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THE CRISIS OF TOURISM SECTOR AFTER THE 25TH JANUARY EGYPTIAN

REVOLUTION: CASE STUDY TRAVELINE EGYPT

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ABSTRACT

The dawn of the 25th January Revolution 2011 aroused to put Egypt into turmoil of both political and economic unrest. As the dictatorship ended and the rise of democracy started, Egypt realized and woke up to find the biggest tourism problem, one of the main pillars of its economic growth falling down with a steep slope. The Importance of this study arises from its contribution at both the academic and practical levels as it tends to reflect the importance of tourism sector for the growth and the sustainability of the economic development of Egypt, adding to the fact that most Egyptians make their living either directly or indirectly from tourism sector. This study tends to reflect the challenges that face the Egyptian government and the Egyptian tourism organizations because of this crisis after the 25th January Revolution 2011. On the academic level, the importance of this study arises from the fact that there are few studies within the Egyptian context that highlighted the crisis of the tourism sector after the revolution. On the practical level, this study tends to shed the light on the problems facing the tourism sector in Egypt and to advocate the strategies that can overcome the challenges of this crisis, as applied on one of the renowned tourism organizations in the country: Traveline Egypt. The Case Study represents the crisis status of the organization Traveline Egypt after the 25th January Revolution 2011 as an established travel agency, taking pride in a combined experience in travel and tourism. This case study tends to highlight the indicators and the challenges of the tourism sector crisis in Egypt, as well as the advocated strategies to overcome it.

Keywords: *Tourism Sector, Egypt 25th January Revolution 2011, Tourism Sector Strategies, Tourism Sector Challenges, Economic Development, Egyptian Cruise Line Business.*

1- INTRODUCTION

As the modern history witnessed a lot of economic and financial crisis adding to the natural disasters and terrorism phenomena worldwide, the repercussion of such crises usually hit the most sensitive economic sector in any country which is "Tourism". Egypt is one of those countries that were hit by several crises as was reflecting on a historical basis. Since the assassination of President Sadat in 1981, followed by a vast chain of terrorist attacks in the 80's and the 90's specially the Luxor incident in 1997 that left Egypt with a 13% loss in tourism booking, then the Taba incident in 2004 and Sharm El Sheikh 2005 and Dahab 2006. These events were followed also by natural crises like the Bird Flu and the Pig Flu that put Egypt on high alerts regarding tourism activities (Ragab, 2011). A great recovery was achieved starting 2007 and succeeded to flow over the worldwide financial crisis, however it was hit again after the January 25th revolution to present an 80% loss in the figures of tourism activities and income in February 2011. The tourism sector is a crucial pillar in the core of most nations' development plans and a boosting growth icon for any country's economic development. Tourism sector creates an integration of most sectors in the country as it encompasses sectors of housing, transportation, employment, international trade and many others as well. Egypt is a country of competitive advantage when it comes to tourism because of its prime location in Middle East, hugged by both the Mediterranean Sea by one side and the Red Sea on the other side, adding to its long history with fascinating monuments and the moderate weather allowing tourism to boost all over the year in Egypt. Although the Egyptian government tends to make extensive efforts to ensure that tourism sector fulfill its expectations, the tourism industry still suffering from the crisis since the dawn of the 25th January Revolution 2011.

This study tends to reflect the different strategies and efforts initiated at both the government and the private business levels to boost the tourism sector in Egypt, trying to address the remedies and the recommendations to this crucial crisis status facing tourism sector in Egypt since January 2011.

2- LITERATURE REVIEW

The Importance of Tourism Sector in Egypt

The tourism sector is a highly crucial pillar in the core of most nations' development plans as it stimulates the overall economic growth in any country. According to the world Trade Organization WTO, tourism accounted for 6% of world wide export of goods and services (Po, 2008). This is believed to be a boosting growth icon for any country's economic development as it contributes to several advantages as the increase of foreign exchange income, overcoming any fiscal losses, creating employment opportunities and achieving a competitive edge among rivals in the worldwide market for tourism. In addition, tourism creates an integration of most sectors of the country into a web of financial profits. It encompasses sectors of housing, transportation, hotel business, local and international trade, communication sector, NGOs, adding to the fact that it helps to absorb almost 90% of the informal sector job opportunities in most Third World countries into small business enterprises (The Egyptian National Council for Competitiveness Report, 2006; Demmelhuber, 2009). Moreover, there is a high correlation between the achievement of sustainable development and tourism sector as the main component of sustainability as it involves all the sectors included in the typology of tourism. It also tackles the fairness of distribution in budgeting and income between all economic sectors, in order to keep the resources of the country intact and efficiently reusable. This also helps to improve tourism, as the sustainable economic development is the variable leading to an overall economic progress and as a result an improvement as well in tourism sector. As the tourism industry is booming and there is high improvement in the products and services offered by the sector, both the external and the internal environment of the country's economic status will improve. On the political side, tourism development is a message to the whole world of stability leading to more flows of foreign investment. This will lead to an increase in the sectors of manufacturing and fix any fiscal losses of the budget. As a result the economy will prosper and sustainability has a better chance to prevail both the external and the internal environment of the country (Gomaa, 1998).

