

**NEAR EAST UNIVERSITY**



**Faculty of Economics & Administrative  
Sciences**

**BUSINESS ADMINISTRATION DEPARTMENT**

**EZİÇ CHICKEN BAR LTD.**

**Graduation Project  
MAN 400**

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**Nicosia - 2002**



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## ACKNOWLEDGEMENT

This project has materialized as a requirement of the course, coded MAN 400 for the Business Administration Department of the Near East University. And I take this opportunity to thank the instructor, **Asst. Prof. Dr. Erdal GÜRYAY** and **Mr. Hasan SARICA** for offering this course and supporting efforts during this project.

Also I take this chance to thank all the teachers of the business administration department for their efforts and contributions in the past four years, during which, they have given an opportunity to develop knowledge, brighten visions, and take a step further in life for all students.

## ABSTRACT

This project is to show what have learned at your prestigious university. And now experiencing what have learned and understood through the long journey of education in the business department.

This project is about Ezic Chicken Bar Ltd where have covered a wide area of it, which is divided into four chapters.



## INTRODUCTION

Small business role in all economies around the world has been the backbone of creativity, and the building base for future international households of attraction for investment. Through a look at a small business established in the Turkish Republic of Northern Cyprus and its life cycle's operations, try to evaluate in this project some of the problems and setbacks that one of these small business establishments face.

The representation in this task signifies the strategic objective plan of Ezic Chicken Bar Ltd. This study is written for the individual who desires to learn about the strategic plan. The material in this study is apposite for the business people. And this research worked on Ezic Chicken Bar Ltd and has shown a structure and special prominence, which is given on the strategic objective plan of Ezic Chicken Bar Ltd.

The Workshop here is to develop the Start Plan involves decision-makers in the analysis of the business's environment and evaluates the organization's competitive advantage. It helps planners to understand the environment, culture and core competencies.

This project have prepared contains parts defined as four chapters. Each chapter begins with contents that list the subjects in each section. The contents listing are followed by a list of chapter objectives. Starting in the first with the introduction that describes the aim of the study, theory of the study, structure of the study, limitation and methodology. And the first chapter will be an overall view of Ezic Chicken Bar Ltd., in the beginning, start by explaining in the historical background how the restaurant was established and how its operations developed through the years, and later on this chapter show the profile, and the management structure to give a more clear look at this business's functions, role, and headings. Later on, close this chapter by giving the financial summery review for the year 2000, to serve as result and a print that shows the business income statement.

The second chapter will show the mission and vision of the business and later on this chapter also will be giving the managements' look at their objectives, and the

competitive strategy, and how these are set and formulated in the current condition and for what reasons.

In the third chapter, which will be about situational analysis, will be showing the restaurant's five-forces model of competition in the local market and how they maneuver through with their advantages and later on will continue with construct a product life cycle, a SWOT and a PEST analysis to show external and internal environments effects on the business and how its management is viewing its opportunities.

The fourth and last chapter will be about the evaluation of the existing problems and solutions for small businesses, goods and services, and employment problems and solutions in the Turkish Republic of Northern Cyprus.

A glossary is provided at the end of the study. In any subject area, there are many terms and concepts to be learned. The glossary will provide you with the opportunity to be sure that you understand the exact meaning of these terms, phrases, and abbreviations.

## **I. EZIC CHICKEN BAR LTD OVERVIEW**

This chapter is discussing how the Ezic Chicken Bar Ltd. began, then will see the profiles of the firm, structure of the business and how Ezic Chicken Bar Ltd run over the year 2000 on their financial performance.

### **1.1. Historical evaluation**

On 25<sup>th</sup> of December 1990, the Ezic Chicken Bar Ltd was established on Mete Adanir Cad. - Girne on the Turkish Republic Of Northern Cyprus with a capital of 5.500.000 TL (USD1= 17000 TL) and starting equipments profile of one grill machine, one table, one chair, one refrigerator and a cash machine. The owner and establisher Mr. Mehmet Ezic was the only labor force available at the time.

For the next five years Mr. Ezic establishment continued its work as small take away restaurant with a limited menu of two products- grill chicken and the local bulgur kofte.

At the end of 1995 Mr. Ezic took advantage of a chance he saw in hand and moved to a new location he purchased, which was in the same street but only thirty meters a way from its old location, and on the new opening the restaurant was serving a larger menu in three section s one for take away, delivery and in location. By that time he increased his labor to twelve employees of whom two were chefs, three were cooks, three waiters, two cleanses and two for delivery while Mr. Ezic was the head manager and cashier.

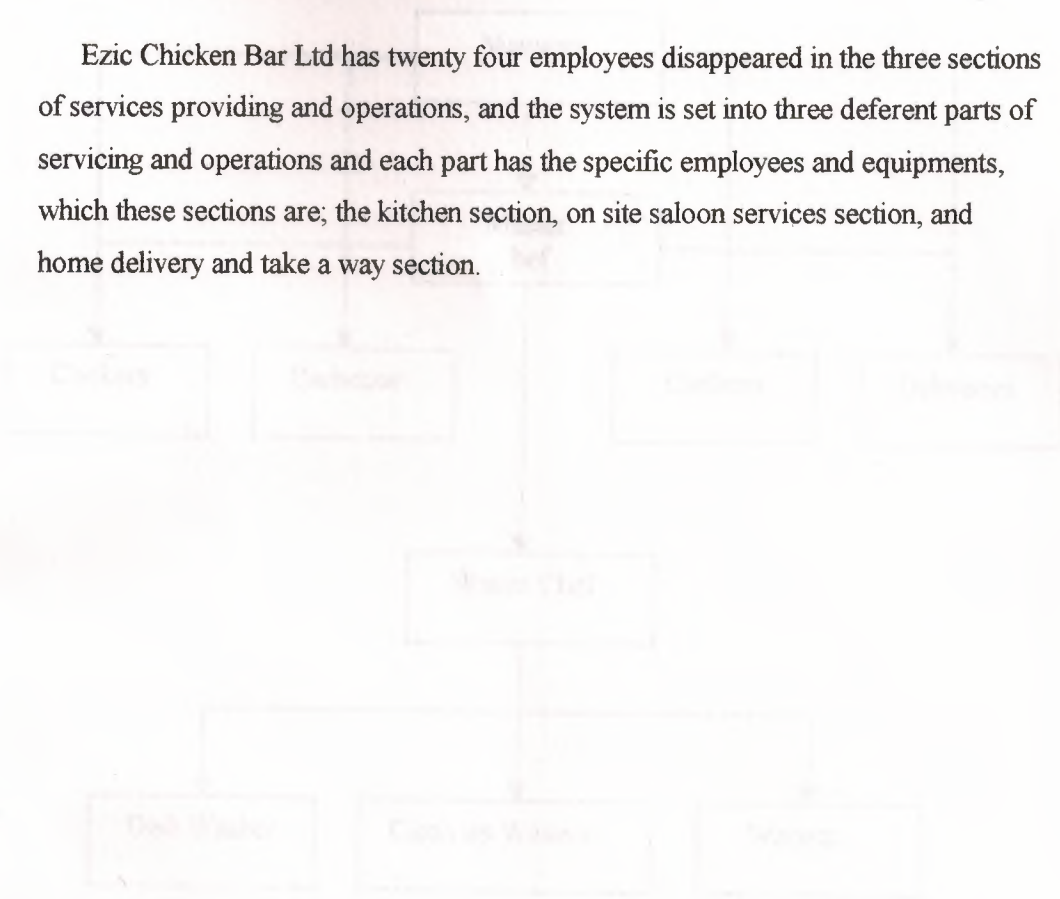
Since 1995 and until today the restaurant is still located at the same position but has acquired and extra twelve employees, and an enlargement in its equipment, menu, and on site services (for summer time) and improvements in decoration.



