

TOURIST ACTIVITY IN QATAR

Alan S. Weber

Weill Cornell Medicine-Qatar, Qatar Foundation for Education, Science and Community
Development, Box 24144, Education City, Doha, State of Qatar 24144

Abstract

This contribution provides an overview of tourist sector activity in the Arabian Gulf oil-rich nation of Qatar from the perspective of policy, planning, management and current activity. Although at the present time tourism only contributes a small percentage (estimated at 4.7%) to the total GDP, and expenditures for infrastructural development of new attractions and initiatives exceed revenues when including World Cup 2022 development, tourism has been targeted by the State of Qatar for further development in an effort to diversify the economy, which is primarily resource-based. Qatar Tourism Authority has developed a national strategy with Key Performance Indicators to align with Qatar National Vision 2030, the main developmental plan for the nation. As a relatively unknown leisure tourism destination, Qatar has relied on business and MICE sector tourism, and plans to expand leisure tourism arrivals.

Key words: Qatar, tourism, Gulf Cooperation Council (GCC), tourism policy, tourism practice

1. INTRODUCTION

The State of Qatar has become one of the wealthiest countries in the world with the highest per capita income due to a small population and immense proven oil and gas reserves, including the world's 3rd largest unassociated natural gas deposit, the North Field / South Pars field located under northern Qatar and extending into the Gulf into Iranian territorial waters. Thus close to 70% of state revenues, which are distributed by the government through subsidies, grants, loans, social programs, and economic opportunities such as free education and training up to the postgraduate level, derive from the export of hydrocarbons, or from related petrochemical industries. Since the 1980s, oil-rich nations (similar to other economies dominated by extraction industries) have known that fluctuations in hydrocarbon prices based on global trade directly cause budget deficits and surpluses, strongly impacting government planning efforts. Since many of the social and economic benefits enjoyed by Qataris are disbursed by the government, decreases in state revenues have very real consequences for families, such as loss of employment, income, and benefits.

Tourism, along with research and development, biotechnology, education, small business incubation, entertainment and creative industries, have been proposed as mechanisms of economic diversification to temper boom and bust cycles based on commodities markets (Weber 2014). Tourism also brings greater political and brand name recognition to the State of Qatar which has been overshadowed in the past by its more powerful and dominant neighbors Saudi Arabia, Iraq and Iran. Greater recognition and greater understanding about the country's social, religious and political customs and tax and business climate contributes to greater Foreign Direct Investment as investing partners from other countries feel more comfortable in doing business with Qatari firms because they more clearly understand the risks and benefits in such partnerships and associations.

Since Qatar remains well stocked with both oil and natural gas reserves at the present time, the question naturally arises as to why new industries like tourism need to be developed and nurtured. The simple answer is 'sustainability' – fossil resources (and this includes water, which is non-replenishable due to low precipitation and aquifer recharge rates, and the current water deposits are a result of the last Ice Age) will eventually be exhausted and if no new sources of wealth are developed in the interim, future generations of Qataris will experience rapidly declining standards of living. As the QTA reports succinctly on the issue: "While our country has been blessed with abundant energy resources, these are not infinite, and thus we need to look for other sectors, such as tourism, that can ensure that our children, and our children's children can enjoy the same, if not better standards of living as we do. By promoting

greater and well-planned tourism, the National Tourism Sector Strategy 2030 will help the country diversify its economy and reduce its considerable reliance on energy resources, in turn shielding it from market fluctuations which can significantly impact its economy and growth. While it will further entrench Qatar's position on the world map and allow people around the world to recognize what the country has to offer, investing in tourism is also critical if Qatar is to successfully host and draw visitors to the FIFA World Cup in 2022" (QTA 2014b).



Figure 1. The Political Map of the State of Qatar.

Source: *The CIA World Factbook*, from <https://www.cia.gov/library/publications/resources/the-world-factbook/geos/qa.html>

2. METHODOLOGY

This contribution is based on a review of the relevant peer-reviewed research literature, government reports, tourism websites including the Qatar Tourism Authority (QTA) and the author's previous research on tourism in Qatar as a diversification and knowledge economy strategy. Reports and statistical information was verified, when possible, with the Qatar Statistics Authority, officials of the State of Qatar, Ministry of Culture, Arts and Heritage (Qatar), and Qatar Museums Authority. As a high impact academic in the Gulf region, the author also makes frequent MICE-related trips throughout the region as a lecturer, keynote speaker, consultant, and workshop leader and therefore has first-person experience with tourism initiatives in both Qatar and the wider region. Much of the analysis on this topic is generated outside of the country and region. As a recent review of the research literature on Qatar

tourism revealed, “authors residing outside Qatar published most of the reviewed articles (71%). This could be because they received more research funding than their Qatar-based counterparts. Having more Qatar-based researchers is desirable and important in building a sustainable and self-reliant knowledge-based economy” (Musinguzi 2016).

