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Factors affecting tour operator cooperation in developing Saudi Arabia
as a tourism destination

Abstract

The recent economic changes that have emerged from the government's newly developed plan known as 'Vision 2030' in Saudi Arabia are intended to provide for an unprecedented transformation of the Saudi tourism sector. This includes such changes as the electronic tourist visas introduced in 2019 and upgrading The Saudi Commission for Tourism and National Heritage to the Ministry of Tourism in 2020. Within this context, cooperation between local companies is important so that the local tourism value chain can develop in a more balanced way. Despite the fact that collaborative and cooperative relationships between companies depend on accommodating the institutional environment so that development is encouraged, the way this is to be managed in Saudi Arabia is quite puzzling. This paper aims to analyze, for the first time in Saudi history, the perception of this process from the perspective of local tour operators based in Jeddah, the second most important city across the Kingdom. The Delphi qualitative research method and a Focus Group technique was used to gather the required information. The results of this study suggest that there is a great deal of concern on the part of intermediaries about the institutional issues that affect the business environment development in Saudi Arabia, and their consequences for the economics of the tourism sector. And as a result, recommendations are made in order to minimize such impacts.

Keywords: Tour operators; Cooperation; Tourism development; Delphi research; Focus Group, Saudi Arabia.

1. INTRODUCTION

Although the Kingdom of Saudi Arabia (KSA) is not included in the list of the most popular international tourist destinations, the country received more than 17 million international arrivals in 2018 (World Travel and Tourism Council, 2019). However, it is important to note that the vast majority of this impressive number came exclusively on pilgrimage to the Holy Cities of Makkah and Madinah. This massive flow of pilgrims to the country is currently, as it always was, under the responsibility of the Ministry of Hajj and Umrah, and the official tourism authority has no jurisdiction. They have utterly separated interests. This means that any accommodation, food and transportation figures are not meant to be counted in tourism statistics. From the government's perspective, the period of fulfillment of religious

obligations is not understood from an organizational and institutional point of view as a tourist flow. In other words, the flow of pilgrims is not understood as a religious tourism segment (Raj 2007). Electronic tourist visas were introduced in the recent economic changes resulting from the government's newly developed strategic plan known as "Vision 2030" (Saudi Arabia, 2018), and the country is expecting to reach 30 million visitors annually by 2030. Technical reports published by the Saudi Arabian central government point out that the strategic objectives of KSA Vision 2030 (Saudi Arabia, 2018) should promote both the diversification of the economy and the creation of jobs, to reduce local unemployment rates.

The Saudi Tourism and Natural Heritage Commission (SCTH), the state body responsible for tourism management in the country, commenced the electric tourist visa program in September 2019, and this should allow millions of pilgrims as well as non-Muslim tourists to visit the country, especially during the period of religious rituals. This represents an unprecedented change to the tourism market in Saudi Arabia. However, while religious tourism is considered the oldest form of tourism (Rinschede, 1992), and the world has witnessed the enormous growth of this type of tourism in the last 50 years (Timothy, 2011), it is worth repeating that the Saudi government does not consider the influx of pilgrims as tourists, but essentially as a manifestation of a religious practice (Raj, 2007). Thus, from the point of view of the government and its rules and regulations pilgrims and tourists were not identical and hence were treated differently at the legal and institutional levels in the past (Henderson, 2011).

The release of these vision documents can therefore be interpreted as an effort to change this perception and one step towards opening the country up to secular tourism. This can bring numerous benefits but also challenges for the tourism industry and the way the industry is seen in the Saudi political-institutional context. Given this challenging environment, the process of cooperation among members of the Saudi tourism value chain will have a fundamental role, as it has in most tourist destinations. It is precisely in this environment of unprecedented change that the present research was carried out. And in this sense, how this change is perceived by those directly involved is the main intriguing motivation for our study.

Before going into detail, it is also important to mention that geographically the delimit of this research was the Saudi economic capital of the kingdom, the city of Jeddah. Located on the east coast, it is the operational base of the majority of the respondents of this research, and the city is the main gateway for millions of pilgrims and future tourists who want to visit the cities of Makkah and Medina and is also the hub of Saudi Airlines.