## 1.2. Profile of Ezic Chicken Bar Ltd

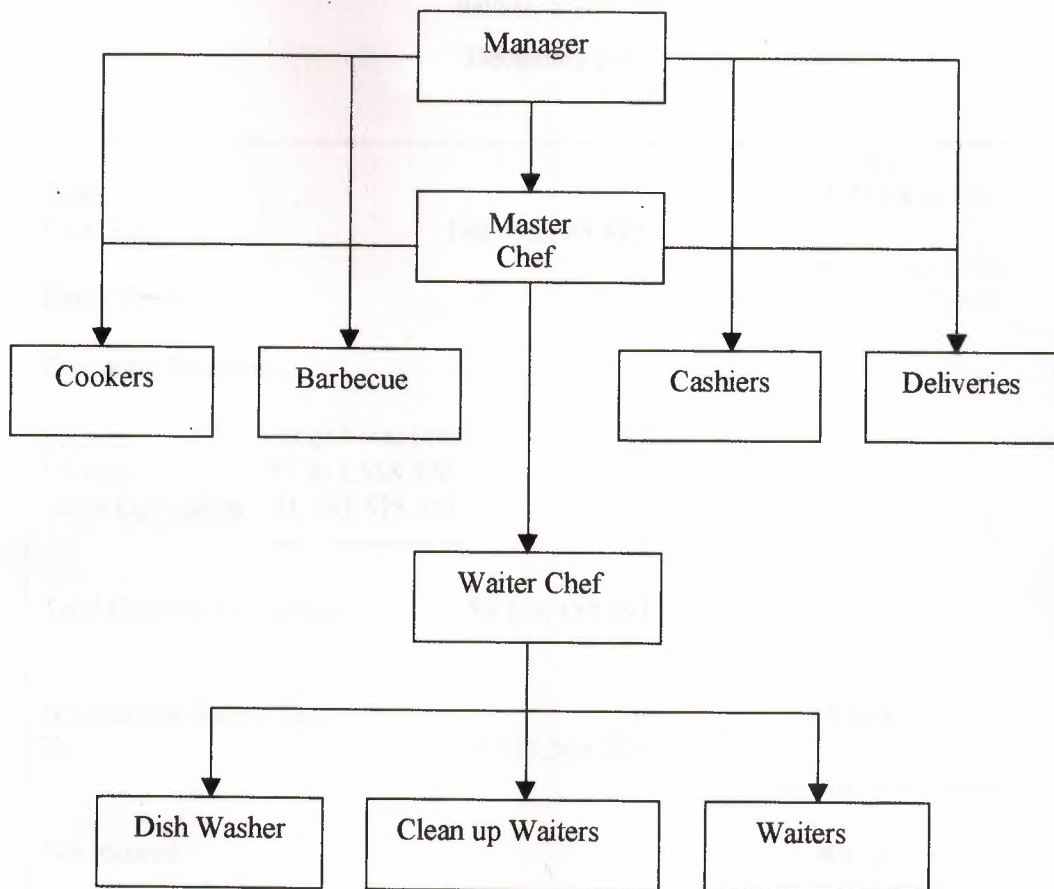
In this research have divided the profile section of Ezic chicken Bar Ltd into three parts to clarify the division of labor used in the small restaurant business in the Turkish Republic Of Northern Cyprus like Ezic.

Ezic Chicken Bar Ltd has twenty four employees disappeared in the three sections of services providing and operations, and the system is set into three deferent parts of servicing and operations and each part has the specific employees and equipments, which these sections are; the kitchen section, on site saloon services section, and home delivery and take a way section.





### 1.3. Ezic Chicken Bar Ltd structure



#### 1.4. Financial summary review for year 2000

Ezic chicken Bar Ltd

Income Statement

December 2000

		TL
Sales		251.753.828.464
C.O.G.S.	188.063.685.495	
		-----
Gross Profit		63.690.142.969
Operating Expenses:		
Salaries	30.263.000.000	
Utilities	11.311.558.470	
Other Operations	16.581.578.621	
		-----
Total Operating Expenses	58.156.137.091	
		-----
Net Income Before Tax		5.659.569.466
Tax	1.517.564.231	
		-----
Net Income		4.142.005.235
		=====

Source: Ezic Chicken Bar Limited Finical Annual Report for year 2000.

## **II. BUSINESS OBJECTIVE AND STRATEGY**

### **2.1. Mission of Ezic Chicken Bar Ltd**

#### **Vision**

Mr. Ezic is aiming to enlarge his business into a high class, quality time restaurant that provides a children corner, adequate parking area and small garden to be the number one chicken restaurant in the Turkish Republic Of Northern Cyprus.

#### **Mission**

To reach these headings Mr. Ezic is at the time being negotiating for buying a new location close by to the old one, menu<sup>1</sup> improvement strategy (two menu available; one on location service and one for take a way) in practice is by canceling non-demanded dishes and adding new ones every year or in the time needed, waiters on stand-by at all times and watching for any customer need on time (if any need arises usually customer don't ask for it because it served before asking). On time home delivers and especially in winter, working on a new advertising package every year, and if any dislike appears on the face of a customer, the customer will be asked if any thing is wrong or needed.

#### **Values**

The key elements of Ezic Chicken Bar Ltd success depend on quality, value, service, innovation and trust.

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<sup>1</sup> See menu added in appendix.

## **2.2.Objectives of Ezic Chicken Bar Ltd**

### **Financial objective**

- Stable earnings during the resent recession period.

### **Strategic objective**

#### **Short-range strategic objectives**

- To provide a large parking area in a close by empty land.
- New advertisement campaign to be launched after the new year.

#### **Long-range strategic objectives**

- Re-open in a new location with a bigger building and extra facilities like a section for children games, and a special occasion saloon.
- Opening an other branch in Lefkosa.



### 2.3.Competitive strategy of Ezic Chicken Bar Ltd

Ezic chicken bar ltd differentiated their products to serve customers needs with maximum satisfaction. And this creates an atmosphere of links between the customers and Ezic Chicken Bar Ltd. One of the main points of attraction in getting more and more customers to Ezic Chicken Bar Ltd are their differentiation strategies, which will strengthen the knot between Ezic Chicken Bar Ltd and their customers.

The choice to niche in a chicken menu and the creation of a large one like the one Ezic Chicken Bar Ltd is using is a concentration on a certain customer segment but with the choices given on the menu, the differentiation of the product became an easy job at some level for the business. But increased the segments available choices to create a true niche and a verity that is in that niche and that is a contributing product differentiation.

### III. SITUATIONAL ANALYSIS

#### 3.1. The five-forces model of competition

Competitive strategy consists of moves to; attract customer, withstand competitive pressures and growth firm's market position. Objective is earning a competitive advantage. In this condition company's (Ezic Chicken Bar Ltd) need apply to effectively five-forces model of competition strategies for earn a competitive advantage's.

##### **Threat of new entrants**

- No barriers to entry.
- A larger barrier to exit because too much money is spent upon entry.

##### **Power of buyers**

The power of the buyer is one of the most important aspects that will indicate the competitive force. It enables the firm to measure its profitability with almost great accuracy, and by doing so this may happen in several ways.

Including the firm's product when representing a high proportion of the buyer's cost, which leads the buyer to gradually be more sensitive to the price. There are also several firms supplying similar products. A lot of information is available to buyers, so the Ezic Chicken Bar Ltd. has to face a huge amount of switching costs.

##### **Threat of substitute**

The threat of substitutes is very straightforward sub topic, which makes Ezic Chicken Bar Ltd. aware of the different threats that competitors apply in many fields including service-wise and price-wise. And this leaves them very wide-awake of vital threats that surround them. Many kinds of the substitutes are there which the competitors are making and which satisfies similar needs in the profit making areas.

##### **Power of supplier**

The supplier power is also another important aspect that helps in the leading of the Ezic Chicken Bar Ltd industry. When switching to a supplier the price range differs

and therefore may become very expensive. There are number of suppliers available in the firm like Kirni Pilicleri where Ezic Chicken Bar Ltd has an agreement payment in week. The suppliers are legal and they have the legal status.

### **Rivalry**

Rivalry is more like the first competitor in the same industry with Ezic Chicken Bar Ltd. and this may be presented in several ways in Lefkosa and Girne, There are many competitions so in that case of competition the Ezic Chicken Bar Ltd contentious to gain the upper land on Girne where is no rivalry effecting them directly and they try to fight every type of battles like price aware, advertising, and sale promotion.

### **3.2. Product life cycle**

One of the earliest and best known conceptual frameworks in marketing planning is the product life cycle concept. As the name implies, this concept is based on the notion that all products and services have finite lives. In addition, during this life it is suggested that products pass through a number of distinct stages. The four basic stages found in most descriptions of the product life cycle are:

Introduction.

Growth.

Maturity.

Decline.

The product life cycle framework has several suggested uses with regard to marketing planning. However, for our purposes we are interested in the use of the product life cycle for identifying alternative strategic choices. It is suggested that at most appropriate. The characteristics of each stage are outlined below.

#### **Introductory Stage**

As the name suggests, this is the first stage in the life cycle of a product or market and, is characterized by relatively slow growth in the sales of the product as the market is first developed. Not surprisingly, this stage is critical to future success and in fact many new products never make it past this stage. At this stage there are likely



to be few competitors and costs are likely to be high. The suggestion is that heavy promotional expenditures are likely to be needed in order to inform potential customers and to induce trial. According to market and other conditions, a strategy of either charging high initial prices called 'market skimming pricing' or charging relatively low initial prices called 'market penetration pricing' may be used.

