of Amman and the area surrounding the Dead Sea, but other areas will also be surveyed as necessary.

1.2.3 Relevant Stakeholders

The following is a list of the agencies assumed to be involved in the survey.

Table 1-1: List of Institutions Involved in the Survey

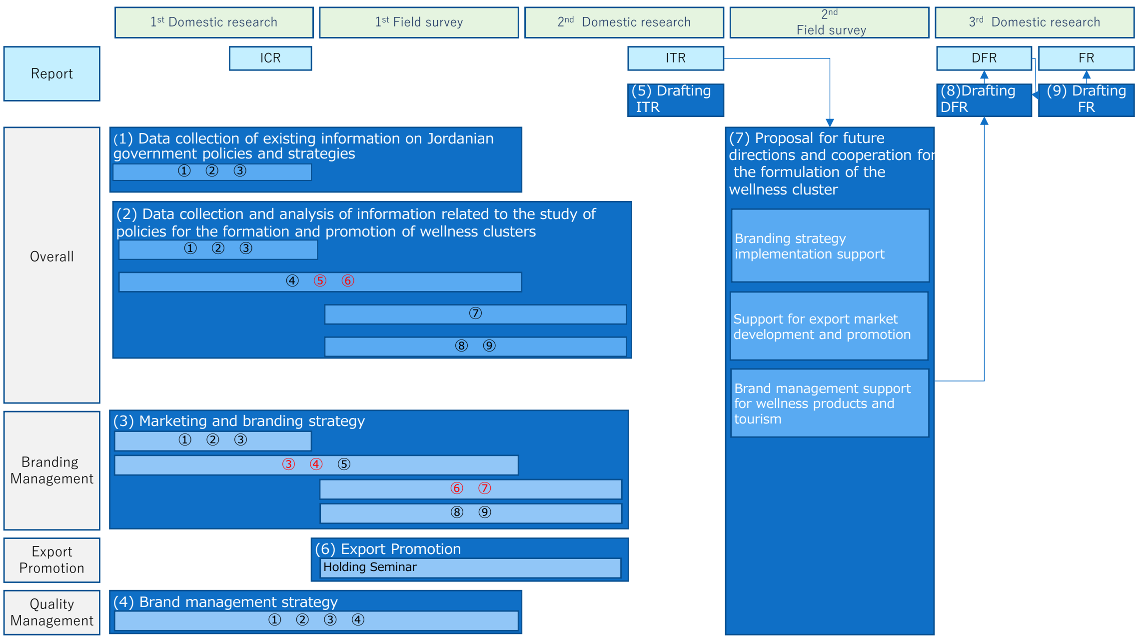
(1) Ministries and public institutions :	(2) Private and business organizations :
Department of Industrial Development Amman Chamber of Industry / ACI Jordan Chamber of Industry / JCI Jordan Standards and Metrology Organization / JSMO Jordanian Food and Drug Administration / JFDA Ministry of Tourism and Antiquities / MoTA Jordan Tourism Board / JTB	Dead Sea Products Manufacturers Association / DSPMA Natural Body Consortium Potential import agent/distributor company JETRO
	(3) Aid agencies :
	GIZ USAID World Bank
	(4) Others :
	Jordan Enterprise Development Cooperation / JEDCO Jordan Exports / JE Jordan Free and Development Zone Group /JFDZG

Source: JICA Survey Team

1.3 Scope of Work

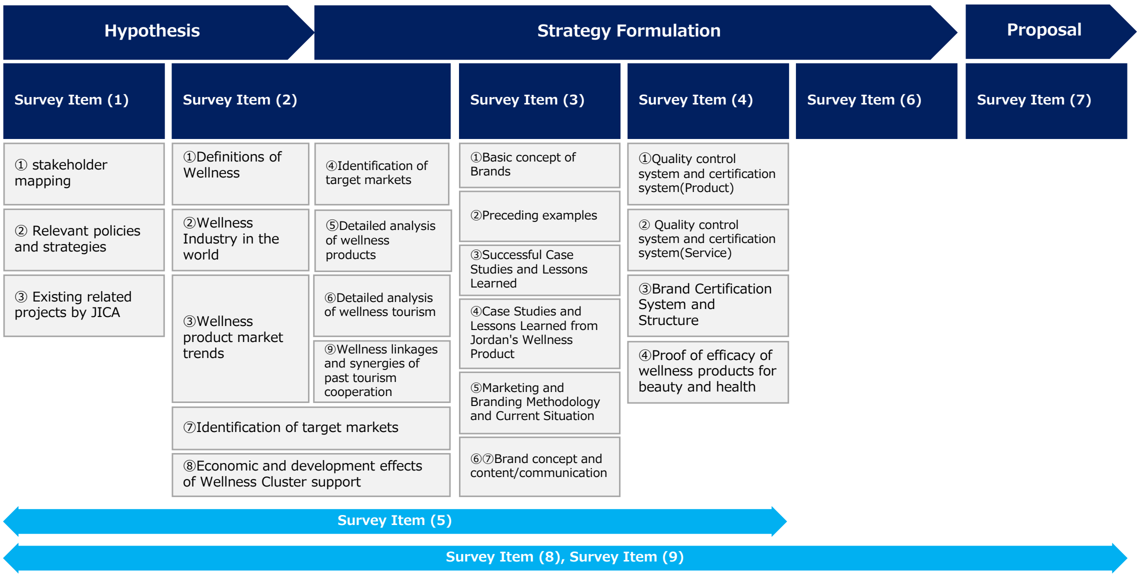
1.3.1 Contents of Survey

The following is a list and flowchart of the contents of the survey.



Source: JICA Survey Team

Figure 1-1: Survey Flow

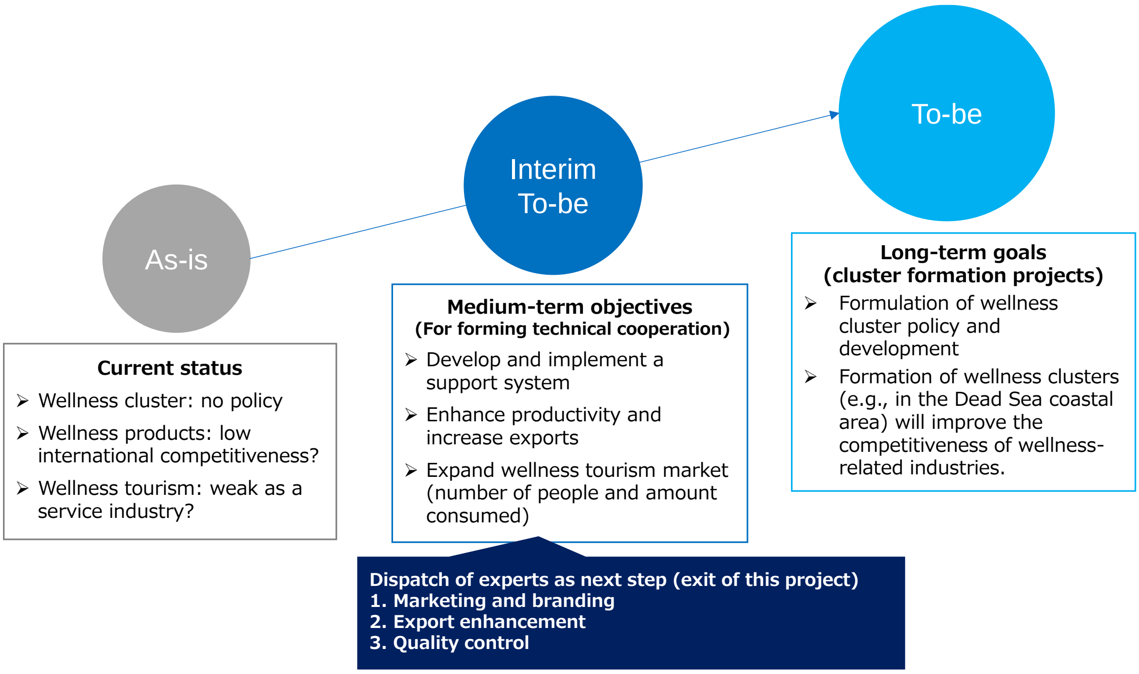


Source: JICA Survey Team

Figure 1-2: Overall Survey Content

1.3.2 Implementation Policy

The following diagram illustrates the implementation policy of the survey. At present, wellness clusters do not exist in Jordan and, to form clusters over the long term, the survey will propose the strengthening of the system, including the content of work for dispatching experts, which is the next project aimed at forming clusters, as shown in the interim-to-be of the figure below. The exit point of the survey is to propose the strengthening of the system, including the content of work for dispatching experts, which is the next project for cluster formation.



Source: JICA Survey Team

Figure 1-3: Image of Implementation Policy

1.3.3 Scope of the Survey

The scope of the survey is illustrated in the figure below. The field survey will identify issues to be considered while establishing hypotheses on issues and exit strategies for 1) wellness products and 2) wellness tourism, which are the elements of wellness cluster formation. Based on this information, it is suggested to propose support details for the next phase of the project while interacting with stakeholders to discuss the formation of a wellness cluster.

Subject	Issues and exit strategy hypotheses	Items to be considered in this study
① Expand exports and consumption of wellness products*	● Issues such as a lack of branding and marketing capabilities (companies and support organizations), quality inconsistencies result in a lack of recognition and trust in the global marketplace. ⇒ ① Strengthen industry-wide branding and marketing strategies and capability to expand exports, and quality control ⇒ ② Strengthen domestic inbound consumption through collaboration with tourism	● Develop industry-wide branding and marketing strategies and gather information for it ● In-depth exploration of issues and support needs ● Consideration of product/tourism (service) linkages ● Study of industry support schemes, partners, and institutions that accept expert dispatches
② Expand wellness tourism	● Wellness tourism strategy has been already developed ● Lack of data for concrete implementation of measures ⇒ Identification of product and service package development, promising activities, and effective ways to disseminate information (information and recommendations to JTB)	● Gathering information on the current situation of stakeholders and consumers that may be relevant to wellness tourism in Jordan for developing wellness tourism strategies and policies
③ Consideration of wellness cluster	● The concept and stakeholders are unclear ● Need to explain the concept/definition of wellness clusters to stakeholders (why "cluster"?) ⇒ Formation of an inclusive consortium	● Identification and dialogue with stakeholders willing to join a consortium

Scope of this study	● Survey of current status, issues, and support needs. Wellness products: covers industry-wide branding and marketing strategy formulation as pilot. Wellness cluster: identification of potential stakeholders for the next phase of activities. ● By the submission of the Interim Report - Provide suggestions for the framework of expert dispatch. ● After the Interim Report – Provide suggestions for specific activities of experts.
Scope of expert dispatch (assumption)	● Facilitating roles in the capacity building of local support organizations, such as experts in marketing activities and brand management support. *Strategies for individual markets outside of Japan would require local partners (a local corporation or a global firm with a local corporation that is familiar with local conditions and languages). *Long-term initiatives such as the development of cluster development elements and the creation of a mechanism to promote research and utilization of medical evidence will be considered separately?

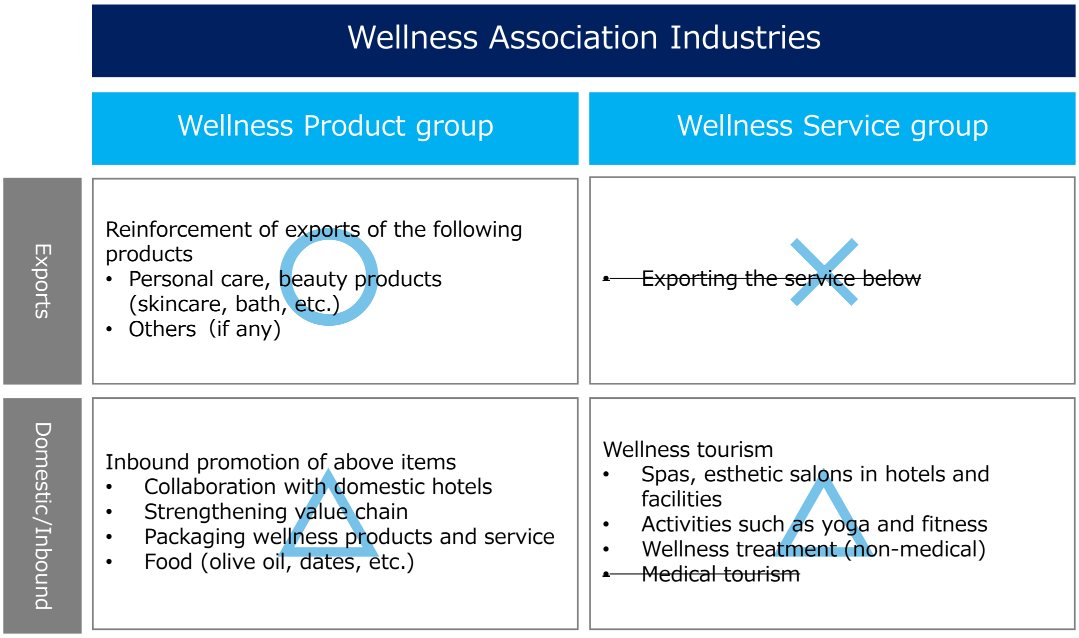
*Skin care and bath products, including Dead Sea products. For food and other products, "export" is not included in this survey, while consumption expansion through linkage with tourism is included.

Source: JICA Survey Team

Figure 1-4: Scope of the Survey

1.3.4 Scope of the Work

The scope of work for the survey is shown in the figure below. It is divided by wellness products and wellness services, and further divided by export and domestic/inbound movement of those products. The focus of this work is on the export of products and inbound services and also aims to promote domestic consumption of products to attract inbound. Medical tourism is excluded from wellness tourism.



Notes: ○ - Main scope, △ - Secondary scope (discuss with Jordan Tourism Board/USAID regarding services to avoid duplication), ×...Not covered in this study

Source: JICA Survey Team

Figure 1-5: Scope of Work

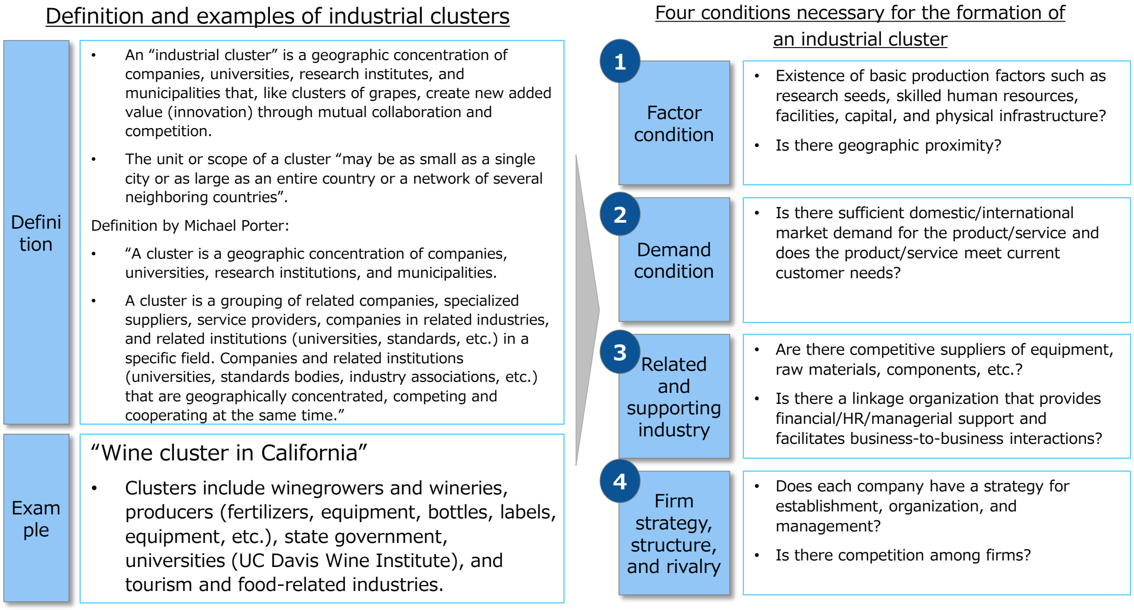
Chapter 2. Data Collection of Existing Information on Jordanian Government Policies and Strategies

2.1 Stakeholder Mapping of Government and Related Organizations

2.1.1 Definition of Cluster and Case Studies

(1) Definition of Cluster

As preliminary information on a wellness cluster, it will cover on the definition and examples of industrial clusters. According to Michael E. Porter, an industrial cluster, in general, is a situation in which companies and related institutions are linked by geographic proximity, commonality, and complementarity in a particular field. Four conditions are 1) Factor condition, 2) Demand condition, 3) Related and supporting industries, and 4) Firm strategy and structure, and rivalry. The following figure shows the definition of an industrial cluster and the four conditions.

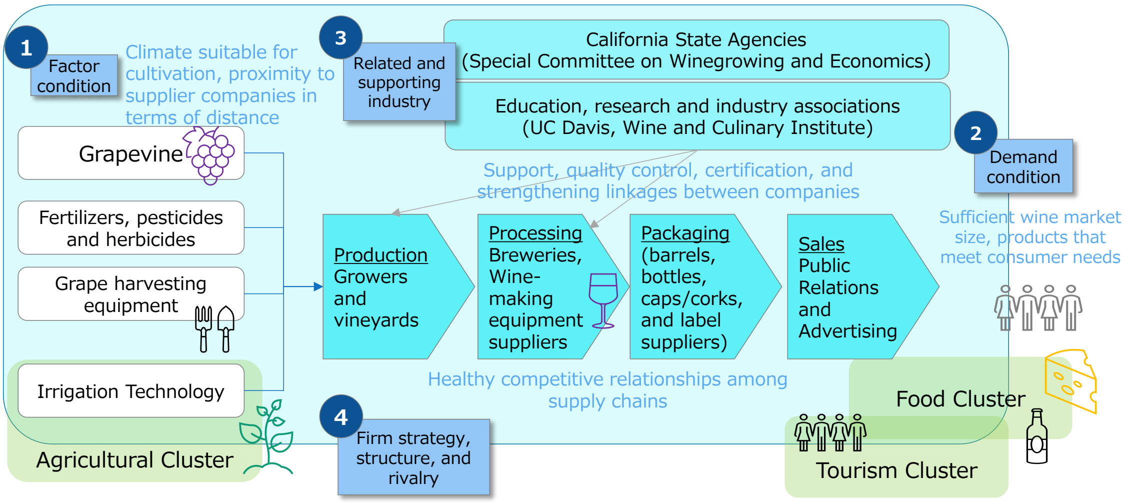


Source: Michael E. Porter, "On Competition"

Figure 2-1: Definition of Industrial Cluster

(2) Case Studies of Cluster

The following is an illustration of a California wine cluster as a case study.



Source: The Survey Team edited based on Michael E. Porter, "On Competition"

Figure 2-2: Illustration of a California Wine Cluster

The California wine cluster is one of the most highly developed examples of an industrial cluster, not only because of the presence of the four elements of a cluster, but also because of its linkages with other industrial clusters such as agriculture, food, and tourism, and because of the high level of spillover between industries and new businesses originating from the cluster. This is one of the most advanced examples of industrial clusters. Although it would not go this far in the survey of the formation of a wellness cluster in Jordan, it is presented this information as a "final ideal form (To-Be)" for reference.

(3) Why a Cluster? Competitive Advantage Created by Clusters

The clusters are said to create a forum for constructive and efficient dialogue among relevant companies, suppliers, municipalities, and other key institutions. Public and private investments to improve conditions in clusters can benefit many firms in the following ways (1) "increase the productivity" of the firms and industries that comprise the cluster, (2) strengthen those firms and their ability to advance "innovation" and thereby support productivity growth, and (3) stimulate the "formation of new businesses" that will support innovation and expand the cluster. A detailed mechanism for the above three points is provided in the table below.

Table 2-1: Competitive Advantage Created by Clusters

Competitive advantage		Mechanism
①Productivity	Increase the "productivity" of the companies and industries that comprise the cluster	Public goods specific to its location, physical proximity and direct association, close and ongoing relationships, and access to information as an insider.
②Innovation	Strengthen the capacity of companies and their ability to advance "innovation" and thereby support productivity growth	Proximity allows for quick and effective access to customer needs and trends, information distribution, reduced transaction costs, various local institutions to respond quickly to the specialized needs of the cluster, etc.
③New business	Stimulate "new business formation" that supports innovation and expands clusters	It is often easier to source the necessary assets, skills, inputs, information about market opportunities, and human resources in cluster locations. It is also easier to combine these resources to create new firms than in other locations. The formation of new businesses will increase the depth and breadth of the cluster over time, further increasing the cluster's advantage.

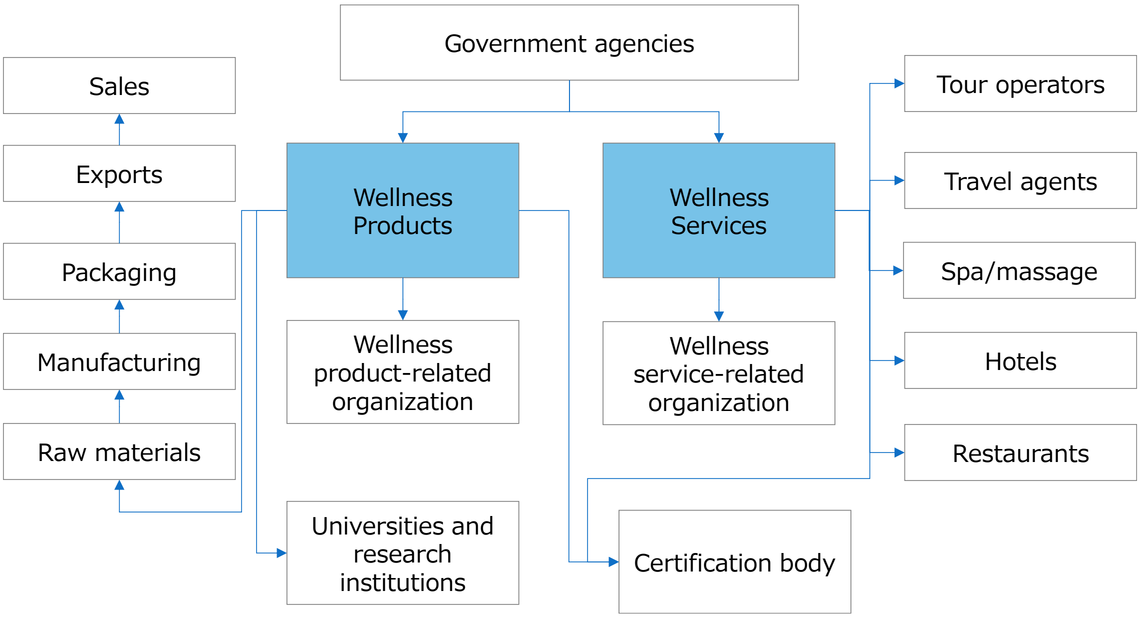
Source: The Survey Team edited based on Michael E. Porter, "On Competition"

Applying the definition of competitive advantage created by clusters to this survey and the goal of forming a wellness cluster, the following competitive advantages are possible. Assuming the creation of a unified brand for the industry, using the wellness product Dead Sea Products as an example, once the movement to form a cluster begins, constructive and efficient dialogue begins among related companies, and once the concept of a unified brand is generated, it is expected that productivity will increase as funds and human resources are invested in efforts to enhance the brand power of the entire cluster and to improve products in the form of a "concentration strategy" ((1) Productivity). Next, to promote the unified brand, universities, research institutes, and companies will collaborate to develop other products through synergy effects by investigating the scientific basis for the unified brand. Appropriate quality control and certification of the entire industry will be established to promote the export of the unified brand, and the individual brands originally owned by each company will be strengthened by following the successful examples of unified brand exports ((2) Innovation). Furthermore, as the cluster gains recognition both domestically and internationally, new services combining Dead Sea products and beauty equipment, spa services combining Dead Sea products, and the establishment of a certification body for Dead Sea products to comply with international standards can be expected ((3) New Business). The potential for new businesses outside the framework of the cluster is also promising.

2.1.2 Relevant Stakeholders

(1) Formation of Wellness Cluster

According to Michael Porter, clusters are composed of companies that produce end products and services, suppliers of specialized services, companies in related industries, and industry associations. They often also include government agencies that provide specialized training, education, information, research, and technical assistance; other research institutions, including universities; and standards-setting organizations. Government agencies that create institutions and set incentives also play a major role. The following diagram illustrates the above description of the structure of government and related organizations for forming a wellness cluster in Jordan. Centered on the government organization at the top of the diagram, the product groups are located on the left, and the service groups are on the right. The product groups include players in the supply chain, from raw materials to processing and packaging, while the service groups may cover a wide range of industries, such as hotels, spas, and restaurants related to inbound tourism. Common to both products and services in forming a wellness cluster are industry associations, certification bodies, and partnerships with universities and research institutions, which are also included in the cluster formation players.



Source: JICA Survey Team

Figure 2-3: Wellness Cluster Players

(2) Stakeholders Mapping

Based on the second field survey (November 2022), the following shows the updated roles of each through meetings with stakeholders.

Wellness Cluster Strategy: MoITS（JCI/ACI）

	①Marketing/Branding Management	②Export/Inbound Promotion	③Quality Management
Wellness Products	• Jordan Exports（JE） • Dead Sea Products Manufacturers' Association（DSPMA） • The Natural Body Consortium	• Amman Chamber of Industry（ACI） • Jordan Chamber of Industry（JCI） • Jordan Exports（JE） • Jordan Enterprise Development Corporation（JEDCO） • Dead Sea Products Manufacturers' Association（DSPMA） • The Natural Body Consortium	• Jordan Standards and Metrology Organization（JSMO） • Jordan Food and Drug Administration （JFDA） • Jordan Enterprise Development Corporation（JEDCO）
Wellness Service	• Jordan Tourism Board（JTB）	• Jordan Exports（JE） • Jordan Tourism Board（JTB） • Jordan Enterprise Development Corporation（JEDCO）	• Jordan Hotels Association • Jordan Restaurant Association • Jordan Society for Travel Agent • Jordan Tour Guide Association • Jordan Standards and Metrology Organization（JSMO）

Source: JICA Survey Team

Figure 2-4: Image of Stakeholders Mapping

The original missions and mandates of each organization which would relate to the formation of a wellness cluster are listed below. In addition, ACI/JCI expressed an interest to take a role as an implementing agency for future cluster formation during the field survey in November 2022. The roles of the organizations involved in the formation of a wellness cluster are described separately in Chapter 7.

Table 2-2: The Original Missions and Mandates of Institutions That Involve Wellness Cluster Formulation

Product /Service	Institution	Missions and Mandates
Product	MoITS	• Government institutions which aim to contribute to building and strengthening a competitive and diversified national economy in partnership with the private sector
Product	JCI	• To increase the competitiveness of the Jordanian industry sector • There are branches in Amman, Zarqa, and Irbid • There are 10 specialized sectors including Chemical and Cosmetic sector.
Product	ACI	• Established as a non-profit organization that represents the industrial sector in Amman. • All the businesses including cosmetics and dead sea product businesses are registered at ACI
Product	JEDCO	• Providing comprehensive services in supporting entrepreneurial emerging, and small and medium projects in Jordan
Product	JE	• public-private export institution established to coordinate national export activities
Product /Service	JMSO	• Organization to ensure that the products offered in the market conform to the technical rules and mandatory requirements to protect the health, safety and rights of citizens
Product	JFDA	• an independent public sector regulatory institution whose main objectives are to ensure that 1) Food is safe, wholesome, and properly labeled, 2) Drugs are safe and efficacious, 3) Safety of all products explicitly stated in the enforced drug and pharmacy law.
Service	MoTA	• Government institutions which aim to develop and lead a sustainable tourism life in Jordan in partnership with the private sector by enforcing the role of cultural heritage in the overall vision of developing tourism as a complete sector, which would yield revenue that uplifts the national economy
Service	JTB	• public – private sector partnership committed to utilize marketing strategies to brand, position and promote the Jordan tourism product as the destination of choice in the international markets.
Service	JHA	• a non-profit organization that works with the Jordanian government to ensure a unified voice for the Hospitality sector and a positive operating environment for the hotel industry to thrive
Service	JSTA	• established as the leading unified voice of all travel agents in Jordan • Recognized as the only legal body representing travel agents in Jordan since it is mandated by the tourism law

Source: JICA Survey Team

2.2 Relevant Policies and Strategies and Their Promotion Systems

As for information on government-led policies, strategies, and promotion systems for the formation of a wellness cluster, the “Economic Modernization Vision” obtained locally lists chemical products[1] as a high-value-added industry in priority economic sectors, and wellness tourism as a means of attracting domestic visitors.

Source: Economic Modernization Vision

Figure 2-5: Priority Economic Sectors

No specific related government-led policies or strategies related to products were found, but JEDCO and JCI, which support the private sector, confirmed the strengthening of certification toward international standards for products in general, as well as strategies and visions related to Dead Sea products. The following is a list of materials obtained related to wellness products.

[1] Cosmetics and skin care products, including Dead Sea products, are classified in the chemical industry sector within JCI. https://jci.org.jo/Chamber/Sector/80067/Chemical-and-Cosmetic-Industries-Sector

Table 2-3: List of Documents Related to the Wellness Products

Institution	Document	Description
JCI	Chemical and Cosmetic Industries Sector	Analysis Report on Domestic Dead Sea Products as of 2019
JCI	Dead Sea cosmetics products in Jordan	Brochure on promoting exports of Dead Sea products
JEDCO	Strategic Plan 2022-2025	Supporting companies by strengthening product certification towards international standards

Source: JICA Survey Team

On the other hand, with regard to services, it was confirmed that USAID, with JTB as a counterpart, is developing a strategy to improve the overall tourism industry in Jordan, called the Building Economic Sustainability through Tourism Project (BEST). The project is designed to build economic sustainability through tourism by creating jobs in the tourism industry and strengthening private investment in the tourism industry. The wellness tourism strategy, also supported by USAI, is developing a strategy specifically for wellness tourism. In the formation of a wellness cluster consisting of products and services, the tourism sector, which is a service sector, is one step ahead in terms of promotion system. The following is a list of available materials related to wellness services.

Table 2-4: List of Documents Related to the Wellness Service

Institution	Document	Description
USAID (JTB)	Building Economic Sustainability through Tourism Project (BEST), 2015-2020	Strategies for building economic sustainability through tourism
USAID (JTB)	Building Economic Sustainability through Tourism Project (BEST), Project Extension 2020-2021	Strategies for building economic sustainability through tourism (extended version)
USAID (JTB)	Wellness Is in Our Nature: An Assessment of Jordan's Wellness Tourism Potential, 2019	Paper examining the potential of wellness tourism
USAID (JTB)	Wellness Tourism Strategy, 2020-2023	Strategies for wellness tourism paper

Source: JICA Survey Team

2.3 Existing Related Projects by JICA and Other Donors

2.3.1 Related Donor Projects

The following are related projects that contribute to the formation of a wellness cluster for other donors (JICA projects are discussed in Section 3.9).

Table 2-5: Past Donor Supported Projects

#	Category	Donor	Project/report	Content	Note
1	Service	USAID	An Assessment of Jordan's Wellness Tourism Potential	Investigation of wellness tourism potential	2019
2	Service	USAID	Wellness Tourism Strategy	Wellness tourism strategy paper	2020
3	Service	USAID	Building Economic Sustainability Through Tourism	Rehabilitate historic buildings and create new attractions that enhance the visitor experience	2013-2015
4	Product	GIZ	Trade for Employment	Support for strengthening the capacity of industry associations and individual companies to promote exports	2017-2024 (extended)
5	Product	GIZ	Value Chain Analysis of the Chemicals Industry in Jordan	Value chain analysis of Dead Sea products	2019
6	Product	GIZ	Jordanian Chemical Products – Dead Sea Products Export Guide to China	Study on Export promotion of Dead Sea products to China	2019
7	Product	CBI	Netherlands-Jordan Business Support Programme	Individual support to four Dead Sea cosmetics companies (Al Raya, Glory, Beauty Secrets, Bloom, and La Cure) to promote exports to the Netherlands.	2021
8	Service and product	CBI	Tourism Jordan	It also offers coaching and other training programs as part of the company's dispatch of tourism export promotion specialists. We expect applications from small and medium-sized enterprises that develop new tourism products for Europe on a cost-sharing basis.	2021-2015
9	Product	EBRD	"Diagnostic Study on Enhancing Value-Added Production and Export in Jordan's Manufacturing Sector" (2020)	Study to a group of industries for the promotion of exports. This includes the olive oil industry, in addition to Dead Sea products, but is related to the competitiveness of products for export, such as dates.	2020

Source: JICA Survey Team

2.3.2 Direction for Future Cooperation

As for the community of the donors, there are traditionally conducted research and studies and other activities mainly for policy development. Most of the support is in the field of tourism, and for wellness tourism, there are study reports for Jordan approaches by USAID, GIZ, and others, and it is understood that there could be continued support in these fields. For instance, GIZ provides ICT support to tourism businesses, etc.

As USAID has provided funding to AmCham Jordan to promote exports to the U.S. as part of the Export Growth Path initiative by AmCham which has been partially providing partial support for the Dead Sea products. This is a project to strengthen export competitiveness through a stepwise approach to export promotion to the U.S. market based on private sector applications; however, this initiative is not being implemented in 2022 due to the lack of grant funding arrangement by USAID.

In the area of wellness tourism, it is expected that projects related to the wellness tourism will be formed and supported by USAID at the request of JTB, MoTA, and other governmental organizations which is to be further investigated. In the field of medical tourism, which is highly compatible with wellness tourism, the World Bank is currently supporting MoTA in a research project for the formation of a “medical tourism cluster” prior to the formation of future technical cooperation.

As background information that will be discussed in Chapter 3, Jordan has been promoting medical tourism on a national level since the Amman Declaration Health Travel 8 was declared in 2017. However, due to the impact of the pandemic and complicated visa procedures for incoming patients, the number of visitors for medical tourism has been declining, and a national effort is underway to restore medical tourism.

The scope of the project by the World Bank focuses on wellness tourism with medical tourism at its core and not solely on the Dead Sea. On the other hand, the scope of this wellness cluster formation survey by JICA focuses on both skin care products, including Dead Sea products, and wellness tourism, and there is no complete overlap. Rather, it is expected that both future clusters will be organically linked. The World Bank research project will present a future action plan in a final report by March/April 2023.

Chapter 3. Data Collection and Analysis of Information Related to the Wellness Products and Wellness Services

3.1 Definition of Wellness, Wellness Industry in the World

3.1.1 Definition of Wellness

This survey utilizes the definition adopted by the Global Wellness Institute[2] (hereinafter GWI), which defines wellness as "the active pursuit of activities, choices, and lifestyles that result in a state of holistic health". In other words, the pursuit of wellness-related activities, choices, and lifestyles results in a state of overall physical and mental health and well-being including holistic health. Therefore, products and services that contribute to such states of physical and mental health and well-being are included in the wellness economy[3], as those industries enable consumers to incorporate wellness activities and lifestyles into their daily lives.

Source: JICA Survey Team

Figure 3-1: The Relationship of Wellness Practices, Related Products, and Services

3.1.2 Wellness Products

Since activities related to personal care and beauty are assumed to contribute to wellness, the survey will cover "skin care cosmetics" and "men's cosmetic skin care cosmetics" among the following general cosmetics categories.

Examples of skin care cosmetics include facial cleansing products such as facial cleansing creams and cleansers, as well as toners and serums that are mainly used after facial cleansing.

While there are various distribution channels through which skincare cosmetics and other products reach the end consumer, the distribution categories used in this survey are defined as follows: institutional, general, trial sales, mail-order, direct sales, and business use.

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[2] GWI is a non-profit organization located in the U.S., which has conducted research and education in the wellness industry. GWI has been recognized by researchers, journalists, academics, governments, businesses, and opinion leaders as the world's leading resource in the USD 4.5 trillion global wellness economy. https://globalwellnessinstitute.org/what-is-wellness/wellness-economy-definitions/.

[3] GWI defines the wellness economy as an industry that enables consumers to incorporate wellness activities and lifestyles into their daily lives, encompassing 11 diverse sectors.

Table 3-1: Wellness-related Industrial Products Studied

Product Category	Skin care cosmetics	Toner, essence, moisture cream, milky lotion, cleansing cream/foam, cleansing, pack, massage/cold cream, sunscreen, soap, bath salts, body scrubs, etc.
	Makeup cosmetics	Foundation, lipstick, face ointment, eyebrow, mascara, eye makeup, nail color, lip cream, cheek color, etc.
	Hair care cosmetics	Shampoo, hair treatment, hair dressing, hair rinse, hair spray, hair setting lotion, hair cream, hair color, etc.
	Fragrance cosmetics	Eau de cologne, perfumes
	Cosmetics for men	Hair care cosmetics, **skin care cosmetics**, shaving cosmetics, etc.
Distribution Category	Institutional Distribution	Sales of cosmetics to department stores and cosmetics specialty stores contracted directly or through affiliated sales companies, etc., without going through a wholesaler. Basically, counseling sales are conducted by beauty salespersons, and the manufacturer has its own consumer organization.
	General product distribution	Sales of cosmetics to mass merchandisers, drugstores, convenience stores, etc. via wholesalers. The basic concept is to sell cosmetics through self-sales, not through specific distribution channels.
	Door-to-door distribution	Sales of cosmetics by door-to-door sales representatives, not by store sales.
	Mail-order distribution	Sales of cosmetics by mail order.
	Direct distribution	Basically, this system is the same as that for institutional distribution. This is the direct sale of cosmetics, especially imported cosmetics, by overseas brand manufacturers mainly through department stores, etc.
	Business-use distribution	Sales of hair care cosmetics, skin care cosmetics, etc. to barbershops, beauty stores, and esthetic salons through wholesalers (does not include toiletries for professional use).

Source: JICA Survey Team

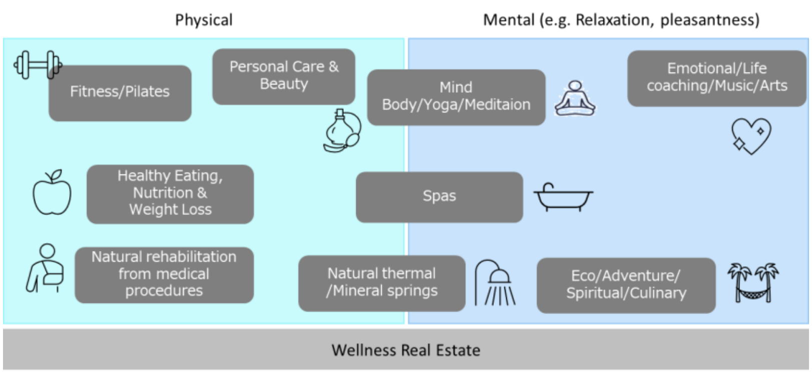
3.1.3 Wellness Services

The service category, on the other hand, covers experiences and consumption by inbound tourists in the activity categories shown in the figure below. Within the broad wellness economy, activities can be categorized according to whether they contribute primarily to physical wellness or contribute primarily to mental wellness.

The former category includes fitness/exercise, healthy eating/weight loss, and natural healing and rehabilitation based on diagnosis and medical treatment provided by medical professionals (the scope of so-called medical tourism). The latter category, on the other hand, includes spiritual experiences, art, music activities, and coaching program to face oneself.

On the border between the two, there are some activities that contribute to both physical and mental wellness, such as using spas and hot springs, as well as mindfulness, yoga, and meditation.

In particular, personal care, beauty, and spa are strongly linked activities among products and services, as the services are generally provided through the use of wellness products.



Source: JICA Survey Team

Figure 3-2: Categories of Activities in Wellness Tourism

For the purposes of this survey, the differences between wellness tourism, medical tourism, and health tourism are defined in the table below.

Table 3-2: Wellness-related Service Studied

	Category	Definition
Service Category	Medical Tourism	■ A type of tourism activity that involves traveling away from one's usual environment, whether domestic or international, to access evidence-based medical healing resources and services. ■ Diagnosis, treatment, healing, prevention, and rehabilitation are included in the category.
	Wellness Tourism	■ A type of tourism activity aimed at improving and balancing all areas of human life: physical, mental, emotional, vocational, intellectual, and spiritual. ■ The main motivations of wellness tourists include preventive and proactive lifestyle-enhancing activities such as fitness, healthy eating, relaxation, healing treatments, etc.
	Health Tourism	■ It refers to tourism whose primary motivation is to contribute to physical and mental health through medical and wellness-based activities and to enhance the ability of individuals to meet their own needs and function better as individuals in their environment and society. ■ Health tourism is the collective term for wellness tourism and medical tourism.

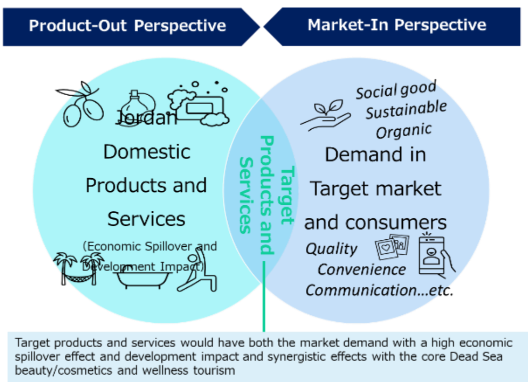
Source: "Exploring Health Tourism", United Nations World Tourism Organization (UNWTO) Office in Japan, 2018

3.2 Identification of Wellness Clusters (Products and Services) in Jordan

As mentioned above, as the first step, we selected wellness products and services for this survey as "products and services that contribute to the overall health and well-being of the body and mind". In the second step, as "target products and services to be included in the wellness cluster," we selected "**products and services that meet market needs, have a high economic ripple effect, and are expected to have synergistic effects with Dead Sea products and wellness tourism, which are the core of the wellness cluster"**.

Consequently, personal care, beauty, and spa services are expected to have high synergies between products and wellness tourism, as the use of wellness products will also provide services for inbound tourism. Market needs will be discussed later but, as for target products, highly unique Dead Sea products and olives are considered target products because they are expected to have a high economic ripple effect in Jordan over the long term due to the export of these products and the expected increase in domestic demand for inbound tourism. Wellness tourism is also assumed as a target service.

For the sake of convenience, the scope of "wellness products" covered in this survey will be beauty and personal care products (skin care and bath care) with Dead Sea products at the core, as described above in 3.1.2.

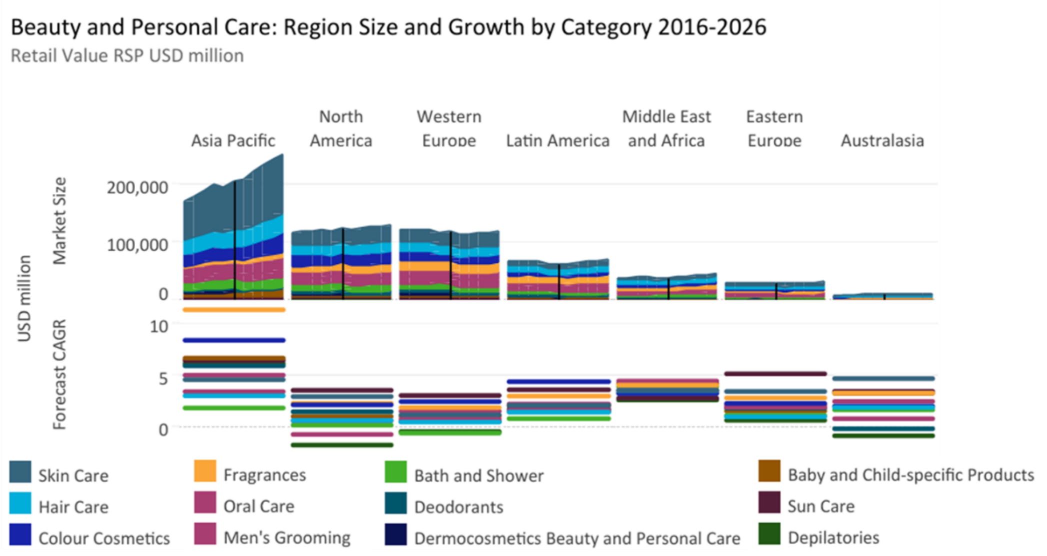


Source: JICA Survey Team

Figure 3-3: Targeted Products and Services Included in the Jordan Wellness Cluster

3.3 Wellness Product Market Trends and Certifications/Regulations in Major Cities

The global cosmetics market has been expanding, with Asia being the largest market (in 2021), accounting for nearly 40% of the global market, and will continue to drive overall market growth. Due to awareness of wellness, skin health and self-care, the skin care category grew by about 5% in 2021 to a market size of USD 154.9 billion. Asia will account for one-third of that growth, led by China and South Korea in particular.



Source: Euromonitor Report May 2022

Figure 3-4: Skin Care Market Trends

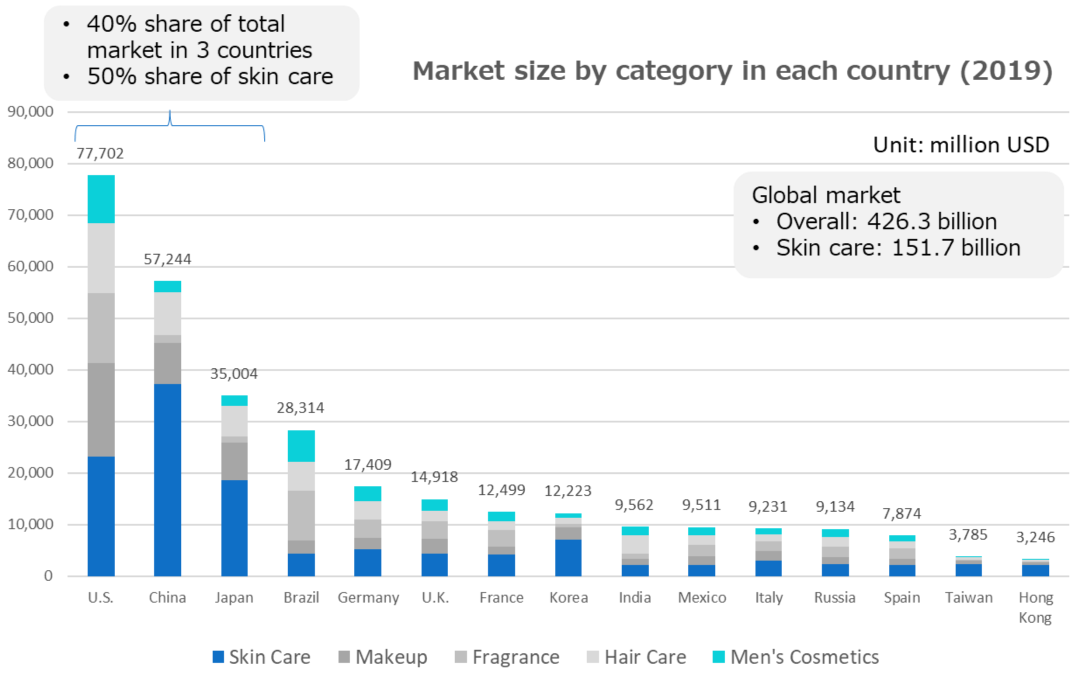
By major region, the Asia-Pacific region has surpassed North America and Europe in terms of both market size and growth rate.

	Asia Pacific	North America	Western Europe
Overview	• Strong skin care product category, with significant growth expected in various categories such as dermatological cosmetics and men's cosmetics	• Second largest after Asia, skin care and dermatology cosmetics are expected to continue to grow steadily	• Leader in dermatology cosmetics and a large skin care market, but not expected to grow much in the future
Skincare	◎ • Leading the market, ahead of other regions • The market also has the highest growth potential	○ • Ranked 2nd, on per with Europe • 2nd in growth rate after Asia	○ • Ranks 3rd on par with North America • Slight growth in the future
Dermo-cosmetics (Dermatology Cosmetics)	◎ • Second place after Europe • Growth rate is the highest, ahead of other regions*.	△ • 3rd after Asia • 2nd in growth rate	○ • No. 1 • However, growth rate will remain flat
Cosmetics for Men	○ • Ranked 3rd, on par with North America and Europe • Leading in growth rate	△ • 2nd place, equal to Europe, Asia and Latin America • Growth prospects are not very high	○ • World leader, but on par with North America, Asia, and Latin America • Growth potential is second only to Latin America and the Middle East

*Growing middle class, aging population, and traditional healing and holistic wellness culture in Asia contribute to growth of dermatology cosmetics.
Source: Euromonitor Report May 2022

Figure 3-5: Skin Care Market Trends by Major Region

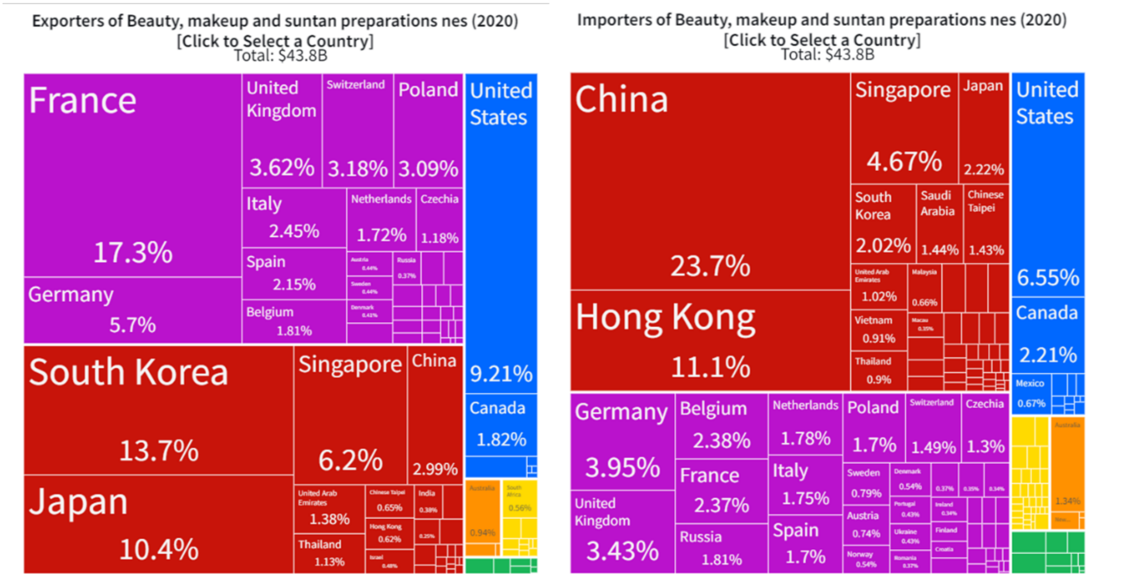
Looking at cosmetics as a whole, the largest markets are in the U.S., China, and Japan. Focusing on skincare, skincare category accounts for a large share of the market in China, Japan, and South Korea, with the largest markets being China, Japan, and the U.S. in that order.



Source: NITE 2020 Cosmetics Industry Trend Research Report (database published by Euromonitor International)

Figure 3-6: Market Size by Category in Each Country (2019)

In terms of cosmetics imports and exports, France (USD 7.58 billion), South Korea (USD 5.98 billion), Japan (USD 4.55 billion), the U.S. (USD 4.03 billion), and Singapore (USD 2.71 billion) are the “major exporters”, while China (USD 10.4 billion), Hong Kong (USD 4.86 billion), the U.S. (USD 2.87 billion), and Singapore (USD 2.04 billion), and Germany (USD 1.73 billion) are the “major importers”.



Source: The Observatory of Economic Complexity (OEC); Beauty, makeup, and suntan preparation HS Code 330499

Figure 3-7: Share of Imports and Exports of Cosmetics in Each Country

In addition, according to the Euromonitor report, there are five qualitative global trends.

(i) Growing health and safety priorities create demand for science-based clinical aesthetics.

- Increased priorities for health and safety are creating demand for science-based beauty.
- Brands that have scientific backing and proven efficacy have the potential to succeed, especially in dermo cosmetics.
- In addition, ingredient-based searches are on the rise, increasing the likelihood that consumers willing to trial new brands will discover less-recognized brands.

(ii) The rise of Beauty Tech, especially "phygital" (physical plus digital) reality and personalization efforts.

- Beauty brands, especially premium and luxury brands, are addressing new areas such as virtual stores, NFT, and metaverse.
- On the other hand, consumers want to return to physical stores, so there is a need to re-examine ways in which physical stores can complement the phygital experience.
- Hyper-personalization will gain momentum in super-premium and premium products.

(iii) COVID-19 and high inflation rates necessitated a review of product multifunctionality and price.

- We are in a period of uncertainty: high inflation in 2021 and 2022, ongoing supply chain disruptions, geopolitical uncertainties, and rising energy prices.
- Multifunctional products are expected to reflect this.
- Prices are rising across the fast-moving consumer goods industry, and beauty companies will need to re-evaluate their profit margins, which could impact prices and pack sizes.

(iv) Increased stress worldwide has led to a growing demand for mental health and the role of beauty in "healing" and "relaxation".

- From 2022 onward, beauty will be viewed as a long-term investment in one's health.
- Beauty-related categories will see increased demand for foods and supplements that utilize "inner beauty" to connect gut and skin health, as well as beauty devices that provide a spa-level experience.
- With emotional wellness as a key driver, demand for relevant fragrances will continue.

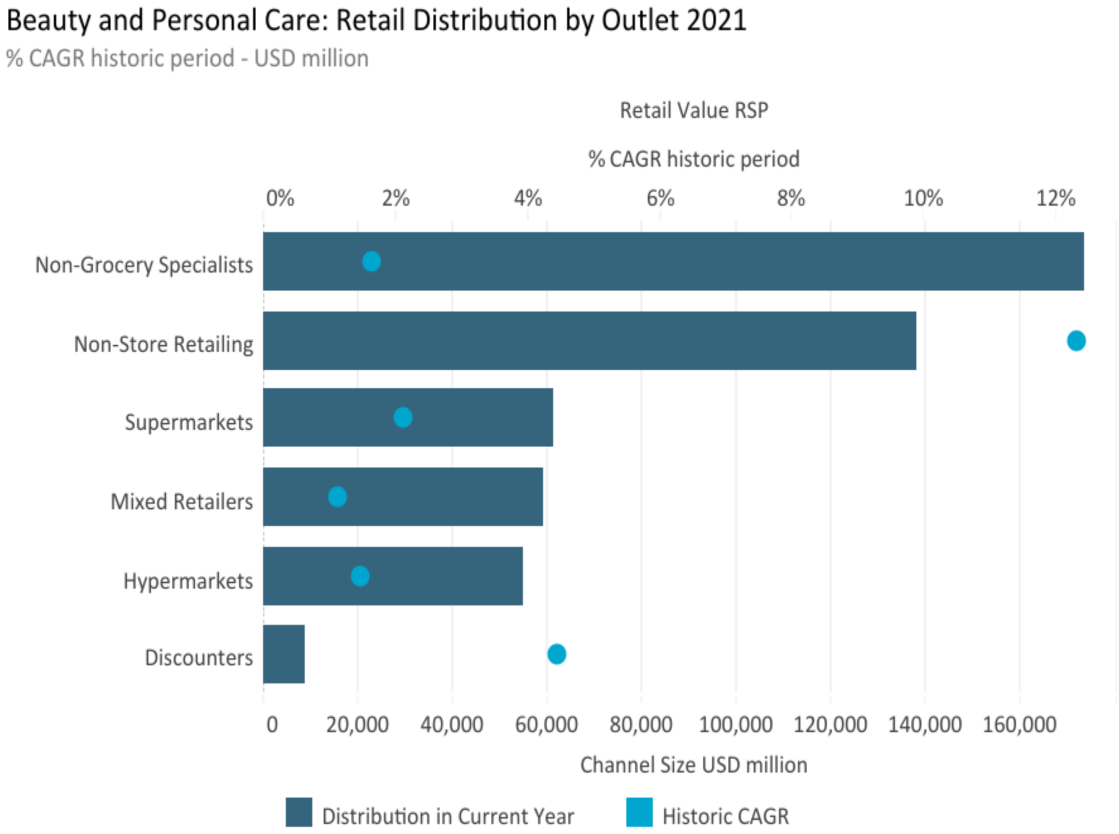
(v) "Conscious beauty" is becoming mainstream, driven by Gen Z and Millennial consumers.

- While "clean beauty" is still growing, Conscious beauty is guided by the idea of "people over profits."
- New, digitally native, and indie brands are developed with social responsibility, waste reduction, and circular systems in mind, giving them an edge over other brands.
- Beauty brands that emphasize the importance of mental health and universal design and contribute positively to the environment will be in high demand.

The above are trends in the global market, but in the Japanese market as well, the keywords are 1) "personalization" due to the influence of COVID-19, 2) "science cosmetics" due to the accelerated introduction of digital technology in the skincare industry, and 3) "Millennium Generation/Z Generation" who are driving the trend and are highly sensitive to information transmission through social media[4].

[4] Source: Yano Research Institute's Cosmetics Marketing Survey 2021, 2021, and other related websites

In addition, the penetration of e-commerce is further expanding. By retail sales channel for beauty and personal care products, non-grocery specialty stores continue to have the largest sales value, but e-commerce, which does not involve physical stores, is rapidly expanding as a sales channel with a CAGR of 14%. The factors behind this growth include sales using digital technologies such as augmented reality, virtual reality, and artificial intelligence (AR/VR/AI) and the expansion of direct-to-consumer branded products, which have increased the penetration rate of e-commerce in the beauty and personal care product sector.



Source: World Market for Beauty and Personal Care, May 2022, Euromonitor International

Figure 3-8: Retail Sales Channels for Beauty and Personal Care Products

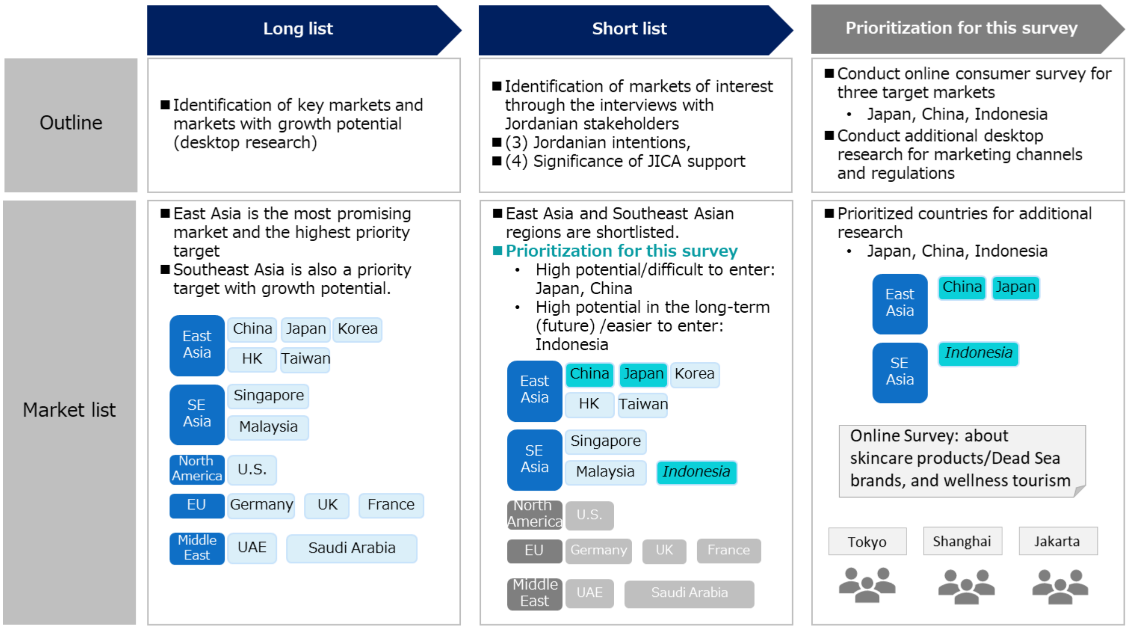
In the Asian market in particular, competition is intensifying as Korean brands and emerging Chinese brands are rapidly catching up with Western global brands and long-established Japanese brands. In the Japanese market, Korean and Chinese cosmetics brands are gaining popularity, especially among young women, and imports from Korea are expanding rapidly. In the Chinese market, where Japanese cosmetics have enjoyed strong support in the past, products from Korean and Chinese manufacturers are also gaining popularity.

In addition to highly functional color cosmetics, Korean manufacturers are also gaining recognition for their skincare products, which are in high demand not only in Japan and China, but also in Southeast Asia. Emerging Chinese manufacturers focus mainly on color cosmetics but have achieved rapid growth in a short period of time by focusing on digital marketing through the effective use of social media. Japanese companies are also strengthening their digital marketing efforts, including the use of live streaming for the Chinese market[5].

[5] Source: Cosmetics Industry Vision, JETRO

3.4 Identification of Target Markets/Customers and Their Priorities

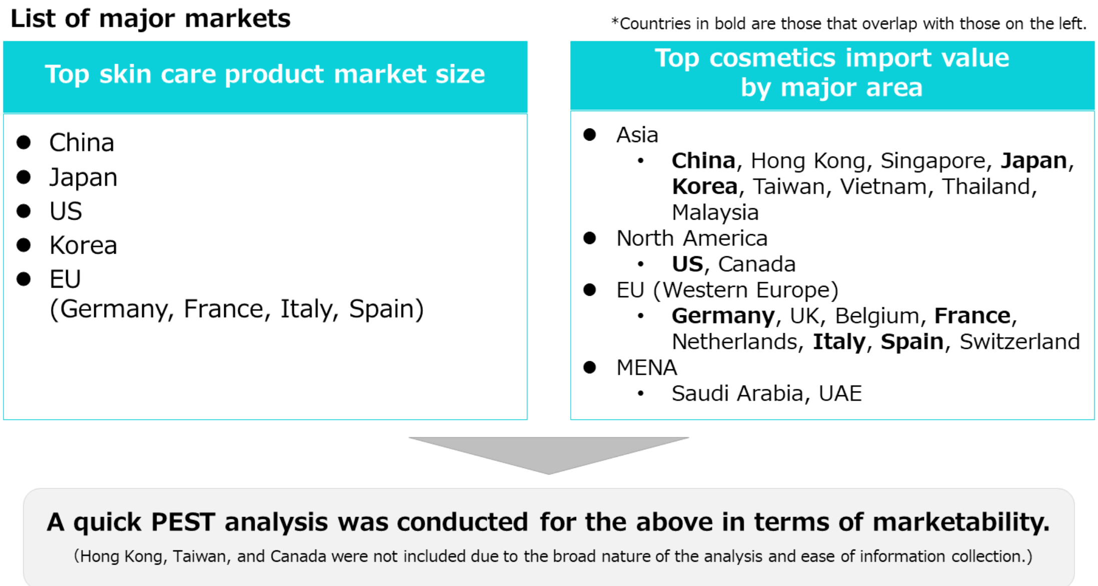
A long list of candidates was created based on market size and growth potential, and the East and Southeast Asian markets were shortlisted based on PEST analysis and the superiority of Jordanian products and the significance of JICA support and prioritized based on the intentions of Jordanian companies.



Source: JICA Survey Team

Figure 3-9: Target Market Selection Approach

First, a simple PEST analysis was conducted by picking the countries/regions with the top market size for skin care products or the top cosmetics import value within the major areas.



Source: JICA Survey Team

Figure 3-10: Candidates of Long List

	China	Japan	Korea
Politics (Politics, trade agreements, etc.)	No trade agreements	No trade agreements	No trade agreements
Economy (Market size and growth potential)	• Largest skin care market in the world • High growth potential	• Market size second only to China and the U.S. in skin care • Gradual recovery in demand after COVID-19 subsides	• Second largest skincare market after Japan • High growth potential (exceeding that of Japan)
Social (Demographics, etc. characteristics, preferences)	• Low birthrate and aging population • Diversified needs, growing demand for organic products	• Low birthrate and aging population • Growing demand for cosmetics based on medical and scientific findings, natural and organic	• Low birthrate and aging population • Natural and Chinese medicine become a trend, increasing demand for scientific evidence
Technology (Retail and cosmetics-related tech)	• Cutting-edge examples of social media, EC, live commerce, metaverse marketing, etc.	• Expansion of distribution utilizing social media, EC, live commerce, and expansion of D2C business model	• Expansion of social media
Import/export trends (HS6 basis)	South Korea 2.95B, Japan 2.57B Singapore 1.31B Israel 8.76M Jordan 0.6M	Korea 426M, France 171M, US 110M Israel 18.3M Jordan 0.04M	France 208M, Singapore 200M, U.S. 176M Israel 5.98M Jordan 0.03M

Source: Yano Research Institute_2021 Cosmetics Marketing Compendium, 2021, other related websites in each country

Figure 3-11: PEST Analysis of East Asian Market

	Singapore	Vietnam	Thailand	Malaysia
Politics (Politics, trade agreements, etc.)	Bilateral FTA available	No trade agreements	No trade agreements	No trade agreements
Economy (Market size and growth potential)	• Limited domestic market, but companies are expanding as bases in Southeast Asia	• High growth potential in skin care market (higher than Thailand and Malaysia)	• High growth potential in skincare market	• High growth potential in skin care market • Spending on Halal products is lower than Indonesia
Social (Demographics, etc. characteristics, preferences)	• Foreigners account for about half of the population • High income and relatively high demand for luxury cosmetics	• Slight population growth • Awareness of brand values, especially among Generation Z • Growing demand for natural and organic products	• While the population is aging, the number of young people who enjoy makeup is increasing • Cream-type products are popular	• Small but growing population • Growing demand for halal products
Technology (Retail and cosmetics-related tech)	• Expansion of distribution through social media, EC • Redesigning stores with "Personalize" and "Interactive" in mind	• Large share of physical stores • Expand distribution using social media and EC	• Large share of physical stores • Expand distribution using social media and EC	• Large share of physical stores • Expand distribution using social media and EC
Import/export trends (HS6 basis)	France 1.05B, Japan 422M, U.S. 192M, Israel 2.55M, Jordan 0.04M	Korea 190M, Japan 73M, France 49.3M, Israel 1.24M, Jordan 0.02M	Korea 89.6M, Singapore 49.3M, U.S. 37.3M, Israel 1.21M, Jordan 0.002M	Singapore 65.8M, Korea 57.3M, U.S. 37.4M, Joran 0.03M, **Israel 0M**

Source: World Market for Beauty and Personal Care, May 2022, Euromonitor International, other related websites in each country

Figure 3-12: PEST Analysis of Southeast Asian Market

	U.S.	Europe (mainly Germany and France)	Saudi Arabia	UAE
Politics (Politics, trade agreements, etc.)	• Bilateral FTA • Israel lobbying efforts are active	• Jordan-EU Association Agreement	• Normalization of diplomatic relations with Israel • Tariff advantage due to GAFTA	• Normalization of diplomatic relations with Israel • Tariff advantage due to GAFTA
Economy (Market size and growth potential)	• Market size is comparable to Europe, growth potential is slightly higher than Europe	• Market size is about the same as that of the U.S., but growth potential is not so significant	• Growth potential exists	• Growth potential exists
Social (Demographics, etc. characteristics, preferences)	• Population, including immigrants, will continue to grow • Individuality and sustainability are trends	• Declining population • Personalization and sustainability are trends	• Population is growing with a large number of young people • Natural/organic and sustainability trends	• 90% of the domestic population is foreign • Growing awareness of environmental friendliness and sustainability
Technology (Retail and cosmetics-related tech)	• Purchases on social media are influential • E-commerce is expanding, but in-store sales are still strong	• Personalization of online experience through DNA analysis, etc. is emerging	• Purchases on social media are highly influential • Expansion of EC, especially among younger consumers	• Department stores have been the mainstream for many years, but e-commerce and pop-up stores are emerging
Import/export trends (HS6 basis)	France 660M, Canada 549M, Korea 386M Israel 47.6M, Jordan 0.1M	Germany and France: EU mostly, U.S. 250.3M, China 72.9M, Israel 8.65M, Jordan 0.16M	UAE 318M (50%) Other: Europe, Australia, U.S., etc., Jordan 3M, Israel 0M	Europe, led by France and Germany, is in the majority, U.S. 61.5M, Korea 25.7M, Jordan 0.2M, Israel 0.05M

Source: World Market for Beauty and Personal Care, May 2022, Euromonitor International, other related websites in each country

Figure 3-13: PEST Analysis of EU/MENA Market (Reference)

Based on the results of the simplified PEST analysis, East Asia is the most promising market and the highest priority target, and Southeast Asia is also considered a priority target where future growth is expected.

	Summary/Key Points	Long List Candidates
TOP **East Asia**	• The market is the most marketable in terms of both current market size and future growth potential. • The large proportion of skin care products in the cosmetics market compared to Europe and the U.S. is also an advantage for Jordanian companies that can promote the benefits of Dead Sea minerals.	• China • Japan • Korea • (Hong Kong, Taiwan)
Growin' **Southeast Asia**	• Although the size of the market is still small, the growth potential is high. • With Singapore as a foothold in the FTA, might be possible to consider entering Malaysia (a white spot in the global market where Israeli products have not yet entered), where future growth is expected.	• Singapore • Malaysia
Big mkt **U.S.**	• The second most marketable market after Asia. • Competition is fierce in this market, which is a stronghold of Israeli brands, but there is potential for appealing to niche consumers and for cross-border e-commerce, etc.	• N/A (out of scope regarding states/cities)
Stable **Europe**	• Large and stable market, but low growth potential • Due to geographical proximity, strengthening product marketing and branding may contribute to wellness tourism. • Quality standards are stricter than in the U.S., so export performance to Europe may be an advantage.	• EU economies such as Germany, France, Italy, and Spain
MENA	• Although smaller in size than other regions, Saudi Arabia and the UAE are expected to grow in the future. • With the normalization of diplomatic relations with Israel, competition is expected to intensify, and therefore, marketing and branding must be strengthened.	• Saudi Arabia • UAE

Source: JICA Survey Team

Figure 3-14: Summary of the PEST Analysis

Most Jordanian companies were interested in East Asian markets such as Japan and China, as well as Southeast Asian markets such as Singapore, Malaysia, and Indonesia. Of East Asian markets, priority was given to Japan and China due to their marketability. As for the Southeast Asian market, some companies have already established operations in Malaysia, and Singapore is a mature market similar to Japan, so priority was given to Indonesia as an emerging market with potential for the future. Jordan is also a potential target from the perspective of tourism, as many tourists from Indonesia visit the country (staying in Jordan in conjunction with religious tourism to Jerusalem).

To this end, additional information was collected on laws, regulations, and marketing channels for cosmetics exports to Japan, China, and Indonesia, as well as online consumer research (see 4.5 below for details).

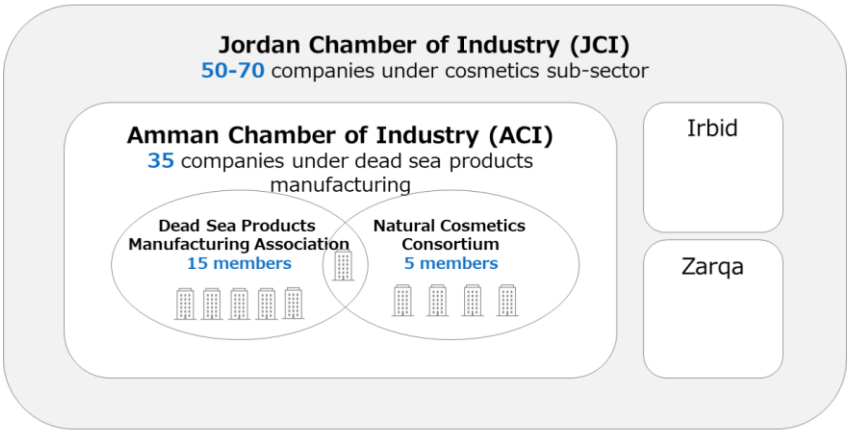
	Japan	China	Indonesia
Politics (Trade agreements, tax, etc.)	• No trade agreements w/ Jordan • No tax in principle if originating from WTO member countries	• No trade agreements w/ Jordan • Average import duty rate for cosmetics is 2.9%, but preferential tax rate under the cross-border EC area model	• No trade agreements w/ Jordan • 10% import duty on CIF price
Economy (Market size and growth potential)	• Market size second to China and the U.S. in skincare • Gradual recovery in demand after COVID-19 subsides	• Largest skin care market in the world • High growth potential	• Current market size is small, but growth is expected given demographics
Social (Demographics, characteristics, preferences)	• Low birthrate and aging population • Growing demand for cosmetics based on medical/scientific findings, natural and organic	• Low birthrate and aging population • Diversified needs, growing demand for organic products	• Large difference between upper and middle class • Large youth population (more than half are under 30) • Large Muslim population, with a halal market for cosmetics
Technology (Retail and cosmetics-related tech)	• Expansion of distribution utilizing social media, EC, live commerce, and expansion of D2C business model	• Cutting-edge examples of social media, EC, live commerce, metaverse marketing, etc.	• Social media, EC is well developed. Local brands are implementing content marketing to consumers
Import trends (HS6 basis)	Korea 426M, France 171M, US 110M Israel 18.3M Jordan 0.04M	Korea 2.95B, Japan 2.57B Singapore 1.31B Israel 8.76M Jordan 0.6M	Singapore 326M, China 155M, Korea 64M Israel 0.1M Jordan 0.095M

Source: Yano Keizai Kenkyusho_2021 Cosmetics Marketing Review, OEC, other published information

Figure 3-15: PEST Summary for the Three Focused Countries

3.5 Detailed Analysis of Wellness Products and the Industry in Jordan

3.5.1 Basic Information



Source: JICA Survey Team based on the interviews

*Dead Sea product manufacturing companies are generally registered with ACI, and JCI oversees the Chambers of Industry in Amman (ACI), Irbid, and Zarqa.

Figure 3-16: Overview of the Dead Sea Products Manufacturers

In Jordan, companies mainly engaged in the production of cosmetics using Dead Sea minerals are part of the cosmetics sub-sector (about 50 to 70 companies) under the chemicals sector, and 35 companies are registered with ACI as manufacturers of Dead Sea products. (JCI oversees the entire areas including Amman, Irbid, and Zarqa, and all companies manufacturing Dead Sea products in Jordan are basically registered with ACI). The Dead Sea Products Manufacturing Association is an industry association, with 15 companies as of today, although the number of members has been fluctuating. In addition, the Natural Cosmetics Consortium has been established and is working with Jordan Exports under the UNIDO program to develop overseas markets. Al Numeira, a supplier of Dead Sea minerals, is a member of both organizations as a product manufacturer.

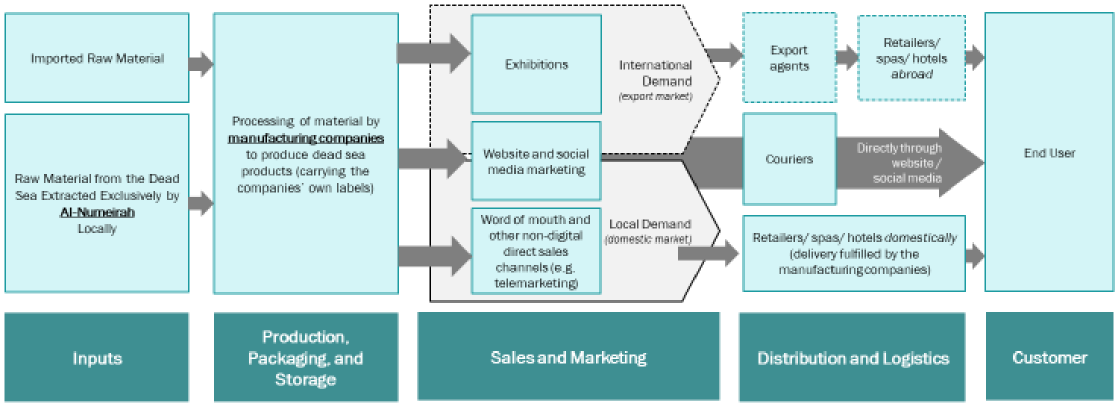
The Dead Sea products industry is composed of micro, small, and medium-sized companies with between 2 and 100 employees. Of these, it is estimated that about half are companies that have obtained GMP, and half are companies that have not obtained GMP (DSPMA interview). In addition, there are many other OEM contractors and traders (not required to register with the chambers since they are not manufacturers).

The main data on the industry is shown below[6], and the structure of the industry is based on exports. Although the industry is small, the growth rate is high (before the COVID-19 pandemic), and the sector is considered to have potential.

Production / Export	• 80% of production is exported • Exports average USD 20 million per year - Average annual growth rate of 15.7% - Decreased to 12.3 million in 2020 and 9.9 million in 2021 due to COVID-19 • Exporting an average of 3,700 tons per year - Average annual growth rate of 12.6%

[6] Source: JCI report

Major Product Categories	• Skin --- Lotion, Mud Mask, Scrub, Cleansing Cream, Emollient Cream, Massage Oil • Hair --- Shampoo, Hair mask • Hygienic --- Mud soap, Salt soap, Bath salts, Bath soap
Direct number of employments	• 450-600 employees, half of them is female
GDP contribution	• Around 4% including the Dead Sea minerals



Based on "A value chain analysis of the chemical industry in Jordan" by GIZ and company interviews

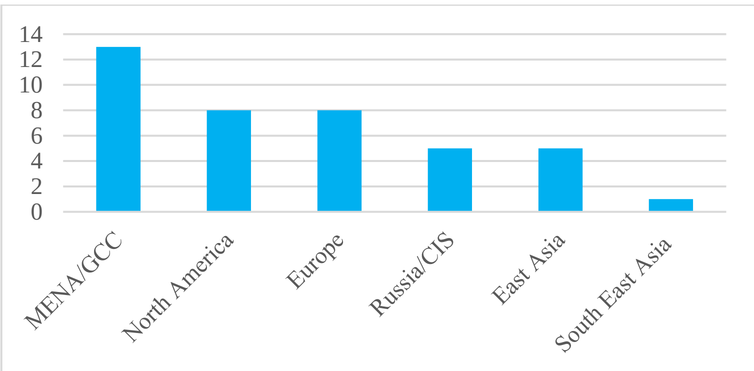
Source: MMIS based on GIZ report and the interviews

Figure 3-17: Supply Chain of Jordanian Dead Sea Products

3.5.2 Export

Most Dead Sea products are destined for export or driven by domestic inbound consumption. Major export destinations, including raw materials and bulks, include MENA countries such as Saudi Arabia, UAE, Iraq, Lebanon, and Algeria, as well as China and the U.S.[7].

Based on the interviews, exports to MENA countries in the vicinity of Jordan are covered by most companies, and many companies export to North America and Europe. Although relatively few companies have already entered the Asian market, there are examples of companies that have entered or exited the market in the past, as well as companies that are preparing to enter the market, and there is a high level of interest in this market as a target market.



N=14

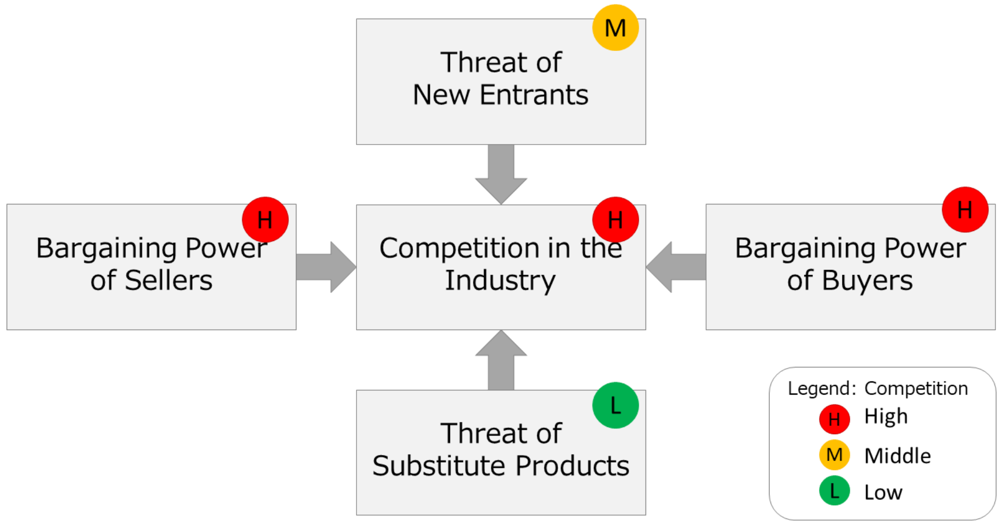
Source: JICA Survey Team based on the interviews with the relevant companies

Figure 3-18: Number of Companies Operating in Each Region (Reference)

7 Source: JCI report

3.5.3 Industry Structure

In order to provide an overall view of the industry, this section describes the current status and challenges of Jordanian Dead Sea products according to the five competitive factors of the Five Forces Analysis: bargaining power of buyers, bargaining power of sellers, competition in the industry, threat of new entrants, and threat of substitute products.



Source: JICA Survey Team based on "Competitive Strategy Theory II" by Michael E. Porter

Figure 3-19: Dead Sea Products Industry in Porter's Five Forces Framework

<u>(i) Bargaining Power of Buyers (Consumers, Spas, and Esthetic Clinics)</u>

Looking at the framework of skin care and bath care products that sell "Dead Sea Minerals," numerous Israeli brands such as SABON, Ahava, Premir, etc. are expanding globally, and the buyer's bargaining power is very high because there are many options available to the buyer.

Looking further, consumers do not necessarily want "Dead Sea products" in particular, but rather they want skin care solutions that solve their skin problems and bath care solutions that relax their body and mind. From the consumer's perspective, Jordanian products compete not only with Israeli brands that claim the benefits of Dead Sea minerals, but also with all brands of skin care products (Japanese, Korean, Chinese, and Western brands in the East Asian market), because they are used on the skin. For example, if a consumer is looking for a product that "makes skin smooth and moist" or "makes you feel happy when you use it," there are countless choices, and while there are skincare products using many naturally derived ingredients such as argan oil, spa water, seaweed extract, and shea butter, Dead Sea Mineral is only one of them. The Dead Sea Mineral is only one of them. In B2B buyers such as spas and esthetic clinics, the buyer's bargaining power is high for the same reason, although functional value is more important.

<u>(ii) Seller's Bargaining Power (Raw Materials and Package Supply)</u>

First, with regard to the main raw materials such as Dead Sea mud, salt, and brine containing Dead Sea minerals, the bargaining power of sellers is very high because Al Numeira, a subsidiary of a former state-owned company, is the only supplier in Jordan, and this structure is not expected to change in the future.

As for additives and packaging materials such as tubes, bottles, pouches, etc., there are no domestic suppliers with sufficient capacity and they are dependent on imports, which is a disadvantageous situation for manufacturers.