The tourism sector in Egypt was a rising sector at a struggling economy. The rising profit figures from this perspective were 34 billion USD in 1982/1983 to reach 6 billion USD in 2004/2005 (Egyptian National Council for competitiveness Annual report 2005/2006). The share of Egyptian tourism rose to 20% at the beginning of the 21st century and it became the most important source of foreign exchange earnings for Egypt, helping to overcome all the fiscal budget losses of other sectors in the country. With the dawn of January 2011, Egyptian revolution aroused to put the country into turmoil of both political and economic unrest. Prospects of slowdown in the tourism sector steeply grew and there was a drastic fall in both political and economic policies supporting tourism in Egypt. This was accompanied by an elected parliament, carrying majority members of Islamists figures, having a specific stand about tourism policies applied before in Egypt. This was accompanied by the fleeing away of foreign investment from the country had put the whole tourism sector in Egypt at risk.

Reflection of Tourism Development in Egypt throughout History (1952 - 2011)

Historically, the development of tourism industry has taken several steps since the 1952 revolution and the formation of the 1st republic. The first phase was tourism industry nationalization under former President Nasser. The second one was when the industry was licensed partially under the Presidential period of Sadat in the auspices of Open Door policy (Infitah) after 1973. During the 1980's and the 1990's, tourism entered into the third phase where it promised high rates of foreign exchange earnings. In the Mubarak Era, the reforms introduced in the sector were concentrated on the vigorous infrastructure in Sinai Peninsula and the Red Sea shores. The only focus was on leisure wellness, religious and cultural tourism in such areas. This happened after we recuperated the last piece of land in Sinai Taba, the end of Israeli-Egyptian conflict and the disappearance of military tankers in Sinai from both sides. From the 1990's onward, the most prominent features of tourism development is the high investment of the Egyptian coastlines. This began when the Tourism Development Authority TDA established law no.7 of 1991. The law advocated that the largest share of the Egyptian coastline not needed for any settlements of security reasons or industrial uses was going to be divided into developmental sectors for touristic uses. The law allowed private investors to buy the land from the government in order to start infrastructure for tourism development. Moreover, the international investors were welcomed after the advocate of foreign exchange law no. 38 to the year 1994 and the investment law no. 8 for the year 1997. These two laws included 16 economic sectors including tourism to enjoy twenty years of tax exemption (Richter, 2008)

The Egyptian Revolution January 2011 left Egypt facing the biggest tourism problem for a decade. As the political system fell down, dictatorship ended and the rise of democracy started, Egypt woke up to find one of the pillars of its economic growth falling down with a steep slope. Tourists fled as their countries banned them from travelling to Egypt out of security reasons and the most drastic internal reflection on the economy was that the previously employed Egyptians people in such a dynamic sector lost around 98% of their jobs. The catastrophe lied in the high dependence of the Egyptian economy on the tourism sector's contribution to the rise of economic status. The sector was accounting for 6% of Egypt GDP as the latest figures of 2010 reflected 14.8 million tourists yielding a net profit of 12.9 billion USD, fulfilling 13% of total tax revenue. These numbers fell to 20% decrease in the end of the year 2011 (Business Monitor International Lt, 2010).

Egyptian Tourism: An Overview after Crisis

Egypt is a country of competitive advantage when it comes to tourism. It is a long history with fascinating monuments and 2700km long line coast line. This coast hugged by Mediterranean Sea by one side and the Red Sea on the other side. The moderate weather allowed tourism to boost all year specially the winter tourism in places like Upper Egypt and Red Sea Resorts. In the wake up of the political turmoil crisis and the disappearing security measures ensuring safety for the tourists, the visitor number fell with a margin of 60% to 80% from January to March 2011. These sharp falling figures were from the European Markets and the tourists from different Arab countries and the Middle East. After the early historical figures of the years 2005 to 2010 amounting to a share of 36% of North African and Middle East tourism ratios pouring in Egypt only. The unemployment rates increased as there was a tremendous lay off of workers in the few months following the revolution. Several problems rose with tourism guides which led to a number of riots and objection stands from their side. Moreover, there was a big shortage in the incentives and rewards in most tourism companies for temporary workers which also led to some riots from their side. Finally, the state faced a steep downfall in the Egyptian economy through the withdrawal of tourism contribution, adding to the turmoil of the whole Arab & Middle East area, specially neighboring Libya, Tunisia, Yemen and the tension in Syria and many other Arab countries as well. Egypt lost 14% of tourism ratio from Russia which had the largest rate of arrivals from a single country, followed by a loss of tourists coming from UK, Germany, Netherlands amounting to 12% (Egyptian Chamber of Commerce, 2011).