### **Growth Stage**

At this stage sales rise rapidly, as indeed to profits. Competition will start to enter the market and will gradually increase. Strategies during this stage should focus on building the market share and continuing the accelerating sales of the product. Even at this stage the company may need to look to improving product quality and adding new product features. If a high initial skimming price has been used, prices will need to be lowered to expand the market.

### **Maturity Stage**

At this stage sales begin to peak and start to decline. Profits may decline even more rapidly. A characteristic of this stage is intense competition as competitors fight for share in a market where sales are slowing. Often special promotional deals will be required at this stage to try to tempt further buyers and above all to build and maintain brand and dealer loyalty.

### **Decline Stage**

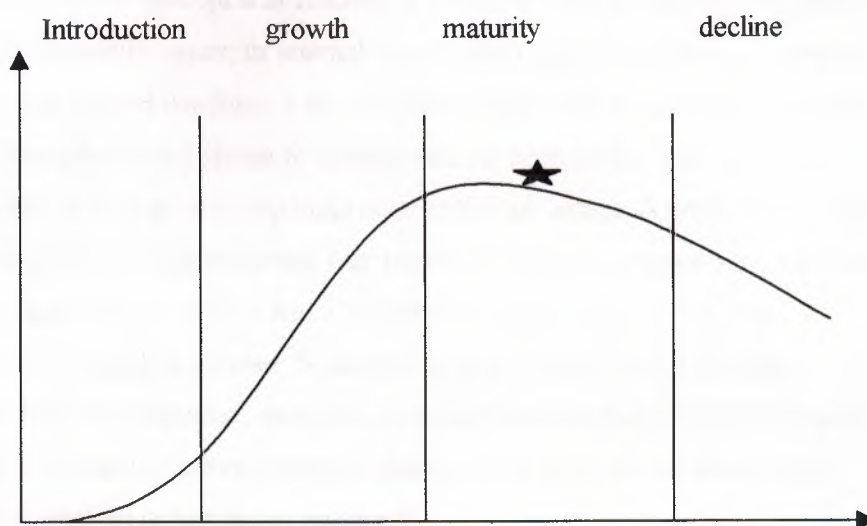
At this stage sales are definitely on a downward spiral as product or market enters its twilight. Suggested strategies at this stage include, for example, cutting prices, product updates and dealer promotions. Eventually, the marketing manager will have to assess when the product should be withdrawn from the market, with possibly new ones being introduced to replace it.

The product life cycle therefore suggests alternative strategies according to the stage at which a product or market is situated. As you are probably aware, the product life cycle has become somewhat unfashionable as a planning tool, in part at least because of a number of criticisms regarding the concept. For example, some suggested that the concept is too simplistic and that many products do not exhibit the class S-shaped curve that we have discussed. Similarly, some suggest that products do



not have 'natural' life cycles at all and that the concept can be dangerous because it becomes a self-fulfilling prophecy. There is no doubt that there are limitations to the product life cycle concept, but the view taken here is that, used with care and judgment, the concept does still provide potentially useful insights in to the development of alternative marketing strategies. Partly because of the criticisms of the product life cycle concept, however, a number of more complex alternative conceptual frameworks of strategic choice have been developed, including the ones we have selected to outline here<sup>2</sup>.

**Chart 3.2.1.**Product Life Cycle of Ezic Chicken Bar Ltd.



At this stage maturity stage of product life cycle of the industry as whole and by taking the sales of Ezic Chicken Bar Ltd is begin to peak and start to decline. Profit may decline also more rapidly, a characteristic of this stage is intense competition as competitors fight for share in a market where sale are slowing. Special promotional deals require trying to tempt further daily loyalty.

<sup>2</sup> WRIGHT P., KROLL M.J., PARNEL J (1998), **Strategic Management**, Prentice Hall, Upper Saddle River, New Jersey 07458.

### 3.3. SWOT Analysis

SWOT analysis involves sizing up firm's internal (strength and weaknesses) and external (opportunities and threats) position.

#### Identifying Internal Strengths And Weaknesses

Strength is something the firm is good at or a characteristic giving it an important capability. Such as; useful skill, important knows how's, valuable organizational resource or competitive capability, and achievement giving firm a market advantage.

Weakness is something firm lacks, does poorly, or condition placing it at a disadvantage. Basic concept is as follows. A company's internal strengths usually represent competitive assets; its internal weaknesses usually represent competitive liabilities. The desired condition is for the assets to outweigh the liabilities by a hefty margin. Strengths are significant to strategy making because they can: serve as cornerstones of strategy and help build competitive advantage. A good strategy aims at correcting firm's weaknesses that can: make it vulnerable, prevent it from pursuing attractive opportunities and put it at a competitive disadvantage. Here strategic management principle is follows: Successful strategists seek to exploit what a company does best: expertise, strengths, core competencies and strongest competitive capabilities. A strategist shuns strategies placing heavy demands on areas where company is weakest or has unproven ability.

#### Identifying External Opportunities

Opportunities most relevant to a firm are factors in external environment offering some kind of competitive advantage and important avenues for growth. external factors posing a danger to firm as follows:

1. Emergence of cheaper technologies
2. Introduction of new/better products by rivals
3. Entry of low cost foreign competitors
4. New regulations
5. Vulnerability to rise in interest rates
6. Potential of hostile takeover

7. Unfavorable demographic shifts
8. Adverse shifts in foreign exchange rates
9. Political upheaval in a country.

A company's opportunities and threats are significant because they affect attractiveness of firm's situation and point to need for strategic action. Strategic principle is: A good strategy is always aimed at capturing a company's best growth opportunities and creating defenses against threats to its competitive position and future performance. Otherwise, it doesn't fit the companies<sup>3</sup>.

### **Role of SWOT analysis strategy**

SWOT analysis helps answer the following key questions.

- a. Does firm have internal strengths and attractive strategy can be build on?
- b. Which weaknesses does strategy need to correct?
- c. Do firm's weaknesses disqualify it from pursuing certain opportunities?
- d. Which opportunities does firm has resources to pursue with a chance of success?
- e. What threats should firm worry most about?

### **SWOT Analysis Of Ezic Chicken Bar Ltd.**

#### **Strengths**

- Has a good background
- Has a excellent place in the center of Girne
- Famous and tourism location in the T.R.N.C.
- Different menus and different types of services
- Have a good customer potential
- Have a experience workers working as teamwork
- Provide products for all consumers

<sup>3</sup> G.J. HOLLEY and JOHN SAUNDERS (1993), **Competitive Positioning-1<sup>ST</sup> Ed**, Redwood Books, GREAT BRITAIN,P.81.



**Weaknesses**

- Limited parking area
- No waiter speaking English
- No stability in price because of economic situation
- Management depending on one person (Mr.Ezic)

**Opportunities**

- Huge number of tourists
- Limited competition based on chicken in Girna
- Increasing in population

**Threats**

- Increase in competition in other cities
- Increase in costs because of economic crisis
- Government policy on control of restaurant sitting on pavements
- Easy entrance to market by new competitors.



### 3.4. PEST analysis

	Favorable	Unfavorable
Political	Peace negotiations between the Turkish Republic of northern Cyprus and Cyprus	
Legal		
Economic		Increase in taxation. Increase in utilities cost like electricity. High inflation level.
Demographic		Small population
Social	Girna as an attraction place. Girna American University.	A local believing the Girna is an expensive place.
Cultural	Girna 's historical places.	
Technological	Mobile communications ease connections.	
Natural	Girna position next to the Mediterranean sea.	

## IV. PROBLEMS AND SOLUTIONS EXIST

### 4.1.Small Business Problems And Solutions In T.R.N.C.

In T.R.N.C. small Business Company's are a lot and they face different kinds of problem, which occur in goods and services production, or in the employment sector and here we are going to see some of this problems and my recommendation in solutions of it.

Easy to see small businesses in our life everywhere but by concentrating on one type of business, which is investigating on this project and shall focus on the many problems restaurants face in T.R.N.C.

Small businesses investments in T.R.N. C. are fast food stores, restaurants, and fast food & restaurant together sometimes.

Some small businesses companies in the food and service sector in T.R.N.C can have their own farms to growth their meat, chicken and vegetables so they can solve % 40 of their cost problem. But also they have invested in their farms big prices, stock, utilities, and running expenses ... etc, which's a cost that later on will be projected in the final statements, much a complicated process to expect from a small business, and so the business here has to find out what is the best and affordable to use and which is not, this is a difficulty that small business running can't afford to undertake for its high costs and the professional level required to achieve it.

Some of Ezic Chicken Bar Ltd indirect competitors have advantages like this, its not important if they are in same city (Girne) or in other city like Lefkosa or they are serving their customers as restaurants or as fast foods, but they growth their chicken and decrease the chicken price to create a cost cutting advantage for their business. This separation is an effective value chain to create a big competitive advantage in the market.