Table 3-3: (Reference) Company Overview of Al Numeira

Outline	• Sole supplier of raw materials in Jordan • Established in 1997 as a subsidiary of Arab Potash Company • Exporting raw materials to Europe, North America, Asia-Pacific, and MENA region including Israel • Number of employees 201-500 (LinkedIn information)
Products	■ The minimum lot size is 2 kg. (Figures in parentheses indicate annual production capacity) • Bulk Dead Sea Salt (20,000 tons) • Bulk Dead Sea Mud (5,000 tons) • Bulk Dead Sea Water (unlimited)
Challenges	• Some point out that QCD is low due to being a monopoly company • Exporting raw materials to foreign companies is a competitive threat as it encourages cheaper competing manufacturers in the exporting countries

N=14

Source: JICA Survey Team based on the interviews with the relevant companies

(iii) Competition in the Industry

Although the overall market for global skin care products is growing and there is much room for growth, there are over 35 Dead Sea product brands in Jordan, a large number, and the domestic market is seen as highly competitive (as were the opinions of companies in individual interviews through the MMIS). In the non-traditional market, they will be forced to compete on an even footing with the leading Israeli brands and countless other natural brands, and it is imperative that they build a fundamental competitive advantage.

(iv) Threat of New Entrants

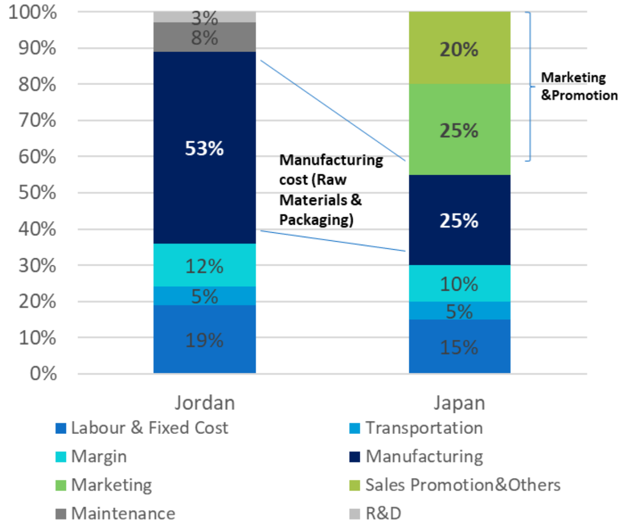
Although the cosmetics industry is capital-intensive, barriers to entry are low due to outsourcing of manufacturing to OEMs, and there are examples of entrants from completely different industries (fashion, retail, etc.) on a global scale. In particular, for some products, such as soap production, it is possible for even a small individual to enter the industry. In Jordan, Numeira, a raw material supplier, is also actively developing its own brand, posing a significant threat to new entrants. In addition, pharmaceutical-related companies can also enter the skincare business, which is highly compatible with the market.

(v) Threat of Substitutes

Skin care products overlap with cosmetic medicine (dermatology, cosmetic dermatology), cosmetic medical devices (e.g., facial care devices), pharmaceuticals, quasi-drugs, etc. on an efficacy/efficacy basis, such as “toning the skin” and “solving skin problems”. These products have a high degree of immediacy in addressing skin concerns and may pose a threat to substitutes for skin care products as a whole. However, it is unlikely that skincare products will be completely replaced, as there is a certain degree of separation between services and products with immediate effects and daily skincare products that do not have immediate effects. There is also potential for developing solutions that combine wellness services and products with skincare products.

As noted above, it can be seen that the Dead Sea products industry is a highly competitive environment. Given the high bargaining power of sellers and the small potential for cost-cutting, it is realistic to expect the industry to position itself to be chosen by consumers, who are buyers with high bargaining power, by providing value as a brand in order to increase profitability. As for new entrants and the threat of substitutes, although they are competing factors, it can be seen as an opportunity to expand business and develop solutions through alliances with the medical wellness tourism and healthcare industries by proactively incorporating industry players related to aesthetic medicine in the formation of clusters. (For example, Israeli brand "nuna by Premier" has developed a facial care device in collaboration with a dermatologist and offers solutions in combination with skincare products to improve wrinkles.)

3.5.4 Cost Structure



Source: GIZ Value Chain Analysis (Left), Cosmetics Industry Vision in Japan (Right)

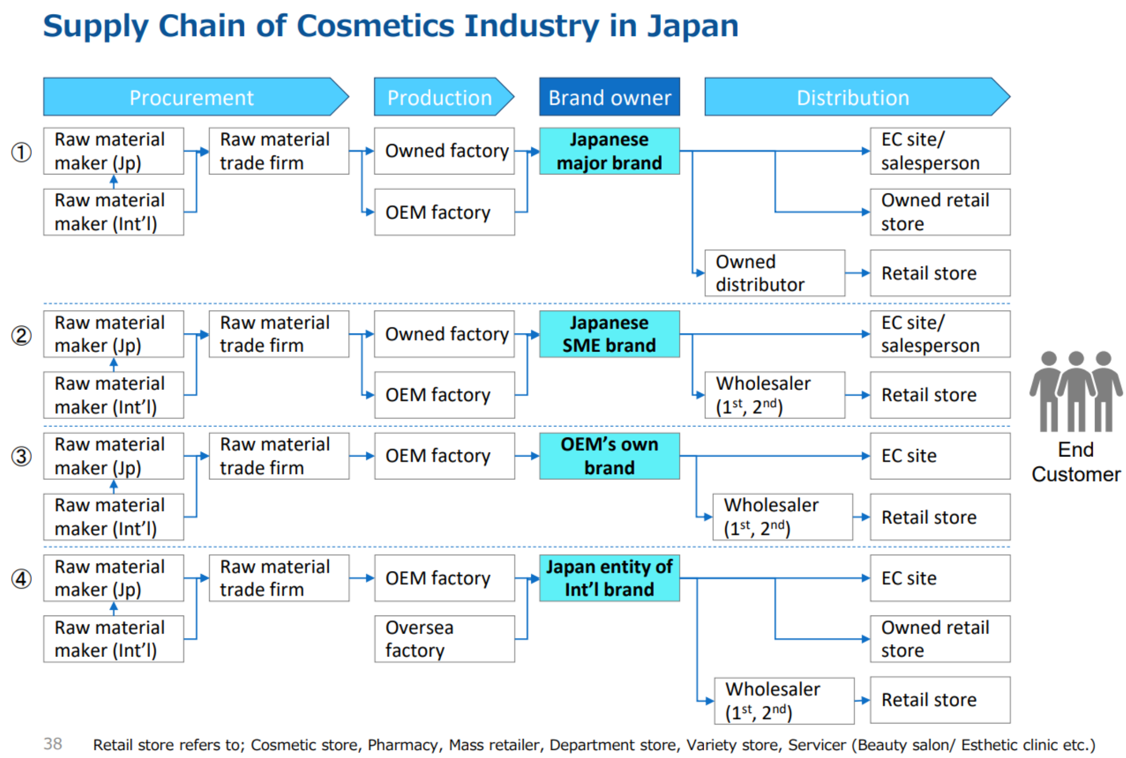
Figure 3-20: Comparison of Cost Structure (Jordan and Japan)

Above is a side-by-side comparison of the cost structure of Jordan's Dead Sea products (left) and that of Japan's cosmetics industry (right). Although the data are from different sources and the calculation methods and expenses are different, and therefore cannot be directly compared, they are illustrated for reference to get a general idea of the situation. (The Jordanian graph includes R&D amortization expenses in manufacturing cost, but the Japanese accounting policy is generally to exclude R&D amortization expenses from manufacturing cost, so they are not included in this figure. Also, note that there are areas where the categorization of expenses is somewhat different, such as maintenance costs.)

Marketing and sales promotion costs account for nearly half of the costs in Japan, whereas in Jordan, manufacturing costs are high, and it can be inferred that marketing expenses are not allocated. Although a simple comparison cannot be made because marketing costs are not included in the left chart, it was confirmed in the interviews that all companies basically leave the responsibility to local partners (import agents), and only spend a limited amount of money on exhibiting at international exhibitions when they can afford to do so.

The high manufacturing costs may be due to high procurement costs for raw materials and packaging materials, or the lack of economies of scale due to the small scale of production.

Procurement costs are related to the aforementioned bargaining power of sellers. In Japan, there are well-developed distribution channels that include many raw material manufacturers, trading companies specializing in raw materials, OEM manufacturers, and wholesalers (see figure below).



Source: Public information and expert interviews

Figure 3-21: Supply Chain of Japanese Cosmetics Industry

On the other hand, as for skincare products centering on Dead Sea minerals in Jordan, related supporting industries are not well developed. In particular, regarding raw material manufacturers, trading companies specializing in raw materials, and package manufacturers, the Dead Sea products manufacturers are dependent on one company or imports from overseas (which is considered to have a direct impact on production costs). In forming clusters, it may be effective to develop the supporting industries considering the ties with manufacturers of packaging materials and chemicals (e.g., additives used in skin care products). (In addition, we have received information that a National Packaging Center has been established in the office of ACI, which will be confirmed at our next field visit.)

Regarding economies of scale, some stakeholders including AmCham Jordan suggested that improving manufacturing capacity before marketing is important for competitiveness (including purchasing machines to update products to meet customer needs, adopting new technologies, etc.)

In addition, there is an actual case in which a major U.S. retailer had made an inquiry in the past, but one company was unable to secure enough production to meet the volume of orders (none of the Jordanian Dead Sea product companies could handle it on their own), and the deal did not go through. The Israeli side has a GMP-certified OEM factory, which is contracted to manufacture a number of brands. In order to solve the problem of manufacturing capacity on the Jordanian side as well, a proposal to have a large-scale factory to receive manufacturing orders from each manufacturer or a proposal to establish a joint sales company with investment from each manufacturer and to expand exports from that starting point was raised at the hearing (consideration of the possibility of joint sale/orders or joint manufacturing).

The status and issues related to marketing and branding strategies and activities are discussed in Chapter 4.

3.6 Wellness Tourism Trends

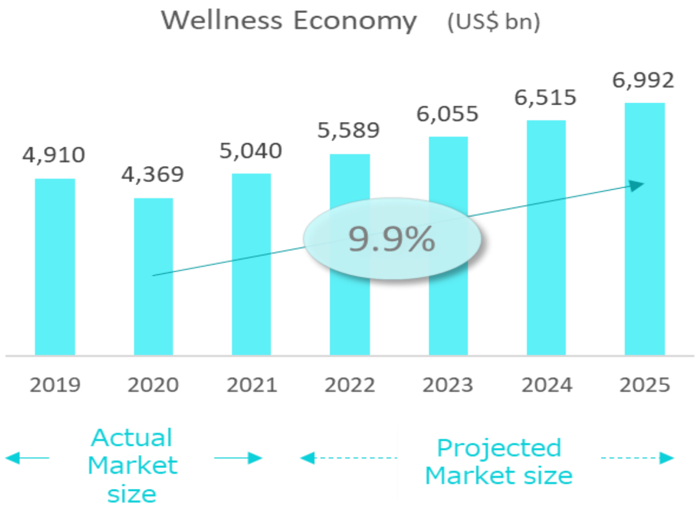
This section provides an overview of the estimated market size globally, by region, and by country, and describes traveler trends in wellness tourism in order to understand global wellness tourism trends.

3.6.1 Market Size

(1) Estimated Market Size (Global)

According to the Global Wellness Institute (GWI), the overall size of the wellness economy (market) shrank by 11% to USD 4.4 trillion in 2020 from the actual size of USD 4.9 trillion in 2019, due to the COVID-19 pandemic and other factors.

However, the growth projections post-pandemic is robust, with a CAGR of 9.9% over the five-year period 2020-2025, and the market is projected to grow to USD 7 trillion in size by 2025 (Figure 3-22).



Source: GWI2022, Global Wellness Economy Country Ranking Final, 2022, GWI. Wellness Tourism, SPAS, Thermal/Mineral Springs, The Global Economy, Looking Beyond COVID, December 2021, p. 12.

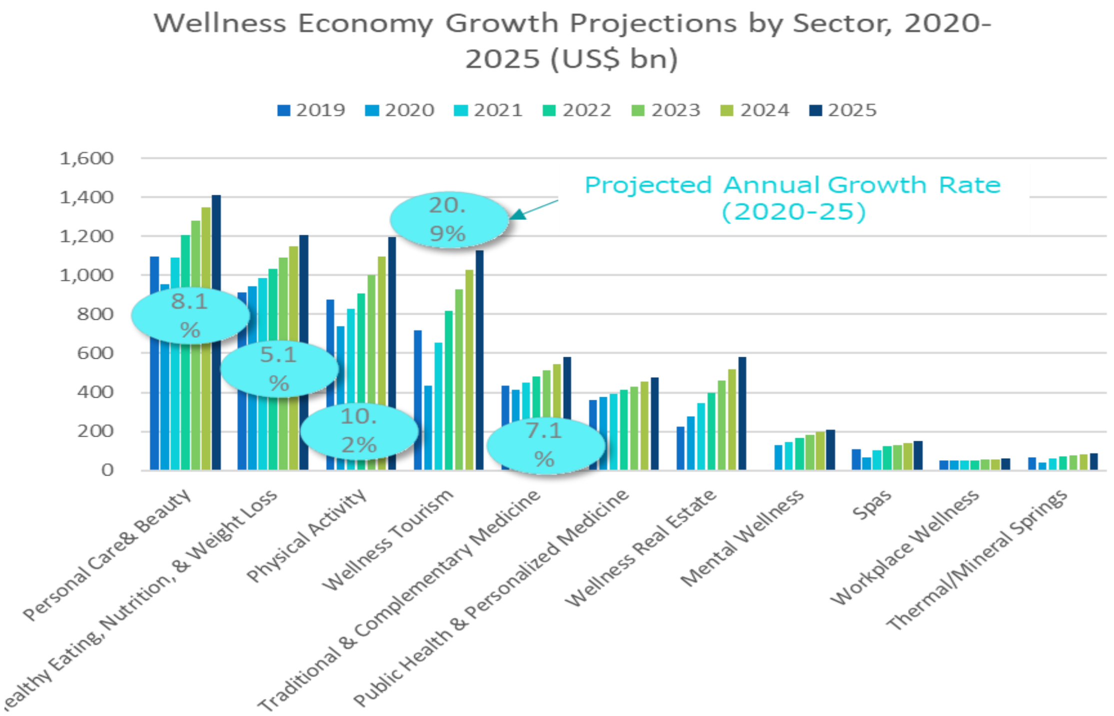
Figure 3-22: The Overall Global Wellness Market

As shown in Figure 3-23, even when looked over by the subsector, the market was on a shrinking trend from 2019 to 2020, but all sectors are expected to be on a growth trend until 2025.

In terms of value, the "personal care and beauty products" category is the largest, at approximately USD 1-1.4 trillion, followed by the "healthy eating, nutrition, and weight loss" products and services category, at approximately USD 0.9-1.2 trillion, and following "physical activities", "wellness tourism" and "traditional and complementary medicine"[8].

Notably, "wellness tourism" has the highest projected growth of 20.9% among the subsectors, from about USD 0.7 trillion in 2019 before the pandemic actual to about USD 1.1 trillion in 2025.

[8] Complementary Medicine, or alternative medicine, is so-called folk medicine, which is generally not considered a regular medical practice but is used to enhance or complement the effectiveness of standard treatments. Examples include nutritional supplements, herbs, health teas, massage therapy, spirituality, meditation, etc.



Source: GWI2022, Global Wellness Economy Country Ranking Final, 2022, GWI. Wellness Tourism, SPAS, Thermal/Mineral Springs, The Global Economy, Looking Beyond COVID, December 2021, p. 12.

Figure 3-23: Global Wellness Market Size by Subsector, 2020-2025

(2) Estimated Market Size (by Region)

The estimated market size by region in Figure 3-24 is for reference only, as it was forecasted prior to the COVID-19 outbreak. The North America and Europe regions are the two largest markets, with a combined market size of approximately USD 600 billion, but the average annual growth rate for both regions is in the 5% range, which indicates a maturing trend compared to other regions with higher growth rates. On the other hand, the Asia-Pacific region is expected to grow at an average of 13%, and the MENA region at an average of 11.8%, making both regions promising markets.

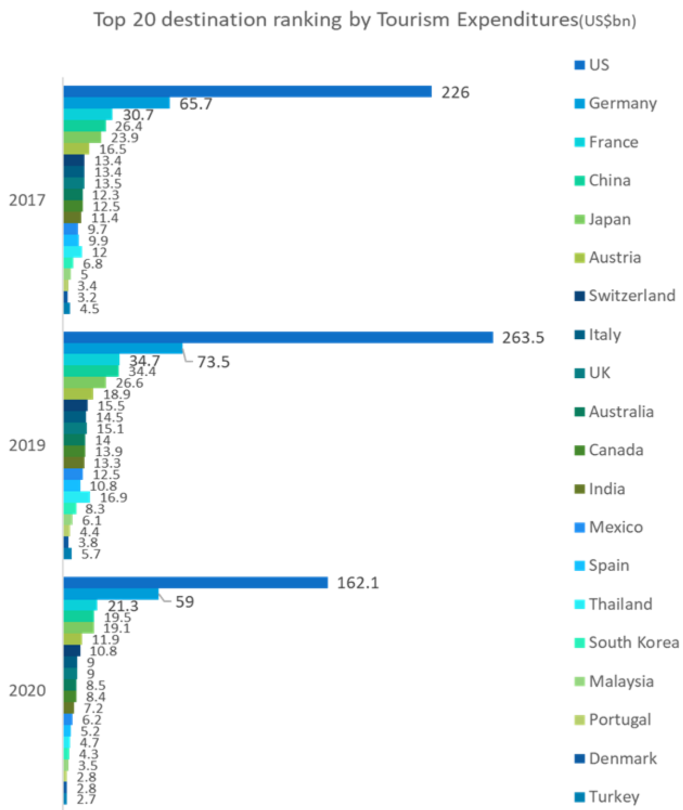
Source: Global Wellness Tourism Economy, GWI, November 2018
Note: Global Wellness Institute estimates, based on tourism industry data from Euromonitor International, economic data from the IMF, and GWI's data and projection model. The projection of tourism expenditure in 2022 is estimated before the COVID-19 pandemic so does not reflect the impact of the pandemic.

Figure 3-24: Global Wellness Tourism Market Growth Projections by Region, 2017-2022

(3) Estimated Market Size (by Country)

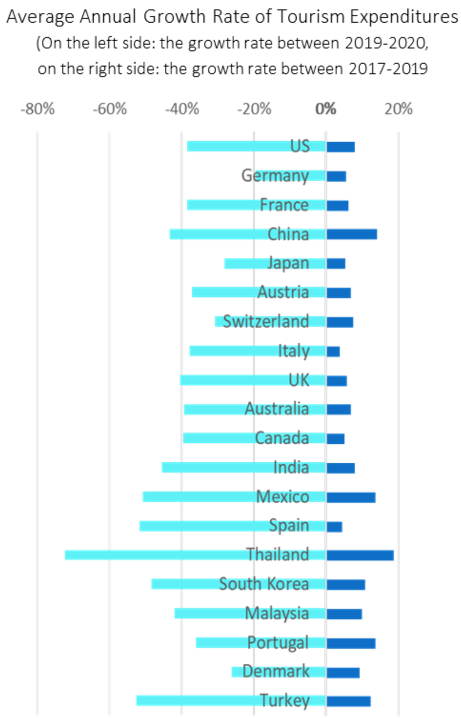
Figure 3-25 shows the top 20 countries in terms of the amount of money travelers spent on wellness tourism in the country where they stayed, by country. The U.S. ranks first with approximately USD 162-226 billion in 2017, 2019, and 2020, far ahead of the other countries. This is followed by European countries such as Germany (approximately USD 59-73.5 billion) and France (approximately USD 21.3-34.3 billion), followed by China (approximately USD 19.5-34.4 billion) and Japan (approximately USD 19.1-26.6 billion).

Figure 3-26 provides a bird's-eye view of wellness tourism spending in terms of growth rate. China (+14.1%) and Thailand (+18.7%) had shown high growth compared to 2017-19. However, after COVID-19, Thailand in particular has seen a significant decrease in revenue, down 72.3% compared to 2019-20.



Source: The Global Wellness Economy: Looking Beyond COVID, December, 2021, GWI

Figure 3-25: Top 20 Countries with the Highest Wellness Tourism Spending



Source: The Global Wellness Economy: Looking Beyond COVID December 2021, GWI.

Figure 3-26: Wellness Tourism Growth Rate by Country

3.6.2 Trends of Travelers

(1) Number of wellness Travelers by Trip Purpose, and Trends in Spending

The GWI clearly shows the differences between the two segments by classifying them according to their wellness objectives as "primary wellness travelers" and "secondary wellness travelers," as shown below.

- **Primary Wellness Traveler**
  Primary wellness travelers are travelers whose primary motivation is wellness and whose trip itself, their chosen destination, and all the activities they will engage in are determined prior to their trip.

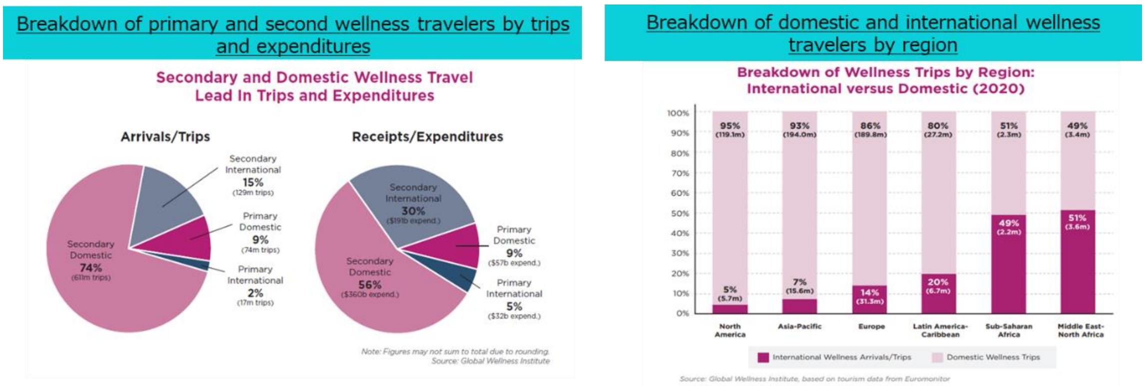
- **Secondary Wellness Traveler**
  This is a traveler whose wellness is not the primary purpose of the trip, but whose wellness is influenced by the activities and choices they make as a result of their original motivation to stay healthy during the trip and to lead a wellness lifestyle.

In other words, the former type is consistent with "wellness" in their travel motivations in selecting a place to stay, as well as the behaviors in the place of stay that accompany those motivations. In the latter case, the reasons for selecting a destination are not restricted to wellness, but are broad in scope, and the actions taken at the destination are linked to wellness as a result.

Understanding these two types of tourists separately is very important when considering the promotion of wellness tourism. For example, when promoting wellness tourism in Jordan in conjunction with the Dead Sea products, it is vital to promote wellness tourism not simply on the basis of activities such as "spa in the Dead Sea" or "yoga at the ruins," but also on the basis of travelers' potential motives such as "to relax away from the hustle and bustle" or "to keep eating healthy".

Figure 3-27 shows that nearly 90% of the total number of travelers and spending is accounted for by domestic and international secondary wellness travelers. In particular, domestic secondary travelers account for about 50-70% of the total, indicating that the target zone for wellness travelers worldwide is domestic residents with secondary wellness objectives.

In contrast, looking at the breakdown of domestic and international travelers by region, about half of the travelers in the Middle East region are wellness travelers coming from abroad, and the region is likely to be more dependent on wellness travelers from abroad, compared to Asia and Europe, where homegrown travelers account for about 80-90% of the total. In Jordan, this is expected to include many passengers from neighboring Middle Eastern countries, such as Dubai.



Source: Jordan Tourism Board, 2020-2023 Wellness Tourism Strategy, FINAL January 2020, Developed by USAID Building Economic Sustainability Through Tourism Project", Jan 2020; "Global Wellness Tourism Economy", November 2018, GWI.

Figure 3-27: Number of Passengers and Spending by Primary and Secondary Wellness Purposes

(2) Features of the Wellness Traveler

Wellness tourism is generally "high-yield tourism," with tourism spending about 53% higher than typical international travel, with tourism spending for wellness tourism abroad averaging USD 1,528 per trip in 2017 actually. The tourism spending for domestic wellness tourism is USD 609 per trip, which is approximately 178% higher in tourism spending than the typical domestic trip.

In addition, as mentioned above, wellness tourism is motivated by the innate desire of all people to be physically and mentally healthy, and therefore wellness travelers are more "multifaceted" than general tourists, with no specific bias in terms of age, gender, religion, culture, or race. This is a characteristic that will be kept in mind when identifying customer segments in the target market in Chapter 4.

	Primary Wellness Travelers	Secondary Wellness Travelers
Common Attribute	• Affluent in average, and well-educated • Frequent travelers • "Early adopters" with interests in new places and experiences	
Views& Values	• Healthy lifestyle, Positive mindset, Balanced life, Nature, Social responsibility, Environmental protection and conservation, Healthy food with a growing preference and plant-based	• Being physically fit, Leading a balanced lifestyle, Having energy, Feeling good about oneself • Healthy eating, fresh food with a growing preference for plant-based, local, organic, and non-GMO
Motivation of wellness trip	• Stress and anxiety reduction, Rest and relaxation, Body/mind/spirit transformation, Getting away from it all, Spiritual renewal	• Same above
Popular travel contents	• Spa/Wellness resort • Yoga retreats • Bootcamps、Hiking/fitness vacations • Wellness cruises • Blended wellness tours	High opportunities • Hot springs, beauty salons and spas/Yoga studios, Health club, fitness centers/Healthy food stores /markets/Art & crafts markets & events/Music, festivals and events/Leadership, empowerment and entrepreneurship/Meetings, incentives, conference and events(MICE)
Spending habits	• An int'l primary wellness traveler spends 53% more (1528US$/per trip in 2017) than the average int'l tourist. • Domestic primary wellness traveler spends 178% more (609US$/per trip in 2017) than the average domestic tourist.	• Hard to assume the expenditure of the secondary wellness travelers, but their spending habits are likely to be similar to the primary wellness travelers; i.e. both int'l and domestic secondary wellness travelers consume more than the average int'l and domestic tourist.

Source: JICA Survey Team

Figure 3-28: Features of Primary and Secondary Wellness Passenger

3.7 Detailed Analysis of Wellness Tourism and the Industry in Jordan

This section summarizes the current state of the wellness tourism industry in Jordan by dividing it into the four conditions necessary for the formation of an industrial cluster, as described in Chapter 2. As mentioned above, an “industrial cluster” is generally a situation in which companies and related institutions are linked by geographical proximity, commonality, and complementarity in a particular field.

In relation to Chapter 2, this section will not only examine which of the four conditions are met and which are lacking but will also sort out how wellness products (Dead Sea products) are already working with stakeholders and how products and tourism can work together in the future to mutually improve productivity, create innovation, and even form new businesses and enhance competitive advantages.

3.7.1 Demand Conditions: Trends in Wellness Tourism in Jordan

Michael E. Porter[9] defines the demand conditions that are a source of competitive advantage as “sophisticated and demanding customers, customer needs that anticipate those elsewhere, and exceptional demand in specialized segments that are globally scalable.”

The demand for wellness tourism worldwide has already been discussed in 3.6. Section 3.7.1 describes the demand conditions for wellness tourism in Jordan, based on a broad view of the size of the wellness tourism market, the appeal of wellness tourism as a highly competitive tourism product.

The survey will also identify target markets for wellness tourism alone (mostly in European countries) and customer needs. As mentioned in the previous section, non-traditional markets of "Japan, China, and Indonesia" are identified as target markets for wellness products and services in Jordan, and trends of Japanese overseas tourists are also introduced as an example.

(1) Market Size of Wellness Economy and Wellness Tourism in Jordan

The overall market size of the wellness economy[10] in Jordan is estimated to be USD 2.6 billion in 2020. As discussed in Section 3.6, the unique characteristics of wellness tourism make it difficult to identify the number of passengers who travel for wellness purposes, and there is no known information on the number of wellness travelers at the tourist level. There is no publicly available information that can identify the number of wellness travelers at the tourist level. In particular, global trends show that the majority of travelers, such as secondary wellness travelers, are those whose initial motivation for the trip was not entirely for wellness purposes, but who ended up using wellness-related services at their destination.

To estimate the size of the wellness tourism market, hypothetical assumptions are made based on information obtained from field surveys and related reports. The approach is to estimate the market size in terms of both tourism demand and supply side; namely (1) wellness tourism demand (tourist spending) and (2) tourism service supply (tourism operator revenue).

As a result of the estimation, the size of the wellness tourism market in Jordan is estimated to be USD 33-39 million in 2021, taking into account the impact of COVID-19 on tourism demand and

9 “Competitive Strategy Theory II”, New Edition, Michael E. Porter, 2018.
10 To restate the GWI definition, the wellness economy is “11 industries that enable consumers to incorporate wellness activities and lifestyles into their daily lives”.

supply in the country[11]. Also, wellness tourism is estimated to account for about 13.8%[12] of the total Jordanian wellness market, given that data on the total Jordanian wellness market in 2020 indicate a per capita value of USD 257 and an overall value of USD 2.6 billion[13].

As mentioned in Chapter 3.6, Jordan's wellness tourism presence in the MENA region is not relatively high, as it is estimated to account for about 5.3%-6.29% of the USD 6.2 billion[14] wellness tourism market in the MENA region, out of which Jordan accounts for USD 360-390 million. As mentioned earlier in Chapter 3.6, Global Trends, GWI's estimated market size for wellness tourism in 2020 is compared to other countries: the U.S. in first place (USD 162 billion), China in fourth (approximately USD 19.5 billion), Japan in fifth (approximately USD 19.1 billion), and Turkey in 20th (USD 2.7 billion). Compared to Turkey, which is also in the MENA region, Jordan's wellness tourism market is one-ninth the size of that of Turkey. However, since these figures are heavily influenced by the pandemic, the estimates may deviate significantly depending on the future recovery of tourism demand and country-specific variation in travel restrictions.

(2) Percentage of Tourism for Wellness Tourism Purposes

As shown in the table below, the estimated percentage of Jordanian tourism for the purpose of wellness is between 10.5% and 12.4% of the overall tourism industry market size of approximately USD 3.1 billion. Assuming an intermediate value of approximately 11.5% as the share of wellness tourism, it can be said that this is still a new niche market. However, as outlined in the Global Wellness Tourism Trends section, wellness tourism as a whole is expected to grow 20.9% by 2025 and, therefore, if market opportunities are seized, wellness tourism in Jordan could be a rapidly expanding market in the future.

Table 3-4: Estimation of the Share of Tourism Aimed at Wellness Tourism

Publicly available information （actual in 2020）	• GDP per capita in Jordan: USD 4,274 • Overall tourism as % of GDP: 7.2% • Population of Jordan: 10.2 million →Therefore, the total tourism market in Jordan is approximately USD 3.138 billion
Assumed data	Jordan Wellness Tourism Market Size (2021) Approximately USD 33-39 million
Estimation	Percentage of Jordanian tourism accounted for by wellness tourism: Approximately 10.5-12.4% (estimated), intermediate value: 11.5%

Source: JICA Survey Team

[11] The assumptions used to estimate the market size are as follows
Several assumptions were made to arrive at these figures:
① Supply-side assumptions:
Assumption 1: 100% of revenue from Dead Sea, Ma'in, Wadi Rum and RSCN venues is wellness tourism revenue, as the destination itself counts as wellness
Assumption 2: For Amman, Petra and Aqaba, Wellness Tourism revenue is represented by revenue generated from spas, which represents for 5% of total hotel revenue (based on interview respondents)
Assumption 3: Average spending per night was calculated at USD 234 for 2021 and 2019 (based on a 2019 GIZ analysis)
② Demand-side assumptions:
Assumption 1: 100% of spending in Dead Sea, Ma'in, Wadi Rum and RSCN venues is towards wellness tourism, as the destination itself counts as wellness (i.e., accommodation, food, spas, etc.).
Assumption 2: For Amman, Petra and Aqaba, wellness tourism spending is represented by average spending in spas, which was calculated at USD 162 (based on interview respondents)

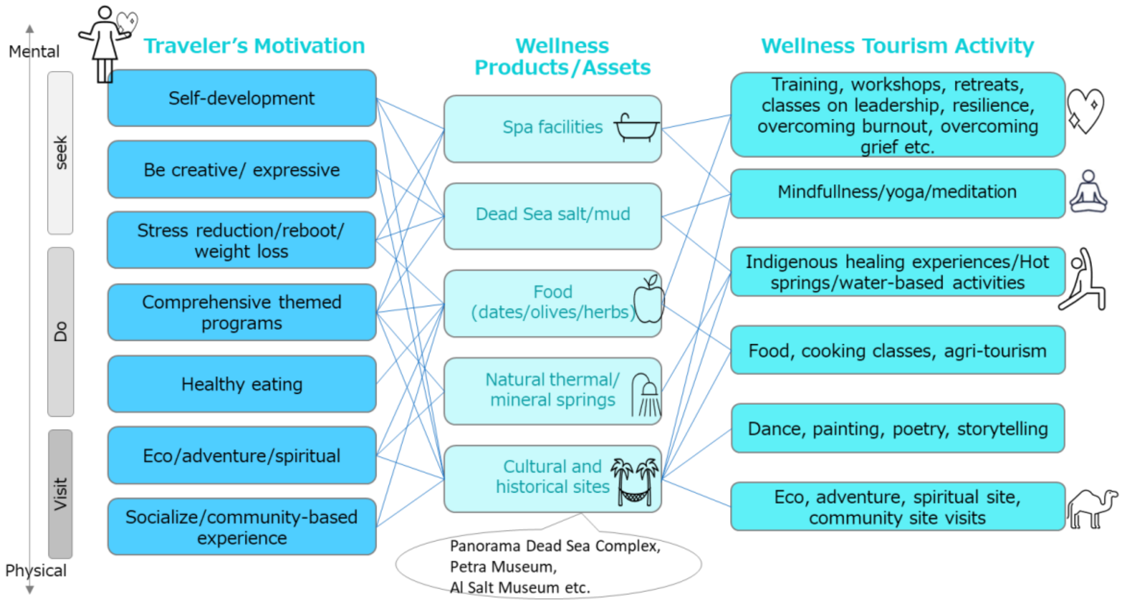
[12] The MENA region's wellness market is worth USD 107.7 billion in 2020, and the wellness tourism market is worth 6.2 billion, so it accounts for 5.75% of the total wellness market. Jordan has a relatively high share of tourism in the wellness economy.

[13] "GWI2022, Global Wellness Economy Country Ranking Final", 2022, GWI.

[14] "GWI2022, Global Wellness Economy Country Ranking Final", 2022, GWI.

(3) Characteristics and Appealing Contents of Wellness Tourism in Jordan

The trend of wellness tourism in Jordan is to offer experiences and activities that are a good combination of existing tourism resources with objectives and themes, such as stress reduction and weight loss. As examples of existing tourism resources, as shown in the figure below, (1) facilities offering spa services, (2) natural hot spring facilities such as the Ma'in Hot Springs in the Dead Sea area, (3) museums and ruins, (4) Dead Sea salt and mud, and (5) food products such as olives and herbs can be cited as unique and highly competitive content. Of these, the appealing contents that are strongly linked to wellness products (target products namely Dead Sea products), which are important when considering wellness clusters, are (1) spas, (2) natural hot springs, and (3) Dead Sea salt and mud. For example, some major hotels based in the Dead Sea area are offering a combination of spa facilities and mindful or meditation activities as well as spa massages, utilizing the spa facilities and the Dead Sea salt/mud as a point of departure for the passenger's psychological motivation to "reduce stress and recharge".



Source: "Jordan Tourism Board, 2020-2023 Wellness Tourism Strategy, FINAL January 2020, Developed by USAID Building Economic Sustainability Through Tourism Project", January 2020.

Figure 3-29: Motivation of Wellness Travelers, and Linkages Between Wellness Products (Assets) and Wellness Tourism Activities

(4) Characteristics of Typical Wellness Travelers

The main touch points for wellness services (spas, yoga, trekking, etc.) for wellness travelers are (1) lodges and (2) hotel resorts. The following table shows the nationalities, ages, length of stay, and interests of typical travelers indicated by on-site interviews with both groups.

Specifically, regarding the age of travelers, there is no particular age range for lodges, while the main customers for hotel resorts centered on the Dead Sea area are middle to senior age groups (40-60 years old). In particular, the higher age range of customers for hotel resorts centering on the Dead Sea area is thought to be due to the fact that mainly targeted are traditional markets and customers in European countries and countries surrounding the Middle East region, where people stay for long periods of time for skin treatment and other purposes.

Table 3-5: Traveler Profiles by Touchpoint for Wellness Services

	Nationalities	Ages	Length of Stay	Interests
Lodges	Contingent on location, but nationalities typically include **Germans**, **Italians**, **British**, **French**, and **Dutch** tourists (in addition to local tourists)	**No particular age-group** noted, includes individuals, couples, and families up to 70 years old.	Across all locations, the average stay of tourists is **between 24 and 48 hours** – rarely longer.	• Foreign tourists more interested in wellness activities at these locations than locals. • Yoga activities are organized externally; the RSCN only rents out space. • Interest in yoga and other wellness activities are obsereved in some locations more than others (more in Al-Mujeb, Ajloun than in Azraq and Dhana) • Al-Mujeb chalets (lodges) are popular with locals and foreigners alike, but are particularly appealing to those with wellness interests. • Lodges in other locations (overnight stays) are appealing more to Jordanians than others.
Hotels and resorts	Tourists from the **USA**, **Germany**, **UK**, **Russia**, **France**, **Japan**, and **China**. Some Arab tourists from **Palestine and Gulf countries** – the latter group interested more in "medical" tourism. **Expat** visitors to spa and hotel facilities are common as well, but typically in Autumn.	**Typically between 40 and 60** years old (one hotel noted visitors as young as 30).	The minimum reported length of stay for wellness tourists is **2 nights** (1 night for medical tourists) up to 1 week as reported by a 5-star hotel and resort.	• Tourists interested in the local dead sea mud "experience" or those for whom spa-treatments are a regular activity are typical visitors. • Only few tourists are reportedly interested in activities like yoga, most wellness tourists are interested in massage/sauna/steam/pools. • A couple of entities interviewed reported having in-house yoga instructors; in other cases, such sessions are organized externally/separately.

Source: JICA Survey Team

(5) Number of Overseas Passengers to Jordan, and Target Markets

The quantitative trends of general tourism passengers to Jordan (including wellness travelers) will be first reviewed, and then the promising target markets for wellness tourism in Jordan will be summarized.

<u>Number of International Passengers to Jordan (Pre- and Post-Pandemic Trends)</u>

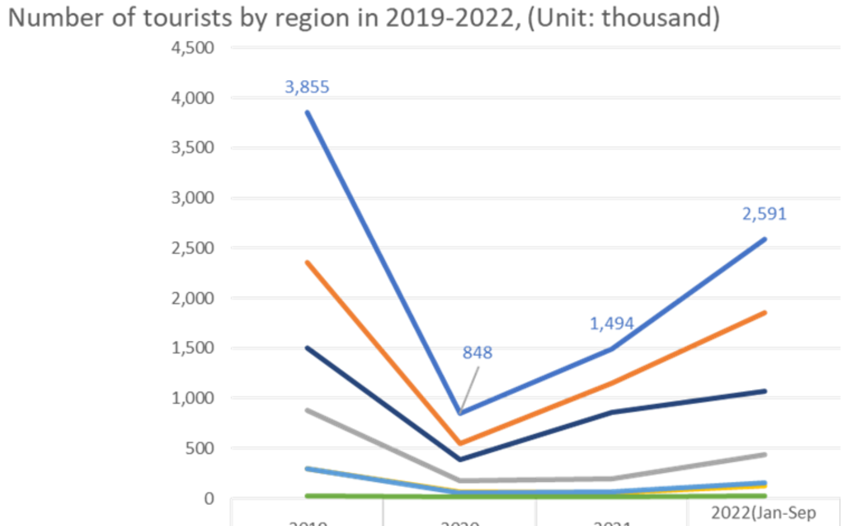
According to The Jordan Society of Tourism and Travel Agents (henceforth JSTA[15]), the number of passengers who visited Jordan from 2019 to September 2022 is shown in the figure below. In 2019-2022, when the pandemic occurred, the total number of annual international passengers to Jordan[16,17] dropped from about 3.85 million to 0.848 million.

Between 2021 and 2022, however, travelers are returning to Jordan, especially those from Arab countries, with the January-September 2022 results showing that, overall, about 2.59 million people traveled to Jordan, which is up to about 67% compared to 2019, before the outbreak of the pandemic. Meanwhile, the number of travelers from Europe, the U.S., Africa, and Asia is slowly recovering.

15 The Jordan Tourism and Travel Agents Association (JSTA) was established by law in 1965 to represent all travel agents in Jordan (approximately 700 companies). As required by the Tourism Law, the Ministry of Tourism and other government authorities (such as the JTB) recognize JSTA as the only legal body representing travel agents in Jordan. (According to our website) http://www.jsta.org.jo/Default/En

16 The number of non-Jordanian passengers visiting Jordan from outside Jordan (i.e., the number of Jordanians returning to Jordan from outside the country on vacation, etc. is not included).

17 Figures include both one-day visitors and overnight tourists. Also, data for 2022 includes the number of travelers for January-September only.



	2019	2020	2021	2022(Jan-Sep only)
Total international tourists (except Jordanian)	3,855	848	1,494	2,591
Total Arab	2,359	552	1,152	1,854
Total Europe	880	172	196	439
Total Asia	291	62	58	127
Total America	296	52	69	151
Total Africa	30	10	18	20
Jordanians Residing Abroad	1,505	392	864	1,072

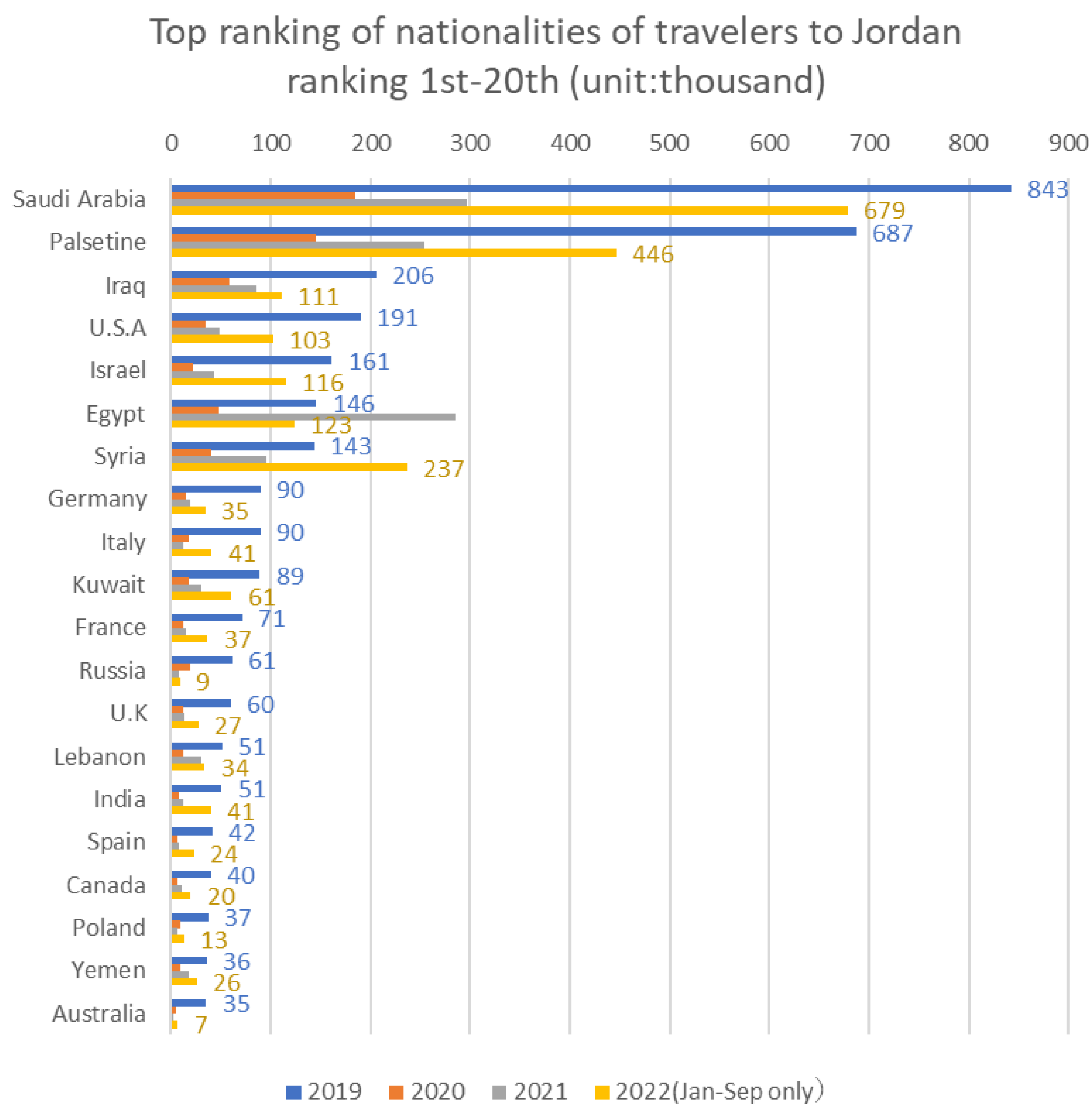
Source: JICA Survey Team based on "Tourist Overnight and Same Day Visitors By Nationality" in 2019, 2020, 2021, 2022 (Jan-Sep), JSTA

Figure 3-30: Number of International Travelers to Jordan by Region of Origin (2019-2022)

The figure below shows the top 20 countries by traveler nationality in terms of the 2019 actual number of passengers visiting Jordan from 2020 to 2022. Saudi Arabia is in first place with 843,000 visitors, and although the number of visitors declined from 2020 to 2021 due to the pandemic, the number of visitors recovered to 679,000 in 2022 (January to September), showing that the country is on track to return to its pre-pandemic volume of visitors.

Palestine, Iraq, Israel, Egypt, and Syria are the next highest ranked countries in the surrounding Middle East, which are recovering to more than 50% of their pre-pandemic passenger volume. In addition to the surrounding Middle Eastern countries, the U.S. has been prominent in the number of visitors, recovering from 191,000 (pre-pandemic) to 103,000 as of September 2022.

Germany, Italy, France, and the United Kingdom had approximately 60,000-90,000 visitors to Jordan prior to the pandemic and have recovered to approximately 30-60% of their pre-pandemic numbers as of September 2022. In Asia, India, and Australia rank in the top 20.

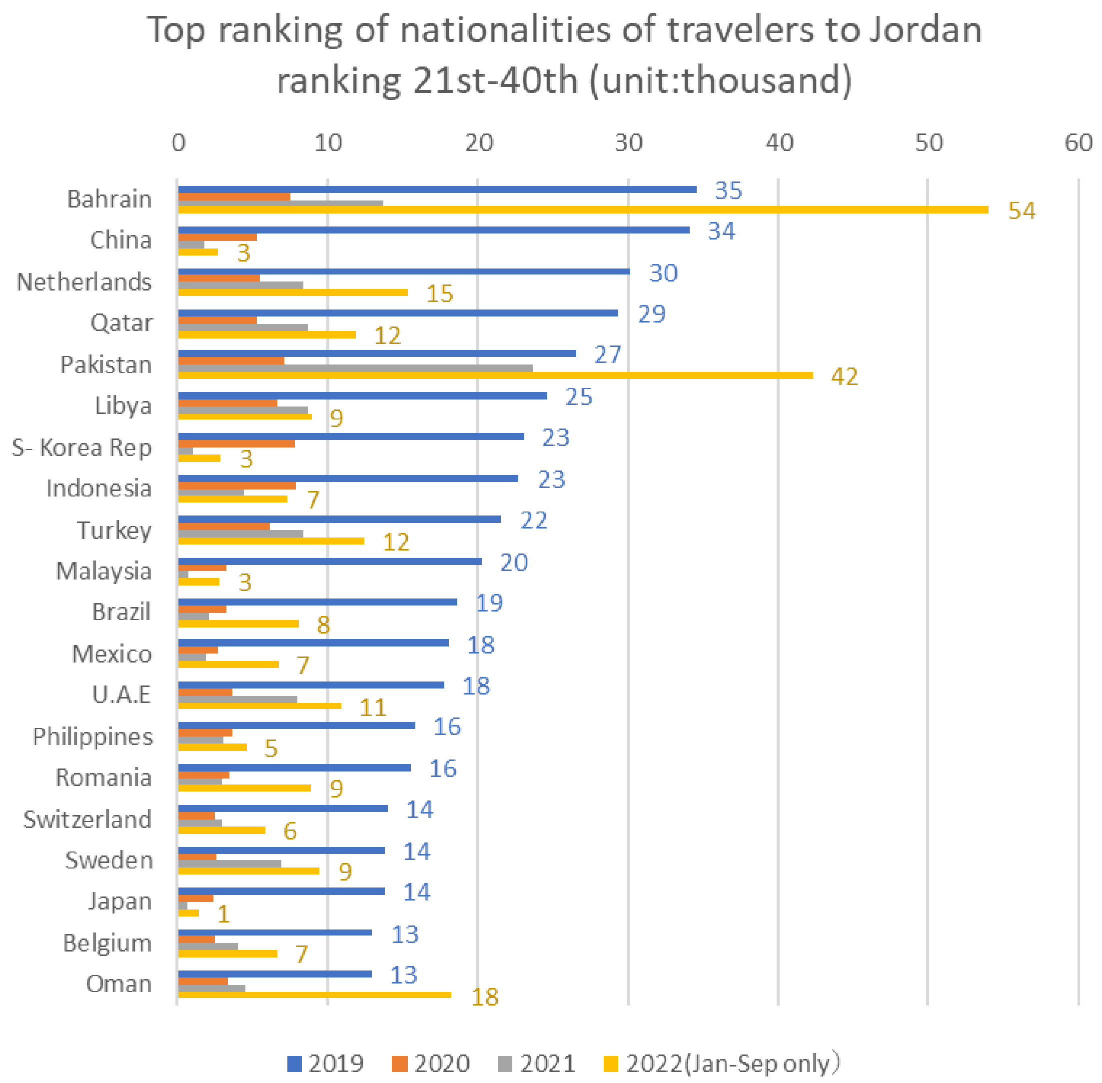


Source: JICA Survey Team, based on "Tourist Overnight and Same Day Visitors By Nationality" in 2019, 2020, 2021, 2022 (Jan -Sept), JSTA

Figure 3-31: Ranking of International Travelers to Jordan, 1 - 20 (2019-2022)

The number of travelers to Jordan by nationality for the top 21-40 countries is illustrated in the figure below. Compared to the top 20 countries, the number of passengers before the pandemic was also relatively small, reaching less than 40,000. Travelers from other Asian countries, including China, South Korea, Indonesia, Malaysia, the Philippines, and Japan, are ranked 21st and lower.

The recovery of Asian travelers traveling to Jordan has been particularly slow. For example, China, ranked 22nd, still has about 3,000 travelers in 2022, compared with 34,000 in 2019, a recovery of only about 10% of its pre-pandemic level. The slow recovery may be attributed to external factors such as deteriorating flight connectivity from Asia to Jordan in the Middle East region and travel restrictions after the pandemic.

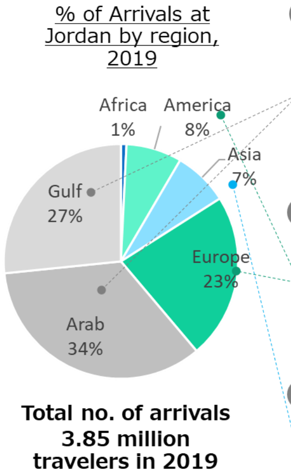


Source: JICA Survey Team, based on "Tourist Overnight and Same Day Visitors By Nationality" in 2019, 2020, 2021, 2022 (Jan-Sep), JSTA

Figure 3-32: Ranking of International Travelers to Jordan, 21 - 40 (2019-2022)

<u>Promising Target Markets for Wellness Tourism in Jordan</u>

Based on the above and the results of the field survey, the following three groups, (1) Gulf and Arab countries, (2) Western countries, and (3) Asian countries, are shown in the figure below as characteristics of the visiting passengers by nationality.



Group	Type of Tourism Promotion	Target Countries	Assumed Target Segmentation
1 Gulf& Arab	・Medical tourism with surgery in Amman ・Wellness tourism after recovery	Saudi Arabia Iraq Kuwait Oman Sudan etc.	Senior and younger patients with cancer /cardiovascular disease etc.
2 US& Europe	・Blended medical and wellness Tourism with skin and respiratory treatment in Dead Sea ・Wellness tourism in Wadi Rum, Petra, and Aqaba	US Germany Italy France UK etc.	・Seniors with skin issues and respiratory illness ・Younger generation who is interested in wellness outdoor activities
3 Asia	Wellness Tourism by collaborating with skincare products	<New Target> **Indonesia** **China** **Japan**	Younger generation who is very active to purchase natural skin care products and to try wellness-related activities

Source : JICA Survey Team based on the field interviews and "Tourist Overnight and Same Day Visitors By Nationality" in 2019, JSTA

Figure 3-33: Characteristics by Target Group

< Group 1: Gulf and Arab Countries >

Approximately 2.3 million visitors come from the neighboring Gulf countries and about 160,000 from neighboring Israel, which is a notable feature, representing approximately 60% of the total number of passengers in 2019. It is assumed that geographic accessibility and ease of travel in the same MENA region are the main reasons for this.

In recent years, Jordan has been strengthening its promotion of medical tourism to Middle Eastern countries. Jordan has traditionally welcomed patients from neighboring countries who travel to Jordan for medical services, thanks to its well-equipped medical facilities and abundant, high-quality medical personnel. At the Global Healthcare Travel Forum (GHTF) held in Jordan in 2017, the Amman Declaration[18] was adopted, which aims to expand the scope of Jordan's medical tourism sector to eight internationally recognized segments.

Since then, the government has taken the initiative in simplifying entry procedures and easing regulations[19] to promote the acceptance of patients with cardiovascular diseases and other conditions requiring surgical treatment from the target countries of Saudi Arabia, Iraq, and Kuwait.

At "International Healthcare Travel Forum"[20] held in Amman in November 2022, Jordan's MoTA, MoH, and the Private Hospitals Association Jordan (PHA), which hosted the forum, discussed deregulation of patient travel from neighboring Arab countries to promote medical tourism and competition with competing countries such as India, Tunisia, and Turkey.

[18] The eight priority segments selected for Amman Declaration Health Travel 8 (HT8) include traditional medical tourism, dental tourism, spa tourism, wellness tourism, sports tourism, culinary tourism, accessible tourism, and housing assistance tourism serving visitors with illnesses and disabilities.

[19] For example, a new process is being considered to simplify or exempt Sudanese and Yemeni nationals from the issuance of visas for entry. For example, "Sudanese who are over 50 years old and have at least $5,000 in their possession will be allowed to enter the country at the border crossing". However, they may not be accompanied by more than two persons.

[20] An international forum on medical tourism organized by the Private Hospitals Association Jordan (PHA) https://phajordan.org/IHTF2022/about.html

< Group 2: European Countries and the U.S. >

Passengers from Europe and North America are the next largest groups of travelers. Jordan welcomes about 190,000 visitors from the U.S., 89,000 from Germany, 89,000 from Italy, 70,000 from France and so on, with annual numbers ranging from 70,000 to 190,000.

The Wellness Tourism Strategy developed by JTB in January 2020, with support from USAID, identifies the U.S., China, Japan, Germany, and France as potential "source markets" in terms of wellness tourism spending. Germany, France, Spain, and Italy in the European region are identified as priority target markets, where both wellness and medical tourism can be easily promoted, and flight connectivity is better than other regions.

The promotional concept for this target segment is likely to be designed for non-surgical treatment and post-treatment recovery wellness tourism for patients with respiratory diseases and tourists visiting for skin treatment, taking advantage of the uniqueness of the area's high oxygen concentration and abundance of relaxation facilities and services that utilize mud and salt from the Dead Sea.

< Group 3: Asian Countries >

The majority of the other countries in this group travel to Jordan with fewer than 60,000 visitors[21]. All countries in the Asian region are included, with approximately 300,000 annual visits from the Asian region in 2019. The breakdown by country in the Asian region is as follows; Japanese visitors: 13,767, Chinese visitors: 34,083, and Indonesian visitors: 22,735.

Although the number of passengers visiting Jordan is currently not large, as noted in Box 1, the number of travelers from the three countries to other countries in the world as a whole is large, with China, Japan, and Indonesia ranking first, 14th, and 24th, respectively. Therefore, the attractiveness of these three markets for inbound tourism is high.

In addition, as mentioned above, China (approximately US$19.5-34.4 billion) and Japan (approximately US$19.1-26.6 billion) ranked high in terms of wellness tourism spending at travel destinations: it can be assumed that they have a high willingness to spend at these destinations and inbound spending in Jordan is also expected. Regarding Indonesia, many group tourists visit the holy sites of Egypt, Israel, and Jordan on a two-week package tour, and Jordan is considered to have high potential for attracting tourists with its unique and appealing contents.

Since the scope of this survey is "promotion of inbound tourism linked to wellness products (natural skin care (including Dead Sea products))" rather than wellness tourism alone, it is very important to determine whether there is a high willingness to purchase skin care products and to consume them in the destination.

As shown in 3.4, the trend from the viewpoint of wellness product customers, we assumed that consumers who are interested in ethical consumption with high affinity to "wellness" (women who do skincare products in the Generation Z and Millennium generations), that is, "women aged 18-39", are the important target segment for this survey, and we have identified wellness products and identify them as a common age group for tourism. The details of the customer segments in each of the three countries (Japan, China, and Indonesia) will be described in the online surveys in the three countries in Chapter 4.

[21] The number of visitors from India is the highest among the 20 major Asian countries, with approximately 50,682 visitors in 2019. Data is available at JSTA, Tourist Overnight and Same Day Visitors by Nationality during 2018-2019

(6) Analysis of Trends among Japanese, Indonesian, and Chinese Overseas Travelers

Detailed statistical information on Japanese overseas travelers is available from the Japan National Tourism Organization (JNTO), and we will analyze the 3Cs (understanding of Japanese overseas travelers, which countries compete with Jordan as tourist destinations, etc.).

The identified competing countries will be included in the online survey questions in Chapter 4 to verify which countries overlap with Jordan in terms of wellness image.

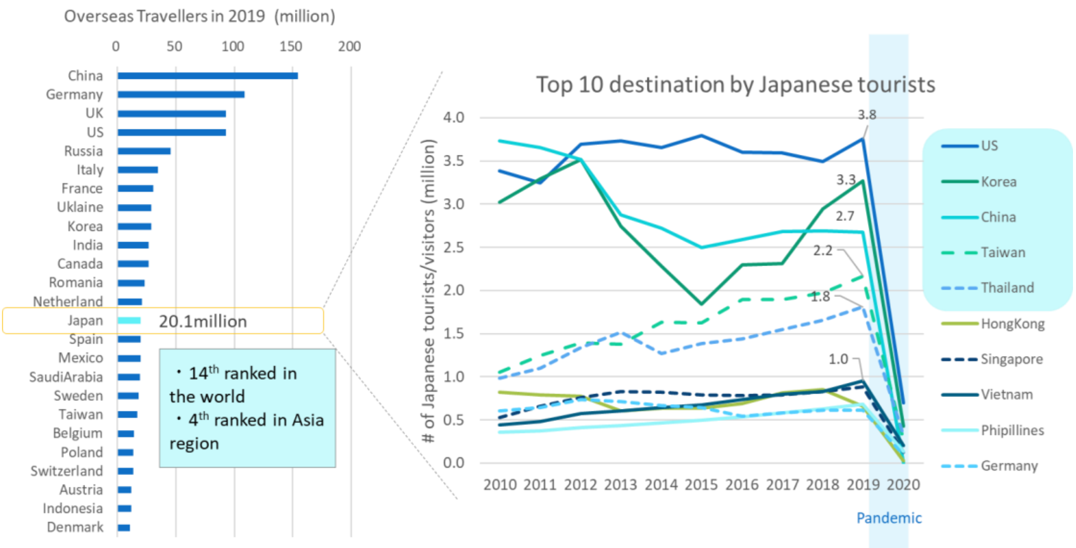
As for the trends of Chinese and Indonesian overseas travelers, unlike those from Japan, detailed statistical information is not available in the public domain so, for convenience, the characteristics of travelers and competitors will be identified based on the results of the online survey in Chapter 4.

Box 1: ＜Target Market Case Study＞:
Trend Analysis of Japanese Overseas Travelers

Japan, China, and Indonesia have been selected as target markets for this survey, and the Japanese market will be picked up as a case study to analyze the market environment for Japanese overseas travelers in Jordan.

- **Customer (Japanese overseas travelers) Current Situation**

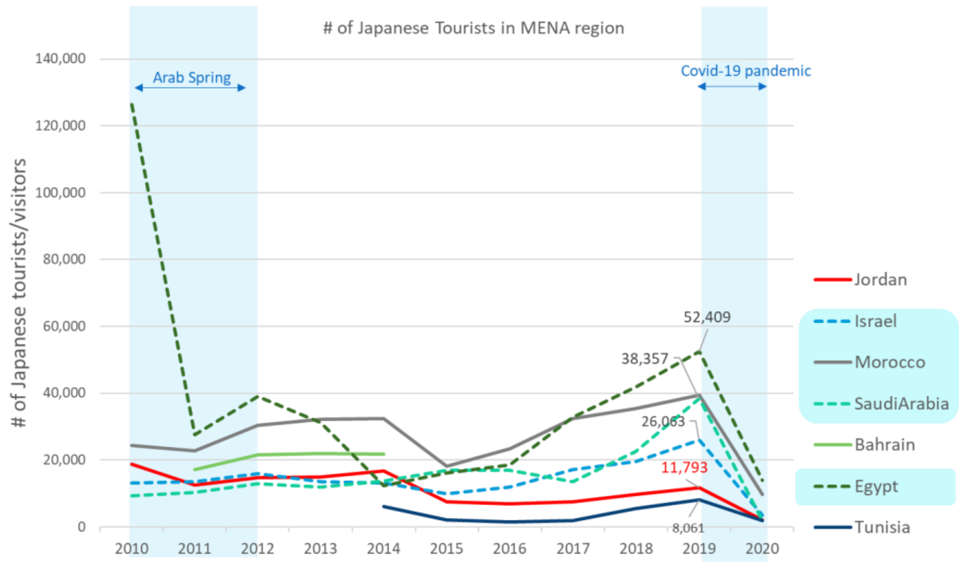
In pre-pandemic 2019 results, the number of Japanese international travelers ranked 14th in the world and 4th in Asia, with the U.S., South Korea, and China making up the top three international destinations, while Taiwan and Thailand are also increasing as new destinations.



Source: Tourism White Paper, 2021, Japan Tourism Agency. Japan Tourism Statistics, Japan National Tourism Organization, https://statistics.jnto.go.jp/en/.
Note: The number of Japanese tourists cannot be compared directly depending on the indicators; TFR, VFR, VFN, TFN, i.e., TFR Arrivals of non-resident tourists at national borders, by country of residence: US, Thailand, Hong Kong, and the Philippines.

Figure 3-34: Number of Japanese Traveling Abroad (Overall, by Destination)

Egypt and Morocco are the most popular destinations in the MENA region for Japanese international travelers, with Israel and Saudi Arabia becoming new destinations since 2017.



Source: Japan Tourism Statistics, Japan National Tourism Organization. Data is taken as of June 29, 2022.
Data is available https://statistics.jnto.go.jp/en/.
Note: UAE is not included due to data unavailability, but UAR is assumed to attract more Japanese travelers due to the good flight connectivity.

Figure 3-35: Number of Japanese Overseas Travelers in the MENA Market (Total, by Destination)

- **Competitor Market Analysis**

Although hypothetical at this point, comparing the external environment of the countries that most Japanese travel to, such as the availability of targeted services and products, flight connectivity, and travel restrictions due to COVID-19, the U.S., South Korea, Thailand, Morocco, and Israel are expected to be Jordan's competitors in attracting Japanese visitors.

Countries competing with Jordan to attract Japanese visitors (hypothesis)

	Destination ranking for Japanese tourists	Market Demand	Target Wellness Service		Wellness Product	Other external factors	
		Wellness economy rank,2020	Spa/Wellness center available	# of Yoga/ Fitness*2	Dead sea salt/olive/dates available	Flight Connectivity from Japan	Immigration restriction(quarantine) for Covid 19*3
Top5 in world	US/Hawaii (1st)	1st	◎	338	None	◎Direct	No
	Korea (2nd)	8th	◎	n/a	None	◎	No
	China (3rd)	2nd	○	5	None	◎	No
	Taiwan (4th)	17th	○	n/a	None	◎	Yes
	Thailand (5th)	24th	◎	269	None	◎	No
Top 4 in MENA	Egypt	43rd	×	16	Yes	○ 3flights/ week	No
	Morocco	62nd	◎	152	Yes	No direct flight. Via UAE.Qatar	No
	Saudi Arabia	35th	△?	n/a	Yes	No direct flight. Via UAE	No
	Israel	37th	◎	n/a	Yes	No direct flight. Via Korea	No
	UAE(N/A*1)	38th	◎	4	Yes	◎	No
	Jordan	79th	○	9	Yes	No direct flight. Via UAE, Abu Dhabi	No

Competitor

Source: JICA Survey Team
*1: No data available for the number of Japanese tourists visiting UAE, but UAE is included as a potential competitor due to their similarity of tourism.
*2: Number of yoga retreats offered by Bookingyogaretreat.com. Data is taken as of June 29, 2022.
Data is available at https://www.bookyogaretreats.com/.
*3: Countries that require Japanese tourists to quarantine. The status is as of July 07, 2022, referred by MOFA, Japan. Data is available at https://www.anzen.mofa.go.jp/covid19/pdfhistory_world.html.

Figure 3-36: Jordan's Competitors in Attracting Japanese Visitors (Assumed)

- **Company (each related company in the wellness tourism industry)**

The details of each company involved in wellness tourism are described in the following section 3.7.2, as they are the same not only for the Japanese market but also for other markets.

3.7.2 Element Requirements: Wellness Tourism-related Companies in Jordan

(1) Identification of Affiliated Companies

First, we identify wellness tourism-related companies. As a process, according to the behavioral characteristics of wellness travelers derived in Sections 3.6 and 3.7.1, wellness travelers, by their characteristics, target relatively high quality and high-price hotels, eco-lodges, and luxury spa independent stores as entry points. Therefore, this survey was conducted to identify companies and facilities in Jordan where wellness travelers can interface with targeted services (spas and massages).

As a result, a list of 72 entities offering wellness services was identified, including the hotels where massage, spa, and some non-medical treatments facilities are offered, as well as popular destinations for tourists such as eco-lodges. The data was compiled using desktop research and a database containing information on member hotels affiliated with JHA.

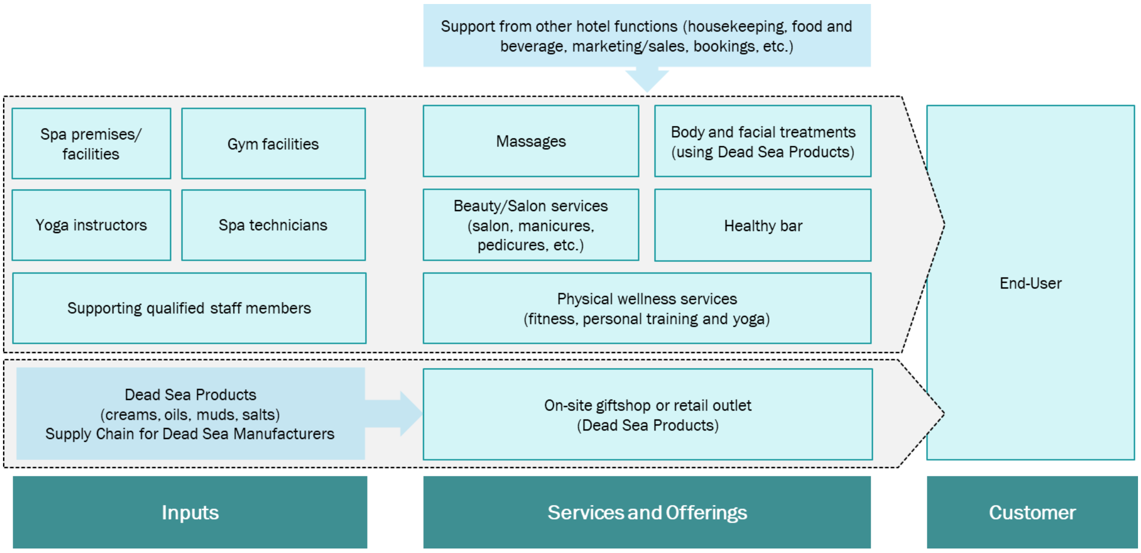
In terms of categories, the wellness traveler contacts were placed in three categories: (1) hotels, (2) spas, and (3) lodges. However, all of these categories are based on lodging and spa facilities, and in principle, these facilities provide multiple wellness-related activities on their own and procure necessary resources from outside sources to complete their activities. For example, a large hotel near the Dead Sea is operating a spa facility that offers spa massages and a store where visitors can purchase Dead Sea products. In addition, the resorts are developing and providing more comprehensive wellness tourism content, such as creating a meditation area in the facility overlooking the Dead Sea, hiring outside meditation and yoga instructors, and providing on-site activities such as herb harvesting.

On the other hand, there were also examples of new entities that do not own lodging and spa facilities themselves, but rather collaborate with existing luxury hotels and offer holistic services specialized in wellness while renting existing facilities.

If players specializing in the activity itself, such as yoga or diet improvement, are to seamlessly provide wellness services to travelers during their stay, it may be essential to collaborate with service providers that offer lodging and food that wellness travelers must have access to (see figure below). The new entries successfully utilized existing value chains such as hotel facilities (lodging and spas), human resources (hotel staff and spa practitioners), and food procurement (via hotels), and were successful in reducing the initial investment in hardware such as facilities, which is a common bottleneck for new entrants.

On the other hand, new entrants “borrow” existing spa facilities, human resources, and products, making it difficult for them to flexibly change the content of their spa services in line with their own wellness brand and create their own originality. In addition, there are currently not many examples of collaboration with highly original Dead Sea products.

However, if the project can recognize Dead Sea product vendors with whom it has had no previous contact and offer activities that utilize these products, it will create originality in its wellness services and increase its competitiveness. It could also successfully bring Dead Sea product suppliers into the existing tourism value chain and could serve as an initial example of collaboration within the wellness cluster.



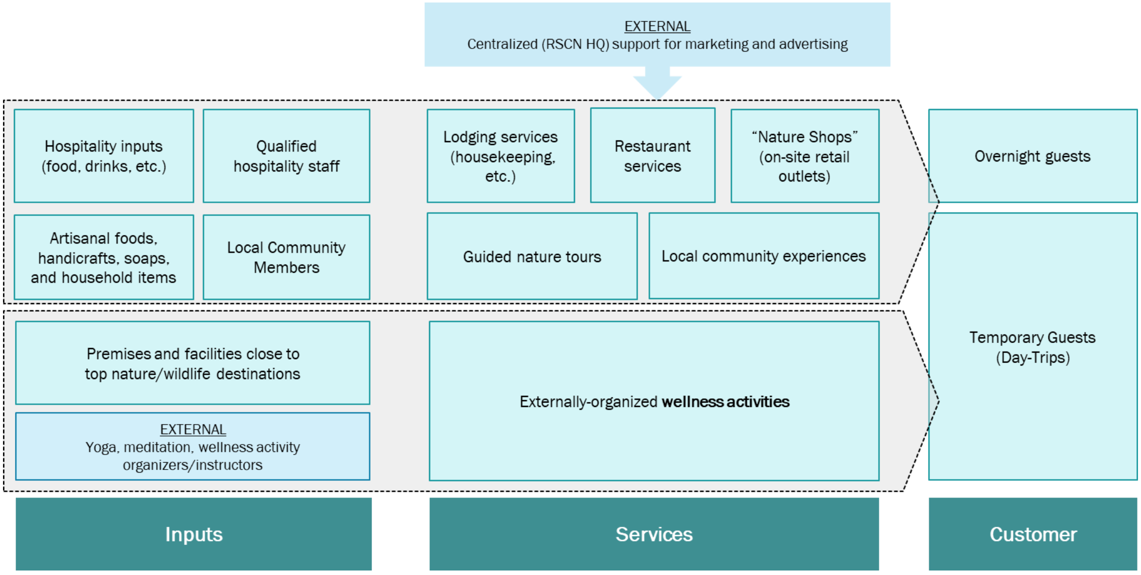
Source: JICA Survey Team

Figure 3-37: Wellness Tourism Offerings Value Chain Diagram (Hotel Resort Example)

As for the lodges in category (3), one of the points of interface for wellness travelers is an environmentally friendly eco-lodge owned by the Royal Society for the Conservation of Nature (RSCN) in Jordan, as shown in the figure below. One of the features of the eco-lodge is its policy of hiring hotel staff from the local community and giving 50% of the revenue back to the local community[22]. Therefore, as a value chain, the main service personnel and foodstuffs are supplied by the local community, but for yoga and meditation activities, personnel are procured from outside the community as needed.

One example of collaboration with Dead Sea products is a strategic partnership with a Dead Sea products company in Jordan, whereby the partner company provides technical assistance to the local community in soap production. Soap is produced in the local community using locally harvested raw materials such as olive oil and is sold at the lodge and at a satellite store called Wild Jordan in Amman.

[22] At the Feynan Ecolodge, which JICA Survey Team visited during field research, Bedouin villages are scattered around the ecolodge, and some residents work as hotel employees, and are engaged in reception, cooking, cleaning, tour guiding, and transportation services for travelers in the facility.

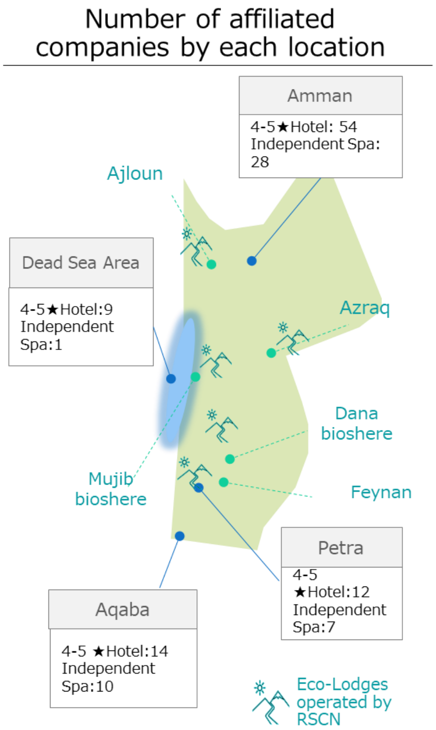


Source: JICA Survey Team

Figure 3-38: Wellness Tourism Offering Value Chain Diagram (RSCN Lodge Case Study)

(2) Business Size and Employee Locations of Affiliated Companies

As mentioned above, we estimate that about 89 hotels with 4 or 5 stars, the 46 independent spa, and 5 eco-lodges are related to wellness tourism. By location, most of the hotels and independent spa stores are in Amman. Lodges are scattered throughout Jordan.



Source: Jordan Hotel Association, Hotel Index 2022.
Note: The number of independent spas does not include the spa facilities within hotels. The data of independent spa is taken by Trip adviser.com as of July 6, 2022.

Figure 3-39: Number of Affiliated Company by Each Location

As shown in the figure below, the number of employees and the size of operations of typical hotels, spa facilities, and lodges are collected in terms of sales and number of customers. In terms of spa services, most of them secure about one-twentieth to one-thirtieth of the number of hotel employees, and as mentioned in Chapter 5, many of them are foreign nationals.

As for the scale of the business, the use of spa services is limited, with only 4-7% of the customers staying at hotels in the Dead Sea area using spa services. In addition, the ratio of hotel sales is low, and it is therefore difficult to recruit and secure human resources on a large scale.

Hotel A Dead Sea Area

- **Overview:** prime location in the Dead Sea cluster of hotels; consists of 346 rooms
- **No. of staff:** 450 members total (20 staff members in spa)
- **# of guests in past year:** 10k+ in 2021 (60% tourists)
- **# of spa visitors in past year:** 4% (400 guests) – of whom 70% tourists
- **Sales revenue in past year**: JOD 6M
- **Sales revenue from spa in past year:** JOD 360k

Spa Salon B Dead Sea Area

- **Overview:** Located in Madaba governorate, and 12-15 km away from Dead Sea. Split into 3 sections; general area that day-visitors use, the 4-star hotel with accommodation (97 rooms), and the health club/medical treatment section
- **No. of staff:** 183 members total (8 staff members in spa)
- **# of guests in past year:** 30k in 2021 (62% tourists)
- **# of spa visitors in past year:** 5k in 2021– 17% of all visitors
- **Sales revenue in past year**: N/A
- **Sales revenue from spa in past year:** 19-20%

Lodge C

- **Overview:** lodges and chalets spanning 4 locations (among other locations operated by RSCN). In total, 114 rooms.
- **No. of staff:** 120 staff members in these locations.
- **# of guests in past year:** 15k in 2021 including (64% tourists average across all locations)
- **# of spa visitors in past year:** N/A – no spa
- **Sales revenue in past year**: N/A
- **Sales revenue from spa in past year:** N/A – no spa

Hotel D Aqaba Area

- **Overview:** located just outside city of Aqaba; contains 300 rooms in total, considered by guests as a "family resort".
- **No. of staff:** 300 members total (10 staff members in spa)
- **# of guests in past year:** 12k in 2021 (55% occupancy – 40% are tourists)
- **# of spa visitors in past year:** 3k in 2021– 72% tourists
- **Sales revenue in past year**: JOD 3.4M
- **Sales revenue from spa in past year:** 5% (~ JOD 180k)

Hotel E Dead Sea Area

- **Overview:** Located in Dead Sea. Further details n/a for anonymity.
- **No. of staff:** 400 staff members (57 staff members in health club and spa)
- **# of guests in past year:** 37k in 2021 (50% tourists)
- **# of spa visitors in past year:** 7% of guests (all tourists)
- **Sales revenue in past year**: N/A
- **Sales revenue from spa in past year:** N/A

Source: JICA Survey Team

Figure 3-40: Number of Employees, Business Scale of Affiliated Companies

(3) Quality and Characteristics of Related Companies

In considering clusters, the key issues to be discussed are "whether highly specialized and experienced employees are available, whether recruitment costs (labor) are low, and whether employment and human resources are matched efficiently". In addition, the front line in providing the target services of spas and yoga activities to customers is the "spa practitioners" and "yoga instructors," and thus, they represent the quality of services.

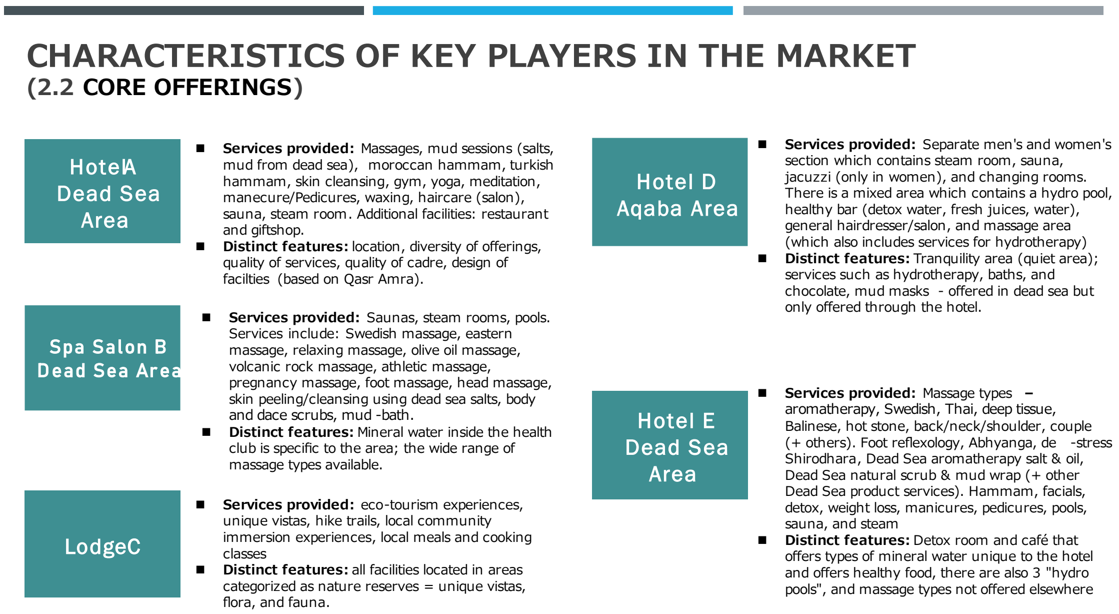
The current issues and characteristics of service quality related to spa practitioners will be discussed in detail in Chapter 5 but, in summary, there is a mismatch between employment and human resources in the labor market related to wellness tourism. In other words, the unemployment rate in Jordan remains high, even though many of the scarce spa and yoga personnel must be procured from outside Jordan.

Furthermore, Jordan has not been able to secure spa and yoga personnel efficiently due to the high transaction costs of procuring human resources from abroad and the outflow of talented foreign nationals to neighboring countries where they are treated well.

As will be discussed later, according to a case study of the Dead Sea area, in some cases, the procurement of human resources to meet the current demand for tourism was coordinated among the hotels. In the future, it is highly likely that securing and training personnel and developing related qualifications will become important issues for securing the *quantity* of human resources that can meet the demand for wellness tourism, and furthermore, to ensure the *quality* of human resources for differentiation from the other competitive wellness destination.

As the global wellness tourism market expands, in order to keep up with market opportunities and compete with rival countries, it is necessary to be prepared to improve both the quantity and quality of human resources in order to avoid competition for resources within wellness clusters.

The following chart shows the content and characteristics related to spa services obtained from representative hotels and spas in the Dead Sea area among the related companies.



Source: JICA Survey Team

Figure 3-41: Wellness Activity Features of Affiliated Companies

3.7.3 Related and Supporting Industries: Support in Wellness Tourism in Jordan

Regarding the consideration of clusters, it is crucial to ask whether there are competent local suppliers and the existence of competitive related industries. Currently, large foreign-owned luxury hotels are already leading the value chain to provide tourism services in the Dead Sea area, and external players (e.g., regarding yoga) are being sourced from outside to provide wellness services.

In addition, as for competitive related industries, not only the highly originality of "Dead Sea products," but also the tourism resources of the Petra site and the entire Dead Sea area are already attracting many conventional tourists (for site and medical tourism purposes).

(1) Related Industries

As mentioned in Sections 3.1 and 3.2, the related industries involved in wellness tourism are categorized as industries outside the tourism industry and within the tourism industry.

In other words, the former are industries such as the Dead Sea products industry and tourism-related products such as agriculture (olive oil), while the latter are classified as players within the tourism industry that have tourism resources such as archaeological sites and natural hot springs within archaeological site tourism and medical tourism. The latter also recognizes players in the tourism value chain that provide lodging, meals, transportation, and activities to tourists.

