Publication: TODAY, p 8

Date: 17 May 2014

Headline: SIA to stop flights to Cairo, Riyadh in September

SIA to stop flights to Cairo, Riyadh in September

SINGAPORE – National carrier Singapore Airlines (SIA) will no longer offer flights to Cairo, Egypt, and Riyadh, Saudi Arabia, from later this year, due to "sustained weak performance" on both routes.

The last flights to Riyadh and Cairo will be on Sept 28 and Sept 30 respectively, said SIA in a statement vesterday.

Calling the move a difficult decision, the airline said customers who had purchased tickets to the cities would be eligible for refunds without administrative fees or penalties. In 2012, SIA halted services to Abu Dhabi in the United Arab Emirates and Athens in Greece, citing similar reasons.

Aviation analysts TODAY contacted said the move would have little im-

pact on SIA as flight frequencies to these cities have always been low.

In contrast, competitors such as Qatar Airways and Emirates provide more flight options, said assistant professor of strategic management (education) Terence Fan of the Singapore Management University.

"They (Middle Eastern carriers) provide a lot more frequencies, at least (once a) day," he said.

Agreeing, aviation consultant Prithpal Singh noted that Riyadh is a business city and businessmen prefer frequent flights. He also noted that the number of tourists visiting Cairo could have dropped drastically partly due to the political instability in Egypt, although demand from the Middle East remains strong.

Asst Prof Fan pointed out that other airlines have made inroads into the route by partnering Middle Eastern carriers — for example, Cathay Pacific partners Qatar Airways for flights between Hong Kong and Doha. "The competition is strong and I think SIA needs to figure out how to best serve the market dominated by these Middle Eastern carriers," he added.

Last year, SIA cancelled its nonstop services to New York's Newark Airport and Los Angeles — the world's longest commercial flights due to fuel prices and low demand,.

Of the four travel agencies TODAY contacted, only Dynasty Travel uses SIA for services to Cairo and Riyadh. Its director of marketing communications Alicia Seah said demand for The last flights to Riyadh and Cairo will be on Sept 28 and Sept 30 respectively, said SIA in a statement yesterday. flights to Cairo had been reduced since political turmoil began there during the Arab Spring. Demand for travel to Egypt was reduced by about 70 per cent from 1,200 travellers in 2012 to about 300 travellers last year. The situation has worsened of late due to the rising number of fatalities from the Middle East Respiratory Syndrome coronavirus.

SIA will continue to serve Jeddah in Saudi Arabia. Connections to and from both Cairo and Riyadh are also possible on other airlines through several of SIA's nearby destinations such as Dubai in the United Arab Emirates.

Cairo is served thrice weekly through Dubai, while Riyadh is served thrice per week on a non-stop basis from Singapore. Currently, Jeddah flights are operated through Riyadh, but will be operated through Dubai from Oct 2. AMANDALEE