

Revival of Mountain Tourism in Earthquake Affected Areas of Kaghan Valley in Northern Pakistan

Aftab-ur-Rehman Rana



Hotel in the Kaghan Valley, Pakistan. Photo: Aftab Rana

Tourism is an important sector of local economy of Kaghan Valley in NWFP, Pakistan. Around 180,000 mainly domestic tourists were visiting Kaghan Valley each year before the deadly earthquake hit the area in October 2005. The total direct economic impact of tourism in Kaghan Valley before the earthquake is estimated to have been USD 18.8 million per year. The October 2005 earthquake which brought large scale devastation to lives and properties, also heavily impacted the tourism sector. Considering the importance of this sector, the Improving Livelihoods and Enterprise Development Project (I-LED) has adopted a systematic approach to help establish a solid development base for economic growth with expanded enterprise and employment opportunities in the tourism sector. A detailed assessment of the tourism sector was conducted in the March 2007 and a Tourism Implementation Plan was developed to best utilise I-LED's limited funds on a priority basis.

Due to the earthquake some 40% of tourist accommodation capacity was completely lost but luckily most of the hotels in upper Kaghan Valley were only slightly damaged and remained intact. The road leading to the area was heavily damaged and remained closed for large part of the tourist season in 2006. Due to this blockage and the negative perceptions of people from down-country that Kaghan is no more a safe destination for holidays, only 5% of the usual market returned, managing less than USD 1 million in turnover for the local economy.

I-LED conducted number of meetings with concerned tourism industry stakeholders and reached the conclusion that as a first stage, it is very important to restore the confidence of tourists from down-country. It was decided that this would be achieved by launching an effective tourism publicity campaign to promote Kaghan Valley as a safe tourist destination. Initially it was planned that financial support would be provided to the Kaghan Hotel Association to launch the campaign but as the hoteliers of Kaghan had faced heavy losses in 2006, they had a shortage of funds to contribute their 33% share in the budget of this publicity campaign. The idea was discussed with the Pakistan Tourism Development Corporation (PTDC), a national organisation under the Ministry of Tourism and working for the promotion and development of tourism in Pakistan. Realising the importance of this campaign, the management of PTDC decided to contribute the matching funds to launch this promotion campaign.

Within a moderate budget of USD 48,500, efforts were made to attract around 80,000 domestic tourists to Kaghan Valley in the tourist season of 2007. CNFA I-LED's Tourism Industry

Development Specialist, Mr Aftab Rana, designed this campaign based on the most effective and cost efficient media mix to reach out to potential visitors to Kaghan Valley through print and electronic media.

Focusing on the three tourist segments: families, friends and groups of domestic tourists, press advertisements were designed and released in the leading daily national English/Urdu newspapers, a short 20 seconds video spot was released on the famous Pakistan's news channel "Geo New", and a twice-a-week travel advisory talk show was conducted on the national network of FM 100 Radio to help listeners to plan their trips for Kaghan Valley. A comprehensive tourism website www.visitkaghan.com was launched to provide detailed and up to date information to the visitors of Kaghan Valley. This new website was well received by the Pakistani public and around 35,000 people visited the site within one and half months of it being launched. Besides this, tourist information briefs were emailed to major tour operators dealing in domestic tourism about road conditions after the earthquake, with updates on tourist facilities.

In an impact assessment survey conducted in mid August 2007, most of the hoteliers reported a positive impact of this publicity campaign on their business. Room occupancy increased from 35 to 90 percent.

Another independent impact assessment survey was conducted in late August (here the season was low due the start of Ramadan) by interviewing 67 tourists, which revealed that 28 percent had seen the advertisement on TV, 37 percent knew about the website, 13 percent had seen the advertisement in the newspapers and 3 percent came to know about the area through the FM Radio Kaghan's Tourism Talk Show.

According to Mr. Mattiullah, President of the Kaghan Hotel Association, more than 110,000 tourists visited Kaghan Valley during the summer holiday season of 2007. This campaign has directly benefited more than 6,900 local entrepreneurs linked with tourism in the area. While talking to a media representative during a visit, Mr. Aftab Rana, was able to state that the results of impact assessment showed this modest tourism promotion campaign, using an effective media mix, created a very positive impact on the overall economic activity of Kaghan Valley with an estimated direct economic impact of around USD 11 million.

He further stated that many hoteliers who were depressed after the earthquake and demoralised by the bad business year of 2006 have now started repairing their damaged hotels and restaurants to restart their businesses once again and they are hoping that next year will bring even more tourists to Kaghan Valley. He also said that I-LED is providing financial and technical support to local entrepreneurs to renovate and rebuild their damaged hotels along modern lines, ensuring the new buildings are earthquake resistant and reflect best practices for reducing negative impacts on the natural environment.

To improve the standard of services of hotels and restaurants and to provide new job opportunities to unemployed local young people, I-LED has also launched a training program in the tourism and hotel management. 187 young people have received training and are working in the local hotel industry; 113 more will get a training opportunity at the start of coming tourist season.

Aftab Rana (arena@cnfapakistan.org) is Tourism Development Specialist for CFNA Pakistan. Please contact him for further information about tourism sector activities.

The Improving Livelihoods and Enterprise Development Program (I-LED) is a three-year initiative implemented by CNFA Inc., a Washington-DC based non-profit organisation funded by USAID to assist communities affected by the October 8, 2005 earthquake.