Table 3-6: Related Industries in Wellness Tourism

Category	Inside the tourism industry	Outside the tourism industry
Hard (Assets/Infrastructure)	・ Domestic ruins (Petra Ruins, etc.) ・ Domestic museums (Salt Museum, etc.) ・ Dead Sea Panorama Complex[23] ・ Dead Sea Medical Center	N/A[24]
Soft (Service, products)	Industries in the existing tourism value chain (Lodging, transportation, dining, activities)	・ Skin care products industry (skin care) ・ Agriculture (olive oil, etc.) ・ Fitness and exercise industry (yoga, etc.)

Source: JICA Survey Team

(2) Support Industries

The support industries related to wellness tourism include (1) research institutions that scientifically guarantee wellness benefits, (2) institutions such as universities and vocational schools that train human resources related to wellness tourism, and (3) institutions that provide qualifications and certification related to wellness tourism from the perspective of maintaining quality.

Three categories are identified as necessary, but the results of the field interviews revealed that the provision of (1) through (3) is currently limited. Details of (1) are explained in Section 5.4, Certification of Effectiveness of Wellness Products for Beauty, and Health; details of (2) are described in Section 5.2, Quality Management System and Certification System/Structure for Target Services; and details of (3) are described in Section 5.3, Brand Certification System/Structure (Target Services).

3.7.4 Competitive Environment and Corporate Strategy

In considering clusters, it is important to determine “the existence of local conditions that encourage appropriate forms of investment and sustainable evolution” and “the existence of intense competition among competing companies operating in the local area”[25].

Based on interviews with the local community, the presence and extent of a competitive environment and, conversely, the current state of collaboration and cooperation with competitors are summarized as well as the corporate strategies and business plans of individual companies specializing in wellness.

(1) Recognition of Competitive Environment

- **Perceptions of market competitiveness in wellness tourism**

  The companies interviewed in the field had a variety of views on the competitiveness of the wellness tourism market. Some cases believed that there was no real competition in wellness tourism due to Jordan’s unique geographic location. On the other hand, since

[23] JICA-supported Dead Sea Museum complex with outdoor restaurant and observation deck.
[24] A good example is the case of a cosmetics cluster located in Chartres, France. In this cluster, a cosmetics manufacturing factory is being used as a factory tour for tourists in cooperation with the cosmetics industry outside the tourism industry. By opening a cosmetics manufacturing factory, which was not previously recognized as a tourist facility, to tourists, the cluster has succeeded in attracting visitors to the area, the French cosmetics brand, and increasing sales.
[25] “Competitive Strategy Theory II”, New Edition, Michael E. Porter, 2018.

the wellness tourism sector remains a small market, there was less interest for hotels in general to offer services related to wellness tourism.

- **Competition among competitors**

  In the Dead Sea area, there are already many companies offering wellness activities, large foreign-owned hotels. New entrants that do not have their own facilities are also able to exist, and the competition is perceived to be intense. In addition, hotel operators, especially in the Dead Sea area, are already aware of competing hotels that seek to attract similar customers.

- **Cooperation and collaboration among related companies**

  Cooperation with other hotel providers in the vicinity is limited. However, according to the case of one hotel near the Dead Sea, when tourism demand exceeds supply and there is a shortage of human resources, the company contacts other hotels in the vicinity and procures human resources flexibly.

  In addition, some companies were found to hold regular meetings with managers of spa departments around the Dead Sea to exchange information. For example, there are meetings for discussions pertaining to issues and opportunities, such as a mutual understanding of issues among hotel providers regarding the depletion of the Dead Sea and the exchange of information for joint tourism promotions. This collaboration has emerged largely because of the proximity of hotels located in a limited area of the Dead Sea area, and the fact that they share the finite tourism resource of the Dead Sea, which has led to the cooperation and agreements necessary to provide sustainable services.

  Many hotel spa facilities use existing Dead Sea products in their spa services or sales products. In addition, some domestic skincare brands are selling their products as in-room amenities in 4–5-star luxury hotels (B2B). On the other hand, direct collaboration with Dead Sea product providers appears to be limited at this time, and collaboration to jointly develop unique wellness-specific skincare products or to successfully integrate them into wellness activities and sell them to customers is currently limited.

(2) Availability of Corporate Strategy

The interviews were conducted to determine whether the company has any immediate or medium-term plans to expand its wellness-related services and offerings, and whether the company has any issues affecting its business plans or goal achievement.

- **Wellness-focused business plans**

  Investment opportunities exist in Jordan around the Dead Sea, Aqaba, and RSCN-operated lodges, where there are plans to renovate and expand facilities. In addition, at the hotel vendor level, the hotel is revamping its food offerings to better cater to wellness traveler preferences (e.g., vegan, healthy meals for weight loss, etc.).

  Others are reviewing wellness services and developing products to meet the needs of the wellness traveller, such as considering providing space for yoga and meditation activities (e.g., in the case of lodges).

- **Wellness-specific recruitment planning and capacity building**

  Some hotel operators have plans to hire new yoga instructors, who are in high demand for wellness activities, and nutritionists to provide consultation on weight loss menus, as well as to train in-house chefs specializing in healthy eating.

- **Challenges in implementing the above plans**

  From the customer's perspective, the company recognizes the importance of promoting "wellness," a relatively new concept in Jordan and abroad. It also sees it as important to understand the difference between wellness and "medical tourism," which has traditionally been offered mainly in the Dead Sea area.

  Also related to the business plan is the fact that many of the existing facilities are not well equipped to attract wellness travellers and to offer activities related to wellness. Other concerns, not solely related to wellness, include the possibility of a resurgence of tighter Jordanian government regulations in the tourism and hospitality sector (as seen during the COVID pandemic and during Jordan's economically difficult times).

3.7.5 Summary of the Four Elements in Wellness Tourism

The results of the above analysis revealed that, among the four conditions of the cluster, the market opportunity for wellness tourism is high (1) demand condition, but the quantity and quality of human resources, especially for spa services, are insufficient to meet the demand (2) element condition (see also Chapter 5 for details).

In addition, regarding (3) related industries, although a value chain of tourism providers has been established around the Dead Sea area, there is limited cooperation in wellness tourism with the originality and competitiveness of the Dead Sea product providers. On the other hand, wellness service providers that do not own hotels or spa facilities and are new to the market are moving to collaborate with various actors (not only spas, but also campsites, museums, etc.), and there is a prime opportunity for innovation and the development of new products.

In addition, in terms of (4) corporate strategy and competitive environment, it was found that hotel operators lack collaboration, such as developing wellness-related activities and completing services on their own, but there are collaborations in the Dead Sea area that are sourcing personnel and exchanging information due to the proximity of the area.

The future high demand in wellness tourism is an opportunity and tailwind when wellness products are linked to tourism in the future.

However, the lack of quantity and quality of spa personnel is an important issue that needs to be addressed and complemented within the wellness cluster when offering wellness tourism (spa services) successfully linked to Dead Sea products, so as not to miss this opportunity.

3.8 Economic and Development Effects of Wellness Cluster Support

After conducting the first field survey in Jordan as the JICA Survey Team, it is observed that the level of understanding and penetration of the wellness cluster concept in Jordan is not high at this point. Although a certain level of expectation for Dead Sea cosmetics as a unique and growing export content from industries other than the Dead Sea cosmetics manufacturing industry was confirmed, it is difficult to imagine that a wide range of peripheral industries will be immediately invited as members to co-create the wellness cluster and start activities as consortium members together with the Dead Sea cosmetics manufacturers.

Therefore, in the case of Jordan, where each industry group has a high degree of independence from the others, it would be more appropriate for the consortium formation process to be bottom-up, involving influential industry groups in a phased manner, rather than a comprehensive introduction modeled after wellness clusters in other countries.

In particular, an alliance between the Dead Sea cosmetics industry and the tourism industry centering on wellness tourism has been started through the provision of hotel equipment, etc. Tourism, or inbound travel to Jordan, further provides an opportunity to publicize many export products and to find overseas agents. While forming a wellness cluster working group under JCI centering on this alliance could be considered a first step, JCI's existing SECTOR-FOCUS GROUP is closed to its members, the manufacturers. At this point, the establishment of a "Wellness Cluster Working Group" that encompasses the manufacturing and service industries has not yet been discussed, but during the continuous support for the formation of a wellness cluster under the future project, it is expected that the discussions will be deepened in a permanent working group management structure after the project period ends. In addition to the related ministries such as MoITS and MoTA, ACI and JCI are expected to be the recipients, especially since these institutions have indicated their willingness to take a proactive role in the formation and promotion of a wellness cluster in the future project.

Product and service categories that could have a ripple effect as wellness clusters include food, wellness products, tourism, spa and beauty treatments, yoga and fitness, and medical services, in addition to the care and beauty and wellness tourism already scoped in this survey. As a result of interviews with Jordanian stakeholders, the sectors with their perceived strategic export importance are identified. The table below summarizes the major players, sectorial size, and characteristics of each sector.

Table 3-7: Items of High Export Strategic Importance and Major Players

Category	Products/Services, Major player	Current sectorial size, Characteristics
Foods	Dates, The Jordan Dates Association	It employs 8,000 people, 35% of whom are women workers. The harvest efficiency per water use is the highest, with small farms playing a central role in production.
	Olive oil, Jordan Olive Oil Mills and Producer Syndicate	It provides employment for more than 8,000 households and MoITS estimates that 17,000 seasonal workers are employed during the olive harvest season. Exports totaled US$4.26 million in 2021.
	Sumac (spice), Bzuriyeh Al-Waha Circle (Private), etc	The statistics for the overall spice industry show that it employs about 24,300 people. MSMEs are the main players in the sector. It has export potential to the North American market in the U.S. and Canada, although the size of exports as of 2017 was around US$5 million.
	Thyme (spice), Bzuriyeh Al-Waha Circle (Private), etc	
	Arabic sweets, General Association for Restaurants and Sweet Shops Owners	It employs 2,550 people. It is a strategically important subsector of the food processing industry with export potential. It is exported to the U.S. and Europe as well as Middle Eastern countries.
Wellness products	Supplement and functional foods, Bio Energy Tech (Private), etc.	(No detailed information on sectorial size)
Spa and beauty treatments	Hotels and spas, Jordan Hotels Association	Based on the aforementioned estimates, the 2021 market for wellness-related tourism in Jordan is estimated to be worth US$330-390 million. Destinations are scattered throughout the country, including the Dead Sea, Main, Wadi Rum, Aqaba, and Petra.
Medical services	Medical and health services, Private Hospitals Association Jordan	It receives approximately 250,000 patients annually from abroad and employed 57,773 health care workers as of 2017. While healthcare is a sector with a high percentage of women, it is also a sector with a gap between the number of trained and qualified personnel and those who actually obtain jobs.

Source: JICA Survey Team

3.9 Wellness Linkages and Synergies of Past Tourism Cooperation by Japan

JICA has a long history of technical cooperation in the promotion of tourism development in Jordan. Since the late 1990s, JICA has supported the formulation of tourism development plans, provided grant assistance for the development of archaeological sites (2013-2020), and helped improve the attractiveness of tourism resources by providing technical assistance for the development of museums and other infrastructures.

Table 3-8: JICA-supported Tourism Projects in Jordan

#	Project Name	Area	Term
1	Tourism Sector Development Project	Amman, Salt, Karak	1999-2011
2	Sustainable Tourism Development Project in Salt	Salt	2012-2015
3	The Project for the Construction of the Petra Museum	Wadi Musa	2013-2020
4	The Project for Community-based Regional Tourism Development in Petra Region	Wadi Musa	2015-2020
5	The Project for Formulating Tourism Development Master Plan in Petra Region	Wadi Musa	2021-2025

Source: JICA Survey Team

The revival of tourism in Jordan in the post-COVID years would diversify tourism products, intensively increase tourism demands, and enhance the attractiveness of the tourism resources, as outlined in the MoTA Tourism Strategy (supported by UNIDO in 2021) and the JTB Wellness Tourism Strategy (supported by USAID in 2020).

Wellness tourism, which could encompass both wellness products (Dead Sea products) and the related services, seems to be a new and niche field; however, this development could take a position in the promotion of tourism in Jordan where the heritage tourism has dominated in tourism development. This tourism category could be expected to be a new contributing and effective subsector in tourism in ensuring the realization of the strategies in Jordan.

(1) Contribution to Diversification of Local Tourism and Synergistic Effects

Wellness tourism is expected to benefit communities while diversifying tourism products. For the past JICA projects, the introduction of the following new products could be possible. By incorporating wellness products and services into tourism infrastructures, it can attract new and existing target groups and create enhanced synergetic PR.

- **Salt:**
  Heritage trekking and experiential tourism with the Salt Archaeological Museum
- **Karak:**
  Expansion of the tourism experiences like early morning yoga at the Karak Castle Fortress.

It is understood that that these new initiatives would be developed by the local governments, private tourism operators, NGOs, and other organizations in each region, and that these might be recognized both in the CBI-supported tourism project currently underway and also some initiatives in JTB's wellness tourism action plan following its strategy.

(2) Contribution and Synergies to the Development of the Tourism Cluster

(i) Petra Tourism Cluster (in and around Wadi Musa)

One of the destinations of past tourism cooperation by Japan is a regional tourism development project in Petra. Petra is one of Jordan's proudest World Heritage Sites, however there is a long-standing issue of short duration of visitors: the average length of stay by tourists is only 1.2 days. Therefore, it is recognized that it would be beneficial to increase the number of stay days and the amount spent per person in order to increase the economic impact. One of the facilities and activities that can be considered would be the enhancement of wellness tourism services including the following:

- **Wadi Musa:**
  Meditation experiences in the facilities of the Petra Museum
- **Wadi Musa:**
  Experiences in cooperation with the local olive soap manufacturer as a community engagement.

In Petra, a master plan is currently being formulated, and it is understood that the development plan could focus on new wellness tourism-related development, and the progress of its formulation is to be observed for the anticipated wellness tourism development.

(ii) Dead Sea Tourism Cluster

Tourism resource development in the Dead Sea area is being implemented by JFDZG, and the formation and development of a wellness tourism related cluster is envisioned. JFDZG, the developer of the Dead Sea Development Zone, is mandated to manage this development zone and is also geared toward development of Dead Sea Tourism Cluster in cooperation with various tourism-related parties, and it is expected to move the zone toward a more multilayered development including the wellness tourism in the Dead Sea area through this cluster formation.

Therefore, it is relevant to observe the movement and changes in terms of organizational linkages and Dead Sea promotion system development by the concerned parties. Especially, as for the progress of the Dead Sea tourism cluster bringing stakeholders together, it is necessary to look into the advancement of the Dead Sea Museum and its encompassing Dead Sea Panorama, which was established with the support of JICA, and expansion of its tourism facilities (including ancillary Dead Sea spa facilities) and the diversification of its business lines in cooperation with spa facilities in the nearby Ma’an Spring resort.

The area should take the additional position of the Dead Sea tourism cluster geographically and value wise. It is understood that since the area surrounding the Dead Sea is home to a variety of archaeological sites such as the religious Baptist facilities, it is expected that wellness tourism products like the trekking around these facilities will also be developed as part of development options envisaged by the participating stakeholders.

(iii) Tourism Cluster Development in Aqaba

JICA has not provided support for tourism development in the past, but the formulation of a regional/ urban development master plan with JICA support (2022-2024) is underway in Aqaba located in southern Jordan. It is expected that Aqaba will diversify as a tourism city in terms of wellness tourism and future industry development and can be advanced in the future development. As spa facilities have been built as part of the development of resort facilities, further development of spas as relaxation facilities for tourists, as well as high value-added spa businesses (such as the latest Anahata spa), is also possible in the context of tourism development. Toward further development of tourism resources and facilities, spas are likely to be annexed, in terms of promoting eco-tourism in desert areas such as Wadi Rum and the further concentration of wellness product industries, including aroma and herb products could be also envisaged. The Aqaba Tourism Cluster is expected to develop as a gateway to the Golden Triangle (Aqaba, Wadi Rum, and Petra), and it is relevant to look into the master plan preparation process for Aqaba.

As the further development of JICA-supported tourism cooperation projects is fully capitalized, there will be synergistic effects with wellness tourism. Especially in the Dead Sea area, where wellness tourism has been progressing, synergistic effects can be expected as the number of visitors and spa users will increase and the sales channels for Dead Sea products will also expand. In addition, since it is expected that the Dead Sea will be developed as a tourism cluster as the major tourism hubs, it is necessary to monitor the direction of the measures and discussions among related tourism parties and other concerned parties like medical tourism facilities operators, which can be parties led by MoTA, JTB, and also JFZDG, along with the likely revision of the master plan for the area.

Chapter 4. Marketing and Branding Strategy

4.1 Basic Concept of Brands

4.1.1 Concept of Brand

A brand is a product or service that promises to provide the total satisfaction sought by the target customer and will live on in the customer's mind as a tool for self-realization. It can be said to be a product or service that creates a state in which customers have some positive image of the product or service and "nominate and buy" it. The key point is that the brand should be able to provide not only material functions for the target customers, but also mental benefits in terms of lifestyle, values, and tastes that can be obtained through the product or service.

4.1.2 Concept of Branding

Branding is "an effort to create unique added value unique to the brand and to increase loyalty and empathy among as many people as possible," and is considered to be an activity to "manage memories" so that customers are satisfied and have good feelings and "nominate and buy" the brand. The purpose of branding is to create a "long-selling brand" through nomination and purchase, and the process of achieving this purpose involves "creating uniqueness" and "empathy" activities. This means creating unique solutions that satisfy the customer's mind, imprinting them in the customer's mind, and fostering a purchasing process mindset that allows the customer to choose the company's brand without hesitation.

4.1.3 Brand Components

Dentsu's honeycomb model is a tool for understanding the components of a brand in an easy-to-understand manner.

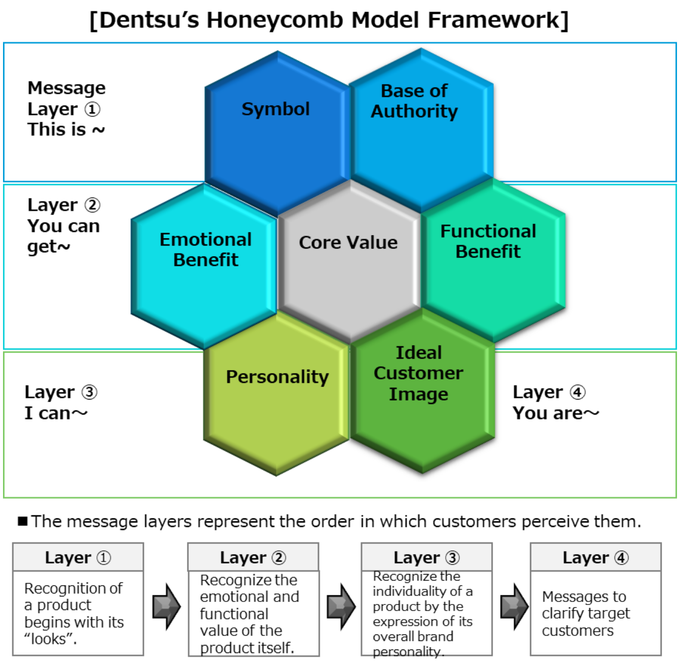
- **7 elements**

<Symbol>
A symbol is a logo, a color, or other icon that is associated with a brand and remains in the five senses.

<Base of Authority>
Technical evidence, factual history, or other evidence that supports a sense of trust in a brand to increase trust in the brand.

<Emotional Benefit>
Refers to emotional value to satisfy customers; emotional needs (how does it make you feel?).

<Functional Benefit>
Functional value to satisfy customers' functional and utility needs (the features of the product itself).



Source: JICA Survey Team based on the interview with expert

Figure 4-1: Branding Model by Dentsu

<Personality>
The brand's personality is what it would be like if it were a person, giving personality to the product.

<Core Value>
The image that customers have of the brand by integrating the six surrounding elements, and the aggregate image that the brand promises.

Although there are various overlapping definitions and concepts of brand elements, the following elements will be the main focus of the case study analysis.

		Overview	Examples
Brand Value	(1) Product Value	• Benefits derived from products and services	Functionality, usability, convenience, evidence, various certifications, etc.
	(2) Content Value	• A group of information that expands the value of the product	Stories of product development and community building, etc.
	(3) Customer Relationship Value	• Relationships with customers that inflate the value of products	• Organizing inspection tours for members, Royal Membership Program, etc.

Source: JICA Survey Team

Figure 4-2: Elements in Case Study Analysis

In addition, there are "functional value" and "emotional value" in terms of value provided. "Functional value" refers to physical value (quality of raw materials and products, efficacy, safety, certification, etc.) that gives a competitive advantage. Emotional value refers to the benefits derived from the experience of using a product or service (e.g., enjoyment of using the product, pleasure of belonging to a community, etc.) that support customers' quality of life, way of life, and sense of value through a unique worldview.

4.1.4 Benefits of Branding

Successful branding brings the following benefits

(1) Increased name recognition and sales

Once the brand image is imprinted on the target customers, they will feel secure that they know the brand and will be more likely to make a purchase. In addition, as empathy with the brand grows, the brand will be recommended by word of mouth to many target customers, thereby increasing sales opportunities.

(2) Effect of price premium

The more the brand is highly valued by the target, the more it becomes irreplaceable, and the more they will buy it even if it is more expensive than similar products. As a result, it is possible to maintain high prices without getting caught up in price competition.

(3) Effect of improving the repeat customer ratio

Normally, a large investment is made to acquire new customers, but once the brand image is imprinted on the target, the repeat customer ratio increases along with the designated purchase ratio, and the investment is only 1/5 of the new customer acquisition.

(4) Effect of expanding business opportunities

The brand's established name recognition and attractiveness can be successfully leveraged to develop new businesses and products in new markets. In addition, a sense of trust, security, and expectation toward the brand will enable expansion of market opportunities.

(5) Effect of expanding alliance opportunities

If branding is successful, many companies will pay attention to the brand. As a result, more companies will propose collaboration, expanding strategic options for further growth.

(6) Effect of reducing procurement costs

Successful branding and increased sales volume will result in increased raw material purchases. As a result, the company's ability to negotiate prices with suppliers will be greatly enhanced, enabling it to lower its purchasing costs. In addition, raw material suppliers will be willing to do business with the brand.

(7) Effect of reducing advertising costs

Once the investment is made and branding is successful, advertising costs can be minimized as repeat purchases and nominated purchases increase due to emotional attachment to target customers.

(8) Effect of recruiting human resources

Since many people wish to work for a brand, many excellent human resources will be attracted to the brand. At the same time, the personnel who are attracted often understand the brand and often act as a brand themselves even after they have been employed.

(9) Effect on employees' motivation

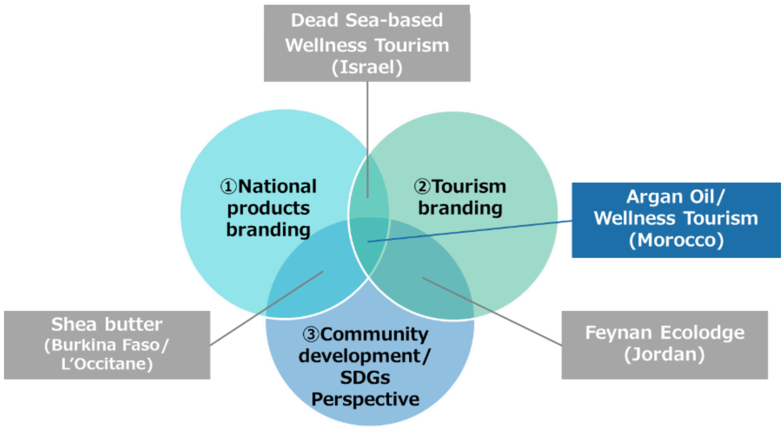
When employees hear the recognition from outside the company through the branding process, they feel proud, and that pride translates into pride in their company name and their jobs.

(10) Effect of reduced financing costs

A strong brand is seen by investors as a company that is easy to invest in due to its high earning power through "high name recognition," "price premium," and "high repeat rate," as well as its avoidance of the risk of sales decline through "emotional attachment to the brand" and "increase in customers who buy from nominees," etc., and is expected to reduce financing costs.

4.2 Branding of Domestic Products and Tourism Around the World: Successful Case Studies and Lessons Learned

In order to select cases of successful branding of domestic products and services around the world that are highly similar and applicable to the Jordanian case, priority was given to cases that combine (1) successful branding of national products, (2) successful branding of tourism, and (3) successful branding of community development and the SDGs, as well as cases that combine these three aspects were prioritized for the survey. Specifically, the following three cases were selected as candidates for the three perspectives: wellness tourism centered on the Dead Sea in Israel, argan oil and wellness tourism using argan oil in Morocco, and shea butter in Burkina Faso.



Source: JICA Survey Team

Figure 4-3: Selection of Cases for National Product/Tourism Branding

4.2.1 Wellness Tourism Centered on the Dead Sea (Israel)

The Dead Sea products and wellness tourism in Israel have succeeded in establishing both the products and the brand as a wellness destination by promoting the image of "Dead Sea = Israel = wellness".

<u>Brand Concept: "Dead Sea, a Salty Oasis for Tourists"</u>
Promotion system: Private companies to public support

The branding of the Dead Sea is being unified, with the simple "Dead Sea" in the foreground, rather than the name "Israel". The branding is also being unified as "Dead Sea Campsites," an excursion that is connected to the Dead Sea. The campaign includes accommodations in the Dead Sea area, Dead Sea Hotel and Dead Sea Beaches, and outdoor camping activities at Ein Gedi, the largest oasis in the country, and Masada National Park, a World Heritage Site.

Israel has been implementing "country branding" as a tourism destination since the 1950s, starting with the concept of "the land of the Bible," followed by "the beauty of Israel," "a modern European country," and now "Dead Sea, Oasis".

As for Dead Sea products, brands such as Premier and Ahava have been founded since the 1990s, and all sizes of companies have modern R&D labs and manufacturing facilities. Furthermore, in addition to the high R&D capacity of the private sector, there is also extensive public support, which is encouraging exports to the global market.

Implications for success factors

- **Destination Branding**
  Israel has always had a strategic tourism branding program and has been known as a well-known resort destination by Europe and the U.S. Most recently, the country has focused on promotions for China and India, and visitor numbers have surged since 2016.

- **R&D Capabilities and Innovation Ecosystem**
  More than 50 companies have been established that specialize in the scientific research of Dead Sea minerals and the production of skin care, health, and beauty products that utilize their properties, with a strong research and development focus on moisturizing and anti-aging products. Israel maintains the number one position in the world for R&D spending as a percentage of GDP and boasts a high R&D capacity. Israel boasts a high R&D capability (5.4% in 2020, while Japan ranks 7th). This active investment in R&D and collaboration between industry, academia, and government is considered to be promoting the creation of innovation.

- **Public Support for Dead Sea Product Manufacturers**
  Israel's generous public support for Dead Sea products has created a virtuous cycle that encourages innovation and overseas expansion, as well as strong branding in the global market (Dead Sea products are made in Israel). Public institutions provide support for compliance with international standards for products, market information, and financial support for overseas exhibitions and business meetings, leading to the promotion of SMEs' overseas expansion.

- **Research and Development (R&D)**
  - R&D fund grants to encourage investment
  - Tnufa Program, Technology Incubator, NOFAR program, MAGNET program, support for R&D centers of foreign companies, joint R&D programs between Israel and third countries/companies
  - Fostering close cooperation between industry, academia, and governmental institutions to promote innovation in Dead Sea products in Israel

- **Compliance with International Standards**
  - Standardization of processes to ensure compliance with international standards
  - Dedicated standardization department in the Ministry of Health to benchmark and recommend global best practices to define industry-wide processes and methodologies
  - Government support to help access highly regulated cosmetics markets such as the U.S., EU, and Russia

- **Marketing**
  - Active government involvement in promoting exports of Israeli Dead Sea products
  - The Israel Export and International Cooperation Institute (IECI) program such as international promotion (e.g., financial support for national pavilions at trade fairs), business matching (organization of business delegations, conferences, meetings), facilitating access to stakeholders (e.g., diplomatic corps, commercial attache, academia, etc.)
  - The Smart Money Program (2014-) grant from the Foreign Trade Association which is a partial subsidy for Israeli manufacturers who use consulting firms or specialized agencies to help them identify and enter potential foreign markets. All applications are evaluated by the Foreign Trade Association prior to grant approval

On the other hand, Ahava has been the target of a BDS (boycott) campaign because of its manufacturing operations in illegal settlements. In addition, the rapid shrinkage of the Dead Sea has caused a serious problem of sinkholes along the coast (more than 6,000 on the Israeli side alone), the resort area of Ein Gedi has become a ghost town, and public beaches are being forced to close one after another. The problems of the shrinking Dead Sea and excessive consumption of Dead Sea minerals are inseparable even in Jordan, which also faces the Dead Sea, and it is essential to focus on the environment and sustainability when promoting exports.

4.2.2 Argan oil Wellness Tourism (Morocco)

Argan oil and tourism in Morocco began as a conservation and social development activity, which led to the establishment of solid evidence, quality, and certification, and then to global recognition of the product.

Brand Concept: "Morocco is a Home to a Variety of Wellness Cures."
Promotion system: Academia and social development to private companies to public support and donors

The rarity of argan oil, which can only be obtained in Morocco, and its scientific efficacy for beauty and diet as a "rejuvenating oil" containing high concentrations of oleic acid and vitamin E has been promoted. In addition, since the oil can be used for both beauty and culinary purposes, the country proposes holistic tourism starting with argan oil, such as "a spa experience in a traditional hammam using argan oil, followed by a healthy meal using argan oil," to send a brand message as the home of wellness. The hammam, a traditional public bathhouse, is promoted as "the starting point of Moroccan beauty" to promote the image of Morocco as a beauty destination, and as a derivative activity, further attracts visitors to wellness activities such as yoga and meditation experiences and sound healing in the Sahara Desert.

The history of argan oil can be traced back to a professor of the Faculty of Science at Mohammed V University who, as the world's leading researcher on the argan tree, published numerous papers on its effectiveness and established a production cooperative (since 1996). Argan oil gained recognition when it won the Slow Food Award in Italy in 2001, and the King of Morocco introduced the activities of the cooperative during his visit to France. In Japan, it attracted attention as an ingredient in 2009, and exposure increased from around 2012-2013 (it became a hot topic in magazines and social media, and MUJI, etc. entered the market). In 2014, it was featured on the well-known TV program "Sekai Fushigi Hakken" (Discover the World's Mysteries).

Implications for success factors

- **Evidence-based Beauty Claims Cantered on Argan Oil**
  Researchers and pharmacists were involved in the production, product development, and global promotion of argan oil, which has health and beauty benefits both when eaten and applied to the skin.

- **Quality and Certification of International Standards**
  Argan Oil acquired the ECOCERT organic certification in France, which is said to be the most difficult certification in the world, and it is believed that this helped the company to expand into Europe by guaranteeing the reliability of the brand in terms of quality. At the time, Morocco did not have a certification system similar to ECOCERT, so it took five years to establish a domestic system and also obtained IGP certification[26].

- **Spreading to Service / Tourism**
  With argan oil as its starting point, the company is promoting the brand image of Morocco as the home of beauty and wellness, and proposing holistic experiences such as spas, healthy meals, yoga, and meditation. The products and services are packaged in a coherent manner, making them highly appealing to tourists.

In terms of development impact, poor women are engaged in the extraction of argan oil, and through the activities of the production union and the global media response, this has led to the improvement of women's status and income generation (the union in which the professor was involved created 5,000 jobs in 20 years). In some cases, illiterate women have taken the initiative through union activities and education and have become members of parliament and village councilors.

4.2.3 Shea Butter from L'Occitane (Burkina Faso)

Shea butter procured from Burkina Faso by L'Occitane is an example of a major global company taking the lead in thoroughly controlling the quality of raw materials, leading to the expansion of sales channels.

Brand concept (of L'Occitane): "Lifestyle cosmetic brand that proposes a lifestyle of Provence in the South of France, surrounded by the shining sun and rich nature of blooming flowers."
Promotion system: Private company, social development to donor support (only company-led, with little involvement from Burkina Faso side)

L'Occitane has more than 2,000 stores worldwide. Its best-selling shea butter hand cream, a popular product that sells one bottle every three seconds, sources shea butter from 15,000 producers (women) in Burkina Faso. The inspiration came from the founder of L'Occitane, who encountered the "shea tree" during his stay in Africa and thought, "I want to bring shea butter to the world and help women become self-reliant". For these reasons she began working with local women. The artisanal local production method had problems with quality control during transportation and did not meet the strict European standards, but as a private company, L'Occitane committed to improving the quality of raw materials and logistics system thoroughly in Burkina Faso. The quality of the raw materials was ensured to be commercially viable. In addition, the company implemented a quality improvement initiative involving local cooperatives

[26] A system to certify the superior place of origin. It is one of the intellectual property rights and is an indication used for products that have a specific geographical origin (place of origin) and that have high quality and reputation derived from that place of origin. For example, champagne can only be called "champagne" if it comes from the Champagne region of France.

and multiple donors and supported five local cooperatives in obtaining organic and fair-trade certification.

In the context of inclusive business (inclusiveness of local women producers, sustainability of resources), the project also worked with donors such as GIZ of Germany, SNV of the Netherlands, and SDC of Switzerland, and received strategic support in the provision of heating equipment, strategic advice, and support on shea resource conservation.

Implications for success factors

- **Branding as Natural Ingredients rather than Domestic Products**
  The company has successfully created a brand image that is consistent with the natural brand image of its home base in the south of France, by putting "carefully selected plant materials" front and center instead of the "Made in Burkina Faso" image.

- **Global Company-led Quality and Certification Assurance**
  L'Occitane is thoroughly committed to improving the quality of raw materials and logistics systems and has taken the lead in improving quality by involving local cooperatives and multiple donors, as well as supporting the acquisition of certification.

- **Local Traditional Product**
  The shea butter tree originally grew wild in West Africa and was widely used as a panacea, and traditionally only women were allowed to touch the tree and produce shea butter.

In terms of development impact, the project has led to economic support for women based on fair trade agreements (e.g., advance payment of wages, higher than market prices, etc.). Since the clients are major global companies, the success of the companies has expanded their sales channels and supported the livelihoods of the local communities.

4.3 Marketing and Branding Methodology and Current Situation of a Leading Jordanian Dead Sea Beauty and Cosmetics Company

As an individual case study, Company T, which has a long history and has entered the Japanese market, places the highest priority on protecting its brand image and does not engage in large-scale marketing. In Japan, the brand is not directly managed, but is sold only through distribution channels by sales agents.

Basic Strategy

Global policy	**[Brand Concept]** The three leaves of the clover in the brand logo represent "body," "mind," and "soul. **[Philosophy]** "Love yourself first" If you are not happy, you cannot make those around you happy. First, trust and take care of yourself **[Marketing]** • Six stores in Jordan plus several overseas countries including Germany • All manufacturing and packaging is done in Jordan, but marketing and publicity depend on local contractors and dealers.
Basic strategy in Japan	**【Basic policy】** • Although it takes time and effort, the ingredients and production methods handed down from generation to generation are preserved, and mass production is not done. They only provide truly good quality products to those who demand them. **【Target】** • Existing customers who have used our products in Jordan, such as local expatriates (embassy and trading company officials), etc. • Women and men in their 30s-50s (products for men's line are also sold)

4P/4C Strategy

Product / Customer's Value	1. Product Value • Moisturizing and exfoliating care by using plant-derived ingredients such as edible fruits and herbs, and Dead Sea mud, salt, and minerals (functional value). • The calm and elegant packaging, the special feeling of being spa products offered at 5-star resorts along the Dead Sea coast, and the experience of the Dead Sea atmosphere (emotional value). 2. Content Value: E-mails limited to members (e-mail) 3. Relationship Value: Enhancement of privileges for members (unique points)
Price / Cost	• Wide range of prices from medium to high (JPY 3,000-15,000) • Prices 20-30% higher than Jordan's directly managed stores? (To be re-examined locally)
Place / Convenience	• Not directly managed by the brand, but only through distribution channels as a sales agent (only Fukuoka head store in Japan) • In-person purchases are sold at the main store and irregularly at department stores nationwide. • Online: members-only e-commerce site
Promotion / Communi-cation	• Personnel sales: Sales promotion through irregular events at department stores nationwide • Publicity: New products are publicized through PR times, etc. • DM: Product information to members on a regular basis. • Social media: Send "Thank you" messages to members on Instagram when they upload information, and conduct polite communication, as well as conduct customer surveys regarding face wash, etc.

Source: JICA Survey Team based on the interviews with the relevant companies

Figure 4-4: Marketing/Branding Case of Company T

As already mentioned in the previous chapter, many Jordanian exporters of Dead Sea products have a certain amount of experience in exporting to Middle Eastern countries and other Western markets. However, rather than the manufacturers themselves collecting information on their target countries and developing markets, they have been able to find local import agents through international trade fairs (often by being contacted by their customers) and establish business relationships with them, resulting in the realization of exports. The reality is that both stable sales and market withdrawal are dependent on the ability of the import distributor. In fact, some companies that have made inroads into Asian markets, including Japan and China, have been unable to continue local operations due to the bankruptcy or legal disputes of their import distributors.

Major Company R originally entrusted its local distributors with marketing guidelines and methods but has gradually shifted to a policy of sharing and operating a unified brand image and methods from the company itself. On the other hand, looking at the industry as a whole, many companies are passive in their marketing activities. This may be due to the fact that the industry is composed of small and medium-sized companies or micro businesses, which have limited human resources to devote to individual markets, a lack of personnel with expertise in branding and marketing, and structural difficulties in generating marketing expenditures.

This section summarizes the overall industry situation and issues regarding the basic brand strategy, which defines the direction of the brand and its development and the basic concept of the brand, and the marketing strategy as an individual strategy to promote the penetration of the image in line with the brand strategy (for B2C).

Table 4-1: Basic Brand Strategy and Marketing Strategy

Strategy	(4) Basic Strategy	• The direction or policy on which to base the development of an individual strategy (4P) • Strategic-level initiatives that define branding	• Targeting, differentiation, market strategy, etc.
	(5) 4P/4C Strategy	• Tailored to the target customers in promoting brand awareness and understanding; activities to make people "to know," "understand," and "buy" the brand. • The objective is to strengthen the bond with the brand, such as brand recall, trust in the brand, and attachment to the brand, by devising communication methods and techniques, etc.	• Product / Customer Value • Price / Cost • Place / Convenience • Promotion / Communication

Source: JICA Survey Team

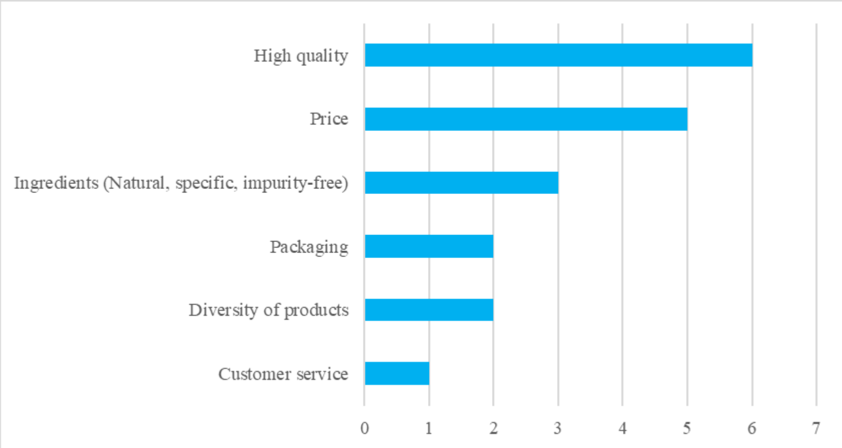
4.3.1 Basic Brand Strategy

Except for a few brands, the construction of basic strategies such as clear targeting, differentiation, and market strategy is weak, and market entry and expansion rely on meeting with import agents through trade shows. In addition, there is a strong tendency toward a product-out orientation within the framework of “Dead Sea products,” rather than as skin care and bath care products that solve consumers' skin problems. As a result, overall, brands are not differentiated in terms of what they want to convey to consumers and the value they offer other than “the benefits of Dead Sea minerals,” and are either competing for market share among the same “Dead Sea products” or are drifting toward bulk exports, which are easier to enter in terms of regulations and marketing.

Many companies have a product-out mentality that lacks customer-oriented proposals (solutions), value offerings (functional and emotional), and targeting, and both at the management and the customer service at stores level, there are vague answers such as “high quality” and “blessings of Dead Sea minerals” regarding their competitive advantage and brand value offerings.

The following are the answers to the question “What competitive advantages does your product have over other companies’ products?” (N=12 companies *Some major brands are not included).

“High quality” is very vague and lacks a viewpoint of what specific benefits can be provided to customers, and reliable data other than minimum quality assurance (GMP of JFDA, ISO, etc.) are not clearly indicated. Another respondent answered that “to be honest, there is not much difference in quality between brands (that are above a certain standard),” while others said that “the products are high quality because we use high quality raw materials”. The reality is that many of the companies are more likely to be manufacturers that process and export Dead Sea minerals into some kind of product rather than skincare brands that research and develop products with the goal of providing solutions for skin problems.



Source: Interviews by MMIS

Figure 4-5: Answers About the Company's Competitive Advantage (Keywords)

In the store visits, the brand image of well-known brands was expressed on the packaging and sales floor, but when the sales staff is asked about the characteristics of the brand, they only answer "high quality," "famous brand," or "the best-selling brand in Jordan," not offering suggestions that are in line with consumers' skin concerns.

4.3.2 Marketing Strategy

The status of overall marketing strategies and methods, and issues to be addressed, are summarized for each marketing mix element.

<u>(i) Product/Customer Value</u>

The first element is "product/customer value," which is mainly functional value and emotional value. Functional value includes physical values (product efficacy, safety, certification, etc.) that give a competitive advantage. With regard to the point already mentioned above that many claims of "high quality" are seen, "high quality" is too vague, so it is necessary to clearly indicate evidence or some specific data regarding efficacy. As for scientific evidence, currently several individual companies are conducting their own research, but there is no globally recognized academic research, and the Jordanian brand is still relying on evidence from the Israeli side. In order to improve the competitiveness of the industry, it is considered essential to build scientific evidence and strengthen research and product development capabilities in dermatology and cosmetology.

In addition, in order to provide value from the customer's perspective, it is recommended to propose solutions for each customer's skin problems, to let customers feel what it is like through actual in-store experience (in the case of cosmetics, samples and actual experience are essential), and to be aware of "what we want our customers to become" through skin care It is also important to be aware of the importance of proposing "what you want your customers to become" through skincare.

In terms of functional quality, overall, the quality aspect of packaging is in need of improvement. In addition to design issues, there were many cases where the ingredients of the contents (salt and mud) leaked out onto the surface and stuck to the hands when the products on display were picked up.

Emotional value includes supporting customers' quality of life and way of life/values through a unique worldview, and the benefits derived from the experience of using the product or service (e.g., enjoyment from using the product, pleasure from belonging to the community, etc.). Overall, many of the brands are weak in appealing to the feeling, such as the story behind the brand and its raison d'etre, at stores and other customer contact points. While all brands share a common desire to convey the wonders of Dead Sea minerals, there is room for improvement in terms of what emotional benefits can be brought to customers through products and whether stores are designed to convey the brand's worldview.

<u>(ii) Price/Cost</u>

Although there is a wide price gap between brands, products other than the low-priced ones sold at souvenir shops downtown are sold at the same price range as Israeli brands, or even higher depending on the location. For example, at the souvenir shop for tourists below, body scrub is 35 JOD (7,100 yen) and beauty essence is 50 JOD (10,000 yen), which is around the same price as Japanese department store cosmetics (famous luxury brand Lancôme's beauty essence is about 10,000 yen). The price is set very high even considering the "buy two for half price" sales method. However, if the product is to be positioned as a "high-end product" in this price range, the quality of the product, including the packaging, should be improved, and the product should be sold not in souvenir shops but in stores that can provide highly satisfactory customer service similar to that provided by department stores.

Also, with an entry into Japan in mind, as shown below, most of the export-oriented Jordanian Dead Sea brands are about the same price range as the Israeli and global brands available in Japan (the prices are published on the website and do not consider the additional cost of importing into Japan), and thus their price competitiveness is low. Whether the "value proposition" of the product is commensurate with the price, will be the key question.

Table 4-2: Prices of Hand Cream (USD 1 = JPY 144.37 as of October 2022)

Brand	Volume	Price (JPY)	Price per 1ml
Company B (Jordan)	100ml	2,160	21.6
Company C (Jordan)	100ml	2,600	26
Company R (Jordan) *Special price	100ml	1,660	16.6
Company T (Jordan	100ml	4,180	41.8
SABON (Israel)	30-50ml	1,540～1,980	51.3～39.6
Laline (Israel)	100ml	2,000	20
Ambath (Israel)	50ml	1,078	21.56
The Body Shop (Reference)	30ml	1,100	36.6
L'Occitane (Reference)	30ml	1,540	51.3

Source: JICA Survey Team

(iii) Place/Convenience

Dead Sea skincare products are sold in Jordan through retail outlets such as malls, supermarkets, and souvenir shops, as well as through channels such as airport duty-free stores (very few) and e-commerce, in addition to the brand's directly managed stores.

Directly managed stores are the most important customer contact points where the brand image can be promoted. During the store visits, it was pointed out that the stores only "display" products and do not provide a "place to shop" from the consumer's perspective. Although the attitude toward customers was good, the stores did not go as far as to interview customers about their needs, promote the value they offer, or provide specific explanations about their products, and there were almost no pamphlets or POP advertising displays that describe the features of their products.

On the other hand, Company B offers a hand scrub experience at its directly managed stores, distributes free small-volume samples, and sells gift sets, which is a good example. The importance of having samples (testers) in stores is high, as customers face a very high hurdle in spontaneously purchasing skincare products that they are not even sure are appropriate for their skin without trying them (the sales floor of the Israeli brand mentioned below is well stocked with testers in this respect).

Retailers in malls and supermarkets have several manufacturers' products in their skin care product sections. The products are arranged by variety, not by skin type, and there are no product descriptions or pamphlets of any kind; high-quality, high-priced brands such as Company R or Company B and lower-priced brands are lined up side by side. Under these conditions, it is difficult for consumers to understand the differences between each brand and the characteristics of the products.

In addition, since brands of different quality and price ranges are sold in the same line at souvenir shops in the city or hotels, rather than at duty-free cosmetics sections, there is a concern that Jordanian Dead Sea skin care products as a whole will be perceived as “souvenir items” rather than as skin care products. At the Tel Aviv airport, many stores have a section for Dead Sea cosmetics, but at the airport in Amman, the presence is limited with just a few brands in a small section.

It is said that Jordanian consumers generally buy cosmetics at pharmacies (drugstores), but the pharmacies in Amman and Aqaba rarely sell Dead Sea products. Even in stores that sell Dead Sea products, they recommend world-famous sensitive skin cosmetics (such as Avene) instead of Jordan-made Dead Sea products.

When expanding overseas, establishing directly managed stores is a hurdle in terms of resources, so the importance of the EC channel, which allows brands to have direct contact with customers outside of stores, is extremely high. Each brand in Jordan has its own e-commerce store, which will be the foundation to strengthen its e-commerce business in the future, although some localization to suit the target market may be required.

(iv) Promotion/Communication

As a means of communicating with consumers, social media is considered highly important, as it can be operated even on a low budget. Some companies have their own social media accounts such as Facebook and Instagram, which are managed by themselves or by local agencies in each country, while others do not manage their own social media accounts but entrust them to agencies or influencers. In either case, digital marketing media and methods need to be localized according to the market to be entered in the future. For example, in China, companies are using WeChat, Weibo, and Douyin as their own services, and in Japan, social media marketing for cosmetics is being conducted mainly on Instagram and LINE, rather than Facebook.

In addition, as values surrounding products and services, there are content values and relationship values that deepen the relationship with customers. These values include “transmission of drama/stories of particular product development and community building" and "loyal membership programs".

Israeli brands are actively disseminating information and communication, as seen in SABON's LINE communication and Ahava's tours and live streaming for loyal customers, as described below. On the other hand, some Jordanian brands that are implementing social media marketing are directly promoting and communicating information about their products but are not able to communicate their commitment and stories behind their brands and products.

4.3.3 Summary

In major global markets, including Japan, consumers have a myriad of choices, and in order to enter such non-traditional markets in the future, it is necessary to break away from the product-out mentality of "Dead Sea products processed from Dead Sea minerals" and become the "skin care, bath care, and lifestyle brand" of choice for consumers. In order to achieve this, there is a need for public organizations to support the strengthening of corporate strategy in parallel with "brand image building and promotion of Jordan and made in Jordan as a whole".

Table 4-3: Issues and Responses

Shift to market-in thinking (customer orientation)	Through the interviews and site visits, it was pointed out that the business paradigm of many brands is commonly "product-out" oriented. In a mature market, "market-in" is indispensable, and customers are sensitive to the value provided through the use of products, as well as to the solutions proposed to meet their needs at the customer contact point, which leads to purchase. Therefore, a paradigm shifts to a "market-in" approach (i.e., aligning all activities, including product development, customer contact, and customer service, with the convenience of the customer) is essential for developing a global brand from Jordan. It would be effective for public institutions to provide support for each brand to restructure branding and marketing, or to indirectly subsidize consulting fees.
Construction and quality assurance of scientific evidence	Regarding quality, authoritative scientific evidence of efficacy is necessary, as well as the manufacturing process and raw materials. This will support functional value and provide reassurance to customers. In addition to strengthening R&D capabilities by promoting industry-academia collaboration, it would be effective to create data such as certifications and standards accepted in exporting countries, as well as proof of ingredients and efficacy.
Increase awareness (Overall promotion)	Stakeholders, including private companies and public institutions, agree on the need for national information dissemination to raise global awareness of Jordanian products and services. Although there have been attempts in the past by multiple manufacturers to create "one integrated brand," none of them have succeeded due to conflicts of interest with existing brands. The approach of "creating an integrated brand by eliminating the individual" such as the Imabari brand in Japan is considered very difficult in the Jordanian context. On the other hand, promotional branding such as unified messages and visuals for wellness products made in Jordan by a public organization is less likely to create conflicts of interest and more feasible. (Israel, discussed below, has taken a similar approach.)

Source: JICA Survey Team

4.4 Marketing and Branding Methods and Current Situation of a Major Israeli Dead Sea Beauty and Cosmetics Company

This section will organize examples of branding and marketing strategies for Israeli-made Dead Sea skincare products as benchmarks. It will focus on SABON, the most recognized and successful company in the Japanese market and will also touch on the marketing techniques implemented by Ahava in the Chinese market. In addition, reference material on duty-free and beach store visits is attached.

SABON Basic Information

(1) History
- 1997 Opened the first SABON store in Tel Aviv, Israel
- 2003 Expanded into the U.S., opened NY store
- 2007 Established Sabon Japan
- 2008 Expansion into Japan, Omotesando store opened
- 2014 Expansion into Hong Kong and Taiwan
  *June 2022, SABON's U.S. subsidiary reportedly entered bankruptcy.

(2) Philosophy
- Core Value: Sabon cherishes the sparkling moments of inspiration that fill our daily lives with joy.
- 6 features
  Joy, generosity, the unexpected, authenticity, creativity and artistry, warmth, and hospitality. We understand the six characteristics, we embody and implement them for all those around SABON."
- Aspiration of SABON
  "With love and gratitude for nature and people, we want to fill everyday moments with joy and excitement and bring you deep peace of mind."
- Actively engaged in rare plant conservation and environmental protection

(3) Product features
- The product category has expanded from soaps to include face care, hand care, hair care, fragrance, and miscellaneous goods, with a focus on bath and body care products.
- The brand's iconic products include body scrubs that fuse Dead Sea salt and precious botanical oils in a golden ratio.
- Ingredients are characterized by the use of extracts of natural ingredients such as fruits, flowers, vegetables, herbs, etc., centering on Dead Sea salt and botanical oils.
- The product concept is natural cosmetics that advocate "removing" and "giving".
- Original products such as gift items only available in Japan: tailored to the needs and characteristics of the Japanese market.
- Unique attention to customer contact points such as packaging, displays, and in-store decorations, as well as ingredients.
- The packaging is designed by Sigar, the founder of the company.

(4) Sabon Japan

[Establishment]
- Established in 2007, and store opened (Omotesando) in 2008.
- Since 2019, the company has been positioned as a subsidiary of Yves Rocher of France.

[Sales scale]
- Japan ranks first in global sales.
- More than 500 SKUs are managed.

[President]
- Kimie Hatakeyama (former de la mer brand manager, appointed in 2018, after Kazuhiro Kuroishi, former vice president of Starbucks)

[Store locations and number of employees]
- 54 stores nationwide (4-5 store openings planned for each year)
- Number of employees: 480 (including temporary and part-time workers)

[Sustainability Commitment]
- SAVON's heart and sensibility connect people with nature.
- To protect the earth's abundant water
- To protect the earth's greenery and clean air

[Evaluation in Japan]
- Very popular among women, including the "Body Scrub", a skin cleanser uniquely blended and scented with mineral-rich Dead Sea salt and oil, which has won numerous awards presented annually by the cosmetics review site "@cosme".
- Celebrities are said to be using the products and posting on social media, making them well known to people.

4.4.1 Basic Brand Strategy

While SABON's core brand image and concept are the same globally, its product lineup and marketing strategy are thoroughly localized (locally driven). The company has been successful in the Japanese market thanks to its clear brand concept, image appeal, and direct sales structure.

The company's overall global policy is to focus on countries and regions with high purchasing power. All manufacturing and packaging are done in Israel, and while the core values are the same worldwide, marketing, and public relations are conducted by local companies and members who are familiar with the local conditions in the countries where the brand is deployed.

In Japan, the brand vision was redefined in 2022, the 25th anniversary of the brand's founding, to "SABON values the sparkling, moving moments that fill our daily lives with joy". The access data to the official website shows that while the core target is women in their 20s and 30s, the brand is accepted by a wide range of age groups from late teens to early 50s: the 25-34 age group is the largest (33.4%), followed by the 35-44 (24.5%) and 18-24 (21.2%) age groups, and the 45-54 age group (12.7%). The majority of access is also by men (might be mainly for gift-giving purposes).

4.4.2 Marketing Strategy (4P/4C)

(1) Product/Customer Value

The products are highly valued for their usability (functional value), such as exfoliating care with Dead Sea salt and moisturizing care with vegetable oil, as well as for their emotional value, such as stylish packaging and comforting and uplifting effects. In addition, the products offer content value (information provided via social media like LINE) and relationship value (customer service in stores that embodies the brand's worldview and membership programs that lead to sustainability).

(2) Price/Cost

SABON is not in the high prestige price range, but rather in the mid to high price range (3,000-8,000 yen). While somewhat expensive for daily use, it also has many "gift" uses. In order to better respond to the gift needs that have become a major feature of the brand, the company has also enhanced its mini-size hand creams from 2020.

(3) Place/Convenience

In order not to damage the brand image, the Japanese subsidiary handles everything from importing to sales, and has established a system in which it has no sales channels other than its own mail-order website. Sales channels are centered on the brand's directly managed stores and the brand's EC site (in each country), and B2B products are also provided to beauty salons, salons, and hotels.

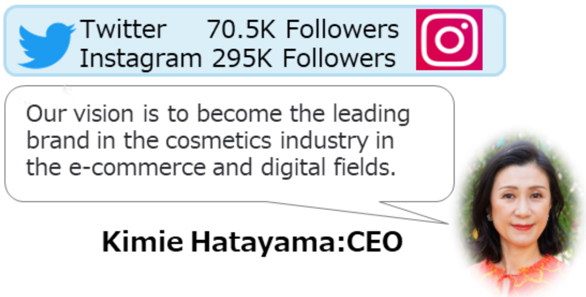
[Directly Managed Stores]

SABON stores, which emphasize the provision of experiences in real stores, are luxurious spaces with chandeliers and antique furniture, and always have a "water stand" in the center, a stone hand-washing area handmade by craftsmen in Jerusalem.

The store employs a customer service style that encourages customers to try out products while enjoying conversation with the staff, a scene that naturally brings a smile to the face of the customer (the staff recommends that customers wash their hands). Customers can try handmade soap filled with Dead Sea minerals, body scrubs, and other products to experience the fragrance and feel the smoothness of the products after washing their hands (called a "3-step ritual," common globally).

[Online Channel]

The E-commerce store (651,000 total visitors per month as of June 2022) was flooded with orders when the physical stores were closed during COVID-19. The online orders were seven times more than before COVID-19. To date, E-commerce has continued to grow by double digits, with the online share of sales increasing from 5% to 20% and is expected to continue to grow.



The company is implementing multifaceted digital initiatives on social networking sites such as Instagram, Twitter, and LINE to increase and strengthen touchpoints. "As brands mature, customer loyalty grows, making CRM even more important. However, previously we had little customer data outside of our e-commerce site" (Yumiko Nishi, EC & Digital Marketing Manager). With this background, in 2018, the company began marketing activities utilizing its official LINE account, which has penetrated Japan, in order to strengthen CRM. The LINE official account has grown to become such an important sales promotion channel that it generates 30% of SABON's online sales.

(4) Promotion/Communication

SABON emphasizes image appeal and experience provision through face-to-face sales. In addition to this, since 2019, the company has been very focused on digital marketing, including the development of one-to-one marketing using LINE to deliver customized information to each customer, and customer information also contributes to new product development.

When SABON first started using LINE, it classified its official LINE account subscribers into three categories: (1) “Friends” who are aware of SABON but make purchases infrequently, (2) “Temporary Members” who have a membership card with a barcode that can earn points when they press the link button for their user ID on LINE and present it at stores, and (3) “Customers” who have an e-commerce site ID and a LINE user ID that can be linked together. Response data such as whether or not a message on LINE was opened and whether or not the URL on the message was clicked is stored in the form of a link to the LINE ID. Special services such as limited coupons for birthdays and point programs for shopping are offered to the “regular” members. As the number of members increases, it will become possible to integrate and accumulate both e-commerce site behavior and purchase data as well as in-store purchase data, making it possible to deliver more sophisticated messages.

A total of 15 trigger messages are executed simultaneously, including LINE messages that appeal to customers for products remaining in their carts and “category drop-off” messages sent when a customer accesses a page for a specific category but leaves without purchasing the product. There are four KPIs to determine the priority of these messages and their replacement with new scenarios: “number of new buyers,” “second purchase rate of first-time buyers (F2 conversion rate),” “retention rate of customers who make at least one purchase in one year,” and “number of registered members”. In December 2021, the company aims to increase the number of full members and has switched to a policy of increasing loyalty by suspending the acceptance of new “Temporary members”.

(Reference) Even if you only register as a “Friend” and not as a member, you will be notified on LINE about once a week with the latest information on the brand’s world view and product appeal (see figure below).

[Diversification of Business (spa services)]
In March 2022, the world’s first concept store with a spa was reopened in Nakameguro as “SABON l'Atelier SPA” (Sabon Atelier Spa). The store offers service packages including spa and food, strengthening its role as a place to experience the brand’s worldview, and also communicating more sustainable initiatives (proposing gift products using loss flowers, collecting containers, etc.). The store also offers personalization services exclusive to the store, such as engraving services to engrave names, initials, messages, and dates on products, and calligraphy services on message cards.

Service Lineup

- “Dead Sea Journey” (19,800 yen for 60 minutes), a full-body polish and refreshment using our iconic “Body Scrub” products.
- “Blooming Journey” (90 minutes, 25,300 yen), an oil massage using products blended with botanical-derived ingredients
- “Oasis Journey” (120 minutes, 30,800 yen), a special course to enjoy a spa experience with an all-hand oil massage

Limited-time vegan afternoon tea café

- Special menu of all vegan sweets, light meal and dry fruit tea
- Number of people: Limited to three groups of six persons each time
- Price: ¥6,050 per person

[Ahava Case Study]
Ahava, which is highly recognized in China, is also implementing promotion/communication activities tailored to the actual conditions of the Chinese market and is discussed here as a reference case.

Ahava held a live sales event on Alibaba Tmall, where 14,000 of the newly released mud masks were sold out immediately. Orders on the day of the event were up 73,000% from the day before, making it the best-selling brand in three categories (facial masks, lip balms, and body lotions) on the Alibaba-owned e-commerce site.

The two-hour live sales were a part of Tmall Club, the experiential marketing arm of Tmall's newly launched “Discover the Origin” initiative, which aims to take consumers to the places where brands source their products and help them understand more about both the brand and the products. Six Ahava loyalists were invited to experience a complimentary trip to the Dead Sea, where they toured the Dead Sea, the factory, and R&D labs to learn about the manufacturing process and visited Tel Aviv and Jerusalem to experience the local lifestyle, culture, and history. The live facilitator was super famous influencer Austin Li. (Former L’Oreal BA and breakout KOL, known as the Prince of Lipstick, named one of Time Magazine’s “100 Most Influential People of the Next Generation in the World” in 2021). In the promotional video, he is shown floating in the Dead Sea himself, using the product.
(https://www.youtube.com/watch?v=7FwW9XEfhjw)

Box 2: Cosmpoprof's Case Study on Branding and Joint Pavilion of Israeli Products

Cosmoprof, the international beauty fair, is a major event in the beauty industry that welcomes more than 3,000 exhibitors from over 70 countries and 265,000 visitors from over 150 countries every year. Israel Export & International Cooperation Institute (IEICI) and the Ministry of Economy and Industry (Foreign Trade Administration) have created a brochure introducing 20 companies. The brochure features the Israeli brand slogan “Tapping into Nature’s Beauty”.

4.5 Brand Recognition of Jordanian Wellness Products and Tourism Among the Target Market/Customer Groups

4.5.1 Overview of the Online Consumer Survey

(1) Purpose and Methodology of the Survey

An online questionnaire survey was conducted among consumers in Japan, China, and Indonesia, which were selected as target markets in October and November 2022.

As discussed in Chapters 2 and 3, considering the trends in the target markets, the entry status of Jordanian products, and passenger acceptance in the three target countries, it was revealed that in Asia, a non-traditional market, the awareness of Jordanian products and brand recognition as a wellness destination may be low (initial hypothesis).

Therefore, the purpose of this online survey was shifted from the original purpose of “understanding brand awareness of Jordanian wellness products and wellness tourism among the target market/customer segment” to “understanding customer insights such as perceptions, motivations, and purchasing behavior in natural skin care (including Dead Sea products) products and wellness tourism among the target market/customer segment”.

The survey was designed to understand the specific preferences and behaviors of consumers (travelers) in Asia, a new market for Jordan, in order to identify key customer segments and incorporate them into the marketing and branding strategy.

As shown in Figure 4-6, the initial hypothesis is that the target market/customer segment is women aged 18-39 residing in Japan, Shanghai, and Jakarta[27]. The sample size will be collected by allocating emphasis to the male/female ratio and age group accordingly.

Gender: Male and female (male to female ratio 1:9)
Age: 18-59 years old
Place of residence: Nationwide (Japan), Shanghai (China), Jakarta (Indonesia)
Occupation: All, not limited
Children: Not limited
Marrital status: Not limited
Excluded industries: Not limited
Annual household income: Not limited (affluent, upper middle, lower middle/lower income)

Total 1,800 = 600 samples x 3 countries

Gender	Age	Japan	Shanghai	Jakarta
Male	18-39	30	30	30
	40-59	30	30	30
	60-69	0	0	0
Female	18-39	300	300	300
	40-59	240	240	240
	60-69	0	0	0

Source: JICA Survey Team

Figure 4-6: Survey Population for Online Survey

The sample screening questions include “gender, age, and place of residence”, as well as “unmarried/married”, “type of occupation”, and “household income” to understand the basic attributes of the sample data.

Based on the sample screening questions above, 19 questions shown as Table 4-4 were asked. Especially Q1 and Q9 in Table 4-4 were asked to identify those who “have bought or used natural skin care” and “have been abroad,” which are assumed to be an important customer segment. For the free-answer responses, keywords were extracted by text mining using KH Coder[28] and other software (e.g., extracted word lists, co-occurrence networks, correspondence analysis, etc.).

[27] For Japan, the survey covered the entire country; for China, the survey covered Shanghai and its suburban areas; and for Indonesia, the survey covered Jakarta residents and the suburban areas.
[28] Software for quantitative content analysis of text-type data (econometric text analysis) or text mining

Table 4-4: Sample Questions for the Online Survey

	Q	Questionnaire
Products (Natural Skin Care Products)	1	Have you ever used/purchased natural skin care products*1? *1 Natural skin care products are products that use some naturally derived ingredients such as oils, herbs, and honey from plants. (e.g., brands like L'Occitane, De La Mer, BOTANIST, and other products with argan or jojoba oil)
	2	Which of the following is your skin type? Please choose the one that you think is closest to yours.
	3	What skin care brands do you use on a regular basis? (If there is nothing in particular that you are repeating, the brand you are currently using)
	4	Regarding the above brands, please tell us why you use them. (e.g., non-sticky, cost-effective, makes you feel good, etc.)
	5	Do you know of any product brands that use Dead Sea Minerals? Or have you used them? Please select a brand you know or have used. *Display examples of different brands in three countries
	Questions about brands that you answered "have used/purchased" or "know but have never used/purchased" in Q5.	
	6	Where did you hear about the brand(s)?
	7	What image do you have of the brand(s)?
	8	Which products have you used? (Multiple choices allowed) *Display examples of different brands in three countries

Sample questions continued (Service Related)

Service (Tourism)	9	Have you traveled abroad in the past? (Any purpose of travel is acceptable, including travel, work/business, visiting family, etc.)
	10	What image comes to mind when you hear the word "Jordan"? Please tell us in one word. (At least one and up to 10 are acceptable.)
	11	Please select the name of the country that comes to mind from the words and photographs. (Multiple country selections are acceptable.)
	12	Please select how often you do the following health and beauty related things on a daily basis.
	13	Please tell us the name of one country you have visited so far that you were happy to visit, and one country you would like to visit next. (Duplicates are acceptable.)
	We would like to ask you about the countries you chose in Q13 that you were happy to visit.	
	14	Please select the one most applicable motivation or emotion you felt when you chose that destination.
	15	Please tell us about one activity you did or would like to do at each of those destinations.
	16	Please select one form of travel and purpose that best describes your trip.
	17	Please select the one that best describes the length of your stay in the locality, excluding transfers.
	18	Please select one of the following items, other than airline tickets, that best describes the amount you spent locally.
	19	What information do you refer to when planning your trip? (Multiple selections allowed.)

Source: JICA Survey Team

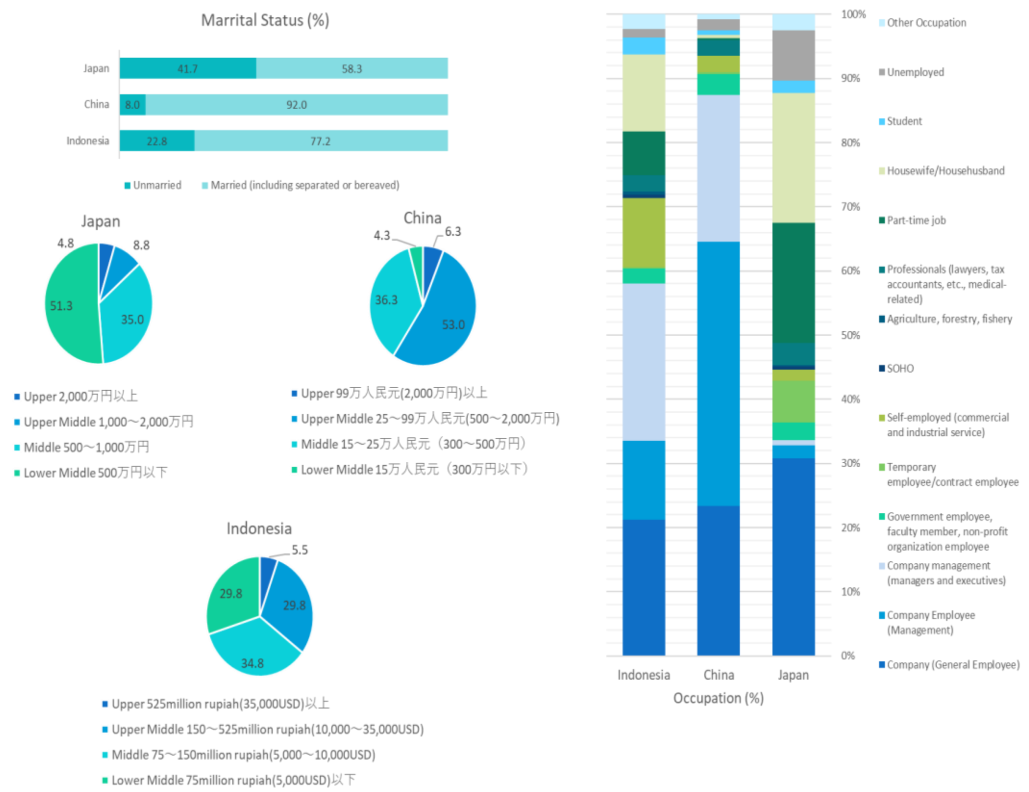
(2) The Basic Attributes of the Sample Data

While age and gender ratios were collected based on the conditions assigned in Figure 4-7, an overview of the sample in the three countries for "occupation," "married/unmarried," "annual household income," "ever used natural skin care," and "ever been abroad" is shown in the figure below.

Based on the income levels generally considered in each country, household income is divided into four categories: Upper, Upper Middle, Middle, and Lower Middle, and displayed in a pie chart. In comparison to China and Indonesia, the Japanese sample has a structure with more than half of the respondents in the Lower Middle group, and therefore, it should be noted that this structure is thought to have an impact on consumer behavior.

One reason for these characteristics is that the married ratio in Japan is low at 58.3%, compared to 92% in China and 77.2% in Indonesia, which may result in a lower estimate of household income. In the category of occupation, it is hypothesized that the proportion of "company management (managers and executives)," which is generally considered to earn high incomes, is low at 0.8%, which lowers household incomes.

In addition, while data for Japan was collected from all 47 prefectures in Japan this time, data for China and Indonesia were collected only from the urban areas of Shanghai and Jakarta, as it was assumed that there are large regional disparities which may have affected household income and thus the consumption behavior of the sample from the three countries was need to be kept in mind when making simple comparisons.



Source: JICA Survey Team based on online survey

Figure 4-7: Sample Attribute Data from Online Survey (Marital Status, Household Income, and Occupation)

(3) Validation of Hypothetical Target Segment

The table below shows the number of samples by country, age, and gender, and the number of “yes” responses to both questions Q1 “Have used or purchased natural skin care products” and Q9 “Have been abroad (for any purpose, including travel, business, study, etc.)”.

For the three countries as a whole, 901 of the 1,800 samples (about half) were matched.

Table 4-5: Number of Target Criteria Met

	Japan		China		Indonesia	
Segment category	Sample	Number of target criteria met	Sample	Number of target criteria met	Sample	Number of target criteria met
Female/18-29 years old	76	18	67	54	134	90
Female/30-39 years old	224	59	233	166	166	141
Female/40-49 years old	134	37	190	74	180	106
Female/50-59 years old	106	20	50	9	60	35
Male/18-29 years old	3	1	8	7	9	6
Male/30-39 years old	27	4	22	18	21	14
Male/40-49 years old	11	1	23	19	22	13
Male/50-59 years old	19	1	7	5	8	3
Each country	600	141	600	352	600	408
Each country (Female)	540	134	540	303	540	372
Each country total (Male)	60	7	60	49	60	36
All 3 countries	1800	901				

Source: JICA Survey Team based on online survey
Note: “Number of target criteria met” indicates the number of respondents who answered “yes” to Q1 and Q9 in the online survey.

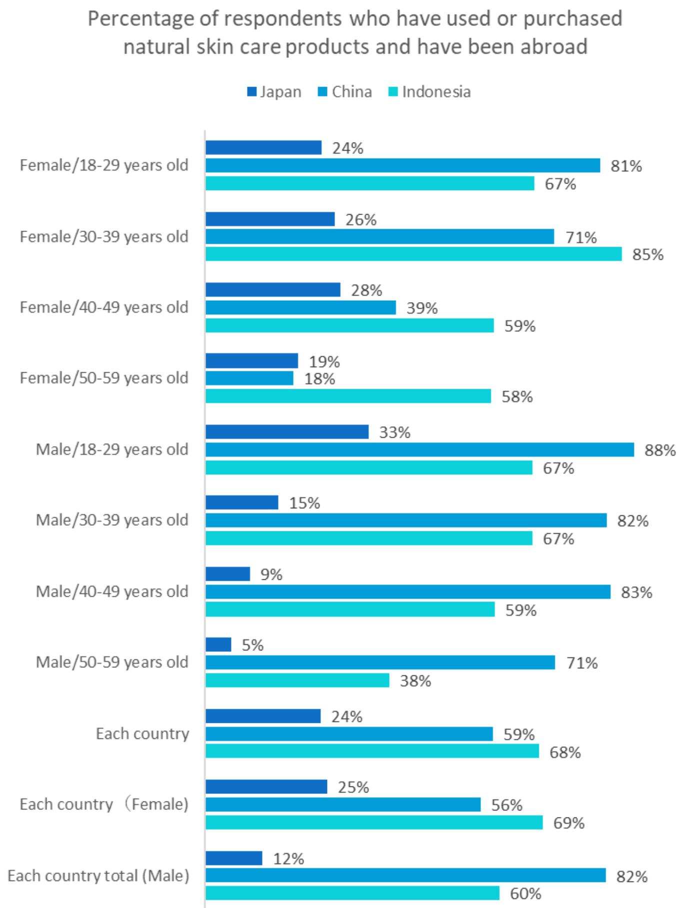
The following chart shows the percentages of each age and gender group that meets the criteria of “have used or purchased natural skin care products and have been abroad”.

As mentioned in Chapter 3, the initially hypothesized customer segment was “women aged 18-39”.

In Japan, the match rate is less than 30% for all age groups, which is lower than in China and Indonesia. Among the Japanese sample, the 18-49 age group is assumed to be more targeted than the 50-59 age group. For males, the match rate for the 30-39 age group was relatively high at 33%, but this is for reference only due to the small sample size.

In China, the 18-29-year-old female segment has a particularly high match rate of over 81%, followed by the 30-39-year-old segment with 71%, making it a priority segment. The percentage of men also exceeded 80%, but this figure is for reference only due to the small sample size.

In Indonesia, 67% of women in the 18-29 age group match the criteria, and 85% of women in the 30-39 age group match the criteria, making the 30-39 age group a particularly important segment group. In addition, Indonesian women aged 40-59 are also unique in that nearly 60% of them match the criteria compared to the two countries and will be considered as the next target segment group.



Source: JICA Survey Team based on online survey

Figure 4-8: Percentage of Respondents Who Have Used or Purchased Natural Skin Care Products and Have Been Abroad, By Age Group, Sex, and Country

4.5.2 Skincare Products

This section will provide an overview of overall consumer trends (skin type, beauty habits, brands usually used, reasons for use, and penetration of natural skin care products) for each country, as well as the degree of awareness of Dead Sea skin care products, recognition channels, image, and categories of use. In addition, since people who have experience using Dead Sea skincare products are a potential target group, their attributes, and the brands they usually use are analyzed. (Note that since differences in skin type and brands used for skin care products were observed between men and women, the analysis of some questions was limited to female respondents to eliminate noise.)

(1) Japan

(i) Overall Consumer Trends

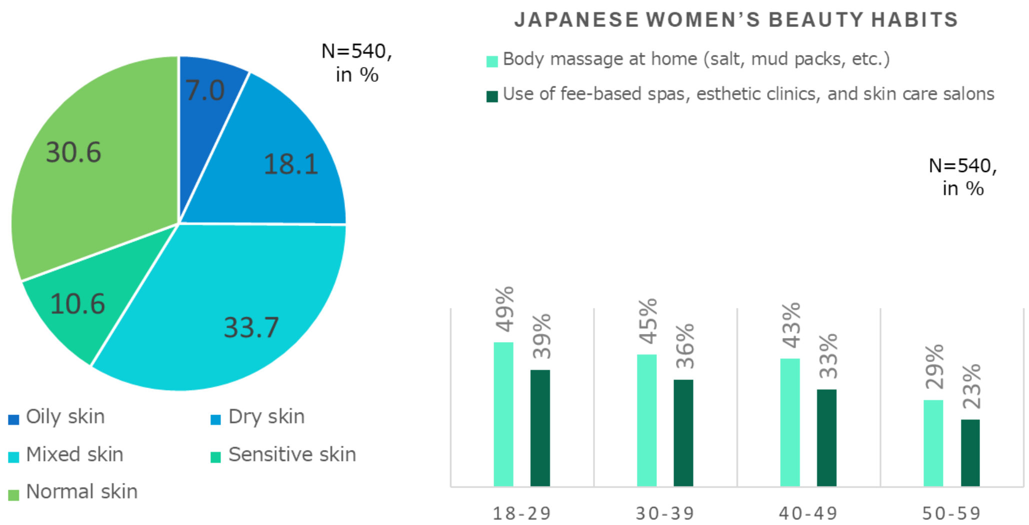
<Skin type[29] and beauty habits of Japanese women>

Skin types are categorized as follows:

- Oily skin (generally oily and shiny)
- Dry skin (generally dry)
- Mixed skin (e.g., T-zone is oily, but cheeks are dry)
- Sensitive skin (prone to skin irritation from cosmetics or any kind of irritation)
- Normal skin (not particularly affected by the above and has few problems)

Japanese women have more mixed skin (31.7%) and normal skin (31.2%), followed by dry skin (17.8%). Compared to the other two countries, sensitive skin was slightly more common (10.2%), while "normal skin" was the common response.

More than 40% of the young to middle-aged group have a habit or experience of body massage at home, probably due to the custom of soaking in the bathtub. On the other hand, less than 40% use paid spas, esthetic clinics, and skin care salons.



Source: JICA Survey Team based on online survey

Figure 4-9: Skin Type and Beauty Habits (Japan)

<Skincare brands used on a daily basis>

Regarding the skincare brands they usually use (free answer, multiple answers allowed), MUJI, ORBIS, Skin Labo, Curél, and Chifure were among the most popular, with Japanese brands predominating overall. Nivea, Clinique, Kiehl's, and L'Occitane were among the foreign brands mentioned, but none of the respondents in this survey indicated the Dead Sea skincare brand as the brand they usually use.

[29] This is the respondent's own perception of her skin type, which may differ from an actual objective skin diagnosis. The same applies to the two following countries.

*Due to the nature of text mining tools, there are cases where the same brand name is broken down. "d" here means d program and "n" means N Organic.
Source: JICA Survey Team based on online survey

Figure 4-10: Word Cloud for Brand Names (Japan)

<Reasons for using the brands you usually use>

Next, the most common answer to the question about the reason for using the brand they usually use was "good cost performance". Since cost performance is a balance between quality and price, it can be seen that many consumers value both aspects.

Table 4-6: Top Reasons for Using the Brands Consumers Usually Use (Japan)

Keyword	Remarks
Good cost performance	Emphasizes both quality and price commensurate with quality. Overall, the most frequently appearing keywords that Japanese consumers value the most.
Moisturizing ability/effectiveness	Moisturizing ability is especially important for people with dry skin
Suitable for one's own skin, gentle to the skin	Emphasis on effectiveness and efficacy
Acne, pores, whitening, etc.	Emphasis on effects/effectiveness for skin problems
Feels good to use	Not sticky, good fragrance, moisturizing, light feeling, etc.
Natural ingredients, fewer additives, less irritation, does not cause skin troubles	A segment that values avoidance of skin irritation and the safety of the ingredients. Particularly sensitive skin.
Can be used safely even on sensitive skin	
Affordable price, large quantity, easy to buy from many stores	A segment of the population that is price-conscious of the choices they see daily, not very particular about the product, and not very keen to try new products.
Used to using it, trust	
Puts me in a good mood	Emotional value oriented. Relatively few compared to the other keywords.

Source: JICA Survey Team based on online survey

<Natural skincare penetration>

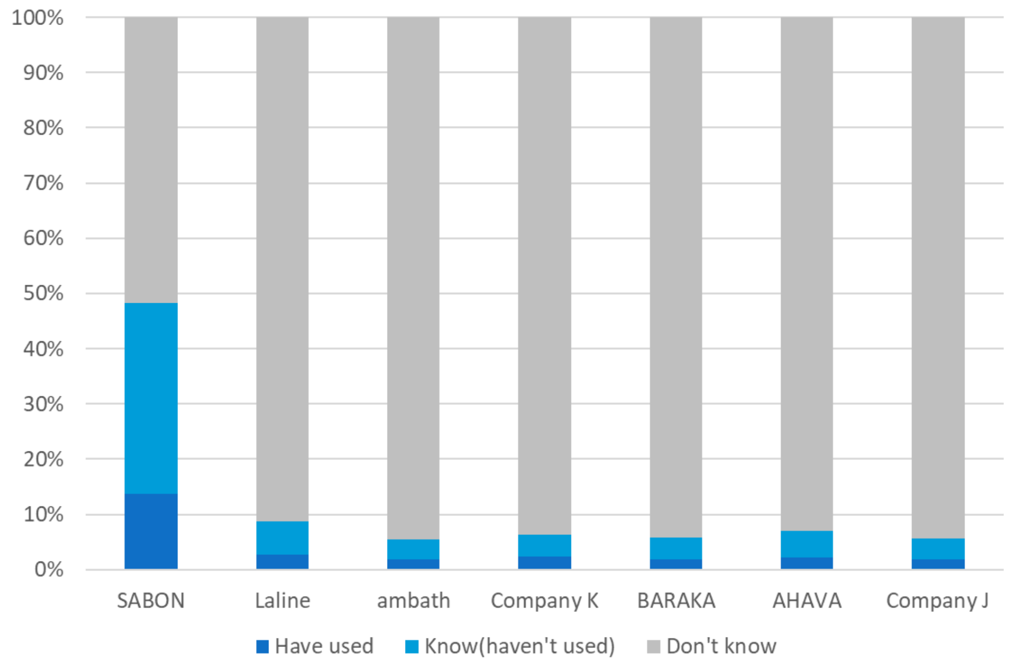
When asked if they have used natural skin care products in the past that use some naturally derived ingredients such as oils, herbs and honey from plants, 34.5% of all respondents answered “Yes” to the question. The percentage of women in their 30s was the highest at 40.2%. In terms of household income, 46% of those with annual household incomes in the 10-20 million yen range and 65.2% of those with annual household incomes of 20 million yen or more (n=23) responded “Yes”.

Compared to China and Indonesia mentioned below, this figure for Japan is less than half that of those countries, indicating that the penetration of natural skin care in Japan is surprisingly low.

