

אל על

הכי בבית בעולם

EL AL's story is intertwined with the history of the State of Israel. The opening of the skies to competition and a series of strategic challenges in the global airline market have forced the company to develop new horizons that would maintain and reinforce the brand and its status in Israel as well as around the world as the civilian airline of Israel and the Jewish people

Although officially founded in 1949, EL AL took its first flight in September 1948, bringing President Chaim Weizmann from Geneva to Israel. In 2005 the company's privatization was completed and ownership was transferred to "Knafaim". Throughout the years, the company reinforced its status as the national carrier of Israel and the Jewish people.

The Competitive Environment

The global airline market, considered one of the most competitive markets in the world, is constantly changing in order to adapt itself to the consumer, technological and business environment. Rapidly developing competition and open skies in Israel for regular and Low Cost airlines, combined with a unique geopolitical environment, creates extremely complicated challenges for EL AL.

The Marketing Challenge

EL AL must distinguish itself and create strong preference among clients in a reality of increasing competition in the airline industry.

In order to create Israeli customer identification and

based on the realization that consumer culture is undergoing localization in general, and as brands in particular, EL AL places "Israeliness" at the top of its values in order to link the brand with the values that make up Israelis: heritage, warmth, belonging, security, national pride, caring, boldness, connection to values, etc.

In order to cope with the marketing challenge and competitive environment, EL AL has decided to initiate and expand its basket of products and services in order to become the first choice for Israeli and foreign travelers while adhering to the values and advantages that differentiate the brand and for which customers choose to fly EL AL: the pilots, the homelike service and physical, as well as personal security.

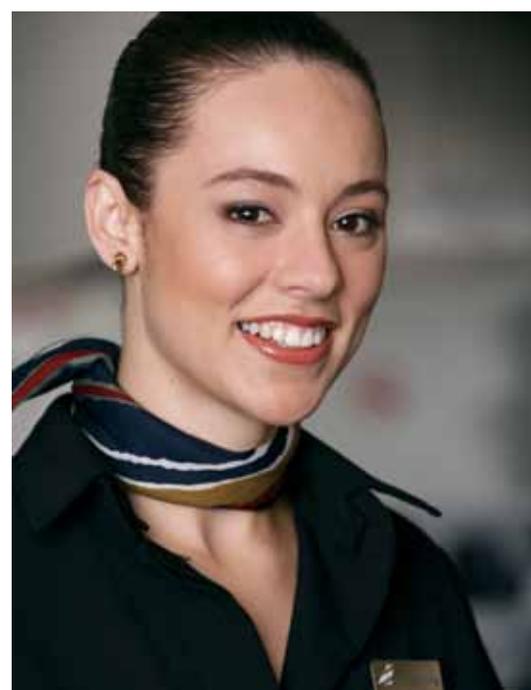


Plan of Action

Strengthening the brand and its values – brand identification of EL AL is focused on four differentiating values:

"It's not just an airline. It's Israel" (service components of warmth, family, familiar service, access and availability, familiar language).

"Israeli pride" (maintaining EL AL's status as a national





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symbol that proudly bears the Israeli flag around the world).

"International Excellence" (strive for excellence in relation to leading airlines around the world with emphasis on measurable standards) and: "Constant Renewal".

Strategic connections with leading Israeli and foreign organizations – these connections are made in Israel and around the world in a variety of sectors (insurance, airline, hotels, car rental, etc.) in order to offer customers the finest products and services.

Upgrading customer experience – In recent years, the company has made a concerted effort to create a uniform and unique brand experience in every contact point with customers – before, during and after the flight. In order to begin the experience while still on the ground, new

and unique services have been launched such as online check-in, pre-flight services from home and cellular applications. The flight experience improved through culinary upgrades, launched by connecting with Chef Moshe Segev, who developed for EL AL a series of cold and hot meals for all flight classes. The new menus place particular emphasis on the use of health and fresh ingredients served with upgraded flatware and cutlery.

Upgrade of sales channels and marketing initiatives – In recent years, EL AL has developed a direct interface with consumers through a website and telephone call center. It has recently upgraded its website to allow customers to make reservations online – in three languages (Hebrew, English and Russian) through an updated, user-friendly reservations engine.

Upgrade loyalty channels – EL AL has and continues to improve and enhance the frequent flier club as a platform to create long-term loyalty. The company has recently launched the GLOBALLY program for club members who



are foreign customers in which EL AL contributes 5% of all points they accumulate.

Expansion of routes – EL AL has in recent years expanded its routes and destinations that it offers its customers, primarily through cooperation agreements with airlines such as American Airlines, American Jet Blue, Westjet, S7 and Air China.

Launch and development of Far East destinations – EL AL has significantly increased the frequency of flights and number of seats to Far East destinations in 2010 – China, India, Thailand, while focusing on the needs of premium segment and business sector.

Entry into the domestic tourism market – In August 2010 EL AL has launched its first regular line in Israel – to Eilat. This line represents a breakthrough for incoming and outgoing tourism consumers due to the possibility of connecting the route to all EL AL flights around the world. The new line has helped bring the suburbs closer

Things You Didn't Know About EL AL

- The name EL AL was chosen by David Remez, Israel's first Minister of Transportation. The name was borrowed from a verse in the Book of Hosea.
- In 1961, EL AL set a world record in nonstop commercial flights from Tel-Aviv to New York without any stopover in a Boeing 707.

to central Israel and develop a new tourism option for incoming traffic to Israel.

Marketing Achievements

EL AL has maintained its status as national symbol and was chosen in various surveys as the Number 1 brand in Israel and as the preferred airline by the public.

EL AL is among the leading airlines around the world in operational precision and low percentage of baggage losses.

An American survey has ranked EL AL before American companies as 'the preferred airline for flights to and from the Middle East to the US'.

The company has recently made the finals in the international APEX competition, which crowns the best airline in the world. EL AL has made the finals in six categories and was voted as a candidate to win the title: the airline that provides the best customer experience.



1948

EL AL takes off; first flight hosts President Chaim Weizmann.

1950-6

EL AL leads in airlifting to Israel Jews from Yemen, Iran and India in Operations "Magic Carpet" and "Ezra and Nehemiah".

1991

1,087 Ethiopian immigrants enter one jumbo jet in "Operation Solomon".

2005

EL AL privatization is completed. Company is now controlled by "Knafaim".

2010

Chef Moshe Segev creates new menus served on EL AL flights.