3. RESULTS AND DISCUSSION

3.1. History of Qatar

In the pre-oil era, the Qatar peninsula, which borders on the hyper-arid Rub’ al Khali desert in Saudi Arabia, was very sparsely populated due to the dry climate and unsuitability for food production except for date farming, seasonal animal grazing, and coastal fishing. The country has no natural fresh surface water, relying on wells (which are becoming increasingly saline) and desalination of sea water. The population is made up from a diverse range of groups, including nomadic Bedouins who practiced animal grazing, pearl divers and pearl merchants settled on the shores of the Arabian Gulf, slaves and their freed descendants from Africa, and other tribes from Balochistan and Persia. The Ottoman Empire claimed jurisdiction over this region and occasionally sent troops to Doha, such as the Battle of Wajbah in 1893 won by the Qatari forces. Due to British protectorship treaties, Indian civil servants and merchants established long standing communities in Qatar as a result of the Persian Gulf Residency system which ended in 1971, growing out of the British East India Company’s economic interests in India. Qataris profess Sunni Islam of the Wahhabist / Salafist strain and maintain a strong attachment to traditional religious practices and pre-Islamic customs as well. Oil was first struck in Qatar near Jebel Dukhan in 1939 and export of oil began after WWII. By the 1960s and 70s, oil export was the dominant form of economic activity, and necessitated the importation of Arab expatriate workers to supply labor for the industry as well as manual labor to support the expanding population. Later, large numbers of Asian and South Asian workers were hired for the expanding construction and services sector and Qataris now represent only between 9-10% of the total population of Qatar of 2.57 million inhabitants.

3.2. Qatar Tourism Authority and Current Tourist Sector Strategy

Although at the present time tourism only contributes a small percentage to the total GDP and expenditures for infrastructural development of new attractions and initiatives exceed revenues when including World Cup 2022 development, tourism has been targeted by the State of Qatar for further development in an effort to diversify the economy, which is primarily resource-based. Qatar Tourism Authority has developed a national strategy with Key Performance Indicators to align with Qatar National Vision 2030, the main developmental plan for the nation. As a relatively unknown leisure tourism destination, Qatar has relied on business and MICE sector tourism, and plans to expand leisure tourism arrivals through informational campaigns, developing hospitality management and services training programs in local technical colleges, diversifying hotel accommodation offerings, and sponsoring events such as academic and business conferences and internationally known entertainment stars. QTA also plans to promote the intangible heritage of its unique bedouin / hadar culture which is disappearing due to modernization and westernization.

Tourism planning was carried out ad hoc in the 1980s and 1990s before the establishment of the Qatar Tourism Authority. Most arrivals to the State of Qatar were manual laborers, technical workers for the oil, gas, construction and service industries, domestic help and managers and consultants. In the 1980s, the only major international hotel was the Sheraton Grand Doha Resort & Convention Hotel built in 1979 and leisure tourism to the country was almost non-existent. Thus interest in tourism as a growth strategy—and a means to create employment for the large demographic youth bulge experienced by Qatar and other neighboring countries—is very recent. It was not until 2014 that Qatar embarked on a detailed, practical, and feasible tourist development plan when the *Qatar National Tourism Sector Strategy 2030* was launched to align tourist planning development with larger national goals set out by the previous Emir HH Sheikh Hamad bin Khalifa Al Thani and continued by his son the current Emir HH Sheikh Tamim bin Hamad Al Thani.

3.3. Tourism Resources in Qatar

The current tourism climate using existing attractions resources has increasingly improved in small incremental steps between 2013 and 2016, as indicated in **Figure 2** below reported by QTA.

Progress on the Journey to 2030

	2013	2014	2015	2030
Estimated Total contribution to GDP	3.6%	4.1%	4.7%	5.2%
Actual Tourist Arrivals	2.611 million	2.826 million	2.93 million	7.9 – 10.7 million
Estimated Employment in Tourism	67,000	73,000	76,000	98,000
Actual Rooms Available	13,577 (hotels only)	15,879 (hotels + hotel apartments)	20,713 (hotels + hotel apartments)	48,000 – 63,000

Figure 2. Progress by QTA in Achieving Nationally Mandated Vision 2030 Tourism Goals (to 2015).

Source: *Qatar Tourism Authority 2015 Annual Report*, Doha: QTA, p. 8.