(ii) Recognition and Use of Dead Sea Skin Care Products

<Recognition and recognition channels>

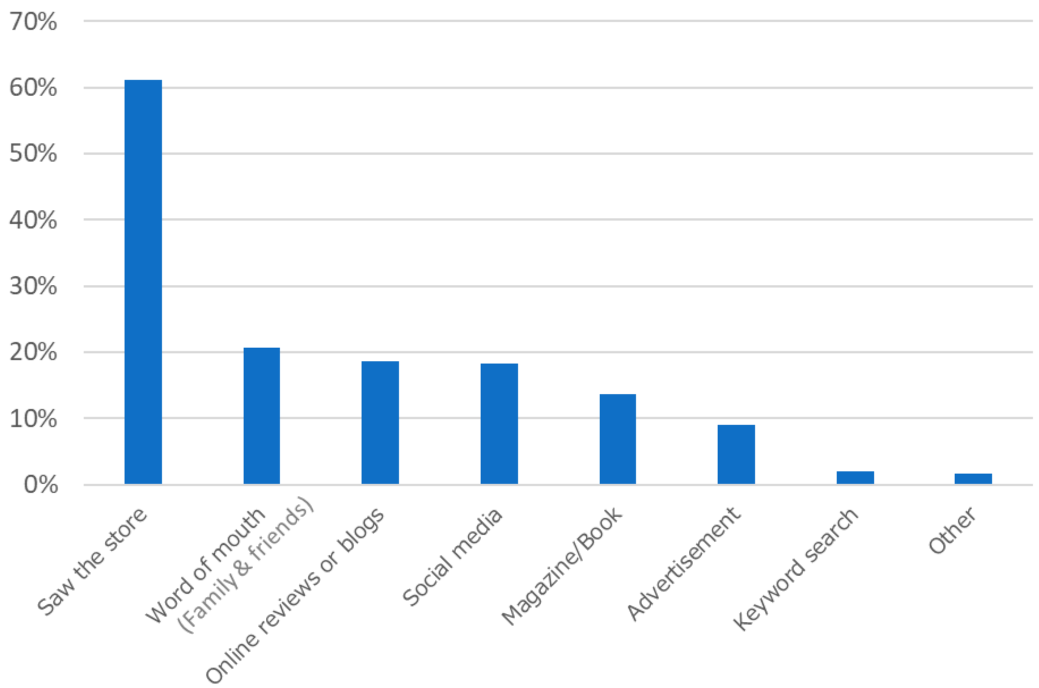
The data were collected on recognition and past use of Dead Sea skincare brands that are already in Japan (SABON, LALINE, ambath, Company K), Japanese Dead Sea skincare brand (BARAKA), and other reference brands (AHAVA, Company J). The results showed that the awareness rate of SABON, the most well-known brand, was about 48%, and the usage experience rate was about 14%. (These figures are the lowest compared to the other two countries.)



Source: JICA Survey Team based on online survey

Figure 4-11: Recognition of the Dead Sea Skincare Brands (Japan)

With regard to the recognition route (question: “Where did you learn about these brands?”, multiple responses allowed), the overwhelming majority of respondents chose “saw the stores,” which is in contrast to the two countries mentioned below.



Source: JICA Survey Team based on online survey

Figure 4-12: Recognition Channels of the Dead Sea Skincare Brands (Japan)

<Brand image>

For SABON, which has a certain level of recognition, the keywords mentioned as the brand image are as follows.

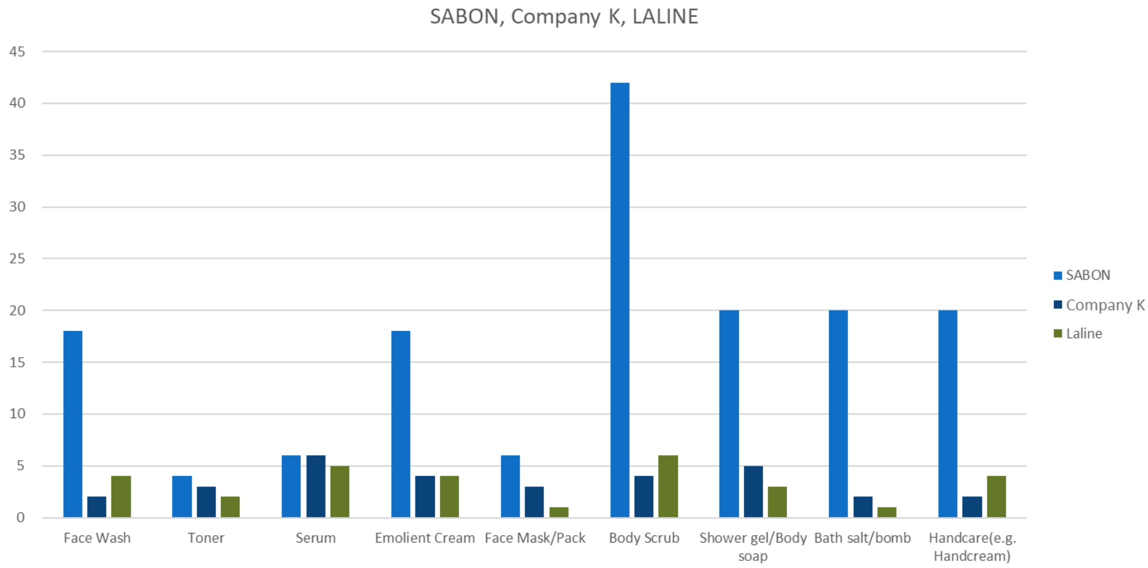
Table 4-7: Brand Image of SABON (Japan)

Keywords	Remarks
Pricey, expensive Luxury, high quality Trusted brand Skincare	Recognized and trusted as a high-end skincare brand with high price but good quality
Strong smell, good smell	The strength of the fragrance is a matter of taste, but it is accepted as a positive feature by a certain segment.
Dead Sea ingredients Gentle on skin Natural	Recognized as natural cosmetics using Dead Sea ingredients
Fashionable Beautiful Refreshing Pretty	The image appealing to women in their 20s and 30s has been created. The emotional value of the product, such as “feeling refreshed when you use it,” is especially well recognized.
Famous for its body scrubs	The presence of a signature product; when people think of SABON, they think of body scrubs, and when people think of body scrubs, they think of SABON.
Package design Sophisticated	Botanical packaging and storefront design are distinctive, reinforcing the brand image.

Source: JICA Survey Team based on online survey

<Product category used>

Below are the responses regarding which product categories they have used, and it is clear that Body Scrub is prominent for SABON compared to the other brands; while SABON's lotion and serum are less present, its bath and hand care products, including body scrubs, have a high penetration. Since SABON was not listed among the “brands used on a daily basis” this time despite a certain level of recognition, it is thought that many people use SABON for occasional skin care and body care products during bath time, rather than for daily use in their daily lives.



Source: JICA Survey Team based on online survey

Figure 4-13: Categories of Use of Dead Sea Skincare Products (Japan)

<u>(iii) Users of Dead Sea Skin Care Product</u>

The team analyzed the trends of respondents who indicated that they “knew and had bought/used” any of the Dead Sea skincare brands. By age group, as initially hypothesized, respondents in their 20s and 30s had a high rate of experience (28% of respondents in their 20s and 20% of respondents in their 30s had used the brand, higher than the overall average of 16% for women as a whole). The percentage of respondents in their 20s and 30s with annual household incomes of 10 million yen or more was particularly high, with 43% of those in their 20s and 30s with annual household incomes of 10 million yen or more having used Dead Sea skin care products, 2.7 times the average for all respondents.

As for occupation, the experience rate was high among company employees (managers) and company employees (general employees) (and among students and SOHOs, although the sample size was very small). There was no significant difference in the experience rate among married and unmarried general employees.

By skin type, there were no differences in skin type, except for a low experience rate for normal skin, and the scrubs were used relatively evenly. This is probably because SABON, a highly recognized Dead Sea skin care brand, has penetrated the market mainly for bath care, and body scrubs are relatively open to all skin types (compared to face care).

The most popular brands used by the segment were Lancôme, Kiehl’s, DUO, N Organic, and Albion. Reasons for using these brands include low irritation, gentleness, and can be used even on sensitive skin, as well as high moisturizing power, good feeling/non-sticky, and high quality.

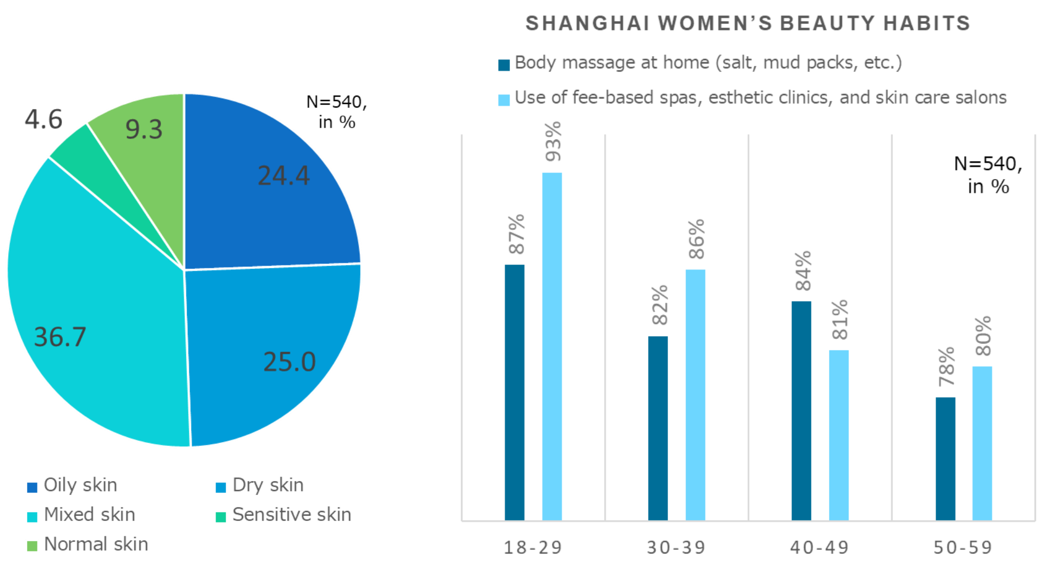
(2) China (Shanghai)

(i) Overall Consumer Trends

<Skin type and beauty habits of Shanghai women>

Shanghai women are predominantly mixed skinned (37.2%), followed by oily skin (24.5%) and dry skin (24.2%). (The small number of “normal skin” responses may indicate that they understand their skin type and are highly sensitive to information about skin care.)

Despite the lack of bathtubs in the average home, the custom and experience of body massage at home is high, at more than 80%. In addition, more than 80% use paid spas, esthetic clinics, and skin care salons (more than 90% of respondents in their 20s), indicating a high penetration of paid services.



Source: JICA Survey Team based on online survey

Figure 4-14: Skin Type and Beauty Habits (China)

<Skincare brands used on a daily basis>

Regarding the skincare brands they usually use, high-end foreign brands such as Estee Lauder and Lancôme and Japanese brands such as Shiseido predominate. Korean brands such as Sulwhasoo and Chinese brands such as CHANDO and WINONA also received many responses. In addition, names such as AHAVA and Company H, a Jordanian brand, were mentioned among the Dead Sea skincare brands.

Source: JICA Survey Team based on online survey

Figure 4-15: Word Cloud for Brand Names (China)

<Reasons for using the brand they usually use>

The most common response to the question about the reason for using the brand they usually use was "High effectiveness and good quality". "Cost performance" followed but given the fact that high-end brands in the higher price range ranked high, it seems that many consumers expect quality and some kind of effect rather than low price and value for money.

Table 4-8: Top Reasons for Using the Brands Consumers Usually Use (China)

Keywords	Remarks
Highly effective, good quality	The largest number of respondents emphasized effects and efficacy. Moisturizing, anti-aging, oil control, etc. were cited as related effects.
High Cost-performance	Many consumers consider a product to be cost-effective even if it is not in the low-price range, if they think the product is effective for their skin.
Suitable for my skin (improvement of sensitive skin)	The segment seems to try multiple brands to see how well they fit their skin (including those with sensitive skin)
Reliability and functionality Reliable big brand	The segment chooses a reliable brand including functionality, brand-oriented
Affordable and comfortable to use	The segment values price as well and continue to use if it feels good.
Natural ingredients, safe, natural, healthy, less irritation	Focus on skin irritation, safety of ingredients
Non-sticky, fast absorbing	Focus on texture and comfortableness

Source: JICA Survey Team based on online survey

<Natural skincare penetration>

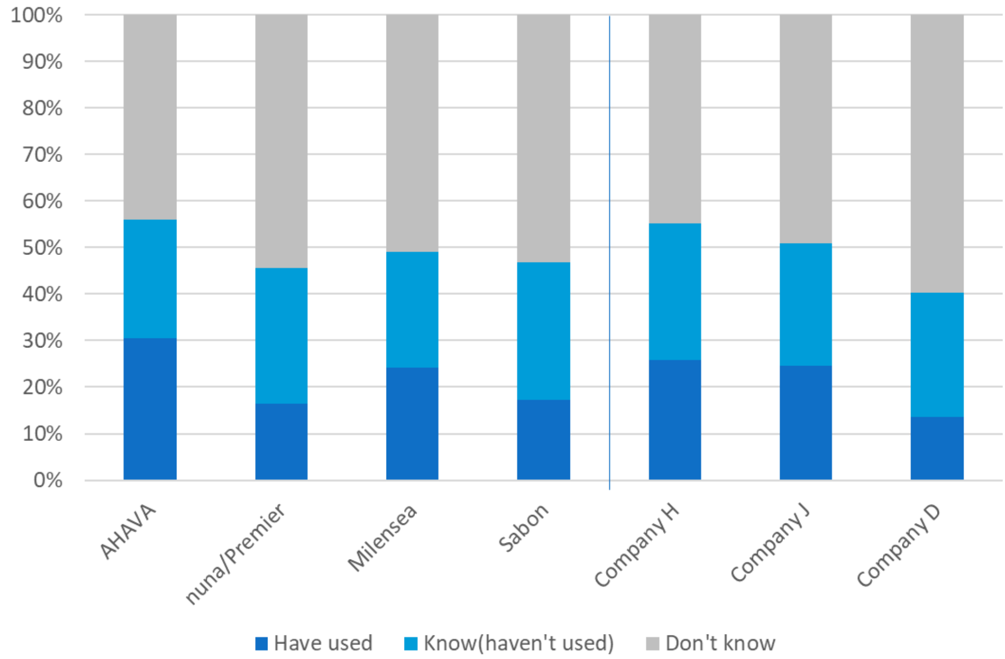
Overall, 82.5% of respondents have used natural skincare products. The experience rate for women as a whole was 81.7% (indicating that men also have a high experience rate), with a very high rate of 95.5% for women in their 20s, and a high rate of 87.1% for women in their 30s. In terms of annual household income, the higher the income, the higher the percentage of respondents who have used natural skin care, with 91.9% of those earning RMB 990,000 or more and 85.2% of those earning RMB 250,000 to RMB 990,000.

(ii) Recognition and use of Dead Sea Skin Care Products

<Recognition and recognition channels>

The question asked about Israeli Dead Sea skincare brands (AHAVA, nuna by Premier, Milensea) that have already entered the Chinese market (i.e., have products listed on Chinese e-commerce platforms), as well as several Jordanian brands that have entered the Chinese market (including via Hong Kong). In addition, SABON, which does not have a direct presence in China, is presented as an option for reference for comparison with Japan.

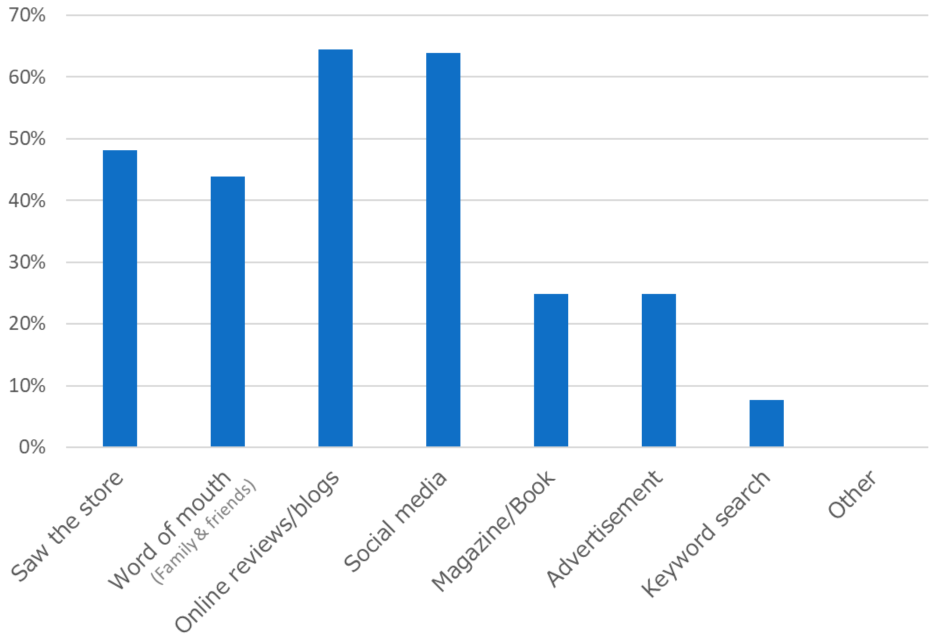
As a result, the awareness and experience of using Israeli and Jordanian brands are comparable, with the awareness of AHAVA and Company H both exceeding 55%. The use experience rates were 31% for AHAVA and 26% for Company H. Various Dead Sea skincare brands have entered the Chinese market, and consumer awareness of the Dead Sea skincare products is high.



Source: JICA Survey Team based on online survey

Figure 4-16: Recognition of the Dead Sea Skincare Brands (China)

Regarding the recognition route (question: "Where did you hear about these brands?"), more respondents heard about these brands through online reviews, social media and word-of-mouth around them compared to Japan.



Source: JICA Survey Team based on online survey

Figure 4-17: Recognition Channels of the Dead Sea Skincare Brands (China)

<Brand image>

Both Israeli brands have a good reputation and trust for effectiveness and quality, and there is a lot of image recall of the Dead Sea and Israel. The Jordanian brand also received good ratings for cost-effectiveness, feel and quality. On the other hand, recall of the "Jordanian brand" was low (only one comment).

AHAVA	Nuna/Premier	Milensea	SABON
Well absorbed by the skin, Strong Moisturizing power	Very high efficacy of ingredients	Good product /quality and effective	Cost-effective
Good quality Cost-effective	Reputable, safe, reliable	Reliable, professional quality	Natural, fashionable
Professional, unique formula/technology	Cost-effective	Cost-effective	Natural ingredients, safe and secure
Natural, plants	Niche, Israel, Technology	Moisturizing to the skin, suitable for sensitive skin, and Excellent oil control	High-end, skin care, body care, Israel Dead Sea, Salt, Scrub
Dead Sea, mud, skin care, brand	Beauty device	Israel, famous brand, natural	Moisturizing, anti-aging
		Lovely package design	Good fragrance and texture

Source: JICA Survey Team based on online survey

Figure 4-18: The Images of Israeli Brands (China)

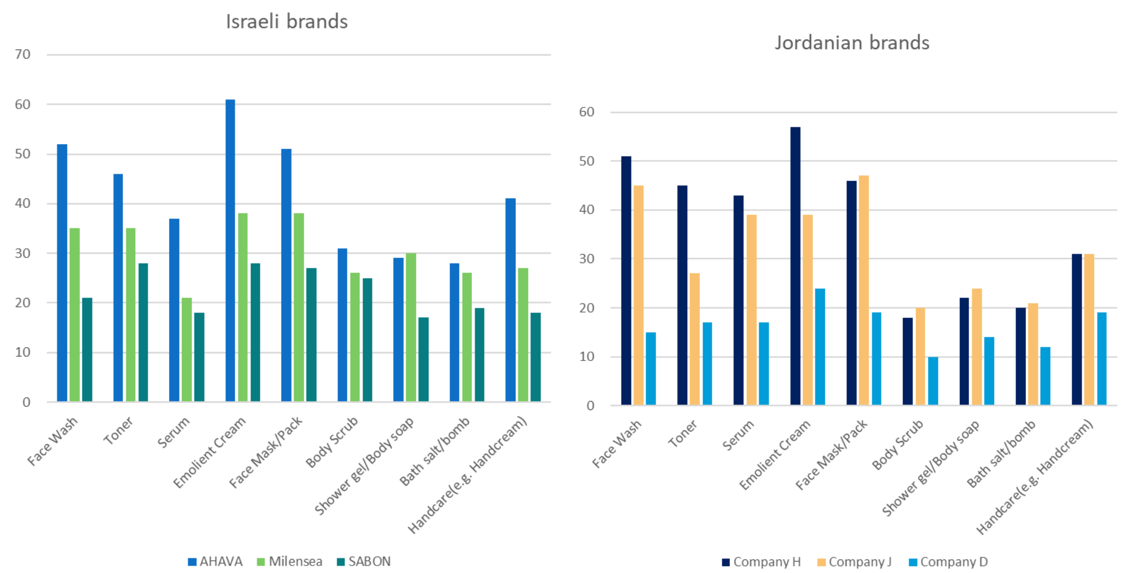
Company H	Company J	Company D
Not sticky (Smooth, comfortable)	Cost-effective	Cost-effective
Cost-effective Good quality	High-end, Comfortable	Good quality and reputation
Good absorption Moisturizing, natural, healthy	Whitening effect, mud pack	Natural Minerals
Anti-aging (younger skin, reduced wrinkles)	Moisturizing	Reliable, comfortable
High-end, professional	Rich in Dead Sea minerals	Moisturizing

Source: JICA Survey Team based on online survey

Figure 4-19: The Images of Jordanian Brands (China)

<Product categories used>

As for which product categories they have used, there is not much difference between Israeli and Jordanian brands as shown below, with all brands focusing on face care rather than body care (the opposite of Japan). Although there are some highs and lows by brand, AHAVA and Company H show relatively high use of a face skincare line that includes face wash, toner, essence, and moisturizing cream (the most popular), as well as very high use of face packs, which are not widely available in Japan.



Source: JICA Survey Team based on online survey

Figure 4-20: Categories of Use of Dead Sea Skincare Products (China)

(iii) Users of Dead Sea Skin Care Product

Respondents who answered that they “know and have bought/used” any of the Dead Sea skincare brands had a high rate of experience in their 20s and 30s, as in Japan (70% of respondents in their 20s and 76% of respondents in their 30s answered that they had used them, higher than the 59% average rate for all women). In addition to the affluent group, the group with the highest experience rate was women in their 30s (89%) with annual household incomes of 250,000-990,000 RMB in the upper middle class, while those in their 20s with annual incomes of 150,000 RMB or less and 150,000-250,000 RMB were also above the average (67% and 64%, respectively).

In terms of occupation, the percentage of respondents who have used the product is high among those who work for a company (in management) and those who run a company.

By skin type, those with oily skin had a particularly high rate of use (70%), followed by those with combination skin and sensitive skin at about the same level as the average, and those with dry skin slightly below the average. Next, those with mixed skin and sensitive skin were about the same as the average, those with dry skin were slightly below the average, and those with normal skin had a low experience rate. One hypothesis is that the image of Dead Sea mud as effective for oil control and skin problems may have been formed and influenced the oily skin consumers.

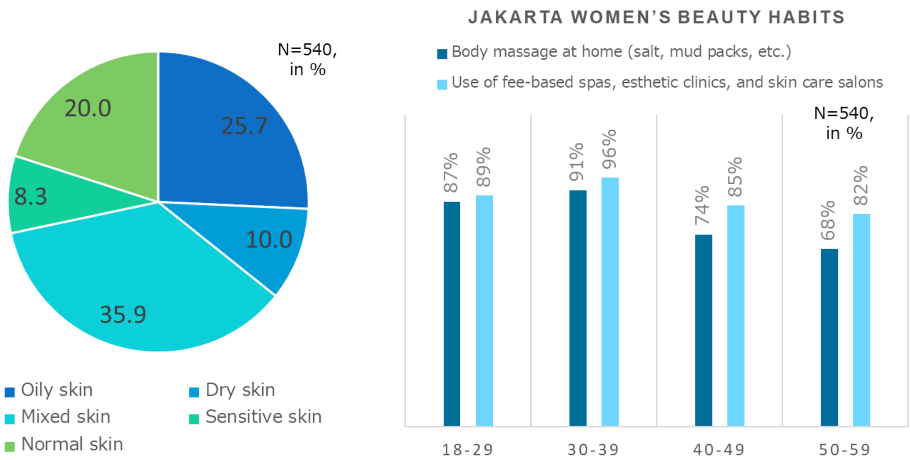
The most distinctive brands used were La Roche-Posay, Armani, PROYA, SK-II, L’Oreal, and Lancome. Reasons for use (derived not from the direct use of these brands, but from the analysis of the correspondence between Dead Sea brand users and the reasons for using the brands they normally use) included: effectiveness, natural ingredients, sensitivity, natural, high-end, brand (good, big, famous), and comfort of use.

(3) Indonesia (Jakarta)

(i) Overall Consumer Trends

<Jakarta women’s skin type and beauty habits>

Mixed skin predominates (34.7%), followed by oily skin (27.0%) and normal skin (20.2%). Indonesia has the custom of bathing in water, known as “mandi,” and the home body massage habit is about 90% among the young and middle-aged groups. The penetration of paid services is also high, with over 80% of respondents using paid spas, esthetic clinics, and skin care salons (over 90% of those in their 30s).



Source: JICA Survey Team based on online survey

Figure 4-21: Skin Type and Beauty Habits (Indonesia)

<Skincare brands used on a daily basis>

Wardah, a halal cosmetic brand from Indonesia that specializes in products of Muslim ladies, ranked first. In addition to foreign brands such as Pond's, L'Oreal, garnier, and The Body Shop, a wide variety of local Indonesian brands such as Scarlett, avoskin, somethinc, MS Glow, and hanasui can be seen. Korean brands (laneige, innisfree) and Japanese brands (hadalabo, biore) were also mentioned.

Source: JICA Survey Team based on online survey

Figure 4-22: Word Cloud for Brand Names (Indonesia)

<Reasons for using the brands you usually use>

The most common response to the question about the reason for using the brand they usually use was "suits my skin". This was followed by "inexpensive/reasonable," indicating that many consumers expect low prices and good value for money. On the other hand, there are also those who expect good quality and efficacy, such as moisturizing and whitening, as well as those who place importance on the fact that the product is made of natural ingredients and halal. In addition, the fact that many respondents place importance on fragrance is unique compared to the other two countries.

Table 4-9: Top Reasons for Using the Brands Consumers Usually Use (Indonesia)

Keyword	Remarks
Fits my skin	The segment sees whether it fits their skin by actually trying the product
Inexpensive/Reasonable	Price is also highly important for the mass segment
Good quality	Focuses on quality in addition to price
Good fragrance	More people place importance on fragrance than in Japan or China
Easy to purchase	Convenience in distribution channel
Good texture	Texture and other feel on skin
Moisturizing, whitening, reducing sebum, effective for skin problems, tighten skin, softening skin	Specific skin benefits are expected
Uses natural or halal materials, safe	Emphasizes safety and low irritation to skin
No irritation to skin	
Satisfied with results of use	Overall feeling of actual use

Source: JICA Survey Team based on online survey

<Natural skincare penetration>

Overall, 85.5% of respondents have used natural skincare products. Among women as a whole, 86.3% have used natural skincare products, with 93.4% in their 30s, 89.6% in their 20s, and 73.3% in their 50s, the lowest percentage of all respondents.

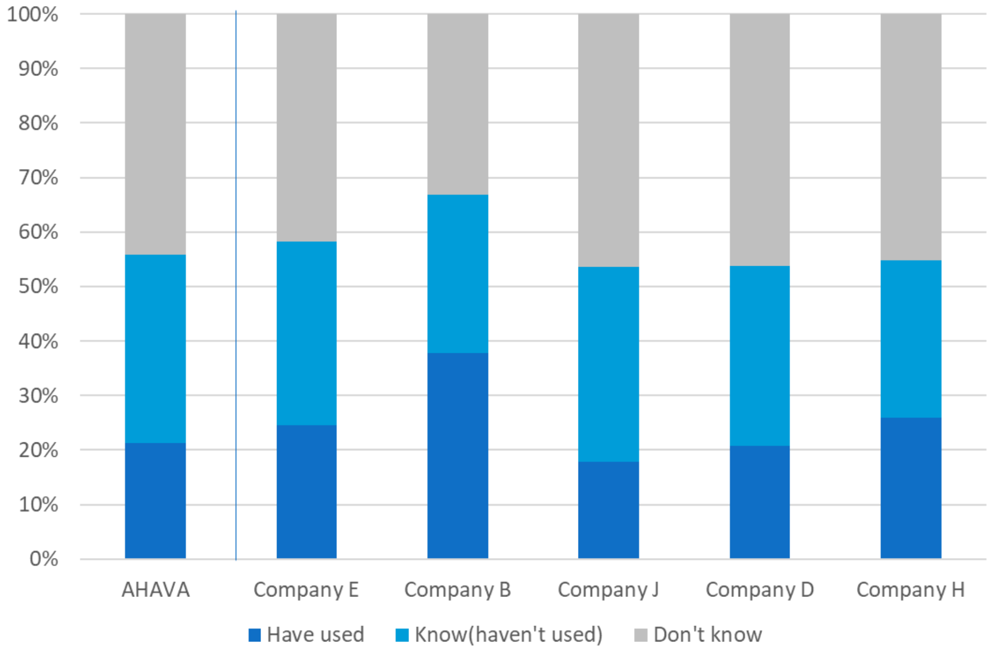
In terms of annual household income, the percentage of consumers in the middle to high income bracket is still high (96.8% for those earning Rp 525 million or more and 95.5% for those earning Rp 150~525 million), but the percentages in lower income segment are also relatively high, with 88.9% for those earning Rp 75~150 million, and 72.2% for those earning Rp 75 million or less. It appears that natural skin care products are supported by the entire consumer base, regardless of age or income.

(ii) Recognition and Use of Dead Sea Skin Care Products

<Recognition and recognition channels>

The question provided the options of Jordanian Dead Sea skincare brands that have products listed on e-commerce platforms in Indonesia, and AHAVA was presented as an option as a reference for comparison with other countries, although it does not seem to have a direct presence.

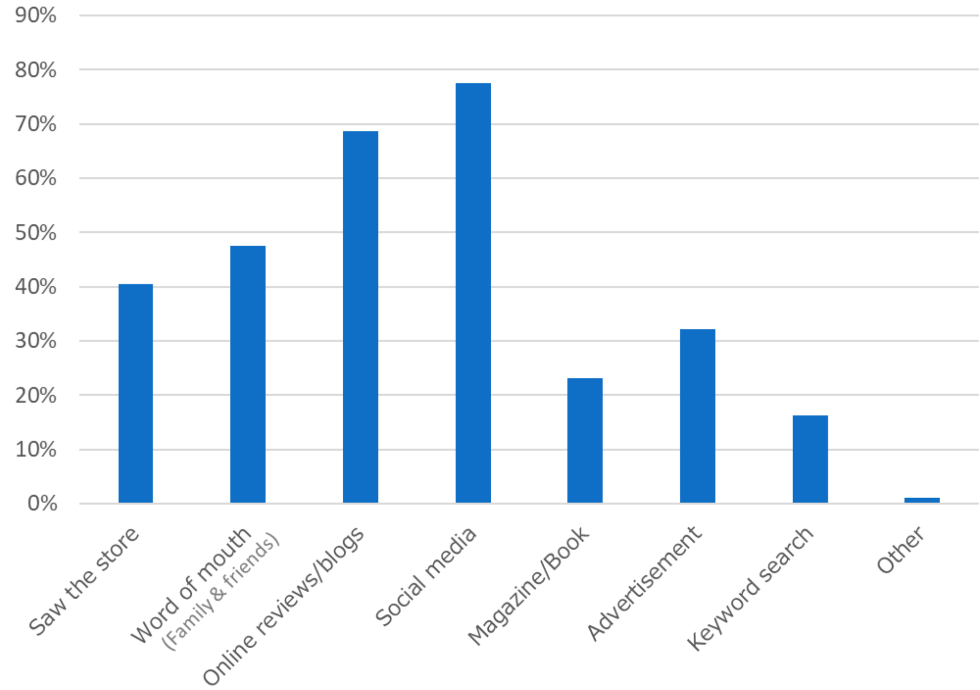
As a result, awareness of all brands exceeded 54%, with Company B having the highest usage experience rate at 37.8%. Jakarta is another market where consumer awareness of Dead Sea skin care products is high (Note: Judging from the comments, however, some Jordanian brands may be confused with similar name brands from Korea or France, in which case the actual numbers may be lower). Other brands that deal with Dead Sea minerals included local brand Wardah, Laneige and innisfree from Korea, BOTANICA, Jericho, and others. (Note that innisfree's products containing Dead Sea minerals were not found online, so the respondents' answers may be a misidentification of the volcanic ash clay masks).



Source: JICA Survey Team based on online survey

Figure 4-23: Recognition of the Dead Sea Skincare Brands (Indonesia)

In terms of awareness channels (question: “Where did you hear about these brands?”), social media and online reviews were by far the most common.



Source: JICA Survey Team based on online survey

Figure 4-24: Recognition Channels of the Dead Sea Skincare Brands (Indonesia)

<Brand image>

Note that the number of invalid responses (i.e., “know of or have used” only) was very high for the relevant question in Indonesia, so the number of valid responses was small and may not accurately reflect the whole sample. In addition, many respondents confused some Jordanian brands with brands with similar names from France or Korea, so keywords that were not related to the Dead Sea brand were excluded to the extent that they were legible.

Generally, all brands were highly rated for their “good quality,” “natural, Dead Sea minerals,” and "suitable for my skin,” and some were “inexpensive/reasonable” in terms of price.

Company B	Company H	Company E
Good quality (moisturizing, skin softening)	Good quality	Good quality
Natural Skincare	Facial serum (*could be another French brand)	Dead Sea Minerals Face mask
Serum, body lotion	Skin care using Dead Sea minerals	Skincare, Bodycare
Suitable for my skin	Like it	Naturalist, natural ingredients
Cheap/Reasonable ⇔ Slightly overpriced		Suitable for my skin
Like it		Like it

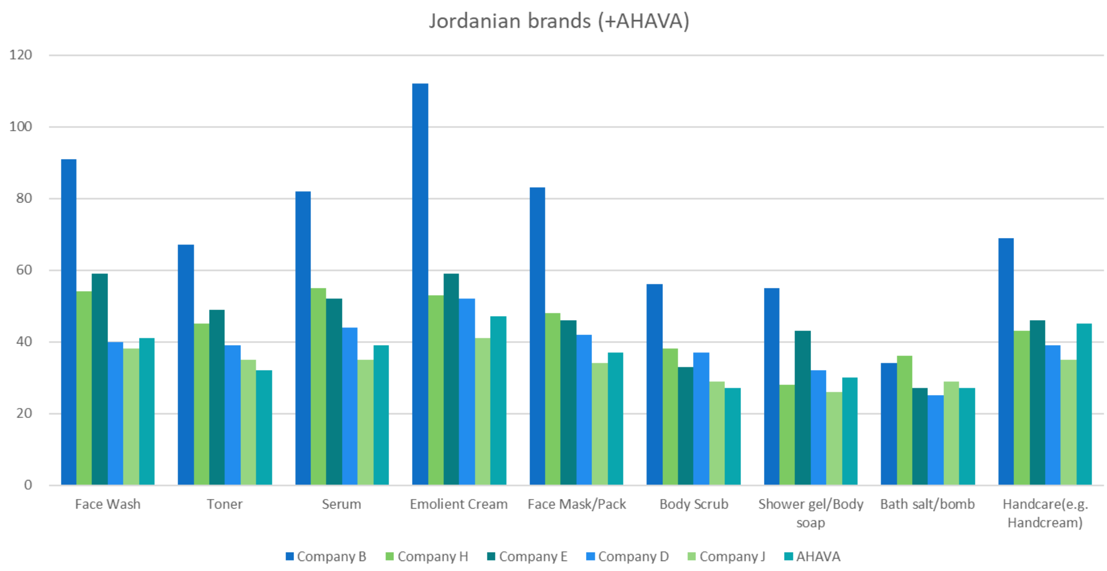
Company D	Company J	AHAVA
Good quality	Good quality	Good quality
Suitable for my skin	Dead Sea Mineral Skin Care	Suitable for my skin
Natural, natural ingredients, organic, vegan, paraben-free	Moisturizing	Dead Sea Mineral Skin Care
Dead Sea Skincare, Vitamin C formula	Inexpensive / Reasonable	Naturalist
Like it, the best	Like it	Like it, the best
Facial serum	Naturalist	Price commensurate with quality

Source: JICA Survey Team based on online survey

Figure 4-25: The Brand Images (Indonesia)

<Product categories used>

As for which product categories the respondents have used, it appears that face and body care products are used evenly throughout the survey. When looking at Beauty Secrets, which received the highest number of responses, emollient cream was used the most, followed by face wash, serum, and face mask/pack.



Source: JICA Survey Team based on online survey

Figure 4-26: Categories of Use of Dead Sea Skincare Products (Indonesia)

(iii) Users of Dead Sea Skin Care Product

Respondents in their 20s and 30s who answered that they "know and have bought/used" any of the Dead Sea skincare brands had a high rate of experience using them, as in Japan and China (62% of respondents in their 20s and 64% of respondents in their 30s answered that they had used them, higher than the 53% average for all women). The highest experience rates were among women in their 20s and 30s in the upper middle-income bracket of Rp 150-525 million (79% and 78%, respectively). Also, women in their 40s from the same income range (67%) and 20s and 30s in the range of Rp 75-150 million also exceeded the average (65%, 58%).

The percentage of respondents who have used the products is high among company managers, part-time workers, and professionals (lawyers, tax accountants, medical professionals, etc.), while the percentage of respondents who work for a company (managers and general employees) is about the same as the average.

By skin type, the products are used relatively evenly, with the exception of sensitive skin (24%), which has a low usage experience rate. Although it is only a hypothesis, it is possible that people with sensitive skin tend to avoid irritation caused by Dead Sea mud. The Body Shop, a global natural brand, Innisfree, a Korean natural brand, and Azarine, a local Indonesian natural brand, are some of the brands that are widely used by Indonesian consumers with sensitive skin, but all of them are negatively correlated with the Dead Sea brand usage in the analysis. The negative correlation (no overlap between those who use the former and those who use the latter) suggests that they have different target segments.

The most distinctive brands used were Lancome, Biore, L'Oreal, Garnier, Sari Ayu, Bioaqua, SK-II, and Scarlett. Reasons for use (not direct reasons for using these brands but derived from an analysis of the correspondence between Dead Sea brand users and the reasons for using the brands they normally use) included: efficacy/effectiveness, efficacy for skin problems, halal, oil control, whitening, tightening skin, natural, safe, and comfort.

(4) Summary

The potential target segments for Dead Sea skincare products can be roughly categorized as (1) existing users of Dead Sea products, and (2) newcomers who are interested in (or have used) natural cosmetics. The table below summarizes the consumer profile of the existing target group, namely, those who have used Dead Sea products, and the implications of targeting this segment.

Table 4-10: Insights from Online Survey

Target	Significant segment (Existing users)	The segment's consumer insights	Implications from the survey
Japan	• Upper middle/ Upper class, women in their 20s and 30s • Employees, sole proprietors, etc.	• Awareness of Dead Sea skin care products is relatively low; only SABON has gained some recognition, but mainly for body care, not as skin care products for daily use. • The segment understands their skin type or has some skin problems (other than "normal skin"; given the scale, mixed skin and dry skin could be important segments). • Focus on low irritancy to skin, moisturizing power, usability, and quality of products.	Since SABON from Israel is the strongest player, it may be effective to slip into the white space (e.g., other than body care) with a different positioning from the competition. There is room to raise awareness of Jordan itself and the benefits of Dead Sea minerals.
China	• Upper middle/ Upper class, women in their 30s and 20s • Managers and company owner/executives	• Awareness and usage experience of Dead Sea skin care products are relatively high. • High support from oily skin, also used by mixed skin and sensitive skin. • More oriented toward high-end brands (good, big, famous) than in other countries. • Emphasis on efficacy, natural ingredients, and usability.	While the hurdle for people to try Dead Sea skincare products is low because they are already highly recognized as a whole, the company will have to compete with other brands for market share. It may be effective to create an image of "a high-end brand with reliable quality" by scientifically claiming natural ingredients and their effects. Some Jordanian brands have already gained customers, so more focus on marketing activities would help them grow.
Indonesia	• Upper middle class, women in their 20s, 30s and 40s • Lower middle class, women in their 20s and 30s • Company owner/executives, professional, employees	• Awareness and usage experience of Dead Sea skin care products are relatively high. • Dead Sea skin care products are favored by non-sensitive skin type (might be due to avoidance of skin irritation). • Focus on specific effects and efficacy such as efficacy against skin problems, oil control, whitening, etc., Also there are also emotional values such as natural, safe, Halal, etc.	Although the market is difficult to reach for Israeli brands, their recognition and usage experience rate is high and cannot be underestimated. If the emotional value proposition for Muslims, such as Halal, can be established, Jordanian products will have a competitive advantage over Israeli products. Differentiation from Indonesian brands using bulk exported raw materials is also necessary. It may be effective to emphasize specific benefits such as "mud packs that reduce excess sebum in the T-zone," in a cost-effective price range for the middle class, as well as halal and ethical aspects.

Source: JICA Survey Team

In addition to the above table, China, and Indonesia, where the overall penetration of natural cosmetics is higher than in Japan, are promising for acquiring new customers. In China, although the sample size is limited, it appears that men are also highly interested in natural cosmetics, which may lead to the development of a product lineup for men. In Japan, although penetration of natural cosmetics is relatively low, the upper middle/upper class (household income of 10 million yen or more) and women in their 30s are considered to be the most appealing segment.

4.5.3 Tourism

The following steps (1) to (3) were taken to determine the image that consumers in the three countries have of Jordan, to what extent they can recall the image of wellness tourism that Jordan wants to promote, and to identify the competing countries in terms of brand image. Through a deep dive into past positive tourism experiences, daily habits, and behaviors, the survey gained insight into the perceptions, motivations, and consumption behaviors of consumers in the three countries with respect to travel.

(1) Understanding the degree of branding penetration in wellness tourism in Jordan
- Jordan’s image as a country
- The degree of conformity with the image of wellness tourism that Jordan wants to create (based on JTB's branding keywords).
- Estimation of competing countries for wellness tourism

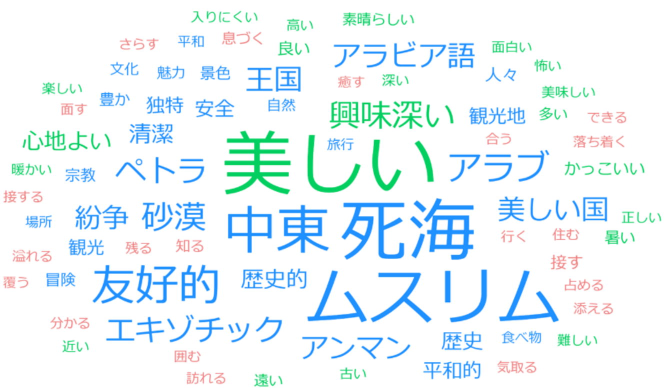
(2) Information related to positive tourism experiences in the past
- Countries that you have enjoyed visiting in the past and would like to visit next
- Type of travel, and the length of stay
- Activities you did or would like to do at the destination
- Items consumed, amount spent

(3) Other behavioral characteristics that may influence the choice of destinations and activities
- Daily habits related to wellness
- Sources of information when planning a trip.

(1) Understanding the Degree of Branding Penetration in Wellness Tourism in Jordan

< Jordan's Image as a Country >

The following figure was extracted from a question that asked respondents to describe the image of “Jordan” in one word, utilizing text mining (word cloud) techniques. Several words with high scores were selected and illustrated in size according to their value. The color of the words differs according to their part of speech, with blue representing nouns, red representing verbs, and green representing adjectives.



Source: JICA Survey Team

Figure 4-27: Jordan’s Image as a Country (Japanese Samples)

<u>In Japan,</u> compared to China and Indonesia, there are fewer keywords tied to specific things that Jordan

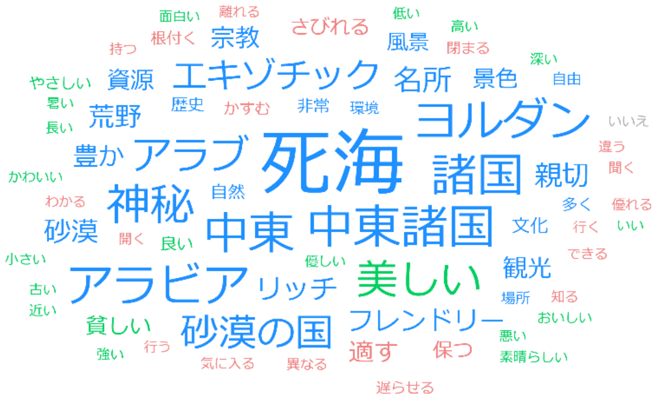
possesses (e.g., tourism resources, scenery, food). There are many general keywords such as “Middle Eastern countries,” “Islamic countries,” “Arabic is spoken,” etc., and the characteristics of Jordan within the Middle Eastern countries are not recognized, and the differentiation of Jordan's image from other Middle Eastern countries has not been found.

Adjectives such as “dangerous” and “scary” were also frequently extracted, and a certain percentage of the respondents have a negative image of Jordan, suggesting that the image given by information on conflicts in neighboring countries, which is covered daily in the news, is strong.

<ins>In China</ins>, on the other hand, the most frequently appearing nouns were “Dead Sea” and “mysterious,” while “beautiful” was the most common adjective.

Positive keywords such as “friendly” were prominent, while keywords evoking scenery and atmosphere, such as “exotic,” “mysterious,” and “desert country,” also appeared frequently.

Negative keywords such as “dangerous” and “public safety,” which appeared frequently in the Japanese sample, are also less common.



Source: JICA Survey Team

Figure 4-28: Jordan’s Image as a Country (Chinese Samples)

There is also a high number of co-occurrences between “environment” and “good” or “friendly,” indicating the presence of an eco-friendly image of a country that has developed in affluence despite its scarce water resources.

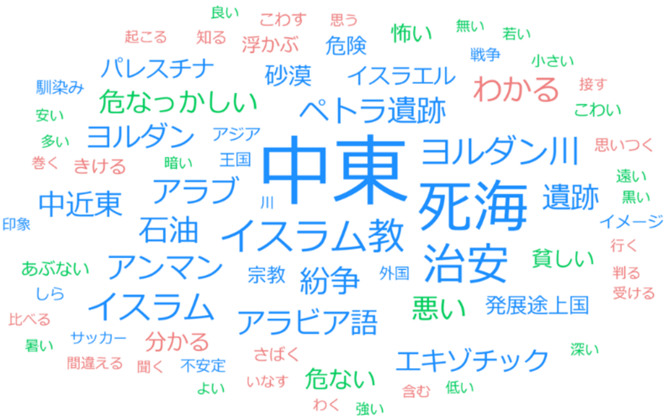
Some respondents also found differences with other Middle Eastern countries, such as “relatively small and open country,” “good international reputation,” and “safe haven for civilians in many neighboring countries”.

A small number of keywords related to specific goods and services also evoked skin care products, such as “sea mud skin care products,” “cosmetic anti-aging,” “cosmetic kingdom,” and “royal skin care products”.

In terms of tourism assets, some respondents described “Wadi Rum,” “the magnificent ancient city of Petra,” “the very popular Valley of the Moon,” “the old white city,” and “the water is deep, and the sea is like a jewel”.

<u>In Indonesia</u>, the adjective “beautiful” appears the most frequently with 124 occurrences, and positive expressions such as “good,” “cool,” and “comfortable” are prominent.

The nouns that co-occurred most frequently with “beautiful” were “history,” “desert,” “scenery,” “tourist attractions,” “developed country,” “sea,” “people” “women,” and “place” with many people associating beauty with Jordan’s scenery, culture, and people.



Source: JICA Survey Team

Figure 4-29: Jordan’s Image as a Country (Indonesian Samples)

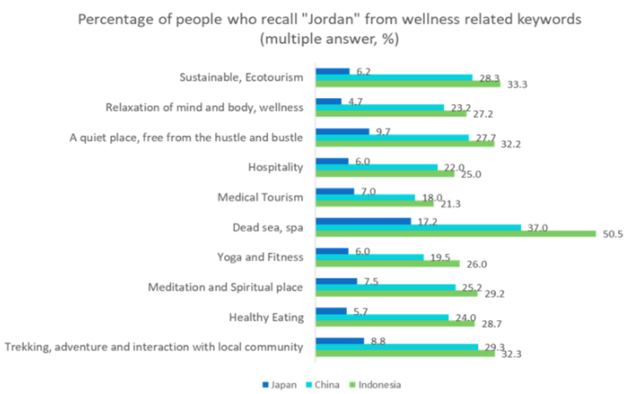
In addition, the names of specific tourist attractions such as the Petra ruins, the Dead Sea, and Amman were frequently mentioned, and in a small number of cases, Jordanian food such as mansaf, makruba, dates, olives, and argan oil were also mentioned, indicating that the images are linked to concrete things or events.

Other keywords such as “friendly” were also frequently used, as they are also Muslim countries, and some respondents expressed that “you can visit Rome without going to Europe,” “you can meet Bedouins who are descendants of the founder of Petra,” and “it is a beautiful place even if it is in the desert”. Jordan was also characterized as a developed country in the Middle East, a place to admire, and a place where one can experience a European atmosphere.

< The Degree of Conformity with the Image of Wellness Tourism that Jordan Wants to Create >

As noted in Chapter 3, JTB has already developed a wellness tourism strategy[30] with the support of USAID, which was developed in January 2020. The 10 keywords for wellness tourism branding and appealing activities extracted from the report were listed on a vertical axis, and which countries were recalled by the respondents when they heard each keyword.

<u>In Japan</u>, the percentage of respondents who associate various branding keywords and appealing activities with Jordan was generally low because, as mentioned above, images of Jordan are not associated with specific goods and activities. At least, “Dead Sea, spa” was recalled by the highest percentage at 17.2%.



Source: JICA Survey Team

Figure 4-30: Percentage Recalling Jordan for Wellness-Related Keywords

[30] “Jordan Tourism Board, 2020-2023 Wellness Tourism Strategy, FINAL January 2020, Developed by USAID Building Economic Sustainability Through Tourism Project”, Jan 2020

In China and Indonesia, "Dead Sea, spa" were also the most frequently recalled branding keywords, at 37% and 50.5% respectively, as well as "sustainable," "eco-tourism," "relaxation and wellness," and "quiet place, free from noise," which were recalled by nearly 30% of respondents in both countries. It can be assumed that the image that Jordan wants to promote is gradually spreading. "Trekking, adventure, and interaction with the local community" were also mentioned by nearly 30% of respondents in both countries. On the other hand, "medical tourism" and "yoga and fitness" were associated with low percentages in all three countries.

< Estimation of Competing Countries for Wellness Tourism >

The table below shows the percentage of respondents (multiple responses) who recalled each of the 10 aforementioned keywords related to wellness tourism in each of the countries that are assumed to be Jordan's competitors[31] on the vertical axis.

In Japan, Hawaii is by far the travel destination that evokes the most images of wellness, with over 30% to 40% of respondents recalling Hawaii in the categories of "relaxation and wellness" and "hospitality," making Hawaii the strongest competitor to Jordan in the context of relaxation. In the context of relaxation, Hawaii is Jordan's strongest competitor.

In the "yoga and fitness" appealing activity, 30.8% of respondents identified Thailand as the country they associate it with. On the other hand, a similar percentage associates South Korea with "medical tourism," and a similar percentage associate Israel as well as Jordan with "Dead Sea, spa" activities.

In China, the difference in countries recalled was not as great as in the Japanese sample, but, as in Japan, Hawaii was recalled regarding relaxation and wellness of body and mind more frequently than the other countries, at 37.5%. Characteristically, there is a difference in the countries associated with the Dead Sea and spas, with Jordan at 37% and Israel at 19.7%.

The same is true of Indonesia, where the difference is 50.5% for Jordan and 17.5% for Israel. It is assumed that the image of "Dead Sea" and "Jordan" as linked is firmly rooted in both countries. As for the image of "medical tourism," 37% of respondents in China and 50.5% of respondents in Indonesia recalled South Korea, suggesting that South Korea is Jordan's competitor in medical tourism in the three target countries.

[31] The competing countries for Japanese travelers analyzed in Section 3.7 (the U.S. (especially Hawaii), South Korea, Thailand, Morocco, and Israel) were included, and Egypt, which is often traveled as a tour package along with Jordan, was also included. The percentage of Chinese and Indonesian overseas travelers who chose other countries was less than 10%, so these countries were considered to overlap with competing countries for Japanese overseas travelers.

Table 4-11: Countries Recalled from Wellness-Related Keywords (%, multiple responses)

Japan

Japan	Sustainable, Ecotourism	Relaxation of mind and body, wellness	A quiet place, free from the hustle and bustle	Hospitality	Medical Tourism	Dead sea, spa	Yoga and Fitness	Meditation and Spiritual place	Healthy Eating	Trekking, adventure and interaction with local
Jordan	6.2	4.7	9.7	6.0	7.0	17.2	6.0	7.5	5.7	8.8
Israel	6.5	6.0	5.5	6.3	8.2	19.7	6.5	10.8	6.8	8.0
Egypt	6.8	8.0	8.3	3.8	4.3	9.0	7.0	11.3	8.3	13.8
Dubai	7.8	10.8	10.2	18.7	13.8	10.5	10.0	8.7	8.2	9.3
Saudi Arabia	7.0	3.5	5.2	3.8	5.2	8.0	4.7	6.2	5.5	8.5
Morocco	16.0	11.5	19.2	8.2	8.5	10.8	7.0	10.5	12.5	15.2
South Korea	4.5	4.3	3.3	7.7	21.0	8.2	8.3	6.0	19.7	8.0
Thailand	14.7	21.0	14.8	20.5	12.2	11.8	30.8	24.0	20.3	16.7
Hawaii (US)	25.5	45.7	27.3	36.8	16.0	11.8	25.3	23.8	20.0	34.8
Other	13.7	8.2	11.7	11.7	16.5	10.3	12.0	12.3	14.0	10.2

China

China	Sustainable, Ecotourism	Relaxation of mind and body, wellness	A quiet place, free from the hustle and bustle	Hospitality	Medical Tourism	Dead sea, spa	Yoga and Fitness	Meditation and Spiritual place	Healthy Eating	Trekking, adventure and interaction with local community
Jordan	28.3	23.2	27.7	22.0	18.0	37.0	19.5	25.2	24.0	29.3
Israel	18.3	14.7	15.7	16.0	16.8	19.7	14.2	17.2	20.2	20.0
Egypt	14.3	16.5	18.3	18.0	13.2	16.0	16.3	20.7	15.8	21.2
Dubai	19.3	25.2	17.5	25.5	20.5	18.0	20.7	18.2	19.7	17.0
Saudi Arabia	16.2	18.0	18.0	21.3	15.7	15.7	17.7	18.3	18.7	23.3
Morocco	20.7	19.3	21.7	18.8	14.7	16.0	16.2	19.3	18.2	18.7
South Korea	15.8	15.5	15.8	16.8	27.7	12.0	18.0	14.5	21.0	16.8
Thailand	25.5	27.8	20.7	27.2	18.8	17.0	30.8	24.7	21.2	18.2
Hawaii (US)	32.3	37.5	25.0	23.3	16.2	20.3	18.7	17.0	28.2	21.7
Other	1.3	0.7	2.0	1.0	1.7	0.2	2.7	2.5	2.0	1.7

Indonesia

Indonesia	Sustainable, Ecotourism	Relaxation of mind and body, wellness	A quiet place, free from the hustle and bustle	Hospitality	Medical Tourism	Dead sea, spa	Yoga and Fitness	Meditation and Spiritual place	Healthy Eating	Trekking, adventure and interaction with local community
Jordan	33.3	27.2	32.2	25.0	21.3	50.5	26.0	29.2	28.7	32.3
Israel	11.3	9.5	8.2	10.5	9.5	17.0	7.7	12.8	10.5	11.5
Egypt	11.3	15.2	15.7	16.3	13.2	22.8	12.5	20.5	18.2	24.8
Dubai	23.8	24.3	17.8	30.0	18.5	15.2	17.8	18.3	20.7	22.2
Saudi Arabia	15.7	21.5	13.5	24.5	12.8	15.0	11.2	29.8	21.5	20.3
Morocco	15.5	18.5	20.0	18.8	10.5	11.7	15.7	14.8	19.5	25.3
South Korea	34.3	28.0	21.5	35.5	51.3	17.0	28.7	19.2	44.3	31.5
Thailand	31.0	23.2	22.8	30.5	18.7	12.5	32.3	25.7	26.2	34.8
Hawaii (US)	34.7	38.2	36.3	24.0	10.7	16.2	27.3	20.3	21.2	30.2
Other	5.2	4.7	6.5	5.2	7.0	1.2	6.3	4.7	4.0	4.8

Source: JICA Survey Team

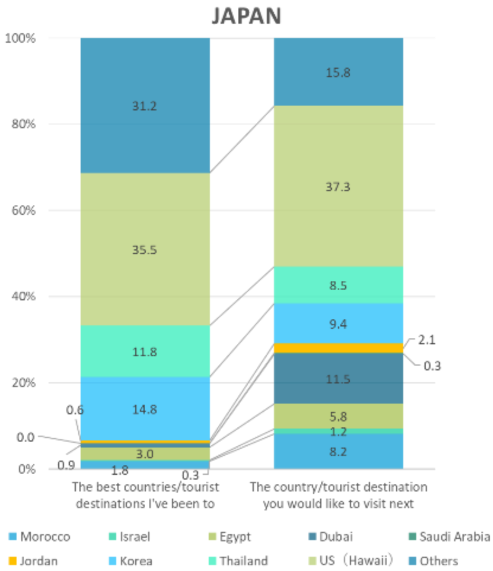
(2) Information Related to Positive Tourism Experiences in the Past

< Countries that you have enjoyed visiting in the past and would like to visit next >

As expected from the aforementioned image recall results, the percentage of respondents in Japan who said they were happy to have visited Jordan in the past and would like to visit the country next time was 0.8% and 2%, respectively, which is less than 10% of the total.

On the other hand, the percentage of respondents who rated their tourism experience in Hawaii and would repeat it next time was also high, followed by those who chose Thailand and South Korea.

It should be noted here that the Middle Eastern country of Dubai was selected by 11.5% of the respondents as the country they would like to visit next time, a sharp increase, which may be due to the growing awareness of Dubai's image. Other countries were also selected by a large number of respondents (31.2%), with the U.S. (mainland), Italy, and Australia receiving a large number of responses, suggesting that Japanese respondents have a wide variety of choices.

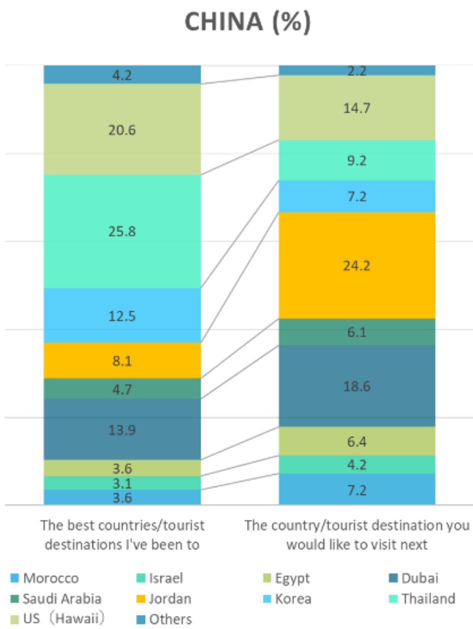


Source: JICA Survey Team

Figure 4-31: Countries You Are Happy to Have Visited and Would Like to Visit Next (Japan)

In China, on the other hand, a high percentage (20.6% and 25.8%) of respondents were happy to have visited the U.S. (Hawaii) and Thailand, respectively, but the percentage of respondents who would like to visit these countries again has declined, suggesting that the destination market is maturing. On the other hand, 24.2% of respondents chose Jordan and 18.6% chose Dubai as their next favorite destination, indicating that they are attracting attention as new destinations.

Another feature of China is the low percentage of respondents who chose South Korea as a country they were happy to visit and a country they would like to visit next.

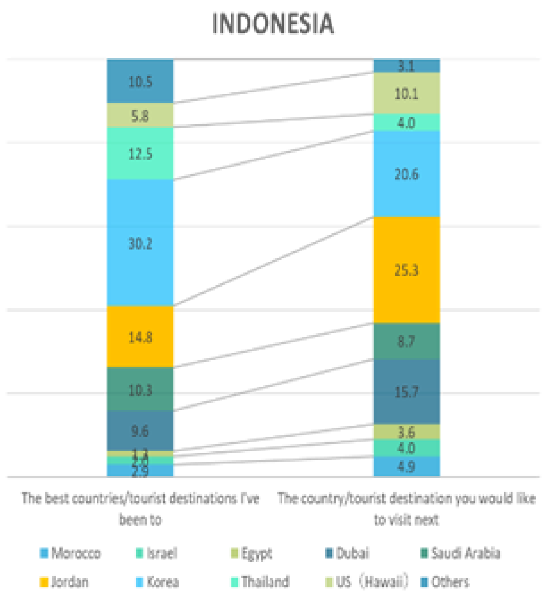


Source: JICA Survey Team

Figure 4-32: Countries You Are Happy to Have Visited and Would Like to Visit Next (China)

In Indonesia, 30.2% of respondents chose South Korea as a country they were happy to visit, and 20.6% of Indonesians would like to visit South Korea again next time. On the other hand, the percentage of respondents who would like to visit the U.S. (Hawaii) and Thailand next time remains low at around 10%. Notably, 14.8% of respondents were happy to have visited Jordan, the highest among the three countries, and 25.3% had the highest intention to visit the country next.

Like the other two countries, the percentage of respondents who consider Dubai as their next destination is also high at 15.7%, indicating that the Middle Eastern country is likely to compete with Dubai in the future.



Source: JICA Survey Team

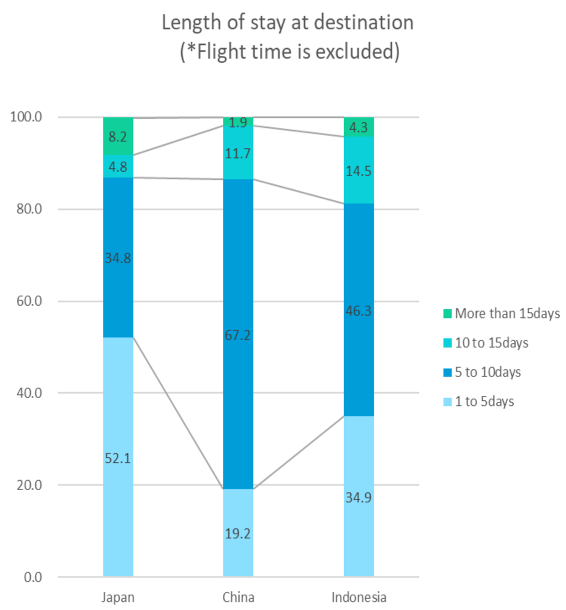
Figure 4-33: Countries You Are Happy to Have Visited and Would Like to Visit Next (Indonesia)

< Type of Trip, and the Length of Stay >

The following chart shows the length of stay and form of trip for each of the above "countries I have enjoyed visiting in the past," with the three countries in common that 40-50% of the respondents traveled by individual arrangement (FIT), and 30% used group travel (GIT) or packages for individual travelers.

In Indonesia, 15% of respondents indicated that they had made a pilgrimage to a holy site. In some cases, private travel agencies in Indonesia also sell package tours to Egypt, Israel, and Jordan for a two-week pilgrimage to the Holy Land.

In addition, 10% of respondents in China and Indonesia chose the "workation" (work and vacation) form of stay, which combines work and private travel, suggesting that this new form of travel is gradually spreading, and in Jordan, it is expected to be a form of travel that will encourage people to extend their stay.

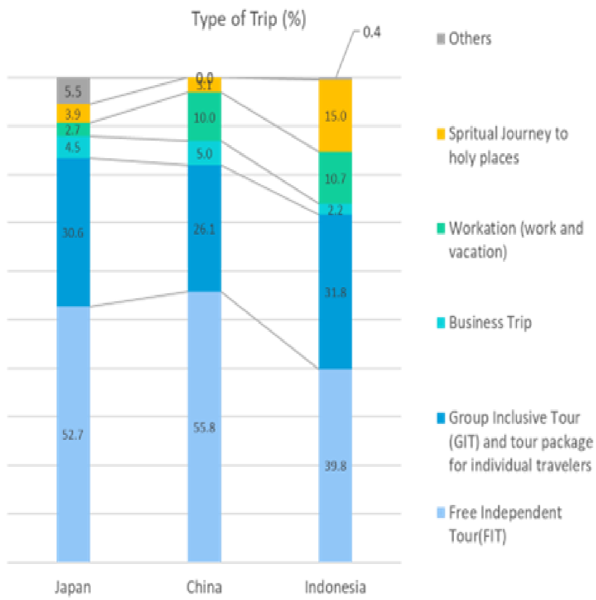


Source: JICA Survey Team

Figure 4-34: Length of Stay

With regard to the duration of local stay excluding flight time to the destination, Japanese overseas travelers were noticeably shorter, with 52.1% of them answering 1-5 days and, including flight time, the overall duration of the trip is assumed to be mostly one week.

In contrast, 67.2% of Chinese overseas travelers and 46.3% of Indonesians in Indonesia chose a stay of 5 to 10 days, indicating that the length of stay is longer than for Japanese. As mentioned in Chapter 3, flight connectivity to Jordan is worse in Asian countries than in Europe, and, as a result of the transit time spent in neighboring countries, the length of stay in Jordan tends to be shorter. Although the penetration of the "work vacation," a new form of travel, is partly due to the flexibility of working styles in each country, attracting business travelers is one way to extend the length of stay in Jordan. For example, it is possible to promote the development and promotion of tourism products for "work vacation" and "MICE tourism" in order to appeal to business travelers.



Source: JICA Survey Team

Figure 4-35: Type of Travel

< Activities you did or would like to do in the destination >

The following three items were collected: (1) activities they have done in countries/tourist destinations they have been happy to visit, (2) activities they would like to do in countries/tourist destinations they would like to visit next, and (3) activities they would like to do in Jordan (activities they have done if they have been to Jordan before).

In all of the above three cases, "spa and massage" was selected most frequently in Japan, accounting for 22-26% of the total, with a high percentage of respondents originally requesting spa and massage. "Trekking, visiting historical buildings and local communities" was next, also at 22-26%. As mentioned above, Japanese overseas travelers overwhelmingly have an image of Hawaii as a place for "relaxation and wellness of body and mind," and it is presumed that there are many repeat visitors, ranking Hawaii among both countries they are happy to have visited and countries they would like to visit next time. As a result, spa massage was selected as an activity that they have done in Hawaii (and would like to do next time), and it is assumed that Hawaii has succeeded in instilling an image of wellness tourism and attracting people to actual consumption behavior.

However, a similar percentage of respondents (22.1%) chose spa or massage as an activity they would like to try in Jordan. Currently, the image of "relaxation and wellness" and "trekking and adventure" in Jordan are low at 4.7% and 8.8%, respectively. If Jordan succeeds in instilling an image of wellness similar to that of Hawaii, it may rapidly emerge as a destination for Japanese travelers originally accustomed to activities such as spas and trekking.

In China, as in Japan, a large percentage of respondents want to enjoy "spa and massage" and 26-28% want to enjoy "healthy food" in their travel destinations. Similarly, "spa and massage" is the most popular activity respondents would like to try in Jordan. As mentioned above, 24.2% would like to visit Jordan next, making "spa and massage" strong appealing content to attract visitors.

In Indonesia, the characteristics are different, and the percentage of respondents who originally do "spa and massage" as an activity is low at 10%. The proportion of "trekking, visiting historical buildings and local communities" is high at just over 40%, and it is estimated that this includes pilgrimages to sacred sites. As mentioned above, since 25.3% selected Jordan as the country they would like to visit next, it is desirable to use historical buildings and characteristic areas such as Petra ruins and Wadi Rum as appealing contents to attract visitors.

Table 4-12: Activities You Did in the Countries You Were Happy to Visit, and Activities You Would Like to Do in the Countries You Would Like to Visit Next

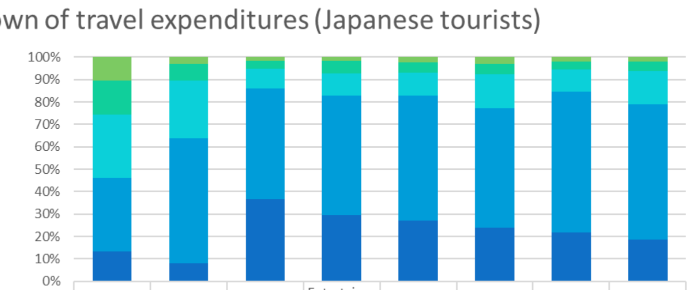
Wellness Activities	Activities I've done in the best countries/tourist destinations I've been to	Activities you would like to try in the country/tourist destination you would like to visit next	Activities you would like to do in Jordan (if you have been to Jordan, activities you have done)
Japan			
Spa, Massage	26.2	26.0	22.1
Yoga, Exercise	5.5	6.8	7.9
Meditation, Spritual Site Visits	10.4	17.0	17.6
Healthy foods treat	14.6	16.4	16.4
Trekking, Historical ruins, Local community visit	26.2	21.7	22.1
Others	17.1	12.1	13.9
Total	**100%**	**100%**	**100%**
China			
Spa, Massage	25.4	19.0	26.7
Yoga, Exercise	13.3	13.2	13.6
Meditation, Spritual Site Visits	11.5	15.0	20.0
Healthy foods treat	28.1	26.7	16.4
Trekking, Historical ruins, Local community visit	20.8	24.5	22.5
Others	0.9	1.5	0.8
Total	**100%**	**100%**	**100%**
Indonesia			
Spa, Massage	11.5	16.8	17.0
Yoga, Exercise	5.2	6.3	6.9
Meditation, Spritual Site Visits	14.4	19.5	20.6
Healthy foods treat	23.1	17.4	12.3
Trekking, Historical ruins, Local community visit	43.0	36.2	40.5
Others	2.6	3.9	2.7
Total	**100%**	**100%**	**100%**

Source: JICA Survey Team

< Items Consumed and Amount Spent >

We collected the items and amounts spent in "the best countries I have ever been to". Compared to China and Indonesia, Japanese overseas travelers spend less on entertainment services for relaxation purposes, including spa and massage, at 36.7%, nearly 40%, and 50% of them choose the lowest range of amounts, less than 50,000 yen (about US$337).

As mentioned above, it is clear that although they are willing to do spa and massage as an activity, it is not linked to actual consumption. In addition, since the average length of stay of Japanese overseas travelers is short (1-5 days), the costs of lodging and food and beverage cannot be compared purely with those of the other two countries. However, 60% of the respondents chose shopping and less than 50,000 yen (about US$337), which is not strongly attributable to the length of stay, revealing that the overall amount spent is low.

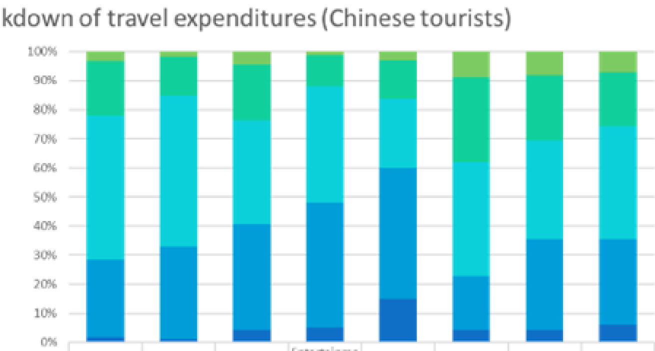


	Accomodation	Food&Drink	Entertainment(relaxation purpose such as spa, massage, yoga, meditation)	Entertainment (outside acticities such as trekking, historic ruins, museum visits)	Entertainment (others)	Shopping (skincare and cosmetic products for own use)	Shopping (skincare and cosmetic products for gifts use)	Shopping (except skincare and cosmetic products)
More than 200,000 JPY (approx.1,350USD-)	10.3	3.0	1.5	1.5	2.4	3.0	2.1	2.1
100,000 to 200,000 JPY (approx.675-1,350USD)	15.2	7.6	3.6	5.8	4.5	4.5	3.3	4.2
50,000 to 100,000 JPY (approx.337-675USD)	28.5	25.5	8.8	10.0	10.3	15.2	10.0	14.8
0 to 50,000 JPY(approx.0-337USD)	32.7	55.8	49.4	53.0	55.8	53.3	62.7	60.3
Don't spend	13.3	8.2	36.7	29.7	27.0	23.9	21.8	18.5

Source: JICA Survey Team

Figure 4-36: Consumed Items at Destination, and Percentage of Total Consumption (Japan)

<u>Chinese international travelers</u> are characterized by a higher spending range in all categories compared to the two countries of Japan and Indonesia. In addition, 35.8% spent US$337-675 (approximately 50,000-100,000 yen) on entertainment (relaxation services including spas). In shopping, 33.9% to 39.2% of respondents purchased skin care and cosmetic products for personal use or as gifts, in the range of US$337 to US$675 (approximately ¥50,000 to ¥100,000). The scale of spending indicates a high willingness to spend on relaxation and shopping at travel destinations, with more than 20% of respondents spending more than 100,000 yen.

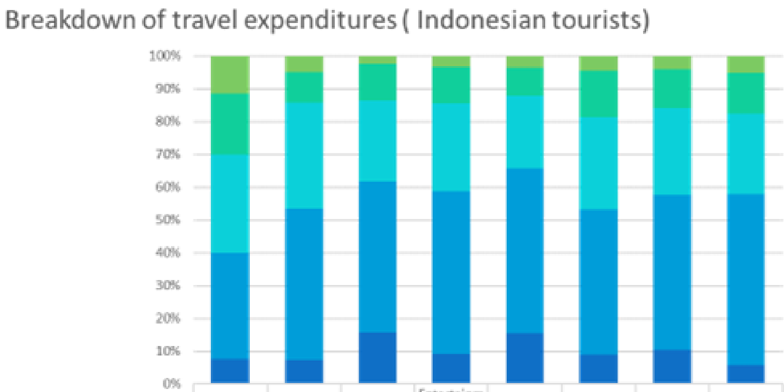


	Accomodation	Food&Drink	Entertainment(relaxation purpose such as spa, massage, yoga, meditation)	Entertainment (outside acticities such as trekking, historic ruins, museum visits)	Entertainment (others)	Shopping (skincare and cosmetic products for own use)	Shopping (skincare and cosmetic products for gifts use)	Shopping (except skincare and cosmetic products)
More than 10,000CHY(approx.1,350USD-)	3.3	1.9	4.4	1.4	3.1	8.9	8.1	7.2
5,000 to 10,000CHY (approx.675-1350USD)	18.6	13.3	19.2	10.6	13.1	29.2	22.5	18.3
2,500 to 5,000CHY (approx.337-675USD)	49.7	51.7	35.8	40.0	23.9	39.2	33.9	38.9
0 to 2,500CHY (approx.0-337USD)	26.4	31.9	36.1	43.1	45.0	18.6	31.1	29.4
Don't spend	1.9	1.1	4.4	5.0	15.0	4.2	4.4	6.1

Source: JICA Survey Team

Figure 4-37: Consumed Items at Destination, and Percentage of Total Consumption (China)

In Indonesia, all expenses are in the low range, with most spending up to US$337 (about ¥50,000). As mentioned in the Basic Attributes of Indonesia section, although the middle to upper middle-class accounts for 60% of the sample, the household income range is between US$5,000 and 35,000, which is expected to result in lower consumption purchasing power when compared to the prices at the travel destination. However, the proportion of skin care and cosmetic products purchased for personal use or as gifts is relatively high: 26.6-28.2% of respondents purchased products in the USD 337-675 (approximately ¥50,000-100,000) range, suggesting a high willingness to spend for shopping purposes.



	Accomodation	Food&Drink	Entertainment(relaxation purpose such as spa, massage, yoga, meditation)	Entertainment (outside acticities such as trekking, historic ruins, museum visits)	Entertainment (others)	Shopping (skincare and cosmetic products for own use)	Shopping (skincare and cosmetic products for gifts use)	Shopping (except skincare and cosmetic products)
More than 21.2 million rupiah (approx.1,350USD-)	11.4	4.9	2.5	3.4	3.6	4.5	4.0	5.1
10.6 to 21.2 million rupiah (approx.675-1350USD)	18.6	9.4	11.0	11.2	8.5	14.1	11.9	12.5
5.3 to 10.6 million rupiah (approx.337-675USD)	30.2	32.4	24.8	26.6	22.1	28.2	26.6	24.6
0 to 5.3 million rupiah (approx.0-337USD)	32.2	45.9	46.1	49.7	50.3	44.3	47.2	52.1
Don't spend	7.6	7.4	15.7	9.2	15.4	8.9	10.3	5.6

Source: JICA Survey Team

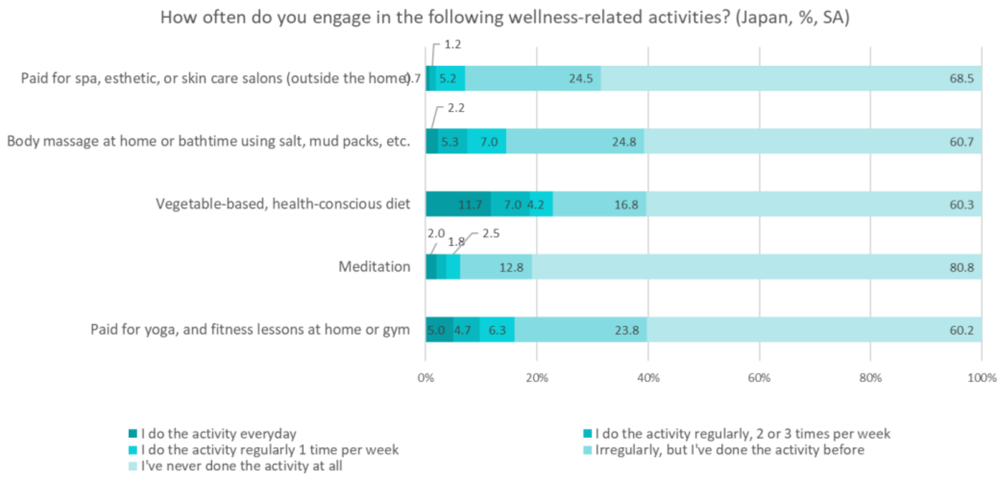
Figure 4-38: Consumed Items at Destination, and Percentage of Total Consumption (Indonesia)

(3) Other Behavioral Characteristics that May Influence the Choice of Destinations and Activities

< Daily Habits Related to Wellness >

The survey collected information on how often people engage in wellness-related activities as part of their daily lifestyle.

In Japan, the highest percentage of respondents chose "healthy eating" as one of the wellness-related activities, with approximately 20% of respondents engaging in it habitually every day to 2 or 3 days a week. As for other activities, about 80% of the respondents in each category answered that they have never done it or do it irregularly. As mentioned above, although a high percentage of respondents intend to have a spa or massage as an activity in Hawaii, the percentage of respondents who go to paid spas or esthetic clinics on a daily basis is low, suggesting that spas and massages are special activities for Japanese people when they travel.



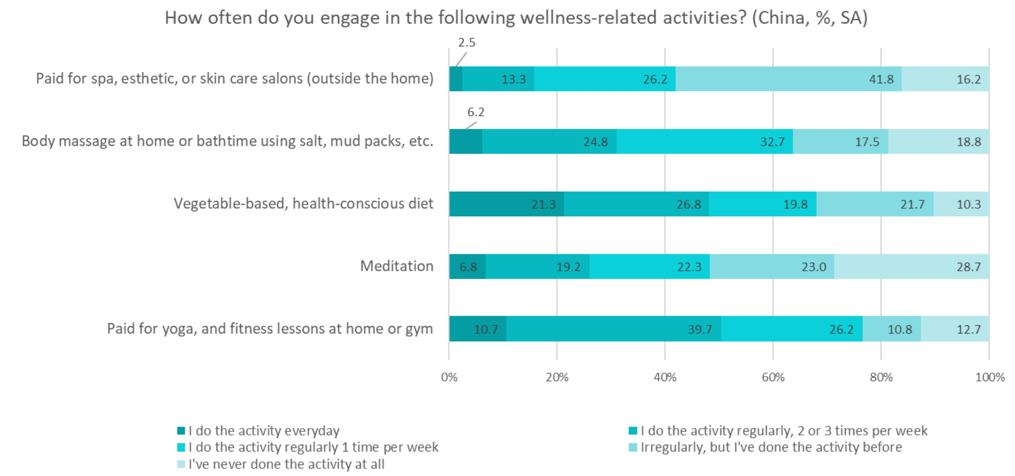
Source: JICA Survey Team

Figure 4-39: Frequency of Wellness-Related Activities (Japan)

In China, more than half of the Chinese respondents indicated that they are in the habit of regularly engaging in each of the following activities: yoga lessons, paid spas, and healthy eating, with a high frequency of daily to two to three times a week. This can be said to be a base that is easily appealing to travelers as activities that they are accustomed to as part of their daily routine.

As mentioned above, 26-28% of respondents would like to enjoy “spa and massage” and “healthy eating” at their travel destinations, and a high percentage would like to try “spa and massage” in Jordan. As a potential channel to attract visitors to Jordan, for example, it is possible to promote Jordan by linking spas and esthetic clinics, which are used in daily life, as touch points.

However, as mentioned above, the percentage of respondents who associate Jordan with yoga and fitness is low at less than 20%, and the image of Thailand is strongly associated with Jordan. As a way to strengthen the image of Jordan, the fact that yoga, exercise, and healthy eating habits have taken root among Chinese people on a daily basis could be utilized to instill the image of Jordan as a place where yoga and healthy eating are practiced, thereby expanding the diversity of the wellness image of Jordan.