The objective of the current study is to present the degree of consensus among the main local and national tour operators regarding their understanding, experience, perspectives and the bottlenecks relating to the cooperation between them and local stakeholders (Cho & Lee, 2020). Although, the tourism value chain consists of many elements, such as hotels and airlines, these locally based tourism market intermediators are the ones responsible for linking them all, bringing on and putting together everybody, including tourism attractions and landmarks. They are literally in the middle or centre of everything. The method adopted for this study was a mix of qualitative techniques using the "Delphi" methodology, specifically designed to obtain consensus (Brooks, 1979; Cunliffe, 2002; Jones, 1975, Siraj, Zakaria, Alias, Dewitt, Kannan, & Ganapathy, 2010), and Focus Group Discussions. In this way it was possible to democratize the results of the questionnaire and moreover legitimize them in the wider discussion among the involved stakeholders.

Tour operators and tour guides are important stakeholders in the production and consumption of organized tours (Cetin & Yarkan, 2017). The reason why it is important to draw attention to this point is because, due to the pre-developed nature of religious tourism in Saudi Arabia, the vast majority of local tour operators also act as guides and vice versa. In other words, these two types of companies are both considered as tour operators and therefore it is not wise to exclude tour guides from our research. And from this understanding it is possible to properly comprehend the current scenario to better plan the future (Nordin & Svensson, 2007). It is important to note that many Middle East and Arabic countries have become aware that tourism can generate employment and income (Marhaba, 2016) and research is an important tool to better understand something so important and significant as cooperation.

This paper is structured in three parts. The first presents the literature review, discussing the importance of and the aspects related to cooperation processes for the development of tourist destinations. The second brings out and discusses the technical and operational aspects related to the application of the Delphi Method used to target the consensus (if any) among a panel of experts on the topics researched, and the Focus Group Discussion. And before the conclusion and suggestions for further research, the third part covers the analysis and our discussion of the results.

2. LITERATURE REVIEW

Consumption behaviours and expenditure patterns even for traditional pilgrims have changed, and the assumption that Muslim pilgrims (the Hajj) represent a low-income traveller segment is not now valid for all pilgrims (Bar & Cohen-Hattab, 2003; Chen & Chen, 2010; Collins-Kreiner & Gatrell, 2006; Timothy, 2011; Triantafyllidou, Koritos, Chatzipanagiotou, & Vassilikopoulou, 2010). Today, many travel agencies worldwide offer the Hajj journey as a holiday package with first-class and luxurious programs available (Abdullah, 2011). However, while on the one hand the Hajj is a well-established segment of the travel industry and has been for many years, there was hesitancy on the part of the Saudi monarchy to open up to incoming tourism from the West not related to this (Abdurabb, 2012; Yusuf, 2014).

Tourism visas in Saudi Arabia were introduced in September 2019 and are valid for 30 days. Thus, along with the growth of Saudi tourism, a process of cooperation between the different links of the supply chain to accommodate the needs of a wider range of tourists is foreseen and necessary (Grangsjö, 2003; Mariani, 2016; Wang & Fesenmaier, 2007; Wood & Gray, 1991). In recent decades, cooperation, interaction and collaboration as applied to the tourism industry have been explored, such as the cooperative behaviour of tourism stakeholders (Fyall, Garrod, & Wang, 2012; Wang & Fesenmaier, 2007) that allows the creation of a comprehensive product that depends on the capacity for cooperation (Scott, Baggio, & Cooper, 2008; Wang & Krakover, 2008).

Similarly, the characterization of tourist destinations as places where cooperation and collaboration between stakeholders creates the tourism product itself is reflected in the extent to which this cooperation is taking place (Mielke & Silva, 2017; Pechlaner, Herntrei, Pichler, & Volgger, 2012). Importantly, the interactivity among these stakeholders generates more significant results when compared to those obtained through individual actions (Bramwell & Lane, 2000). Solutions and agreements about common problems (Vernon, Essex, Pinder, & Curry, 2005) depend on the complex nature of the processes (Wang & Pizam, 2011) because of the fragmented nature of local tourism (Jamal & Getz, 1995; Saxena, 2005). Added to this is the inability to organize the required diversity of actions and initiatives or monitor the market dynamics of the local tourist destination by a single entity or agency (Bramwell & Lane, 2000; Prideaux & Cooper, 2003).