Most of Qatar consists of limestone gravelly desert with barchan sand dunes in the south of the country. In the cooler months, the natural environment affords opportunities for hiking, mountain biking, nature appreciation, and water sports such as swimming, boating and fishing (the Qatar Peninsula is almost entirely surrounded by water). The Al Reem bio preserve which covers most of the northwestern corner of the country is one of the largest protected areas in the region, hosting Ostrich, Oryx, Sand Cat, Hedgehog, Dub, and endemic shrubs and halophilic and xerophilic plants, some of them with medicinal properties (Rizk 1995). The southern sand dune region is frequently used for camping, camel trekking Bedouin encampments, and ‘dune bashing’, a dangerous but popular sport involving driving cars up and down the sand dunes. Desert landscapes in general due to interesting geological formations and greater accessibility as a result of modern technology such as 4 wheel drive vehicles, GPS, and cell phones have become increasingly popular tourist destinations (Weber 2013).

Qatar has recently embarked on refurbishment of its built heritage which has suffered degradation after a downtown building boom of modern skyscrapers in the last decade. For example, the Souq Waqif, a traditional Arab buying and selling market similar to a bazaar was reconstructed while carefully maintaining its historical character (Boussaa 2014); thus its local humorous name of the “new Old Souq.” Other buildings of interest include the Museum of Islamic Art, housing one of the most diverse and well selected collections of Islamic art and scientific artifacts in the world. The museum building was designed by I.M. Pei, who incorporated motifs and designs from across the Muslim world. The Mathaf Museum additionally houses modern Arabic art and hosts exhibitions of new and emerging artists in the Arabic-speaking world. The Msheireb Downtown Doha project, next to the main

governmental palace the Amiri Diwan, will renovate the downtown core of the capital of Doha restoring some of the historic heritage sites, such as the Bin Jelmood House and Al Koot Fort. The plan is to restore the community living model that existed in the past while preserving important Qatari historical sites. Thus tourists as well as permanent residents will be able to experience authentic traditional Qatari patterns of life, but with modern comforts and amenities (for example, the old city did not have a proper and environmentally friendly sewage system). Qatar has recently embraced the green building practices of LEED and the Msheireb Downtown Doha project will strive for 100% Gold level certification of the buildings. Katara Cultural Village in West Bay, Doha, was similarly designed to showcase not only traditional Qatari culture, but also emerging creative industries – for example, the Doha Film Institute, formerly partnered with the Tribeca Film Festival, has its headquarters in Katara and has been instrumental in supporting and funding a nascent Qatari film industry.

3.4. Future Tourist Development in Qatar

One of the major tourism projects currently underway is the World Cup 2022 football championship. The building of stadia, hotel rooms, port modification for cruise ships, a new light rail system, and expansion of Hamad International Airport as a regional travel hub has already profoundly impacted all aspects of life in Qatar and has sparked an extensive building boom. In preparation for the event, Qatar will simultaneously improve its roads and transportation systems, ICT capabilities, logistics, and hospitality services. New education programs in event management will need to be developed to manage all aspects of the World Cup, thus indirectly stimulating funding and support for education. Education has already proved to be a successful diversification strategy, with Qatar Foundation's Education City graduating knowledge workers from Qatar and the region in Computer Science, Medicine, Art and Design, Business, and Foreign Service. These efforts have obvious spinoff advantages to the society at large, particularly in increasing the number of highly trained skilled workers required for higher education institutions such as teachers, researchers, librarians, authors, lecturers, publishers, editors, translators, computer technicians and consultants who will potentially share their advanced knowledge base with local trainees.

Planning for the kind of future development that has immediate economic benefits makes some economic sense as gains can be leveraged into more sustainable long-term profits: for example, some Qataris are opposed to tourism since they suffer daily inconveniences from other forms of development such as incomplete roads and public buildings, and believe that the pace of change should be slow and gradual in order to preserve some of the positive traditional aspects of Qatar, such as cohesive and safe neighborhoods, relaxed style of life, low stress and emphasis on community. But when immediate benefits can be shown to local residents from improved opportunities for local entertainment, cultural appreciation and heritage enjoyment (such as new museums and heritage sites), then skeptics to increased tourism activity realize tangible benefits to their own lives. Furthermore, some Qataris in the business community advocate development of a Qatar brand closely linked to international advertizing campaigns additionally tied to tourism that bring increasing exposure to the country, since "countries are increasingly aware of the growing importance of how they are perceived abroad" (Hazime 2011). **Figure 3** below identifies and describes the high-impact programs that QTA has targeted for immediate implementation in order to jump start further progress in tourism development in Qatar.

The below table identifies the high-impact programs to be implemented by 2018 as part of reinforcing Qatar's tourism product offering.

Product	High-Impact Programs
Culture	Promote festivals and cultural events Encourage the development of local artistic talent
Urban	Establish a series of urban development projects
MICE	Develop the incentives component of MICE Increase the number of exhibitions hosted by at least 20/year Increase the number of conventions hosted to at least 30/year Enhance Qatar's position as a destination for regional corporate meetings
Sports	Develop centralized sports calendar & ticketing services Improve sports fans' journey
Sun & Beach	Develop and refurbish Qatar's public beaches
Health & Wellness	Develop health and wellness products and services
Nature	Establish eco-tourism products and services
Education	Develop short-term/executive education courses and professional training programs

Fig. 3. High Impact Projects Identified in Qatar Tourism Strategy for 2018 Development.