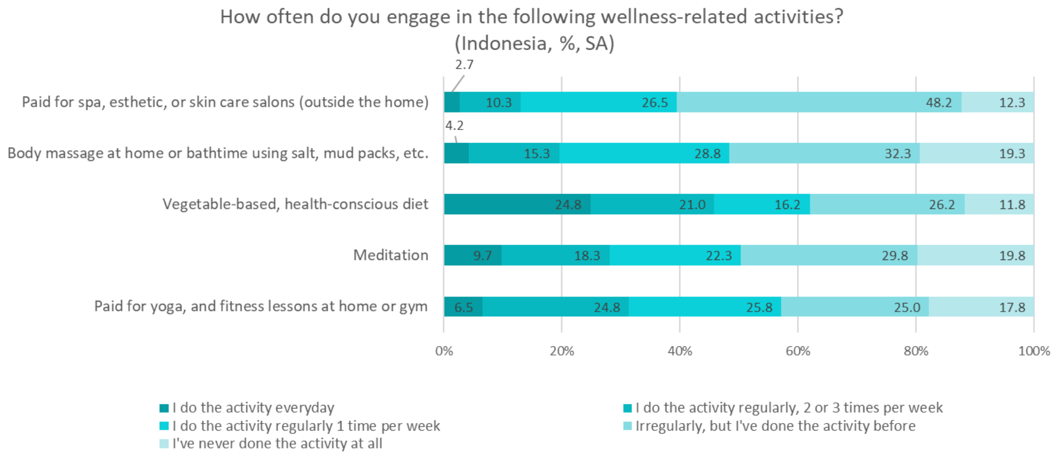


Source: JICA Survey Team

Figure 4-40: Frequency of Wellness-Related Activities (China)

Although a smaller percentage of Indonesians engage in wellness-related activities with the same high frequency as in China, more than half of Indonesians are in the habit of regularly doing "yoga lessons, meditation, spa at home, and healthy eating" on a daily to weekly basis. In particular, 60% of respondents regularly engage in healthy eating, but as noted above, only 12.3% of respondents choose healthy eating as one of the activities they would like to do in Jordan. While it can be assumed that healthy eating may not be a priority in destination selection, it is possible to incorporate "healthy eating" into Jordanian tourism promotions for Indonesians as a measure to increase destination preference and increase the amount of money spent at the destination. For example, healthy meals in line with wellness, halal food, traditional food such as mansaf, etc., could be included in package tour travel menus.

In addition, a large percentage of Indonesians regularly practiced yoga and fitness as part of their daily routine. On the other hand, as mentioned above, the most popular activities that respondents would like to do in Jordan were trekking, visiting historical sites, and visiting local communities. Therefore, it can be assumed that activities combining yoga as well as trekking and camping experiences in Petra ruins and Wadi Rum would be easy to promote to the visitors.



Source: JICA Survey Team

Figure 4-41: Frequency of Wellness-Related Activities (Indonesia)

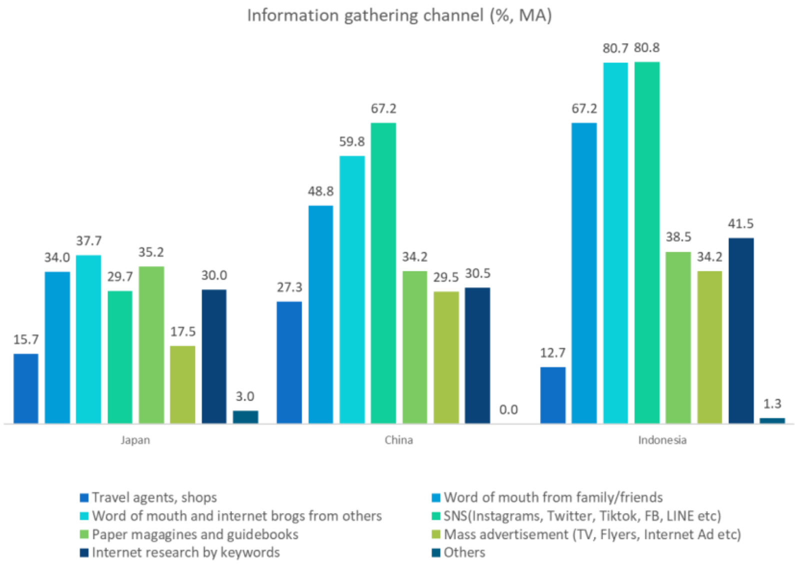
< Sources of Information When Planning a Trip >

In Japan, more than 30% of respondents use "word of mouth from family and friends," "word of mouth/blogs from unknown third parties," "magazines/guidebooks," and "Internet searches" as media for gathering information when planning travel. On the other hand, a small percentage gather information from physical travel agencies and advertisements on TV and other media.

On the other hand, China and Indonesia tend to place more importance on "word of mouth from family and friends" and "word of mouth/blogging", especially from strangers they do not know.

As mentioned above, in both countries, Jordan was ranked high as a country that was good to visit and a country that they would like to visit next. This could be a way to effectively reach out to the target audience. In addition, "social media such as Instagram and Twitter" is used by approximately 60% of respondents in China and 80% in Indonesia to gather information for their travel plans, and effective promotion of Jordan through social media should be emphasized.

In China, 27.3% of respondents still choose physical travel agencies as their information source. As mentioned earlier, when looking at the travel patterns of Chinese visitors, individual travel accounts for more than 50%, and the percentage of group tours and individual package tours is less than 30%, it is possible that those who choose individual travel also choose travel agencies as their first source of information. Therefore, travel agencies should also be emphasized as a promotion.



Source: JICA Survey Team

Figure 4-42: Percentage of Information-Gathering Channels Used When Planning a Trip (%, multiple responses)

(4) Summary

Target	Significant segment	Consumers' insights and challenges in promoting Jordan	Implications from the survey
Japan	Age18-49, Female	• Awareness of Jordan is low and is not linked to specific tourism assets, goods, and services, and has not yet developed an image of Jordan as a destination of choice. • While there is a certain level of need for spas in Jordan, there is no comprehensive image of Jordan as a place where physical and mental wellness can be achieved. • How to attract visitors who prefer to repeat their trip to Hawaii, a competing destination?	First, Jordan needs to increase its visibility. Then, we need to instill the image of "spa and wellness" that Japanese are accustomed to in Hawaii, so that Jordan will be recalled in their minds, and they will switch their travel destination.
China	Age18-29, Female (the most significant) Age30-39, Female	• The image of the Dead Sea and spas in Jordan is strongly associated with the country, is widely accepted, and travellers are highly motivated to visit Jordan. • Although there is a high demand for spas, the comprehensive image of Jordan as a place for physical and mental wellness is weak. The appealing image overlaps with that of competing countries such as Hawaii and Thailand. • The presence of Dubai, an emerging competitor, is increasing the willingness to travel to the region.	Promote Jordan's preference by evoking "the Dead Sea, skin care products, and eco-friendliness."
Indonesia	Age30-39, Female (the most significant) Age18-29, Female Age40-59, Female	• The image of the Dead Sea and spas in Jordan is strongly associated with the country, is widely accepted, and travellers are highly motivated to visit Jordan, but less motivation for spa activities. • High demand for "trekking and historical buildings," but the image overlaps with that of Thailand. • The presence of Dubai, an emerging competitor, is increasing the willingness to travel to the region.	Promotional activities to evoke images of "Muslim-friendly" and "European atmosphere among Middle Eastern countries". Promotion of historical and cultural heritage sites that are in need to differentiate from Dubai.

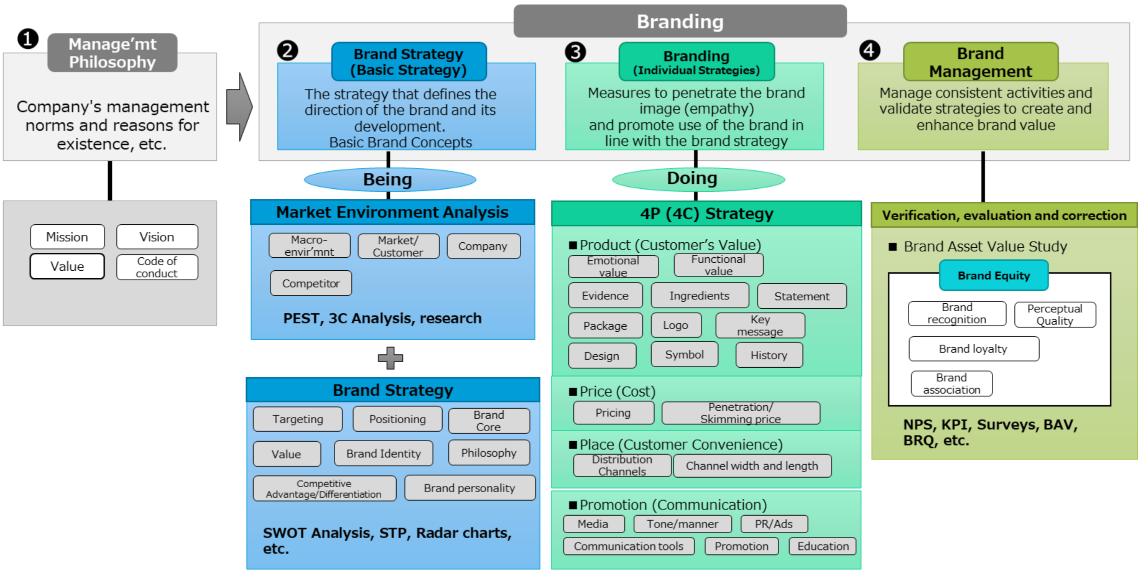
Source: JICA Survey Team

4.6 Direction of Branding

As a premise, "unified brands" that erase individual brands have failed in the past, and it would be difficult to establish a cooperative structure considering the current situation of each brand. Therefore, the construction and branding of a "unified brand" for wellness products is out of scope, and this section will organize (1) approach to build the "Jordan wellness brand", and (2) options with a view to entering new markets for Jordanian Dead Sea skin care products.

(1) Approach to Building the "Jordan Wellness Brand"

Generally, when a company conducts branding, it builds a brand strategy that points the direction of the brand based on the company's management philosophy, which serves as the brand's mainstay, and then builds specific activities in line with that strategy. After the activities are initiated, brand management begins.



Source: JICA Survey Team

Figure 4-43: Overall Process of Branding Activities

Since this project is not about individual companies, but about considering a "Made in Jordan brand" for wellness products including Dead Sea products, it is very important to promote dialogue and discussion within the industry and industry-academia-government collaboration for the formation of a cluster. Therefore, rather than imposing a brand concept created by outsiders, we recommend the approach of forming a consortium for cluster formation in the next phase of the project, creating the brand concept among the stakeholders, and summarizing it with the lead of dispatched experts. As a preliminary step in this survey, the survey team will organize an approach to brand concept development and prepare the preliminary groundwork (e.g., collection of keywords for image formation, drafts regarding the direction of key messages) that will serve as the basis for subsequent discussions.

This time, a "Made in Jordan brand" for wellness products, including Dead Sea products, rather than individual companies, is being considered. Therefore, it is very important to promote dialogue and discussion within the industry and industry-academia-government collaboration for the formation of a cluster. Rather than imposing a "brand concept" created by outsiders, we recommend the approach of creating a consortium for the formation of a cluster in the next project, building a brand concept among stakeholders, and summarizing it with the lead of dispatched experts. As a reference for the approach to brand concept development involving stakeholders, the Cosmetics Industry Vision Study Group in Japan may be considered as a useful reference.

Box 3: Formulation of Japan's "Cosmetics Industry Vision" by Industry, Academia, and Government

In April 2021, the Ministry of Economy, Trade, and Industry (METI) and the Japan Cosmetic Industry Association (JCIA) launched the "Cosmetics Industry Vision Study Group," comprised of industry, academia, and government members, to develop the first-ever vision for the future of the cosmetics industry, with the aim of further strengthening the competitiveness and continued development of the Japanese cosmetics industry.

[Background]
Japanese cosmetics are highly valued overseas for their high functionality, high quality, and safety. In recent years, the cosmetics industry has grown, with shipments reaching a record high in 2019 due to increased inbound demand from foreign tourists and expanding exports, especially to China.

On the other hand, the Japanese cosmetics industry is currently facing a difficult situation, as inbound demand disappeared in an instant due to the global outbreak of COVID-19, and domestic demand has also declined due to voluntary restraint in going out. In the medium to long term, the Japanese cosmetics industry will be required to respond to stricter environmental regulations for cosmetics in Europe and to increase consumer awareness of the Sustainable Development Goals (SDGs). In addition, global competition is intensifying with the rise of Korean and other cosmetics manufacturers.

In light of the current situation, the Cosmetics Industry Vision Study Group, comprised of industry, academia, and government members, was established with the aim of further strengthening the competitiveness of the Japanese cosmetics industry and ensuring its continued development. The committee discussed specific measures to be taken by the Japanese cosmetics industry in the future, while clarifying the challenges facing the Japanese cosmetics industry in the short term (10 years from now) and in the medium to long term (30 years from now).

The following is the vision for the cosmetics industry that was developed based on the discussions at the study group.

"Take Japan Beauty based on Japan's leading-edge technology and culture, and spread it all around the world with a view to creating an industry that contributes to people's well-being and global sustainability"

In addition, seven initiatives have been organized as the direction and specific actions to be taken.

1. Achieve continuous development by shifting away from business models solely reliant on domestic demand and focusing on overseas demand, especially in fast-growing Asia.

- Initiative 1: Shifting to a business strategy toward capturing new demand
- Initiative 2: Establishing an absolute "Japan" brand that will not be swayed by trends
- Initiative 3: Shifting to a marketing strategy based on the effective use of digital technology
- Initiative 4: Enhancing the business environment through industry-academia-government collaboration
- Initiative 5: Efforts toward further research and development

2. Create a leading industry in pursuit of a sustainable society.
- Initiative 6: Making effective use of diverse human resources
- Initiative 7: Actively contributing to the SDGs

The study group is chaired by the Director of the Center for CFO Education and Research, Hitotsubashi University, and includes Kao, Kamino Honpo, Club Cosmetics, Kose, Sunstar, Shiseido, Pola Chemical Industries, Mandom, Lion, and other manufacturers, as well as the Cosmetic Ingredients Association, the Kinki Cosmetic Ingredients Association, and the Japanese Society of Cosmetic Science and Technology.

The secretariat consists of the Biochemical Industry Division, Commerce and Service Group, Ministry of Economy, Trade and Industry (METI) and the Japan Cosmetic Industry Association (JCIA), while the observers are the Cool Japan Policy Division, Commerce and Service Group, METI, and the Market Development and Exhibition Division of the Japan External Trade Organization (JETRO).

Externally, the branding of the “Jordan Wellness” image for the general public, including both products and tourism, could expand awareness and improve the image of Jordan in a comprehensive manner. As for products, it is considered realistic to implement promotion with a unified message and image of Dead Sea cosmetics at international exhibitions for businesspeople. It would also be effective to formulate an industrial vision for the “Jordanian cosmetics industry” in a subcommittee of the consortium.

(2) Examination of Options with a View to Entering New Markets for Jordanian Dead Sea Skincare Products

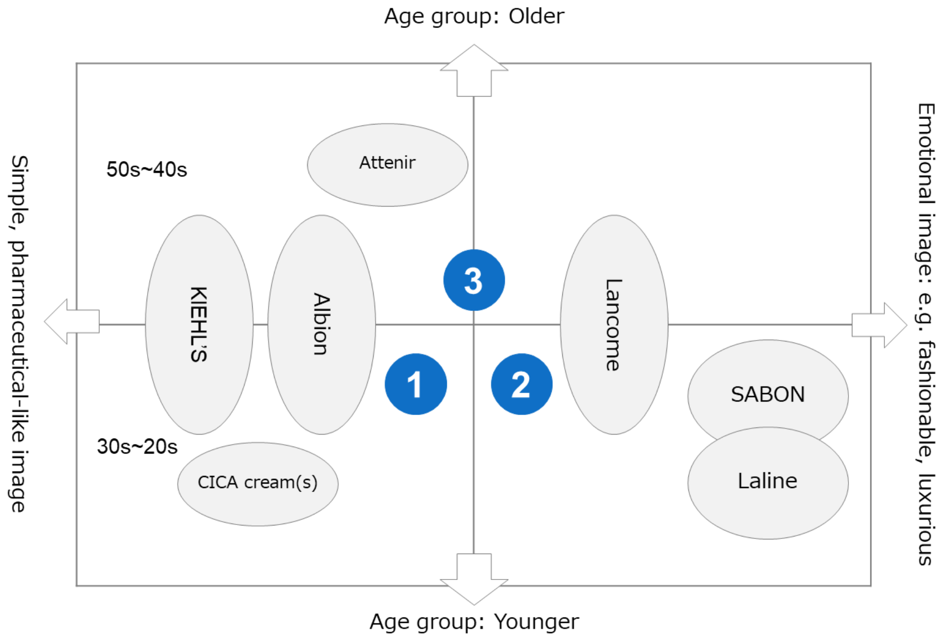
This section examines options for entry into the Japanese market based on the research findings of Chapters 3 and 4. This is presented only as an output of the survey and input for future discussions and is not intended as a fixed guideline for the industry as a whole or for individual companies.

<u>Review of the Japanese Market and Possible Directions of Positioning</u>

As mentioned above, awareness of Dead Sea skincare products as a whole is relatively low in Japan, with only SABON gaining a certain level of recognition, but mainly for body care rather than daily-use skincare products. SABON’s core target is women in their late 20s to 30s, and its products are highly evaluated for their usability (functional value), such as exfoliation care using Dead Sea salts and moisturizing care using plant oils. The product also has high emotional value, such as stylish packaging, a sense of relaxation and uplifting. In addition, content value and relationship value are also provided. On the other hand, the evidence supporting the functional value is not clearly provided, and emotional value is featured as the main value appeal.
Considering the lower recognition and the niche market for skincare products based on Dead Sea minerals, and the fact that SABON, which is strong in body care, dominants the market segment, it is important for Jordanian companies to expand the market for the Dead Sea skincare category itself (to increase awareness of the benefits of Dead Sea minerals), and to slip into a white space with a different positioning from the competitors.

In addition, since the Dead Sea is strongly associated with Israel, there is significant room to improve awareness of Jordan itself and to establish an image linking Jordan with the Dead Sea and wellness.

Also, from the consumer survey, it was found that the existing target group for Dead Sea skincare products is the information-sensitive group that actively tries new products and working women in their 20s and 30s in the upper middle class and above. Below is a positioning map based on the brands they use, with other brands added as examples. The vertical axis represents the main target age groups (middle-aged, and lower young adults)[32], and the horizontal axis represents the brand image, with the image on the left being simpler and more quasi-pharmaceutical, with functionality at the forefront, and the image on the right being more fashionable and luxurious, with emotional appeal at the forefront. For example, SABON, which has been expanding into Japan, is positioned in the lower right corner because its core customers are in their 20s and 30s, and the brand focuses on appealing to their emotional value.



Source: JICA Survey Team

Figure 4-44: Positioning of Skincare Brands

With this in mind, this section examines possible options for positioning the Jordanian brand for expansion into Japan.

<u>Pattern 1: Thoroughly Reinforce and Promote Functional Value (Positioning Map: Lower Left)</u>

Focus on evidence, ingredients, and effectiveness, and develop products based on dermatological science to form an image similar to that of simple but effective quasi-drugs. However, in such a case they will be competing with brands such as Kiehl's and CICA cream, which emphasize functionality and are aimed at advanced skincare users, it will be necessary to differentiate their products by adding something extra (e.g., by adding personalized services in collaboration with beauty technologies).

In addition, SABON bath care products are currently used by consumers with a wide range of skin types, but if any newly-entering company wants to make facial skin care products its main category, it will need to personalize its lineup to better match skin types, such as offering formulations that focus on hypoallergenicity and organic ingredients for sensitive skin, and a lineup for combination skin that removes excess oil in the T-zone while also providing overall moisturization.

[32] While there is a pattern of using price range as the vertical axis, in the absence of financial data for each company, we decided to examine this issue based on the assumption that Jordanian companies will not significantly change their existing pricing strategies, and set age as the vertical axis.

Pattern 2: Differentiation by Emotional Value, SDGs, and Story (Positioning Map: Lower Right)

For example, the company could appeal to consumers with an exotic image unique to the Middle East or use ingredients (pomegranate, date extract, oud fragrance, etc.) that are different from those of Israel. However, this positioning segment is also a battleground and requires a good understanding of the sensitivities of Japanese consumers, which may make it more difficult than (1) above. Brands themselves need to deepen their understanding of their target personas, and the emotional value that sticks with the target audience needs to be clarified. For example, for women in their 30s who are more career-oriented, brands that “offer a moment of rest,” “make daily care fun,” “make you feel like an exotic princess even though you are too busy to travel,” and “make you feel like your skin care is connected to supporting women in rural communities and the protection of the Dead Sea” could be considered.

Pattern 3: Cultivate New Target Groups (Positioning Map: Upper and Outside)

In addition to the above, another approach is to develop new target segments that competitors have not reached (specializing in products for people in their 40s and 50s, for seniors, and for men). For example, there is a lot of room for building competitive advantage if products can be developed that meet the needs, such as bath salts for stiff shoulders and joint pain for seniors, and scalp care products for men to control oil.

Pattern 4: Specialize in B2B Routes and Collaboration with Japanese Services (Positioning Map: Outside)

Option oriented toward B2B solutions, such as joint development of Dead Sea care for stiff shoulders, skin care esthetics, etc., or private label manufacturing of products for professionals. If the scientific basis of the Dead Sea minerals and products can be successfully promoted and value can be provided in line with the client company’s needs, it is easy to expand without having a storefront.

Hypothetical examples include.

- Beauty salons: Diversify revenue by improving customer satisfaction and repeat business of beauty salons with scalp care services and products of high-quality Dead Sea minerals (wholesale sales of products)
- Sauna and bathhouse facilities: Propose bathing methods with health benefits by reproducing Dead Sea steam for facilities that need to differentiate themselves amid the sauna boom and intensifying competition (salt caves, Dead Sea steam saunas).

4.7 Direction of Individual Marketing Strategies

This section will explore the possibility of differentiation by looking at the competitors and the market for each of the so-called 4P/4C of marketing individual strategies.

	Competitor	Consumer needs / market characteristics	Potential for differentiation
Product /Customer Value	Focusing on body care, expanding to hair care and face care. Many products are based on Dead Sea salt. Emotional value-oriented, such as "happiness".	• Mixed skin, which requires both moisturizing and oil control, is the volume zone for Japanese consumers. They have many concerns and need appropriate skin care for different parts of the face. • Trends including younger consumers are personalization, science cosmetics (need for more science-based explanation of effects), and sustainability (e.g. the environmental impact of packaging, how to deal with the declining water level of the Dead Sea may be questioned).	It is a point of differentiation, but requires medium-to long-term efforts based on the premise that products are developed for the Japanese market.
Price /Customer Cost	Most products are in the 4~5,000 yen range. Hand cream is around 2,000 yen.	• A tough competition is expected as the Japanese market is particularly cost-conscious, and consumers have become accustomed to "inexpensive and good quality". • SABON is in the position of "being bought by the upper middle class because it is perceived as high quality even if the price is high.	Difficult to differentiate, as the prices are about the same with the competitors
Place /Convenience	Mainly directly managed stores in downtown Tokyo and regional cities	• Compared to the other two countries, physical stores still play a larger role, so some sort of place for people to experience the products is considered necessary. • In addition to spas and salons, possible B2B distribution channels include saunas and bathing facilities, and beauty salons for scalp and hair care.	Focusing on B2B, for example, could be a point of differentiation
Promotion /Communication	Developing One-to-One Marketing using LINE	• Low-cost but effective social media marketing and fostering word-of-mouth and UGC is important. The key is how to appeal the difference from existing Dead Sea cosmetics and the uniqueness of the brand and build customer relationships (content value).	Focus on fan building with low budget

Source: JICA Survey Team

Figure 4-45: The Direction of Marketing Strategy (Hypothesis for the Japanese Market)

As shown in the chart above, the distribution channel is considered to have significant room for differentiation, followed by product (customer value) and promotion (communication).

(1) Product/Customer Value (Potential for Differentiation)

Since existing companies have already established their position in body scrubs utilizing Dead Sea salts, it would be more efficient to focus on developing other categories and new products. For example, if the company can develop "mud" products for the Japanese market (pursuing ease of use), focus on scalp and hair care, or provide new value such as T-zone care for combination skin or cosmetics specialized for pore care, it will become a differentiating factor. When developing mud-based products, it will be important to address the issues of "dirtiness, inconvenience, and skin irritation and tingling" (some consumers have reported that SABON's Dead Sea mud did not suit their skin and caused redness that lasted for several days due to its excessive irritation). In addition to product development efforts, such as using less-irritating formulas and developing sheet masks, another option is to specialize in B2B or B2B2C professional lines in the distribution channel described in (3) above.

(2) Price/Customer Cost (Low Potential of Differentiation)

As mentioned in 4.3.2 of this chapter, the current pricing of Jordanian products is not very competitive, so any newly entering company has no choice but to aim for a position where it is "bought by the target segment because of its high quality even with high price" like the existing brands. However, if the industry develops with the formation of clusters, it may be possible to reduce manufacturing costs through economies of scale.

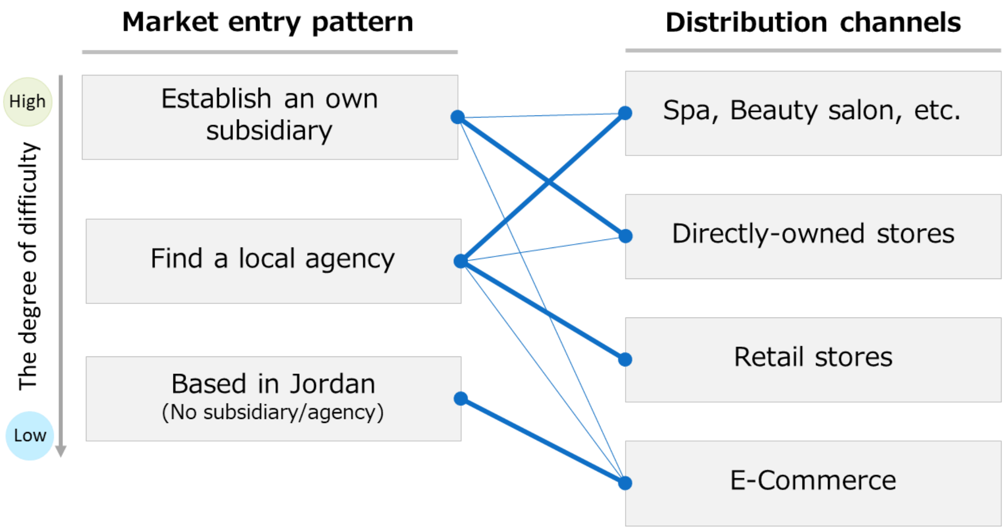
(3) Place/Convenience (High Potential of Differentiation)

While it is necessary to provide a place for people to actually experience the product, it is difficult for most small and medium-sized companies in Jordan to open directly managed stores in prime locations like their competitors, given their financial situation. On the other hand, there is room to consider developing B2B2C channels, such as having products placed in beauty salons, spas, and esthetic salons, without having their own stores. This can differentiate the brand from existing brands and aim to expand awareness among spa and esthetic customers without having to own a store with their own funds.

(4) Promotion/Communication (Potential for Differentiation)

Given the fact that many small and medium-sized companies cannot afford to invest heavily in advertising, the importance of social media marketing, and fostering word-of-mouth / UGC (User-Generated Content) is extremely high.

When targeting B2C, it is common to look for import distributors at trade shows but, in recent years, an increasing number of emerging brands in Japan and abroad are using the D2C (Direct to Consumer) approach to acquire users directly through social media. The following is a summary of the patterns of market entry and distribution channels. The most realistic first step would be to use digital marketing, including social media, to send customers to the company's own e-commerce website (personal import), which is the lowest cost combination.



Source: JICA Survey Team

Figure 4-46: Patterns of Market Entry and Distribution Channels

In addition, with regard to communication strategies, the age of Internet communication since the 2000s has seen an overflow of information, and several brands have seen consumers not respond to stimuli from advertising and not engage in active information gathering behavior. Under these circumstances, the "engagement theory" and "word-of-mouth theory" emerged (source: "Handwritten Strategy Theory," Mitsuki Isobe).

The engagement theory is an approach that first gets the customer involved and participates to somehow "make it personal" by having them understand and sympathize with the brand, which leads to purchase, rather than in the order of conveying the message, working on their consciousness, and encouraging them to take action. There are two types of approaches: the campaign type, which seeks short-term effects, and the "all-ways-on" type, which builds fans over the medium to long term.

Table 4-13: Short-Term: 5 Campaign-Centric Types

Category	Overview	Examples
1.Branded content	• Weaving brand messages into movies, music, games, and other content that is likely to generate interest	• Burger King games • Intel x Toshiba social film (users can participate through Facebook)
2. Branded Utility	• A method of incorporating the brand's message into daily-use tools to increase interest and empathy by encouraging people to use the tools on a daily basis.	• Uniqlo watch tool • NIKE smart bracelet (exercise measurement and sharing)
3. Real documentary	• A technique that tries to increase empathy by actually doing it instead of fiction.	• ECKO's viral movie (graffiti on presidential plane) • Panasonic's project to fly an airplane using only dry cell batteries, demonstration advertisement
4. Social impact	• An approach that attempts to gather empathy through activities that embody the brand's social raison d'etre	• UNICEF's TAP Project: Selling tap water at restaurants for $1 to raise funds while bringing awareness to the importance of water
5. Gamification	• A method to induce action through play, competition, and other game-like mechanisms	• Volkswagen: Campaign aimed at reducing driving speed (speed camera lottery with prizes for drivers who obey the speed limit)

Source: "Handwritten Strategy Theory"

Table 4-14: Medium- to Long-Term: 9 All-Ways-On Types

Category	Overview	Examples
1. Information provision	• A method of continuously disseminating information that is specifically useful in daily life and work	• Recipe information from food companies • "Cybozu Style" on IT and Work Style
2. Activity report	• A method of reporting on activities conducted offline and communicating continuously on owned media and social media	• Mainly grassroots activities and social impact projects that match the brand concept
3. Entertainment	• A method of making connections through a little fun content	• Providing games, fortune-telling, etc. • Employees dancing in brand movies
4. Small talk	• A method of fostering broad and loose ties through the official Twitter account of a company by tweeting about current events and engaging in small talk with other accounts.	• Tanita, MUJI, Tokyu Hands, Sharp, etc. are typical examples.
5. Example of use	• A technique to get users to imagine the product by showing how they actually use it.	• Pen tablet maker: Uploaded a video on YouTube showing a cartoonist using its products to create a work of art, gaining more than 100,000 subscribers.
6. Product co-creation	• A method for product development that allows products to be customized and incorporate customer feedback (e.g., voting).	• Custom-made Nike sneakers • Customer-participatory menu development projects, etc.
7. Hospitality	• A method to build a reputation for thorough customer service	• Zappos 24-hour customer service in the U.S., etc.
8. Community	• A method to encourage customers to talk about the brand and interact with each other	• Sports car brand: operating a community website, organizing off-line meetings, planning to create a user-participation guide
9. Beneficial / convenient	• A method to attract customers by sending out discount and convenient information and offering points and coupons	• Get exclusive information by e-mail or LINE registration • Receive points and coupons by checking in at stores with the app, etc.

Source: "Handwritten Strategy Theory"

Although there would be a barrier in terms of capability and language for individual Jordanian companies to implement such measures for Japan, the formation of a Jordanian fan community as part of Jordanian wellness brand activities, including tourism, could be considered as a possible solution.

In addition, Osaka Prefecture and Osaka City are planning to open “Virtual Osaka,” a city-linked metaverse, in advance of the 2025 Osaka Expo (pre-opening in December 2021). The used platform is “cluster”, which can be accessed from smartphones without necessarily requiring VR. Various worlds created by companies, universities, and individual users have been opened to the public, and various events are being held on a grassroots basis. In the Virtual Market, the world's largest VR event that attracts more than 1 million visitors from around the world, Yaizu City and other local governments have held exhibitions of products for hometown tax donation program (Furusato Nozei) and tuna cutting shows to promote themselves. There is room for consideration of a method to expand the reach of such platforms by creating a world and holding virtual events that incorporate images, tourism assets, and wellness products, that are promoted under the “Jordan Wellness” brand with the aim of increasing the number of Jordanian fans.

Chapter 5. Quality Management Strategy

5.1 Quality Management System and Certification System/System for Target Products

Although there is no strict standard that defines what quality means for cosmetics, the following quality characteristics are generally tested by manufacturers in Japan. In addition to so-called safety and stability, which are considered the minimum necessary quality, attractiveness, which expresses the originality unique to the cosmetic, is also checked through instrumental measurements and consumer monitoring surveys.

Category	Characteristics	Overview
Necessary Quality	Safety	Most important properties. Analytical tests for the absence of harmful impurities and tests are conducted to confirm skin irritation, cumulative skin irritation, skin sensitization, phototoxicity, eye irritation, oral toxicity, and breakage, etc.
	Stability	It means whether the quality of the product can be retained without deterioration until the end of use. Sunlight exposure test, temperature stability test, light resistance test, transportation test, vibration test, drop test, wiper test, and carrying test are conducted.
Appealing Quality	Usability	Ease of use when evaluated from all angles, including ease of removing the container from the package, ease of opening the cap, ease of removing the contents, ease of applying the contents to the skin, etc., and comfort of use.
	Usefulness	The product must have the properties to fulfill its role as a cosmetic product (e.g., moisturizing effect for milky lotion). In order to claim the efficacy of the product itself, it is necessary to obtain usefulness data from product evaluation tests. (Even if a certain cream contains ingredients that prevent skin problems, if the cream itself does not have data to support the efficacy, it cannot say, “This cream prevents skin problems”.)
	Palatability	The degree to which consumers identify with a product or with a particular element. The products must be liked by the customers psychologically. Cosmetics manufacturers often conduct preference tests near the end of the planning and development stage. Preferences are confirmed for each individual element, such as texture, fragrance, product name, and package design. It is difficult for all people to like a product, and the selection of the target audience for a preference test is extremely important in order to properly evaluate whether the product meets the tastes of the product’s target audience.

Source: Survey Team based on published information (Cosmeconcier and other sources)

There are two regulatory bodies for product quality in Jordan: the Jordan Food and Drug Administration (JFDA) under the Ministry of Health and the Jordan Standards and Metrology Organization (JSMO) under the Ministry of Industry, Trade and Supply. The JSMO issues standards and inspects finished products to ensure they meet those standards, while the JFDA is responsible for the procedures (paperwork) related to standards including GMP, imports and exports.

(1) JSMO

The JSMO has seven divisions, and Dead Sea products are handled by the Cosmetics Division. When the JSMO establishes a new standard, there is a team called the "Technical Research Team".

The JSMO is responsible for the following:

1. Issuing standards (safety, quality) Note: Food and drug products are under the authority of JFDA.
2. Control at the border - incoming inspection of exports and imports (in cooperation with customs)
3. Issuance of certificates (e.g., Halal certificates, etc.)
4. Conducting of inspections in the JSMO's in-house laboratory
5. Follow-up on legal compliance

Table 5-1: List of Standards for Cosmetics (Reference)

Horizontal Standards

JS No.	Title	Scope
1905/2010	Cosmetics - Good Manufacturing Practices (GMP) - Guidelines on Good Manufacturing Practices	This Jordanian Standard gives guidelines for the production, control, storage and shipment of cosmetic products.
1747/2007	Cosmetics - Packaging and labeling	This Jordanian standard specifies the identification of requirement for packaging and labeling for all cosmetics produces as identified in regional legislation or trade specified for vending or free distributing. The regional legislation may include additional requirement other than specified in this standard.
2059/2014	Cosmetics - Microbiology - Guidelines for the risk assessment and identification of microbiologically low-risk products	The objective of this Jordanian standard is to help cosmetic manufacturers and regulatory bodies define those finished products that, based on a risk assessment, present a low risk of microbial contamination during production and/or use, and therefore, do not require the application of microbiological Jordanian Standards for cosmetics.
1784/2007	Cosmetics - Microbiology - General instructions for microbiological examination	This standard gives general instructions for carrying out microbiological examinations of cosmetic products, in order ensure their quality and safety, in accordance with an appropriate risk analysis.
2145/2016	Cosmetics - Microbiology - Microbiological limits	This Jordanian Standard covers the microbiological limits in cosmetics. It is applicable for all cosmetics and assists interested parties in the assessment of the microbiological quality of the products. Microbiological testing does not need to be performed on those products considered to be microbiologically low risk that is covered by JS 2059.
2129/2015	Cosmetics - Microbiology - Evaluation of the antimicrobial protection of a cosmetic product	This Jordanian Standard comprises: a preservation efficacy test; a procedure for evaluating the overall antimicrobial protection of a cosmetic product which is not considered low risk, based on a risk assessment described in JS 2059:2014 ISO 29621:2010. This Standard provides a procedure for the interpretation of data generated by the preservation efficacy test.

Vertical Standards

1584/2011	Cosmetics - Product of Dead Sea mineral salts – Carnallite	This standard is concerned with the requirements for products containing of Dead Sea mineral salts (carnallite).
734/2008	Cosmetics - Skin creams	This standard responsible for the specification requirements should be available in skin creams, the physical characteristics of which include moisturizing cream and decent daytime and night cream, makeup removal cream, foundation massage cream, and multi-purpose cream. This standard is not applicable to pharmaceutical creams.

Source: JICA Survey Team based on the interview with JSMO

Among the so-called quality characteristics, JSMO's standards cover mainly "safety", such as the absence of mercury and other hazardous substances in the ingredients of cosmetics and the absence of microbial contamination. The standards for packaging and labelling are not for leaky containers, etc., but for "the method of describing necessary ingredients". Regarding stability, standards are established for storage to maintain product quality. (It should be noted that Jordan Package Center (JoPack), established in the same building as JCI/ACI, provides general packaging consultation and is equipped with evaluation testing equipment, including durability tests and drop tests.)

JSMO also has technical committees related to products and works with JFDA and MoH. For example, when a new standard is developed in Europe, the MoH analyzes it and adopts it with the consensus of the technical committee. It is said that it takes a minimum of nine months to adopt a new standard (two months for discussion within the technical committee, two months for coordination with non-technical committee members, and five months for editing the regulations).

(2) JFDA

JFDA issues GMP standards, product registration certificates, free-sale certificates, etc. GMP standards compliance is issued for manufacturing facilities, while product registration certificates and free-sale certificates are issued for products.

Different rules apply to cosmetics and pharmaceuticals. Manufacturers who wish to manufacture and sell Dead Sea products in Jordan must first obtain GMP compliance as stipulated by the JFDA, followed by product registration (approval of standards) with the cosmetics sector. Product registration is required for each product (25 JOD per product), and the analytical results including non-usage of ingredients prohibited by Jordanian standards is required. JFDA does not test the product itself but verifies that the analytical results comply with the regulations.

If the product is not sold in Jordan and is only exported, it is not necessary to obtain GMP certification in Jordan, although it is necessary to comply with the laws and regulations of the export destinations. (For example, customs at the border will report the product and quantity but will not check whether or not GMP has been obtained.) Since standards differ from country to country, it is the responsibility of each company, not JFDA, to check the standards.

In addition, since it is not mandatory to display the GMP mark on products, many brands do not display the mark. From the standpoint of the law, it is illegal to sell Dead Sea products that have not obtained GMP certification in Jordan, but the fact is that those non-GMP products are displayed in souvenir stores, and it is not possible to tell whether a product has GMP compliance by the mark on it.

Box 4: Jordan Package Center (JoPack)

As mentioned above, Jordan Package Center in the same building as JCI/ACI, provides general packaging consultation and is equipped with evaluation testing equipment, including durability tests and drop tests.

[The background of the establishment of JoPack]
A UNIDO research report indicated that 68% of Jordanian products (mainly food products) were rejected in export markets due to their packaging. Against the backdrop of this challenge, JoPack was established in 2016 under JCI to provide technical services on packaging, with funding from the EU for the first three years.

[Activities]
Key activities include helping companies comply with relevant standards, providing information on market needs, creating prototypes, and conducting testing. Graphic design (usually costs 7,000-8,000 JOD, but JoPack has in-house designers to provide affordable designing services), structural design, branding, technical review of labels (product description, contact information, weight, ingredients, etc.), training (start-up, family management to SMEs and companies preparing to export), consultation, 3D printing, and carton sample production. The company is also equipped with the only sample maker in Jordan capable of small-quantity test production, and JoPack serves as a link between the manufacturer and printing companies when transitioning to mass production. Their main clientele is agriculture sector, with some clients in the cosmetics sector (see below), for whom consultation has been provided.

JoPack is a member of the (World Packaging Organization: an international organization with more than 100 years of history), and as a member, JoPack is able to know the latest trends and regulations in each country. In Japan, the Japan Packaging Institute is a member of the WPO. In addition, JoPack organized a training course on packaging for food loss reduction with JSMO in 2021.

[Facilities and resources]
JoPack owns 18 machines and can perform about 36 different tests, including crash test and leak test to check sealing. Most of the staff are graphic designers, and they have contracted with a German company for training in "package engineering".

[Overview of industry challenges]
Jordanian universities have departments of packaging engineering, but it is important for students to understand that "packaging must not only serve as a graphic design, but also protect the contents" and that "better packaging ultimately makes a product more competitive" (Director interview).

As for Jordanian manufacturers, many companies were reluctant to take action because of the cost of renewing their packaging, despite the problems of leak or bottles that cannot be opened when attempted to be opened at export destinations. Liquid leaks can be detected inexpensively and easily with a leak test, and companies are encouraged to introduce such a system, but many companies are not implementing it.

In addition, plastic bottles and tubes are difficult to obtain in Jordan (3-4 companies manufacture them in the country, but the quality is not good), so the companies rely heavily on imports. As for cartons that protect products from shocks during transportation, there is no problem because there are large companies in Jordan that manufacture them and their quality is assured (however, many Jordanian companies reduce the number of cartons they use or use inexpensive ones in order to reduce costs).

[Collaboration with Dead Sea skincare manufacturers]
JoPack has been consulted by about 10 individual companies, working on a case-by-case basis. In one case, a Dead Sea skin care manufacturer made carton bags with JoPack and brought them to Kuwait as samples, which led to business. Recently, a Dead Sea skin care manufacturer that wanted to send samples to Russia asked JoPack to conduct humidity tests, durability tests, leak tests, and to check the text on the labels (to make sure it does not disappear during transportation).

Also in 2017, in collaboration with an Egyptian consultant, a seminar on "Packaging as a Marketing Tool" was conducted for Dead Sea cosmetics manufacturers. It was pointed out that the current graphics (similar pictures of women with mud applied to their faces) and descriptions would not convey the benefits of the Dead Sea minerals, and that consumers would not purchase the products unless the products are in an easy-to-use size.

General suggestions for Dead Sea skin care manufacturers included the following:

1. Sell in small portions
Since the package size of Dead Sea products generally tends to be too large (e.g., 4-5 kg for a sample) and not user-friendly, it is recommended that the Dead Sea products manufacturers to divide the packaging into smaller portions for greater convenience.

2. Improve usability
Especially for high-viscosity products, such as mud packs, the use of tube-type packaging may cause problems such as not being able to use up all the contents and, in such cases, it is better to change the packaging to a jar type or reduce the viscosity of the product itself (make it more liquid).

3. Graphic design/printing
The branding aspect is weak compared to products in export markets. Many designs use the same fonts and colors, not leading consumers to associate the products with the Dead Sea. To make the products more attractive, designs that create a more luxurious feel, such as elegant 3D printing or metal construction, are desirable.

(3) Towards Entering the Japanese Market

Jordan has a number of brands of Dead Sea products, but prices and quality vary widely. In forming clusters and promoting exports, it is important to develop standards and requirements that can win international trust. In addition, GMP is a domestic standard in Jordan, and each export destination country has its own standards and specifications.

JSMO usually refers to EU standards and formulates new standards in its technical committee. However, since Japanese regulations and standards are also different from EU standards, if there is a need from industry participants, a committee on Japanese standards can be established using similar procedures and discussions can be initiated for the adoption of new standards. Even if new standards are not developed in Jordan, it would be possible to consider a measure such as having dispatched experts act as liaisons to organize Japanese laws, regulations, and standards and make them available to Jordanian companies via JSMO.

Box 5: Needs for Facilitating Import Procedures for Raw Materials

A cosmetics brand that uses an organic beeswax ingredient as a raw material expressed a sense of challenge regarding the facilitation of raw material import procedures. This ingredient is only approved for import in the food or pharmaceutical categories and does not appear in the cosmetics category. As a result, the application process is taking a long time, and the supply of raw materials has been halted in the meantime.

Since this issue requires inter-ministerial coordination across the JFDA, Ministry of Agriculture (Organic department), it is difficult to solve in a short time. However, if the consortium can take up such requests and provide an opportunity for inter-ministerial discussions, it may help to facilitate the procedures.

5.2 Quality Management System and Certification System/System for Target Service

5.2.1 Current Status of Quality Management System for Target Services by Public Organizations

As noted in Chapter 3, wellness tourism is a new form of tourism in the world as a whole and a new market opportunity for Jordan. In Jordan, as in many countries, wellness tourism is driven by (1) demand; namely, the market is growing out of tourists' new need for wellness tourism.

On the other hand, (2) the tourism industry, as a supplier of tourism services, is on the way to develop new wellness-related tourism services to meet the needs of the market and is improving its management of service quality.

In addition, (3) public organizations responsible for most of the service quality control and certification systems and structures related to wellness tourism are in the process of coordinating with related ministries and agencies to clarify definitions between wellness tourism and medical tourism, and to coordinate demarcation of regulations and licenses, etc. (as of August 2022).

The MoTA oversees services related to spas, massages, and procedures that do not include medical treatment, while the Ministry of Health oversees services related to diagnosis, treatment, procedures, prevention, and rehabilitation that include medical treatment (by medical professionals).

As wellness tourism and medical tourism diversify in terms of the services they provide and the entities that implement them, the definition of the boundary is becoming increasingly loose[33].

There are examples emerging, especially in hotels in the Dead Sea area, where medical and wellness services are provided in a holistic manner to the same guests, such as when a passenger receiving treatment as a medical tourist receives wellness services during the recovery period after treatment, and there is a possibility that the two services themselves will merge in the future.

According to the interviews, JSMO is also involved in the certification system for quality control of target services, and JSMO confirms that related service providers in Jordan comply with the following service requirements stipulated by ISO. JSMO holds regular technical committee meetings with stakeholders involved in the quality management of wellness tourism and may consider establishing a new standard for wellness tourism in Jordan, if there is a need for such a standard in the industry.

<u>Service requirements in target services</u>

- ISO 22525:2020 Tourism and related services – Medical Tourism
- ISO 17680:2015 Tourism and related services – Thalassotherapy
- ISO 17679:2016 Tourism and related services – Wellness Spa

[33] For example, a hotel in the Dead Sea area has a Dead Sea spa facility (without medical personnel) for wellness travelers and a medical facility (with a full-time dermatologist) for medical tourists who receive skin treatments at the same hotel. The hotel is developing wellness contents such as a spa, meditation, and healthy meals prepared by a nutritionist to promote physical and mental recovery for patients after their treatment, and medical care and wellness are being mixed together.

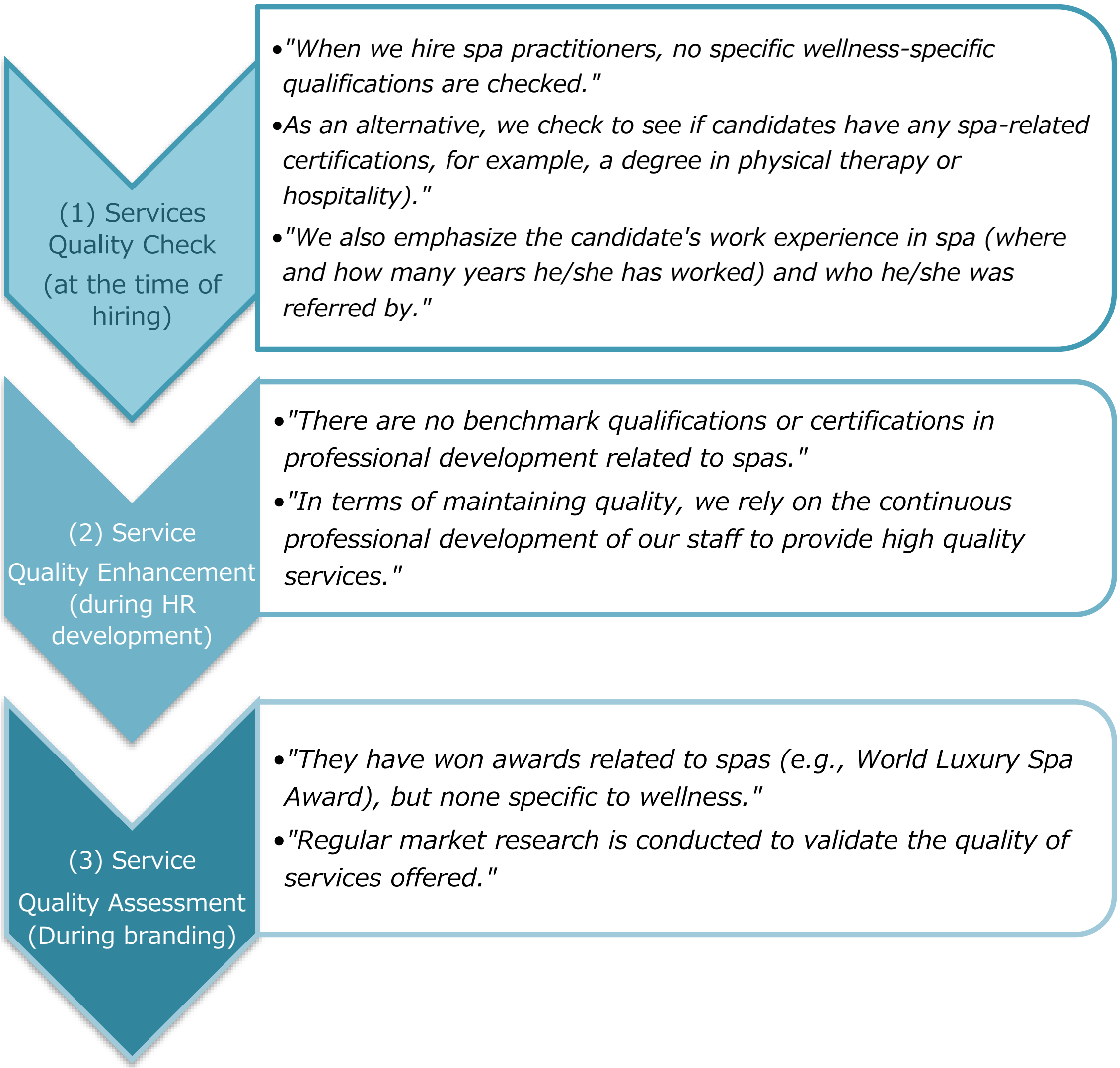
5.2.2 Current Status of Quality Management System for Target Services by Relevant Companies

In this survey, spas, and massage, which are expected to be linked with Dead Sea products, are identified as target services. The first field survey conducted in August 2022 collected the following current status and issues from hotel and spa personnel and others around the Dead Sea who directly provide services such as spas to target passengers.

Spa practitioners are direct service providers to their customers. As shown in Figure 5-1, the current situation regarding quality control is organized by categorizing them in terms of (1) timing of hiring, (2) timing of human resource development (capacity building), and (3) timing of quality assessment.

In many cases, (1) the hiring decisions for spa practitioners were based on qualitative information such as the number of years of specific experience working at similar hotels and spa facilities, and whether the applicant came from a reliable referral source, since there is currently no qualification or certification system to confirm or guarantee the quality of wellness-focused services.

In some cases, when (2) training personnel, the spa facilities provided their own training to staff and encouraged them to participate in training among group hotels. In terms of objective (3) evaluation of enhanced service quality and its use for branding, some respondents said that they regularly conduct market research to confirm the appropriateness of the services they provide.
However, not many companies have established systematic recruitment, training, and evaluation criteria, and it was clear that systematic quality management systems to strengthen individual wellness-focused company branding have not yet been fully developed.



Source: JICA Survey Team
Note: "HR" refers to human resources.

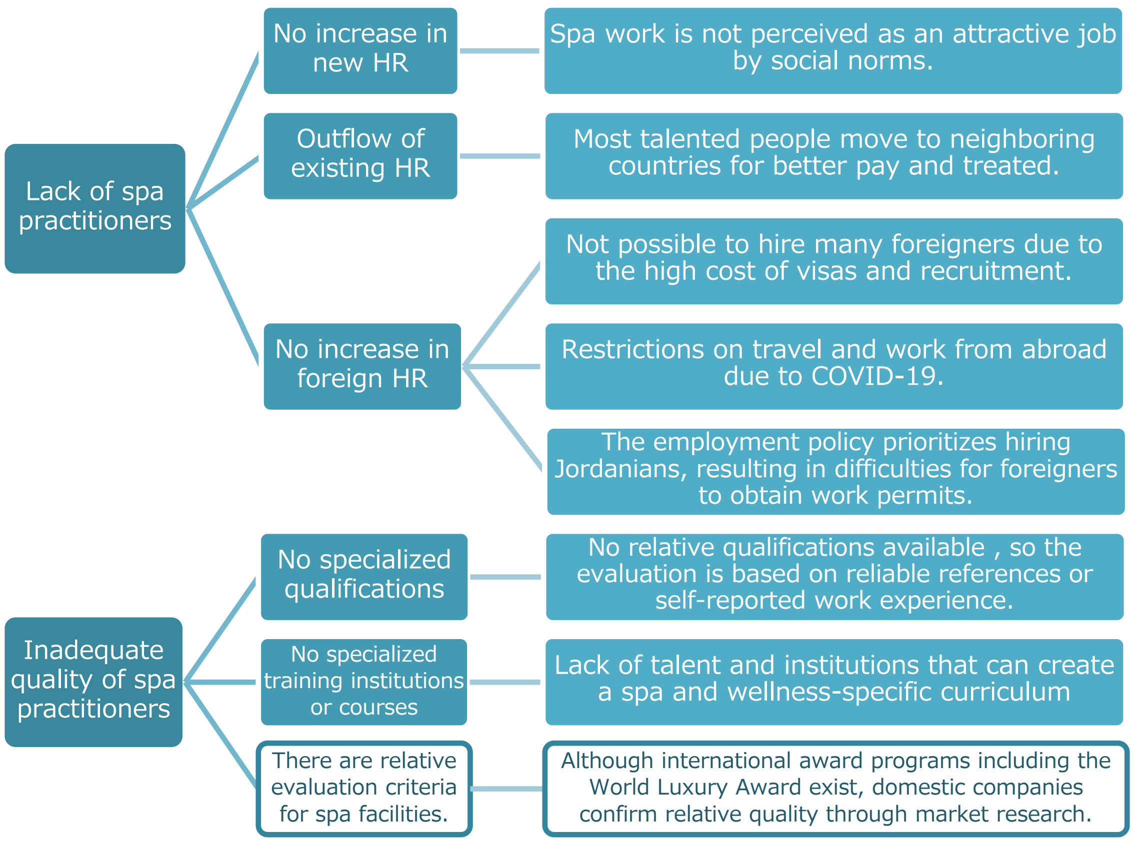
Figure 5-1: Interviews with Hotels (Spas) Regarding Quality Control of Wellness Services

The current status and issues related to the *quantity* of human resources were also collected as information, as they indirectly affect the overall target services.

- Securing Jordanian spa practitioners, especially women, has been difficult. The reasons are multiple, but mainly due to social norms. There is a strong image that work that involves direct contact with another person's body is done by people of low rank and is not perceived as a professional job like that of a medical professional.
- For this reason, many spa facilities, including five-star luxury hotels, are unavoidably recruiting foreign nationals with spa treatment experience from outside of Jordan.
- In many cases, they recruit personnel mainly from India, Thailand, and China. Some hotels manage to secure personnel by having staffing agencies search for candidates, conducting online interviews with candidates, and outsourcing visa processing, which results in an added financial burden for staffing.

- Even if human resources are trained, skilled workers are drained to neighboring countries such as Dubai, where they are treated well, resulting in a chronic shortage of human resources.
- As described above, there is a mismatch on the demand and supply side in the Jordanian labor market. The unemployment rate in Jordan is high, and as an employment policy, to protect the employment of Jordanian nationals, obtaining work permits for foreign nationals has become difficult and time-consuming in some cases.

Summarizing the above, the current situation and issues related to quality control of target services can be broken down in the following logic tree.



Source: JICA Survey Team
Note: "HR" refers to human resources.

Figure 5-2: Current Status and Issues Related to Quality Control of Target Services (Spa Practitioners)

5.2.3 Support Needs for Quality Management, Certification, and System for Target Services

In light of the current situation and issues described above, it was identified that some needs exist to ensure and strengthen the quality (and indirectly, the quantity) of target services, and to improve the quality and branding of the wellness tourism industry as a whole.

In particular, the following needs have been collected from public organizations that are responsible for service quality management and certification systems and structures related to wellness tourism.

Table 5-2: Support Needs Related to Quality Control of Target Services

Category	Needs identified
Increase in the absolute number of spa practitioners	• A request to train and increase the number of spa practitioners of Jordanian nationality to eliminate the mismatch between demand and supply in the labour market and to improve the unemployment rate, which in turn will strengthen the competitiveness of wellness tourism. • It is difficult to dispel the image of spas and other jobs based on social norms. However, it may be possible to dispel the image of spa work as an attractive job if it is combined with "career development" and support for medium- to long-term career development, rather than simply establishing courses for spa treatment training.
Quality improvement of spa practitioners	• A request for assistance in curriculum development to establish a university or technical college (vocational training) course specializing in wellness tourism. • Some spa facilities raised the necessity of the certification system specific to spa practitioners in Jordan.

Source: JICA Survey Team

Box 6: Training of Jordanian Spa Practitioners at a Certain Spa Facility in the Dead Sea Area

In a certain spa facility located in the Dead Sea area, four Jordanian (female) spa practitioners, not foreign nationals, have been hired and trained to provide a unified spa service unique to "Jordan" using Jordanian herbs, dates, etc. This is an example of overcoming the aforementioned issues related to quality control of spa practitioners.

- The spa manager of this spa facility has a wide network with universities in Jordan and recruits students who have studied rehabilitation and physical therapy. The hiring criteria are not based on the number of years of experience in spa treatment, but mainly on communication skills and the level of interest in treatment based on the knowledge learned at the university.
- After being hired, they receive a variety of internal training programs ranging from six weeks to two months in length. The spa manager has a master's degree in a related field and has experience working at a spa in a famous hotel in Thailand. Although the students already have basic knowledge at the undergraduate level, we provide training ranging from knowledge of muscle structure to communication skills so that they can confidently provide treatments to clients.
- The company used to employ a Thai practitioner, but after receiving feedback from regular clients (mainly foreign clients coming for a day trip from Amman), the Jordanian practitioner has been evaluated as better in terms of technique.
- Benefits are generous: 400 JOD/month, housing, meals, health insurance, etc. are provided, and incentives include a 5% increase each month based on performance.
- The company emphasizes customer feedback from regular day-trippers. While other facilities offer a mix of spa types, such as Moroccan hammam and Swedish spa, the spa manager has developed a unique "Jordanian" massage menu by creating the original massage cream using olive oil, basil, dates, honey, orange, and Dead Sea salt which are obtained locally.
- In addition, before the Pandemic, there were 13 spa practitioners and approximately 200 visitors per day, but after the Pandemic, there are only four spa practitioners, and they treat approximately 50 people per day.

5.3 Brand Certification System and Structure

5.3.1 Wellness Products

Currently, there is no certification system specifically for the "wellness" field, and certification for skin care products and services is limited to ISO, GMP, and other minimal certifications.

ECOCERT COSMOS Certification: Organic or natural cosmetics
- Environmentally friendly production and treatment processes also respect human health
- Development of the concept of green chemistry
- Responsible use of natural resources
- Respect for biodiversity
- Absence of petrochemical ingredients (except for approved preservatives)
- Absence of GMOs

IGP certification (Indication Géographique Protégée) : **Agricultural products and food products**
- EU certification, with inspection conducted by region of production, country of production, and EU.
- Even after certification, traceability must be proven back to the raw materials.

FAIR TRADE certification
- International fair trade standards that meet social, environmental, and economic criteria.
- Certify the contribution to the lives and communities of small-scale producers and workers.

As mentioned earlier, Moroccan argan oil obtained Ecocert COSMOS certification as a foothold to enter the European market, and discussions with JSMO revealed a positive attitude toward the idea of acquiring globally accepted certification or a unique brand certification system in conjunction with such certification. On the other hand, Jordanian manufacturers raised the question of whether such "brand certification" would actually lead to consumer purchases.

Israeli cosmetics are ISO 14001 and OHSAS 18001 certified, and almost all organic and natural cosmetic brands are Ecocert certified[34]. As for Dead Sea products, SABON is Ecocert COSMOS certified, and Ahava is Ecocert certified for its raw materials[35]. However, while Ecocert certification itself is well known in Europe, it is not well known in other markets such as Asia, and SABON and Ahava do not specifically promote their certification to consumers. Therefore, in the Japanese and Chinese markets, it is debatable whether these existing certifications themselves will improve brand image and sales promotion.

Therefore, the overall priority is considered to be to meet "quality standards required by target export destinations.

5.3.2 Wellness Services

As described in 5.2, there is currently no certification system for spa practitioners in Jordan. In the Philippines and Thailand, which send many spa practitioners to Jordan, the government provides licenses for spa facilities and spa personnel.

See Box below for reference.

[34] Source: Israel Export Institute
[35] Source: Ecocert Directory

Box 7: Certification System for Spa Facilities and Spa Practitioners in the Philippines

RULES AND REGULATIONS TO GOVERN THE ACCREDITATION OF SPA

- Purpose: Rules and regulations governing the accreditation of spas in accordance with the provisions of Executive Order No. 10 dated January 30, 1987.
- Summary: Classifies and defines spas and specifies the minimum standard conditions that spa facilities must meet.
- Specifies requirements for treatment staff.
- At least one Department of Health, Philippines (DOH) registered massage therapist shall supervise a maximum of 20 massage attendants.
- There shall be a sufficient number of well-trained, well-groomed, experienced, courteous, and efficient staff. Staff shall wear clean, appropriate, transparent uniforms at all times. Valid health certificates must be kept for all massage therapists issued by an authorized agency, etc.

Reference Website:
https://www.visitmyphilippines.com/index_title_RulesandRegulationstoGoverntheAccreditationofSpa_func_all_pid_100_tbl_1.html

5.4 Proof of Efficacy of Wellness Products for Beauty and Health

5.4.1 Brand Enhancement through Scientific Approach

Currently, there is no certification for the effectiveness of wellness products using Dead Sea minerals on beauty and health in Jordan, and although research has been conducted at some universities and companies, such studies are not well recognized internationally.

In interviews with Jordanian Dead Sea cosmetic manufacturers, it was found that some companies collaborate with Western research institutions to conduct independent research on the effectiveness of their products on beauty and health, though it is costly. On the other hand, in Israel, for example, the Dead Sea and Arava Science Center under the Ben-Gurion University of the Negev, which has a Health Science Department, conducts research to verify the efficacy of the products and some Jordanian Dead Sea cosmetic manufacturers refer to their research.

In order to promote the export of Dead Sea cosmetics in the future, it will be necessary to prove the efficacy of the cosmetics for beauty and health using a scientific approach and to establish a certification. In this regard, it is necessary to strengthen support to connect research institutions and companies that require support from research institutions, while there is currently a lack of such collaboration.

5.4.2 Potential Partner Institutions

As shown in the table below, a long list of universities that could be potential candidates for collaboration to study the efficacy of wellness products using Dead Sea minerals in the future was prepared, and brief interviews were conducted regarding their research achievements and future interests related to the Dead-Sea industry.

Table 5-3: Long List of Potential Collaboration Partners

#	University	Pharmacy Faculty/ Section	Studied Dead Sea water, minerals and salts	Interested in conducting studies on Dead Sea mud, minerals and salts	University has Research / Study Center
1	Al-Ahliyyah Amman University	Yes	Not yet	Yes	Yes - Cosmetics & Beautification Section - Pharmaceuticals & Diagnosis Research Center (Nano Techology)
2	Amman Arab University	Yes	Not yet	Yes	Yes - Pharmacy labs - Nano-Pharma Tech Research Center
3	Applied Sciences University	Yes	No	Yes	Yes
4	Aqaba Technology University	Yes			
5	Hashemite University	Yes	Yes extensively	Very interested	Yes with speacial equipment to study mud
6	Isra University	Yes	One or more of the faculty members conducted similar researches	Yes	No
7	Jadara University	Yes			
8	Jerash University	Yes			
9	Jordan University	Yes	Not clear	Not clear	Yes
10	Jordan University of Science and Technology	Yes	No	Yes	Yes, well equipped labs and research Center
11	Middle East University	Yes	No	Yes	Manufacturing of Cosmetics and Chemicals Section, Pharma Labs
12	Mutah University	Yes	Yes by the Dead Sea Center at the University	Yes	Yes
13	Petra University	Yes			
14	Philadelphia University	Yes	Maybe by one or two of the teaching members.	Yes	Trans-Dermal Lab
15	Yarmouk University	Yes	No	Yes	Pharma Research Center is under construction
16	Zarqa Private University	Yes	Maybe by one or two of the teaching members.	Yes	Pharma Labs
17	Zaytouna University	Yes			

Source: JICA Survey Team

Based on the above interviews, the following three universities were selected for in-depth interviews: (1) Al-Ahliyyah Amman University, (2) Hashimite University, and (3) Middle East University. Below is a brief summary of each university's research achievements and interest in and capacity for research related to the Dead Sea industry.

① Al-Ahliyyah Amman Univiersity

- It has the Cosmetic Science Department (established in 2019), which offers training in facial aesthetics in addition to dermatology and pharmacy. Possible career paths for graduates include aesthetic salons, cosmetics manufacturers, and pharmaceutical companies.
- No research related to the Dead Sea industry has been conducted.
- Including government agencies such as JFDA, the university has a strong network with hospitals and research institutes and has its own research facilities (certified as Good Laboratory Practice by JFDA) and a full staff of researchers.
- The university also has a training course at a beauty clinic and is willing to create a course for human resource development in the field of wellness services, adding hotels and other facilities as new training places.

② <u>Hashimite University</u>

- Dr. Saja Hamed, Dean of the Faculty of Pharmaceutical Sciences, conducts research mainly on Dead Sea mud and has published several papers, based on her awareness of the lack of research on the Dead Sea in Jordan. (e.g., *Skin Tolerance of Three Types of Dead Sea Mud on Healthy*, Journal of Cosmetic Science, 2018, *Does Salt and Mineral Content of Dead Sea Mud Affect Its Irritation Potential: A Laser Doppler Flowmetry Study*, Journal of Cosmetic Science, 2019, *The cutaneous effects of long-term use of Dead Sea mud on healthy skin: a four-week study*, International Journal of Dermatology Cosmetic Science, 2020)
  *Existing papers and research will be studied in the next project and utilized as necessary.
- In relation to the Dead Sea industry, there is already collaboration with some Dead Sea cosmetic manufacturers, for example by providing samples. On the other hand, while Dr. Saja has received research funding from the World Bank and the Ministry of Higher Education and Scientific Research, none has been provided by private companies.
- They have excellent research facilities, and some of the equipment is only available at Hashimite University in the Middle East region.
- Dr. Hamed's current research focus is on Dead Sea mud, but she is willing to expand her research to other cosmetics as well.

③ <u>Middle East University</u>

- Middle East University has a course of Formulation of Cosmetic Chemical Products (established in 2020) under the Faculty of Pharmacy, which focuses on on-the-job training in the cosmetics industry and practical training in cosmetics manufacturing. In comparison with Al-Ahliyyah Amman University, Middle East University focuses on cosmetic manufacturing while Al-Ahliyah Amman University's course is more holistic including aesthetics. The career paths of graduates are expected to be product development at cosmetics manufacturers or starting their own cosmetics manufacturing companies.
- No research related to the Dead Sea industry has been conducted.
- As for research facilities, since this is a newly established course, more advanced equipment is under preparation while the minimum equipment is already in place.

In addition to the above, an interview was also conducted with Al Hussein Technical University through an introduction from a Dead Sea cosmetics manufacturer, who is in charge of practical training related to GMP acquisition. The university is a private, non-profit university established in 2016 and has 120 partnerships with private companies, bridging the private and academic sectors. At this time, the university does not have any research related to the Dead Sea industry, but it is possible for them to analyze data related to the efficacy of the Dead Sea products, and the university expressed its willingness to collaborate with the Dead Sea industry.

During the interview, there were comments on why the collaboration between companies and universities lacks, saying that companies may not fully recognize the long-term benefits of spending the cost and time to scientifically prove the efficacy of the Dead Sea raw materials and the cosmetic products that use them. In countries where Dead Sea cosmetic manufacturers have already achieved success in the export, the need for scientific evidence of efficacy may not be so high. However, especially in Japan, which will be the future target, the general public is highly interested in scientific evidence on efficacy. Therefore, firstly the importance of scientific evidence will be promoted to manufacturers through the dispatch of experts in the next phase, and then the collaboration with academia.

Chapter 6. Candidate Companies for Collaboration in Export Promotion

6.1 Report on "Jordan Wellness Industry Seminar" and "Jordan Dead Sea Cosmetics Seminar"

6.1.1 Structure of the Seminar

- Purpose
  - Improve the recognition of Jordanian Dead Sea cosmetics
  - Business-matching NOT intended

- Outline
  - Date/time: 20 October 2022 (Thu), 9-11am (Jordan time)
  - Place: venue + online
  - Organizers: JICA, MoITS, ACI, and PADECO
  - Supports: Embassy of Jordan in Japan, UNIDO Tokyo Office
  - Program

Program	Allocated Time	Speaker
Welcoming remarks	5 mins	ACI, CEO, Mr. Nael F. Al-Husami
Opening remarks	5 mins	Embassy of Jordan in Japan, Deputy Chief Mission, Mr. Rasheed Arekat
Opening remarks	5 mins	JICA, Middle East & Europe Dept., Deputy Director General, Ms. Hiroe Ono
Presentation "What kind of country is Jordan?"	10 mins	JICA Project Team, Export Promotion, Kazuya Nakayama
Presentation "Introduction of company and products"	70 mins	Presentation by Jordanian Dead Sea cosmetics manufacturers (9 companies)
Q&A	25 mins	

* Display and trial booths of Dead Sea cosmetics were prepared and participants on site tried hand scrubs.

Source: JICA Survey Team

Figure 6-1: Outline of Seminar

6.1.2 Preparation for the Seminar

This section details the contents of the preparation for the Jordan Dead Sea Cosmetics Seminar. The main purpose of the seminar was not business matching, but to improve the recognition of Jordanian Dead Sea cosmetics in Japan, with the intention of confirming the potential and current situation of Jordanian Dead Sea cosmetic products from the perspective of the Japanese cosmetic industry players. Therefore, the publicity for the seminar was developed with an emphasis on attracting people in the cosmetics industry rather than the general consumer segment.

The following is a summary of the PR activities and results of the outreach.

- Advertisements on two industrial newspapers
- Press release (mass media, companies in beauty and cosmetics sectors: 230 companies + page visitors: 608 previews)
- E-mail invitation by UNIDO Tokyo
- PADECO's social media (LinkedIn, Twitter): 667 previews

In order to communicate more detailed information prior to the seminar, a special landing page was constructed to disseminate the information. The information items covered on the landing page are in the following order.

- Seminar overview: Date and Time, Venue, Location (Onsite and Online), Contents, Announcement of display and trial in the venue, Quick introduction of Jordanian Dead Sea Cosmetics
- Introduction of participating companies: Company/brand name, Company website (link), Company introduction movie (link to YouTube)
- Event overview: Date and Time, Location, Event organizers, Supporting organizations, Languages
- Program: Timetable for each session

By the way, the landing page was built by a professional contractor, but because it was not specified in advance to incorporate Google Analytics or other analytics tools, it was not possible to count the number of page visitors afterwards. Although the results of the seminar, which will be discussed in detail in the next section, would not have been affected significantly, it is recommended to incorporate analytics tools for the improvement of PR activities in the future.

6.1.3 Results of the Seminar

The seminar was attended by a total of 38 participants, including 19 visitors at the venue and 19 online participants. This number of seminar participants does not include the number of Jordanian speakers but includes JICA officials and participants from the supporting organizations such as the Jordanian Embassy in Japan and the UNIDO Tokyo office.

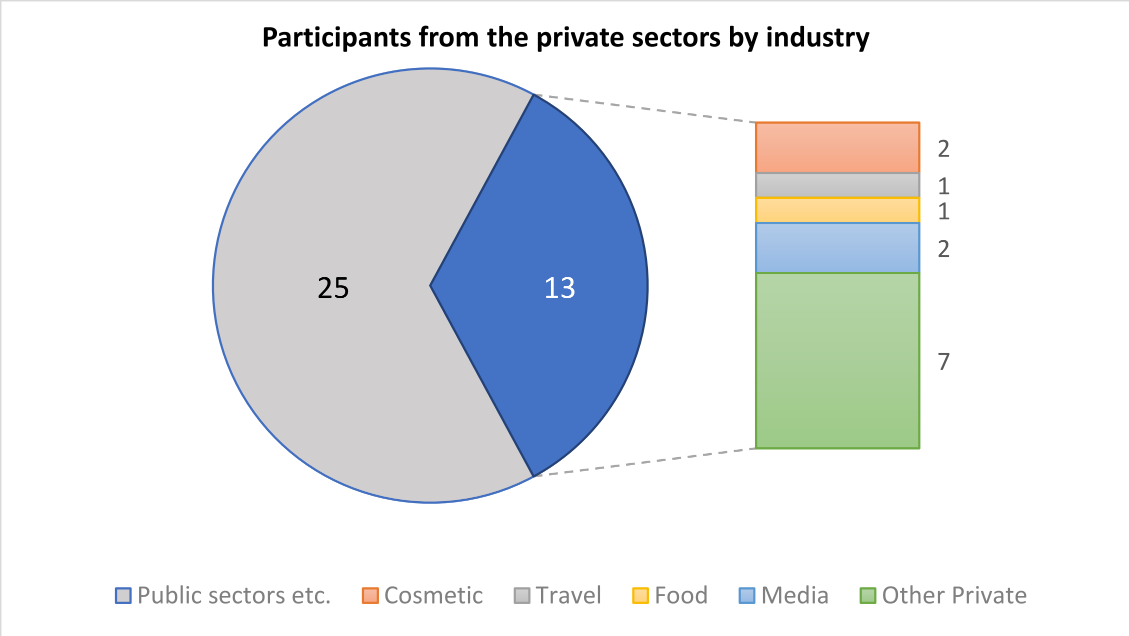
In this section, the seminar results are reviewed, focusing on items that can be understood from the seminar situation.

(i) Participation from Private Sector

First, the number of participants from the Japanese private sector is reviewed, excluding those from public organizations such as JICA and supporting organizations, as well as those from Jordan. The number of participants from the Japanese private sector was 13 out of 38 participants in the entire seminar, the composition of which is shown in the bar chart on the right of the figure below.

The number of participants from the cosmetics industry, which numbered only two, was not sufficient for the results of the publicity campaign mainly targeting the cosmetics industry in order to obtain feedback on Jordanian Dead Sea cosmetic products from the industry professionals. Despite PR efforts, including outreach to a total of approximately 1,500 people, as well as individual efforts to invite people to participate in seminars through the personal connections of the survey team members, it can be said that the Jordanian Dead Sea cosmetic products and manufacturers failed to attract the interest of people in the Japanese cosmetics industry in the end.

An analysis of the causes of these results is detailed in a later section.



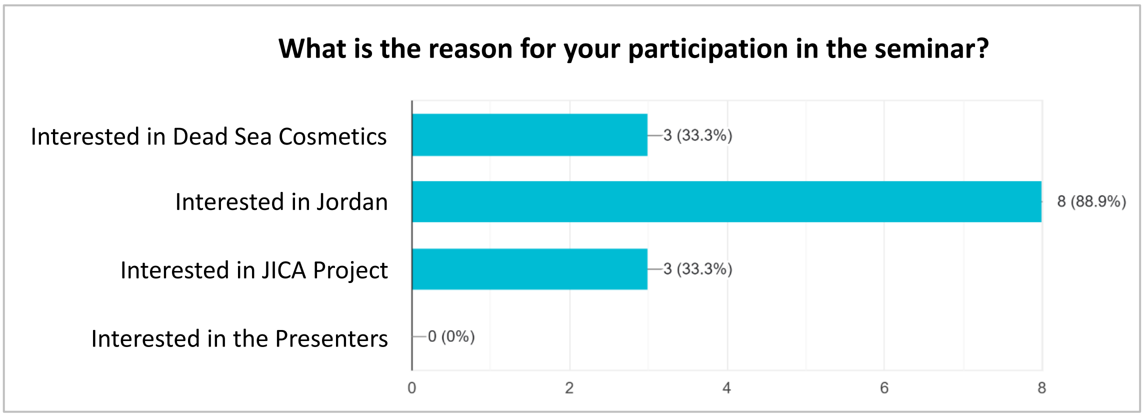
Source: JICA Survey Team

Figure 6-2: Answers to Seminar Questionnaire No. 1

(ii) Motives of Seminar Participants

A questionnaire was administered to those who attended the seminar to ascertain their reasons for attending the seminar. The results are shown in the figure below, with the most common response being "Interested in Jordan" with eight votes. The next two responses with three votes were "Interested in Dead Sea Cosmetics" and "Interested in JICA projects," and none of the responses were "Interested in the Presenters".

These response results suggest that many of the seminar participants had other motivations than Jordan Dead Sea Cosmetics, such as Jordan as a country or the JICA project, and that interest in Jordanian Dead Sea cosmetic products was not great, at least prior to the event.



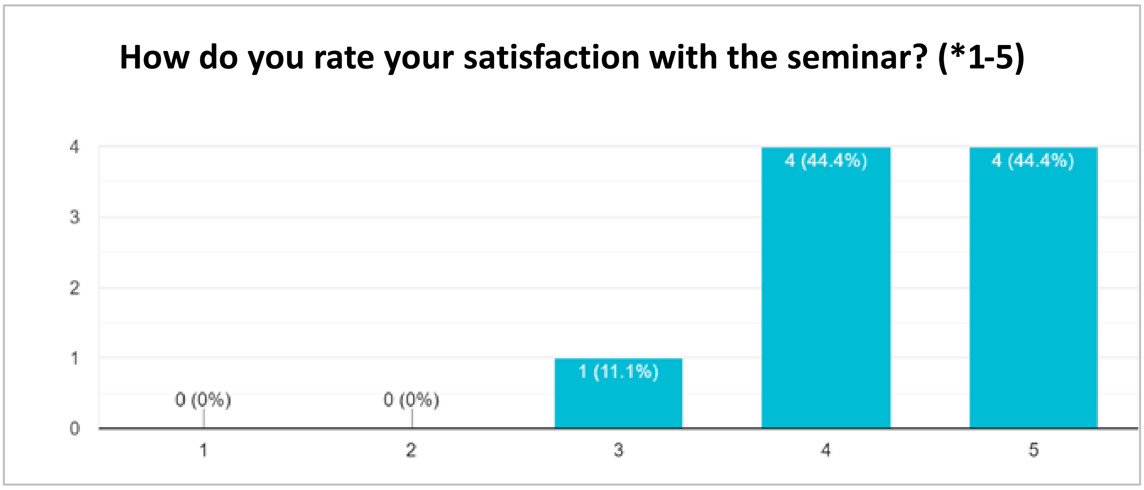
Source: JICA Survey Team

Figure 6-3: Answers to Seminar Questionnaire No. 2

(iii) Overall Satisfaction with the Seminar

Next, the JICA Survey Team obtained responses from the participants on their overall satisfaction with the seminar through a questionnaire. The aggregate results of the individual responses regarding satisfaction are shown in the figure below. The average score was 4.33 out of 5.00, indicating that seminar participants were generally highly satisfied with the seminar.

Reasons for the high level of satisfaction included: (1) the seminar provided an opportunity to learn about Jordanian Dead Sea cosmetics, an industry field that is not well known, (2) the opportunity to hear firsthand from Jordanian Dead Sea cosmetics manufacturers who participated in the presentations; and (3) the opportunity to see and experience actual products at the exhibition and trial booths. On the other hand, there was a negative comment, saying “it was difficult to see the characteristics of each company in the presentations by Jordanian companies.”



Source: JICA Survey Team

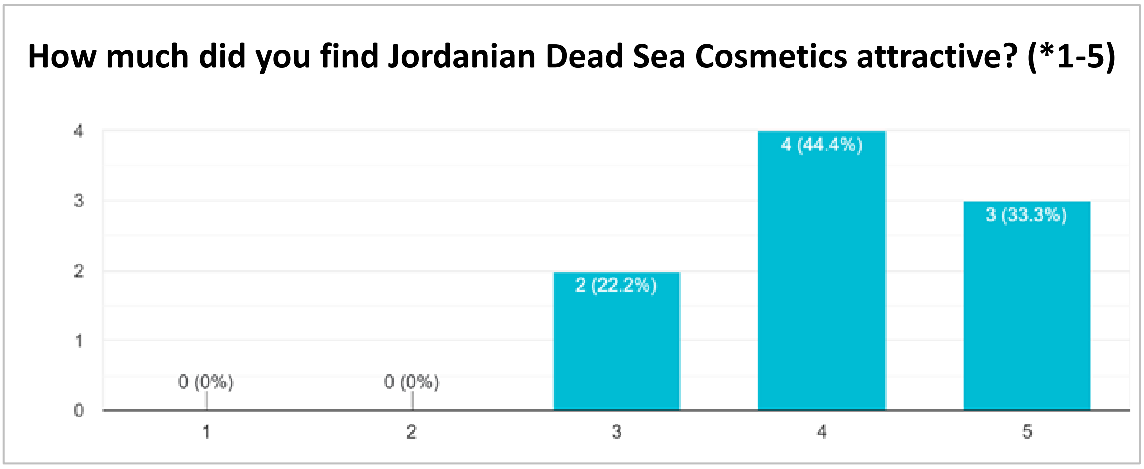
Figure 6-4: Answers to Seminar Questionnaire No. 3

(iv) Impression of Jordanian Dead Sea Cosmetics

Lastly, the questionnaire asked seminar participants about their impressions of Jordanian Dead Sea cosmetic products. The aggregate results of the individual responses are shown in the figure below. Overall, the score was 4.11 out of 5.00, indicating that most of the feedback was favorable. It should be noted, however, that many of the favorable responses came from outside the cosmetics industry, and participants from the cosmetics industry gave more severe evaluations.

Specific reasons for the high evaluation included: (1) the natural image of the product, which uses naturally derived ingredients such as Dead Sea minerals and mud, and (2) the uniqueness of the product, which is linked to the Dead Sea, a special place on earth.

On the other hand, the reasons for low evaluation include: 1) lack of differentiation among the companies, 2) lack of visibility into what consumer needs are being met, and 3) lack of scientific evidence and reliability despite claims of high product quality。



Source: JICA Survey Team

Figure 6-5: Answers to Seminar Questionnaire No. 4

(v) Overall Summary of Participant Survey Results

By summarizing the above-mentioned results, it can be said that Jordanian Dead Sea cosmetic products are highly evaluated from the users' viewpoint, as indicated by the responses mainly from the participants who tried the products at the exhibition and trial booths in the seminar venue. However, there is still not enough to arouse the interest of Japanese cosmetic industry professionals to visit the seminar venue. Only if there was an opportunity for people to pick up Jordanian Dead Sea cosmetics with any other motive, the products themselves would not have a bad reputation. However, the current situation seems to be that those in the cosmetic industry have not found Jordanian Dead Sea cosmetic products and brands appealing enough to most Japanese consumers who have no special connection to Jordan to pay for and dare to pick up a product from the shelf. In fact, the Survey Team received feedback comments from people in the cosmetics industry who were individually invited to participate in the seminar that they did not find it worthwhile to visit the seminar after obtaining the information on the landing page about the Jordanian companies that would present at the seminar. A marketing expert described the current state of Jordanian Dead Sea cosmetic products as "nothing more than a good souvenir, and not a cosmetic product for the Japanese market".