Researchers who have explored the processes of cooperation between tour operators and hotels (García-Falcón & Medina-Muñoz, 1999; Guo, 2012; Lee, Riley, & Hampton, 2010; Wang, Hsieh, Chou, & Lin, 2007; Wong & Kwong, 2004) highlight two points: (a) that to improve their revenue tourism organizations cooperate with suppliers, distributors, governments and other companies that are carrying out complementary activities; and (b) that

cooperation with travel agencies is considered the most profitable way for a hotel to expand its sales and marketing efforts.

Nevertheless, the perception of the need for such processes is both closely related to the need for the variety of services that make up the tourist product itself, and to the maintenance, growth and development of tourist destinations (Gnoth, 2006; Manyara & Jones, 2007). Carlsen and Butler (2011) discuss the direct relationship between the competitiveness of tourist destinations and diversity of supply (local tourism products), as well as the competitive advantage for companies as tour operators to reduce their operating costs by the optimization of resources (Farmaki, 2012). These benefits stem from articulation among the companies that belong to the tourism supply chain. In other words, cooperation through articulation along the tourism supply chain is the suggested path to the achievement of better economic results.

Furthermore, this process positively affects companies in relation to institutional relationships with the social and political environment in which they operate (Fadeeva, 2005; Kernel, 2005; Ling, Guo, & Liang, 2011; Morrison, Lynch, & Johns, 2004), i.e. the cooperation sought improves the business environment as a whole. However, some factors may influence both the processes of cooperation and their very existence (Duncan, 1972; Wang & Pizam, 2011; Wiatrak, 2014) as the benefits are disseminated among the companies integrated in the tourism supply chain.

A basic element that can inhibit the nature and dynamics of the collaborative process is the level of distrust about the economic, social and political-institutional environments that impacts on the formation of networks and specific alliances (Sopha, Jittithavorn, & Lee, 2019). It is therefore necessary to develop an environment of trust between institutions, especially public institutions, responsible for the management and implementation of governing tourism policies (Provan & Kenis, 2007). For example, the lack of clear tourism policies at the micro and macro levels constitute the main constraints identified by the associations representing tourism operators in the United Kingdom (UK) (Curtin & Busby, 1999) and in the Dutch context (Dinica, 2006). These aspects can severely impact the relationships between stakeholders and consequently the tourism governance process.

The success of a destination's governance and its support depend on the quality of the links between tourism agents and the supply chain (Laws, Richins, Agrusa, & Scott, 2011) between the local tourist companies and the public sector (Mariani & Kylänen, 2014; Nordin & Svensson, 2007; Padurean, 2012; Scott et al., 2008; Shih, 2006). The effectiveness of local tourism governance depends on the effectiveness of the institutional structures and processes

perceived by companies among themselves and with other institutions (Beaumont & Dredge, 2010; Beritelli, Bieger, & Laesser, 2007; Beritelli, 2011; Rotich, 2012).

The success and quality of competitiveness of a tourist destination lies in the strengthening of relations between the public and private sectors (Nordin & Svensson, 2007). In the Kingdom of Saudi Arabia, where the State has a predominant role, the analysis of aspects related to stakeholder cooperation from the perception of the market of intermediaries represented by the tour operators becomes fundamental and extremely relevant to the future of the City of Jeddah as a tourist destination.

3. METHODOLOGY

Some significant aspects of the investigative process must be highlighted. First, the socio-political context in which the country finds itself in, particularly in terms of the major transformations brought about by the Vision 2030 project, has been raised questions that have never been considered before. These are the need to identify the bottlenecks and needs of each sector from an endogenous viewpoint, and the tourism sector has been top ranked. Throughout the process, a great deal of attention and care was paid to the involvement of tour operators and tour guides in the research, as 81% of the interviewees had never before experienced group discussion in such an organized and systematic way. And without exception for this entire group to be inside a higher education institution like a University debating cooperation in the tourism sector was the first experience of its kind for them.