Source: *Qatar National Tourism Sector Strategy 2030*, Doha, p. 22.

In addition to short term high impact projects, the State of Qatar has started planning for long term growth with very specific timelines and numerical targets. Future development can best be summarized by listing the Key Performance Indicators that have been established:

1. Qatar achieving a rank of 35 in the Travel & Tourism Competitiveness Index (TTCI) by 2018
2. Participating in enhancing Qatar's nation brand
3. Increasing the tourism sector's contribution to GDP to \$3.1 billion and reaching a total of 2.4 million inbound international tourists and 1.7 million domestic tourists by 2018
4. Achieving a 10% annual growth in the number of business tourists by 2018
5. Welcoming 1 million leisure tourists in Qatar by 2018, nearly half of whom primarily drawn by the country's cultural offering
6. Reaching a total of \$4.2 billion in annual public and private sector tourism investments by 2018, while ensuring adequate levels of return on investment
7. Ensuring sufficient supply of accommodation and healthy occupancy rates
8. Enhancing QTA's operational efficiency through talent recruitment and retention, continued adherence to best-in-class practices and processes, and enhanced awareness of its roles and responsibilities (QTA 2014a).

A serious issue in future planning is accommodation type (see **Figure 4** below), with many 5-Star hotel offerings (43% of capacity in 2012) primarily in the main urban area of Doha, but with much fewer options in the more affordable ranges (17% in the 1-3 Star hotel range). Since most tourist arrivals are business-related visits, cash-strapped companies in the Gulf suffering from the recent downturn in

hydrocarbon prices will need to scrutinize closely the feasibility of using Doha as a meeting hub for international or regional gatherings. The Qatar Tourism Authority has identified this key issue and plans to diversify the accommodation offerings by 2030 to attract a wider range of tourists, particularly middle income Arab travelers.

Optimal Accommodation Supply by Type in Qatar

HOTEL	2012	2015	2020	2022	2025	2030
1 Star	1%	1%	1%	1%	1%	2%
2 Star	4%	4%	4%	5%	5%	6%
3 Star	12%	11%	13%	15%	16%	18%
4 Star	30%	33%	34%	34%	33%	33%
5 Star	43%	39%	34%	33%	32%	31%

Euromonitor, World Bank, WTTC, Qatar Tourism Authority, Booz & Company analysis

Fig. 4. Current and Projected Optimal Hotel Room Supply for the State of Qatar, 2012-2030.

Source: Euromonitor, World Bank, WTCC, Booz and Co., Inc. and *Qatar National Tourism Sector Strategy 2030*, Doha, p. 17.

Some serious challenges for future tourism development exist with respect to long-term sustainability, many of them environmental in nature. Qatar's climate is arid and summer temperatures can reach 50 degrees Celsius rendering outdoor activities during the daytime potentially dangerous for foreigners not familiar with the risks of dehydration, heat stroke and heat exhaustion. Also, the desert environment, particularly plant and animal life, is very fragile, having adapted itself to an extreme environment. Destruction of plants by off road vehicles, for example, can cause long term denuded areas devoid of plant life, particularly if loose soils become impacted preventing rain from penetrating below the surface (runoff, which also causes soil erosion). Vehicle tracks in hyper-arid areas can remain visible for over half a century. Thus sustainable tourist practices must be carefully followed in desert regions. Qatar is also struggling with decreasing land availability, marine pollution from coastal land reclamation projects, and a much larger municipal waste stream from increased population. Dredging throughout the Gulf, in addition to naturally high salinity of Gulf waters and oil industry discharges into the Gulf threatens fish and shrimp stocks, kills coral reefs, and decreases water quality for water sports for tourists.

4. CONCLUSION

Prospects for the expansion of the tourist sector in Qatar are strong based on the current trajectory and the amount of government funding devoted to developing future projects. Due to the presence of a large U.S. military base, the CENTCOM forward headquarters located in Al Udeid Air Base near Doha, Qatar is insulated from stronger Gulf political powers and maintains an almost crime-free society based on personal responsibility ethics instilled by Islamic values. The relaxed and family-friendly atmosphere provides an optimum tourist environment. Qatar's obscurity can be leveraged into a positive asset to attract adventure tourists looking for more authentic experiences than can be found at more familiar destinations in the Middle East, such as Dead Sea resorts, for example, which offer standard spa and resort packages not necessarily related to local cultural realities (Weber 2017, forthcoming).

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