For Jordanian Dead Sea cosmetic products to go beyond being mere souvenirs and truly become cosmetic products in the Japanese market, we interviewed experts in the cosmetic industry and analyzed what is missing currently. The summery of the analysis will be presented in detail in the following session.

6.2 Suggestions for Future Corporate Collaboration

< Feedback from experts in the Japanese cosmetics industry >

In order to identify what are lacking in Jordanian Dead Sea cosmetics for entering the Japanese market, the JICA Survey Team interviewed an expert who was in charge of logistics and marketing at Shiseido for many years and is still involved in branding in the cosmetics industry after retiring from the company. The common shortcomings of Jordanian Dead Sea cosmetics that were pointed out in the interviews are as follows.

1. Product-out approach

   All Jordanian brands shared the same product-out attitude of selling what they want to sell. It is good to use Dead Sea minerals and mud, but unless there is an explanation of how these benefit consumers and what their advantages are compared to other products, they will not be able to compete in the Japanese market. To succeed in the Japanese market, it is necessary to change the way of thinking to a market-in approach that is more attuned to consumer psychology.

2. Ambiguity of value provided to consumers

   All of the Jordanian Dead Sea cosmetics brands uniformly tout their high quality but, in a sense, this is natural for a product and is not a marketing message that should be emphasized. The more important point, what value it provides to the consumer, is not stated. The value provided to consumers includes not only functional value but also emotional value. “Using Dead Sea minerals”" is not a value to the consumer, it should be an answer to the following questions from the consumer's perspective.

   - What can your product do for my skin?
   - How can your product change my skin?
   - How can your product make me happier?
   - How can your product make my life more enjoyable?

3. Lack of scientific evidence

   During the Q&A session at the seminar, there were questions about the advantages of Jordanian products over Israeli products, but simply answering that they are of higher quality is not sufficient. Unless the comparative advantage of the product over other competitive products is presented with credible arguments, consumers will not be able to understand the merits of the product.

4. Others: What Japanese distributors want to hear from Jordanian companies
   - Strategy for entering the Japanese market
   - Target and value provided to target (solution to satisfy needs)
   - Competitive advantage and uniqueness of the brand
   - The value provided with supporting evidence
   - Measures to increase awareness
   - Role of each party in the development of the Japanese market; who bears the marketing costs?, etc.

< Feedback to Jordanian companies about the seminar >

Based on the inputs from the interviews with the above experts, the JICA Survey Team provided feedback on the seminar to the Jordanian companies online on Tuesday, November 22 and Wednesday, November 30. During the feedback session, the survey team's understanding of the current situation of Jordanian Dead Sea cosmetics, which was obtained from the seminar results, was shared and, as a next step, the team called for consideration of 1. to 4. above along with a shift to a market-in approach in line with the expert feedback.

Reaction to the seminar feedback by the Jordanian Dead Sea Cosmetics companies was not uniform. While some companies were relatively open to the advice and recognized the need to shift to a market-in approach, many companies, based on their successful export experiences to other countries, expressed a desire for more opportunities for their products to be seen by Japanese cosmetic industry professionals, requesting such support as participation in cosmetic trade fairs in Japan.

Chapter 7. Directions for Future Cooperation

7.1 Challenges and Requests for Cluster Formulation

This section examines the future goals and challenges for the formation of a wellness cluster. The gap between the current situation and the goal will be clarified, leading to the direction of future cooperation and the content of support.

7.1.1 What to Achieve with Wellness Cluster

Future support will be aimed at expanding exports of skincare products using Dead Sea minerals, which are rare and valuable, and promoting activities to bring about wellness using these skincare products at spas and salons in Jordan through inbound tourism. The survey has shown that there is a high potential for the wellness cluster industry to become a wellness economy as consumers incorporate these wellness activities into their lifestyles.

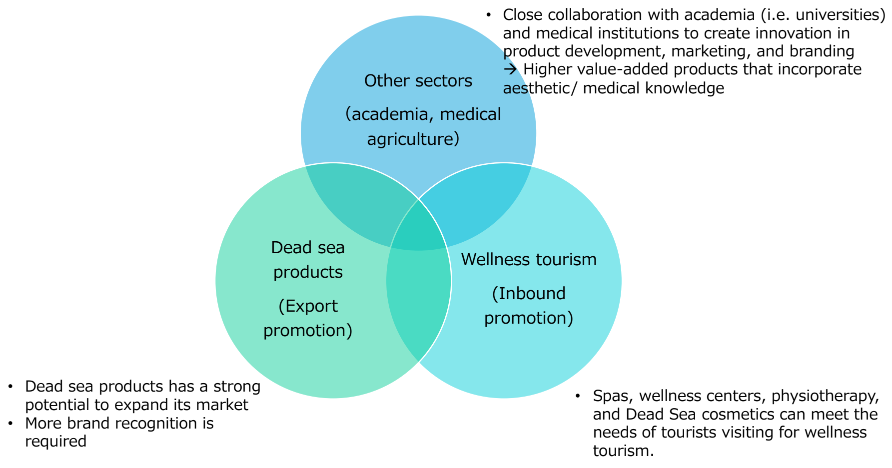
However, as the survey also revealed, wellness products and services currently exist independently as a group rather than as a cluster, and it is expected that it will take time to integrate these groups to form a wellness cluster.

The first step is to start by raising awareness of Jordan as a country by conducting inbound travel activities to export markets, while utilizing tourism resources such as Petra and the Dead Sea in Jordan as well as wellness services.

Next, as for attempting wellness products, while the Asian market for skincare products is expanding, the Japanese market is mature and has high hurdles for new entrants. While aiming for the Japanese market, which has high hurdles, there is room to consider trying to export products with China and Indonesia, the other target markets identified in this survey, in mind.

The goal is then to further link with existing Jordanian strengths in industries such as medical tourism and agriculture (dates and olives), with the eventual goal of incorporating "Wellness Nation" as a Jordanian national policy.

The following is an illustration of Wellness Nation through the formulation of a wellness cluster that combine wellness products and wellness services and linkages with other industries such as medicine and agriculture.



Source: JICA Survey Team

Figure 7-1:Image of Formulation of Wellness Cluster

7.1.2 As-Is and To-Be of Formulating a Wellness Cluster

As the definition of a cluster is already discussed in Chapter 1, four conditions, (1) factor condition, (2) demand conditions, (3) related and supporting industries, and (4) firm strategy, structure, and rivalry are considered necessary to form a cluster. However, neither products nor services meet these four conditions to form a wellness cluster in Jordan yet at this stage. Based on the information obtained from the field survey, the team divided the contents into products and services as follows and summarized the current situation and the ideal form of the cluster. Technology transfer by dispatching experts will be implemented to address each of these issues, which leads to completion of the groundwork of wellness cluster formulation.

Table 7-1: Current Status and Ideal Status for Cluster Formation (Products)

Condition	AS-IS	TO-BE
①Factor Condition	• Inactive industry-academia collaboration, limited research needs, and seeds • Lack of human resources in pharmaceutical related • Lack of scientific and technological infrastructure (the scientific basis for Dead Sea minerals)	• Existence of specialized institutions in terms of human resources, education and training, research, and data collection
②Demand Condition	• Differentiation of Dead Sea products in target markets • Lack of information in the target market needs	• Sophisticated and demanding local customers, pioneering customer needs, prominent local demand • (or target market needs are constantly being collected)
③Supporting and Relating Industry	• Industry associations are not active • Dependence on a single raw material manufacturer or trading company specializing in raw materials • Dependence on imports from overseas, such as bottle and other package makers	• Enough competent suppliers are available locally. • Well-developed distribution channels including raw material manufacturers and trading companies specializing in raw materials, OEM manufacturers, and wholesalers
④Firm Strategy, Structure, and rivalry	• The company's mindset is in the product-out "dead sea product" • The companies are not approaching solving consumers' skin problems • There are frictions among companies	• The environment is supportive of investment, and quality improvement is facilitated by appropriate competitive relationships. • Each company has established the value of its offering as a skin care brand that solves consumers' skin concerns

Source: JICA Survey Team

Table 7-2: Current Status and Ideal Status for Cluster Formation (Services)

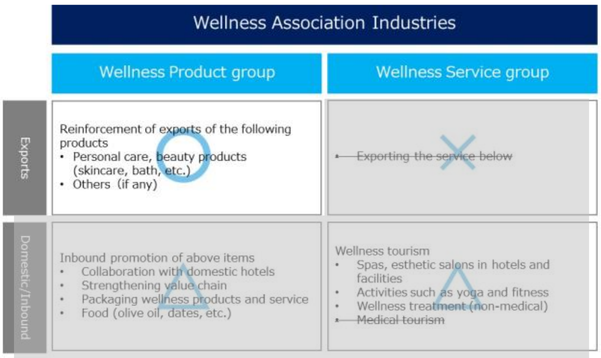
Condition	AS-IS	TO-BE
①Factor Condition	• Social norms do not perceive spa practitioners as an attractive job • There are no spa-specific human resource training institutions • Lack of Jordanian spa practitioners in terms of quantity and quality	• The number of Jordanian personnel with uniform spa expertise, trained in specialized institutions, will increase, eliminating the imbalance in the labor market that had been dependent on foreign nationals. • A unified image of Jordanian spas will be created by having "Jordanian practitioners" provide services.
②Demand Condition	• Tourism products that are psychologically motivated, which is a characteristic of wellness travelers, are still being developed by individual companies. • Wellness tourism accounts for a low percentage of tourism and is losing a growing market opportunity.	• Products and services that are uniquely "Jordanian" with high functional and psychological value desired by travelers, leading to extended stays, inbound spending, and increased preference as a travel destination
③Supporting and Relating Industry	• Limited cooperation between hotel operators and Dead Sea product companies • Only sales and use of existing Dead Sea products in spas, etc.	• A group of Dead Sea products and agricultural products will be linked on the tourism service value chains in the Dead Sea area to provide amenity products, etc. that are unique to "Jordan". • Strengthening of cooperation with medical tourism
④Firm Strategy, Structure, and rivalry	• Hotels have developed their own tourism products for wellness travelers, and similar activities are being disrupted.	• By linking product lines, each company can create differentiated services that are "Jordan Wellness-like" and generate healthy competition.

Source: JICA Survey Team

7.1.3 Issues for Wellness Products and Services

While the above section summarizes the challenges for each product and service in terms of the four conditions for the formulation of a wellness cluster, this section discusses an analysis of challenges specific to products and services, based on the four quadrants indicated in the scope of work in Chapter 1, (1) export promotion of wellness products, (2) domestic consumption of wellness products, and (3) inbound promotion of wellness services. The following is a description of each of these issues. (Note that outbound promotion of wellness services is out of this scope) These issues will be linked to the activities to be undertaken by the experts to be dispatched in the future.

(1) Issues for Export Promotion of Wellness Products



Notes: ○ - Main scope, △ - Secondary scope (discuss with Jordan Tourism Board/USAID regarding services to avoid duplication), ×…Not covered in this study

The following four points can be identified as issues related to exporting to new markets, including Japan.

(i) Shift to a Market-in Mindset (Customer Orientation)

It was pointed out through the interviews and site visits that the business paradigm of many brands is commonly "product-out" oriented. In a mature market, "market-in" is essential. At the customer contact point, customers are sensitive to the value provided through the use of products, not to mention the solutions proposed in response to their needs, and this leads to the purchase. Therefore, a paradigm shift to a "market-in" approach (i.e., adjusting all activities, including product development, customer contact, and customer service, to the customer's convenience) is essential for developing a global brand originating from Jordan. While there is considerable variation in the basic marketing capability and experience of companies, there are many companies that do not conduct any "marketing strategy planning and implementation activities (marketing is not a promotional activity)" themselves.

(ii) Assurance of Product Quality

When entering the Japanese market, it is necessary to confirm that the necessary quality (safety and stability) and attractive qualities (usability, usefulness, and preference) of the product are acceptable to Japanese standards and consumers. It is also important to ensure that the product does not contain ingredients that are prohibited in Japan (Japanese standards differ from the EU standards to which Jordan refers), that the packaging is not leaking or damaged, and that the product meets other minimum quality requirements. It is also important that Japanese consumers find the products "easy to use, effective on the skin, and suitable for their tastes". Usually, Japanese cosmetics companies conduct preference tests near the end of the planning and development stage to confirm whether consumers like each individual element, such as texture, fragrance, product name, and package design. In this way, it is necessary to confirm data such as certification and standards acceptable in the destination country, proof of ingredients and efficacy, and conduct consumer preference tests.

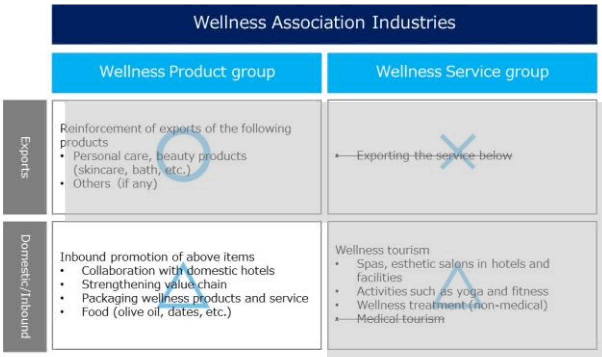
(iii) Building Scientific Evidence

In addition to the effectiveness of the products themselves, strengthening the scientific evidence base for Dead Sea minerals (salt, mud, and water) is also considered effective for strengthening R&D and brand appeal. Although research on Dead Sea minerals is being conducted at several universities, there is room to strengthen R&D capabilities by promoting industry-academia collaboration. In addition, seed development based on herbs and other raw materials that grow in Jordan is also considered effective in raising the level of basic R&D capabilities and developing unique products.

(iv) Improvement of Overall Recognition (Overall Promotion)

Stakeholders, including private companies and public organizations, agree on the need for national information dissemination to raise the global recognition of Jordanian products. Promotional branding, such as unified messages and visuals about “Made in Jordan” wellness products by public organizations, is less likely to create conflicts of interest and is highly feasible. However, it is desirable to precede promotional activities related to “Jordan” as a whole for general consumers first, since it is difficult to achieve realistic results when the aforementioned conditions (1), (2), and (3) have not been fulfilled.

(2) Issues for Domestic Consumption of Wellness Products



Notes: ○ - Main scope, △ - Secondary scope (discuss with Jordan Tourism Board/USAID regarding services to avoid duplication), ×...Not covered in this study

Domestic consumption of products in Jordan theoretically includes purchases by domestic consumers, purchases by inbound tourists, and consumption for use in services at hotels, spas, etc.

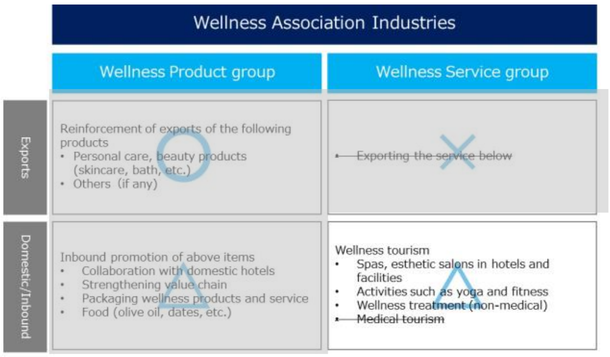
(i) Challenge in purchasing by domestic consumers

First, purchases by domestic consumers are very weak, and most brands do not target them (some brands do not distribute their products in the country at all). The reason for this is the issue of purchasing power, as the products are too expensive for general consumers. Consumers with high purchasing power tend to choose foreign high brands instead of Dead Sea skin care brands (local interviews). The fact that Dead Sea skincare brands are not supported by local consumers may undermine the credibility of their effectiveness externally (increasing the “souvenir for foreigners” perception) and make it difficult to develop a story with a unique local cultural identity. By improving quality and brand power, as discussed in the previous section, it is hoped that the products will be favored by the higher-income segment of domestic consumers.

(ii) Challenges in purchasing by inbound tourists

With regard to the latter, the issue is that the points of contact between inbound tourists and products are limited to souvenir stores in the Dead Sea and Amman, etc. The use of Dead Sea skincare products in hotel amenities is limited to some five-star hotels. Spa services in Amman also offer Swedish massage, Thai massage, and Moroccan hammam, but treatments using Dead Sea mud are not so common. First of all, it would be effective to increase the number of Dead Sea skin care products offered at such hotels and spas in order to increase the number of contacts with inbound tourists. For example, by increasing the number of customer contact points, such as amenities on flights to Jordan, hotel amenities (only on the first day of check-in if it is difficult to introduce due to cost), and promotion of treatment services using Dead Sea minerals, it is possible to increase awareness and purchase volume of Dead Sea skin care products. This is a possible way to increase awareness and purchase volume of Dead Sea skincare products by increasing customer contact. In addition, combining the products with food such as olives, pomegranates, dates, and herbs could provide a holistic health and beauty experience and lead to the development of new services.

(3) Issues for Inbound Promotion of Wellness Services



Notes: ○ - Main scope, △ - Secondary scope (discuss with Jordan Tourism Board/USAID regarding services to avoid duplication), ×…Not covered in this study

The challenges for promoting inbound tourism to Jordan in emerging countries, including Japanese overseas tourists, exist on the (1) tourism demand side and (2) tourism supply side, as described below.

<u>(i) <Demand side> Need to raise awareness of Jordan and differentiate wellness branding</u>

In Japan, awareness of Jordan itself is relatively low, and the image of Jordan has not been linked to attractive tourism resources, unique Jordanian goods, and things. The bottleneck is that consumers have not developed a continuous image formation from recognition to selection as a travel destination.

Even if Jordan's name recognition were to increase, the image of wellness, such as "relaxation and wellness of body and mind" and "eco-tourism," is strongly associated with Hawaii and Thailand, where Japanese repeatedly travel, and the brand images are competing with each other.

With regard to "medical tourism" that Jordan is promoting, South Korea already has an overwhelming presence in the image of the country, and it is difficult to differentiate the wellness appeal associated with medical tourism. Therefore, in order to increase Jordan's preferences, it is necessary to create an image that is differentiated from those of competing countries, and strengthening ties with the highly unique "Dead Sea products" is strongly suggested.

Poor flight connectivity and the remarkably short length of stay of Japanese overseas travelers are also external factors that weaken the preference for Jordan. One possible strategy is to promote Jordan to business-related travelers, who are more likely to stay for longer periods of time, such as for "workcations" (blended style of trip between work and vacation) which are a new type of travel, and MICE tourism. For example, when a large volume of passenger demand is expected as a result of promotion of business-related targets, it may be possible to collaborate with airlines to set up temporary direct flights on a one-time basis, thus leading to overcome the external factors to hinder the tourism demand.

<u>(ii) <Supply side> Necessity of improving service and quality of spa/massage services</u>

A high percentage of Japanese overseas travelers use "spas and massages" as a sightseeing activity and are familiar with the high quality and unique services offered in competing destinations such as Hawaii and Thailand. It is assumed that the expectations for service content and quality are relatively high.

On the other hand, in Jordan, most of the Jordanian spa facilities provide massages that originated in other countries, such as Moroccan hammam, and there are only a limited number of facilities that offer Jordanian original massages. In addition, many facilities are hiring foreign nationals to make up the shortage of spa practitioners, making it difficult to create a Jordanian originality in both the content of services and the personnel providing the services.

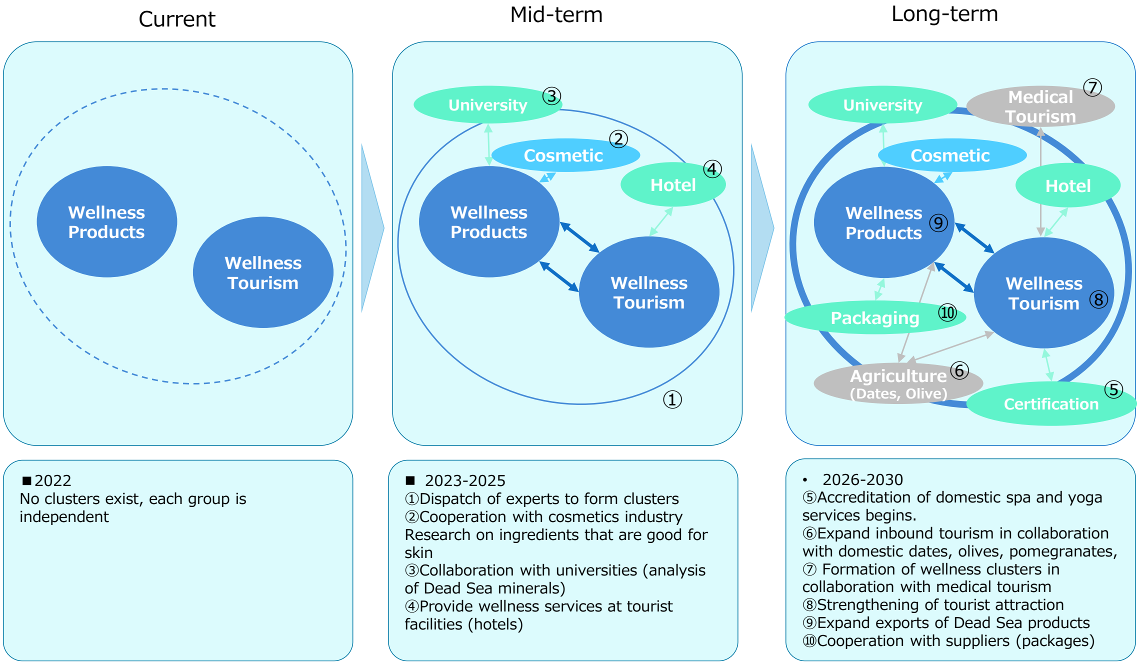
Furthermore, there is no systematic certification system for spa practitioners unique to Jordan, making it difficult to ensure uniformity of service quality. As mentioned in (1) above, in order to provide highly unique spa and massage services that are differentiated from those in competing countries and increase Jordan’s competitiveness, it is desirable to develop massage menus that make good use of Dead Sea products and local plants such as dates and pomegranates. In addition, expected steps include training Jordanian practitioners, which are in short supply, and establishing a certification system.

7.2 Directions

This section discusses future directions. First, the team will present a current understanding of how wellness product groups and wellness service groups will collaborate and integrate toward cluster formulation and will propose specific activities to be undertaken. Then, it will examine the involvement, roles and functions of government, industry associations, companies, and other related organizations necessary for cluster formation, as well as the implementation structure. Finally, it will also present the requests for cluster formation from each of the organizations involved that are obtained through discussions with the relevant organizations during the field survey.

7.2.1 The Transition of Formulating Wellness Clusters

As mentioned above, no wellness clusters exist at present, and the scope of support in the next period will be to prepare the ground for the formation of clusters. As shown in the figure below, it is expected that clusters will be formed in a left-to-right transition. The left figure shows the situation in 2022, the same period as this survey. As the middle figure shows, activities in the dispatch of experts in the period will strengthen horizontal linkages through cooperation with other industries and go so far as to lay the groundwork for cluster formation by creating a consortium for cluster formation. Finally, the figure on the right shows a wellness cluster that is assumed to spontaneously expand its range of activities in collaboration with other industries (e.g., domestically produced olives, dates, and medical tourism).



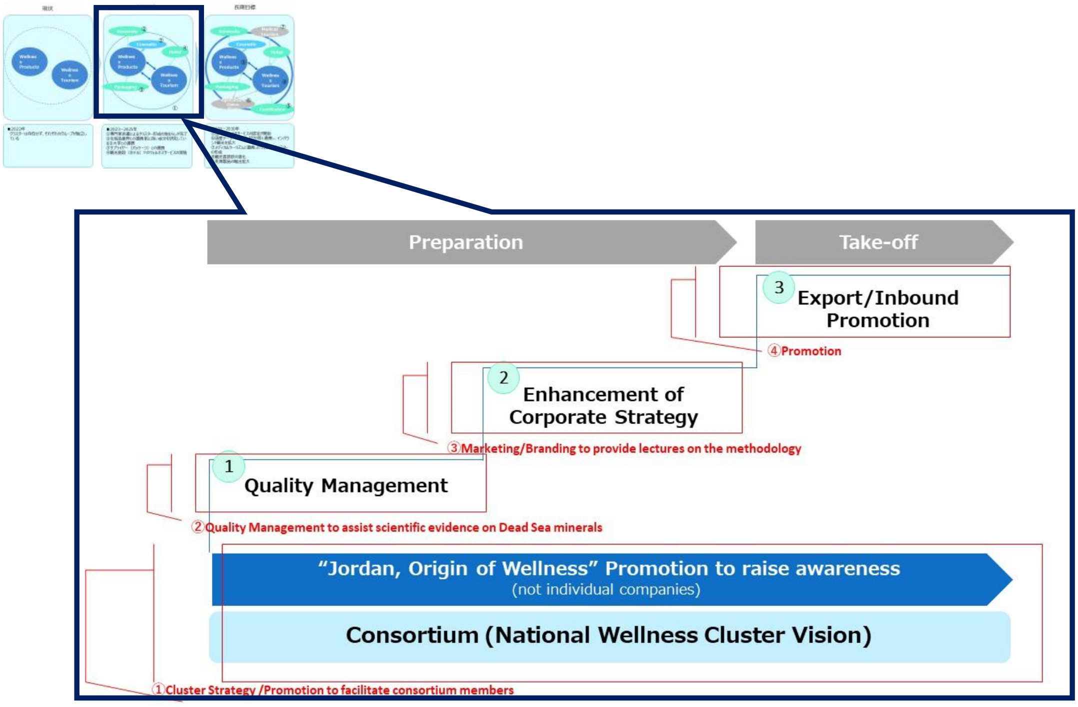
Source: JICA Survey Team

Figure 7-2: Transition Diagram of Wellness Cluster Formation

(1) Steps to Achieve the Mid-Term Goal

As a way to achieve the mid-term goal, wellness products will be implemented in a step-by-step approach. The findings of this survey indicate that many companies believe that the same approach can be used to export Dead Sea products to the Japanese market, as they already have products and are already exporting them, especially to the Gulf countries. On the other hand, the survey team’s observations and the recommendations of the cosmetics industry experts at the seminar conducted in this survey suggest that it is too early to enter the Japanese market. There is a gap between the two sides in terms of Jordan's approach to exporting Dead Sea products. The following steps will be taken to bridge this gap.

The first step is to improve quality control by researching Dead Sea minerals to find evidence for their composition and efficacy. The next step is to change the "product-out" approach of Dead Sea product companies, as pointed out in the seminar in Chapter 6, by changing the mindset about corporate management through marketing and branding training, and to improve corporate management to provide products more in line with consumer needs. Then, as a third step, to provide a final push by helping them export their products. Wellness services can begin with this step, as well as tourism-related inbound promotion. Finally, the goal is to create the groundwork for the formation of a wellness cluster by creating a common slogan through the formation of a consortium and exchanging opinions among the parties involved through regular meetings as the common items listed in the figure below.



Source: JICA Survey Team

Figure 7-3: Steps for the Next Technical Assistance

(2) Activities to Achieve the Mid-Term Goal

It is proposed that experts be assigned at each step to implement the steps indicated above. Activities such as the formulation of a consortium of wellness clusters as a cross-cutting activity located at the bottom of the above diagram will be implemented by (1) Cluster Strategy, which will be responsible for drafting strategies related to cluster formulation and promoting the activities of related organizations. As a first step, activities related to quality control will be handled by (2) Quality Management, which will provide information on import regulations for the Japanese market and support component analysis of Dead Sea minerals. The next step is to strengthen the management capabilities of companies, which will be handled by (3) Corporate Management (Branding and Marketing), which will provide group training on marketing and branding and support individual companies in entering the Japanese market to strengthen the management capabilities of Dead Sea product companies. As a final step, (4) Promotion will be carried out by the promotion department and is expected to act as a link between products and services and conduct promotion activities to increase awareness of Jordan as a tourist destination in the Japanese market. The following diagram outlines each of these activities.

Source: JICA Survey Team

Figure 7-4: Overview of Activities

7.2.2 Roles and Functionalities of Relevant Stakeholders

This section examines the relationships among related institutions that are important for cluster formation and the functions expected of cluster formation.

(1) Ideal Organizational Structure of Cluster Formulation

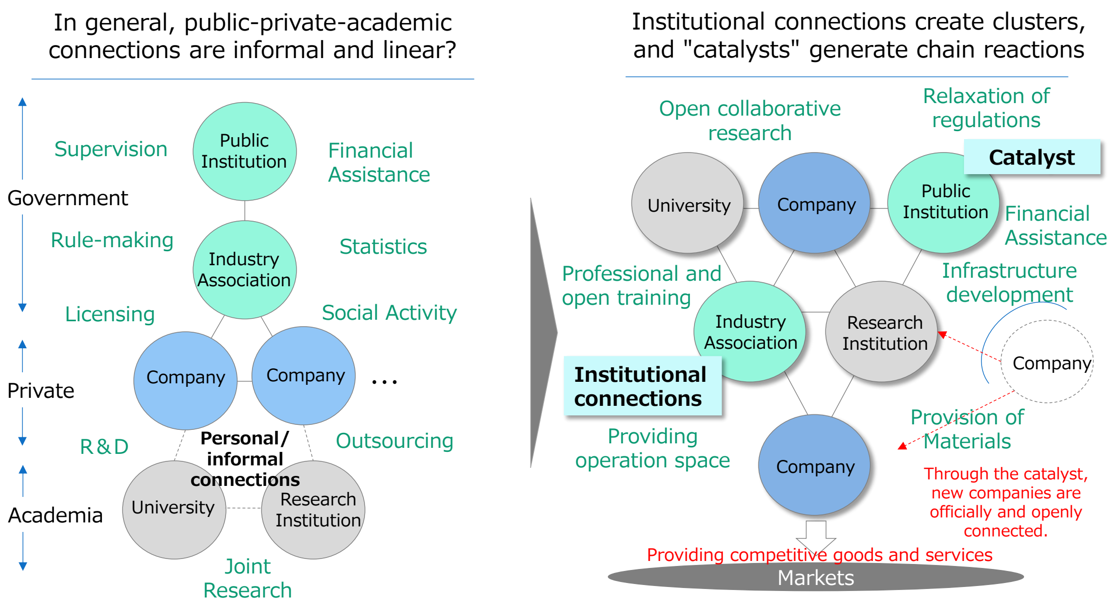
Referring to the cluster theory by Michael E. Porter[36], we will identify the relationships and necessary roles of the institutions involved (shown on the right below) that change as clusters are formed and developed. To this end, it is shown in comparison to the general relationships and roles of the public, private, and academic sectors within a single industry (left diagram below). In general, the "public sector" acts as the industry's regulatory body, promoting policies that support the industry and provide financial support through subsidies and technology grants as well as policies to improve the competitiveness of individual firms. Industry associations will lobby the government to make the industry's views known to government officials.

Businesses and academia will be connected through industry associations and personal networks and will collaborate in the development of products and services and research when their interests are aligned. The connections tend to be generated by the proximity of locations, the degree to which the businesses are related, and personal relationships.

In a cluster, on the other hand, as shown in the figure on the right below, the support and policies to form the cluster are officially announced, and the connections among the organizations involved are institutionalized. Public institutions are responsible for eliminating obstacles to the cluster, creating deregulatory policies, and acting as catalysts to eliminate inefficiencies that hinder cluster productivity and innovation. Support institutions will coordinate and facilitate

[36] "Competitive Strategy Theory II", New Edition, Michael E. Porter, 2018

specific activities to institutionalize cluster linkages, such as providing a permanent base of operations and opportunities for regular information exchange. Companies and academia will provide their strengths (e.g., specific skills, technologies, knowledge, facilities, and scarce commercial products) more widely within the cluster, for example, in the form of joint courses or support for research centers. As a result, resources lacking in other related institutions will be reinforced and new businesses will be generated. This will enable more competitive products and services to be delivered to target markets.



Source: JICA Survey Team

Figure 7-5: Image of Relationships among Relevant Organizations

(2) Expected Functionalities for Cluster Formulation

In addition to their existing roles, the agencies involved in cluster formulation are expected to perform new functions. The table below summarizes the existing roles of the agencies involved in cluster formulation and the new functions that will be added to each agency. ACI/JCI, an industry-based trade association, will take the lead in organizing the wellness product cluster as the main implementing agency for the upcoming projects, while MoITS will coordinate and collaborate with JICA and other ministries and agencies. On the other hand, the wellness service groups including MoTA, the relevant ministry, which is expected to function in coordination with the wellness products.

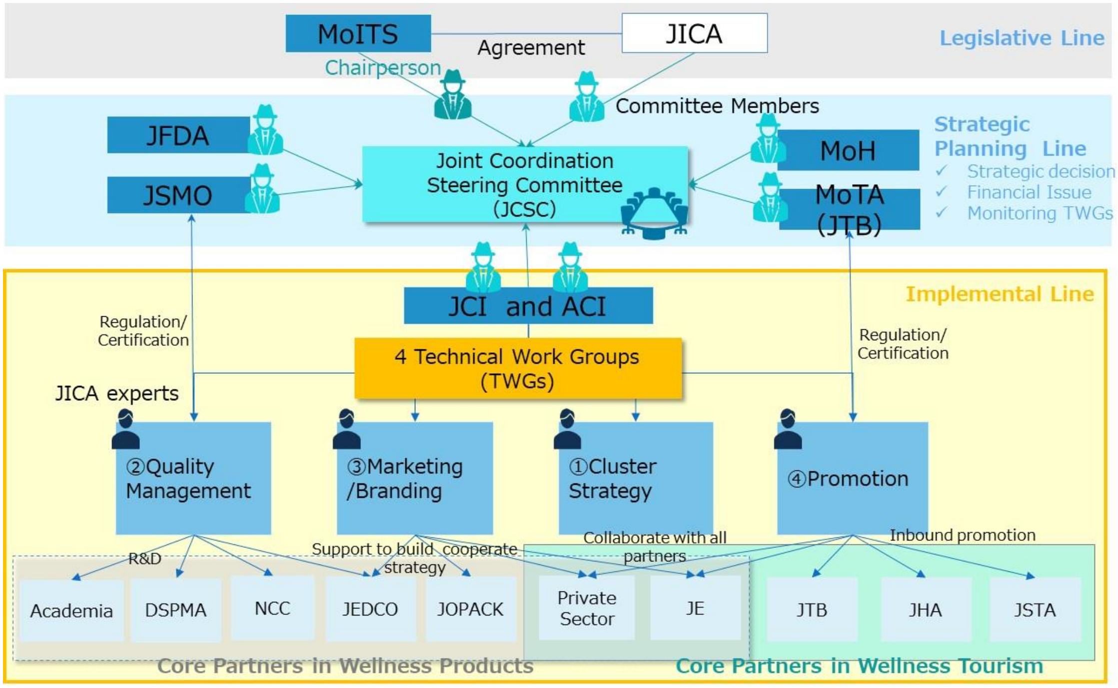
Table 7-3: Expected Functions of Related Organizations for Cluster Formulation

Category	Name	Original Roles	Expected Functionality when formulating Wellness Clusters
Product	MoITS	• Government institutions which aim to contribute to building and strengthening a competitive and diversified national economy in partnership with the private sector	• High-level coordination across multiple industries and ministries to incorporate and link cluster formation into policy initiatives • Facilitate the business environment
Product	JCI	• To increase the competitiveness of the Jordanian industry sector • There are branches in Amman, Zarqa, and Irbid • There are 10 specialized sectors including Chemical and Cosmetic sector.	• Consortium Flagship • Coordination with chemical cosmetic sector in JCI
Product	ACI	• Established as a non-profit organization that represents the industrial sector in Amman. • All the businesses including cosmetics and dead sea product businesses are registered at ACI	• Flagship and coordination of the consortium • Coordination with the Dead Sea product manufacturers
Product	JEDCO	• Providing comprehensive services in supporting entrepreneurial, emerging, and small and medium projects in Jordan	• Support for SMEs of export promotion and inbound promotion • Financial support to enterprises for quality improvement, etc.
Product	JE	• public-private export institution established to coordinate national export activities	• Export promotion: information gathering on target markets • Support for individual companies
Product /Service	JMSO	• Organization to ensure that the products offered in the market conform to the technical rules and mandatory requirements to protect the health, safety and rights of citizens	• Posting information on standards in the target market, testing to clear or connecting to a testing organization
Product	JFDA	• an independent public sector regulatory institution whose main objectives are to ensure that 1) Food is safe, wholesome, and properly labeled, 2) Drugs are safe and efficacious, 3) Safety of all products explicitly stated in the enforced drug and pharmacy law.	• Facilitation of raw material import procedures for cluster formation
Service	MoTA	• Government institutions which aim to develop and lead a sustainable tourism life in Jordan in partnership with the private sector by enforcing the role of cultural heritage in the overall vision of developing tourism as a complete sector, which would yield revenue that uplifts the national economy	･Necessary deregulation to promote linkages with the Dead Sea and agricultural commodity groups in conjunction with (Long-term: Composition of the Spa Certification System)
Service	JTB	• public – private sector partnership committed to utilize marketing strategies to brand, position and promote the Jordan tourism product as the destination of choice in the international markets.	Implementation unit for marketing strategy and promotion of wellness tourism, specifically for Asian target countries, utilizing the Dead Sea and agricultural product groups.
Service	JHA	• a non-profit organization that works with the Jordanian government to ensure a unified voice for the Hospitality sector and a positive operating environment for the hotel industry to thrive	Flagship of the promotion of cooperation between the Dead Sea and agricultural product groups and member hotels. (Long-term: composition of courses specializing in spa treatments)
Service	JSTA	• established as the leading unified voice of all travel agents in Jordan • Recognized as the only legal body representing travel agents in Jordan since it is mandated by the tourism law	Acting as a flagship for the promotion of cooperation between the Dead Sea and agricultural products and member travel agencies. Organize the development of package tour products utilizing the Dead Sea and agricultural products

Source: JICA Survey Team

7.2.3 Implementation Structure

Since the formation of the wellness cluster was requested by MoITS, as the head of the government agency, MoITS will be responsible for signing the agreement with JICA and coordinating with other government agencies. On the other hand, experts will be assigned to JCI/ACI, which has many contacts with the private sector, to support specialized technology transfer in accordance with the expertise of each counterpart by visiting counterpart organizations as feed work. For instance, it is suggested that the experts report weekly to the JCI/ACI to which they are assigned, and once a month to MoITS. Consortium meetings will be held under the supervision of MoITS and, once a quarter, the concerned parties will be convened to report on activities and discuss the future direction of the consortium. The following is a proposed implementation structure chart. When forming a consortium, it is important that involvement of industry association and the parties involved point in a direction toward a common goal without reflecting on the interests of individual companies or friction between companies.



Source: JICA Survey Team

Figure 7-6: Proposed Implementation Structure

The experts will be assigned to ACI/JCI and will visit relevant organizations for fieldwork. The above implementation structure will start with the establishment of an implementation structure based on wellness product groups, as industry-related trade associations such as ACI and JCI will play a central role in these activities. At the beginning of the next phase of the project, the ministries, and agencies (MoH and MoTA) involved in wellness service groups will participate as observers, and the consortium members will discuss and consider how to get involved in the future.

7.2.4 Requests from the Relevant Stakeholders

The team had visited each stakeholder to hold individual interviews toward the formation of a wellness cluster to hear about their expectation and requests. The following is a summary of the discussions, including the survey team's observations, as each stakeholder had their own position and expectations, and some of their intentions were not directly related to the formation of the wellness cluster. Although there were a number of comments from the visited parties expecting financial support, it was explained that the next project, the Expert Dispatchment, is mainly for technical transfer. The table below shows the requests and intentions of each stakeholder regarding the formation of a wellness cluster.

Table 7-4: Requests from Stakeholders and Comments

#	Category	Name	Request/Needs	Comment from Study Team
1	Government	MoITS	• Lead consortium as a government agency	• Expect coordination between governments • (e.g., import regulations with JDFA, spa certification with MoH, etc.)
2	Government	JFDA	• None (Mainly regulating domestic and imports)	• Participation as a consortium member (Expect to be involved as there is room for improvement in import licensing)
3	Government	JEDCO	• subsidies for small and medium enterprises borne within this cluster	• Consider whether another scheme can be used to support (JICA's SME Support Funds)
4	Government	MoTA/JTB	• None (WB will provide support for requests of strong interest in medical tourism)	• Participated as a consortium member (Loosely coordinated with JTB Japan in charge of EXPO and Jordan promotion)
5	Government	MoH	• None (Establishment of a medical center in the Dead Sea area)	• Participation as a consortium member (Requested cooperation in establishing a certification system for spa)
6	Government	JSMO	• Experts to participate regularly in their Technical Committee.	• Included in Specialist②TOR as an activity.
7	Industry Association	JCI/ACI	• Request to implement activities as a main implementor • Requested that all four experts to dispatch to JCI/ACI	• Agreed with JICA Jordan office and MoITS.
8	Industry Association	JE	• Cooperative in collaborating with relevant professionals	• Utilize JE's portal site • Involvement of experts in activities, such as consultation and attendance
9	Industry Association	NCC	• Expect to integrate into this project as a successor to the UNIDO project scheduled to end in 2022	• Leading industry associations to work with cosmetic clusters
10	Industry Association	DSPMA	• Expect to introduce business partners through participation in Japanese cosmetics exhibitions	• If they pay on their own for the Expo, the expert will provide assistance for business matching
11	Industry Association	JOPACK	• None (Main business is design and manufacture of domestic paper packages)	• Expertise in packaging • Consider having JoPack as an instructor as one of the marketing courses for Expert 3
12	Industry Association	JHA	• Establishment of Spa Practitioners Human Resource Development Course Composition Techniques Professional	• consider separately as technical cooperation after dispatching experts
13	Industry Association	JSTA	• Expectations to promote inbound tourism	• Active in involvement in clusters
14	Business	Dead Sea Products	• Information on the Japanese market and business partners • Facilitation of licensing procedures, etc. related to raw material imports	• Revised corporate strategy based on issues diagnosed by Expert③, 3C information, and quality control information provided by Expert ② • Information sharing among various stakeholders to facilitate procedures through the consortium
15	Academia	University	• Expects a research budget if cooperating in research needed to build scientific proof • Cooperative for industry-academia collaboration within the cluster	• Active in involvement in clusters • Expert ① promotes industry-academia collaboration and inter-university (domestic and international) joint research

Source: JICA Survey Team

7.3 Countermeasures

This section focuses on the role of the experts in the next project. First, issues will be listed for products and services of the four conditions for cluster formulation in products and services respectively. Then issues will be listed for three items in the four quadrants (export promotion, domestic consumption, and inbound promotion), which are the scope of activities, as explained in 7.1. Next, after providing an overall picture of the experts and their activities, the roles of each expert will be proposed.

7.3.1 Roles of JICA Experts

This sub-section is divided into two groups: (1) issues related to the four conditions for cluster formation and (2) three items in the four quadrants (export promotion, domestic consumption, and inbound services), which are the scope of activities, and maps out measures to address these issues and the roles of experts. Note that there is some overlap between (1) the four conditions for cluster formation and (2) the four quadrants of the scope of activities.

(1) Roles for Wellness Cluster Formulation

For each of the four conditions for the formulation of clusters presented in 7.1, the respective challenges in terms of products and services are presented. This sub-section presents an image mapping each issue, its corresponding measures, and the corresponding experts, separately for products and services. The experts are assumed to be in the areas of (1) Cluster Strategy, (2) Quality Management, (3) Corporate Management (Marketing and Branding), and (4) Promotion. The countermeasures are hypothesized during the period of this survey and may not necessarily be directly related to the support for the next period. For example, the fact that the position of the next expert is not tied to the measures for the (1) Factor condition of the service is not covered because it cannot be addressed in the period of the dispatch of the next expert.

<u>(i) Countermeasures for Cluster Formulation (Products)</u>

As for the challenges in forming a cluster for wellness products, in terms of (1) Factor conditions, room for improvement was identified in the status of industry-academia collaboration activities and the development of scientific and technological infrastructure, which will be handled by Expert of Quality Management. In terms of (2) Demand conditions and (4) Firm strategy, there is a lack of information on the target market and challenges in changing the mindset of companies to enter the market, so group training and individual company support by the expert of Corporate Management specialist will be responsible for the activities. As for (3) Related industries and supporting companies, it was confirmed that industry associations for Dead Sea products are not active, so the Expert of Cluster Strategy specialist will aim to form more clusters by involving industry associations. The detailed information is described in the following diagram with issues and countermeasures associated with the role of experts.

Condition	Issue (Product)	Countermeasure (Product)	JICA Expert
①Factor Condition	• Inactive industry-academia collaboration, limited research needs, and seeds • Lack of human resources in pharmaceutical related • Lack of scientific and technological infrastructure (the scientific basis for Dead Sea minerals)	• Cooperation with Medical and Pharmaceutical Industries • Industry-academia collaboration with local universities (pharmacy schools)	①Cluster Strategy
②Demand Condition	• Differentiation of Dead Sea products in target markets • Lack of information in the target market needs	• Establishment of a high-quality professional organization to collect up-to-date information on target markets	②Quality Management
③Supporting and Relating Industry	• Industry associations are not active • Dependence on a single raw material manufacturer or trading company specializing in raw materials • Dependence on imports from overseas, such as bottle and other package makers	• Strengthen supply chain, including raw materials and packaging other than Dead Sea Minerals	③Corporate Management (Marketing/Branding)
④Firm Strategy, Structure, and rivalry	• The company's mindset is in the product-out "dead sea product" • The companies are not approaching solving consumers' skin problems • There are frictions between companies	• Individual support for the improvement of corporate strategy and its quality	④Promotion

Source: JICA Survey Team

Figure 7-7: Issues and Measures for the Formulation of Wellness Product Clusters

<u>(ii) Countermeasures for Cluster Formulation (Services)</u>

As a response measure for the formation of a cluster in the wellness services, since issues related to domestic consumption were identified in the (4) Firm strategy, the expert of Cluster Strategy and Promotion will deal with the linkage between wellness products and wellness services. As for (3) Related and supporting industries, since there are limited linkages between hotel operators and Dead Sea product companies, strengthening linkages will be addressed by experts of Corporate Management and Promotion. As for (2) Demand conditions, the issue of the low tourism rate in wellness tourism was identified, and promotion experts will support marketing activities to the target market to form a cluster of wellness services.

Condition	Issue (Service)	Countermeasure (Service)	JICA Expert
①Factor Condition	• Social norms do not perceive spa practitioners as an attractive job • There are no spa-specific human resource training institutions • Lack of Jordanian spa practitioners in terms of quantity and quality	• Increase in the absolute number of Jordanian spa practitioners and improvement in the quality of spa practitioners	①Cluster Strategy
②Demand Condition	• Tourism products that are psychologically motivated, which is a characteristic of wellness travelers, are still being developed by individual companies. • Wellness tourism accounts for a low percentage of tourism and is losing a growing market opportunity.	• Provide information on the objectives and needs of wellness travelers • Support wellness tourism product development and joint marketing efforts	②Quality Management
③Supporting and Relating Industry	• Limited cooperation between hotel operators and Dead Sea product companies • Only sales and use of existing Dead Sea products in spas, etc.	• Strengthen alliances with Dead Sea product companies as strategic partners	③Corporate Management (Marketing/Branding)
④Firm Strategy, Structure, and rivalry	• Hotels have developed their own tourism products for wellness travelers, and similar activities are being disrupted.	• Strengthen differentiation of wellness services in conjunction with wellness products such as Dead Sea products	④Promotion

Source: JICA Survey Team

Figure 7-8: Issues and Measures for the Formulation of Wellness Service Clusters

(2) Roles for Export/Inbound Promotion

(i) Countermeasures for Export Promotion

Entering mature markets including Japan requires an understanding of market and consumer needs, and product development and marketing in line with those needs, in other words, a shift to market-in (customer-oriented) thinking. Currently, most Jordanian companies focus mainly on the MENA and European markets, with few opportunities to gain access to information on the needs of the Asian market, and many companies are product-out oriented and have varying marketing capabilities. Therefore, measures such as capacity building and information provision may be considered ((3) Corporate Management (Marketing and Branding) expert). In addition, it is necessary to confirm whether the products themselves, such as ingredients and package quality, are acceptable in the target market (in terms of legal regulations and consumer preferences), so (2) Quality Management expert will act as a bridge between the Japanese market and Jordanian companies, as well as will promote strengthening of scientific evidence on the benefits of Dead Sea minerals and industry-academia collaboration. As for promotion, the main focus will be on activities related to Jordan as a whole, including tourism for general consumers, while exhibitions will be handled by (4) Promotion expert in cooperation with (3) Corporate Management expert.

Issue	Content	Countermeasure
Shift to market-in thinking (customer orientation)	• Many companies are in a product-out oriented "dead sea product" frame • Marketing capability and experience varies • Lack of visibility into target market needs	• Establishing a function to collect the latest information on target markets • Capacity building of companies how to collect information on their own and incorporate it into their strategies and activities
Product quality assurance	• Need to confirm standards and consumer acceptance in target markets • Some companies may need to raise the quality level	• Verify data such as certification and standards of export destinations, proof of ingredients and efficacy, and conduct consumer preference tests.
Strengthening Scientific evidence	• Although research on Dead Sea minerals is being conducted, there is room to strengthen R&D capabilities by promoting industry-academia collaboration	• Strengthening scientific evidence related to Dead Sea minerals and developing seeds based on herbs and other raw materials that grow in Jordan will be effective in strengthening R&D capabilities and brand appeal.
Improvement of overall recognition	• A national information campaign is needed to increase the global recognition of Jordanian products	• Branding such as unified messages and visuals about Made in Jordan wellness products by public institutions, with promotion • However, it is desirable to precede promotional activities related to "Jordan" as a whole for general consumers first, as it is difficult to achieve results when the aforementioned conditions are not met.

JICA Expert
①Cluster Strategy
②Quality Management
③Corporate Management (Marketing/Branding)
④Promotion

Source: JICA Survey Team

Figure 7-9: Issues and measures for the Export Promotion

(ii) Countermeasures for Domestic Consumption

Regarding domestic consumption, while indirectly aiming to foster the domestic market through cluster formation, the main goal is to promote the expansion of Dead Sea skincare and wellness products in hotels and spas in Jordan, in collaboration with (1) Cluster Promotion expert and (4) Promotion expert.

Issue	Content	Countermeasure
Development of the domestic consumer Market	• The Dead Sea Skincare brands are not supported by domestic consumers and domestic consumption is weak (domestic demand conditions are not favorable and local competition is mainly price competition and has not developed into differentiation-based competition)	• (Although not high priority with a direct response), by forming clusters and improving quality and brand strength, it may eventually gain the support of the higher-income segment of domestic consumers.
Expansion of usage consumption in purchases and services by inbound tourists	• Contact between inbound tourists and products is limited to souvenir stores in the Dead Sea and Amman, etc. • Use of Dead Sea skin care products in hotels and spa services is also limited.	• Aim to increase awareness and purchase volume of Dead Sea skincare products by increasing customer contact points, such as expanding the availability of Dead Sea skincare products in hotels and spas, and promoting the introduction of services. • Promote the development of services that provide holistic health and beauty experiences by combining food such as olives, pomegranates, dates, and herbs.

JICA Expert
①Cluster Strategy
②Quality Management
③Corporate Management (Marketing/Branding)
④Promotion

Source: JICA Survey Team

Figure 7-10: Issues and Measures for the Domestic Consumption

<u>(iii) Countermeasures for Inbound Service</u>

As a challenge related to inbound tourism (attracting Japanese passengers to Jordan) for the wellness service group, the low awareness of Jordan and the overlap of the brand image with competing countries were identified. The “Promotion expert" will first promote the country itself to the general public, and then work to create a specific and differentiated image of Jordan as a wellness destination in conjunction with its unique wellness product lines, such as Dead Sea products and agricultural products. In doing so, the “Cluster Promotion and Strategy expert” will serve as a link between the product and the actors related to tourism promotion.

It was also identified that there is limited availability of spa services that are uniquely Jordanian, which would strengthen the country's competitiveness as a travel destination. Again, the “Cluster Promotion and Strategy expert” will connect the wellness product group actors, while the Promotion expert will work with both product and service companies to provide consumer (wellness traveler) trends in the target market and help them to develop ideas for unique spa services, products, and tourism packages that match these trends. It would also be effective to promote trial activities such as distribution at hotel amenities, publicity activities in the target market, and testing the effectiveness of such activities.

The shortage of human resources and capacity building for providing spa services will be positioned as a long-term issue. Experts in quality control and promotion will continue to discuss how to proceed, such as capacity building of spa service personnel and support for certification systems, discussing with relevant organizations.

Issue	Content	Countermeasure
Low recognition of Jordan	• Japanese travelers have low awareness of Jordan itself and do not associate it with specific goods and services, and consumers have not formed a continuous image of the country from recognition to selection as a travel destination, so it is not preferred as a travel destination.	• Promotional branding, such as unified messages and visuals about Made in Jordan wellness products by public agencies. • First, precede promotional activities about "Jordan" as a whole for general consumers.
The Need for Differentiation in Wellness Branding	• The image of wellness tourism that Jordan wants to promote is strongly associated with Hawaii and Thailand, and the brand image is competitive.	• It is necessary to instill an image of wellness differentiated from competing countries, and it is expected to strengthen cooperation with Dead Sea products, agricultural products, etc. (e.g., composition of tourism package products in which Dead Sea salt, dates, and pomegranates are linked with travel agencies)
Lack of Jordanian-style spa services	• Japanese travelers are familiar with the high quality and unique spa services offered in competing countries such as Hawaii and Thailand, and have high expectations for the services. • On the other hand, in Jordan, such as Moroccan Hammam, menus originating from other countries are offered, and there is no uniqueness of Jordanian spas.	• Strengthening of cooperation between Dead Sea products, agricultural products, etc. is expected. (e.g., Dead Sea salt, dates, pomegranates, and hotel spa facilities working together to develop creams and hotel amenities for spa massages)
Need for SPA human resource development and capacity building	• There is a shortage of Jordanian spa practitioners, which is being met by foreign nationals. • There is no unique Jordanian certification system for spa practitioners, making it difficult to ensure uniformity of service quality.	• Establishment of a certification system for spa practitioners • Creation of specialized courses for spa practitioners within the cluster

JICA Expert
①Cluster Strategy
②Quality Management
③Corporate Management (Marketing/Branding)
④Promotion

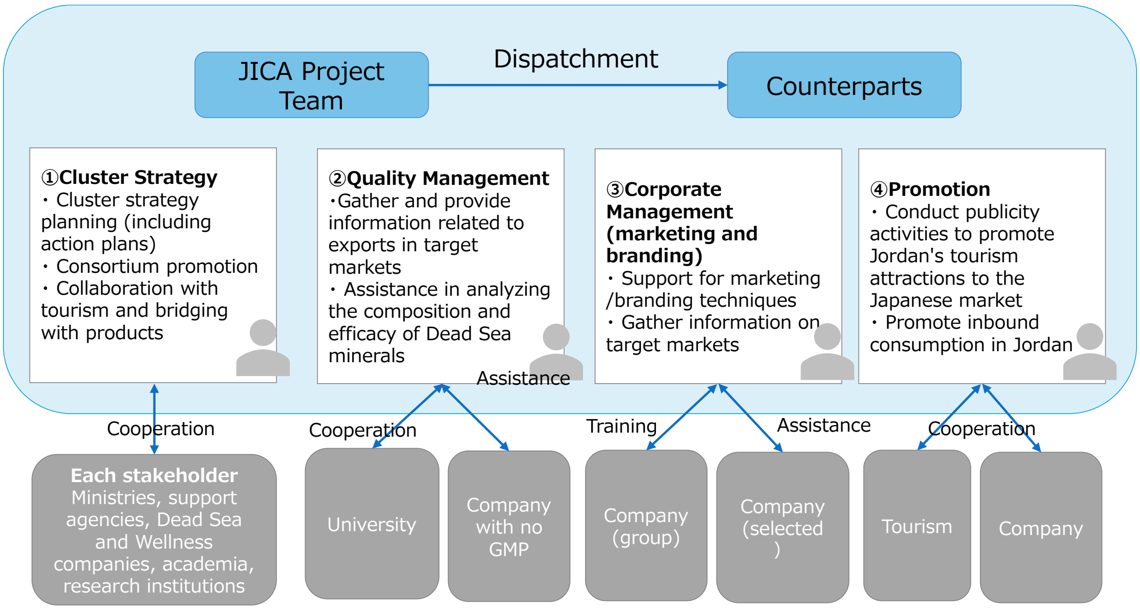
Issue 4 will be considered a long-term initiative after the experts have been dispatched for a period of three years.

Source: JICA Survey Team

Figure 7-11: Issues and measures for the Inbound Service

7.3.2 Whole Picture of JICA Experts

The experts will be dispatched in the future to address issues related to product/service and cluster formation as described above. The work of the experts will be presented as an overall picture as follows, followed by an explanation of the work of the individual experts. The next project will use the scheme of individual experts, but it is envisioned that they will work as a team, each collaborating with the other to implement the work.



Source: JICA Survey Team

Figure 7-12: Overall Image of JICA Experts in the Next Phase

7.3.3 Responsibilities of JICA Experts

The following is a proposal for each expert's tasks. This is the content of the proposal, but the final content of work will be determined after organizing and prioritizing them by JICA.

(1) Expert 1: Cluster Strategy

In promoting the export of cosmetics using Dead Sea minerals (salt and mud), one of the pillars of Jordan's domestic resources, to target markets, the project aims to lay the groundwork for the formation of a regional industrial cluster with primary industry at its core. Specifically, the project will support the formulation of a vision for the cosmetics industry, including Dead Sea products, and provide advice to companies, organizations, and research institutions that are working to create clusters, in cooperation with government agencies, in order to facilitate the smooth formation of regional industrial clusters. It also aims to attempt to break down barriers between industries by collaborating with services and sharing (open sourcing) knowledge of the efficacy of Dead Sea minerals.

[Cluster Strategy]

- Define and identify the scope of a wellness cluster (adjust as necessary)
- Formulate cluster strategy and create and promote action plans for each relevant organization
- Confirm progress of action plans through individual visits to relevant parties
- Involve stakeholders by holding consortium meetings
- Support the creation of a wellness cluster structure (secure local resource persons)

[Cluster Promotion]

- Establish a vision for wellness products including Dead Sea products ("Made in Jordan" brand) Establish a direction for wellness products including Dead Sea products ("Made in Jordan" brand)
- Involve consortium formation (confirm action plan)
- Hold regular consortium meetings (quarterly)

[Cluster Formulation]

- Coordination of interests of related parties
- Handover of tasks to local government and industry associations
- Recommendation of cluster formation policies

(2) Expert 2: Quality Management

Although skincare products using Dead Sea mineral ingredients are being manufactured, only some individual studies have been conducted on the effects and efficacy based on scientific evidence, e. Therefore, support for industry-academia collaboration to add value to brands will be provided. Also, for companies that are willing to use the fee-based service, the expert could check if quality-related aspects such as ingredients and packaging are acceptable in the destination market in terms of laws and regulations and consumer preferences.

[Information Collection]

- Confirmation of regulations and certifications related to exports in target markets (including confirmation of prohibited ingredients)
- Collection and sharing of information on target market needs, active ingredients, etc.

[Technical Support]

- Participation in regular meetings of the Technical Committee (to share information and involve stakeholders)

- Support for posting comprehensive information such as laws and regulations on ingredients in export markets on the websites of public organizations

[Corporate Support]
- Support for small and medium-sized enterprises to obtain GMP
- Support for conducting ingredient and efficacy analysis, patch tests, and taste tests in Japan (for a fee)

[Industry-academia Collaboration Support]
- Support for analysis of composition and efficacy of Dead Sea minerals, and exploring possibilities for industry-academia collaboration (seeking collaboration with universities in Jordan and Japan)

(3) Expert 3: Corporate Management (Marketing and Branding)

While Dead Sea products manufacturing companies generally tend to be "product-out oriented," a "market-in approach" or proposals tailored to the needs of customers, is necessary in mature markets, so support for marketing and business management to companies through public institutions will be provided. In addition, an attempt will be made to create successful case studies with selected companies that are ready to export to the target markets.

[Information Collection]
- Gathering the latest information on the cosmetics industry, consumer needs, etc., in the target market
- Gather information on specific market entry options, such as distribution channels and cross-border e-commerce

[Corporate Workshop]
- Preparatory activities for corporate training (curriculum design and coordination)
- Group workshop of branding / corporate strategy (basic branding such as corporate philosophy/brand concept, marketing strategy, case studies of the Japanese market entry, etc.)

[Individual Support]
- Development of Criteria for Selection System and Evaluation
- Export support for individual companies through a selection system

[Technical Support]
- Export support for individual companies through selection system
- Business-matching support for Dead Sea product suppliers (distributors, spa/esthetics/sauna suppliers, OEM clients, etc.)
- Virtual inspection visits (stores, on-site comments, etc.)

The intent is to create success stories by selecting companies with high prospects for entering the target market. Export support approaches may include matching companies with import agents (e.g., BLOOM, Japanese cosmetics import agent), and launching marketing campaigns in collaboration with Rakuten, Inc., which has concluded a comprehensive partnership agreement with JICA.

(4) Expert 4: Promotion

Despite the fact that Jordan has tourism assets such as Petra and the Dead Sea, its attractions are not well known in Japan, the target market. Before promoting the export of cosmetics using Dead

Sea products, public relations activities will be conducted to promote the attractions of Jordanian tourism to the Japanese market.

[Public Relations Activities]

- Activities to introduce Jordanian skin care products to Jordanian wellness travelers and promote inbound tourism consumption in Jordan.
- Activities to increase awareness of Jordan, skincare products, and Jordan as a wellness tourism destination in the Japanese market collaborating with Jordanian skincare manufacturers.
- Activities to investigate the direction of a wellness tourism brand for Japanese market in conjunction with skin care products and agricultural products.
- Activities to promote understanding of Japanese consumers within the wellness cluster

Appendices

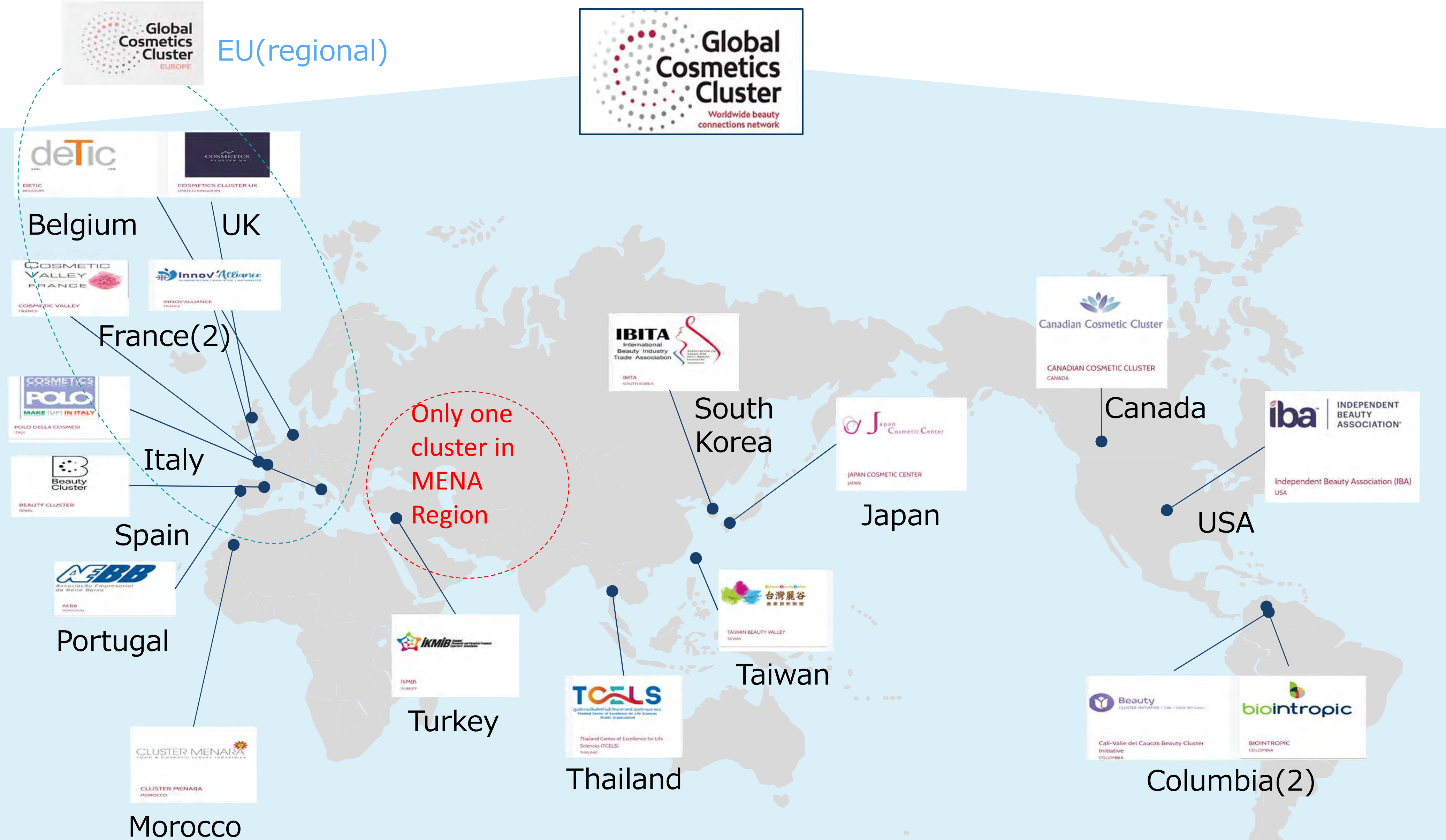
Appendix 1

Examples of National Cosmetic Cluster

Examples of Cosmetic Cluster in other countries

Cosmetic Clusters in the world＊1

- “Global Cosmetics Cluster” is the first international cluster network in the perfume and cosmetics industry.
- 17 country-level member clusters and 1 regional-level member (EU) are member of GCC.



Source: https://cosmeticsclusters.com/members/
*1 The examples only include the 18 members of Global Cosmetic Cluster.

Cosmetic Valley France (CVF)

COSMETIC VALLEY FRANCE

COSMETIC VALLEY FRANCE

Profile

Foundation /Location	● Founded in 1994 ● **City of Chartres**, located 90 km southwest of Paris - The population is 40,000
Purpose	● To promote synergies in the short circuit ● To display the values of France brand jointly into the overseas market
Cluster Member	● **3200 companies** (<u>86% SMEs</u>:10% large companies) ● 9 member universities & 220 public research laboratories (8,200 researchers) ● 15 Training organizations
Activity /Achievement	● Organizer of "Cosmetic 360°", the most well-known international exhibition ● R&D • 350 labeled collaborative research projects • **€400 million was invested for research** ● Training, Job matching and recruitment • 136 training courses by the universities • **1,500 jobs** creation by 2018

Cosmetic 360°

Source: Homepages of GWI and Cosmetic Valley France

How was the cluster to be formulated?

Start

Public -led

- With the French government's **decentralization** of power in the 1970s, many perfume and cosmetics companies that formerly had manufacturing bases in Paris **were forced to leave Paris**.
- Jean-Luc Ansel, who was the head of the economic development committee of Chartres proposed to the representative of the major perfume brand **GUERLAIN**, that the factory be relocated to Chartres.

Private led

Cluster Formation

Priv ate

Pu blic

- In 1973, GUERLAIN moved its factory to Chartres.
- The related companies, including suppliers, **began to cluster** in the area.

- **CVF was officially established** in 1994 by domestic SMEs, who seek jointly promote the French brand abroad.
- In 2005, CVF was recognized as a **"Competitive Industrial Cluster"** by the French government, and has made remarkable progress.

Current

- Cosmetic Industry earns the second largest industry in France.
- The cluster in Charles becomes **the largest cosmetics industry cluster** in the world, attracting cosmetics companies not only from France but also from the United States and Asia.
  - Major companies: Guerlain, L'Oreal, Clarins, Shiseido, Sisley, Chanel, Calvin Klein, Dior, Nina Ricci, Coty, Maybelline, J&J, Amore Pacific, P&G, Sephora, etc.

Source: Homepages of GWI and Cosmetic Valley France, and open data

Collaboration between tourism and cosmetic

- Chartres City plans to open the Maison internationale de la cosmétique, a 1,500-square-meter **international cosmetics-related facility**, at the end of 2023, and is currently renovating an abandoned middle school in front of the cathedral.

Maison internationale de la cosmétiqueの
完成イメージ図。
改装はフランス人建築家

- The 1,000-square-meter public area will be open to the public, where visitors can observe **the production process of lipsticks and fragrances**, as well as learn about Made in France cosmetics, industry innovations, and trends.
- The company intends to create a facility that can be enjoyed not only by industry professionals, but **also by domestic and international visitors.**

"Beauty Cluster", Spain

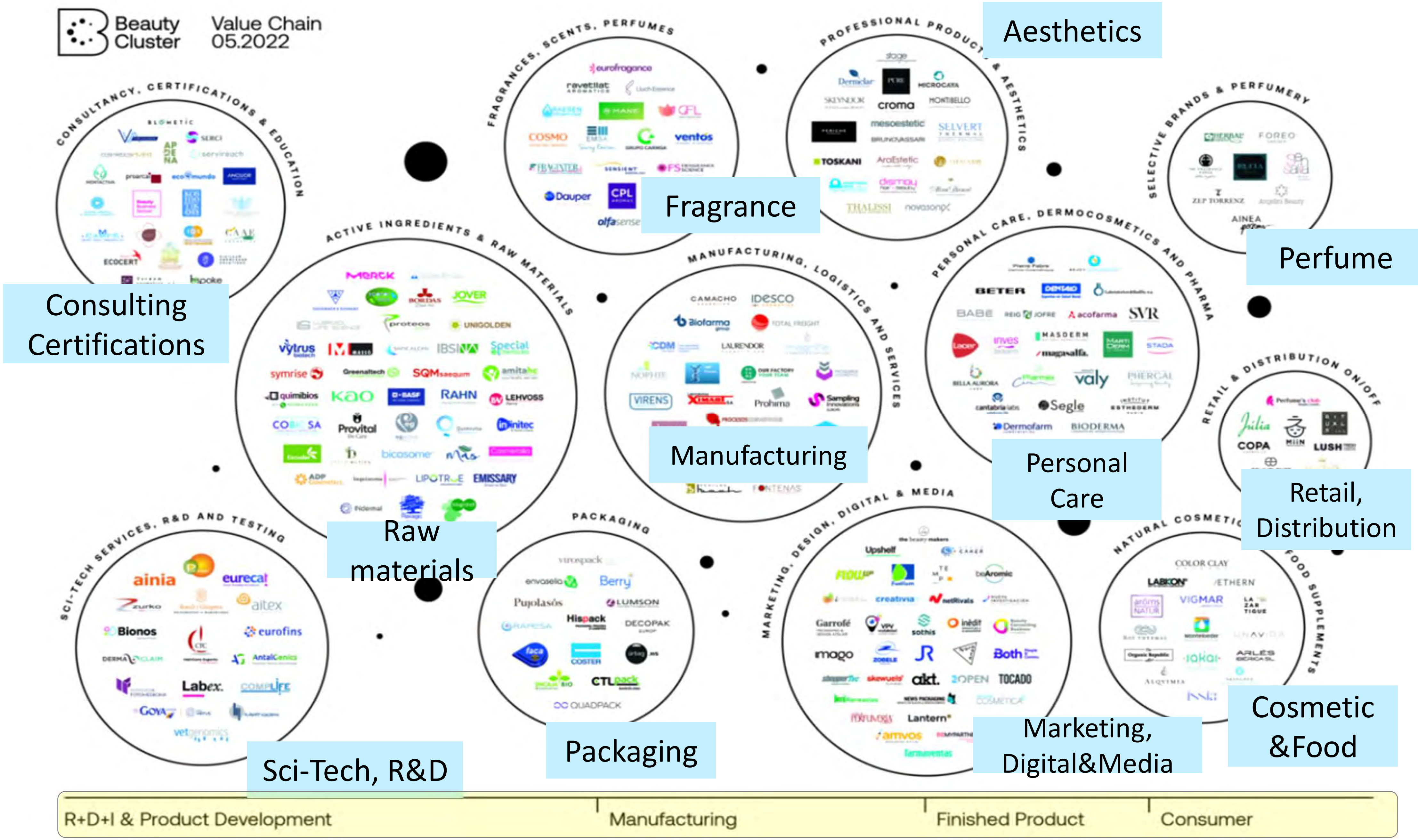
BEAUTY CLUSTER
SPAIN

Profile

Foundation /Location	● A private association ● Barcelona, Spain
Purpose	● To collaborate with the purpose of promoting sustainable development and competitiveness in the value chain of the cosmetics, perfumery, and personal care sector.
Cluster Member	● More than **220 companies** (international & domestic) →Companies in "Beauty Cluster" are listed on next page
Activity /Achievement	● "B2B business place" platform is operated in the cosmetic industry ● **Beauty Business School** is operated to create human resources such as commerce expert ● Innovation, internationalization, DX ● **Events organizing** - Beauty Innovation Days, Digital Beauty Awards, etc. ● **The second largest cluster** in cosmetic industry

Source:https://beautycluster.es/en/bcb/

The Value Chain of “Beauty Cluster”, Spain



Source:https://beautycluster.es/en/bcb/

"Japan Cosmetic Center", JCC

Profile

Foundation /Location	● 2013 ● **City of Karatsu**, Saga Prefecture, Japan - Population:140,000 - The scale of the regional industry 2.6billionUSD
Purpose	● To intensively support the clustering promotion of beauty and health industries, including cosmetics and health foods, in order **to grow the local economy** ● To **promote job creation**
Member	● **148 member companies** (as of 2022.3) ● 10 universities, 19 supporting organization (financial sector,etc.) →Companies list on value chain on next page
Activity /Achievement	● New market development; - Support of overseas export and regional cosmetic sales channels. ● Industry Creation Projects - **Industry-academia collaboration** platform building - Knowledge network formation, support the **local start-up** activities ● Regional branding projects - Support of development of **local raw materials**

Source:「International Strategy for Regional Creation 」、2021、Naoki Fujiwara, etc. Japanese only

How was the cluster to be formulated?

Start (Public-led / Private led)

- Karatsu City has considered to promote an regional industry globally, including applying for a special economic zone.
- Bloom Co., Ltd, a cosmetic laboratory in the city, had already formed **a mini-cluster** with OEM and the logistic company.
- In 2012, **Mr. Alban Muller**, the president of Alban Muller International in France, came to Japan to search a location to enter Asian market and new raw natural materials.
- Mr. Alban Muller, who connected with Bloom, proposed that Karatsu City had **the potential to establish a "Japanese version of Cosmetic Valley", and** then approached the executives of the City Hall.

Cluster formation (Private / Public)

- Collaboration agreement between **French Cosmetic Valley** Association and Karatsu City in 2013
- Establishment of a **preparatory committee and working meetings**
- Establishment of **the Cluster Secretariat** →**p.11**

Current

- Born Global, as an international industrial strategy for a local city
- **The establishment of factories** in the region
  - In 2019, One big private company, named "Towa Cosmetics" and Karatsu City signed an agreement to enter the market and **build their own factory** in Karatsu City as a cosmetics production base.
- Collaboration with **tourism sector (local community development)**

Source:「International Strategy for Regional Creation 」、2021、Naoki Fujiwara, etc. Japanese only

Value Chain of Japan Cosmetic Center

Inside the region
Outside the region

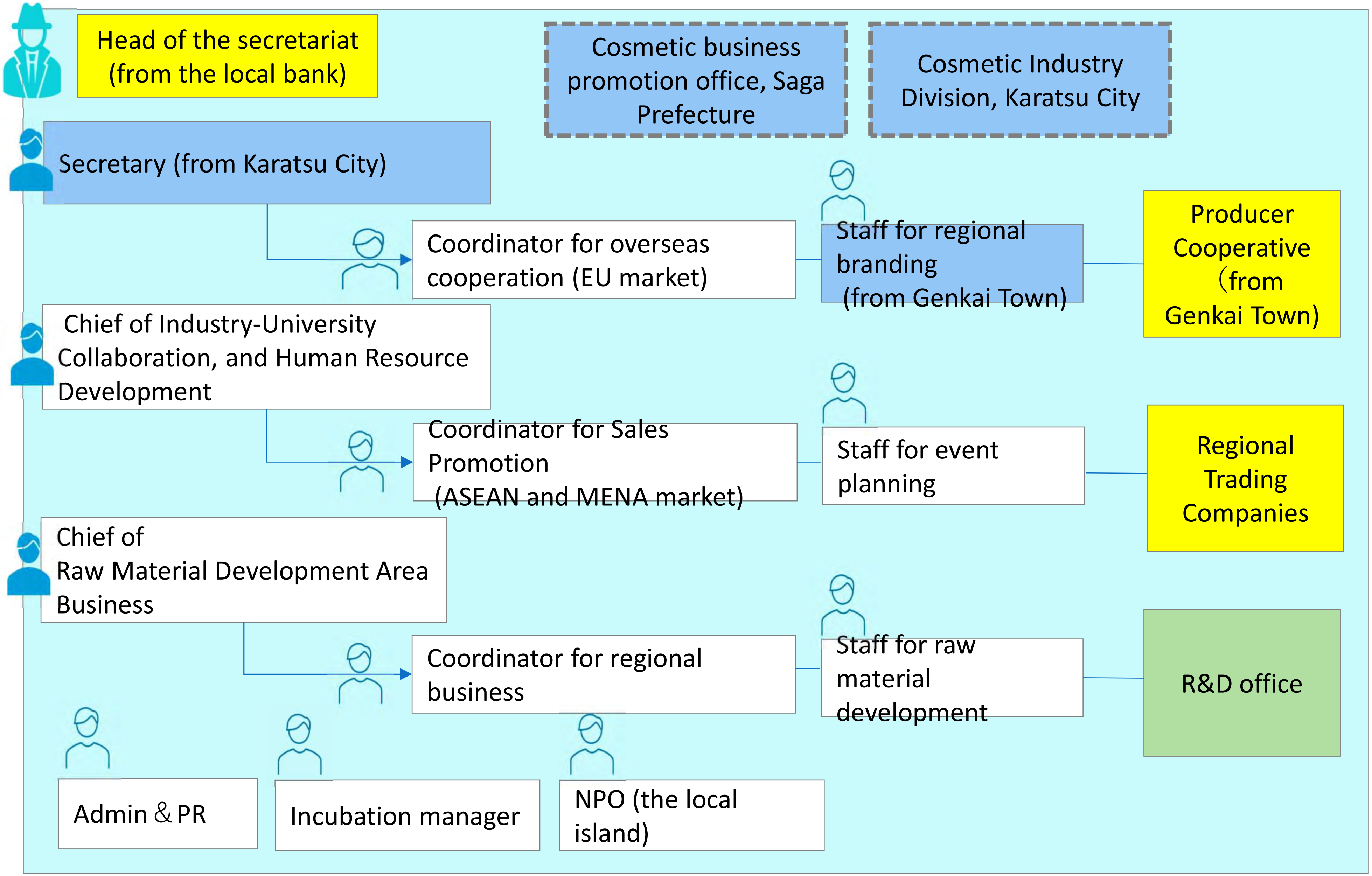
		Raw Material 原料栽培・加工・調達	Manufacturing incl. OEM 製造	Testing/Certification 検査・認証	Packaging/Logistics 梱包、出荷、流通	Retail 販売（含サービス連携）
Private sector	Inside the region	原園芸（Rose） 手島農園（Strawberry） 田島柑橘園＆加工所（Orange, aroma oil） グリーンテクノ、eggshell 健康倶楽部（pharmacy） グレイスファーム㈱（snow fungus）＊	CRECOS, OEM ＊ TREMY, OEM ＊	Bloom	Matsuura Logistics 有限会社 畑萬陶苑（伊万里焼陶芸） 本州印刷㈱	Spa: ㈱安永（Beauty Salon） 梶川事務所（Spa） まつばら薬局 Financing: 唐津信用金庫 佐賀銀行 損保保険ジャパン佐賀支店㈱ 東京海上日動火災保険㈱佐賀支店
	Outside the region	Trader: 岩瀬コスファ㈱ カネダ㈱ 北沢産業㈱ 新日本製薬㈱＊ ㈱マツモト交商	本村製作所（アロマ抽出設備） アルデバラン㈱＊ OEM: 小池化学㈱＊ 東洋ビューティ㈱＊ コスメディアラボラトリー＊ ㈱シーエスラボ＊	佐藤学園OBMリサーチセンター	カタニ産業㈱ ジュテック㈱ フリーゲイジ㈱	ディースタイルクリエイト（WEB design） ㈱フローラ ㈱バースプランニング（advertisement）
			アザレプロダクツ㈱＊、㈱バスクリン（入浴剤）、㈱アルビオン（コスメ）＊、肌美和㈱＊（馬油）、コスメティクスローランド㈱＊、㈱スパホスピタリティ（アロマオイル）、Fearless Cosmetics（コスメ）、㈱マンダム（コスメ）＊、㈱メソケアプラス（コスメ）＊、YOKO・JAPAN㈱＊、ラフラ・ジャパン㈱＊　等			
Academia		R&D: Institute of Medical Plant Cultivation Raw Material Development Office, JCC in Saga Univ.				
		Human Resource, Training: 学校法人コア学園　Karatsu Buisiness College（唐津市との連携協定で開校、コスメ産業人材を育成）				

Mini-cluster formulated inside the region

Source: Japan Cosmetic Cluster homepage
Note: Companies that also engage in **OEM** (contract manufacturing) of cosmetics products are marked with **an asterisk (*).**

Organization of JCC

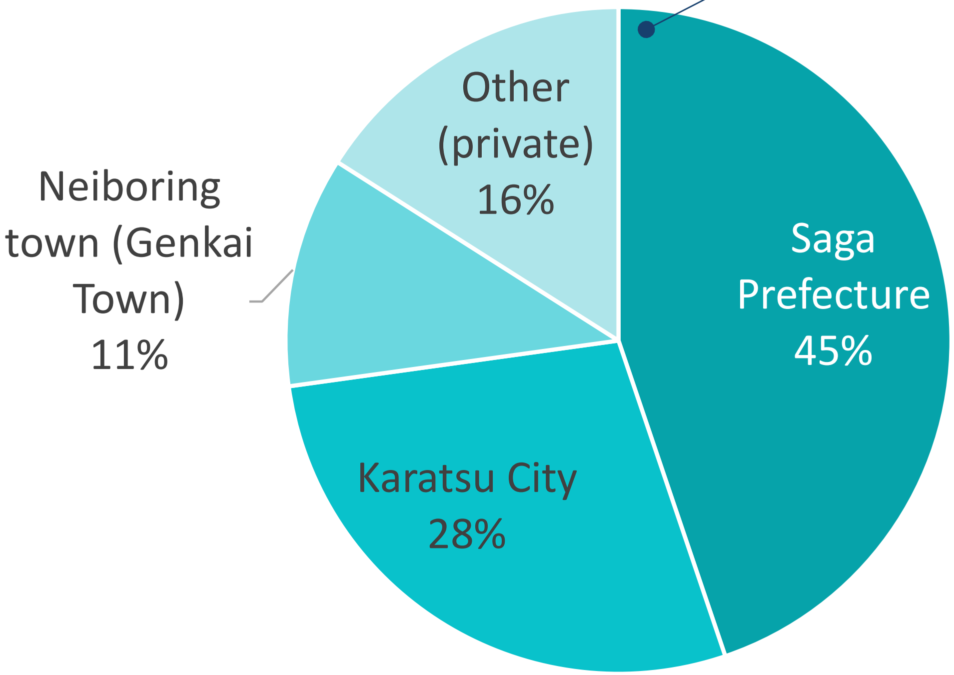
Private sector
Public sector
Academia
Proper staffs, other

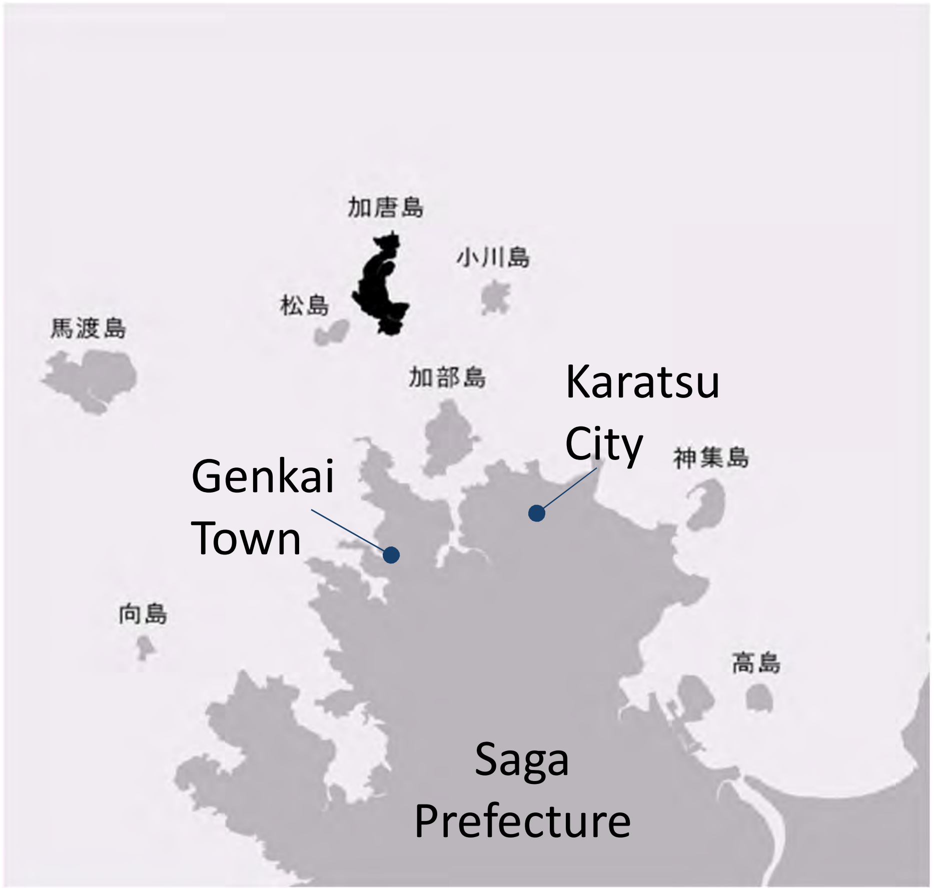


Source:「International Strategy for Regional Creation 」、2021、Naoki Fujiwara, etc. Japanese only

Financing of JCC

- **Annual operation Budget** for the cluster is approx. **0.72million USD** (=0.51millionJD= 100million JPY)
- The public sector is responsible for **84% of cost**, while the rest is from the private. (including the membership fee. The annual member fee may change 80USD to 1,000USD depending on the company location and the size (SMEs or large)

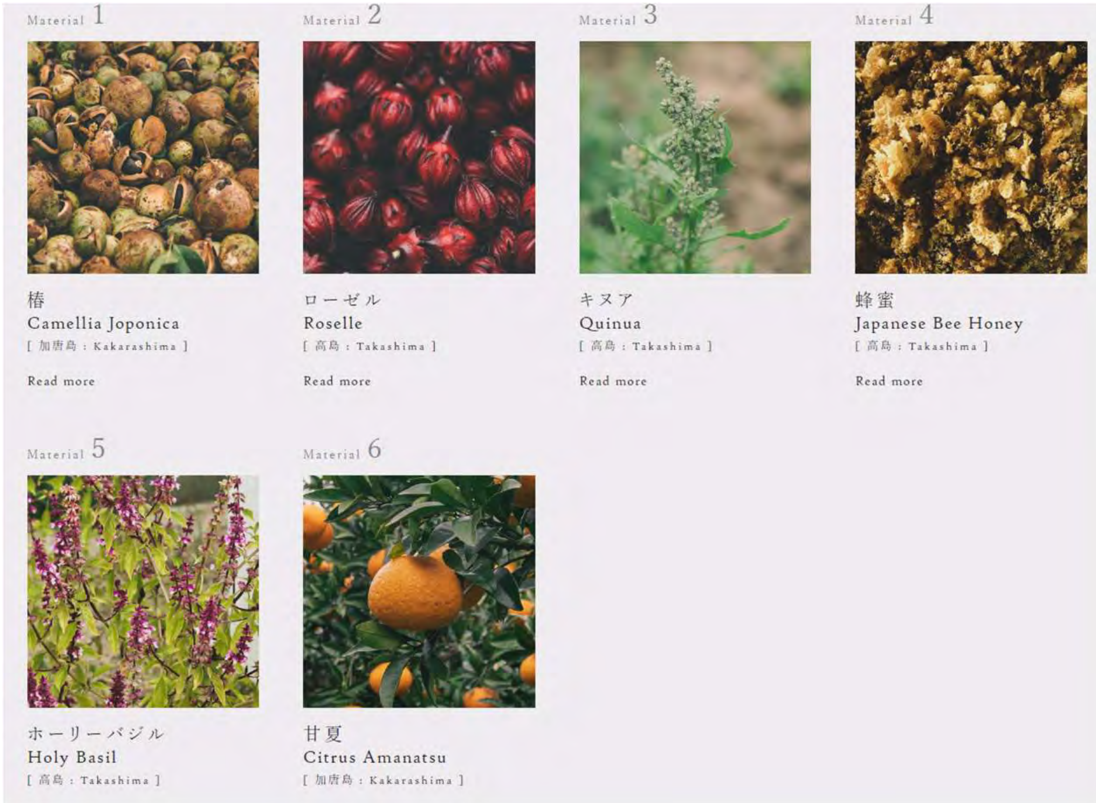




Source:「International Strategy for Regional Creation 」、2021、Naoki Fujiwara, etc. Japanese only

Collaboration among Raw materials, Manufactures & Tourism

- 8 remote islands in Saga have rich cosmetic ingredients and are promoted as **"Cosmetic Islands**" in ethical tourism business.
- Katarajima Island develops the ethical tourism, collaborating with Retocos, an organic cosmetic company.