The main challenges that were facing the tourism sector in Egypt before the Revolution was the weakness of both the infrastructure of the sector due to lack of investment adding to the destabilization regarding national security and risk management of post terrorist attacks since 2004 (Gomaa, 1998). Before Egyptian revolution, the tourism sector constituted the 2nd largest revenue to the Egyptian economy after the revenue of Suez Canal. However, the negative impact of revolution on tourism sector was clearly represented by the losses as for example in Luxor alone, hotel occupancy dropped to 4% by Feb 5th 2011 from 61% in mid January. In Sharm El Sheikh, hotel occupancy dropped to reach 8% down from 70% in mid January. The retail shops around Giza pyramid for souvenir gifts and handmade fabrics were almost closed. The employees in the tourism sector accepted 50% cut in their salaries and some of them lost their jobs (Mekay, 2011). It is known that one out of seven Egyptians make their living either directly or indirectly from tourism, after revolution, insecurity hurts Egypt' tourism sector and almost 70% of tourism guided employees became unemployed. As Germany for example represents a very good source of income to Egyptian tourism sector, however, the German foreign ministry requested its citizen to focus their visits in Cairo only due to unstable security situations (El Kaoutit, 2012).

Egyptian Tourism: SWOT Analysis of the current situation

Strengths: Egypt enjoys a comparative advantage of a prime location in the heart of the Middle East with a fair weather throughout the year. It is a closer travel area for most Arab countries with no language barrier. Moreover, it has diversity in the market regarding merchandise and attractions. Moreover, tourism in Egypt offers affordable prices for both European and Arab tourists in a unique status compared to other competitive resorts around the world. The fascinating culture and learning sites of attractions together with the religious tourism places in Sinai as St Catherine and Islamic as well as the Coptic places in the heart of Cairo offer a strengthening icon for tourism in Egypt.

Weaknesses: Terrorists attack at Red Sea resort Dahab 2006, bombing in Cairo February 2009 at Azhar touristic area, advocated an international unrest for foreign tourists coming to Egypt. Moreover,

the abduction of tourist in Sinai after 2011 Revolution left Egypt with a situational of security measurements leaks that doesn't assure tourist coming from abroad.

Opportunities: The new tourism products and niche markets such as "Ecotourism Health" can provide an opportunity for the Egyptian market to revitalize its actions with better offers and promises of security and safety measures. The electronic marketing efforts lately by the Ministry of Tourism, the Tourism International Fair organized March 2012 in Germany by the Egyptian Tourism Minister helped as well to boost some highlights towards regaining trust in the Egyptian tourism sector in the worldwide market.

Threats: The rise of Islamic trends in the country constitutes a threat worldwide to the mutual touristic and trade agreements. Moreover, it provides restlessness in revising some laws and regulations already applied in the Egyptian tourism sector which can create an international fear about the future of tourism in Egypt. This threat was shown in the last figures of the Egyptian Chamber of Tourism showing that tourist entry decreased 33% from figures of 2010 reaching only 9.8% in 2011 end of fiscal year (Tourism, 2009). The daily spending of tourists as a result, which is a reflection of development in all economic sectors of the country, decreased from 85% in 2010 to 70% in 2011 (Egyptian Chamber of Tourism, 2012).

The Prospects and Efforts to Boost Tourism Sector: International Experience

There are two Prospects of tourism boosting efforts; one continues to present the core identity as bounded not ready to trespass into the new developmental techniques trying to present more accommodations and facilities. This reflects the kingdom of Saudi Arabia before the 90's where it was purely refusing any development place for new accommodations concerning the holy religious places. However, with time and new innovations, it discovered that it has to advocate new development and it brought technologies from all over the world. It was even witnessed for late prince "Nayef" that he was the one to set a new strategy for pilgrimage to avoid crowds and he got the cooperation from all engineers around the world for more construction plan to facilitate religious tourism. The other prospect continues to seek development and innovation to advocate new projects encouraging for more freedom of tourists to act within boundaries of leisure as an example Turkey where you can enjoy religious, cultural, historical, leisure and learning tourism with the utmost freedom, and still maintaining the identity of the country (Boswell, 2011). As for the Islamic tourism, Islam was related to terrorism after September 11th that threatened the development of Islamic tourism worldwide. The tourism in Malaysia as an Islamic country is the 2nd largest income for the country. The Islamic tourism is a new tourism destination in the world today and the natural and archeological historic civilization in Malaysia is encouraging tourists to go Malaysia. Egypt can take as well a great advantage of Islamic tourism as it has all the old history of the early foundation of "Islamic Fatimi" culture in the center of Cairo (Bhuiyan, 2011). Another case is the tourism in Cyprus that became the most dominant activity and the main engine for driving economic growth. The North and South of Cyprus were divided 1974 between Turkey and Cyprus were 2/3 of Island Territory is South of Cyprus and the North is for Turkey. In spite of this division, there is no rivalry between the two countries; both enjoy programs of mutual exchange tourism. Since 80's an aggressive tourism plan was advocated in both countries depending on history and coastal tourism in Cyprus added to it the religious tourism of Turkey (Mehmet, 2010). As for the Education Tourism, Malaysia is one of the highest countries of export in education tourism industry. These people are scattered within the most renowned colleges around the world as in USA and Canada, though mutual educational exchange programs and direct scholarship (Asari, 2011). The continuous learning from the international experiences that were directed to boost the tourism sector should be supportive and can be very fruitful as a guideline to direct the efforts to boost tourism sector as well in Egypt.

