

The Impact of Bankruptcy of International Tour Operators on Incoming Tourism to Egypt- A Case Study of Thomas Cook

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Abstract

Tourism is an essential facet of the global economy and is considered one of the driving forces for socioeconomic growth and job creation. However, the tourism industry is susceptible to crises of varying degrees, which can negatively impact businesses and destinations involved in the sector.

This research aims to study how the bankruptcy of tourism firms, utilizing Egypt as a study context alongside Thomas Cook, affects tourism movement at the destination level.

The aim and objectives of the research: Study Aim: To examine the impact of corporate bankruptcy on the tourism industry in Egypt. Objectives: a) To analyze the current state of Egypt's tourism industry and identify key challenges, including the impact of previous corporate bankruptcies. B) To explore the perceptions of key tourism stakeholders in Egypt regarding how corporate bankruptcy impacts tourism operations, activities, and destinations. C) To determine how corporate bankruptcy crises influence tourist visitation.

Research Methodology: Conceptual methodology: The research is based on secondary resources and foreign references. Literature review on crisis management, resilience, and corporate bankruptcy theories. Empirical methodology: The research instrument employed an

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experimental analysis. The first section consisted of demographic queries eliciting respondents' fundamental attribute data, including gender, age, occupational status, educational attainment, prior engagement with tour companies, and degree of international travel experience. The subsequent two parts comprised scenario-based experimental conditions featuring two scenarios. The purpose of the scenarios was to gauge the impacts of the insolvency of Thomas Cook on respondents' travel intentions, perceptions, and consumer confidence.

Keywords: Crisis – Crisis management – Bankruptcy – Thomas Cook.

Introduction

The tourism industry is important; it helps to promote the revenue of the economy and creates jobs (Arshad, 2018). The tourism industry is universally affected by any events or crises compared with other economic industries and is affected by external factors such as diseases, politics, economic crisis, and wars (Irestone, 2020). Time of crisis refers to the high times of instability (Kreuder & Sonnen, 2018). Travel agencies, among other one of the most affected sectors during the current crisis (Zahari & Hanafiah, 2016).

The impact of the crisis on the tourism sector

Definitions of crisis: There are some definitions of crisis that provider is not providing a common definition of crisis that can be generally accepted by everyone (Zamoum ItGorpe, 2018), it is possible to find many different definitions of crisis in the literature depending on the author. A crisis is generally defined as a situation that requires a response from a person or an organization to decrease the consequences, and a Cinsis can occur in any organization (Irestone, 2020).

Types of crisis: There are different types of crisis and necessary to determine the type of crisis facing every individual case (Ritchie, 2019), based on the time in which damage may be done to the organizations (Niyaz, 2015), such as: 1) It describes the economy of a country through a sudden reduction of its force, a reduction usually happens as a result of the financial crisis. It may have the shape of inflation and economic depression, and a recession. And it is defined as a combination of problems and difficulties, the fact may lead to powerful pressures toward change (Hertati et al., 2020).

2) A financial crisis happens when the value of financial organizations or assets decline. There is usually a recession after a financial crisis occurs directly, leading to economic turmoil associated with the drop in asset values. When assets drop in value, it is the beginning of a financial crisis (Kliestik et al., 2018).

The Causes of Financial crisis: according to Ramey (2019), and Kim et al., (2020) there are a variety of factors that can generate or cause a financial crisis: a) Debt default occurs when an individual or an organization doesn't fulfill the legal responsibilities. That happens when a borrower can't complete required payments on a debt. b) Lack of scientific decision sometimes, managers take a financial decision without analyzing market situations and there are some managers develop business without providing funds.

There are **Types of Financial crisis:** has two types; every type has two groups. The types: Quantitative type (sudden stop group and currency crises group), the second type is the qualitative type (debt crises group and banking crisis group) (Sever, 2021).

According to Gu (2020), **bankruptcy** can be defined as: A situation in which the company has a negative net worth in

addition to illiquidity and is in the process of reorganization or legal dissolution. The main economic function of corporate bankruptcy is to reduce the cost of default by having a government-sponsored procedure to settle all debts simultaneously (Wieprow & Gawlik, 2021).

Financial bankruptcy: Regarding the above definitions, bankruptcy risks could lead to business failure, which can decrease the economy and key stakeholders. Therefore, bankruptcy prediction models are important to use as an early warning system to know or show if the company will be in financial distress (Gemar et al., 2019). Usually, a company does not become bankrupt immediately but goes through a failure process that varies widely in length (Park & Hancer, 2012).