Another problem that exists in the T.R.N.C is the latest instability of the economic conditions. Because of the high inflation levels that take place in T.R.N.C and the latest economic crisis in Turkey which effected the economic of the T.R.N.C directly, small businesses have incurred heavy losses or if not market slumping, as a result of currency

falling value the customer market witnessed a sharp fall of sales volume. In solving this problem we better look at available alternatives for what will happen to small businesses. These businesses can choose one of the following options;

- To keep their operations as they are, which is a non-logical behavior for these businesses men.
- To manage prices level with the increase in the currency so that customers will not feel the change in the increase in prices or for the business not to loose profit as a result for low prices.
- Keep their market share by minimizing there lose buy lowering there prices to a level that keeps their current customers attracted, so after the current condition ease up a bit they can re-plan their profit strategies. This is somewhat the most reasonable solution because it keeps the business position in the market that will later on help it re-launch its profit generation.
- They can create product cost cutting techniques to decrease price to a level that generates profit but satisfy their customers. This alternative is somewhat not easy nor cheap to achieve for most industries because most cost cuttings take place in the technology improvement that is expensive, quality deflecting from its required level, which is not preferred by business owner and customers.

One more difficulty and a very big problem is the entering of big businesses in the small markets with big cash, maneuverability, and marketing experiences. In the Turkish Republic of Northern Cyprus, that problem started to take place in the goods and services section like wholesales department stores that are growing in numbers and example for this; (METROPOL, followed by ASTRO, then LEMAR, in the capitol of Lefkosa and lately the opening of DEVPA and ONDER store) and now it's starting to take place in other markets in the Turkish Republic of Northern Cyprus because of the market being new to big marketing techniques, the increase of the consumer awareness, and increase in population.



#### **4.2. Goods & Service Problems and Solutions in T.R.N.C.**

No quality distribution process affects any company's services. Distribution channels must satisfy customer's quantity needs, and product's overall added value balance. Companies must balance their employee number and distribution channels to meet success requirements. In T.R.N.C small business sector distribution channels are very centralized in the small town, which they are established in and their operations range is usually very limited (example: Ezic's Chicken Bar Ltd operations are concentrated in Girna alone), indicating a low growth objective which is the opposite of what the owners dream to achieve and a shortcoming for the customers requirements for availability of goods.

Any advice that could be given in the mean time will be not achievable, unless it was about the protecting the resent market share for surviving in the resent economic conditions but in the future, strongly advise for enlarging the distribution networks in the small business sector for it is the first indication for preparing for increasing productivity and growth.



#### **4.3. Employment Problems and Solutions in T.R.N.C.**

The employment market in the T.R.N.C has many set downs;

The first shall explain is the markets lake for professional employees and that the bases for employing are way not professional as well, for most jobs are for cheep labor which has a low professional profile and does not fulfill the jobs capacity.

The second problem, which is of unique importance, is the large reliability of the employment market on foreign labor from Turkey which is cheaper, and that of course has a negative effect on the long run for job professionalism and the overall economic performance.

One last employment related problem is that small business employ their workers by looking at their past references and if they are good enough in the job to perform. But there is some problem in the employing process that takes place in changing their employees in a short period and periodically and for reasons like not affording to increase salaries for old employees, so that must be a loss for the company.

Solutions for these problems can be by evaluating the firms' principles. Like long-term employees' policies, education of the firm employees and the managers, plus creating some team or cooperation program that will promote good employee and management relations.

## CONCLUSION

Ezic Chicken Bar Ltd started before twelve years, when Mr. Mehmet Ezic found that there is an opportunity to open a restaurant in Girne serving only chicken. The business continued its growth for the next five years then changed his location on the place, which he bought it in same city. Ezich Chicken Bar Ltd developed its role key in the past six years; the restaurant became one of the leading chicken restaurants in T.R.N.C. for service, quality, take away and family saloon.

Vision of Ezic Chicken Bar Ltd is to enlarge the business to be the number one chicken restaurant in the Turkish Republic of Northern Cyprus. Their mission statement is to provide maximum quality to all customers in all departments, where the main assets of Ezic Chicken Bar Ltd mission statement depend on, menu improvement strategy, on time home delivering service, waiters on stand-by, and building a large parking area. The key elements of Ezic chicken Bar Ltd success depend on quality, value, service, food innovation and trust.

The objectives of Ezic Chicken Bar Ltd divided into two objectives, which are financial and strategic objectives, financial, which is to stabilize earnings during the resent recession period. And a strategic objective; to provide a large parking area in a short time range and re-open in a new location with a bigger building and extra facilities, opening an other branch in Lefkosa and this a along range strategic objective.

Ezic Chicken Bar Ltd value proposition is based on serving and introducing excellent foods at competitive prices. It's succeeded when Ezic Chicken Bar Ltd products offer customers more than they will find elsewhere, whether in terms of family saloon, take a way, or home delivery service. The strength of Ezic Chicken Bar Ltd is that there is no rivalry in the same city that can affect the market share in sales directly.

In beginning of chapter three the five-forces models of competition determine Ezic Chicken Bar Ltd profitability by analyzing the threat of new entrants which appear to not effect the market share of Ezic Chicken Bar Ltd, because they spent too



much money to enter which means they are out before entering, and also the new entrants need more time to get the confidence of customers like Ezic Chicken Bar Ltd customers which they built it through hard work in along time, but the only threat that can face Ezic Chicken Bar Ltd is in the take a way sector, because there are many fast foods restaurants in Girne. The power of buyers enables the firm to measure its profitability with almost great accuracy, including the firm's product when representing a high proportion of the buyer's cost, which leads the buyer to gradually be more sensitive to the price. As the threat of substitute is very straightforward sub topic, which makes Ezic chicken Bar Ltd aware of the different threats that competitors apply in many fields including package-wise and price-wise, this is especially found in the take a way and home delivery service sectors. When switching to a supplier the price range differs and therefore may become very expensive. But in Ezic Chicken Bar Ltd case it differs a bit and this is done through contracts with Kimi Pilicleri factory in agreement payment is weekly on week business credit. After all above rivalry is more like the first competitor in the same industry with Ezic Chicken Bar Ltd which can say its in the other city (lefkosa) and is not affecting Ezic Chicken Bar Ltd directly.

At the maturity stage of product life cycle the sale is begin to peak and start to decline. Profit may decline also more rapidly, a characteristic of this stage is strong competition as competitors fight for share in a market where sale are slowing. Special promotional deals require trying to tempt further daily loyalty.

SWOT analysis of Ezic Chicken Bar Ltd contain a lot of elements such as teamwork of the restaurant and the qualified experiences, Different menus and different types of services, Provide products for all consumers, and Ezic Chicken Bar Ltd has a excellent place in the center of Girne which is a famous and tourism location in the T.R.N.C. Weaknesses of Ezic Chicken Bar Ltd are Limited parking area, no waiter speaking good English, No stability in price because of economic situation, and management depending on one person (Mr. Ezic)

The opportunities of Ezic Chicken Bar Ltd are the huge number of tourists, limited competition based on chicken menus in Girna, and increasing in population. Where the threats face Ezic Chicken Bar Ltd are, the increase in competition in other cities and in costs because of economic crisis, government policy on control of

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Also I take this chance to thank all the teachers of the business administration department for their efforts and contributions in the past four years, during which, they have given an opportunity to develop knowledge, brighten visions, and take a step further in life for all students.

## ABSTRACT

This project is to show what have learned at your prestigious university. And now experiencing what have learned and understood through the long journey of education in the business department.

This project is about Ezic Chicken Bar Ltd where have covered a wide area of it, which is divided into four chapters.



## INTRODUCTION

Small business role in all economies around the world has been the backbone of creativity, and the building base for future international households of attraction for investment. Through a look at a small business established in the Turkish Republic of Northern Cyprus and its life cycle's operations, try to evaluate in this project some of the problems and setbacks that one of these small business establishments face.

The representation in this task signifies the strategic objective plan of Ezic Chicken Bar Ltd. This study is written for the individual who desires to learn about the strategic plan. The material in this study is apposite for the business people. And this research worked on Ezic Chicken Bar Ltd and has shown a structure and special prominence, which is given on the strategic objective plan of Ezic Chicken Bar Ltd.

The Workshop here is to develop the Start Plan involves decision-makers in the analysis of the business's environment and evaluates the organization's competitive advantage. It helps planners to understand the environment, culture and core competencies.

This project have prepared contains parts defined as four chapters. Each chapter begins with contents that list the subjects in each section. The contents listing are followed by a list of chapter objectives. Starting in the first with the introduction that describes the aim of the study, theory of the study, structure of the study, limitation and methodology. And the first chapter will be an overall view of Ezic Chicken Bar Ltd., in the beginning, start by explaining in the historical background how the restaurant was established and how its operations developed through the years, and later on this chapter show the profile, and the management structure to give a more clear look at this business's functions, role, and headings. Later on, close this chapter by giving the financial summery review for the year 2000, to serve as result and a print that shows the business income statement.