The Prospects and Efforts to Boost Tourism Sector in Egypt after the Crisis

The Ministry of Tourism is taking on its shoulder a total reformulation of the high council of Tourism to cooperate between all the ministries and corporations that are members of the tourism typology. It encourages the brainstorming of innovative ideas in the field of marketing for better tools of tourists' attraction into the Egyptian land. At the mid year of 2012, the Egyptian Ministry of Tourism and Egyptian Civil Aeration Minister issued a decree of marketing slogan for tourism called "We Will See Egypt". This decree insures cooperation among Telecommunication Company of Mobinil; the National Ahly Bank of Egypt and the National Council of Tourism offering very cheap trips amounting to 350 USD for 4 nights to come and visit Egypt with all services and taxes inclusive. This was aligned hand

in hand by the Ministry of Immigration in issuing rapid visas to most of the countries seeking tourism trips in Egypt, together with further facilitation to some nationalities arrivals through the borders of ports and airports. Furthermore, the Ministry of Tourism offered in the period from 12/6/2012 to 31/10/2012 invitations along the same offer through a decree of cooperation between National Airline Egypt Air and Star Alliance Lufthansa, and Sky Group of Air France and KLM, also to Iberia and through British Airways. This decree allowed also tickets for people working in the media channels worldwide to come and visit Egypt to reflect the image of security and relief to their population worldwide (Egyptian Chamber of Commerce Report, 2011). Moreover, another direction to boost tourism after revolution was through intensifying domestic tourism encouraging Egyptians to share in reviving their own tourism sector. The effort was directed to promote the awareness of tourism as an export industry by promoting events as fishing tournament in Hurghada, Pharonic Rally, the International Rowing Competition in Cairo and Luxor, the Song Festival, Squash Championship and the Arab Horses' Competition that was conducted in Sharqiya governorate (Zohery, 2011).

According to the Economic Consultant for the Egyptian Ministry of Tourism Dr Adla Ragab, the Ministry of Tourism took immediate actions through the Crisis Committee, in coordination with all ministries' sectors to contain the crisis and reduce its negative effects. It also intensified its communication with various parties related to the tourism industry at both the internal and external levels to ensure that Egypt is keen to return to its normal conditions as soon as possible (Ragab, 2012). Egypt actively participated in international tourist forums to send a clear message for reassurance the markets which export tourism to Egypt and to confirm the stability as well as the security, adding to attract more foreign investment in Egyptian tourism. The Ministry of Tourism in Egypt adopted a set of procedures as follows to revisit the tourism working process at both the internal and external levels in order to support the tourist business environment:

