

# EGYPT SIGNS \$68M CONTRACT TO REVIVE TOURISM INDUSTRY



According to an Al-Monitor report, Ministry of Tourism in Egypt has announced that the country and J. Walter Thompson Co., a New York-based advertising agency, have entered into a three-year \$68 million agreement to revive the tourism industry in the Arab nations. The agency will run advertisement campaigns, promoting Egypt as a key tourist destination and addressing concerns about the security situation in the country.

The promotion of tourism was being handled by the Ministry of Tourism in Egypt since the 2009 outbreak of revolution, which seriously impacted the country's tourism activities. The terror attack in June in Sousse, Tunisia, further affected Egypt's tourism industry. **Egypt, historically a stable country in the Middle East, boasts of Pyramids of Giza, museums, ancient temples and many other tourist attractions.**

Many nations believe that Egypt lacks stability and security. Therefore, reviving the Arab nation's tourism sector is dependent on improving the domestic situation, according to Elhamy el-Zayat, chairman, Egyptian Tourism Federation. Changing this perception is the biggest challenge being faced by the country.

The plan being conceived by J. Walter Thompson Co. is to use the social media for emphasizing the fact that the South and North Sinai are different. The state of emergency imposed on certain areas in North Sinai has been extended for three more months starting July following escalation of Islamic militant activities in the peninsular region covering the Suez Canal, Gaza and Israel, but the tourist attractions in South Sinai such as Sharm el-Sheikh, Dahab, Taba and El-Tor are generally peaceful.

The ad campaign is expected to bring in around 11 million tourists into Egypt and help the country earn \$9 billion in profits this year. Khaled Ramy, Egypt's tourism minister, said that the country's goal is to achieve 20 million tourist arrivals by 2020. For North African nations, revenues from tourism have increased by 3.1 percent since last year. **Furthermore, the tourist arrivals have risen by 8.2 percent during the first six months of 2015.**

Promotional campaigns are being planned by the Egyptian Tourism Federation in the months of October and November in Canada, United States, Mexico and South American nations such as Peru, Chile, Brazil and Argentina.

Though the goal of 20 million tourists by 2020 may be achieved, the revenue target of \$26 billion may be a little difficult to realize because of pricing of the Egyptian tourism products. The tourism services need to be improved, prices increased and all efforts should be focused on attracting cultural tourists. They are the ones that have more spending power.

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