

Green Entrepreneurship

Successful business cases of Green Entrepreneurs in the Mediterranean



EcoBike Cycling Vacations: Israel's leading cycle tour company

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Name:	EcoBike Cycling Vacations
City, country:	Operations based from Ramat Gan, Israel
Name of entrepreneur/ founder:	Amir Rockman and Tomer Zaksenberg
Description:	Bicycle tour company offering high quality cycling tours in Israel.
Investment:	Start up capital: 8,500 US Dollars Rate of return on investment: Not applicable, used own funds to start up the business Sources of funding: Sale of tours
Stakeholders:	Family, travel agents, internet, a specific cycling NGO, trained tour guides
Employment generation:	3 full time, 4 freelance tour guides
Timeline:	Dec 2008: set up business, launched website, first tour (only part time dedication from founders) 6 months – 2 years: full time positions May 2010 – started to be profitable
Feasibility study:	The founders did research into what was already on offer in the tourism sector, and discovered a niche opportunity – to offer high quality bike tours in Israel. They saw a demand for their product - while cycling tours abroad for the Israeli market is popular, no one was offering this type of service within Israel.
Geo-social-economic setting:	In Israel tourism is on the rise with currently 3.5m tourists visiting every year (up from 1m in 2007). Cycling is also rising by 10% every year.
Key features:	A high quality customer oriented service that offers travelers the opportunity to see the real essence of Israel, an experience which you can't get from a typical plane or bus guided tour.
Overall rational and motivation:	The economic driver for this project is significant, as a clear business opportunity was identified, there is a clear demand for the product and therefore high prices can be charged. Another key motivation is to promote cycling as a more friendly way to travel, both environmentally and socially as people are much more likely to open their door to a tourist on a bike, than one who steps off a bus. Tour operations are also run in an environmentally friendly way (e.g. waste minimization in catering, avoiding use of plastic plates). Both founders are passionate about cycling and believe in their product.

Strengths:	A unique, high quality product and customer oriented service and having in house infrastructure (bikes, van etc).
Challenges and constraints:	Setting standards for the product – how hard should the tours be, what kind of hotel do people expect, what kind of food etc. Pricing was also a challenge to start with as there are no direct competitors to compare with. The lack of cycling infrastructure in Israel is a major challenge. Guide training is intense and requires considerable resources; the logistics is complex and reliant on highly trained staff.
Direct activities and Impacts:	<i>Social:</i> 400 people have been on the one day tour and 100 on the longer tours. <i>Environmental:</i> Voluntary time has been dedicated to the Green Party and Cycling Alliance <i>Economic:</i> 7 people are employed by the organization.
Use of innovative Technologies:	Use of innovative technologies: Facebook and Google ads are used to promote the organization. Facebook is considered as something the business “has to do”. GPS are used to map the routes. The company also owns a popular website and constantly receives client testimonials via TripAdvisor.
Evidence of a holistic approach/world view:	Engaging tourism in Israel with a sustainable mode of travel. This is still seen as a totally unconventional idea, and others are genuinely surprised to know there is real demand for such a service.
Scale of benefits:	7 people employed, over 500 customers to date, 350 friends on facebook.
Policies, incentives and regulations needed:	Initial capital investment in new environmental businesses as well as improved cycling infrastructure in Israel to make the business more viable and manageable.
Lessons and recommendations:	Write a business plan before starting business. Don't disappoint clients with promises that can't be met, if you want to make your company sustainable - make sure you have the finances worked out.
References:	www.ecobike.co.il, http://liveshots.blogs.foxnews.com/2010/10/20/wounded-warriors-visit-israel/ http://www.jpost.com/LocalIsrael/TelAvivAndCenter/Article.aspx?id=183150 http://www.tripadvisor.com/Attraction_Review-g293983-d1976647-Reviews-Bike_Jerusalem_Private_Tours-Jerusalem.html