

Competitive Advantage

**“An Organization`s
ability to learn, and translate that
learning into action rapidly,
is the ultimate
Competitive Advantage”**

-Jack Welch

CASE CHAPTER 11

Sand Delight Camp: Striving for a Competitive Edge

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Case Overview

At the core, the case study talks about the competition and marketing strategy issue faced by the Sand Delight Camp, a desert safari tour, and motel provider in the area of Bedouin, Oman. The owner of the business has started experiencing tough competition and fluctuation in the number of visitors, thus facing a decrease in the overall clientele. The Sand Delight Camp offers a wide variety of desert tour prospects, including safari cruising, desert night stay, traditional and western cuisines, and camel adventure rides. The business has been earning fairly reasonable with satisfied customers up till late 2015. Since early 2016, the owner has started noticing a gradual decrease in the customer bookings, which ended up hitting business targets by fall season on a serious note. The current situation of the business is worrying for the owner, and the situation is seemingly not comprehensible. Based on the nature of the issue, the current case study offers an-insight for decision-makers and aspiring business graduates about the identification of the issue(s) faced by the business and potential recommendations to help address the traumatic business situation.

Objectives of the Case Study

The case study is subjected to address the following prospects:

1. Outlining and analysing critically the issues that Sand Delight Camp is currently facing

2. Business analysis and internal competitive positioning recommendations
3. Outlining and critically analysing the competitive market position of Sand Delight Camp
4. External competitive analysis and market competitive consultation recommendations

Introduction

It was a sunny morning when the owner woke up, thinking about his business and trying to figure out what has not been going right over the past two years. He recalled the days when he was crowded with customers and foreign visitors calling from overseas to book a desert safari and night stay packages. He remembers the time when he used to have 25 to 30-day bookings in a month, but now, the business hardly gets booked for ten days a month and remains vacant for the rest of the day. The earnings have halved, which started also affecting his savings and domestic expenditure. Apart from him, the business had eight employees to look after customers that included safari drivers, chefs, cleaners, and administrators. The situation was even more worrisome for the owner as he has no other source of earnings. As a result, dealing with fixed expenses in terms of fuel, electricity, staff food, accommodation, and salaries were becoming harder to handle.

Importantly, the owner noticed that the competitors out in the locality seemed to have good business in comparison, and most of them expressed no such massive decline in customer bookings.

Moreover, the Bedouin market and tourism in Oman, in general, was doing well (Ministry of Tourism, Oman, 2019). Upon the challenges Sand Delight Camp was facing, it was essential for him and his business to outline issues both internal and external and bring back his lost fortune. There lies a huge potential for the company in terms of its offerings and services, says the owner, the owner of the business just requires a robust consultancy to help underline pitfalls and areas for improvement for competitive survival and business sustenance in the long run.

Company Information and Challenge

Sand Delight camp is a desert safari tour and motel provider in the area of Bedouin, Oman. The area of Bedouin has received international acclaim for desert safari adventures across the globe. The area attracts tourists from around the world throughout the year. The destination is mainly a hot spot for visitors from countries with no desert safari and night stay places like North American and European countries. Sand Delight Camp has been in this business for nearly ten years now.

The company is one of the oldest to offer desert safari and night stay prospects in that area. Since 2007, the Sand Delight Camp has managed to attract people from across the globe particularly from France, Germany, the USA, Canada, Greece, Finland, Sweden, United Kingdom, Belgium, and Ireland. The company also managed occasionally to get few visitors from Asian countries like India and Japan. Conventionally, the owner gets people to visit and stay for two days on average. In terms of the price, Sand Delight Camp camp views itself to be fairly reasonable. The owner suggests that he charges 300 US Dollars per person per day, which provides one streamlined package including desert safari trips, camel rides, racing adventures, night stay, bonfire and music night along with two buffet meals. On a principle note, the company gets tourists mainly through referrals from prior visitors. As per the owner of Sand Delight Camp, the business has a lot of happy, satisfied, and loyal visitors that come and visit desert safari in alternate years.

Pertaining to the competition, there are dozens of other rivals in the market, offering similar services and facilities. At once, the Sand Delight Camp can accommodate 20 Visitors with the full Package. The company has been getting a good number of customers and bookings for more than a decade up till late 2015 when it started noticing downfall in the overall bookings.

SWOT Analysis

Business challenges can be considerably outlined by examining the internal and external critical prospects a business is facing. Consultation

and recommendation pertaining to the first two objectives of the case henceforth can be responsively obtained through this dual prospect examination. Popular framework in this regard is Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis. The SWOT analysis model essentially asserts the close review of a business entity's internal strengths and weaknesses, opportunities and threats from the external environment. The report attempts to examine how Sand Delight Camp has been operating, and the service features it provides to outline its potential strengths that could be further capitalized upon and weaknesses that could be addressed for competitive sustenance. Accordingly, the SWOT analysis would help the owner find out considerable threats from the market, competitors and tourism sector of the area that require to be avoided and available opportunities that could be ideally utilized to strengthen the business.