Given this scenario of the absence of earlier exchanges of points of view, a mix of qualitative methods was used to provide different approaches to the same group of participants. This is because it is possible to take into account differences of opinion resulting from the precocious development of tourism in the country, and the lack of local references as whole. Thus, the most appropriate methodological tool adopted by the team of researchers was the Delphi method, designed to obtain consensus in discussions among participants (Brooks, 1979; Cunliffe, 2002; Jones, 1975; Siraj et al., 2010).

After this the focus group discussion (FGD) method was also applied on two occasions. It was extremely important for the research to promote deep discussion about the results obtained, due to the complexity of tourist activity and its development, not least because, as previously mentioned, the Tourism Industry in Saudi Arabia is literally just beginning. Using FGD enabled the researchers to conduct discussions systematically and simultaneously (Babbie, 2011), with speedy results (Krueger, 1988) and where interaction is a great advantage (Morgan, 1996). Other authors also highlight the advantages of its

purposeful use of social interaction in generating outputs, fact which distinguishes it from other qualitative research methodologies (Merton et al., 1990). The method is “used in recent times mainly because of its strength of convenience, economic advantage, and high face validity” (Boateng, 2012, 54). And indeed, it has been found to be a good choice.

The Delphi method, developed in the 1950s, was chosen as it is a robust research structuring tool (Ludlow, 1975; Ludwig, 1997) that allows the possibility of obtaining a reliable prognosis (Häder, 2014). This approach offers a solid macro-environment and micro-environment analysis methodology (Habergerg & Rieple, 2001), and is a more holistic approach or platform than other methods (Kaynak, Bloom, & Leibold, 1994). Given the socio-political context, the observation of all these characteristics was necessary. In general, the goal of this study was to reach consensus through the understanding of experiences, perspectives and bottlenecks with respect to aspects related to cooperation within the tourism industry - more specifically operators and local stakeholders.

This study was based on a major question: facing the scenario of transformation from pilgrims’ visas to wider scale tourist visas, and according to their perception, finding out what the factors are that directly or indirectly could have more impact on the cooperation process in the development of tourism in Jeddah? All phases of the research except for the presentation of the final results from the Focus Group Discussion were carried out from February to April 2019, and online as recommended by Landeta (1999).

First, the anonymity of the participants was maintained until the delivery of the findings and the discussion of the final results with them. Freedom of expression was guaranteed, and no pressure or influence of any kind was exerted on the participants. All the ideas analysed throughout the rounds were established by merit rather than by the origin (Dalkey & Helmer, 1963; Klee, 1972) of those who suggested them. Also, all the participants, referred to as the group of experts, are entrepreneurs with more than ten years of experience in the domestic and local tourism market. They belong to distinct organizational structures, offering different programs focused on distinct niches or public market. The importance of this heterogeneity is observed positively, precisely because of the researchers’ intention to outline possible scenarios (Bantel, 1993; Hsu & Sandford, 2007; Young & Jamieson, 2001). In total, thirty-one tour operators were identified. To reach this figure, the snowball method was used. A few of the contacted tour operators were in the registration process. Only five did not want to be involved in the research, claiming personal reasons. The group of experts is made up of twenty-six participants; fourteen tour operators, and twelve Tour Guides who, since 2007, have been playing the role of common tour operators in the

destination (preparing itineraries, and subcontracting other tourist services. Although there is an individual feeling of differentiation between one group of professionals and another, apparently in practice this differentiation is not openly perceived by the group itself. This is because everyone performs similar operational functions.

The snowball technique of sampling was utilized to seek out the group of experts. This is a non-probabilistic sample form, which uses reference chains (Bernard, 2005; Biernarcki & Waldorf, 1981; Handcock & Gile, 2011). Within the context discussed at the beginning of this section, this process is useful for study groups, which are specifically difficult to access, which was the case in this study. The intuitive and subjective process to aim for consensus and the study was carried out in three phases, starting with the application of an open questionnaire, followed by two phases of application and analysis of the Likert scale results.