The second chapter will show the mission and vision of the business and later on this chapter also will be giving the managements' look at their objectives, and the

competitive strategy, and how these are set and formulated in the current condition and for what reasons.

In the third chapter, which will be about situational analysis, will be showing the restaurant's five-forces model of competition in the local market and how they maneuver through with their advantages and later on will continue with construct a product life cycle, a SWOT and a PEST analysis to show external and internal environments effects on the business and how its management is viewing its opportunities.

The fourth and last chapter will be about the evaluation of the existing problems and solutions for small businesses, goods and services, and employment problems and solutions in the Turkish Republic of Northern Cyprus.

A glossary is provided at the end of the study. In any subject area, there are many terms and concepts to be learned. The glossary will provide you with the opportunity to be sure that you understand the exact meaning of these terms, phrases, and abbreviations.

## **I. EZIC CHICKEN BAR LTD OVERVIEW**

This chapter is discussing how the Ezic Chicken Bar Ltd. began, then will see the profiles of the firm, structure of the business and how Ezic Chicken Bar Ltd run over the year 2000 on their financial performance.

### **1.1. Historical evaluation**

On 25<sup>th</sup> of December 1990, the Ezic Chicken Bar Ltd was established on Mete Adanir Cad. - Girne on the Turkish Republic Of Northern Cyprus with a capital of 5.500.000 TL (USD1= 17000 TL) and starting equipments profile of one grill machine, one table, one chair, one refrigerator and a cash machine. The owner and establisher Mr. Mehmet Ezic was the only labor force available at the time.

For the next five years Mr. Ezic establishment continued its work as small take away restaurant with a limited menu of two products- grill chicken and the local bulgur kofte.

At the end of 1995 Mr. Ezic took advantage of a chance he saw in hand and moved to a new location he purchased, which was in the same street but only thirty meters a way from its old location, and on the new opening the restaurant was serving a larger menu in three section s one for take away, delivery and in location. By that time he increased his labor to twelve employees of whom two were chefs, three were cooks, three waiters, two cleanses and two for delivery while Mr. Ezic was the head manager and cashier.

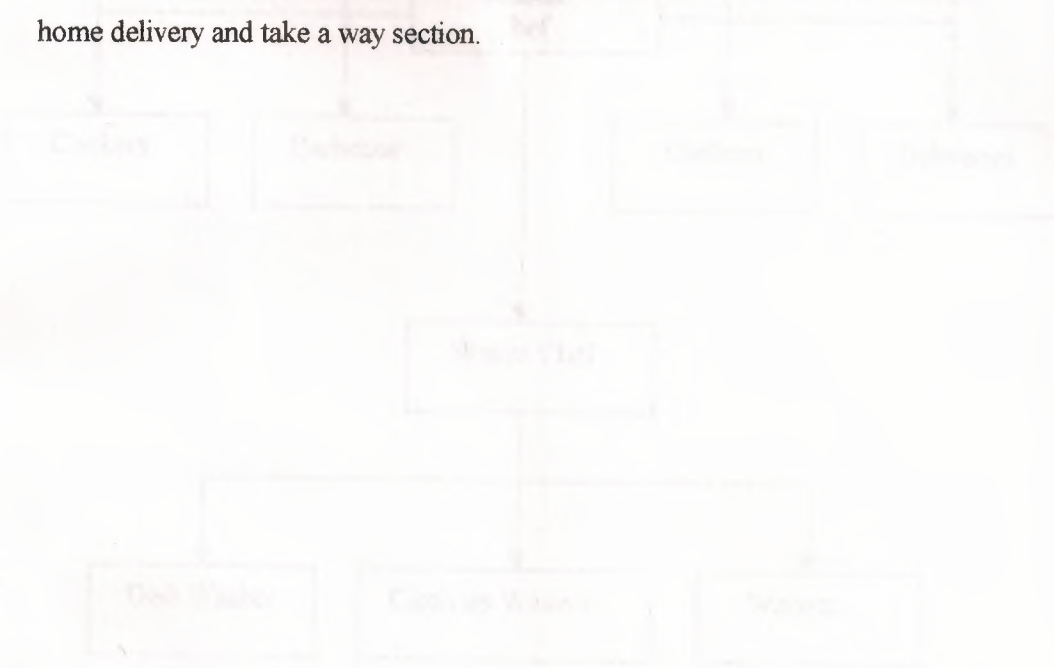
Since 1995 and until today the restaurant is still located at the same position but has acquired and extra twelve employees, and an enlargement in its equipment, menu, and on site services (for summer time) and improvements in decoration.



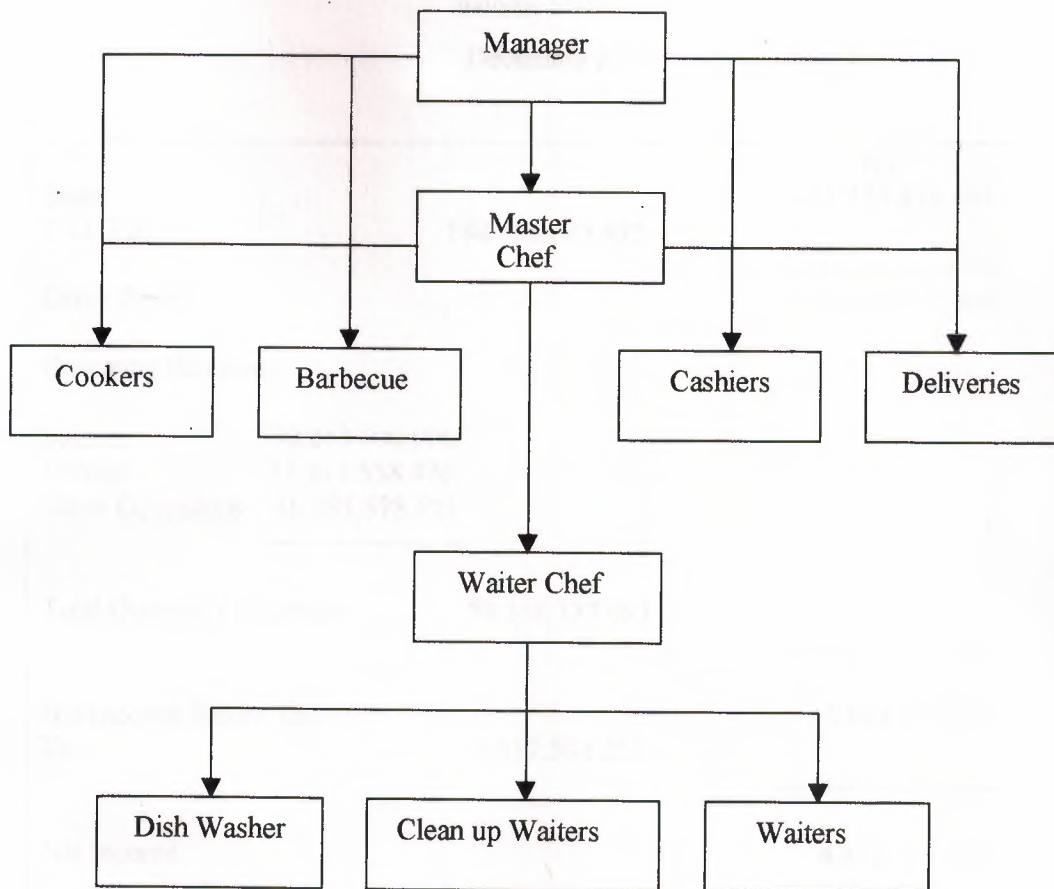
## 1.2. Profile of Ezic Chicken Bar Ltd

In this research have divided the profile section of Ezic chicken Bar Ltd into three parts to clarify the division of labor used in the small restaurant business in the Turkish Republic Of Northern Cyprus like Ezic.

Ezic Chicken Bar Ltd has twenty four employees disappeared in the three sections of services providing and operations, and the system is set into three deferent parts of servicing and operations and each part has the specific employees and equipments, which these sections are; the kitchen section, on site saloon services section, and home delivery and take a way section.



### 1.3. Ezic Chicken Bar Ltd structure



#### 1.4. Financial summary review for year 2000

Ezic chicken Bar Ltd

Income Statement

December 2000

		TL
Sales		251.753.828.464
C.O.G.S.	188.063.685.495	
		-----
Gross Profit		63.690.142.969
Operating Expenses:		
Salaries	30.263.000.000	
Utilities	11.311.558.470	
Other Operations	16.581.578.621	
		-----
Total Operating Expenses	58.156.137.091	
		-----
Net Income Before Tax		5.659.569.466
Tax	1.517.564.231	
		-----
Net Income		4.142.005.235
		=====

Source: Ezic Chicken Bar Limited Finical Annual Report for year 2000.