Strengths

- Capacity
- Credibility
- Good Will

Weaknesses

- Limited Packages
- Menu
- Technology Access
- Promotional Offers

Opportunities

- Social media
- Networking
- Partnership
- Emerging Markets

Threats

- No of Service Providers
- Technology Lapse
- Casualties & Cash Flow

Strengths

The critical business and operational analysis were conducted at first to underline the strengths of the Sand Delight Camp. The evaluation suggested that the company can accommodate 20 visitors at the same time with full-length service, which is its strength. Conventionally, similar service providers in the area of Bedouin have a maximum of 15-person capacity. This critically outlines the fact that the company (Sand Delight Camp) has more potential and resource availability to accommodate customers; hence, raising cash flow. In parallel, the credit analysis report and rating scores outlined that the business also has a good reputation in terms of credibility and service reliance. Since Sand Delight Camp is operating since 2007, the company has a distinguished name, which can also be considered as a mature strength of a business. Besides, the owner of the business also views the name of the company to be unique and attractive, especially in comparison with other rivals in the same area.

Weaknesses

The business analysis outlines that Sand Delight Camp lacks in a variety of different areas, which could be one of the potential reasons behind its declining customer numbers. At first, the business has not upgraded in terms of the packages. Sand Delight Camp has been offering the same package for nearly seven years now since the last time it had modified it. Therein, the traditional food, along with casual cuisines have also remained the same for so many years now. Likewise, the business is not available online or promoting its offering through social media.

The principle customer and tourist attraction is done through referrals and one to one marketing. The company is, however, listed in online booking websites but has no dedicated social media presence. Similarly, the owner of the business lacks communication skills, especially when it comes to English. In parallel, the company has no price promotions for loyal customers. Accordingly, Sand Delight Camp has a

one-off price package for all seasons, which is surprising since visitors come in different seasons based on their availability and financial conditions.

Lastly, pertaining to handling and effectively managing customers especially when the accommodation is fully occupied, could be a challenge for the limited staff of 8 individuals, which also includes the three 4x4 drivers.

Opportunities

Critical evaluation of the business prospects available for the Sand Delight Camp outlines several opportunities for the business. The market evaluation and external environment assessment highlights that several countries could be potentially marketed by Sand Delight Camp Desert Safari and night stay opportunities. Social media is another important avenue for the Sand Delight Camp to capitalize upon and enhance its business performance. The use of social media has become a standard feature for business globally across all sectors, and business types and, therefore, could be of a massive significance for Sand Delight Camp to remain competitively ahead.

There is a major untapped market that could be potentially approached, which includes emerging economies in the Asian and African continents. Through proper channelization and networking, it can be marketed with high significance. In parallel, the market can also be tracked for potential native visitors and customers. Simultaneously, additional amenities and features may also be taken into consideration for the responsive maximization of the visitors as the Bedouin is still one of the most rated places for foreign visitors coming to Oman. Moreover, the external environment analysis also suggests that there is a major platform lying for connecting the business and tour providers in Oman, particularly in the Bedouin region. Such collaboration can be of prominent value with regards to harmonizing and furthering visitors and clients in the long run.

Threats

The increasing market competition could be viewed as a major threat to the Sand Delight Camp. The external market analysis has outlined several businesses opening and offering multiple facilities that could be of a potential challenge for the business in the coming years. Likewise, the market positioning and lack of connectivity of Sand Delight Camp with other tour operators in the region can also be of a potential threat flaw, providing other rivals a competitive position to attract more visitors and bookings.

In addition, other desert safari tour providers are offering multiple packages, cuisines, and services that can also be of potential threat for Sand Delight Camp in the long run. It is also important to establish that since the business is lacking in terms of its availability on social media and any other notable technology platforms, specially tailored for tour providers, the probability of Sand Delight Camp in attracting new customers becomes very low. Capitalization of multiple sources in this regard can be of importance in gaining a considerable share in the market. Hence, technology can be viewed as a threat to the business. Similarly, the decreasing cash flows can also be regarded as a potential threat, causing problems for the Sand Delight Camp to handle any unforeseen external causalities. Likewise, the growing number of desert safari providers in the Bedouin area can also be an issue for the Sand Delight Camp. The increasing number of service providers is a competitive threat for everyone operating in the sector.

Seemingly, there are several factors that the Sand Delight Camp ought to tackle to regain its lost market share. Therein, the SWOT analysis to this stage has notably outlined critical prospects followed by prominent opportunities that it may capitalize on strengthening itself further. In parallel, the important internal weaknesses of the Sand Delight Camp and the external market threats have also been highlighted that requires urgent attention from the company ownership for competitive position in the market.

Discussion Questions

Q1. How do you view the tourism sector and its importance for economies these days?

Q2. Evaluate the strengths, weaknesses, opportunities, and threats of Sand Delight Camp Safari and suggest a detailed action plan for the business.

Q3. Given the position of managing director for the business, what alternative strategies you would suggest?

Exhibit 1: Oman Desert Camps- Random Clicks





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