The causes of bankruptcy can be defined as follows: 1) External business conditions such as increased competition, and general costs associated with running a business (Gemar et al., 2019). 2) Insufficient capitalization (Mayr et al., 2021). 3) Internal business conditions such as weak management, inappropriate location, loss of customers, and credit issues (Thorne et al., 2020). 3) Serious monetary problems such as loss of capital, inability to raise new capital when needed, high levels of debt or liquidity problems tax problems (Himmelstein et al., 2019).

Types of bankruptcy: 1) Liquidation considers one of the bankruptcy types, and is defined as the process of finishing a business and distributing its assets to claimants in finance and economics (Yu & He, 2018). It is an occurrence that usually happens when a firm is insolvent, and cannot pay its obligations (Corbae & D'Erasmus, 2021). 2) Reorganization of a debtor's business affairs, debts, and assets, and for that reason is known as "reorganization" bankruptcy (Mayr et al., 2017). It is most often used by large entities, such as

businesses, though it is available to individuals as well (Cepec & Grajzl, 2020). 3) Adjustment of debts: Municipality Bankruptcy is available for communities such as cities, townships, counties, tax districts, utilities, or school districts that need to be reorganized (Moldogaziev et al., 2017). Case study “Thomas Cook”

In the tourism sector, the tour operator is a key element. There is a link among the origin of tour operators, the end of World War II, and charter flights (Cetin & Yarkan, 2017). As Thomas cook hire aircraft pilots after World War II. So Thomas cook become competitor in tourism industry (Polat & Arslan, 2019).

Bankruptcy of international tour operator “Thomas Cook”

Today, tour operators have become very competitive. You strive to achieve high sales volume and maximum international and domestic market share by working efficiently (Marin et al., 2019). Furthermore, the success of many developed and developing countries as tourist destinations strongly depends on the ability of a tour operator to attract tourists (Picazo & Moreno, 2018). **Thomas Cook (TC)** had revolutionized in the tourism industry, and considered the inventor of the conducted tour; Thomas Cook would work as a travel organizer and created the Thomas Cook & Son brand, after that he arranged for the transportation of more than 500 people, to attend a temperance meeting, in 1841 (Low, 2017). Thomas Cook, although of changes in ownership, it is still the largest travel agency in Great Britain with hundreds of branches (Polat & Arslan, 2019).

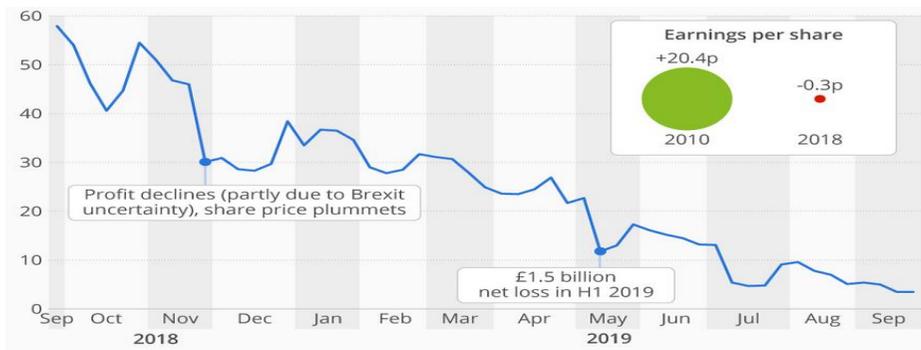


Figure 1. The Fall of Thomas cook

Source: Thomas cook

This graph indicates how Thomas Cook's profit rapidly declined (Borodin, 2019). The 23rd of September 2019 will always be memorized as the biggest tourist bankruptcy in the tourism industry, after failing to secure the \$1.37 billion it needed to stay afloat, canceling its reservations and stranding hundreds of thousands of travelers (Elmarzouky et al., 2022). And shows the fall of Thomas Cook Company from September 2018 to September 2019. And profit start to decline from September 2018. Inflation in 2010 was 20% after the global financial crisis, Inflation in 2018 reached 3% after liberation.

