

ROAD TO RECOVERY

Despite the recent political turmoil in the Middle East, travel experts agree that the future remains bright for tourism in Egypt

BY ELLEN BOONSTRA

The Great Pyramids of Giza have been a big draw since ancient times



Travel and tourism is one of the world's largest and most lucrative industries but also one of its most fickle.

In Egypt, along with Suez Canal earnings, tourism is one of the country's key sources of foreign revenue, accounting for 12% of its GDP and supporting an estimated 10% of its active population. Needless to say protests and political instability in the region have been sorely felt among the nation's travel industry.

"It's a fragile business," Youssef Gad from EGYPTAIR concurs. It has been a turbulent ride for the airline's District Manager for Thailand and Southeast Asia since he was posted to Bangkok a year and a half ago. The 2011 Thailand floods, the financial crisis in the EU and, more recently, the major political upheavals in Egypt and Syria have tested his crisis management skills to the max.

Last year proved particularly tumultuous for Egypt with tourist arrivals declining by an estimated 25% compared to 2010, which saw 14.7 million arrivals. Especially during the second quarter of 2011, in the aftermath of the 18-day popular uprising that ousted former President Hosni Mubarak in February 2011, the industry was hit hard with arrivals down 35% compared to the same three-month period the previous year. In terms of tourism revenues, the year 2011 generated US\$8.8 billion a significant drop.

WORLD STAGE

At February's ITB in Berlin, Egypt had the honour of being Official Partner Country, a position secured long before the event and a major commitment to the trade show over and above their exhibitor participation. Despite the enduring challenges to Egypt's tourism sector, the country's Tourism Office and Ministry of Tourism chose to make history at ITB by standing tall and treating the global tourism community "to one of the most touching, inspiring and delightful opening ceremonies ever seen at ITB Berlin," says Anita Mendiratta, who witnessed the presentation. Anita is a tourism expert and regularly consults for organisations such as CNN, the World Bank and the United Nations World Tourism Organization (UNWTO).

Besides the remarkable showcase of performances and personalities, Egypt showcased its strength of spirit as a destination and nation. In return, leaders of the international community openly voiced the solidarity of the industry in support of Egypt's tourism sector recovery and belief in the people of Egypt as a whole. "It was an unprecedented showing of the best of the global travel and tourism industry, as a collective force for positive, meaningful change at economic, social and diplomatic levels," says Anita.

PROMOTIONAL EFFORTS

Strenuous efforts are being made by the government, Egypt's Tourism Office and EGYPTAIR to restore confidence and promote growth. Incentives employed by the tourism board include discounted airfares, advertising campaigns and promotional activities at places which have suffered the biggest slowdowns such as Cairo, Luxor, Aswan, Alexandria and Sharm El-Sheikh. The government has invested US\$5 million in the country's burgeoning MICE industry to boost Egypt's image as a suitable meeting and convention destination to make up for losses it has sustained in recent years. Golf vacations are another attraction that is being developed.

The country's flag carrier airline has also felt the brunt of the assorted crises around the world. Last year EGYPTAIR experienced a big drop in leisure passengers travelling between Europe and Thailand, as well as business travellers. So it's doing its best to woo passengers. Besides very competitive rates, the Star Alliance member has one of the most generous baggage allowance policies in the industry. Where most carriers typically offer around 20-23 kilograms per traveller, EGYPTAIR has implemented an IATA-standard per-piece concept, allowing two pieces of luggage with a maximum of 46 and 64 kilograms for economy and business class

passengers, respectively. "We strive to offer our passengers top-notch facilities," Youssef Gad explains. "Our focus is on promoting all our destinations which is why it applies to our entire network of 1356 airports in 183 countries around the globe."

Travelling business class with EGYPTAIR is more of a first-class experience – passengers are transported on the airline's newly acquired B777-300ER aircraft where they will find their seats turning into full flat beds. Regardless of booking class, aboard the airline's brand-new fleet everyone can enjoy a state-of-the-art personal entertainment system, which is displayed on a 15-inch personal screen (10.6-inch in economy) with hundreds of options. "We are keen to provide our customers in the Far East with a luxurious travel experience by operating the newest B777-300ER between Cairo and Bangkok, as the aircraft provides many onboard facilities," he says.

These facilities and services really appeal to the Asian market. In terms of market share, Asia is becoming more and more important to tourism in Egypt. In 2010, the country received 845,700 tourists from the Asia alone – including approximately 20,000 visitors from Thailand – which represents a 21.7% increase compared to 2009.

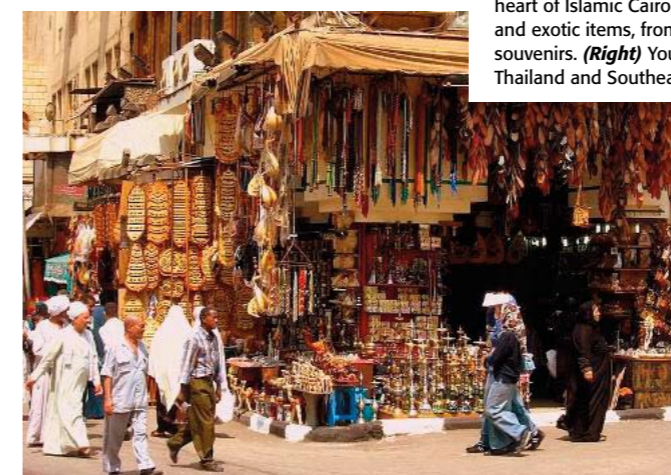


ANCIENT AND MODERN-DAY ARCHITECTURAL FEAT

Abu Simbel near Aswan is famous for its four imposing statues of the seated Pharaoh Ramesses. The archeological site consists of two colossal stone temples, which not only are among the most magnificent monuments in the world, but their removal and reconstruction was an historic event in itself. When the temples were threatened by submersion in Lake Nasser in 1960, they were dismantled piece by piece, and then reconstructed on a higher embankment, even maintaining its original orientation with respect to the stars. Visitors can go inside the manmade dome and see an exhibition of photographs showing the different stages of the massive removal project.