## **II. BUSINESS OBJECTIVE AND STRATEGY**

### **2.1. Mission of Ezic Chicken Bar Ltd**

#### **Vision**

Mr. Ezic is aiming to enlarge his business into a high class, quality time restaurant that provides a children corner, adequate parking area and small garden to be the number one chicken restaurant in the Turkish Republic Of Northern Cyprus.

#### **Mission**

To reach these headings Mr. Ezic is at the time being negotiating for buying a new location close by to the old one, menu<sup>1</sup> improvement strategy (two menu available; one on location service and one for take a way) in practice is by canceling non-demanded dishes and adding new ones every year or in the time needed, waiters on stand-by at all times and watching for any customer need on time (if any need arises usually customer don't ask for it because it served before asking). On time home delivers and especially in winter, working on a new advertising package every year, and if any dislike appears on the face of a customer, the customer will be asked if any thing is wrong or needed.

#### **Values**

The key elements of Ezic Chicken Bar Ltd success depend on quality, value, service, innovation and trust.

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<sup>1</sup> See menu added in appendix.

## **2.2.Objectives of Ezic Chicken Bar Ltd**

### **Financial objective**

- Stable earnings during the resent recession period.

### **Strategic objective**

#### **Short-range strategic objectives**

- To provide a large parking area in a close by empty land.
- New advertisement campaign to be launched after the new year.

#### **Long-range strategic objectives**

- Re-open in a new location with a bigger building and extra facilities like a section for children games, and a special occasion saloon.
- Opening an other branch in Lefkosa.

### 2.3.Competitive strategy of Ezic Chicken Bar Ltd

Ezic chicken bar ltd differentiated their products to serve customers needs with maximum satisfaction. And this creates an atmosphere of links between the customers and Ezic Chicken Bar Ltd. One of the main points of attraction in getting more and more customers to Ezic Chicken Bar Ltd are their differentiation strategies, which will strengthen the knot between Ezic Chicken Bar Ltd and their customers.

The choice to niche in a chicken menu and the creation of a large one like the one Ezic Chicken Bar Ltd is using is a concentration on a certain customer segment but with the choices given on the menu, the differentiation of the product became an easy job at some level for the business. But increased the segments available choices to create a true niche and a verity that is in that niche and that is a contributing product differentiation.



### III. SITUATIONAL ANALYSIS

#### 3.1. The five-forces model of competition

Competitive strategy consists of moves to; attract customer, withstand competitive pressures and growth firm's market position. Objective is earning a competitive advantage. In this condition company's (Ezic Chicken Bar Ltd) need apply to effectively five-forces model of competition strategies for earn a competitive advantage's.

##### **Threat of new entrants**

- No barriers to entry.
- A larger barrier to exit because too much money is spent upon entry.

##### **Power of buyers**

The power of the buyer is one of the most important aspects that will indicate the competitive force. It enables the firm to measure its profitability with almost great accuracy, and by doing so this may happen in several ways.

Including the firm's product when representing a high proportion of the buyer's cost, which leads the buyer to gradually be more sensitive to the price. There are also several firms supplying similar products. A lot of information is available to buyers, so the Ezic Chicken Bar Ltd. has to face a huge amount of switching costs.

##### **Threat of substitute**

The threat of substitutes is very straightforward sub topic, which makes Ezic Chicken Bar Ltd. aware of the different threats that competitors apply in many fields including service-wise and price-wise. And this leaves them very wide-awake of vital threats that surround them. Many kinds of the substitutes are there which the competitors are making and which satisfies similar needs in the profit making areas.

##### **Power of supplier**

The supplier power is also another important aspect that helps in the leading of the Ezic Chicken Bar Ltd industry. When switching to a supplier the price range differs

and therefore may become very expensive. There are number of suppliers available in the firm like Kirni Pilicleri where Ezic Chicken Bar Ltd has an agreement payment in week. The suppliers are legal and they have the legal status.

### **Rivalry**

Rivalry is more like the first competitor in the same industry with Ezic Chicken Bar Ltd. and this may be presented in several ways in Lefkosa and Girne, There are many competitions so in that case of competition the Ezic Chicken Bar Ltd contentious to gain the upper land on Girne where is no rivalry effecting them directly and they try to fight every type of battles like price aware, advertising, and sale promotion.

### **3.2. Product life cycle**

One of the earliest and best known conceptual frameworks in marketing planning is the product life cycle concept. As the name implies, this concept is based on the notion that all products and services have finite lives. In addition, during this life it is suggested that products pass through a number of distinct stages. The four basic stages found in most descriptions of the product life cycle are:

Introduction.

Growth.

Maturity.

Decline.

The product life cycle framework has several suggested uses with regard to marketing planning. However, for our purposes we are interested in the use of the product life cycle for identifying alternative strategic choices. It is suggested that at most appropriate. The characteristics of each stage are outlined below.

#### **Introductory Stage**

As the name suggests, this is the first stage in the life cycle of a product or market and, is characterized by relatively slow growth in the sales of the product as the market is first developed. Not surprisingly, this stage is critical to future success and in fact many new products never make it past this stage. At this stage there are likely



to be few competitors and costs are likely to be high. The suggestion is that heavy promotional expenditures are likely to be needed in order to inform potential customers and to induce trial. According to market and other conditions, a strategy of either charging high initial prices called 'market skimming pricing' or charging relatively low initial prices called 'market penetration pricing' may be used.

### **Growth Stage**

At this stage sales rise rapidly, as indeed do profits. Competition will start to enter the market and will gradually increase. Strategies during this stage should focus on building the market share and continuing the accelerating sales of the product. Even at this stage the company may need to look to improving product quality and adding new product features. If a high initial skimming price has been used, prices will need to be lowered to expand the market.

### **Maturity Stage**

At this stage sales begin to peak and start to decline. Profits may decline even more rapidly. A characteristic of this stage is intense competition as competitors fight for share in a market where sales are slowing. Often special promotional deals will be required at this stage to try to tempt further buyers and above all to build and maintain brand and dealer loyalty.

### **Decline Stage**

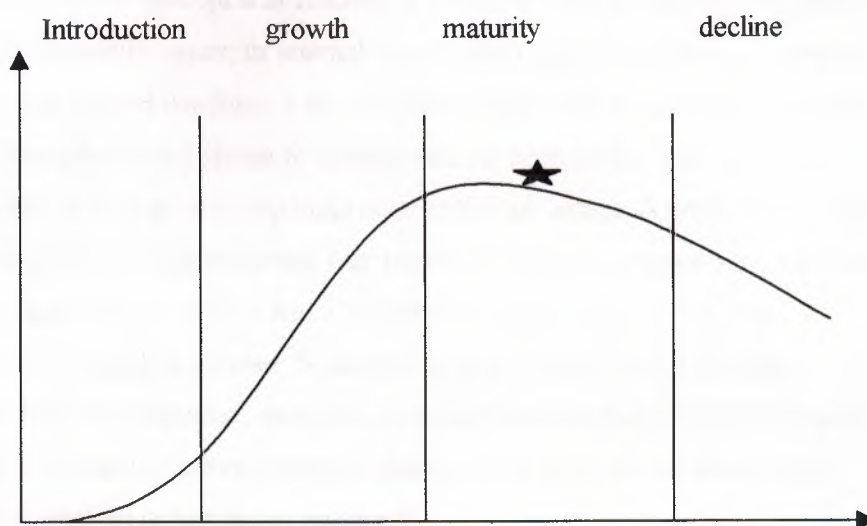
At this stage sales are definitely on a downward spiral as product or market enters its twilight. Suggested strategies at this stage include, for example, cutting prices, product updates and dealer promotions. Eventually, the marketing manager will have to assess when the product should be withdrawn from the market, with possibly new ones being introduced to replace it.

The product life cycle therefore suggests alternative strategies according to the stage at which a product or market is situated. As you are probably aware, the product life cycle has become somewhat unfashionable as a planning tool, in part at least because of a number of criticisms regarding the concept. For example, some suggested that the concept is too simplistic and that many products do not exhibit the class S-shaped curve that we have discussed. Similarly, some suggest that products do



not have 'natural' life cycles at all and that the concept can be dangerous because it becomes a self-fulfilling prophecy. There is no doubt that there are limitations to the product life cycle concept, but the view taken here is that, used with care and judgment, the concept does still provide potentially useful insights in to the development of alternative marketing strategies. Partly because of the criticisms of the product life cycle concept, however, a number of more complex alternative conceptual frameworks of strategic choice have been developed, including the ones we have selected to outline here<sup>2</sup>.