- Coordination with Ministry of Foreign Affairs and Ambassadors of Foreign Countries to lift the Ban on Travel to Egypt through doing an Interview with the American ambassador to restore the tourism movement, adding to issuing a Trip Advisor to distribute it through Arab Republic of Egypt's embassies abroad. Moreover, the following countries as Russia, England, Germany, Italy, France, Ireland, Sweden, Denmark, Austria, Poland, Japan, Australia, Ukraine, India, China, and all of these countries had lifted the ban on travel.
- Movement at the International Level in order to assure Egypt's presence in international tourism meetings and media meetings with tourism companies, adding to invite delegations of different countries and celebrities from Italy, Germany, France, India, Poland, Switzerland, Russia, USA and Gulf countries to identify the potential tourist attraction in Egypt and ensure national security. The focus on traditional markets in Egypt in the current period until next November to restore tourism flow and follow the trend of some markets using booking pattern like Russia, Poland, Ukraine, and Italy.
- Encourage the Arabic market and Arabian Gulf to visit Egypt through (summer, Ramadan, holiday seasons) and launch intensive campaign on social networks (face book, Tweeter) to attract tourism.
- Coordination with Ministry of Communication and Information technology to launch a tourism awareness campaign adding to the coordination with private sector and the National Bank to support domestic tourism.
- Implement a charter incentive program in touristic airports: Hurghada, Sharm El-sheikh, Luxor, Aswan, El-Alamein, Matrouh, Marsa Alam, and Taba till the end of summer season and also continue the efforts to solve the problem of the current environment tax imposed on flights departing from some European countries.
- Implementation of tourist development projects through the Cancel land allocation approvals which surpassed two or more years since allocation issuance and also cancel all final allocation issuance for companies that didn't start implementation.
- Encourage investors to overcome all obstacles related to the implementation of their projects under construction.
- Revisit the internal organization of the tourism sector through the return of supervision and technical control on the diving centers to the Ministry of Tourism; the implementation of issuing some judicial decisions in favor of tourism companies; freezing the establishment of new tourism companies temporarily for one year and the review of the procedures about Hajj and Umrah (pilgrimage), adding to the coordination with the Central Bank to postpone the tourist establishments' unpaid dues.

- Review the administrative & the financial regulations in the Ministry through updating all the wages scheme to reduce the income gap among employees and setting new controls for recruitment in Egyptian Tourism Offices Abroad.

Moreover, there are main activities undertaken by Egyptian Tourism Authority (ETA) as follows:

- Restructure the media investment allocation: 60 % Sinai & Red Sea, 30 % Nile valley and 10 % for Tourism characteristics products (golf, wellness, and desert).
- Continue the intensive advertisement Campaign in major international channels (CNN, BBC, Euro Sport, Euro News)
- International specific integrated campaigns for diving in 8 European countries.
- Participation in major international trade and local tourism shows in Europe.
- Generic advertising according to media plan targeting the main 28 markets , using integrated Marketing Communication mix (T.V. , Outdoors , Print , online .. etc.)
- Issuing the “TRIP ADVISOR” book as an informative guide in all embassies and travel agencies worldwide to highlight the most important historical and touristic spots in Egypt, to encourage the flow of tourism in the country (Ragab, 2011; Ragab, 2012).

In fact the different strategies and efforts that were adopted to boost the tourism sector in Egypt were not only at the governmental level but also at the private business level as it will be reflected through the following case study, trying to address the remedies and the recommendations to this crucial crisis status facing tourism sector in Egypt since January 2011.

3- CASE STUDY: TRAVELINE EGYPT

Traveline Egypt: Background & International Affiliations

Traveline Egypt family tourism business started 2003. Everyone on the board had a combined experience of so many years, working separately in other organizations before they opened. It specializes in providing services of tourism as a luxury tour operator. The main office is located in Maadi, the business hub of South Cairo with a good access to the city. The premise is fully equipped to facilitate the communication with their principles abroad and the branches in Egypt. They have their owned branches in Luxor; Sharm El Sheikh, Hurghada, and Aswan, adding to others that are still under construction in Marsa Allam and El Soukhna. Traveline Egypt has different departments serving all kinds of tourism and travel needs including the Conference and Exhibition department, the Incentives and Special Group department, the Fit Niche Market department, the Bird Watching department, the Golf and Creation department and the Desert Oasis Department. Traveline Egypt is one of all activities of tourism mainly specialized into line-cruising. According to Mr. Tarek Emam, the owner and Traveline Egypt Deputy Manager, Nile coast cruising in Egypt is a huge market of 350 boats along the Nile. They entered the market in 2003 to achieve currently a total of 4 owned boats and the 5th is under construction. They also expanded the business to create the concept of boutiques Hotel in Egypt to create a new innovative concept against the usual flow of touristic hotels. Traveline Egypt doesn't work in ticketing business as it is not profitable and it creates problems of dealing with banks and credit. Traveline Egypt is an organization of "Operational Excellence, Distinction, Competitive Advantage and Innovative Trustworthy Strategies" as was clarified by Mr. Emam. As for the International Affiliations, the UK market of tourism is the main target or Traveline Egypt business, adding to other tour operators worldwide as America, Asia, Australia, New Zealand and Europe. Traveline Egypt tends to work with them in a combined exchange of tourism programs to Egypt. Traveline Egypt also deals mainly with reputable names of tourism services companies in UK as Traveline Egypt is the agent of "Cony" company (Traveline Egypt, 2012).