According to the British Civil Aviation Authority, the return of 16,000 passengers who had travelled abroad on vacation was scheduled on Thursday (26 September) on more than 70 aircraft; they have a six-day run left on their programme (Goh et al., 2021). For ten days, they have more than a thousand flights scheduled (Celik et al., 2021). Tour Operators suffered from external factors such as currency, climate, oil price, etc. so created touristic packages to gain market share against their competitors (Phi et al., 2021). However, this is due to overcapacity, a price war, and tour operator bankruptcies (Koptseva, 2022).

Due to Thomas Cook's acquisition or mergers, the company ended up having huge debts. Thomas Cook accumulated a debt of £890 million and an annual 29 the acquisitions and the merging of Thomas cook with other companies led the company to its bankruptcy (Celik et al., 2021). Before the global economic crisis, the financial issues of Thomas cook began when they merged with MyTravel in 2007 and this was an expensive move at that time. As these acquisitions and meges, led to ending the company with huge debts (Shengnan & Nedelea, 2019). The pre-tax losses were £1456 million and its debt was £1.2 billion, at the start of 2019 (first half) (Parkinson, 2022). And the fosun group agreed to borrow £900 million, but this was not enough as the bank creditor requested £200 million to guarantee the bailout (Shengnan & Nedelea, 2019).

Thomas cook's acquisition of travel agencies in the United Kingdom and participation with “ntourist” of Russia led Thomas Cook Group to hundreds of millions of pounds in debt in 2011. The company tried to survive financially but it is affected by the management the company (Goh et al., 2021).The majority of the company's products and services, such as hotels, transportation, and guides, were outsourced (Madray, 2020). However, with over 100 aircraft in its fleet, Thomas Cook was substantially impacted by low-cost airlines such as EasyJet and Ryanair (Seiam, 2020). These competitors offered pricing that were impossible to match, and as a result, Thomas Cook found it difficult to compete in this market (Faridi et al., 2020).

Thomas Cook's business strategy has been centered on a traditional model with holiday packages, physical travel agents, rising fixed expenses, and continual mergers with

other partners, as we've seen. However, the company's strong vertically integrated business with its stores, flights, and hotels, as well as a lack of flexibility within the value chain (primarily technology), forced it to run using traditional methods that were expensive and less competitive (Murgai, 2021). Due to their internet presence and pricing techniques, companies like Ryanair and EasyJet have gained a larger edge and market share (Goh et al., 2021). According to the CAPA Fleet Database,

Thomas Cook Group had 102 aircraft in its fleet, ranking 15 in Europe (Faridi et al., 2020). As of 23-Sep-2019, there were 102 aircraft in the Thomas Cook Group fleet. There were 27 widebodies and 75 narrowbodies in total (Celik et al., 2021). Within the group, the aircraft was operated by a variety of operators: 42 by German operator Condor Flugdienst, 34 by Thomas Cook Airlines in the UK, 12 by Thomas Cook Airlines Scandinavia, 8 by Thomas Cook Aviation in Frankfurt, and 6 by Thomas Cook Airlines Balearics (Seiam, 2020). While the other group airlines carried on, the UK and Scandinavian fleets, totaling 46 aircraft, ceased operations prior to the commencement of their flight schedules on September 23, 2019. Following that, Thomas Cook Airlines Scandinavia announced on its website that it would start operating again on September 24, 2019 (Schafer, 2020).

Methodology and data collection

The design of form based on scenario based experiments, and consist of two scenarios: 1) scenario a, and 2) scenario b.

The scenario a, you are a tourist who likes to travel to an Egyptian tourist destination through Thomas Cook's company. Also, you feel satisfied with Thomas Cook. The company has financial stability and highly profitable stakeholders globally and in the Egyptian tourism market.

The scenario b Imagine that you are the same tourist who likes to travel to an Egyptian tourist destination through Thomas Cook's company. And suddenly, the financial and operational affairs faced bankruptcy. The deals between Thomas cook and other tourism service providers in Egypt have been changed regarding the new tourism shareholders' visions (Company B) of the Egyptian tourism destinations.

A Field study

- Reliability analysis

Table 1: reliability statistics

Reliability statistics	
Cronbach's Alpha α	No. of items
.894	22

The reliability and validity of the measurement model were tested by Cronbach's alpha. All indicator loads were above the recommended limit of 0.70. Cronbach's alpha is greater than or equals 0.70, indicating acceptable construction reliability (Masudin et al., 2021). The Cronbach's Alpha (α) was 0.894 > 0.70, which means that the test was reliable.