**Chart 3.2.1.**Product Life Cycle of Ezic Chicken Bar Ltd.



At this stage maturity stage of product life cycle of the industry as whole and by taking the sales of Ezic Chicken Bar Ltd is begin to peak and start to decline. Profit may decline also more rapidly, a characteristic of this stage is intense competition as competitors fight for share in a market where sale are slowing. Special promotional deals require trying to tempt further daily loyalty.

<sup>2</sup> WRIGHT P., KROLL M.J., PARNEL J (1998), **Strategic Management**, Prentice Hall, Upper Saddle River, New Jersey 07458.

### 3.3. SWOT Analysis

SWOT analysis involves sizing up firm's internal (strength and weaknesses) and external (opportunities and threats) position.

#### Identifying Internal Strengths And Weaknesses

Strength is something the firm is good at or a characteristic giving it an important capability. Such as; useful skill, important knows how's, valuable organizational resource or competitive capability, and achievement giving firm a market advantage.

Weakness is something firm lacks, does poorly, or condition placing it at a disadvantage. Basic concept is as follows. A company's internal strengths usually represent competitive assets; its internal weaknesses usually represent competitive liabilities. The desired condition is for the assets to outweigh the liabilities by a hefty margin. Strengths are significant to strategy making because they can: serve as cornerstones of strategy and help build competitive advantage. A good strategy aims at correcting firm's weaknesses that can: make it vulnerable, prevent it from pursuing attractive opportunities and put it at a competitive disadvantage. Here strategic management principle is follows: Successful strategists seek to exploit what a company does best: expertise, strengths, core competencies and strongest competitive capabilities. A strategist shuns strategies placing heavy demands on areas where company is weakest or has unproven ability.

#### Identifying External Opportunities

Opportunities most relevant to a firm are factors in external environment offering some kind of competitive advantage and important avenues for growth. external factors posing a danger to firm as follows:

1. Emergence of cheaper technologies
2. Introduction of new/better products by rivals
3. Entry of low cost foreign competitors
4. New regulations
5. Vulnerability to rise in interest rates
6. Potential of hostile takeover

7. Unfavorable demographic shifts
8. Adverse shifts in foreign exchange rates
9. Political upheaval in a country.

A company's opportunities and threats are significant because they affect attractiveness of firm's situation and point to need for strategic action. Strategic principle is: A good strategy is always aimed at capturing a company's best growth opportunities and creating defenses against threats to its competitive position and future performance. Otherwise, it doesn't fit the companies<sup>3</sup>.

### **Role of SWOT analysis strategy**

SWOT analysis helps answer the following key questions.

- a. Does firm have internal strengths and attractive strategy can be build on?
- b. Which weaknesses does strategy need to correct?
- c. Do firm's weaknesses disqualify it from pursuing certain opportunities?
- d. Which opportunities does firm has resources to pursue with a chance of success?
- e. What threats should firm worry most about?

### **SWOT Analysis Of Ezic Chicken Bar Ltd.**

#### **Strengths**

- Has a good background
- Has a excellent place in the center of Girne
- Famous and tourism location in the T.R.N.C.
- Different menus and different types of services
- Have a good customer potential
- Have a experience workers working as teamwork
- Provide products for all consumers

<sup>3</sup> G.J. HOLLEY and JOHN SAUNDERS (1993), **Competitive Positioning-1<sup>ST</sup> Ed**, Redwood Books, GREAT BRITAIN,P.81.



**Weaknesses**

- Limited parking area
- No waiter speaking English
- No stability in price because of economic situation
- Management depending on one person (Mr.Ezic)

**Opportunities**

- Huge number of tourists
- Limited competition based on chicken in Girna
- Increasing in population

**Threats**

- Increase in competition in other cities
- Increase in costs because of economic crisis
- Government policy on control of restaurant sitting on pavements
- Easy entrance to market by new competitors.

### 3.4. PEST analysis

	Favorable	Unfavorable
Political	Peace negotiations between the Turkish Republic of northern Cyprus and Cyprus	
Legal		
Economic		Increase in taxation. Increase in utilities cost like electricity. High inflation level.
Demographic		Small population
Social	Girna as an attraction place. Girna American University.	A local believing the Girna is an expensive place.
Cultural	Girna 's historical places.	
Technological	Mobile communications ease connections.	
Natural	Girna position next to the Mediterranean sea.	

## IV. PROBLEMS AND SOLUTIONS EXIST

### 4.1.Small Business Problems And Solutions In T.R.N.C.

In T.R.N.C. small Business Company's are a lot and they face different kinds of problem, which occur in goods and services production, or in the employment sector and here we are going to see some of this problems and my recommendation in solutions of it.

Easy to see small businesses in our life everywhere but by concentrating on one type of business, which is investigating on this project and shall focus on the many problems restaurants face in T.R.N.C.

Small businesses investments in T.R.N. C. are fast food stores, restaurants, and fast food & restaurant together sometimes.

Some small businesses companies in the food and service sector in T.R.N.C can have their own farms to growth their meat, chicken and vegetables so they can solve % 40 of their cost problem. But also they have invested in their farms big prices, stock, utilities, and running expenses ... etc, which's a cost that later on will be projected in the final statements, much a complicated process to expect from a small business, and so the business here has to find out what is the best and affordable to use and which is not, this is a difficulty that small business running can't afford to undertake for its high costs and the professional level required to achieve it.

Some of Ezic Chicken Bar Ltd indirect competitors have advantages like this, its not important if they are in same city (Girne) or in other city like Lefkosa or they are serving their customers as restaurants or as fast foods, but they growth their chicken and decrease the chicken price to create a cost cutting advantage for their business. This separation is an effective value chain to create a big competitive advantage in the market.

Another problem that exists in the T.R.N.C is the latest instability of the economic conditions. Because of the high inflation levels that take place in T.R.N.C and the latest economic crisis in Turkey which effected the economic of the T.R.N.C directly, small businesses have incurred heavy losses or if not market slumping, as a result of currency



falling value the customer market witnessed a sharp fall of sales volume. In solving this problem we better look at available alternatives for what will happen to small businesses. These businesses can choose one of the following options;

- To keep their operations as they are, which is a non-logical behavior for these businesses men.
- To manage prices level with the increase in the currency so that customers will not feel the change in the increase in prices or for the business not to loose profit as a result for low prices.
- Keep their market share by minimizing there lose buy lowering there prices to a level that keeps their current customers attracted, so after the current condition ease up a bit they can re-plan their profit strategies. This is somewhat the most reasonable solution because it keeps the business position in the market that will later on help it re-launch its profit generation.
- They can create product cost cutting techniques to decrease price to a level that generates profit but satisfy their customers. This alternative is somewhat not easy nor cheap to achieve for most industries because most cost cuttings take place in the technology improvement that is expensive, quality deflecting from its required level, which is not preferred by business owner and customers.

One more difficulty and a very big problem is the entering of big businesses in the small markets with big cash, maneuverability, and marketing experiences. In the Turkish Republic of Northern Cyprus, that problem started to take place in the goods and services section like wholesales department stores that are growing in numbers and example for this; (METROPOL, followed by ASTRO, then LEMAR, in the capitol of Lefkosa and lately the opening of DEVPA and ONDER store) and now it's starting to take place in other markets in the Turkish Republic of Northern Cyprus because of the market being new to big marketing techniques, the increase of the consumer awareness, and increase in population.

#### **4.2. Goods & Service Problems and Solutions in T.R.N.C.**

No quality distribution process affects any company's services. Distribution channels must satisfy customer's quantity needs, and product's overall added value balance. Companies must balance their employee number and distribution channels to meet success requirements. In T.R.N.C small business sector distribution channels are very centralized in the small town, which they are established in and their operations range is usually very limited (example: Ezic's Chicken Bar Ltd operations are concentrated in Girna alone), indicating a low growth objective which is the opposite of what the owners dream to achieve and a shortcoming for the customers requirements for availability of goods.

Any advice that could be given in the mean time will be not achievable, unless it was about the protecting the resent market share for surviving in the resent economic conditions but in the future, strongly advise for enlarging the distribution networks in the small business sector for it is the first indication for preparing for increasing productivity and growth.

#### **4.3. Employment Problems and Solutions in T.R.N.C.**

The employment market in the T.R.N.C has many set downs;

The first shall explain is the markets lake for professional employees and that the bases for employing are way not professional as well, for most jobs are for cheep labor which has a low professional profile and does not fulfill the jobs capacity.

The second problem, which is of unique importance, is the large reliability of the employment market on foreign labor from Turkey which is cheaper, and that of course has a negative effect on the long run for job professionalism and the overall economic performance.

One last employment related problem is that small business employ their workers by looking at their past references and if they are good enough in the job to perform. But there is some problem in the employing process that takes place in changing their employees in a short period and periodically and for reasons like not affording to increase salaries for old employees, so that must be a loss for the company.