The questionnaire was derived from reviewing the literature discussed earlier, and from the master question that had two aspects: the first being where cooperation among tour operators was discussed, and the second where cooperation between tour operators, stakeholders, and government institutions was detailed according to their direct and indirect effects. Written in Arabic, the questionnaire was answered in the local language and sent by e-mail, at the choice of the participants themselves. Finally, the answers underwent qualitative analysis (Mayring, 2015). The questionnaire was built with open-ended answers, the first round consisting of the formation of a list of statements, which are originally fragments of the answers provided by all the participants. They were organized at random and arranged in a list so that the experts could assign a weighting value. The group attributed to each question a value between 1 and 5, according to the Likert Scale, ranging from totally agree, through partially agree, neither agree nor disagree, partially disagree, to totally disagree. Once this phase was completed, the experts were informed of the results by disclosing the means of the values each participant gave in comparison to those given by the entire group. Thus, each expert had the opportunity to compare their perceptions with those of the group.

Afterwards, they were asked to opt to change their first opinion, or to maintain the same value. So, the feedback step was carefully handled (Landeta, 1999; Meijerin, 2016) and a consensus began to emerge (Dajani, Sincoff, & Talley, 1979; Jacobs, 1996). For the structuring of the consensus, statistical tools of central tendency and analysis of variance in the mean were applied (Landeta, 1999) and the group of experts could attribute its own value judgment, assessing a weight of 1 to 5 to each one of the affirmative statements (Likert,

1975). In most cases, the answers of the experts throughout the application of the Delphi methodology tend to consensus and stability (Rodríguez, 1999). However, it is necessary to establish criteria for deciding when this consensus is reached. The consensus is based on the coefficient of variation (CV) analysis, which is the percentage ratio between the mean (X), measured in relation to each statement by the group of experts, and the standard deviation (DV) (Landeta, 1999).

Regarding the parameters of coefficient of variation, in order for the degree of cohesion in a distribution to be measured, the value must be less than 50%, this would represent a cohesion between the group of experts interviewed, above this value it would indicate a high degree of dispersion, which consequently characterizes a smaller representation of the average (Donaire & Martins, 1999). It is considered that there would be a low degree of dispersion if the coefficient of variation were less than 10%, median if it were between 10% and 20%, and high if it were greater than 20% (Levine, Berenson, & Stephan, 1998). For this study the following criteria were used: (1) - Low dispersion for $CV \leq 15\%$, (2) - Median dispersion $15\% < CV < 30\%$, and (3) - High dispersion $CV \geq 30\%$ (Landeta, 1999). Once the results were derived from the Delphi method, a couple of FGD meetings took place between May and June 2019, three and five weeks after the Delphi was concluded. Both meetings took place and were conducted in the King Abdulaziz University Faculty of Tourism's (KAUFT) facilities. Out of the twenty-six Tour operators and Tour Guides who has participated in the Delphi phase, eighteen attended the FGD meetings.

It is essential to highlight that even though the importance of involving other links in the tourism chain (especially in discussions such as this one) is known, the group of researchers preferred to maintain the same group and did not invite others to join, to create an environment where participants could have more confidence in sharing their thoughts, which under normal conditions would not be shared. Coming back to the meeting details, each meeting took approximately 4.5 hours, divided in two turns of 2hrs approximately and 1 coffee-break of 30 minutes. The first meeting aimed to discuss the results obtained during the application of the Delphi method. At this meeting, the results were presented in the form of statements, but it was not revealed that they were the result of the Delphi round. In other words, the participating group was unaware of the source of the statements brought forward to them and all those sixteen statements were presented one by one and discussed with the support of a coordinator/mediator. The idea was also to provide some feed-back as most of them had never been involved in such an initiative and because of that it was a great

opportunity to hear and learn a bit more from those who had so much experience in the field. The second meeting was targeted mostly to promote a deep debate to propose solutions and recommendations over the possible challenges that tourism in Saudi Arabia might face. It was an extraordinary opportunity to dig deep into the complexity of tourism development aspects, in terms of how cooperation and collaboration is important and what would be the government's role.