• Paired Samples Statistics

Table 2: Paired Samples Statistics

Variable		Mean	Std. Deviation	Corr.	P. Value
Statement 1	Company B Satisfaction	3.4233	.93291	.228	.001
	Company A Satisfaction	4.0842	.62022		
Statement 2	Visit Intention Company B	3.4233	.93291	.310	.000
	Visit Intention Company A	3.9406	.83112		
Statement 3	Company B Switching Behavior	3.3465	.96324	.416	.000
	Company A Switching Behavior	3.1807	1.02949		

According to the variables in the scenarios of Company A and Company B, tourist satisfaction in scenario A was higher than tourist satisfaction in scenario B, tourist visit intention in Company A higher than that of Company B, and finally, Company B switched behaviors higher than company A. Accordingly, the majority of tourists prefer the destination and the company, and they feel satisfied and have an intention of visiting a company that has financial stability and don't choose a company that suffers from financial crises and operational affairs that face bankruptcy. The result of the P-value in the previous table shows a P-value < 0.001 , so, it is very highly statistically significant.

- **Descriptive analysis**

Table 3: Analysis of demographic and frequencies

Variables		Frequency	Percent
Gender	Male	98	48.5
	Female	104	51.5
Total		202	100
Variable		Frequency	Percent
Age	Under 18	2	1.5
	19-30	146	72.3
	31-40	26	12.9
	41-50	22	10.9
	51-60	4	2.0
	60 and up	2	1.0
Total		202	100
Variable		Frequency	Percent
Employment Status	Unemployed	14	6.9
	Student	70	34.7
	Self Employed	36	17.8
	Employed Full Time	62	30.7
	Employed Part Time	20	9.9
Total		202	100.0

Variable		Frequency	Percent
Education	High School	2	1.0
	Licentiate/ Bachelor	106	52.5
	Master's Degree	42	20.8
	Doctorate Degree	50	24.8
	Total	200	99.0
	Missing	2	1.0
Total		202	100.0
Travel with company	Yes	98	48.5
	No	104	51.5
Total		202	100.0
traveling experiences	Yes	82	40.6
	No	120	59.0
Total		202	100.0

Table (3) of the study sample according to gender shows that the majority of the participants are females 51.5%, compared to only 48.5% males. It is also clear from the previous table, which shows the distribution of the study sample according to the age variable, that the largest percentage of the study sample was between 19 and 30 years old, with a percentage of 72.3%. While the percentage of those between the ages of 31-40 years ranked second at 26%, the percentage of the sample under 18 years amounted to 1.0%, while the percentage of those between the ages of 21-30 years amounted to 22.6%, and the percentage of those between the ages of 41-50 years amounted to 10.9%. Finally, those between the ages of 51 and 60 accounted for 2.0%, while those over 60 accounted for 1.0%.

The Employment Status variable, the percentage of the first rank is 34.7%, the second rank is employed full time with a percentage 30.7%, the percentage of self-employed is 17.8%,

the percentage of unemployed is 6.9%, and finally, the percentage of employed part time is 9.9%. The Education, the percentage of licentiate/bachelor is 52.5%, while the percentage of doctorate degree is 50%, the percentage of master's degree is 20.8%, high school is 1.2%, and missed 2 participates is 1.0%.

And there are two different questions related to traveling, the first is, "Have you traveled with tourism companies before?" The answer (yes) is 48.5%, while the percentage of the no answer is 51.5%. The second question is, do you have international traveling experience? According to the question, the percentage of yes is 40.6%, while the percentage of no is 59.0%.

Analysis of Scenario A

Table 4: scenario A

Tourist satisfaction					
Variables	Sub-variable	Frequency	Percent	mean	SD
The experience was satisfying to me when traveling with Thomas cook to Egypt.	Disagree	10	5.0	4.05	.789
	Neutral	32	15.8		
	Agree	100	49.5		
	strongly agree	60	29.7		
	Total	202	100.0		
I am happy with the experience with Thomas cook in Egypt.	Disagree	2	1.0	4.07	.691
	Neutral	34	16.8		
	Agree	112	55.4		
	strongly agree	54	26.7		
	Total	202	100.0		
With my trip with Thomas cook in Egypt, the	Disagree	6	3.0	4.06	.755
	Neutral	34	16.8		
	Agree	104	51.5		