Traveline Egypt: Human Resources Status before the Revolution

One of the icons of success in Traveline Egypt is the Human Resources department. The owners of Traveline Egypt organization, as three brothers are divided into a flat organizational chart as follows: Mr. Tarek Emam, the Deputy Managing Director and Head of boat investment; Mr. Hesham Emam, the Managing Director and in charge of travel tour operations and Mr. Khaled Emam the Board Member, Head of conferences and exhibitions, dealing also with employees' incentives and rewards. The three owners through combined efforts in a flat participative organization pave the way to a range of increased activities through the employees, who are working hard through a web of highly

experienced and trained senior staff and junior one as well. Most of the workers in the organization have at least fifteen years of experience with a training capacity to serve and understand the needs of their clients. They carry on the main principles of Traveline Egypt to achieve the following targets:

- Meeting European standards for requirements of health, safety and public liability.
- Providing the most modern means of transport.
- Providing training sessions coaching to most workers.
- Working on touristic development through different tour operators, UK, Ireland, France, Germany, Turkey, Greece, Kenya, South Africa, Netherlands, Norway and Denmark.
- Achieving a global business connection stretching across Central and Eastern Europe, Middle East, USA and Far East.
- Providing the utmost enjoyment for the customers with a completely care free and memorable travel experience in Egypt.

Traveline Egypt: Competitive Edge before the Revolution

Traveline Egypt slogan is the "When You Travel, We Know the Way" and Traveline Egypt is one of several tourism organizations that enjoyed high demand on touristic services, mainly Nile cruising is one of the top specialties of the organization's business. Traveline Egypt was working in an environment of prosperity reaching yearly ten to fifteen million Egyptian pounds of net profit. In April 2010, the figures presented by the Ministry of Tourism were indicating the growth promises of the market by 20% more opportunities referring to 1.24 million tourist/year, 6.7 million night/year and 1020 million USD profits out of tourism spending (Egyptian Business Forecast Report Q2, 2011). In such an atmosphere, Traveline Egypt was prospering with the cruise line business positioning themselves as an elite tourist operator in the company. They maintained high prices because their market started from UK, which was a backbone in their advertisement. One of the first visitors to their cruise line service was John Major, Prime Minister of England. The following competitive advantages were realized so that each customer gets the service in return for the money paid:

- Providing best Hotels and Nile cruises ships in the destination.
- Arranging transfers on private basis and private tours realized by private Egyptologists guides
- Offering private arrangements for special events.
- Providing full representation at the destination for each individual client.
- Offering 24 hours contact number for emergencies and meeting the world requirements for safety issues.
- Maintaining the cleanliness environment to the highest degree, coach insurance and drivers medical care.
- Conducting the boats maintenance at regular basis.

Traveline Egypt developed the cruise line and upgrading it as follows:

- "Hamees" Boat launched in 2003 as one of the largest and most luxurious vessels on the Nile River between Luxor and Aswan providing the services of a 5 stars deluxe standards with 70 cabins capacity.
- "Sun Ray" launched in 2003 targeting a capacity of 64 cabins aiming at a strategy of differentiation with less clients, higher prices and better quality
- "Darakum" launched 2006 working on the same line as the above two from Luxor to Aswan with a capacity of 52 cabins ensuring comfort and lots of facilities
- "Misr" launched in 2008 as an exclusive steam engine cruise line, as a piece of antiquity in shipping industry originally constructed in Preston by the Royall Navy 1918 implementing for the 1st time Stevenson link reversing system for a vertical steam engine. It was later purchased and later converted into a luxury Nile Steamer for King Farouk, recorded as a venue for his birthday in 1939. Now it is considered a 5 stars propeller steamer on the Nile providing 24 cabins
- "Fedeya" launched in 2012 as a 4 suites boat used as a cruise liner between Luxor and Aswan providing privacy for a family and small groups. Each suite has a different color scheme with a dedicated butler ready to serve the guests at any time

Traveline Egypt differentiation strategy was aiming at achieving competitive advantage in the cruise line market depending on achieving quality with maintaining high prices. So at the time where people in the business were selling with 40-60 USD for the room per night trying to attract the maximum capacity, Traveline Egypt on the other hand, was selling with 330 USD per night targeting customer type A. These clients enjoy the services of wide selection which are offered with sightseeing arrangement and top qualified guides for Egyptology.

Traveline Egypt: Problems before the Revolution

Bureaucracy has been always and will continue to be the main problem facing Traveline Egypt, it is actually "The Name if the Game" as Mr. Emam clarified, adding to the corruption in the tourism sector targeting direct cooperation between agent and client. Before the Revolution, Traveline Egypt suffered as well from the lack of cooperation between different organizations in the tourism sector, as focusing only on destructive competition not on constructive one. Adding to this was the support of the government on solar tariffs that reduced the cost for competitors. For Traveline Egypt, targeting A class customer, to maintain high prices reflecting better services this was and still continues to be a disaster. In addition, Traveline Egypt suffered from the lack of infrastructure for approved long trips from Cairo to Aswan and to Luxor to avoid airplanes congestions, but the difficulty here lies in the absence of the ground decks (mooring) in the areas from Cairo to Aswan or from Cairo to Luxor. As the Ministry of Tourism in the past was only focusing on infrastructure between Luxor and Aswan. Moreover, four seasons Hotels stopped projects of construction in Luxor and Aswan after the law suit against one of the Egyptian owners. This really affected the target customer of Traveline Egypt as the only 5 stars Hotel in Aswan is the "Cataract" and these hotels' constructions were going to boost the tourism economy. Traveline Egypt also suffered from the lack of government's strategic planning ahead for years to come as most strategies in the business are known to be "Hit and Run", to achieve the quickest profit without targeting the long term plans.