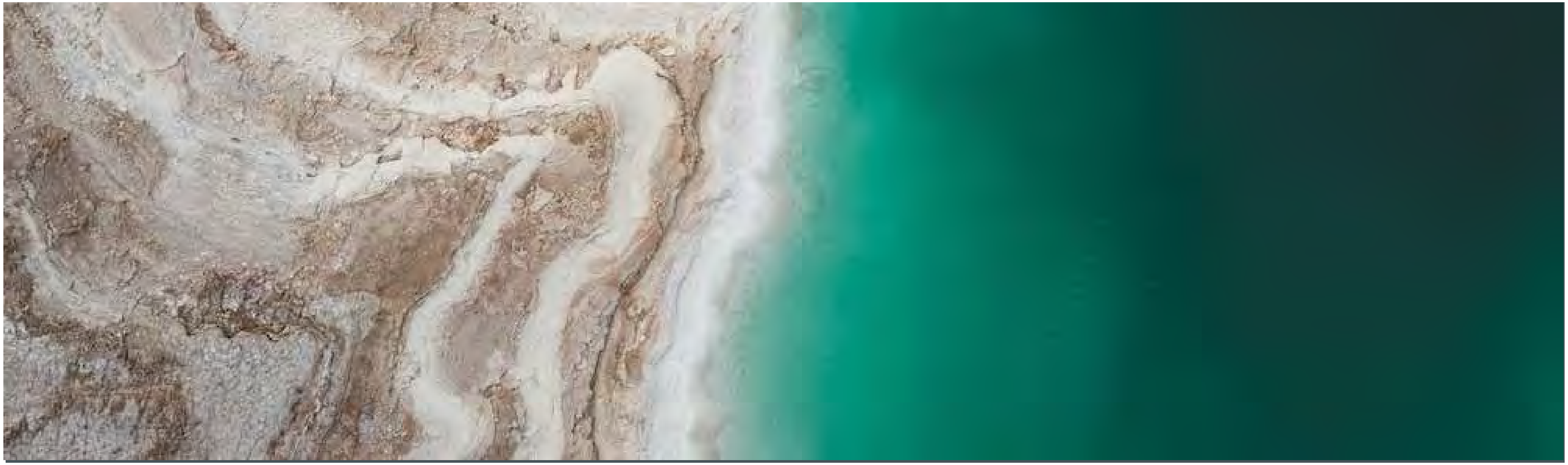
 Source:https://retocos.com/materials

Appendix 2

Market Study for Dead Sea Products in Jordan

MARKET STUDY FOR DEAD SEA PRODUCTS IN JORDAN

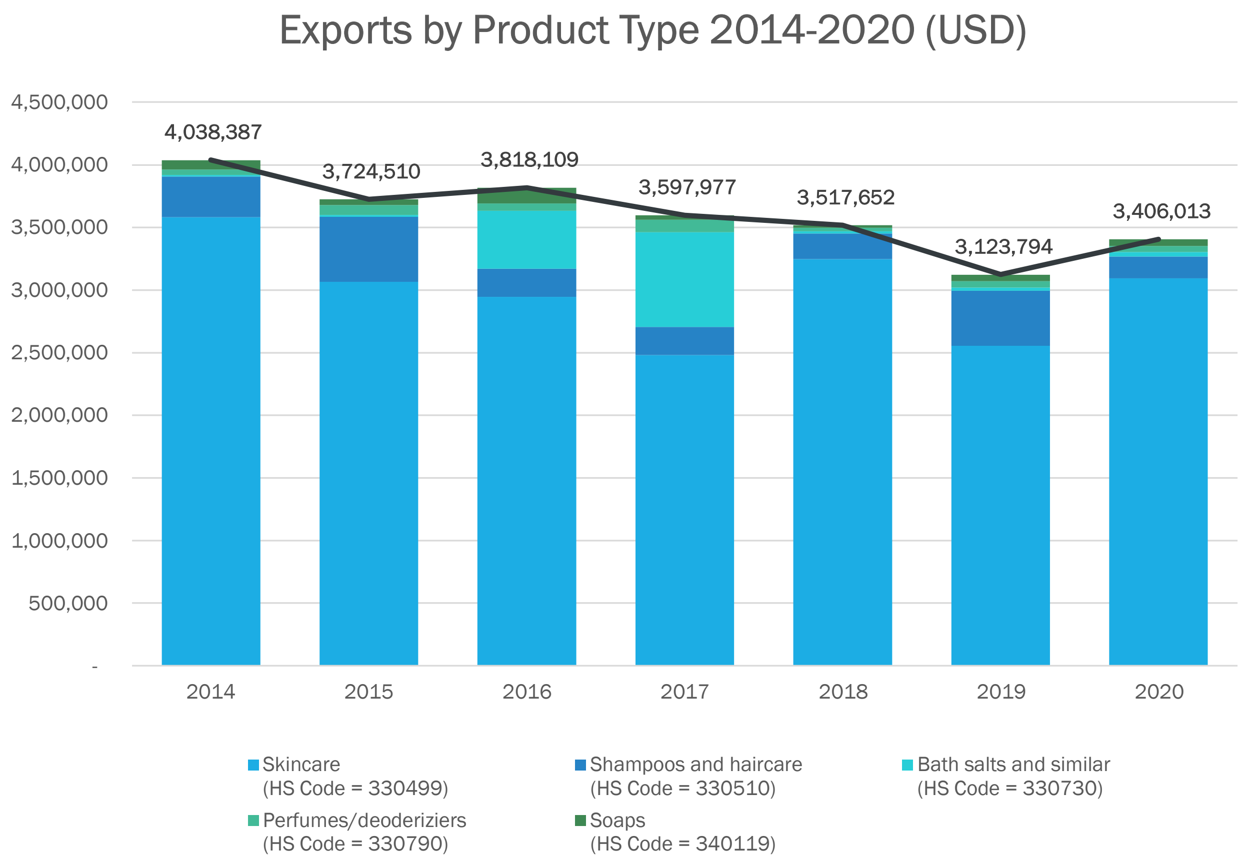
FINAL REPORT OF DELIVERABLES



2022/9/29

WELLNESS PRODUCTS
1.1 OVERALL PICTURE

EXPORT STATUS OF WELLNESS PRODUCTS IN JORDAN
(1.1 OVERALL PICTURE)

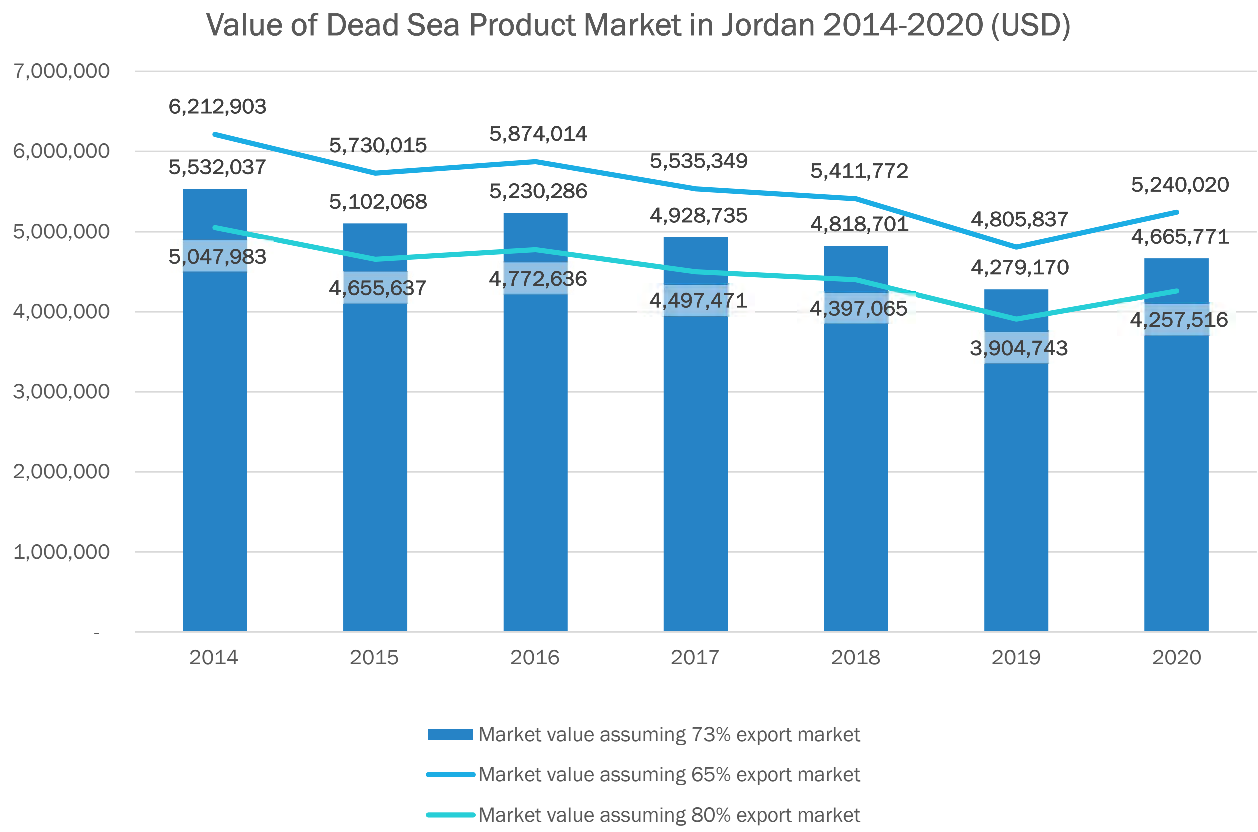


- Using available export data, the value of Dead Sea products was estimated as USD 3.4 M in 2020, showing slight growth from 2019 but shows an overall downward trend since 2014.
- An analysis of the growth between 2019 and 2020 reveals that it is largely driven by exports to the KSA and Qatar
- A major assumption here was that dead sea products represented around 15.7% of all the exported goods under the HS codes shown in the chart (as suggested by data presented through GIZ).
- No aggregated export data related to Jordan at the regional level (e.g. EU, North America, Africa) is available in existing databases.

Calculations based on data extracted from UN Comtrade database, and "A value chain analysis of the chemical industry in Jordan" by GIZ

SIZE OF THE WELLNESS PRODUCT MARKET IN JORDAN
(1.1 OVERALL PICTURE)

- Estimates place the market value for dead sea products between USD 4.26M - 5.24M as of 2020 according to the latest available data.
- Several assumptions were made to arrive at these figures:
  - **Assumption 1**: Dead sea products represented around 15.7% of all the exported goods under the HS codes shown in the previous slide
  - **Assumption 2**: The imports of dead sea products in Jordan are negligible (=0 in our calculations)
  - **Assumption 3**: Exports formed 65% of the market as a highest estimate (based on a GIZ analysis) down to 80% of the market (based on survey respondents) with the scenario shown being based on 73% exports (the arithmetic mean of both)

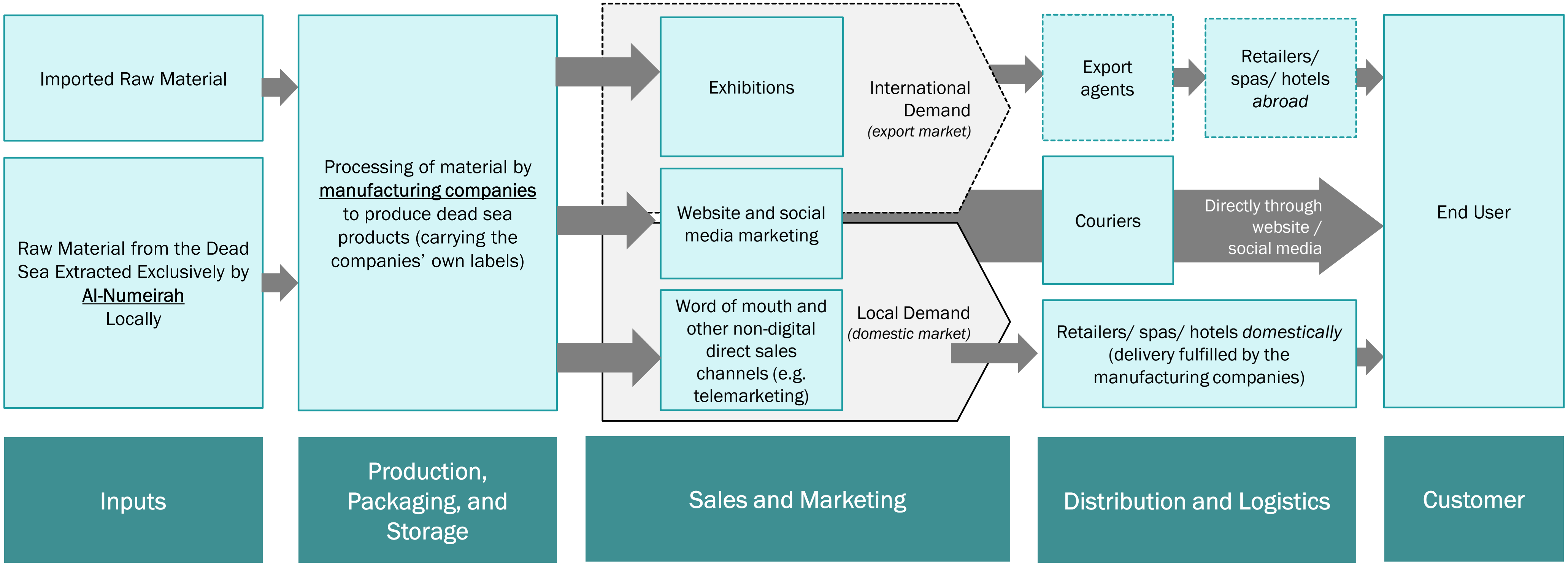


Calculations based on data extracted from UN Comtrade database, "A value chain analysis of the chemical industry in Jordan" by GIZ, and responses from companies interviewed through this study.

WELLNESS PRODUCTS

1.2 COMPANY INFORMATION

THE VALUE CHAIN OF DEAD SEA PRODUCTS MANUFACTURING
(1.2 COMPANY INFORMATION)



Based on "A value chain analysis of the chemical industry in Jordan" by GIZ and company interviews

IDENTIFICATION OF KEY PLAYERS IN THE MARKET
(1.2 COMPANY INFORMATION)

- A list of ~55 companies that are registered as manufacturers of Dead Sea products was generated using lists from the Dead Sea Products Manufacturers Association (DSPMA) and the Companies Control Department (CCD) – Ministry of Trade.
- The following companies were identified as the main players in the market for dead sea product manufacturing:

SIZE OF KEY PLAYERS IN THE MARKET
(1.2 FIRMOGRAPHICS OF KEY PLAYERS)

numeira

- **No. of staff:** 40 employees
- **Production facilities:** South Beach (Dead Sea), and Ghor Al-Safi – no business units outside of Jordan
- **Sales Revenue in 2021:** JOD 500K
- **Profit in 2021:** JOD 40-50K (8-10%)
- **Sales Revenue from Exports**: JOD 250K (50%)
- **Core Markets**: UK (90%), USA (2%), Belgium (2%), Poland (2%).
- **Core sales channels**: direct sales, website sales, intermediaries (agents), and exhibitions.

FOUF® Dead Sea Cosmetics

- **No. of staff:** 40 employees
- **Production facilities:** Sahab Industrial City
- **Sales Revenue in 2021:** JOD 58K (Note: 60% of entire sales of the company are generated from production for other companies)
- **Profit in 2021:** N/A
- **Export Share from Sales Revenue :** 20%
- **Sales Revenue from Exports**: JOD 13K
- **Core Markets**: Iraq (35%), Kuwait (20%), Algeria (20%), UAE (15%), Poland (10%)
- **Core sales channels**: Direct sales, website sales, sales through intermediaries/agents.

RIVAGE Natural Dead Sea Minerals

- **No. of staff:** 100 employees
- **Production facilities:** Sahab Industrial City
- **Sales Revenue in 2021:** N/A
- **Profit in 2021:** N/A
- **Sales Revenue from Exports**: N/A
- **Core Markets**: N/A
- **Core sales channels**: direct sales (through own outlets), website sales, intermediaries (agents).

Bloom™ DEAD SEA LIFE

- **No. of staff:** N/A
- **Production facilities:** Amman (upcoming)
- **Sales Revenue in 2021:** N/A
- **Profit in 2021:** N/A
- **Sales Revenue from Exports**: N/A
- **Core Markets**: N/A – but interested in Singapore, China, Japan, and South Korea
- **Core sales channels**: noted online sales through own website, e-bay, and Amazon

TRINITÆ LOVE YOURSELF FIRST

- **No. of staff:** N/A
- **Production facilities:** N/A
- **Sales Revenue in 2021:** N/A
- **Profit in 2021:** N/A
- **Sales Revenue from Exports**: N/A
- **Core Markets**: EU, USA, Japan (small but high customer retention)
- **Core sales channels**: direct sales (through own outlets), website sales – do not sell through other retailers

CHARACTERISTICS OF KEY PLAYERS IN THE MARKET
(1.2 PRODUCT TYPES AND PRICE SEGMENTS)

Q. We are interested in understanding more about the types of goods your company manufactures. Can you briefly describe each of these products?

- **Type of products:** Al-Numeira produces three primary products; dead sea salt, dead sea mud, and a body scrub/peeler
- **Price segment:** Competing in the lowest price segment (e.g. 2KG salts for around USD 13)
- **Orientation:** export market primarily (besides role as exclusive extractor of dead sea salts)
- **Packaging:** carry Al-Numeirah label (for own retail products), different packaging for raw materials
- **Source of raw material**: the body scrub/peeler contains material imported from China and UK (~10% of the product)

- **Type of products:** A range of body-care, hair-care, skin-care products, soaps, masks, peelers (no further details provided by the respondent)
- **Price segment:** Competing in the premium (highest) price segment
- **Orientation:** both domestic and export markets
- **Packaging:** carry Rivage label
- **Source of raw material**: the raw material from the dead sea is sourced from Al-Numeirah, while other material sourced from abroad (imported).

- **Type of products:** A range of body-care, hair-care, skin-care products, soaps, masks, peelers (no further details provided by the respondent)
- **Price segment:** Competing in the premium (highest) price segment
- **Orientation:** both domestic and export markets
- **Packaging:** carry Rivage label
- **Source of raw material**: the raw material from the dead sea is sourced from Al-Numeirah, while other material such as fragrances, extracts, and vitamins are obtained from factories based in the EU.

- **Type of products:** N/A– emphasis on power of dead sea minerals in marketing
- **Price segment:** N/A
- **Orientation:** both domestic and export markets
- **Packaging:** N/A
- **Source of raw material**: N/A – locally sourced

- **Type of products:** not positioned as dead sea products; instead as organic/natural ingredients from Jordan; lifestyle products; 160 SKU's in total
- **Price segment:** niche market is primary target
- **Orientation:** export and domestic
- **Packaging:** imported, preferring eco-friendly, own label
- **Source of raw material**: locally sourced

PERSPECTIVES ON COMPETITION
(1.2 COMPETITIVE LANDSCAPE)

Q. Who are your primary competitors in the market?
Q. What competitive advantage do your products have over others in the market?

Numeira
- **Primary competitors:** Ahava (Israel) and Seacret (Global player - unknown)
- **Competitive advantage of products:** High-quality, impurity-free products that meet global standards

Rivage – Natural Dead Sea Minerals
- **Primary competitors:** Israeli companies (e.g. Ahava) globally and major players domestically (e.g. Trinitae, Bloom, etc.)
- **Competitive advantage of products:** High quality of products, competitive pricing, and natural ingredients

Fouf – Dead Sea Cosmetics
- **Primary competitors:** Ahava globally, Rivage domestically
- **Competitive advantage of products:** Combining between high quality, appropriate pricing, and range of product offerings.

Trinitae – Love Yourself First; Bloom – Dead Sea Life

No detailed discussion on competition among Jordanian companies or the competitive advantage of products

Q. How competitive is the market from your perspective?
Q. How close are other companies' sites of operation/production to your own?
Q. How do you normally collect information on the market, competitors, and customers?

- The majority saw the market as very competitive due to the perceived ease and low cost of market entry, in addition to the sole/exclusive source of raw material (the dead sea), and niche demand for such products domestically and abroad (presenting limited opportunities for growth).
- Some companies such as Rivage did not think it was very competitive given their high share of the domestic market (60% according to their figures), while others saw that Jordanian companies share of the global market was minimal given the presence of Israeli companies who dominate the market.
- In terms of collaboration, almost all companies reported not having a collaborative agreement with competitors/other companies despite their proximity in terms of location.
- Only one company, the Jordan company for Dead Sea Products (Le Cure) reported collaborating with/requesting support from others in terms of logistics, delivery, and sourcing of raw material during periods of high demand.
- Companies collect information on the market from a wide range of sources, including through interactions with clients, distributors, other companies and tour guides; as well as market studies (more common for major players). There is no evidence to suggest there is a regular mechanism for intelligence and data on the dead sea market to be disseminated (e.g. by the DSPMA or government regulators).

RELEVANT CERTIFICATIONS AND REGULATION OF THE WELLNESS PRODUCTS IN JORDAN

(PRODUCT QUALITY AND CERTIFICATIONS)

Q. Are your products certified by any body or agency in Jordan or abroad?

- Domestically, products are certified through the Jordan Food and Drug Administration (JFDA), according to almost all companies interviewed.
- A few other companies noted having certifications from the Chamber of Commerce and that their products met ISO/GMP standards – but did not provide further details.
- These certifications were reportedly obtained by larger companies to enter markets abroad (largely, the EU market).
- Many other respondents noted that they did not need any certifications for the products exported as this was either the responsibility of the agency that is importing these products or that there was no need for certification at all since the goods exported were in raw form.
- For companies that dealt with processing factories/manufacturers for goods, a couple of respondents noted that these factories had a GMP certification.

Q. Can you please tell us about your company's experience in obtaining and maintaining quality certifications by regulators in Jordan and abroad?

- The JFDA certification process is normally lengthy but fairly straightforward. Those who have obtained the manufacturing GMP/ISO standards also reported the same.
- The documentation for the products to be certified are presented jointly by the company and factory – if applicable (e.g. specifications, drawings, labels, ingredients) along with the registration and any relevant documentation related to the factory dealt with - as well as samples of the product. In some cases, it is the factory itself that only obtains the certification – depending on the nature of the product being manufactured.
- A few respondents noted that the JFDA inspects and audits the goods being manufactured
- As for certification abroad, Rivage noted that it is registered on the CPNP (cosmetics panel notification portal) – the EU's notification portal for cosmetic products. The company is also registered with/certified by the FDA in the US, to facilitate its export operations there.
- Maintaining these certifications is not a challenge; they reported that manufacturing standards and requirements are strictly adhered to.

WELLNESS PRODUCTS
1.3 MARKETING AND BRANDING

STRATEGY, MARKETING, AND BRANDING ACTIVITIES (1/2)
(1.3 MARKETING AND BRANDING)

numeira

- **Key Business Goals in Upcoming Period**: Increasing production of salts and mud/launching a new, globally-competitive product (through investing in expanding marketing department and staff)
- **Success factors:** Participation in exhibitions, investing in digital/social media marketing, commissioning studies to identify market needs.
- **Critical Issues**: worsening economic conditions around the world lessens demand for such products, and increasing competitiveness of Israeli export market for dead sea products.
- **Marketing channels and activities used**: Participation in exhibitions, digital marketing, and sales through the website. On social media domestically, the respondent noted that they do not typically use this approach as there is limited demand for dead sea products.
- **Specific use of digital marketing activities:** Email marketing (70%), video marketing (10%), other types of marketing (20%) - no particular mention of social media, but noted that they will be investing in digital marketing staff over the coming period

RIVAGE
Natural Dead Sea Minerals

- **Key Business Goals in Upcoming Period**: higher participation in international exhibitions, development of digital marketing capacity
- **Critical Issues**: high costs were seen as major barrier towards achievement of goals
- **Marketing channels and activities used**: social media marketing, development of marketing content, leveraging influencers, and participation in exhibitions.
- **Specific use of digital marketing activities:** commonly used in the past period.

FOUF®
Dead Sea Cosmetics

- **Key Business Goals in Upcoming Period**: expanding distribution network, entering new markets, and adding new product lines
- **Success Factors**: Maintaining quality and competitive pricing, and ensuring credibility and range in product offerings
- **Critical Issues**: High prices of raw material, rising shipping costs, and complications brought by pandemic.
- **Marketing channels and activities used**: social media marketing, participation in exhibitions, and traditional marketing approaches
- **Specific use of digital marketing activities:** noted having social media channels/pages but are not optimized (need consolidation)

STRATEGY, MARKETING, AND BRANDING ACTIVITIES (2/2)
(1.3 MARKETING AND BRANDING)

TRINITAE
LOVE YOURSELF FIRST

- **Key Business Goals in Upcoming Period**: interested in customer retention, recurring customers, and organic growth as primary business objectives; additionally seeking building relationships with social enterprises in the North and South of jordan.
- **Success factors:** Trinitae aims to build an emotional connection between the brand and customers by having its customers know the company, not just the products. So that customers can share in Trinitae's core values.
- **Marketing channels and activities used**: increasingly reliant on digital marketing and social media marketing.
- **Specific use of digital marketing activities:** no details provided.

Bloom™
DEAD SEA
LIFE

- **Key Business Goals in Upcoming Period**: plans to open new facility in Amman; opening experience booth (spa) in Heathrow Airport (UK) in the coming period; expansion of exports to new destinations.
- **Success factors**: not only for Bloom, but for sector; having a unified branding approach for dead sea products (not for the companies).
- **Marketing channels and activities used**: recognize the importance of e-commerce as potential sales channel (especially after COVID); reliance of the sector on exhibitions internationally.
- **Specific use of digital marketing activities:** currently sell products on own website, ebay, and Amazon. Bloom is looking towards registering on Amazon USA soon.

EXPERIENCES OF JORDANIAN PRODUCTS ENTERING MARKETS (1/2)
(1.3 MARKETING AND BRANDING)

Q. Have you previously tried to enter export markets? Which markets did you try to enter?
Q. What were the characteristics of this market entry effort? More specifically, which products were marketed, and what channels were they sold through?
Q. How would you describe your experience with export market entry? Why?
Q. What were the key success drivers/challenges behind this (positive/negative) experience?

FOUF Dead Sea Cosmetics

- The company had successfully entered the UAE, Saudi Arabian, Omani, Chinese, Ghanian, and US markets in the past.
- The experience was seen as positive due to the significant revenue it generated.
- However, some of these countries did not feature in the current biggest export destinations noted by FOUF suggesting that some of these experiences had been short-lived (notably, the USA, China, and Saudi Arabia).
- The company attributed the success of its export experiences to participation in exhibitions internationally – which has helped in marketing their products and effectively reaching a wider audience.

numeira

- Having reported exporting to UK, USA, Belgium, and Poland in the past (among others), Al-Numeirah also noted exporting to Egypt and Kuwait 3 years ago.
- In Egypt and Kuwait, sales were made directly through the website and were subsequently shipped abroad.
- The experience was seen as positive and boosted sales for Al-Numeirah, and positioned the sales department and leadership favorably across the company.
- The company attributed the success of this experience to planning, follow-up, and departmental focus on boosting sales.

RIVAGE Natural Dead Sea Minerals

- Limited feedback provided by Rivage on these questions.
- They did not report any past experiences entering new export markets, but noted that all export market activity was positive.
- They also reported that export sales occurred mostly through the website and through distributors/agents.

EXPERIENCES OF JORDANIAN PRODUCTS ENTERING MARKETS (2/2)

(1.3 MARKETING AND BRANDING)

Q. Have you previously tried to enter export markets? Which markets did you try to enter?
Q. What were the characteristics of this market entry effort? More specifically, which products were marketed, and what channels were they sold through?
Q. How would you describe your experience with export market entry? Why?
Q. What were the key success drivers/challenges behind this (positive/negative) experience?

TRINITAE
LOVE YOURSELF FIRST

- The company had successfully entered the EU, USA, and Japan (among others). The company described their export experience in Japan.
- Specifically in Japan, the scale of exports is small – but it is satisfactory for them. As a company that is focused on customer retention, the limited sales volume to Japan – but with repeat customers – is what is needed now.
- Any expansion of sales in Japan will require investment, but it is not currently in their plans. Instead, there are considerations of expanding sales channels in Japan towards physical stores or e-commerce.
- Trinitae is not interested in China, as the market is too big for successful and effective marketing. Trinitae prefer niche – not large – markets.

Bloom™
DEAD SEA
LIFE

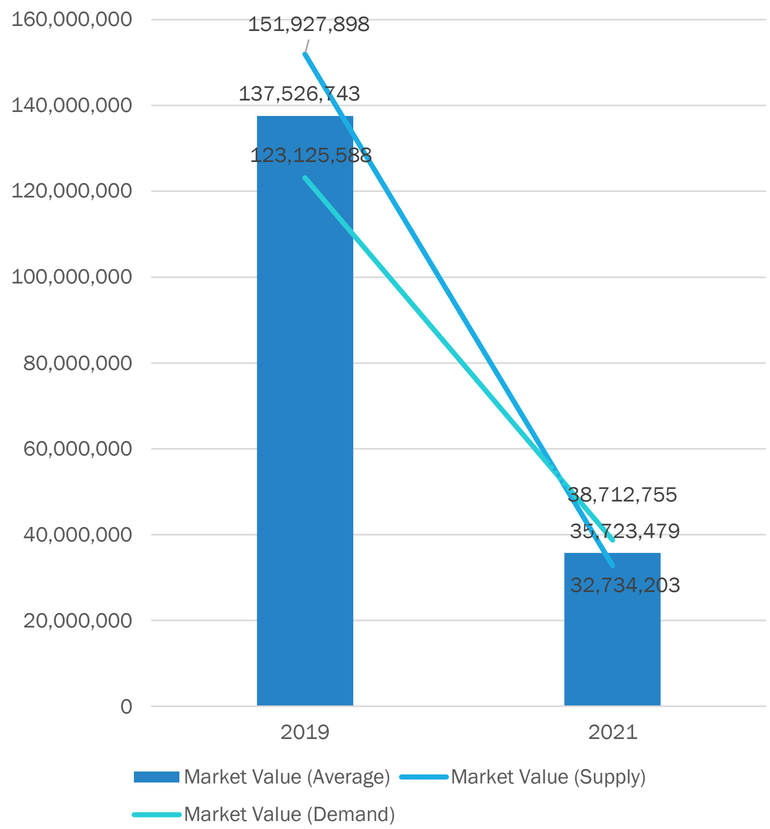
- Bloom used to have a shop in Tokyo, Japan in 2007 through a Japanese partner – but it no longer exists.
- According to Bloom, finding a good partner in the international market is vital for success.
- Bloom regularly researches potential markets, and found that top 3 potential markets for their products were USA, Japan, and Germany. In particular, Bloom found that customers in Japan are a particularly promising target.
- Bloom has plans to expand exports to Singapore, China, and South Korea as well, in addition to opening an experience booth (spa) in the UK's Heathrow airport.
- Among critical factors for growth in exports noted by Bloom is the need for unification and collaboration of Dead Sea manufacturers in Jordan under the same umbrella (whether it is for industrial collaboration, or unified branding of "Dead Sea Products").

WELLNESS TOURISM

2.1 OVERALL PICTURE

SIZE OF THE WELLNESS TOURISM MARKET IN JORDAN
(2.1 OVERALL PICTURE)

- Estimates place the market value for dead sea products between USD 33 M - 39 M as of 2021 according to the latest available data.
- Several assumptions were made to arrive at these figures:
- **Supply-side Assumptions:**
  - **Assumption 1:** 100% of revenue from Dead Sea, Ma'in, Wadi Rum and RSCN venues is Wellness Tourism revenue, as the destination itself counts as wellness
  - **Assumption 2**: For Amman, Petra and Aqaba, Wellness Tourism revenue is represented by revenue generated from spas, which represents for 5% of total hotel revenue (based on interview respondents)
  - **Assumption 3**: Average spending per night was calculated at 234 USD for 2021 and 2019 (based on a 2019 GIZ analysis)
- **Demand-side Assumptions:**
  - **Assumption 1**: 100% of spending in Dead Sea, Ma'in, Wadi Rum and RSCN venues is towards Wellness Tourism, as the destination itself counts as wellness (i.e., accommodation, food, spa, etc.).
  - **Assumption 2**: For Amman, Petra and Aqaba, Wellness Tourism spending is represented by average spending in spas, which was calculated at 162 USD (based on interview respondents)



This calculation represents a quantifiable subset of the Wellness Tourism sector in Jordan, and does not include hiking trails, healthy eating, salon services, etc. Calculations based on data extracted from Ministry of Tourism and Antiquities data, "Jordan's Tourism Sector Analysis And Strategy For Sectoral Improvement" by GIZ, responses from hotels interviewed through this study, and team analysis.

SIZE OF THE WELLNESS TOURISM MARKET IN JORDAN
(2.1 ESTIMATING MARKET SIZE)

In order to quantify the Wellness Tourism market size, a dual approach was applied, calculating the market size from both the demand, and supply sides, as such:

- **Supply:** Market size calculations were based on revenue generated from Wellness Tourism, calculated from:
  - **Number of hotel rooms.** Only 5-star hotels were included for Amman, Petra and Aqaba, due to their inclusion of spas – which represents Wellness Tourism in these areas.
  - **Average room occupancy rates**
  - **% of guests who are tourists**
  - **Average spending per day by guests (USD)**
  - **% of revenues attributed to Wellness Tourism.** For Amman, Aqaba and Petra, this was calculated at 5%, which represents average share of total revenue generated from spas. For Dead Sea, Wadi Rum, Ma'in and RSCN venues, 100% of the revenue was attributed to wellness, due to the nature of the areas.

2021						
Area	# of Rooms*	Room Occupancy 2021*	% Tourists (Arrivals at Classified Hotels)**	Spend per Day (USD)***	% of Revenue From Wellness Tourism ****	Market size - 2021
Amman (5-star)	5,308	38.6%	50%	234	5%	4,374,075
Petra (5-star)	816	28.5%	29%	234	5%	286,454
Aqaba (5-star)	2,581	50.9%	29%	234	5%	1,615,306
Dead Sea (5-star)	1,848	44.2%	28%	234	100%	19,445,820
Dead Sea (4-star)	581	29.5%	28%	234	100%	4,072,623
Dead Sea (2-star)	29	18.0%	28%	234	100%	124,531
Wadi Rum (All)	269	32.5%	39%	50	100%	620,774
Ma'in (All)	78	53.9%	25%	234	100%	880,410
RSCN (All)	114	50%	64%	98.7	100%	1,314,210
Total						**32,734,203**

*** Jordan Hotel Association and Ministry of Tourism and Antiquities data**
**** Ministry of Tourism and Antiquities data**
***** "Jordan's Tourism Sector Analysis And Strategy For Sectoral Improvement" by GIZ**
****** Interview respondents and team analysis**

SIZE OF THE WELLNESS TOURISM MARKET IN JORDAN
(2.1 ESTIMATING MARKET SIZE)

- **Demand:** Market size calculations were based on spending targeted towards Wellness Tourism, calculated from:
  - **Number of tourists.** Only tourists staying in 5-star hotels were included for Amman, Petra and Aqaba, due to their inclusion of spas – which represents Wellness Tourism in these areas.
  - **Likelihood of going to spa.** As spending on Wellness in Amman, Petra and Aqaba is represented by spending in spas. (based on interview respondents and team analysis). As Dead Sea is both a Wellness destination, and offers spa services in 5-star hotels, spending in spas was added to the total average spending.
  - **Average spending on wellness (USD).**
    - **For Amman, Petra and Aqaba:** calculated as average spending in spas (based on interview respondents).
    - **For Dead Sea, Wadi Rum, Ma'in and RSCN venues:** calculated as total spending in venue, in addition to spending in spa (if applicable)

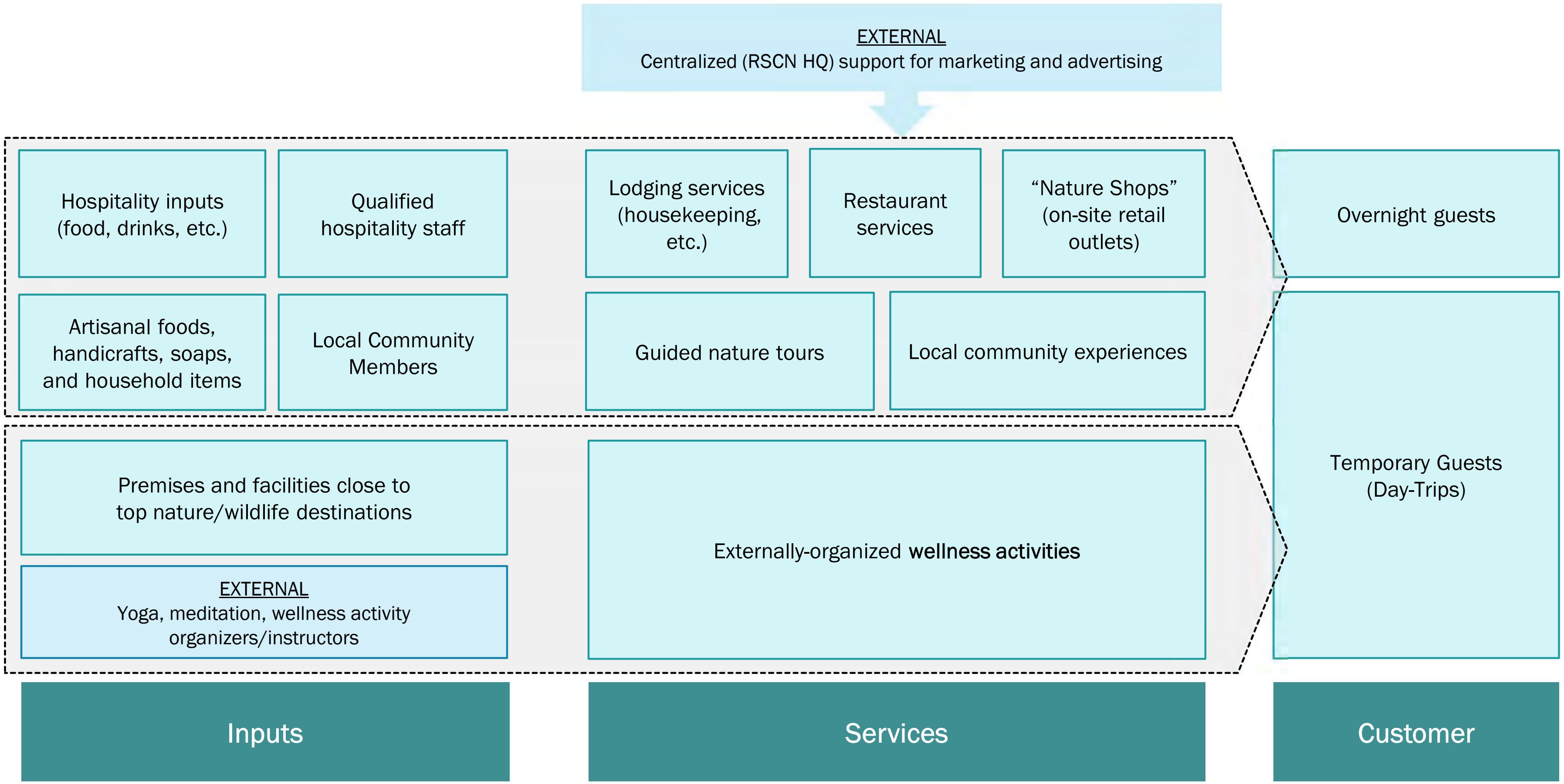
2021					
Area	Number of Tourists (Arrivals at Classified Hotels)*	Tourists in 5-star Hotels*	Likelihood of Going to Spa**	Average Spending on Wellness (USD)***	Market Size 2021
Amman	659,444	455,016	5%	162	3,689,045
Petra	43,215	29,818	10%	162	483,505
Aqaba	196,475	135,568	30%	162	6,594,693
Dead Sea	89,120	N/A	30%	282	25,194,670
Wadi Rum	16,000	N/A	N/A	38	609,120
Ma'in	2,827	N/A	N/A	234	661,914
RSCN	14,993	N/A	N/A	99	1,479,809
Total					**38,712,755**

* Ministry of Tourism and Antiquities data
** Interview respondents and team analysis
*** "Jordan's Tourism Sector Analysis And Strategy For Sectoral Improvement" by GIZ

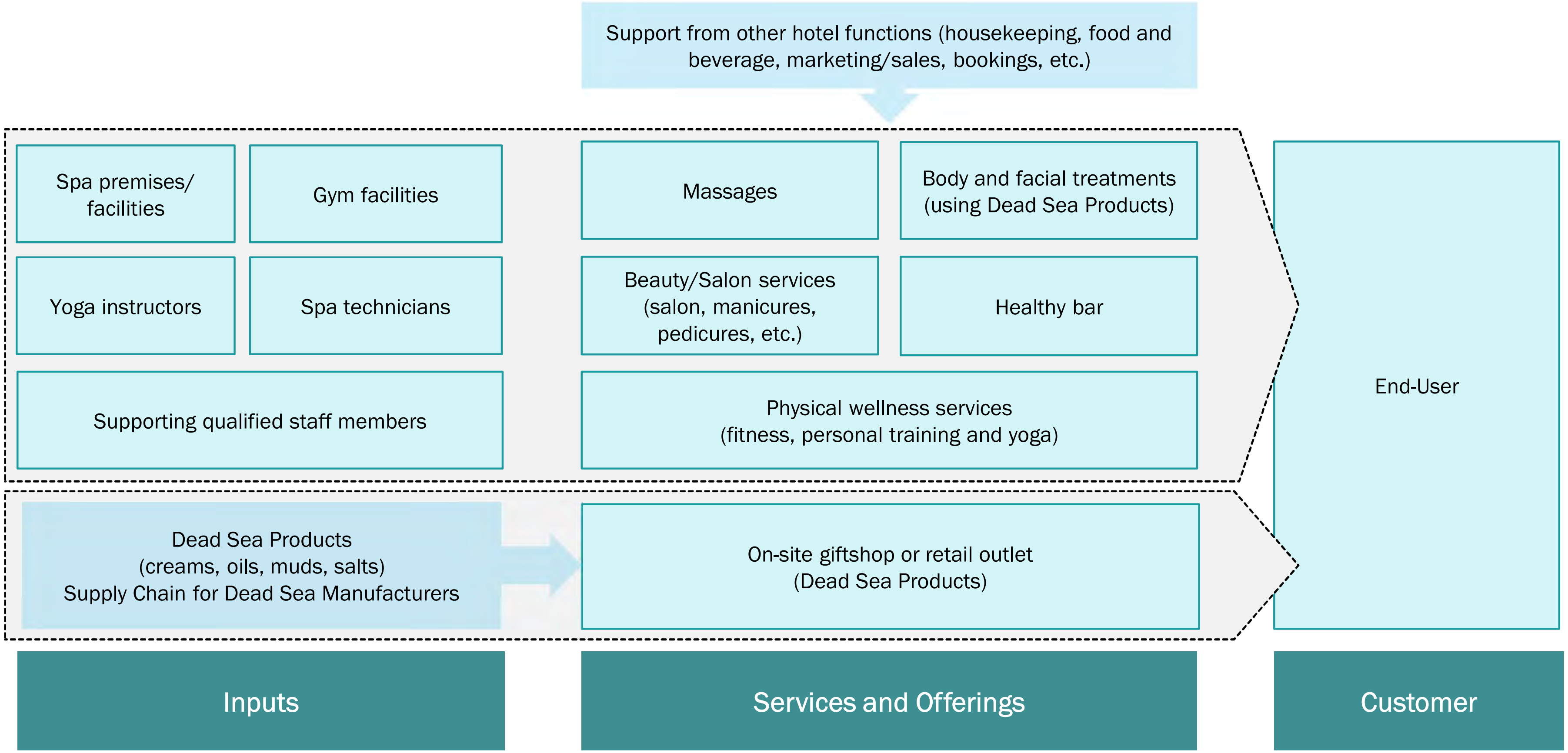
WELLNESS TOURISM

2.2 COMPANY INFORMATION

THE VALUE CHAIN OF WELLNESS TOURISM OFFERINGS
(LODGES - RSCN)



THE VALUE CHAIN OF WELLNESS TOURISM OFFERINGS
(WELLNESS SERVICES IN HOTELS AND RESORTS)



IDENTIFICATION OF KEY PLAYERS IN THE MARKET
(2.2 COMPANY INFORMATION)

- A list of 72 entities offering wellness services (specifically services related to massages, spas, and "treatment") and popular destinations for tourists in Jordan was generated using desk research and the Jordan Hotel Association database. This list included three categories of sites; hotels, spas, and lodges.
- A total of 8 entities were interviewed, of which the following were identified as key players in the wellness tourism market across the three categories listed above as well as three primary destinations in Jordan for tourists:

MÖVENPICK Dead Sea

Ma'in Hot Springs Resort & Spa

Anonymous 5-star Hotel and Spa

Resorts/Hotels located at or close to the **Dead Sea**

MÖVENPICK Tala Bay

Resort located in **Aqaba**

الجمعية الملكية لحماية الطبيعة RSCN

Operate lodges **across Jordan** (Tafila, Ajloun, and Wadi Al-Mujeb)

SIZE OF KEY PLAYERS IN THE MARKET
(2.2 FIRMOGRAPHICS OF KEY PLAYERS)

MÖVENPICK Dead Sea

- **Overview:** prime location in the Dead Sea cluster of hotels; consists of 346 rooms
- **No. of staff:** 450 members total (20 staff members in spa)
- **# of guests in past year:** 10k+ in 2021 (60% tourists)
- **# of spa visitors in past year:** 4% (400 guests) – of whom 70% tourists
- **Sales revenue in past year**: JOD 6M
- **Sales revenue from spa in past year:** JOD 360k

Ma'in Hot Springs Resort & Spa

- **Overview:** Located in Madaba governorate, and 12-15 km away from Dead Sea. Split into 3 sections; general area that day-visitors use, the 4-star hotel with accommodation (97 rooms), and the health club/medical treatment section
- **No. of staff:** 183 members total (8 staff members in spa)
- **# of guests in past year:** 30k in 2021 (62% tourists)
- **# of spa visitors in past year:** 5k in 2021– 17% of all visitors
- **Sales revenue in past year**: N/A
- **Sales revenue from spa in past year:** 19-20%

الجمعية الملكية لحماية الطبيعة RSCN

- **Overview:** lodges and chalets spanning 4 locations (among other locations operated by RSCN). In total, 114 rooms.
- **No. of staff:** 120 staff members in these locations.
- **# of guests in past year:** 15k in 2021 including (64% tourists average across all locations)
- **# of spa visitors in past year:** N/A – no spa
- **Sales revenue in past year**: N/A
- **Sales revenue from spa in past year:** N/A – no spa

MÖVENPICK Tala Bay

- **Overview:** located just outside city of Aqaba; contains 300 rooms in total, considered by guests as a "family resort".
- **No. of staff:** 300 members total (10 staff members in spa)
- **# of guests in past year:** 12k in 2021 (55% occupancy – 40% are tourists)
- **# of spa visitors in past year:** 3k in 2021– 72% tourists
- **Sales revenue in past year**: JOD 3.4M
- **Sales revenue from spa in past year:** 5% (~ JOD 180k)

Anonymous 5-star Hotel and Spa

- **Overview:** Located in Dead Sea. Further details n/a for anonymity.
- **No. of staff:** 400 staff members (57 staff members in health club and spa)
- **# of guests in past year:** 37k in 2021 (50% tourists)
- **# of spa visitors in past year:** 7% of guests (all tourists)
- **Sales revenue in past year**: N/A
- **Sales revenue from spa in past year:** N/A

CHARACTERISTICS OF KEY PLAYERS IN THE MARKET
(2.2 CORE OFFERINGS)

MÖVENPICK Dead Sea

- **Services provided:** Massages, mud sessions (salts, mud from dead sea), moroccan hammam, turkish hammam, skin cleansing, gym, yoga, meditation, manecure/Pedicures, waxing, haircare (salon), sauna, steam room. Additional facilities: restaurant and giftshop.
- **Distinct features:** location, diversity of offerings, quality of services, quality of cadre, design of facilties (based on Qasr Amra).

Ma'in Hot Springs Resort & Spa

- **Services provided:** Saunas, steam rooms, pools. Services include: Swedish massage, eastern massage, relaxing massage, olive oil massage, volcanic rock massage, athletic massage, pregnancy massage, foot massage, head massage, skin peeling/cleansing using dead sea salts, body and dace scrubs, mud-bath.
- **Distinct features:** Mineral water inside the health club is specific to the area; the wide range of massage types available.

الجمعية الملكية لحماية الطبيعة RSCN

- **Services provided:** eco-tourism experiences, unique vistas, hike trails, local community immersion experiences, local meals and cooking classes
- **Distinct features:** all facilities located in areas categorized as nature reserves = unique vistas, flora, and fauna.

Anonymous 5-star Hotel and Spa

- **Services provided:** Massage types – aromatherapy, Swedish, Thai, deep tissue, Balinese, hot stone, back/neck/shoulder, couple (+ others). Foot reflexology, Abhyanga, de-stress Shirodhara, Dead Sea aromatherapy salt & oil, Dead Sea natural scrub & mud wrap (+ other Dead Sea product services). Hammam, facials, detox, weight loss, manicures, pedicures, pools, sauna, and steam
- **Distinct features:** Detox room and café that offers types of mineral water unique to the hotel and offers healthy food, there are also 3 "hydro pools", and massage types not offered elsewhere

MÖVENPICK Tala Bay

- **Services provided:** Separate men's and women's section which contains steam room, sauna, jacuzzi (only in women), and changing rooms. There is a mixed area which contains a hydro pool, healthy bar (detox water, fresh juices, water), general hairdresser/salon, and massage area (which also includes services for hydrotherapy)
- **Distinct features:** Tranquility area (quiet area); services such as hydrotherapy, baths, and chocolate, mud masks - offered in dead sea but only offered through the hotel.

PROFILING WELLNESS TOURISTS IN JORDAN
(2.1 CHARACTERISTICS OF SPA USERS AND OTHER WELLNESS TOURISTS)

	Nationalities	Ages	Length of Stay	Interests
Lodges	Contingent on location, but nationalities typically include **Germans**, **Italians**, **British**, **French**, and **Dutch** tourists (in addition to local tourists)	**No particular age-group** noted, includes individuals, couples, and families up to 70 years old.	Across all locations, the average stay of tourists is **between 24 and 48 hours** – rarely longer.	• Foreign tourists more interested in wellness activities at these locations than locals. • Yoga activities are organized externally; the RSCN only rents out space. • Interest in yoga and other wellness activities are obsereved in some locations more than others (more in Al-Mujeb, Ajloun than in Azraq and Dhana) • Al-Mujeb chalets (lodges) are popular with locals and foreigners alike, but are particularly appealing to those with wellness interests. • Lodges in other locations (overnight stays) are appealing more to Jordanians than others.
Hotels and resorts	Tourists from the **USA**, **Germany**, **UK**, **Russia**, **France**, **Japan**, and **China**. Some Arab tourists from **Palestine and Gulf countries** – the latter group interested more in “medical” tourism. **Expat** visitors to spa and hotel facilities are common as well, but typically in Autumn.	**Typically between 40 and 60** years old (one hotel noted visitors as young as 30).	The minimum reported length of stay for wellness tourists is **2 nights** (1 night for medical tourists) up to 1 week as reported by a 5-star hotel and resort.	• Tourists interested in the local dead sea mud "experience" or those for whom spa-treatments are a regular activity are typical visitors. • Only few tourists are reportedly interested in activities like yoga, most wellness tourists are interested in massage/sauna/steam/pools. • A couple of entities interviewed reported having in-house yoga instructors; in other cases, such sessions are organized externally/separately.

CERTIFICATIONS RELATED TO WELLNESS QUALITY
(2.2 COMPETITIVE LANDSCAPE)

Q. Has your organization/company specifically obtained any certification related to wellness, wellness tourism, or similar locally or internationally?
Q. Do wellness practitioners in your hotels/resorts/lodges have any certifications or qualifications related to wellness?
Q. How do you maintain the quality of wellness services/activities provided to tourists and other guests coming to your facilities?

- Some of the hotels interviewed noted having received awards related to their spas (e.g. World Luxury Spa Award), but there was no particular mention of any wellness-specific certifications received/awarded.
- When prompted about the qualifications and certifications of spa technicians and yoga instructors in their facilities, respondents noted that there was not any particular wellness-specific certification available that they rely on in terms of recruitment and/or professional development.
- Instead, hotels and resorts rely on ensuring that the qualifications of recruits are related in some way to their area of work at spas; for example, degrees in physiotherapy, hospitality, etc.
- In terms of maintaining quality, almost all respondents noted relying on continuous professional development of staff to ensure offering high quality services; with feedback from guests playing a role in directing the nature and type of training provided.
- Other responses included offering a diverse range of services, as well as conducting regular market studies to ensure relevance of offerings.

PERSPECTIVES ON THE COMPETITIVENESS OF THE SECTOR
(2.2 COMPETITIVE LANDSCAPE)

Q. How competitive would you say is the market for wellness tourism services in Jordan? Why? Why not?
Q. Who would you say are your main competitors in the wellness market in Jordan?
Q. Is your site close by to others? If yes, has this proximity resulted in any collaboration or agreement between you?

- Perspectives on the presence of competition in the sector generally varied. On the one hand, some respondents with unique value propositions (e.g. RSCN) or located in unique areas in Jordan (e.g. Tala Bay in Aqaba) did not see any real competition in the wellness sector.
- In the same vein, some respondents argued that the wellness segment is small and not of interest to hotels in general.
- On the other hand, other respondents saw that the landscape is competitive due to the large number of wellness activity-providers – particularly in the Dead Sea area.
- For example, the Kempinski Dead Sea is seen as a primary competitor in the area, along with the Movenpick Dead Sea. In Aqaba, the hotels located in Ayla (e.g. Al-Manara and Hyatt Regency) were seen as core competitors.
- Almost all respondents noted having limited collaboration with others in the respective vicinities with the exception of the Movenpick Dead Sea who noted reaching out to other hotels in the area in the case of a shortage in supplies. In fact, the respondent noted holding regular meetings with spa managers in the Dead Sea in which challenges and opportunities (in the past).

Q. Do you have any immediate or medium-term plans to grow services or offerings related to wellness?
Q. Are there any challenges you expect that will affect how you will achieve these plans or goals? What are these?

- Some wellness-specific plans noted by respondents included updating facilities, revamping food offerings to match dietary requirements of guest, and offering spaces for yoga and meditation (particularly in case of RSCN).
- In terms of upskilling and recruitment, one hotel mentioned recruiting in-house yoga instructors, nutritionists and chefs specialized in healthy foods (particularly in hotels).
- Other plans included expanding revamping and facilities across different locations in Jordan (Dead Sea, Aqaba, and RSCN-reservations)
- Among the challenges anticipated by respondents is the popularity of the concept of wellness in Jordan (wellness tourism was not seen as popular neither among tourists nor locals); facilities (generally) in the country were not seen as being set-up to attract wellness tourists or provide wellness activities.
- Other challenges include the return of government restrictions in the tourism and hospitality sectors (as seen during the COVID pandemic and the difficult economic conditions in Jordan.

SALE OF DEAD SEA PRODUCTS ON-SITE
(ANNEX)

Q. Are there any Dead Sea Products available for purchase by guests/customers at your facilities?
Q. How much did you sell in the past 12 months?
Q. What quantities of products did you buy in the past 12 months?

MÖVENPICK Dead Sea

- **Brands sold:** Rivage and Acqua (Sensation)
- **Value of sales in past period:** JOD 6K in the 6 months the spa has been opened = 2% of sales in the spa
- **Purchases in past period**: 35K JOD for first 6 months

MÖVENPICK Tala Bay

- **Brands sold:** Rivage and "One-with-nature"
- **Value of sales in past period:** N/A
- **Purchases in past period**: 200 gallons of body-care products, 120 unit of facecare products

Anonymous 5-star Hotel and Spa

- **Brands sold:** "Ayla" label
- **Value of sales in past period:** N/A – sold through giftshop not spa
- **Purchases in past period**: N/A

Ma'in Hot Springs Resort & Spa

- **Brands sold:** Vita Mare (Advanced Pharma Care)
- **Value of sales in past period:** 2% of spa/health club revenue
- **Purchases in past period**: JOD 4.5k for first 7 months

الجمعية الملكية لحماية الطبيعة RSCN

- **Brands sold:** "Bahra" label (only in Ajloun)
- **Value of sales in past period:** N/A
- **Purchases in past period**: 100k units across all shop locations

Q. How popular would you say these products are with visiting tourists?
Q. How do you source/order these products from?

- Dead sea products – whether sold at the hotel giftshops or through the spas themselves – were seen as very popular with tourists according to respondents (even across RSCN lodges)
- Rivage products were seen as particularly popular given their reputation and quality of products (as well as having European certifications of quality)
- According to one respondent, hotels do not stock more than a couple of brands typically as this may affect the hotel's credibility - whatever is used in the spa should be sold throughout the hotel (same products).
- Orders for products used in spas are typically placed every 7-10 days depending on the season (sometimes as frequently as twice a week) but retail items are ordered once every 2 weeks – on average (for lower volume, frequency of ordering drops to once every 3-4 weeks).
- Hotels reported that the companies delivered the products to them directly, while in the case of Ma'in hot springs resort, they send out their own trucks for shipments.

SENSATION BRAND
(ANNEX)

Due to its visible similarity to the Trinitae brand, further research was conducted into the brand Sensation:

- Sensation is positioned as a luxury Dead Sea product skin care brand. The brand is manufactured in Jordan by the Jordanian Egyptian For Medical Devices and Natural Cosmetics Ltd., and was registered with the Jordanian Ministry of Trade and Industry in 2015.
- Sensation is mainly exported to the UAE market. While it had previously been sold in Jordan, it has largely been withdrawn from the Jordanian market.
- Jordan's trademark laws protect the registered brand logo in its entirety. As such, and since Sensation is sold under an entirely different name to Trinitae, they are most likely not infringing on Trinitae's trademark. However, due to the similarities (i.e., the plant in the logo, the logo colors), Trinitae could have grounds to pursue unfair competition; the creation of a false impression as to the source, origin, sponsorship or endorsement of products or services without the use of a trademark. This may have been one of the causes behind Sensation's withdrawal from the Jordanian market.

SENSATION BRAND
(ANNEX)

Sensation has largely withdrawn from the Jordanian market. Research efforts have revealed it is still being sold in only two identified locations, out of all interviewed hotels and 24 tourist-targeted shops: Movenpick Dead Sea and Qusaibati for Oriental Antiques shop.

Q. Does the customer differentiate between Sensation and Trinitae?
Q. Why are you selling Sensation instead of Trinitae?
Q. How were you able to acquire this product to sell even though it is not sold in the Jordanian market?

MÖVENPICK Dead Sea

- **Brand differentiation:** Some repeat customers who target Trinitae can tell the difference, however most cannot; customers usually seek out Dead Sea products, regardless of its brand.
- **Reason for selling this brand:** The hotel previously sold Trinitae. However, they made the switch as Trinitae raised prices. Sensation is around 60% cheaper than Trinitae, and customers largely do not notice a difference.
- **Way of acquiring product**: Hotel has strong relationship with the manufacturing company, as they were an early supporter.
- **Future plans:** Depends on Trinitae's future pricing offers. If they remain expensive, the hotel will continue with Sensation.

Qusaibati for Oriental Antiques (Downtown Amman)

- **Brand differentiation:** Customers do not differentiate.
- **Way of acquiring product**: Shop owner has personal relationship with manufacturer.

Appendix 3

Visit of Israeli Product Stores

Visit of Israeli Product Stores:
A Duty-Free Shop and Product Sales on the Beach

The northern part of the Dead Sea on the other side of Jordan faces Area C of the Palestinian West Bank (both administration and security are under Israeli control and the movement of Palestinians is restricted). The Qumran Visitor Center/Shop, operated by a kibbutz, has a duty-free shop and restaurant, and despite the low season, it was visited by many tourists with large tourist buses. In addition to the original brand REvival (manufactured by Paloma Dead Sea, an Israeli OEM company), Ahava, nuna/Premier are available, and the sales area for Ahava was particularly large.

There were shelves displaying products by theme, such as anti-wrinkle, moisturizing, and other skin concerns, as well as popular products. Store staff provided guidance and product explanations and support at a moderate distance. Ahava also offers “clineral,” a line of dermo-cosmetics using high-performance active ingredients based on the findings of dermatology. The “clineral” line of dermo-cosmetics, which uses high-performance active ingredients based on the findings of dermatology, was also on offer.

“nuna by Premier” also displayed their dermatologist-supervised anti-aging medical devices alongside their skincare products and displayed their numerous awards in an easy-to-understand manner.

The Cosmetics Center is located on Kalia Beach, a beach on the Dead Sea near the Qumran duty-free store, where the production process and raw materials are shown, and visitors can touch and feel the products. (Kalia Beach requires an admission fee, but Qumran shop discount coupon holders can enter for free, which seems to promote reciprocal customer traffic.)

In addition, there are a sales area and an outlet store near the Cosmetic Center that encourages impulse purchases along with beach supplies and fashion accessories.

Appendix 4

Seminar on August 30, 2022:

“Data Collection Survey on Formulation and Promotion of Wellness Clusters in Jordan”
&
Japanese Cosmetics Market
(focusing on skin care products)

"Data Collection Survey on Formulation and Promotion of Wellness Clusters in Jordan"

(JICA Project)

&

Japanese Cosmetics Market (focusing on skin care products)

@ Amman Chamber of Industry

August 30th, 2022

Program

1. Introduction of JICA project

"Data Collection Survey on Formulation and Promotion of Wellness Clusters in Jordan"

2. Japanese Cosmetics Market (focusing on skincare products)

① Market Statistics

② Legal Issues

③ Key Trends

④ Activities of Israeli Competitors

⑤ Commercial Distribution

3. Q&A Session

4. Brainstorming

"What should we do to boost the export of Jordanian Dead Sea Products?"

- Umbrella branding for Jordanian Dead Sea Products (Pros & Cons)
- Story making for branding Jordanian Dead Sea Products

1. Introduction of JICA Project

Outline of this Project

Project Name

Data Collection Survey on the Strategy Development for the Formation and Promotion of Wellness Clusters in Jordan

Duration

June 2022 - January 2023

Purpose

To collect and analyze necessary information and conduct discussions with relevant parties for the formation and promotion of a wellness cluster **centered on Dead Sea beauty cosmetics** and wellness tourism in Jordan, and to formulate the policy for promoting a wellness cluster and a marketing and branding strategy plan, as well as to propose such strategies.

Project Team Members

#	Name	Position	E-mail
1	Ryo SAITO	Team leader/Cluster strategy development1	rsaito@padeco.co.jp
2	Ryoichi OZAWA	Deputy team leader/Cluster strategy development2	rozawa@padeco.co.jp
3	Kazuya NAKAYAMA	Export promotion1	hannovermj@gmail.com
4	Yuji MAKIMOTO	Export promotion2/Value chain analysis	yuji.makimoto@padeco.co.jp
5	Shinobu FUJITA	Branding strategy 1	fujita@scf.co.jp
6	Xiaru WANG	Branding strategy 2/Marketing strategy	xiaru.wang@padeco.co.jp
7	Ayumi FUJIWARA	Market consumer trends	ayumi.fujiwara@padeco.co.jp
8	Mana KAWASAKI	Collaborative company/Networking	mana.kawasaki@padeco.co.jp

Positioning of this Project

Identification of Sectors	→	Stragegy Development	→	Implementation
Preriminary Study		Data Colletion Survey		Technical Cooperation (Dispatch of Japanese experts to Jordan)
April 2020 - October 2021		June 2022 - January 2023		To be Decided

(Technical assistence)

Two Seminars under this Project; in Amman and in Japan

Promotion of Jordanian Dead Sea Products to Japanese market <u>as a pilot project</u>
*Real target markets will be decided at next phase of the project

Objective	**To get attention and raise awareness of Jordanian Dead Sea Products in Japan**
What to clarify?	✓ **What assistance is necessary for Jordanian Dead Sea Products to promote export?** ✓ **What improvement should be made for Jordanian Dead Sea Products to boost export?** ✓ **What challenges do Jordanian Dead Sea Products manufacturers face to boost export?**

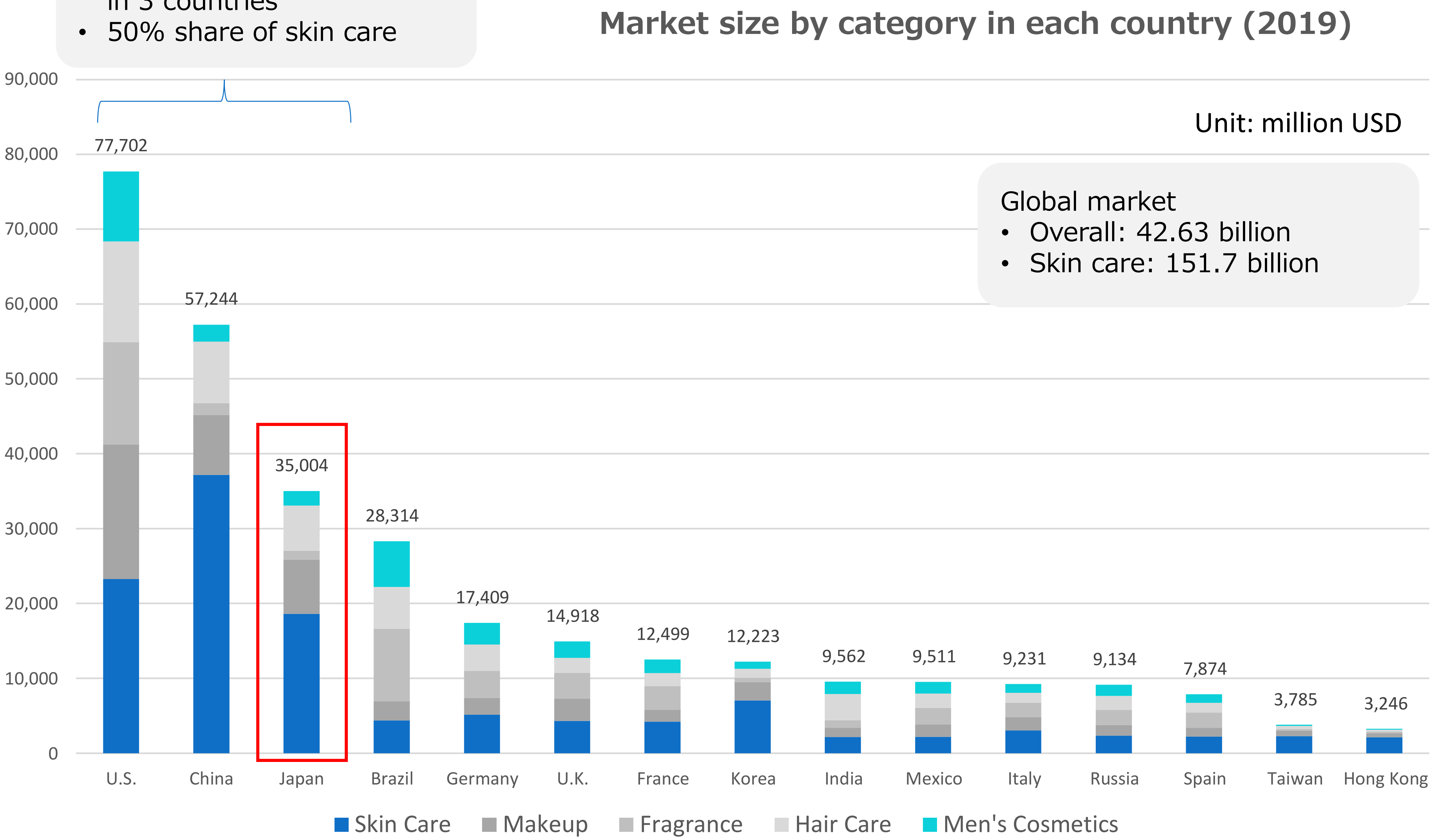
Seminars	In Jordan	**Seminar about Japanese Cosmetics Market for Jordanian Dead Sea Products Manufacturers in Amman in August 2022** ← **today**
	In Japan	**Online/Hybrid seminar to promote Jordanian Dead Sea Products in Japan in October 2022** Target audience: Potential business partners, media

2. Japanese Cosmetics Market

① Market Statistics

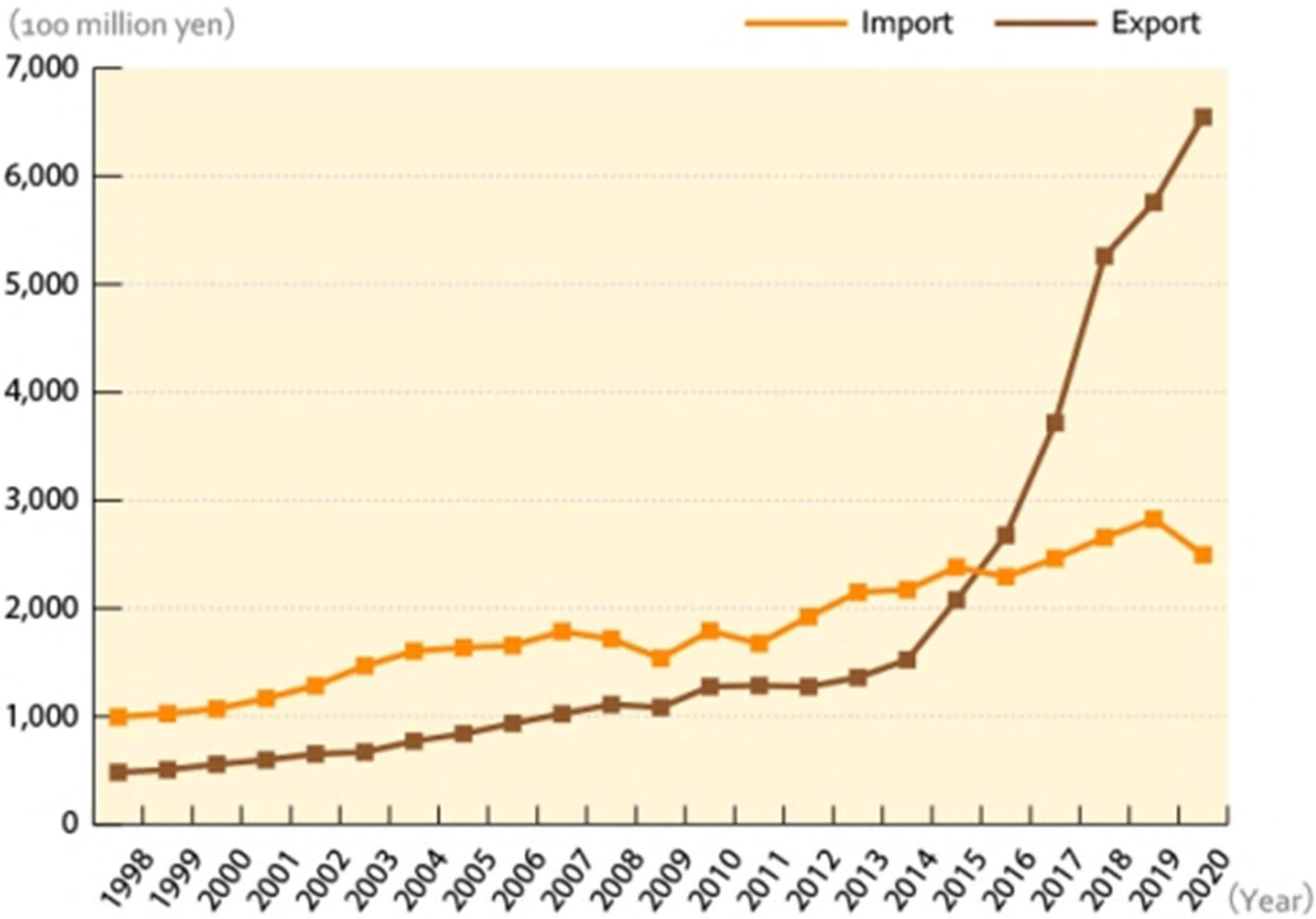
Cosmetics Market Size of Japan

- 40% share of total market in 3 countries
- 50% share of skin care



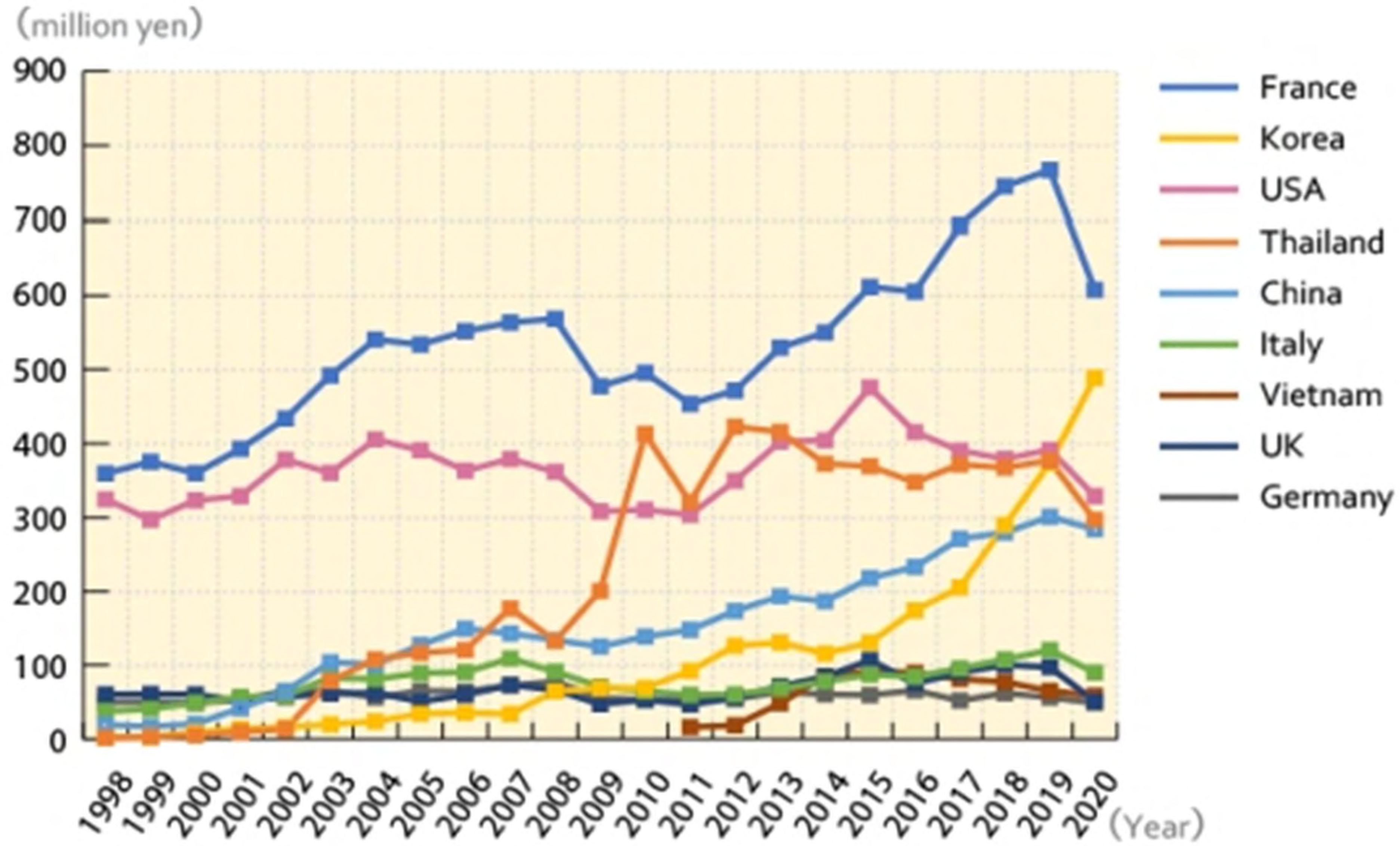
Source : NITE 2020 Cosmetics Industry Trend Research Report (database published by Euromonitor International