experience was as good as I expected	strongly agree	58	28.7		
	Total	202	100.0		
I felt comfortable with the experience in Egypt while traveling with Thomas cook.	strongly disagree	2	1.0	4.15	.789
	Disagree	4	2.0		
	Neutral	24	11.9		
	Agree	102	50.5		
	strongly agree	70	34.7		
	Total	202	100.0		
Visit intention					
There is a high likelihood that I will visit Egypt with Thomas cook within the foreseeable future.	strongly disagree	6	3.0	4.00	.917
	Disagree	8	4.0		
	Neutral	34	16.8		
	Agree	90	44.6		
	strongly agree	64	31.7		
	Total	202	100.0		
I intend to visit Egyptian destinations and engage in different holidays with Thomas Cook.	strongly disagree	2	1.0	3.91	.929
	Disagree	14	6.9		
	Neutral	42	20.8		
	Agree	86	42.6		
	strongly agree	58	28.7		
	Total	202	100.0		
I will prepare a trip itinerary with Thomas 4 cook to visit Egypt destinations.	strongly disagree	4	2.0	3.93	.931
	Disagree	8	4.0		
	Neutral	46	22.8		
	Agree	84	41.6		
	strongly agree	60	29.7		
	Total	202	100.0		

Switching Behavior					
I am considering switching from Egypt destination to another destination	strongly disagree	20	9.9	3.26	1.19 2
	Disagree	34	16.8		
	Neutral	56	27.7		
	Agree	58	28.7		
	strongly agree	34	16.8		
	Total	202	100.0		
The likelihood of switching from Egypt destination to another destination is high.	strongly disagree	22	10.9	3.32	1.20 3
	Disagree	26	12.9		
	Neutral	58	28.7		
	Agree	62	30.7		
	strongly agree	34	16.8		
	Total	202	100.0		
I am determined to switch Egypt's destination to alternative destinations.	strongly disagree	30	30	2.97	1.15 9
	Disagree	34	16.8		
	Neutral	66	32.7		
	Agree	54	26.7		
	strongly agree	18	8.9		
	Total	202	100.0		
I will switch from Egypt destinations to other destinations offered by the other tourism companies.	strongly disagree	24	11.9	3.19	1.18 7
	Disagree	28	13.9		
	Neutral	64	31.7		
	Agree	58	28.7		
	strongly agree	28	13.9		
	Total	202	100.0		

According to the previous table, each item shows a different purpose. **The first item** consists of 4 questions and shows the satisfaction of tourists towards their experience with Thomas Cook Company in Egypt. According to the first question, "The experience was satisfying to me when traveling with Thomas Cook to Egypt", the majority chose "agree" with a percentage is 49.5%, and then chose "strongly agree" with a percentage of 29.7%, the percentage of "neutral" is 15.8%, the percentage of "disagree" is 5.0%. While according to the second question about tourist satisfaction previous table "I am happy with the experience with Thom Cook in Egypt shows the highest percentage of "agree" is 55.4 %. After that, the percentage of "strongly agree", which is 26.7%, while the percentage of "neutral" is 16.8%, and the last is the percentage of "disagree" is only 1.0%, so the percentage shows the happiness of tourists with the travel experience with Thomas Cook. The third question, "With my trip with Thomas cook in Egypt, the experience was as good as I expected", shows the highest percentage of "agree" is 51.5%, the second percentage of "strongly agree" is 28.7%, and there are 34 people who choose "neutral" with percentage 16.8%. The last percentage is "disagree" is 3.0%, so the table explains the experience was similar to what they expected. While the fourth question "I felt comfortable with the experience in Egypt while traveling with Thomas cook", shows the percentage of "agree" is 50.2%, the percentage of "strongly agree" is 34.7%, while the percentage of "neutral" is 11.9%, the percentage of "disagree" is 2.0%, and the last percentage of "strongly disagree" is 1.0%. The first item, tourist satisfaction, the high mean 4.7 and the low mean 4.5. According to **the second item**, visit intention shows the intent to visit the destination again. The first question is, "There is a high likelihood that I will visit Egypt with

Thomas cook within the foreseeable future”. The percentage of “agree” is 44.6%, the percentage of “strongly agree” is 31.7%, while the percentage of “neutral” is 16.8%, the percentage of “disagree” is 4.5%, and the last percentage of “strongly disagree” is 3.0%. While the second question, “I intend to visit Egyptian destinations and engage in different holidays with Thomas Cook”, the percentage of “agree” is 44.6%, then the percentage of “strongly agree” is 31.7%, the percentage of “neutral” 16.8%, the percentage of “disagree” 4.0%, the percentage “strongly disagree” 3.0%.The third question, “I will prepare a trip itinerary with Thomas cook to visit Egypt destinations”, the percentage of “agree” percentage is 41.6%, then the percentage of “strongly agree” 29.7%, the percentage of “neutral” 22.8%, the percentage of “disagree” 4.0%, the percentage “strongly disagree” 2.0%.the second item visit intention, the high mean 4.00 and the low mean 3.91.