Traveline Egypt: At the Dawn of the Revolution

The Egyptian revolution left Egypt with no dictator and also without tourists and the Egyptian presidential elections left Egypt with an Islamic elected president starting the ignition of an Islamic ruling era. The future is ambiguous and bright promises are fading, however, according to Mr. Emam, there is a line of hope....Why? By performing a SWOT analysis of the situation, the following status was highlighted:

Strengths: Muslim Brothers "Ekhwan" movement and the political party of "Freedom and Justice" always seek money business. They are commercial trade and money oriented. This is not a secret as it is published and well known even in the "Renaissance (Nahda) Program" that was the base for their presidential election campaign. It was clearly reflected by their participation in the last Berlin Tourism Development Fair sponsored by Egypt with more than 24 million LE. The fair was organized under the umbrella of Ministry of Tourism and the Minister Mounir Fakhry Abou El Nour. The political party was represented by a tourism booth sending a clear message to the whole world for assurance to comply with the international standards of tourism.

Weakness: Traveline Egypt profits were cut by half instead of 10-15 million LE/ year, still as thought by Mr. Emam that it is an achievement to float in the market and ensure Traveline Egypt presence by half the profit while other competitors are closing down and dying. One of the major drawbacks for Traveline Egypt, rather than the cut in profit margin, is the capacity to run the cruise line business. This constituted a threat to the finances of the organization and to the possibility of laying off employees that was a far option for the board members. The different conferences and fairs related to the boosting of tourism attended by Traveline Egypt allowed them to formalize contracts with the international company of Movenpick to run the boats. The deal was accomplished excluding "Misr" propeller boat to still carry the name of 'Traveline Egypt'. Depending on the differentiation strategy in the organization of providing luxurious quality and services for high prices, Movenpick will follow the same line.

Opportunities: the major opportunity lies in the Egyptian president carrying on the message to the whole world about tourism encouragement. Moreover, the key is in the hand of the Egyptian society itself accepting its president and working for him for a full cooperation to tourism development. The new presidential era has to create venues of cooperation between different ministries as the field of tourism encompasses different governmental sectors. Another opportunity is promoting Islamic

tourism and taking advantage of an external population of 1 Billion and 200 Million Muslim around the world. The idea of Islamic property tourism would bring tons of money to the country, for example setting hotels with two different swimming pools sitting areas for men and woman separately. Acting on the differentiation strategy in tourism packaging is one of the opportunities used in Turkey already and Traveline Egypt urges officials in the country to promote it. As a tourist gets a package for going to Turkey with minimal price of 500-750 USD all inclusive, the tourist spends in the country around 10000 USD in buying products and services. Therefore, the strategy would be still to attract type A customer with a promotion allowing him to pamper the country with his spending, and this would allow the wheel of the touristic development activities to spin yielding foreign currency into the country as the more the luxurious market increases, the more money appears in the country.

Threats: the fear of planning is the main threat as all the projects in the field of tourism are not planned ahead and always cautious of the history of touristic terror attacks in the early 2004 & 2006. However, planning ahead should involve the whole sector with a minimum of 20 years long term projects. Occupancy of Traveline Egypt dropped after the revolution to 17000 – 18000 tourists per year in comparison to 30000-40000 tourists in years 2008-2010. No cooperation between organizations in the field as it is considered a fierce competition. This is embedded in the Egyptian culture as the fence of individuality is drawing the scenario of competition. Everyone in the field wants to be the boss and everyone thinks to know everything as Mr. Emam advocated (Emam, 2012).