Japan’s Import/Export of Cosmetics



MOF Statistics

Japan's Cosmetics Import by Destination Country



MOF Statistics

Success Story of Korean Cosmetics

1. Cosmetics industry as a national project

2007 Cosmetics Law Amendment
- Government R&D support to Cosmetics industry was legalized

2010 Establishment of Cosmetics Industry Comprehensive Support Center
(The purpose is to support export)

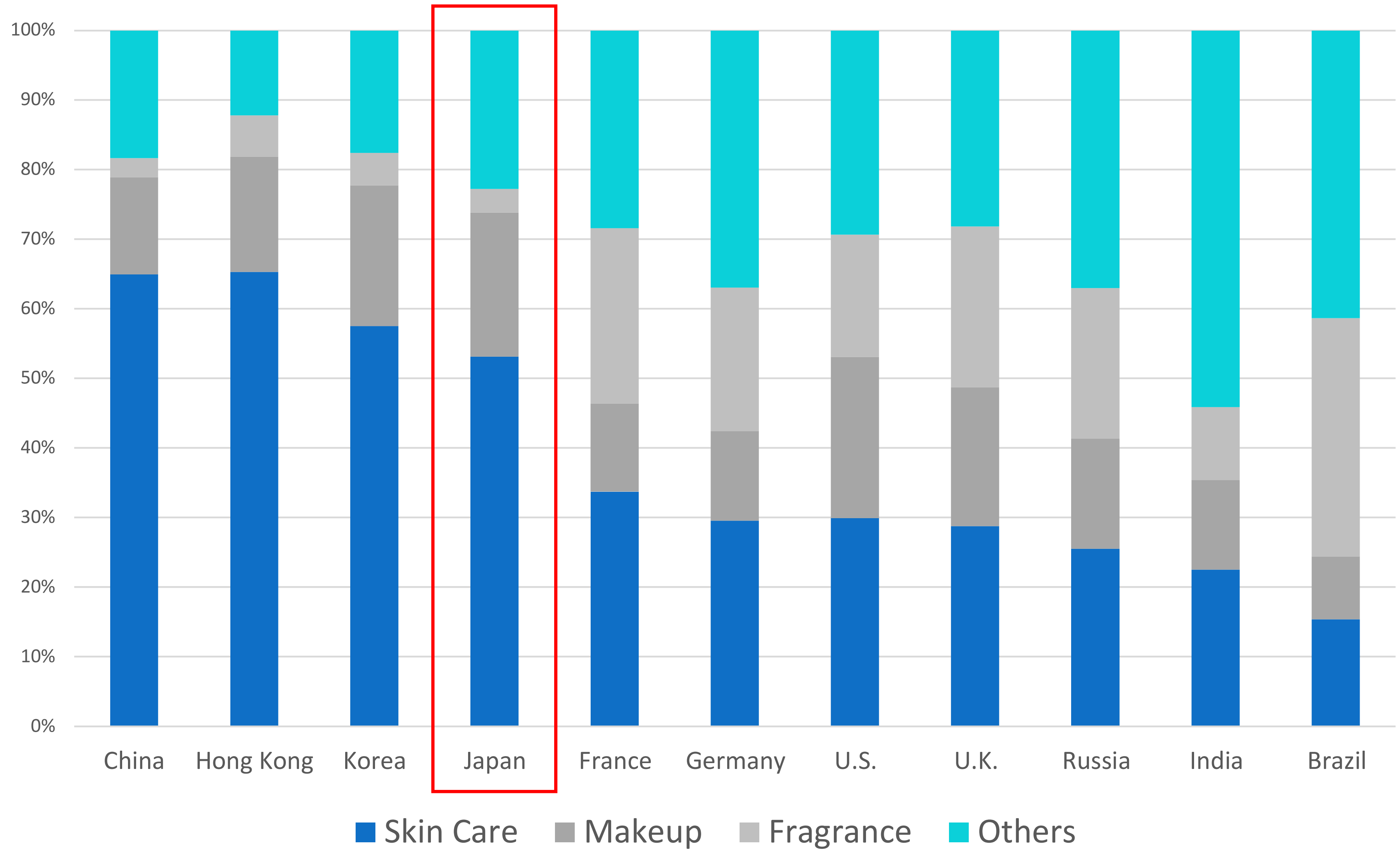
2. Korean Wave Marketing

1st stage: Contact with **Korean music and dramas** and become fond of stars
2nd stage: Purchase related products such as DVDs
3rd stage: Begins to select Korean products such as home appliances and daily necessities
4th stage: Becomes a fan of Korea itself

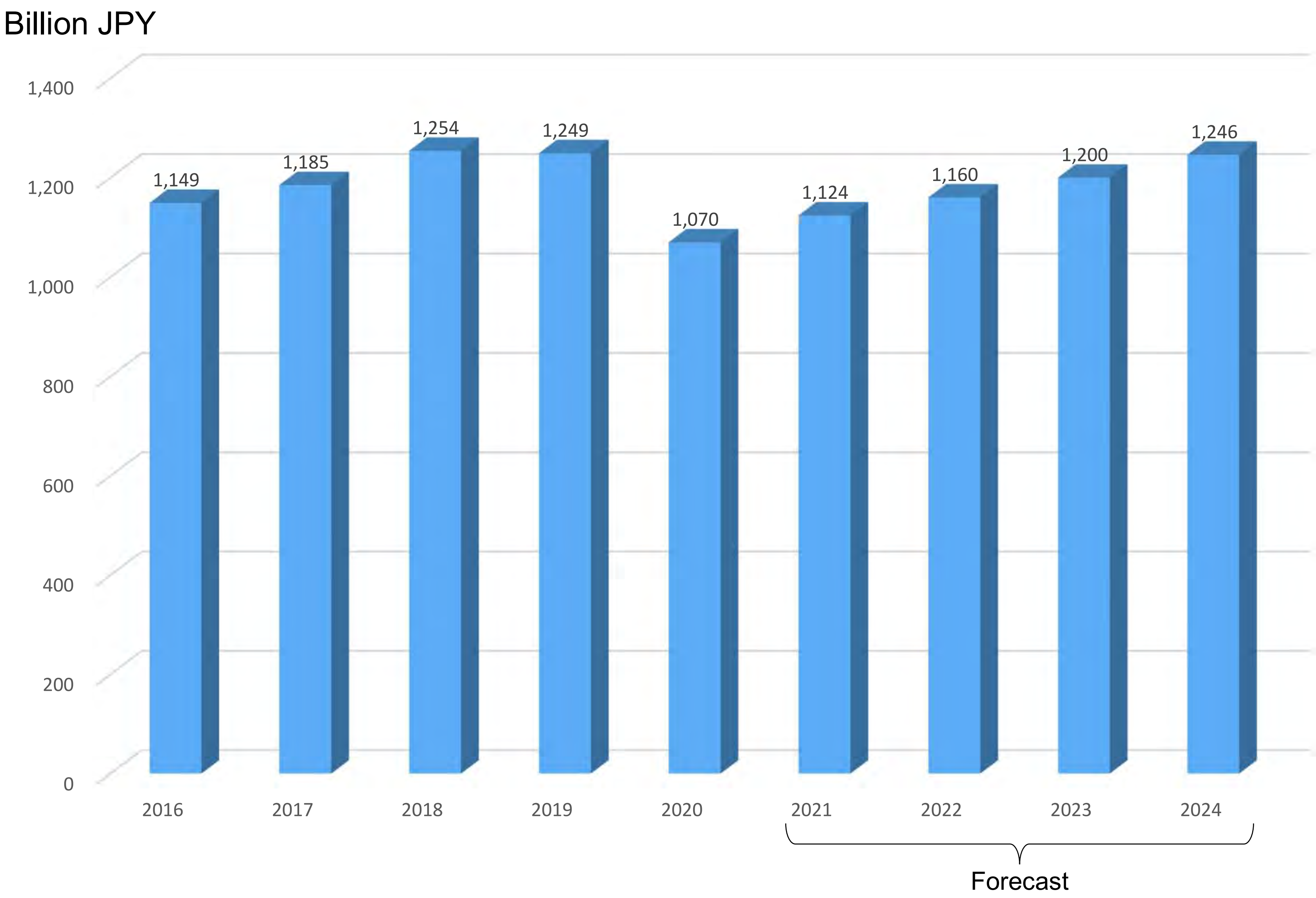
3. Digital Marketing

SNS, Influencer

Sales Ratio of Cosmetics Market in 2019

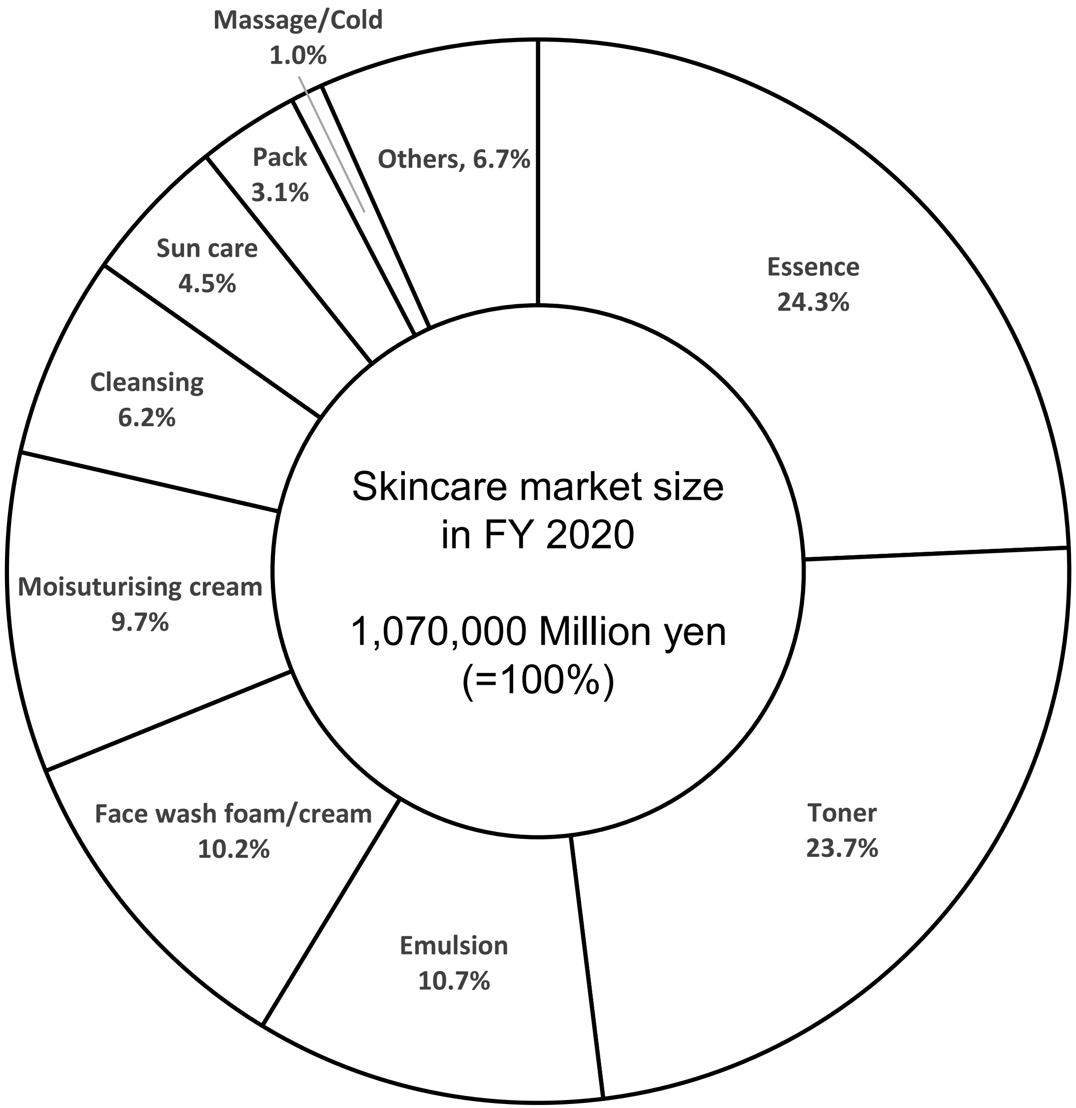


Japanese Skincare Market Size



Current exchange rate: USD 1= JPY 135 , Fair rate : USD 1 = JPY 105 ~110, For quick/easy calculation: USD 1 = JPY 100

Market Size by Skin Care Product (2020)



2. Japanese Cosmetics Market

② Legal Issues

Two Legal Categories for Beauty Product in Japan

Beauty Product

Cosmetics

Legal Definition

"Articles with **mild action** on the human body, which are intended to be **applied to the human body** through rubbing, sprinkling or other method, aiming to clean, beautify and increase the attractiveness, alter the appearance or to keep the skin or hair in good condition."

Six categories of cosmetics

Item	Definition	HS Code
Perfume and eau de cologne	Perfume and eau de cologne	3303
Makeup cosmetics	Foundation creams, lipsticks, eye makeup, and others	3304.10, 2, 30, 91
Skin care cosmetics	Skin lotion, essence, skin milk, cleansing cream, and others	3304.99
Hair care products	Hair dye, shampoo, hair treatment and others	3305
Special-purpose cosmetics	Sunscreen, shaving cream and others	3307.10, 20, 30, 90
Cosmetic soaps	Soaps for cosmetics	3401.11, 20-010

Quasi-drugs

Definition

Products that fall in between cosmetics and pharmaceuticals.

- products with formulations that are recognized and licensed by the Ministry of Health, Labor and Welfare in Japan
- not as "strong" as drugs (pharmaceuticals) but their efficacy is recognized by authorizing constitutions

<Reference> List of Recognized Cosmetics Effects

Fig. 9 Scope of recognized cosmetic effects

1	Cleansing hair and scalp	29	Soften skin
2	Using fragrance to reduce unpleasant hair and scalp odors	30	Give gloss to skin
3	Keep hair and scalp healthy	31	Give luster to skin
4	Give moisture and sheen to hair	32	Make skin smooth
5	Moisturize hair and scalp	33	Make beards easier to shave
6	Keep hair and scalp moist	34	Condition skin after shaving
7	Make hair supple	35	Prevent rashes
8	Make hair easier to brush	36	Prevent sunburn
9	Keep hair lustrous	37	Prevent skin splotches and freckles resulting from sunburn
10	Give luster to hair	38	Impart fragrance
11	Stop dandruff and itching	39	Protect nails
12	Control dandruff and itching	40	Keep nails healthy
13	Supplement and maintain hair moisture and oil content	41	Moisten nails
14	Prevent hair breakage and frizzing	42	Prevent chapped lips
15	Improve and maintain hair pattern	43	Fill in lip creases
16	Prevent hair static electricity	44	Moisten lips
17	Cleanse dry skin (that has become dry as a result of cleansing)	45	Keep lips healthy
18	Prevent blemishes and rashes (by cleansing) (facial wash)	46	Protect lips, prevent dryness
19	Condition skin	47	Prevent lip roughness caused by dryness
20	Combat skin wrinkles	48	Make lips smooth
21	Keep dry skin supple	49	Prevent cavities (brushing teeth with toothpaste)
22	Prevent skin chapping	50	Whiten teeth (brushing teeth with toothpaste)
23	Tighten skin	51	Remove plaque (brushing teeth with toothpaste)
24	Moisten skin	52	Cleanse the mouth (toothpaste)
25	Supplement and preserve skin moisture and oil content	53	Prevent bad breath (toothpaste)
26	Keep skin soft	54	Remove tooth film (brushing teeth with toothpaste)
27	Protect the skin	55	Prevent plaque deposits (brushing teeth with toothpaste)
28	Protect skin dryness		

Note: Parenthesized text refers to aspects of physical form during usage, not to the effect itself.

2. Japanese Cosmetics Market

③ Key Trends

Key Trends of Japan Cosmetics Market

Trend	Expected long-term implications
Focus on health and safety heightens consumer demand for **clinical, science-backed beauty**	Evolving priorities around health and safety are created demand for **beauty based on substantiated scientific claims.** Brands that have science-backed credentials and proven efficacy are poised to do well, especially dermocosmetics. **The rise of ingredient-led beauty searches also gives lesser-known brands an opportunity to attract consumers** interested in brand discovery and experimentation.
Beauty and personal care players are experimenting in all aspects of **beauty tech**, especially **phygital reality and personalization**	While beauty brands, especially premium and luxury brands, will continue to debut in the metaverse with a virtual store presence and NFTs, consumers are eager to return to stores, so players and retailers must re-envision **how a bricks-and-mortar store can still complement phygital experiences.** Also**, personalisation will be a major part of beauty discovery**, with hyper-personalisation momentum faster in super-premium and premium products.
Demand for **product and price hybridity** in beauty and personal care grows amid volatile markets	Given 2021 and 2022's high inflation rates, continued supply chain disruptions, geopolitical uncertainties and rising energy prices, multifunctional products are expected to thrive during periods of uncertainty. Prices are climbing across fast-moving consumer goods industries, and beauty players may **need to revisit their profit margins, which will impact prices and pack sizes.**
High levels of stress globally usher in demand for **emotional wellness**, tapping into beauty's role in providing comfort and indulgence	From 2022 onwards, the self-care narrative will be renewed, due to the current economic and geopolitical environment. Beauty will increasingly be seen as a long-term investment in one's health. Beauty-adjacent categories will also benefit **ingestibles that leverage the "beauty from within" link between gut health and skin health**, and **beauty devices that mimic spa-level experiences.** Fragrances' association with emotional wellness is likely to endure, with emotional wellness as a key driver.
Conscious beauty is becoming more mainstream, driven by Gen Z and Millennial beauty consumers	Though "clean beauty" is still growing, **conscious beauty is led by a "people over profit" mentality**. Newer digitally-native and indie brands are being developed with social causes, waste reduction and circular systems in mind, which give them an advantage over other brands. Beauty brands that **highlight the importance of mental health, universal design and positively benefit the environment will be in high demand.**

Examples of Science-backed Cosmetics in Japan

Quasi-Drug (serum)

by POLA

WRINKLE SHOT SERUM

Wrinkle improvement medical serum including POLA's original active ingredient ""NEI-L1""*1 Establishment of 3D Dynamism Theory Supporting the generation of dermis components by inhibiting the degradation of dermis components Allergy tested (Formulated to minimize the risk of allergy)

WRINKLE WHITE ESSENCE by ORBIS

Example of Personalized Cosmetics in Japan

Personalized skin care service “Cocktail graphy” by ORBIS

3 personalized skin care products arrive every month according to the changing skin.

1. A beauty essence that approaches skin problems
2. A beauty essence that cares for future skin problems
3. A moisturizer that matches the skin and texture of your choice

2. Japanese Cosmetics Market

④ Activities of Israeli Competitors

Major Israeli Competitors in Japan Market

Company Name	SABON Japan
Founder	Mr. Kazuhiro Kuroishi
Year of Foundation	2007
# of Shops	54 (Owned retail store)
# of Employees	480
Annual Sales (Estimated)	7,500 Million

Company Name	Laline JAPAN
Founder	Mr. Tony Levy
Year of Foundation	2011 Under TSI Holding since 2016
# of Shops	37 (Owned retail store)
# of Employees	180 (2017.5)
Annual Sales (Estimated)	1,689 Million (2017.5)

Company Name	AMBATH K.K.
Founder	Mr. Mayo Mordehay
Year of Foundation	2013
# of Shops	53 (mio mio and Aroma Bloom shops)
# of Employees	Not specified
Annual Sales (Estimated)	Not specified

<SABON> Founder and Successor of SABON Japan

Founder of SABON Japan
(from Starbucks Coffee)
Mr. Kuroishi

Current President of SABON Japan
Ms. Hatakeyama

<SABON> Owned Retail Stores in Japan

<SABON> First permanent SPA in Tokyo

<SABON> Vegan Afternoon Tea Cafe for a limited time

<SABON> Japan Limited Collection

<SABON> Seasonal Collections

Spring Collection 2019

Spring Collection 2020

Spring Collection 2021

<LALINE> Owned Retail Stores in Japan

<LALINE> Top Selling Products in Japan Market

Hand Cream 100g

Hair & Body Mist 150m

Body Lotion 150g SPF30

<LALINE> Japan Limited Products

<ambath> Retail Stores

<ambath> Products

Ambath

Love your body

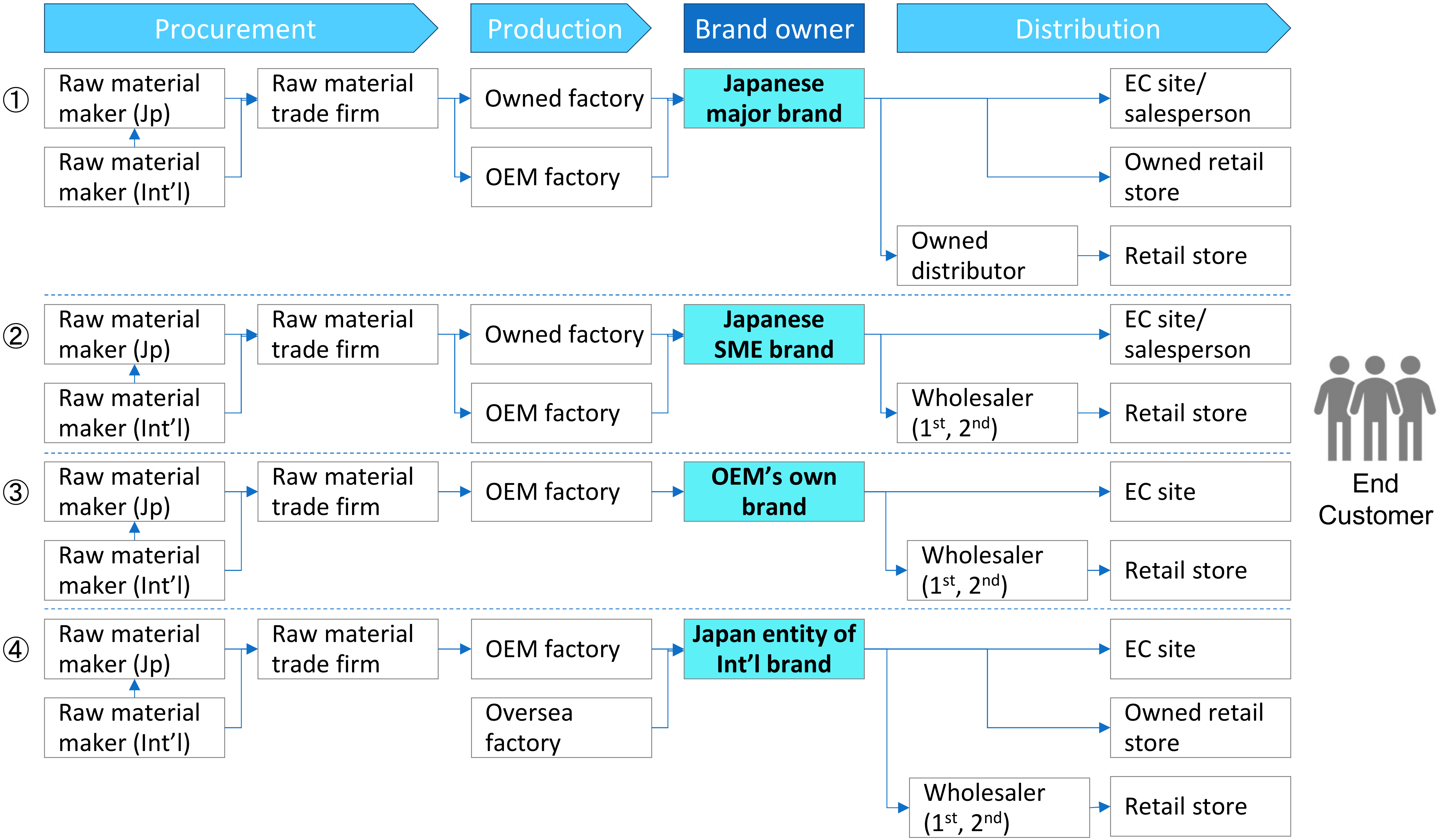
Cosmetics & Skin care
Made In Israel

<ambath> Display in “Beautyworld” exhibition

2. Japanese Cosmetics Market

⑤ Commercial Distribution

Supply Chain of Cosmetics Industry in Japan



Retail store refers to; Cosmetic store, Pharmacy, Mass retailer, Department store, Variety store, Servicer (Beauty salon/ Esthetic clinic etc.)

Upcoming Cosmetics Trade Show in Japan

beautyworld
JAPAN OSAKA

- Name：Beautyworld Japan Osaka（17th edition)
- Date：24 – 26 October 2022
- Opening hours：10:00 – 18:00 (Last day until 17:00)
- Venue：INTEX Osaka, Halls 1, 2, 3, 4, 5
- Organiser：Messe Frankfurt Japan Ltd

beautyworld
JAPAN OSAKA
The key trade fair for Western Japan's beauty industry
24 – 26 October 2022,

beautyworld
JAPAN FUKUOKA
Perfect platform to expand your beauty business in Kyushu region
6 – 8 February 2023

beautyworld
JAPAN TOKYO
The largest trade fair for beauty & spa industries in Japan
15 – 17 May 2023

beautyworld
JAPAN NAGOYA
The gateway to the Tokai region's beauty market
24 – 26 July 2023

beautyworld
Beautyworld worldwide
The perfect platform for all beauty professionals in the world.

Product groups

- Cosmetics
- Natural & organic
- Beauty equipment
- Beauty supplements
- Spa & wellness
- Nail
- Diet & health
- Salon furniture & items
- Beauty accessories
- Eyelash
- Hair
- OEM & packaging
- Business support
- Professional beauty schools
- Other beauty related items

Visitors

- Esthetic, hairdressing, nail & eyelash salons
- Hotels, spas, fitness clubs, massage studios & leisure facilities
- Distributors & wholesalers
- Retailers
- Manufacturers
- Medical institutions
- Press, government agencies, embassies & professional beauty schools

Q & A Session

Brainstorming

"What should we do to boost the export of Jordanian Dead Sea Products?"

- Umbrella branding for Jordanian Dead Sea Products (Pros & Cons)

- Story making for the branding of Jordanian Dead Sea Products

شكرا على حضورك اليوم.
لنعمل معا

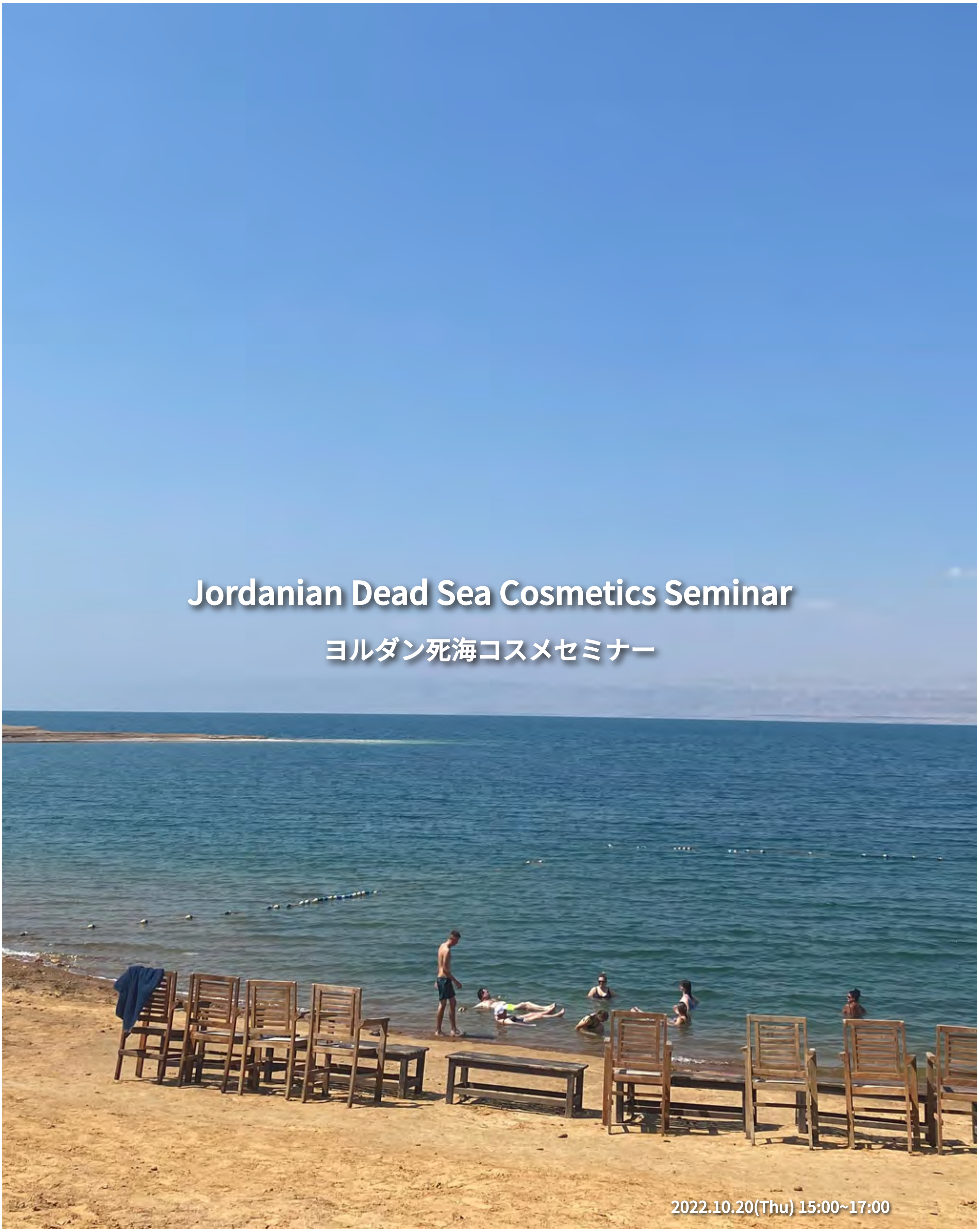
Thank you for coming today.
Let’s work together

Appendix 5

Seminar on October 20, 2022:

Landing Page for Jordanian Dead Sea Cosmetics Seminar

JORDANIAN SEMINAR
DEAD SEA COSMETICS



Jordanian Dead Sea Cosmetics Seminar

ヨルダン死海コスメセミナー

2022.10.20(Thu) 15:00~17:00

本セミナーは終了いたしました。ご参加頂いた皆さま、ありがとうございました。
今後お問い合わせ等ございましたら、事務局（jordandeadsea2022@gmail.com）まで、ご連絡ください。

セミナーについて

SEMINAR OVERVIEW

株式会社パデコは、2022年10月20日（木）15:00〜17:00、国際協力機構（JICA）、ヨルダン産業貿易省（Ministry of Industry, Trade and Supply）、およびアンマン工業会議所（Amman Chamber of Industry）とともに、「ヨルダン死海コスメセミナー」を開催します。セミナーにはベルサール東京日本橋会場へのご来場、もしくはオンラインでもご参加頂くことができます。言語については、日英同時通訳を手配しております。

当サイト下段にて、ヨルダン死海コスメ製造企業の概要や製品紹介をしておりますが、セミナー当日は企業より代表者をオンライン・リアルタイムでお迎えし、各社による自社の特徴・製品の強み・取組みのご紹介を頂きます。
セミナー後段では、リアルタイムでの質疑応答セッションを設け、セミナー参加者の皆様よりご関心頂いた企業に対してより具体的な質問をして頂くことができます。

なお、会場内では来場されるセミナー参加者の皆様にヨルダン死海コスメに触れて頂けるよう、受付開始の14:30からセミナー開始の15:00まで、ヨルダン死海コスメ（ハンドスクラブ）の体験会を開催します。

本セミナーを通して、ヨルダン死海コスメの日本国内での取扱いにご関心頂ける企業様がいらっしゃれば、JICAプロジェクトが引き続きフォローアップを行い、ヨルダン死海コスメの製造業者による日本でのビジネス機会拡大を目指します。

▼死海/死海コスメとは・・・？
・かのクレオパトラも愛したといわれるお肌に潤いを与えるミネラルたっぷりの美容品
・死海には60種類以上の天然ミネラルが含まれています
・死海の泥は乾癬・ニキビなどお肌にトラブルを抱える方にも注目されています

参加企業

PARTICIPATING COMPANIES

RIVAGE Natural Dead Sea Minerals

Dead Sea FORTUNE

BEAUTY SECRETS Natural From The Dead Sea

Bloom DEAD SEA LIFE

tion
(video)

(website)

(video)

(video)

Glory
(website)
(video)

Jordan Co for Dead Sea Products
(website)
(video)

Juman Pharmaceutical & Cosmetics Factory
(website)
(video)

Madaen Investment & Development Company
(website)
(video)

Muhtaseb Cosmetics Factory
(website)
(video)

Numeira
(website)

Universal Labs Ltd.
(website)
(video)

イベント概要
EVENT OVERVIEW

日時：	2022年10月20日（木） 15:00～17:00 （日本時間） ※14:30～ 受付開始・ヨルダン死海コスメ体験会
実施方法：	会場（ベルサール東京日本橋）、オンライン開催
主催：	独立行政法人日本国際協力機構（JICA）、 ヨルダン産業貿易省（MoITS）、アンマン工業会議所（ACI）、 株式会社パデコ
後援：	駐日ヨルダン大使館、UNIDO東京事務所
言語：	日本語・英語（同時通訳あり）

タイムスケジュール

TIME SCHEDULE

14:30 開場・受付開始

（開会まで、ヨルダン死海コスメ（ハンドスクラブ）をトライアル頂けます）

15:00

歓迎挨拶
アンマン工業会議所 CEO
Nael F. Al-Husami

15:05

挨拶
駐日ヨルダン大使館Deputy Chief Mission
Rasheed T. Arekat

15:10

挨拶
JICA　中東欧州部 次長
大野 裕枝

15:15 講演
JICAプロジェクト・輸出促進担当
中山　和也
「ヨルダンて どんな国？」

15:25 講演
ヨルダン企業による会社・製品紹介

16:35 質疑応答

17:00 閉会

お申し込み

APPLICATION

申し込みはこちら

背景

BACKGROUND

ヨルダンは、不安定な中東地域情勢下でも安定した国家運営を続けている一方、国内経済は長らく低迷が続き、高い失業率を抱えています。これに対しヨルダン政府は、「政府経済優先プログラム 2021-2023」において、国産品輸出や観光支援等を通じて経済低迷脱却を目指すことを示しました。国際協力機構は昨年度までに行った調査を通じ、美容・化粧品およびウェルネスツーリズムを今後成長が見込まれる産業の一部として特定し、ヨルダン政府への支援を決定しました。

本セミナーは、そうした国際協力機構によるヨルダンのウェルネスクラスター形成支援の一環として開催されるもので、特に独自性の強いコンテンツであるヨルダン死海コスメの輸出振興について、非伝統的マーケットへの進出パイロットとして日本市場へのプロモーションを行うものです。

Appendix 6

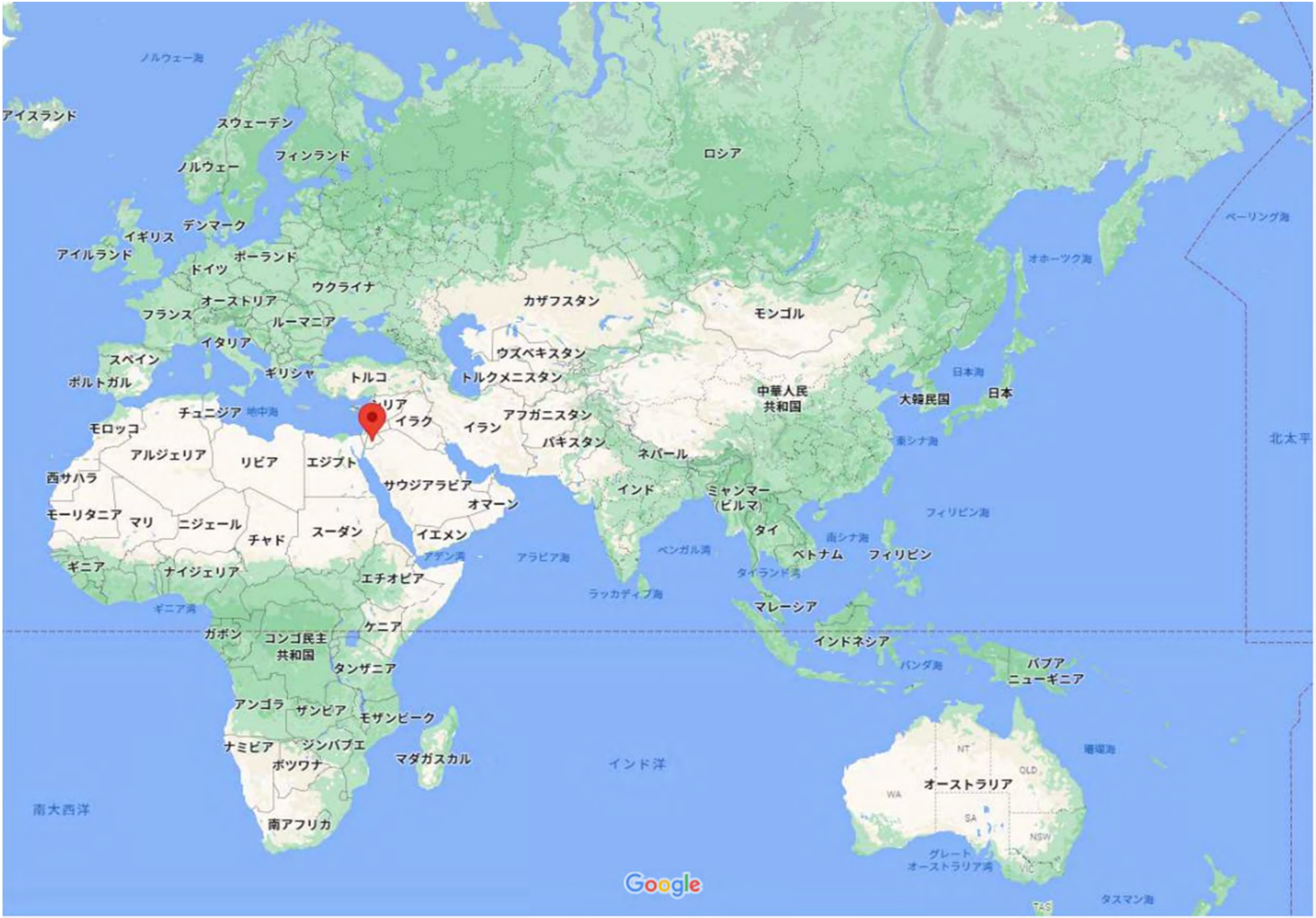
Seminar on October 20, 2022:

Lecture "What kind of country is Jordan?"

ヨルダンて どんな国？

JICA プロジェクト「輸出振興」担当
中 山 和 也

2022年10月20日


ノルウェー海
アイスランド
スウェーデン
フィンランド
ロシア
ノルウェー
ベーリング海
イギリス
デンマーク
アイルランド
ポーランド
オホーツク海
ドイツ
ウクライナ
オーストリア
カザフスタン
モンゴル
フランス
ルーマニア
イタリア
スペイン
ウズベキスタン
日本海
ギリシャ
トルコ
トルクメニスタン
ポルトガル
日本
中華人民
共和国
大韓民国
地中海
チュニジア
イラク
アフガニスタン
モロッコ
イラン
東シナ海
北太平
パキスタン
アルジェリア
リビア
エジプト
ネパール
西サハラ
サウジアラビア
インド
ミャンマー
(ビルマ)
オマーン
フィリピン海
モーリタニア
マリ
ニジェール
チャド
スーダン
イエメン
タイ
南シナ海
アデン湾
アラビア海
ベンガル湾
ベトナム
フィリピン
ギニア
ナイジェリア
エチオピア
タイランド湾
ラッカディブ海
マレーシア
ギニア湾
ケニア
ガボン
コンゴ民主
共和国
インドネシア
タンザニア
バンダ海
パプア
ニューギニア
アンゴラ
ザンビア
モザンビーク
珊瑚海
ナミビア
ジンバブエ
NT
マダガスカル
ボツワナ
インド洋
QLD
WA
オーストラリア
南大西洋
SA
南アフリカ
NSW
グレート
オーストラリア湾
VIC
Google
タスマン海
TAS


セルビア
イタリア
ローマ
Roma
コソボ
ブルガリア
北マケドニア
アルバニア
ジョージア
トビリシ
アゼルバイジャン
ティレニア海
ギリシャ
ブルサ
Bursa
アンカラ
Ankara
イズミル
Izmir
コンヤ
Konya
トルコ
エレバン
トルクメニスタン
アシガバート
Aşgabat
チュニス
マルタ
アンタルヤ
Antalya
テヘラン
キプロス
シリア
地中海
チュニジア
トリポリ
レバノン
バグダッド
イラク
エルサレム
Jerusalem
ヨルダン
イラン
アレクサンドリア
カイロ
イスラエル
クウェート
リビア
エジプト
ペルシャ湾
メディナ
リヤド
バーレーン
ドバイ
カタール
アラブ首長
国連邦
オマーン湾
マスカット
サウジアラビア
ジェッダ
メッカ
紅海
オマーン
アバ
サララ
ニジェール
サナア
イエメン
スーダン
チャド
ハルツーム
エリトリア
ンジャメナ
カノ
Kano
アデン湾
ジブチ
ウズベ
黒海

ヨルダン概況

面積　8.9万平方キロメートル（日本の約4分の1）　⇒　北海道とほぼ同じ大きさ

人口　1,010.1万人（2019年世銀）

首都　アンマン（Amman)

言語　アラビア語（英語も通用）

宗教　イスラム教　93%、キリスト教等　7%

GDP（名目）　445 億米ドル　（2019年世銀）　⇔　日本　51,200 億米ドル

一人当たりGDP　4,405 米ドル　（2019年世銀）　⇔　日本　40,566 米ドル

通貨　ヨルダン・ディナール（JOD）　為替レート　1JOD＝約1.41米ドル (対米ドル固定相場)

1. 意外と親しい国

2. ヨルダンはアラブ世界と欧米の価値観の両方を理解する国

3. ヨルダン川西岸　≠　ヨルダン

4. 死海 (Dead Sea) 右半分はヨルダン領土

5. 死海水　≠　海水の濃縮版

1．意外と親しい国　　　@ 国連総会　　席はいつも隣同士　Jordan ↔ Japan

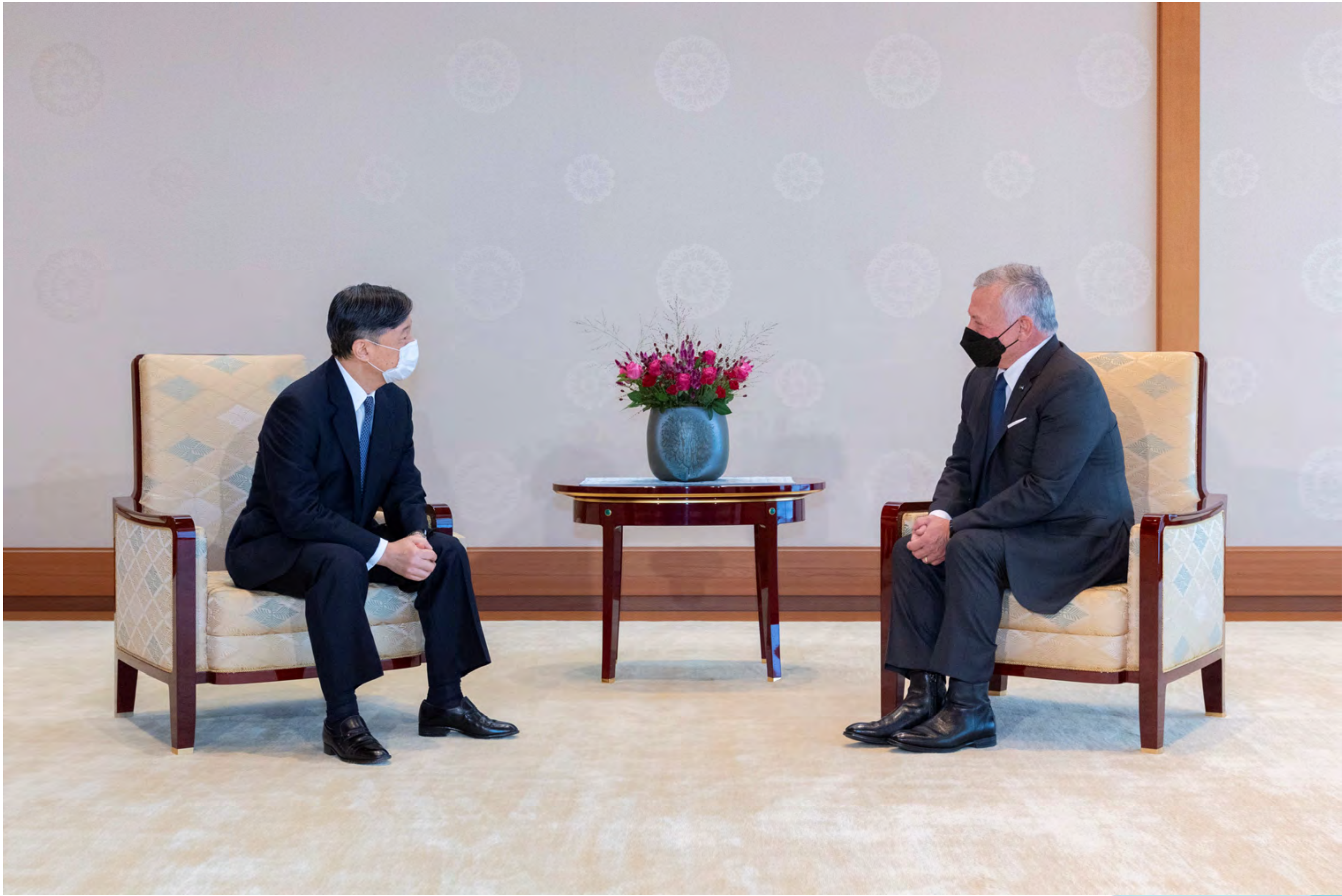
2022年9月

1．意外と親しい国　　@エリザベス女王国葬

2022年9月

1．意外と親しい国　ヨルダン国王は12回の訪日歴を有する親日家

2022年9月



1． 意外と親しい国

ヨルダン国王は12回の訪日歴を有する親日家

2022年9月

２．ヨルダンはアラブ世界と欧米の価値観の両方を理解する国

２． ヨルダンはアラブ世界の価値観と欧米の価値観　両方を理解する国

２.ヨルダンはアラブ世界の価値観と欧米の価値観 両方を理解する国（国会風景）

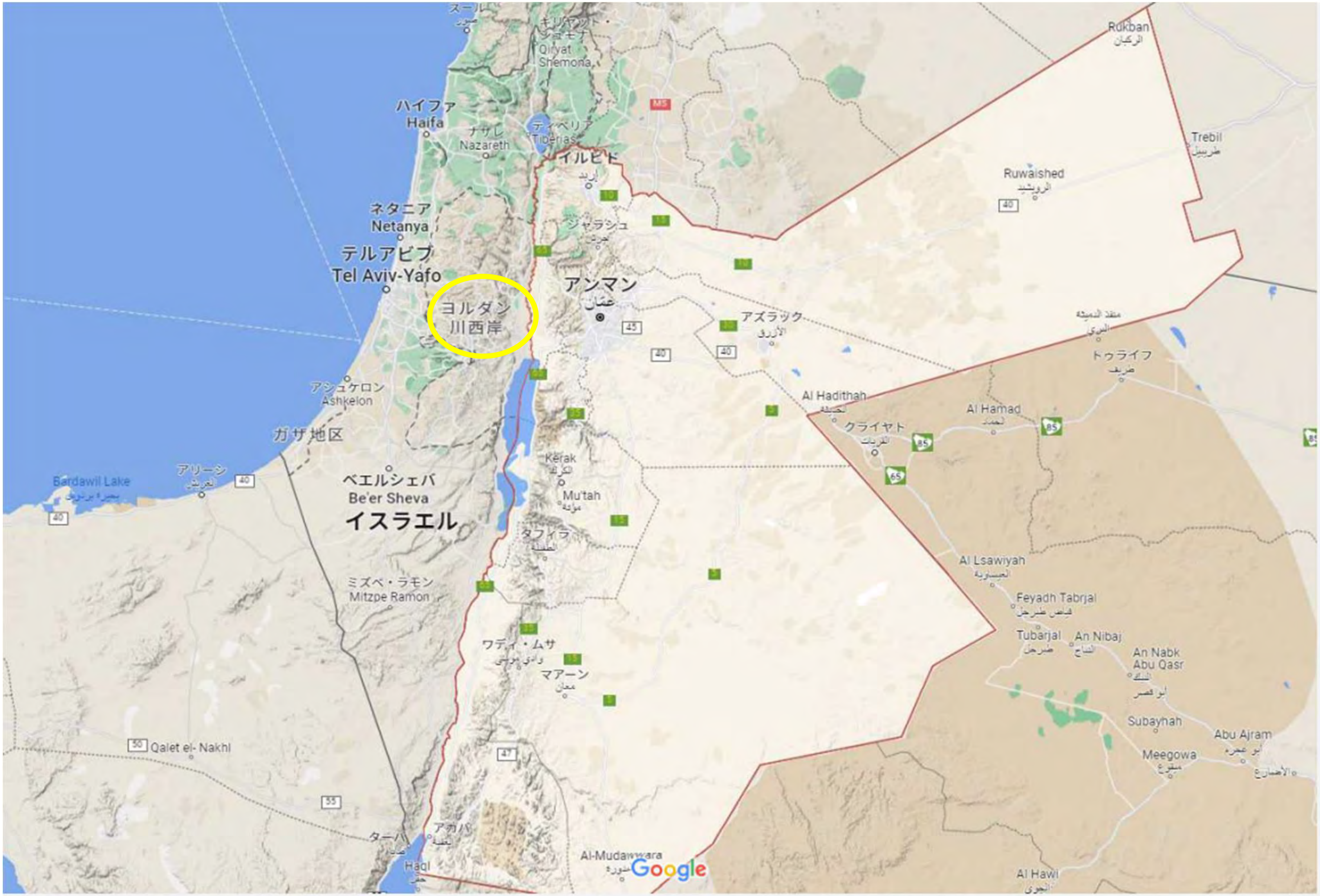
ヨルダン

サウジアラビア

２．ヨルダンはアラブ世界の価値観と欧米の価値観 両方を理解する国

２．ヨルダンはアラブ世界の価値観と欧米の価値観 両方を理解する国（ヨルダン皇太子婚約発表）

３．ヨルダン川西岸　≠　ヨルダン　４．死海 (Dead Sea) 右半分はヨルダン領土



５． 死海水　≠　海水の濃縮版

・死海水、死海泥、死海塩には
　海水に含まれていないミネラルが含まれている。

・マグネシウム、ナトリウム、カルシウム、カリウム等の含有量が
　一般の海水と比べて圧倒的に多い。

まとめ

1. 意外と親しい国

⇒親日国 ヨルダン

2. ヨルダンはアラブ世界と欧米の価値観の両方を理解する国

⇒日本人にとってのビジネスのやり易さ

3. ヨルダン川西岸　≠　ヨルダン

⇒治安、カントリーリスク

4. 死海 (Dead Sea) 右半分はヨルダン領土

⇒ヨルダンの死海原材料供給会社、ヨルダンの死海コスメブランドの存在

5. 死海水　≠　海水の濃縮版

⇒ユニークな原材料、製品


ご清聴 ありがとうございました

Appendix 7

Seminar Overview, Suggestions for Next Step

Seminar Overview

JICA Project Team: Yuji MAKIMOTO

November 22nd, 2022

November 30th, 2022

1. Purpose and Outline

- Purpose
  - Improve the recognition of Jordanian Dead Sea cosmetics
  - Business-matching NOT intended

- Outline
  - Date/time: 20 October 2022 (Thu), 9-11am (Jordan time)
  - Place: venue + online
  - Organizers: JICA, MoITS, ACI, and PADECO
  - Supports: Embassy of Jordan in Japan, UNIDO Tokyo Office
  - Program

Program	Allocated Time	Speaker
Welcoming remarks	5 mins	ACI, CEO, Mr. Nael F. Al-Husami
Opening remarks	5 mins	Embassy of Jordan in Japan, Deputy Chief Mission, Mr. Rasheed Arekat
Opening remarks	5 mins	JICA, Middle East & Europe Dept., Deputy Director General, Ms. Hiroe Ono
Presentation "What kind of country is Jordan?"	10 mins	JICA Project Team, Export Promotion, Kazuya Nakayama
Presentation "Introduction of company and products"	70 mins	Presentation by Jordanian Dead Sea cosmetics manufacturers (9 companies)
Q&A	25 mins	

* Display and trial booths of Dead Sea cosmetics were prepared and participants on site tried hand scrubs.

目的と開催概要

■ 目的

- ヨルダン死海コスメ製造業者の認知度を向上する
- ビジネスマッチング（商談）は企図していない

■ 開催概要

- 日時：2022年10月20日（木） ヨルダン時間 9-11時
- 形態：会場とオンライン
- 主催：JICA、ヨルダン産業貿易省、アンマン商工会議所、パデコ
- 後援：駐日ヨルダン大使館、UNIDO東京事務所
- 式次第

プログラム	所用時間	スピーカー
歓迎挨拶	5 分	アンマン商工会議所 CEO Mr. Nael F. Al-Husami
挨拶	5 分	駐日ヨルダン大使館 Deputy Chief Mission Mr. Rasheed Arekat
挨拶	5 分	JICA 中東欧州部 次長 大野 裕枝
講演 「ヨルダンて どんな国？」	10 分	JICAプロジェクト・輸出促進担当 中山和也
講演 ヨルダン企業による会社・製品紹介	70 分	ヨルダン死海コスメ製造業者9社
質疑応答	25 分	

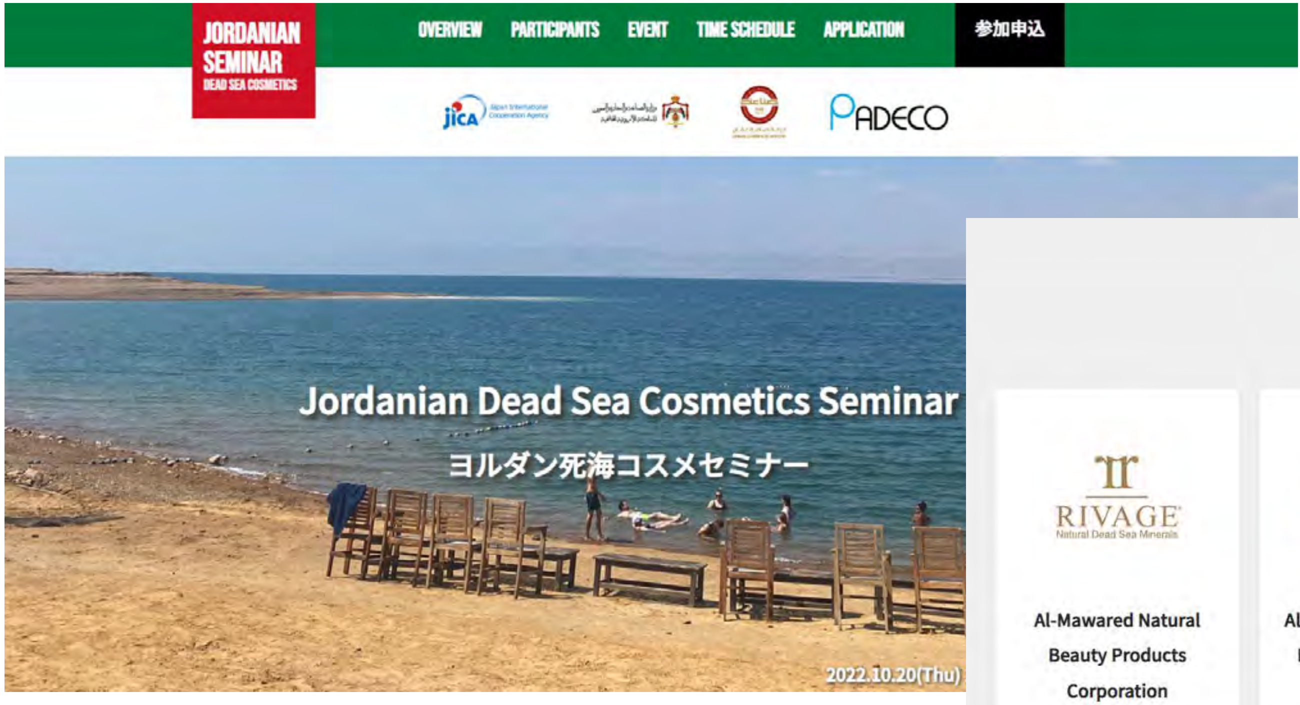
* ヨルダン死海コスメの展示とハンドスクラブのトライアルブースを会場内に設営

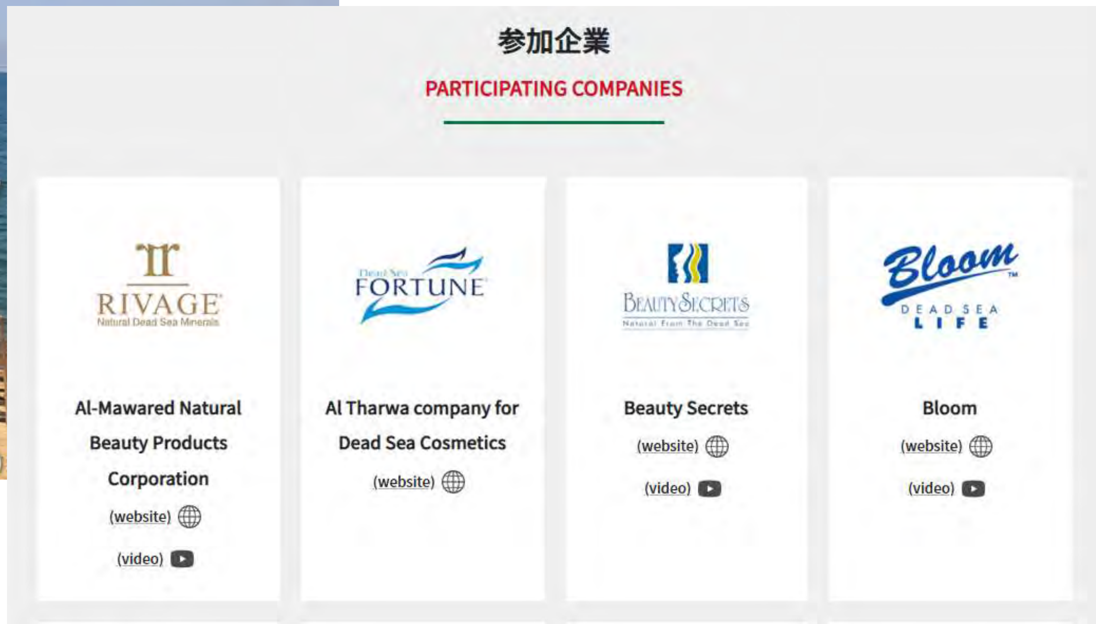
2. Preparation

- Prior promotion of seminar information
  - Advertisements on 2 industrial newspapers
  - Press release (mass media, companies in beauty & cosmetics sectors: **230 companies** + page visitors: **608 previews**)
  - E-mail invitation by UNIDO Tokyo
  - PADECO's social media (LinkedIn, Twitter): **667 previews**

Reached out to **more than 1,500** in total

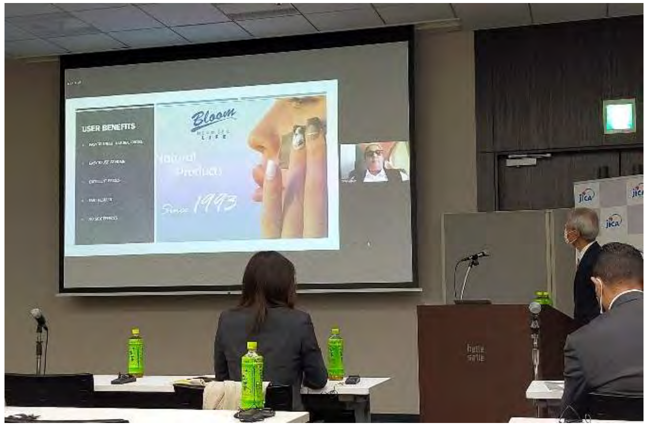
- Landing page





3. Quick results

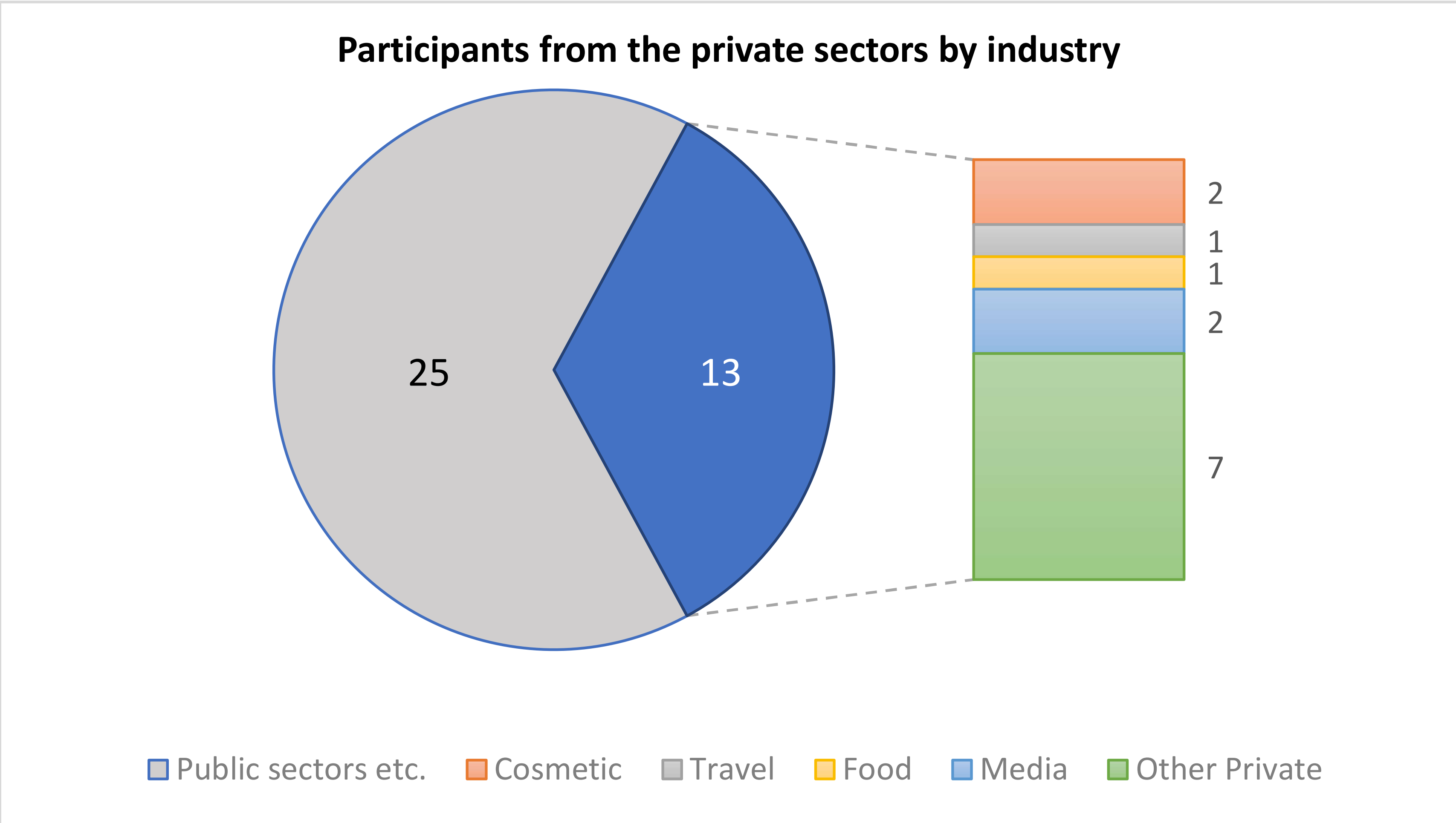
- Participants
  - On-site: 19 people (including 5 from JICA, 2 from the Embassy)
  - Online: 19 people (including 5 from JICA)
- Some feedbacks from participants:
  - <u>77%</u> of participants who answered post-seminar questionnaire <u>found Jordanian Dead Sea cosmetics attractive</u>.
  - Some comments include positive responses such as “Dead Sea mineral being <u>unique</u> in the world and <u>natural</u> makes it more attractive.” “On-site display and trial were a great opportunity to know better about Jordanian products.”
  - There were also comments such as “it was <u>hard to see difference among brands</u> and also <u>difference between Jordanian products and Israeli</u>.” “It was <u>not clear how effective Dead Sea cosmetics are</u> for what kind of skin types or problems.”



- Follow-up interviews to some experts in Japanese cosmetics sector and Japanese cosmetic manufacturer who participated in the seminar have been conducted.

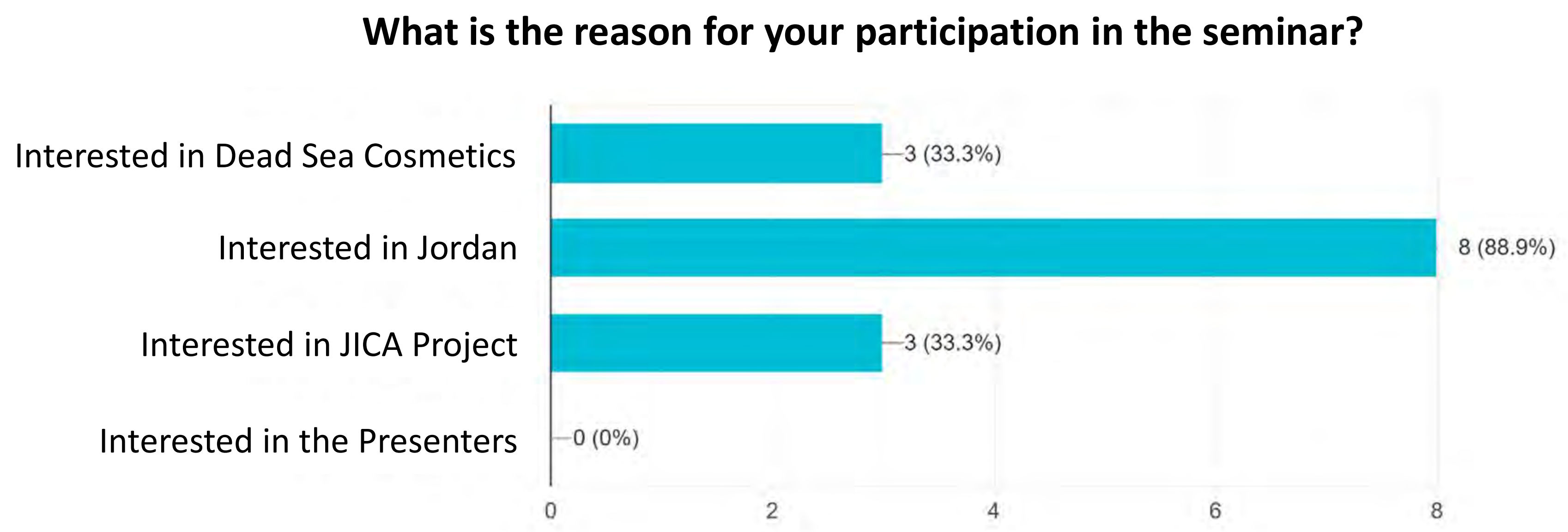
4. Closer look at the participants' profiles

- Out of 38 participants, 12 were from the Japanese private sector, but only two were from the cosmetics industry.
- Unfortunately, they did not express a desire to keep obtaining information as an ongoing business meeting.



5. Closer look at the participants' motivation

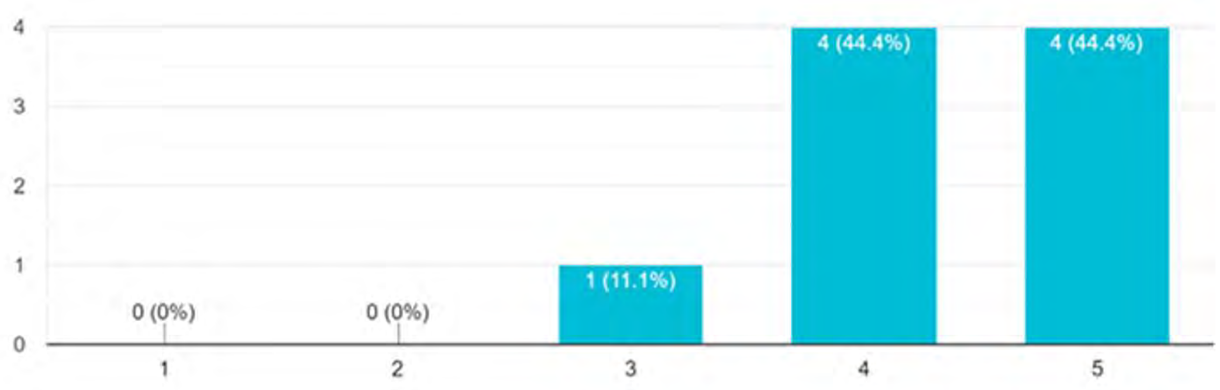
- When seminar participants were asked the reason of attendance in the seminar, "Interest in Jordan" was the most common response.
- Only one-third of the participants raised "Interest in Dead Sea Cosmetics," indicating that most of them were attracted by other motives than cosmetics.



6. Closer look at the participants' satisfaction

- Satisfaction with the format of the seminars was generally high, especially among those who attended at the venue. (average 4.33)
- Product displays and trials were especially appreciated.

How do you rate your satisfaction with the seminar? (*1-5)



Positive feedbacks

Learning
- It was a good opportunity to learn Jordan and its healthcare industry.
- Could grasp the key features and export trends of different Jordanian companies efficiently
- Could understand what kind of players are in the industry

Real voice
- Good to hear the presentation directly and real voice of the Jordanian companies
- Could know under what mission Jordanian companies are manufacturing their products

Live experience
- Display and trial session at the venue was a great opportunity that cannot be enjoyed online

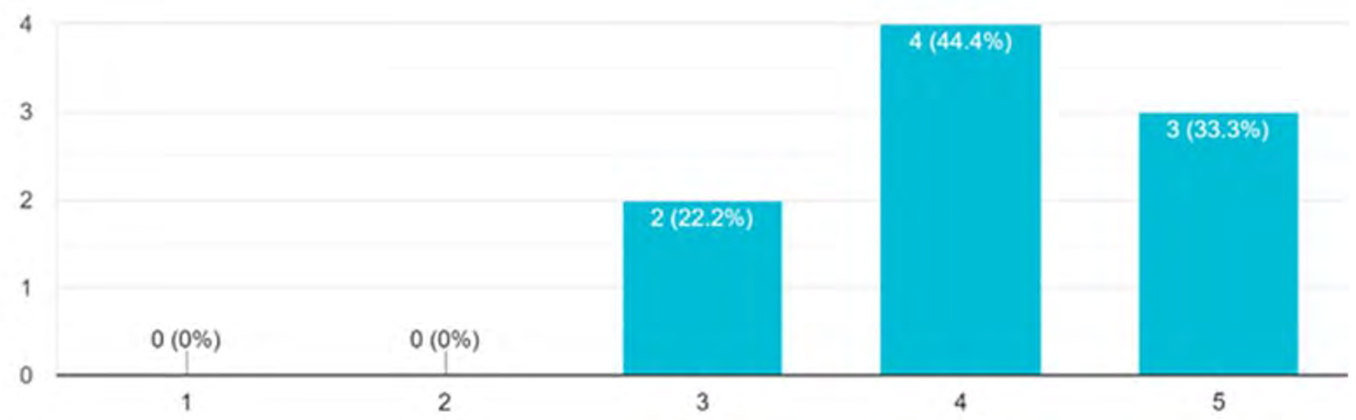
Negative feedback

- From the presentation, I could not find any strong feature.

7. Impression on Dead Sea Cosmetics by seminar participants

- Feedbacks from the participants who experienced the products were not bad. (☆4.11)
- While feedback from the consumer perspective was not bad, many issues were raised from the perspective of those who recommend the product to others

How much did you find Jordanian Dead Sea Cosmetics attractive? (*1-5)



Positive feedbacks

"Natural" image
- Natural ingredients
- Using salt and mud of Dead Sea

Uniqueness
- Strong image generated by "Dead Sea"
- Dead Sea salt and mud is exclusive to the region

Others
- Product was sophisticated including package
- Product quality
- Good reputation from the tourists who traveled to Jordan

Negative feedbacks

Lack of differentiation
- Difficult to understand the difference among Jordanian companies
- Didn't find comparative advantage over Israeli products

Not customer-oriented
- Couldn't see what type of users are targeted
- Strong flavor is not popular among Japanese users recently

Lack of scientific evidence
- Doubtful if the product truly has a good quality

8. What can be observed from the seminar feedbacks

- Although the main purpose of the seminar was not necessarily business matching, the response from the cosmetics industry was not favorable, despite considerable efforts made to attract visitors from the cosmetics industry.

- The products were well received from the consumer's perspective, especially by the on-site participants, and the products quality is by no means bad.

- However, it failed to create an image among Japanese cosmetics industry professionals that the products could be purchased and used by their general customers who are not familiar with Jordan.

- One marketing expert put the current situation in one word.

"Jordanian Dead Sea Cosmetics are good souvenir, rather than cosmetic products"

Suggestions for next step

JICA Project Team: Kazuya Nakayama

November 22nd, 2022

November 30th, 2022

Points to consider in understanding comments from Japanese experts

For Jordanian companies,

1. Not enough information about Japanese cosmetics market in advance

2. Limited time for their presentation

Product-out vs Market-in

“In addition to the seminar, I saw each brand in Jordan.
Based on those experience, I believe that most Jordanian brands are "product-out", and it is difficult for them to enter the matured market like Japan unless they adopt "market-in“ approach.

Cosmetics Expert
(Ex-Shiseido)

*Product-out

Giving priority to the company's theory over the needs of buyers (customers) in product development, production, and sales activities. The idea is to “sell what you make”.

*Market-in

Giving priority to consumer needs and planning and developing products from the customer's point of view. The idea is to “make what customers want”.

The value for customers is needed

“Although each brand uniformly declared "high quality and safety", this is a matter of course for products, and should not be emphasized as advantages.

In addition, each brand was all about explaining their own brand, but there was no explanation about the value for customers.

If you are asked about the value, you might answer "Dead Sea Minerals", but the value does not consist of only material (functional value). With the emotional satisfaction obtained by using the material, the value is provided to a customer.

Cosmetics Expert
(Ex-Shiseido)

The value for customers is needed

What kind of functional and emotional effects does the product have on product users?

”What can your product do for my skin?”

”How can your product change my skin?”

”How can your product make me happier?”

”How can your product make my life more enjoyable?”

Necessity of scientific evidence

“During the Q & A session of the seminar, I wanted to hear the differences between Jordanian and Israeli Dead Sea Products based on scientific evidence.”

“Just saying “Good quality” is too vague. Consumers don't know how good it is unless reliable data is shown comparing with other companies' products.”

“Suggest to explain what effects are given to whom (what type of skin) with scientific proof.”

Cosmetics Expert (Ex-Shiseido)

Distribution/Marketing Expert (Ex-Shiseido)

Requirements by Japanese distributors and retailers

“Import our products, then do whatever you want" does not work in Japan.
(Personal parallel imports are different story)

What Japanese distributors want to hear from Jordanian companies are

(1) Strategy for entering the Japanese market

(2) Target and value provided to target (solution to satisfy needs)

(3) Competitive advantage and uniqueness of the brand

(4) The value provided with supporting evidence

(5) Measures to increase awareness

(6) Role of each party in the development of the Japanese market (who bears the marketing costs?), etc”.

What should we do?

" In order to enter the Japanese market in the future, I believe that it is essential to have a good understanding of the actual situation of the Japanese cosmetics market after preparing the appearance as a brand.

We are no longer in an era where you can sell just by making a product. This kind of market-in approach might be different from traditional practices, but as long as we aim for global market, we cannot avoid it."

Cosmetics Expert
(Ex-Shiseido)

The challenges for entering Japanese cosmetics market

1. Shift from “Product-out” to “Market-in”

2. Deeper understanding of Japanese cosmetics market
    - Customer needs and unsatisfied wants
    - Marketing in Japanese cosmetic industry

3. Scientific evidence of Jordanian Dead Sea minerals

4. Systematical branding/marketing strategies
    - (1)~(6) in the previous slide

<u>Let’s work together to overcome these challenges!</u>

Appendix 8

Interview List for Field Surveys in August/September

PADECO Team conducting the study "JICA Data Collection Survey on Formulation and Promotion of Wellness Clusters in Jordan"
Meetings Schedule - As of 1st of September 2022

Color Legend			
	Booked - Not available		Weekend / Holiday / Reserved for other purposes
	Tentatively Booked		Meeting conducted

Day	Date	Meetings Map																	Location
		08:30-09:00 am	09:00-09:30 am	09:30-10:00 am	10:00-10:30 am	10:30-11:00 am	11:00-11:30 am	11:30-12:00 am	12:00-12:30 pm	12:30-01:00 pm	01:00-01:30 pm	01:30-02:00 pm	02:00-02:30 pm	02:30-03:00 pm	03:00-03:30 pm	03:30-04:00 pm	04:00-04:30 pm	04:30-05:00 pm	
Friday	2022/8/5	Weekend																	
Saturday	2022/8/6	Weekend																	
Sunday	2022/8/7				JICA Jordan				MoITS										Amman
Monday	2022/8/8						La Cure				Universal Labs				Rivage				
Tuesday	2022/8/9				Beauty Secrets			Bloom											
Wednesday	2022/8/10			Amman Chamber of Industry (ACI)				Natural Cosmetics Consortium											
Thursday	2022/8/11			Dead Sea Products Manufacturers Association (DSPMA)															
Friday	2022/8/12	Weekend																	
Saturday	2022/8/13	Weekend																	
Sunday	2022/8/14				Jordan Chamber of Industry (JCI)				Jordan Food & Drug Administration				Jordan Free & Development Zones						Amman
Monday	2022/8/15				Jordan Enterprise Development Corporation (JEDCO)				Numeira				JSMO						
Tuesday	2022/8/16		GIZ						Jordan Exports (JE)				Madaen Inv. & Dev.						
Wednesday	2022/8/17						AmCham (G1)				EBRD (G2)								
									Anahata Online Meeting (G2)						Fortune (@Crowne Plaza)				
Thursday	2022/8/18										Trinitae								
Friday	2022/8/19	Weekend																	
Saturday	2022/8/20					ACI - Preparations for Seminar													
Sunday	2022/8/21				Jordan Tourism Board (JTB)				Royal Society for Conservation of Nature (RSCN)				Jordan Hotels Association						Amman
Monday	2022/8/22				Movenpick Resort Spa				Holiday Inn Resort				Resense Spa - Kempinski Ishtar						Dead Sea (2 Groups)
		Dead Sea Medical Center															Dead Sea Museum & Panorama		
Tuesday	2022/8/23						Karak Archaeological Museum												G1: Aqaba G2: Karak & As-Salt
Wednesday	2022/8/24			ACI - Preparations for Seminar											Anahata				
Thursday	2022/8/25			As-Salt Archaeological Museum				As-Salt Tradition Museum							Naturalize				
							Feynan Eco Lodge & Dana Biosphere Reserve Tour												
Friday	2022/8/26	Weekend																	
Saturday	2022/8/27	Weekend																	
Sunday	2022/8/28										Joint Meeting of MoTA & JTB & DoA								Amman
Monday	2022/8/29		JCI Seminar																
							Al Hussein Technical University												
Tuesday	2022/8/30	Seminar in Amman (@ACI Building)											Tourism and Hospitality National Sector Skills Council						
Wednesday	2022/8/31						MoITS						JICA Jordan						
Thursday	2022/9/1								MMIS										
Friday	2022/9/2	Weekend																	
Saturday	2022/9/3	Weekend																	

Appendix 9

Interview List for Field Surveys in November/December

PADECO Team conducting the study "JICA Data Collection Survey on Formulation and Promotion of Wellness Clusters in Jordan"
Meetings Schedule - Second Round - As of 1st December 2022

Color Legend		
(blue)	Booked - Not available	
(grey)	Tentatively Booked	
(yellow)	Weekend / Holiday / Reserved for other purposes	
(green)	Meeting conducted	

Day	Date	Meetings Map																	Location
		08:30-09:00 am	09:00-09:30 am	09:30-10:00 am	10:00-10:30 am	10:30-11:00 am	11:00-11:30 am	11:30-12:00 am	12:00-12:30 pm	12:30-01:00 pm	01:00-01:30 pm	01:30-02:00 pm	02:00-02:30 pm	02:30-03:00 pm	03:00-03:30 pm	03:30-04:00 pm	04:00-04:30 pm	04:30-05:00 pm	
Friday	2022/11/18	Weekend																	
Saturday	2022/11/19	Weekend																	
Sunday	2022/11/20				JICA Jordan				Ministry of Industry, Trade & Supply (MoITS)										
Monday	2022/11/21	Jordan Standardization & Metrology Organization					JCI					National Packaging Center (JoPack)							
Tuesday	2022/11/22		Jordan Society of Tourism & Travel Agents				Joint Meeting of JICA / Ministry of Health & PADECO					Joint Meeting of JCI & ACI / MoITS / JICA & PADECO							Amman
Wednesday	2022/11/23		Jordan Hotel Association						JEDCO										
Thursday	2022/11/24						Dead Sea Products Manufacturers Association				La Cure								
Friday	2022/11/25	Weekend																	
Saturday	2022/11/26	Weekend																	
Sunday	2022/11/27	Hashemite University - Pharmacy Faculty							Jordan Food & Drug Administration					Joint Meeting of JICA / MoTA & DoA JTB & PADECO					
Monday	2022/11/28	Juman Factory					Al-Ahliyyah Amman University - Pharmacy Faculty												
Tuesday	2022/11/29								Middle East University							Natural Cosmetics Consortium (Zoom @ 6pm)			Amman
Wednesday	2022/11/30		Amina's Natural Skin Care (ANSC)				Jordan Exports						Ma'in Hotsprings						
Thursday	2022/12/1				MoITS						JICA Jordan			ACI					
Friday	2022/11/2	Weekend																	