4. RESULTS AND DISCUSSION

The total percentage of questionnaires answered was 100%, which means all twenty-six of the group of experts fully participated in all phases. Table 1 illustrates the compiled results including the list of affirmatives and the variation coefficients reached in the first round and in the second weighting round using the Likert scale. The data are divided according to the factors that indirectly and directly affect the cooperation process between the tour operators and the stakeholders. The process of constructing the table was based on the selection of the affirmatives that were within the consensus criteria, between low and medium dispersion. This was done because with the possibility of feedback it was expected that some statements that presented dispersion could in the second-round reach consensus. It worth noting that the table mainly presents the statements that, after this procedure, obtained $CV \leq 15\%$.

The results show that there were 77 different statements extracted from the open questionnaire. After the first round and the analysis provided by the experts, only nine statements (12%) showed low dispersion. The rest obtained more than 15% of dispersion. However, the researchers decided to utilize the entire group of 77 statements in the second round where the feedback process was handled anonymously, as recommended by the Delphi method (Landeta, 1999). Interestingly, only seven statements showed changes while the rest held firmly to their original responses. From the initial list, consensus was obtained solely in 16 (21%) responses. Table 1 presents interviewees' responses that obtained low dispersion as a result of the value modification submitted in the second round.

Table 1 - Delphi Final Score - Rounds 1 and 2.

	Statements: Interviewees’ responses		CV - Round 1 ^a R.	Average 2 ^a R	STDEV 2 ^a R	CV - Round 2 ^a R.
Factors of Impact	1	For Saudi tourists, there are no clear regulations regarding the operation of support services, for what can and cannot be done. These rules are not often communicated among the concerned government departments; they change in an uncoordinated way. For instance, “what is approved by a certain department today, may not be allowed tomorrow”.	11.43	4.67	0.48	10.35
	2	The tourist business in the kingdom depends on that all parts of the government are aligned systematically and cooperatively. However, it is perceived there are instances of overlapping functions and fractionation, which could hinder the workflow. I believe this to be a major obstacle.	18.13	4.05	0.59	14.57
	3	Conducting workshops to improve communication between Tour Operators and Operators working during Hajj and Umrah to provide complementary tourism products and services.	9.82	4.76	0.44	9.17
	4	Conduct of workshops and meetings among all the elements of the Private Sector, especially the Tour Operators, Tourism and Hotel Guides can improve understanding of their mutual demands among them and facilitate understanding as regards their respective field of work in the tourism industry.	7.38	4.95	0.22	4.41
	5	The existence of a husband or a Mahram (A woman's mahram is the person without whom she cannot travel abroad) may look like an obstacle and cause limitation of some activities, especially for expatriates.	24.33	4.10	0.30	14.36
	6	To minimize costs and maximize profits, resources (buses, food, and equipment) must be shared. For example, tour Operators can schedule trips to the same destinations on the same dates and advertise them on their entire customer database.	20.55	3.86	0.48	12.39
	7	The tourism business can move forward when the local traditions and social conduct are clarified to the tourists.	9.82	4.71	0.46	9.82
	8	Further segregation of the application of rules that apply to residents and expatriates has still been an obstacle to the	11.36	4.38	0.50	11.36

		development of tourism.				
Factors of Direct Impact	9	I believe that cooperation depends greatly on the presence of the tourist, who is directly connected to the need for a media campaign for the industry to grow.	15.02	4.38	0.50	11.36
	10	It becomes perceptibly difficult to cooperate under the current uncertain and unclear institutional environment as new governmental entities (new Royal Commissions) have been establishing since last couple years.	18.83	2.95	0.22	7.45
	11	Increase communication and cooperation between the General Committee on Tourism and the Ministry of Hajj and Umrah	8.37	4.90	0.30	6.13
	12	We can cooperate better if we promote more integrated religious tourism packages with Hajj and Umrah Tour Operators to provide a wider view of the kingdom's attractions and culture.	17.77	3.10	0.44	14.10
	13	Cooperation will increase if there is a development of historical religious centres linked to the places where the Prophet Muhammad had been.	13.46	4.43	0.51	11.45
	14	Lack of training for government officials and security agencies on the tourism industry, disrupts cooperation processes among tourism stakeholders, as each institutional body adheres to a set of laws that are rarely convergent. Thus, many end up working individually.	8.37	4.90	0.30	6.13
	15	Cooperation between tourism stakeholders could improve with the transformation of the Tourism Commission into a Ministry of influence, decision-making and independent budget.	21.95	2.95	0.38	13.01
	16	Lifting restrictions using cars to transfer pilgrims from airports to the Holy Cities, would much facilitate the cooperation process between Tour Operators, as well as Tour Guides.	16.13	4.71	0.64	13.65