Traveline Egypt: Human Resources Status after the Revolution

Traveline Egypt's profit was cut by almost 75% but still trying to float with the concept of self finance. Since 25th of January 2011 till now, as Mr. Emam said, not a single worker was laid off from his post, nor his salary affected. However, Mr. Emam advocated that the figures of 2013 after the contracts of Movenpick as an international organization with its unique policy will still affect the decision flow. The organization is trying to invest in the 650 employees through affordable training courses in order to make up for any loss of tips or incentives from the reduction of client presence. The courses vary in English hotel services and operations, Asian cooking lessons and getting rewards for it, getting computer courses for booking staff, tutoring courses for buses drivers and these courses are self financed by Traveline Egypt members. Boosting the skills of Traveline Egypt workers with attending fairs, conferences and exhibitions is going parallel with training investment. There are four conferences that the board members make sure that the organization attends with a standing booth, represented by the organization representatives from the sales and marketing departments. These four conferences are as follows:

- ITBE: International Tourism Bureau of Europe which is held in Berlin.
- ITBA: International Tourism Bureau of Asia which is held in Singapore.
- WTM: World Travel Market.
- ITLM: International Tourism Luxury Market held in Cannes carrying the luxury potential elite clients.

These efforts to attend conferences tend to increase the potential of investment venues for the organization as well as the expertise and exposure of its workers. They look to innovative plans, attention to details and new ideas in the fairs and it creates enthusiasm for the working teams to hunt for new opportunities and do everything in their power to deliver the best products and activities in the field. These exhibitions and conferences act on the notion of "Incentive Tourism" which is the creative and innovative way to reward personnel's business, partners and clients with good potential efforts. This happens through commissions on potential sales and accommodations.

Traveline Egypt: Prospects and Efforts to Boost Tourism after the Revolution Crisis

Traveline Egypt tends to overcome the crisis through hitting an uncontested market by constructing a unique boutique hotel in "Sahl Hashish". It is an outstanding experience in hotel business in the tourism sector in Egypt targeting a unique segment of customers looking for luxury tourism. Traveline Egypt tends also to send continuously assuring messages worldwide through international affiliation, to attract touristic activities and to promote tourism under the new presidential reign. Traveline Egypt works as well on planning the promotion of local tourism to develop it through increasing occupancy rate in hotels inside Egypt for holidays rather than traveling abroad. One of those trends is the one day trip with a day use in hotel as for example one day trip to Sokhna with a day use in Porto Sokhna resort. Moreover, one day trip to golf course with a day use in Marriott Mirage. This is important

because it enhances the work of a pool of working labor of 12 million persons in the Egyptian tourism field. Traveline Egypt tends to ensure its presence in all tourism meetings, conferences and fairs abroad, doing intensive advertisements campaign in major international channels whether printed materials, website, or TV, focusing mainly on 'Trip Advisor' book distributed in international embassies to put advertisement about the company. The above case study "Traveline Egypt" reflected an intensified effort at the private tourism business level to restore and to maintain its position after the 25th January Revolution crisis. However, this effort at private level cannot be fruitful without the real support at the Egyptian government level that also intensified its communication with various parties related to the tourism industry at both the internal and external levels to ensure that Egypt is keen to return to its normal conditions as soon as possible.

4- CONCLUSION & RECOMMENDATIONS

The 25th January 2011 Revolution is a revolution that was initiated by the Egyptian young spirits as well as it represented a large segment of the Egyptian population who were looking for radical and structural changes in the Egyptian society. The whole efforts accordingly have to be directed now to support this revolution through the real work and the dedication to boost the Egyptian economy through re-constructing one of its fallen pillars "Tourism". The government's role is crucial to support tourism sector through boosting financial resources, efforts and encouragements for all the agencies and the organizations working in the field. The machinery of the government represented in its ministries and institutions have to work parallel with the "Resilient Committee" of the International Tourism Organization worldwide to advocate strategic plans at both the local and the international levels of tourism sector. Adding to the fact that the government should also continuously support the real effort initiated at the private tourism business level. In spite of the negative impact of the recent political instability on tourism sector in Egypt, the industry is expected to bounce again through the following recommendations:

- Setting reproductive tourism and searching for the reproductive technology across national and international borders. This involves the circulation of all actors involved in the process to yield more positive results for the growth of the tourism sector.
- Encouraging foreign investment in the tourism sector through providing incentives and tax break to attract those investors to invest in Egypt.
- Launching an active promotional media campaign to send messages to the globe regarding the assurance of security situation in Egypt.
- Advocating the separation of Islamic political policy's impact on tourism sector.
- Encouraging the private sector to engage in cooperative projects with the Ministry of Tourism through avoiding the bureaucratic procedures, setting supportive law and simplifying the investment procedures for private sector.
- Focusing on the Arabic tourism from Gulf States to return again to Egypt instead of diverting their leisure trips and spending to Europe.
- The government has to work on better superstructure projects to facilitate the flow movement of tourists around the monuments areas.
- Focusing on projects of infrastructure in Delta area and the North Coast.
- Revising all the laws and the regulations that organize the investments plans in Egypt and giving assurances to foreign investors about their stability.
- Coordinating the efforts of the Ministries of Transportation, Interiors, Foreign Affairs and Air Transportation to work parallel with the Ministry of Tourism under the framework of clear vision, mission and national strategic plan.

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