While **the third item**, “switching behavior”, according to the first question “I am considering switching from Egypt's destination to another destination”, the percentage of “agree” percentage is 28.7%, then the percentage of “neutral” is 27.7%, the percentage of “disagree” equals the percentage of “strongly agree” 16.8%, the percentage of “strongly disagree” 9.9%.The second question, “The likelihood of switching from Egypt to another destination is high”, the percentage of “agree” is 30.7%, the percentage of “neutral” is 28.7%, the percentage of “strongly disagree” is 16.8 %, the percentage “disagree” 12.9%, the percentage of “strongly disagree” 10.9%.While the third question, “I am determined to switch Egypt's destination to alternative destinations”, the percentage of “neutral” percentage is 32.7%, the percentage of “agree” is 26.7%, the percentage of “strongly disagree” is 30%, the percentage of “disagree” is 16.8%, and the

percentage of “strongly disagree” is 8.9%.Accordinging to the fourth question “I will switch from Egypt destinations to other destinations offered by the other tourism companies”, the percentage of “neutral” percentage is 31.7%, then the percentage of “agree” is 28.7%, the percentage of “strongly disagree” equals the percentage of “disagree” 13.9%, the percentage of “strongly disagree” 11.9%. The third item switch behavior, the high mean is 3.19, and the low mean is 2.97.

- **Analyzing Scenario B**

Table 5: scenario B

	Sub-variable	Frequency	Percent	Mean	SD
Tourist satisfaction					
The experience was satisfying to me when traveling with (Company B) to Egypt.	strongly disagree	18	8.9	3.33	1.098
	Disagree	16	7.9		
	Neutral	76	37.6		
	Agree	64	31.7		
	strongly agree	28	13.9		
	Total	202	100.0		
I am happy with the experience with Thomas cook in Egypt.	strongly disagree	8	4.0	3.57	.992
	Disagree	14	6.9		
	Neutral	68	33.7		
	Agree	76	37.6		
	strongly agree	36	17.8		
	Total	202	100.0		
With my trip with	strongly disagree	14	6.9	3.42	1.042

in (Company B) Egypt, the experience was as good as I expected.	Disagree	14	6.9		
	Neutral	84	41.6		
	Agree	56	27.7		
	strongly agree	34	16.8		
	Total	202	100.0		
I felt comfortable with the experience in Egypt while traveling with .(Company B)	strongly disagree	22	10.9	3.38	1.168
	Disagree	12	5.9		
	Neutral	78	38.6		
	Agree	50	24.8		
	strongly agree	40	19.8		
	Total	202	100.0		
Visit intention					
There is a high likelihood that I will visit Egypt with Thomas cook within the foreseeable future.	strongly disagree	12	5.9	3.46	1.054
	Disagree	22	10.9		
	Neutral	64	31.7		
	Agree	68	33.7		
	strongly agree	32	15.8		
	Total	198	98.0		
Missing	System	4	2.0		
Total	202	100.0			
I intend to visit Egyptian destinations and engage in different holidays with .(Company B)	strongly disagree	12	5.9	3.46	.994
	Disagree	18	8.9		
	Neutral	76	37.6		
	Agree	64	31.7		
	strongly agree	30	14.9		
	Total	200	99.0		
Missing	System	2	1.0		

Total	202	100.0			
I will prepare a trip itinerary with to (Company B) visit Egypt destinations.	strongly disagree	10	5.0	3.46	.994
	Disagree	20	9.9		
	Neutral	82	40.6		
	Agree	54	26.7		
	strongly agree	34	16.8		
	Total	200	99.0		
Missing	System	2	1.0		
Total	202	100.0			
Destination switching behavior					
I am considering switching from Egypt destination to another destination because of (Company B).	strongly disagree	20	9.9	3.30	1.074
	Disagree	18	8.9		
	Neutral	70	34.7		
	Agree	74	36.6		
	strongly agree	20	9.9		
	Total	202	100.0		
The likelihood of switching from Egypt destination to another destination is high because of (Company B).	strongly disagree	16	7.9	3.48	1.112
	Disagree	16	7.9		
	Neutral	70	34.7		
	Agree	62	30.7		
	strongly agree	38	18.8		
	Total	202	100.0		
I am determined to switch Egypt's destination to alternative	strongly disagree	22	10.9	3.30	1.148
	Disagree	20	9.9		
	Neutral	68	33.7		
	Agree	64	31.7		