The factor of prime importance for the experts, which indirectly affects cooperation processes for communication with local tour operators, are the institutional environment that requires a smoother and more balanced approach (Provan & Kenis, 2007). In the consensus statements, one group obtained high average points (between 4 and 5, Partially and Totally Agree), respectively. In this group, there are themes that reflect the concern of respondents, such as in statements 1 and 2, where there is a need for tour operators to have clearer government rules, according to the group of experts. This suggests that a better institutional

alignment is necessary, given the overlapping of functions and the fragmentation of the responsibilities of deliberation on the practical issues in tourism operations. The group highlights the importance of initiating training programs and meetings (alternatives 3 and 4) for both the government and the private sectors, where there could be opportunities for knowledge exchange and cooperation.

It is interesting to observe that the flow of pilgrims is controlled by the Hajj and Umrah Ministry and not by the Saudi Heritage and Tourism Commission. Therefore, the operators responsible for international arrivals have no opportunity to offer tourist services, other than those directly related to Hajj and Umrah (KSA inbound and outbound air transportation, ground transportation to Makkah and Medina, and accommodation and food). Thus, the respondents stressed the importance of building cooperative relations between the two groups of tour operators, due to the new context of the eminent blooming of Saudi tourism. The high values obtained in relation to social issues (alternatives 5, 7, and 8) still represent some limitations on the development of tourism according to the group of experts. Both the gender issue and the segregation of the application of rules and laws between Saudi's and Expatriates were a common concern among those interviewed. There is a consensus on the need to continue the debate on these topics.

Although there are factors that directly impact the cooperation process, it seems that there is a certain expectation, as mentioned in statement 9, about the upcoming flow of tourists, even though it has not yet occurred. Indeed, this statement showed a high average score (4.38) with a quite low deviation, which indicates that all interviewees agreed on that possibility. However, it is not certain that governmental reorganization will directly impact on cooperation, as noted in statement 10. This perception obtained a consensus score of around neither agree nor disagree level and may be a result of the climate of expectation and uncertainty. In this context, statement 14 emphasizes the need for training of employees working in public offices that belong to entities directly and indirectly linked to tourism. Better institutional alignment is perceived as being essential, a condition of the cooperation process itself, as Wang and Pizam (2011) have pointed out.

The final consideration concerning the results obtained from the statements that deal with the relations between the Hajj and Umrah Operators and the group of tour operators surveyed is as follows. From statement 12, the analysis shows the neutrality of the group (Average = 3.1, STDEV = 0.44) regarding the possibility of improving the cooperation processes by offering more integrated packages together with the Hajj and Umrah Operators. However, with affirmative 3, in the factors that indirectly impact on this consideration, the

group of experts agreed almost totally (Average = 4.76, STDEV = 0.44) that the existence of workshops, that is, moments of true exchange and exchange of information, would be vital for the development of cooperation. This apparent contradiction or uncertainty means there should be further investigation of the cautious environment within which the service chain market has to behave. Such a discrepancy can be explained by the very lack of experience in commercial relations between the chains of intermediaries, even to the extent that the leisure industry itself is still something new in the kingdom.