(Opposite page) Aerial view of downtown Cairo and the Nile River. (Above) Cairo International Airport's gleaming Terminal Building 3 opened at the end of last year. (Left) Located in the heart of Islamic Cairo, Khan El-Khalili bazaar is filled with unique and exotic items, from spices and perfumes to jewelry and souvenirs. (Right) Youssef Gad, EGYPTAIR's district manager for Thailand and Southeast Asia.





TRAVELLING SMART

Bargain hunters know the best deals are available when a destination is on the upswing. Travellers from Asia en route to Europe will want to take note that EGYPTAIR is currently offering a free stopover in Cairo to allow visitors to experience firsthand that the city is safe.

Tour operators and hoteliers have slashed prices to encourage visitors to return. With average daily hotel rates down 25% countrywide compared to pre-revolution levels, it's easy to understand why travel websites like BudgetTravel.com have placed Egypt on their bucket-list as suddenly affordable. The five-star Royal Savoy Sharm El-Sheikh, nestled at the foothills of the Sinai Mountains along the Red Sea Riviera, lists prices starting as low as US\$150, while room rates for many hotels in the capital have plummeted by 45% since 2010.

Ayman Naguib from Egythai, the largest inbound tour operator from the Middle East to Thailand, has found that cutting prices is

not always the answer. "Price equals quality," he says. "Thai travellers expect to be treated like kings when they travel. I cannot lower the quality or I will get complaints." Instead, for his outbound business, he has shifted his focus to promoting new tours and lesser-known destinations like Sharm El-Sheikh, Hurghada and Marsa Alam. "It's still safe to travel," he maintains. "Egyptians by nature are very hospitable and protective. Nobody is going to harm tourists. As long as you stay away from the areas of demonstrations, you won't even feel there's something going on."

GROWTH MARKET

Many international hotel chains are eyeing North Africa as an important, emerging growth market. Among them is Starwood Hotels & Resorts, Africa's biggest global hotel operator. "The region represents our second largest growth market after China, and it continues to evolve as an international and leisure travel hub," says Neil George, the company's Vice President of Acquisitions

& Development for Africa and Middle East. "From the lively, bustling metropolis of Cairo, to its unparalleled 'sun and sand' destinations, to its treasure trove of historical and cultural sites, Egypt offers a tantalizing mix, appealing to diverse market segments."

Despite economic and political uncertainty in parts of the Middle East and North Africa region (MENA), Starwood continues to see demand for growth across all of its brands. The group has a portfolio of nearly 70 existing hotels in the MENA region and is planning to open another 40 hotels as soon as stability returns. These will be primarily in the luxury and upper-upscale segments. In Egypt alone, the operator has three new properties in the pipeline within the next four years, which will add over 900 rooms to the country.

SUNNY SKIES

All in all, collective efforts to boost the country's image and revive tourism seem to have paid off and this year's figures are

looking promising. The country's first free elections in 5,000 years have undoubtedly played an important role too. According to information supplied by the UNWTO, the number of tourists visiting Egypt in the first quarter of 2012 increased by 32% compared to the same period last year. A total of 2.5 million tourists arrived in Egypt between January and March, compared to 1.89 million a year earlier.

Industry pundits surmise there is a sunny future ahead for tourism in the Middle East and North Africa. Especially where strong destinations are concerned the sector has proven to be remarkably resilient. Egypt has the enviable distinction of being one of those must-visit-once-in-a-lifetime places. With its natural beauty, rich culture and history that go back thousands of years, the Land of the Pharaohs remains one of the planet's most spectacular travel destinations all year round. The revolution has added an interesting dimension to Egypt's tourism as well as a new tourist base. Viewing the country as a success story of the Arab Spring, landmarks of the recent revolution such as Tahrir Square have started popping up on travellers' itineraries once again.

Youssef Gad echoes these sentiments of optimism, taking the past downturn in stride. "It's a cycle," he says. "We are confident that the situation in Egypt and the business in general will not only bounce back, but return stronger than before," adding that with the many new services the airline has introduced, EGYPTAIR is well-equipped for any future challenges. "We've had the revolutions in the Middle East, we've had floods, we've had everything. I'm not expecting any more disasters."



A TASTE OF EGYPT IN BANGKOK

To get a sense of the real Egypt before you depart from Bangkok, the Arabesque restaurant in Sukhumvit Soi 2 is an excellent place to start. Masterfully decorated with Islamic-style arabesques, the newly opened eatery is located in a relatively quiet street, away from the hustle and bustle of Soi Nana where most other Middle-Eastern restaurants can be found. On the extensive menu are traditional Egyptian dishes such as Mesakaa (eggplant cooked with minced meat in tomato sauce, onions and garlic), Koushary (lentil, macaroni, rice and fried onions served with a chilly tomato sauce), a selection of Tajeens (food simmered in a typical Oriental cooking pot), and the famous Arabic dessert Om Ali (puff pastry cooked in milk with different kinds of nuts). On Saturdays from 8:30pm to 9:30pm guests are treated to a live belly-dancing show, while they can find Egyptian antiques, furniture, jewelry boxes and other collectibles at the Bazaar shop next door.

Arabesque, 68/1 Sukhumvit Soi 2, Bangkok, tel: +662 656 9440

(Opposite page) EGYPTAIR's prized new aircraft B777-300ER which operates between Bangkok and Cairo. **(Below)** Folkloric performance "The Colours of Egypt" at ITB Berlin 2012.