destinations because of (Company B).	strongly agree	28	13.9		
	Total	202	100.0		
I will switch from Egypt destinations to other destinations offered by the other tourism companies because of (Company B).	strongly disagree	12	5.9	3.42	1.022
	Disagree	20	9.9		
	Neutral	76	37.6		
	Agree	66	32.7		
	strongly agree	28	13.9		
	Total	202	100.0		

According to the previous table, each item has a different purpose. The first item consists of 4 questions and shows **the first item**: the satisfaction of tourists towards their experience with the Thomas Cook Company in Egypt. For the first question, "The experience was satisfying to me when traveling with (Company B) to Egypt", the largest percentage is "neutral" is 37.6%, then the percentage of "agree" in percentage is 31.7%, while the percentage of "strongly agree" is 13.9%, the percentage of "strongly disagree" is 8.9%, and the lowest percentage is "disagree" 7.9%.

While according to the second question about tourist satisfaction in the previous table, "I am happy with the experience with Thomas cook in Egypt ", shows the highest percentage of "agree", which is 37.6%, after that the percentage of " neutral", which is 33.7%, while the percentage of "strongly agree" is 17.8%, the percentage of "disagree" 6.9%, the lowest percentage is "strongly disagree" 4.0%. The third question is "With my trip with (Company B) in Egypt, the experience was as good as I expected", which shows the highest percentage of "neutral" is 41.6%, the second rate percentage of "agree" is 27.7%, then the

percentage of “strongly agree” is 16.8%. The percentage of “strongly disagree” equals the percentage of “disagree” is 6.9%.

The fourth question “I felt comfortable with the experience in Egypt while traveling with (Company B)” shows the percentage of “neutral” is 38.6%, the percentage of “agree” is 24.8%, while the percentage of “strongly agree” is 19.8%, the percentage of “strongly disagree” is 10.9%, and the lowest percentage of “disagree” is 5.9%. According to the first item, tourist satisfaction, the high mean of the sentence “I am happy with the experience with Thomas cook in Egypt” is 3.57 and the low mean of the sentence “The experience was satisfying to me when traveling with (Company B) to Egypt” is 3.3.

The second item, visit intention shows intent to visit the destination again, and consists of three questions, the first question is “There is a high likelihood that I will visit Egypt with Thomas Cook within the foreseeable future”, the percentage of “agree” is 33.7%, the percentage of “neutral” is 31.7%, while the percentage of “strongly agree” is 15.8%, the percentage of “disagree” is 10.9%, and the last percentage of “strongly disagree” is 5.9%, and percentage of missed 2.0%. According to the second question “I intend to visit Egyptian destinations and engage in different holidays with (Company B)”, the percentage of “neutral” is 37.6%, the percentage of “agree” is 31.7%, the percentage of “strongly disagree” 14.9%, the percentage of “disagree” 8.9%, the percentage “strongly disagree” 5.9%, and percentage of missed 1.0%. For the third question “I will prepare a trip itinerary with (Company B) to visit the destination Egypt”, the percentage of “neutral” is 40.6%, the percentage of “agree” is 26.7%, the percentage of “strongly agree” 16.8%, the percentage of “disagree” 9.9%, the percentage “strongly

disagree” 5.0% and percentage of missed 1.0%. According to the second item visit intention, all means are equal to the same number “mean = 3.46”.