In conclusion, there are two specific aspects highlighted by the respondents to statement 13. First, in the opinion of the experts, the expansion of the offer of attractions related to the life of the Prophet Muhammad could positively impact, insofar as it is expected in theory, tourist businesses and lead to greater possibilities of cooperation between tourist companies (Carlsen & Butler, 2011). Also, statement 16, which is related to the same theme, identifies better possibilities for cooperation, namely the possibility of utilizing different transportation means along with the busses currently used. Hence, the two issues are directly linked to state intervention, both in terms of the issue of investment and the management of rules and regulations of the tourism industry. Second, changing the current status of The Saudi Commission for Tourism and Natural Heritage (SCTH) to the status of a Ministry would not help cooperation initiatives very much.

The recognition of this issue and its weighting can, in theory, be attributed to the overlapping of functions and the division of responsibilities in the various departments and subdivisions within the Saudi government itself. Finally, it is evident that, of the 16 affirmative statements, 6 are directly or indirectly linked to the rules and regulations of the operation of the tourism framework. Thus, it is obvious that these issues are perceived as factors that currently affect the business environment and may influence the decision-making process of the companies involved (Medeiros de Araujo & Bramwell, 1999).

In terms of the FGD results, for the most part the respondents noted some constraints. Despite the fact this was the first time they had participated together in an initiative of this nature, its importance was perceived and the need to carry out more debates to improve cooperative and collaboration processes, find productive solutions, and identify obstacles was obvious. However, although the debate and discussion through the FGD was positive, very little was added to the Delphi results by this procedure. Nevertheless, the participation and engagement of the respondents provided some recommendations to the public sector of tourism in the country that could be suggested. These were aiming to

contribute to the development of the tourism industry in a balanced way, in the face of the open market scenario.

5. CONCLUSION

It is well understood that the benefits of cooperation will have a huge impact on the development of the tourism industry in everywhere, and this case of the Kingdom of Saudi Arabia, it'd be different, wouldn't it? Among others points of concern, and through the application of the Delphi method it was possible to identify certain understandings over some common points shared by the participants, and registered, in an academic paper, for the first time. The results of its application have enabled to show, for instance, that there is, as one of the major factors, a great deal of apprehension on the part of intermediaries about the institutional issues that affect the political environment and their consequences for the economic sector in question. This seemingly uncertain climate, not to mention a certain mistrust of the direction of the sector's development, will have a major impact factor on Jeddah's institutional relations and its governance issues as a destination.

In this concern, according to Provan and Kenis (2007), confidence and stability in the strategic decision-making process from local authorities (at all levels) is crucial to the development of balanced governance. And this is another key factor highlighted by the interviewees, as collaborative and cooperative relationships between companies depends on a more accommodating institutional environment so that they can better develop. Interestingly, some authors consider such cooperation processes to be an essential prerequisite for increasing the competitiveness of a tourism destination (Byrd, Cárdenas, & Greenwood, 2008; Vanhove, 2011).

Additionally, while according to the OECD (2012) it is necessary to create development plans with clear goals and to implement them when developing effective tourism policies, but no efforts in this direction seem to have been made. Most of the participants perceived the interrelationships between these two concepts very clearly. However, in all the changes that are occurring it has not yet made clear which scenario the tourism industry will adopt, and this has significantly contributed to the fact that the process of cooperation has remained in the background.

The factors discussed in this paper are extremely important since they are not perceived from a promising and stable perspective. Perhaps this debate, is quite relevant regarding the current stage of the development of the tourism sector throughout the KSA. Eventually the contribution of this papers leans on its outcomes itself. According to the

findings of this research, it is emphasised that these factors will have a vital influence on the necessary cooperation process, both among tourism operators and among the other elements of the supply chain. And as matter of fact, it shows perhaps where would be the next step to advance in terms of further researches. Analysing the perceptions of the domestic intermediators market are indeed necessary. Nevertheless, tourism is a compound of many other services such as accommodation, transportation, etc. As a recommendation therefore, it is very important that more research be carried out, and this should aim to identify perceptions about the cooperation process within the value chain of tourism. Likewise, it is suggested that decision-makers on tourism development policies consider the consequences of how tourism service companies will interact and articulate so that they can work together and become integrated. It is worth remembering that even though the tourist as a consumer may not realize it, throughout the travel period there will always be numerous tourists using the services almost at the same time. And the long-term success of a tourist destination depends on this pattern working cooperatively.

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