The third item, “Destination switching behavior”, consists of four questions. According to the first question “I am considering switching from Egypt to another destination because of (Company B)”, the percentage of “agree” is 36.6%, then the percentage of “neutral” is 234.7%, the percentage of “strongly disagree” equals the percentage of “strongly agree” 9.9%, the percentage of “disagree” 8.9%.the second question “The likelihood of switching from Egypt to another destination is high because of (Company B)”, the percentage of “neutral” is 34.7%, while the percentage of “agree” is 30.7%, the percentage of “strongly disagree” is 8 %, the percentage of “disagree” equal the percentage of “strongly disagree” 7.9%. While the third question “I am determined to switch Egypt's destination to alternative destinations because of (Company B)”, the percentage of “neutral” percentage is 33.7%, while the percentage of “agree” is 31.7%, the percentage of “strongly disagree” 13.9%, the percentage “strongly disagree” 10.9%, the percentage of “disagree” 9.9%. The fourth question “I will switch from Egyptian destinations to other destinations offered by the other tourism companies because of (Company B)”, the percentage of “neutral” percentage is 37.6%, the percentage of “agree” 32.7%, the percentage of “strongly disagree” 13.9, the percentage of “disagree” 9.9%, the percentage of “strongly disagree” 5.9%.According to the third question, Destination switch behavior, the high mean of the sentence “The likelihood of switching from Egypt's destination to another destination is high because of (Company B)” is 3.48, and the low mean of the sentence “I am considering switching from Egypt the destination to

another destination because of (Company B)” equal the mean of the sentence “I am determined to switch Egypt's destination to alternative destinations because of (Company B)” 3.30.

Results and Discussion

According to the high sensitivity of tourism, it is always exposed to crises and it quickly affects more than any other economic activity which requires an early warning tool and an indicator for critical and unstable conditions. Crises are typically defined and characterized by an abnormal situation unexpected situation creates uncertainty and stress time a turning point for better or worse, a crucial time which is important to take decisions. So - Tourism crisis management entails creating standards, and plans, to respond to disaster events to reduce the negative impact on the tourism industry. Economic crisis affects the macroeconomic, conditions and the whole economy, when financial crisis occurs it leads to an economic crisis. Financial crises happen in one sector, but economic crises affected more than the sector and the whole economy. The financial crisis maybe turns into an economic crisis. So the assessment of a company's financial condition is an effective tool, which supports the management system, Companies can use financial analysis tools to examine financial situations in order to reduce the likelihood of bankruptcy, and Create backup plans or alternatives in case of crisis.

Bankruptcy can affect any organization and companies and an individual exposed to bankruptcy, Bankruptcy is not a criminal offense; Bankruptcy exposes and uncovers its cause's illegal reasons such as not saving accounts. The assets and liabilities of debtors determine by Bankruptcy. Bankruptcy risks could lead to business failure, which can decrease the economy and key stakeholders, it is better to use

Bankruptcy prediction models are important to use as an early warning system to know or show if the company will be in financial distress.

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دراسة تأثير إفلاس شركات السياحة العالمية علي السياحة الوافدة إلي مصر - دراسة حالة توماس كوك

الملخص

يقدم هذا البحث إحدى الأزمات الأكثر شيوعاً في صناعة السياحة وهي إفلاس منظمي الرحلات الدولية ودراسة حالة توماس كوك. المشكلة الجوهرية في هذا البحث هي أن صناعة السياحة تعتبر من الصناعات الحساسة، وقطاع السياحة من أكثر الصناعات تأثراً، حيث يتأثر بالأحداث والأزمات التي تتطلب سرعة في مواجهتها وتقليل الآثار السلبية.

الهدف العام من هذه الدراسة هو: (أ) إظهار أسباب إفلاس منظمي الرحلات الدولية وتأثير ذلك على صناعة السياحة في مصر، (ب) يهدف إلى تحديد أسباب الإفلاس وأثاره خاصة في قطاع السياحة، (ج) معرفة الأسباب والظروف التي تسببت في أزمة توماس كوك، (د) معرفة المشكلات التي تواجه توماس كوك وكيفية التعامل معها.

منهجية البحث مبنية على مصادر ثانوية، ومن ناحية أخرى الدراسة الميدانية مبنية على تجارب سيناريو. بناء تصميم الدراسة من ثلاثة أجزاء، (أ) الجزء الأول يتضمن الأسئلة الديموغرافية البيانات الأساسية (الجنس، العمر، حالة التوظيف، مستوى التعليم، سواء قمت بجولة مع شركات السياحة من قبل، وإذا كان لديك تجارب سفر دولية)، (ب) يتكون من جزئين الثاني والثالث من تجارب سيناريوهات. تهدف هذه الدراسة إلى معرفة آثار إفلاس "توماس كوك".

النتيجة الرئيسية لهذا البحث هي أن إفلاس منظم الرحلات الدولية له تأثير على حركة السياحة الوافدة إلى مصر.

الكلمات الدالة: أزمة - اداره الازمات - الإفلاس - توماس كوك.