Solutions for these problems can be by evaluating the firms' principles. Like long-term employees' policies, education of the firm employees and the managers, plus creating some team or cooperation program that will promote good employee and management relations.



## CONCLUSION

Ezic Chicken Bar Ltd started before twelve years, when Mr. Mehmet Ezic found that there is an opportunity to open a restaurant in Girne serving only chicken. The business continued its growth for the next five years then changed his location on the place, which he bought it in same city. Ezich Chicken Bar Ltd developed its role key in the past six years; the restaurant became one of the leading chicken restaurants in T.R.N.C. for service, quality, take away and family saloon.

Vision of Ezic Chicken Bar Ltd is to enlarge the business to be the number one chicken restaurant in the Turkish Republic of Northern Cyprus. Their mission statement is to provide maximum quality to all customers in all departments, where the main assets of Ezic Chicken Bar Ltd mission statement depend on, menu improvement strategy, on time home delivering service, waiters on stand-by, and building a large parking area. The key elements of Ezic chicken Bar Ltd success depend on quality, value, service, food innovation and trust.

The objectives of Ezic Chicken Bar Ltd divided into two objectives, which are financial and strategic objectives, financial, which is to stabilize earnings during the resent recession period. And a strategic objective; to provide a large parking area in a short time range and re-open in a new location with a bigger building and extra facilities, opening an other branch in Lefkosa and this a along range strategic objective.

Ezic Chicken Bar Ltd value proposition is based on serving and introducing excellent foods at competitive prices. It's succeeded when Ezic Chicken Bar Ltd products offer customers more than they will find elsewhere, whether in terms of family saloon, take a way, or home delivery service. The strength of Ezic Chicken Bar Ltd is that there is no rivalry in the same city that can affect the market share in sales directly.

In beginning of chapter three the five-forces models of competition determine Ezic Chicken Bar Ltd profitability by analyzing the threat of new entrants which appear to not effect the market share of Ezic Chicken Bar Ltd, because they spent too

much money to enter which means they are out before entering, and also the new entrants need more time to get the confidence of customers like Ezic Chicken Bar Ltd customers which they built it through hard work in along time, but the only threat that can face Ezic Chicken Bar Ltd is in the take a way sector, because there are many fast foods restaurants in Girne. The power of buyers enables the firm to measure its profitability with almost great accuracy, including the firm's product when representing a high proportion of the buyer's cost, which leads the buyer to gradually be more sensitive to the price. As the threat of substitute is very straightforward sub topic, which makes Ezic chicken Bar Ltd aware of the different threats that competitors apply in many fields including package-wise and price-wise, this is especially found in the take a way and home delivery service sectors. When switching to a supplier the price range differs and therefore may become very expensive. But in Ezic Chicken Bar Ltd case it differs a bit and this is done through contracts with Kimi Pilicleri factory in agreement payment is weekly on week business credit. After all above rivalry is more like the first competitor in the same industry with Ezic Chicken Bar Ltd which can say its in the other city (lefkosa) and is not affecting Ezic Chicken Bar Ltd directly.

At the maturity stage of product life cycle the sale is begin to peak and start to decline. Profit may decline also more rapidly, a characteristic of this stage is strong competition as competitors fight for share in a market where sale are slowing. Special promotional deals require trying to tempt further daily loyalty.

SWOT analysis of Ezic Chicken Bar Ltd contain a lot of elements such as teamwork of the restaurant and the qualified experiences, Different menus and different types of services, Provide products for all consumers, and Ezic Chicken Bar Ltd has a excellent place in the center of Girne which is a famous and tourism location in the T.R.N.C. Weaknesses of Ezic Chicken Bar Ltd are Limited parking area, no waiter speaking good English, No stability in price because of economic situation, and management depending on one person (Mr. Ezic)

The opportunities of Ezic Chicken Bar Ltd are the huge number of tourists, limited competition based on chicken menus in Girna, and increasing in population. Where the threats face Ezic Chicken Bar Ltd are, the increase in competition in other cities and in costs because of economic crisis, government policy on control of



restaurant sitting on pavements and easy entrance to market by new competitors because of the information available.

The company competitive strategy, which has been, based on differentiation strategies more than the others strategies like their low-cost, leadership market position, best-quality producers, and the reality of being a nicher. Ezic Chicken Bar Ltd differentiated their products to serve customers needs with maximum satisfaction.

Small and big businesses in T.R.N.C have been facing multiple economic instabilities in the last year ranging from the high inflation level, and price instability to employee market non-professional status that was caused by the cheap non-domestic labor and seasonal unemployment and/or employment. All these factors pushed the Ezic Chicken Bar Ltd to concentrate to stabilize earning for that period and survive in the market, which was a very professional decision to make at the cost of lower profitability or delay of expansion plans for the parking area.

Finally, to summaries an opinion about the Ezic Chicken Bar Ltd. in this study it is better said that niches are the best small business launchers, because they concentrate the effort on certain satisfactory factors that customers acquire, and provide professionalism in the industry line of the business, and in the case of Ezic the firm had been growing in size, quality service level, employee professionalism level, but this growth is a very slow one for it took place in twelve years and there is very low managerial enthusiasm for opening in other cities while competition does not see that there is any other way better than penetrating the Ezic market share in all the cities customers and potentials.



## APPENDIX A

### CUSTOMARY ABBREVIATIONS

**SWOT** Strength, Weaknesses, Opportunities, and Threats

**PEST** Political, Economic, Social, and Technological

**Acc.dep.** Accumulate deprecations

### Questions of the interview with Mr. Mehmet Ezic

1. Why he chose Girna to start his business?
2. Why did he think chicken restaurant would be successful?
3. Year of establishment?
4. How competitors were present at the time?
5. What is the commercial media used at the time?
6. What was the starting capital?
7. What is the number of employee at the begging and now (cooks and waiters)?
8. What was the capacity at the begging and now?
9. What steps did he work on, step by step to achieve what he wants?
10. What were the main problems at the time of establishment? And now?
11. Who were his customer at the begging and now?
12. Was there any loyalty from customers and how did the management work on that?
13. What was the equipments on the time of establishment and now?
14. Does he have another objectives other than profit? What are they?
15. Is there is any renewing in the menus? Every how long do they change?
16. Did the management use different strategies before?, and did strategies work before?
17. Did the latest economic effect and how?
18. What are the government latest regulations?
19. How does he value his product?
20. What is ratio of his product price with the other competitors?

21. Vision- what does the management want to achieve in the future (where do he want to go? And how?)
22. What is his cost strategy after the economic crisis? Is it same before?
23. Who are his suppliers for chicken?
24. Did he facing any competition from the other city (ex. Lefkosa)?
25. What are his competitive advantages?
26. When is his sales decline and when it increases?
27. Who are his partners?

## APPENDIX B

	Definition	Purpose
Market Concepts	Focusing on costumers and their wants from the company.	Providing goods and services for which there is a known customer demand as apposed to selling what the company likes to produce. By focusing on customers and their wants the company is better positioned to make a profit. The company is then said to be market leader or to have a market orientation.
Market Segmentation	Is a group of customers with similar characteristic who share similar needs.	Segmentations has to be based on a combination of analysis of customer behaviour and characteristic and give to the customers what they buy and why and why they do?
PEST	It gives the company an over all view for the political factors, economic factors, sociocultural factors, and technological factors.	It is very important that an organization considers its environment before beginning the marketing process. In fact, environmental analysis should be continuous and feed all aspects of planning. The



		<p>organization's marketing environment is made up from:</p> <ol style="list-style-type: none"> <li>1. The internal environment.</li> <li>2. The microenvironment</li> <li>3. The macro-environment</li> </ol>
Five Forces Models of Competition	Five forces analysis helps the marketer to contrast a competitive environment.	Five forces look at five key areas namely the threat of entry, the power of buyers, the power of suppliers, the threat of substitutes, and competitive rivalry.
Product Life Cycle (PLC)	Is based upon the biological life cycle.	In theory it's the same for a product. After a period of development it is introduced or launched into the market; it gains more and more customers as it grows; eventually the market stabilizes and the product becomes mature; then after a period of time the product is overtaken by development and the introduction of superior competitors, it goes into decline and is eventually withdrawn. However, most

		products fail in the introduction phase. Others have very cyclical maturity phases where declines see the product promoted to regain customers.
Target Strategies	Is the evaluation of the relative attractiveness of the different market segments which have been identified forms the basis of selecting target segments.	Is to decide in effect to ignore the segmentation in the market and choose instead to offer one standard marketing mix to the whole of the market.
SWOT	The process and use of accessing strength and weakness and the opportunities and threats in the process of developing strategic marketing plans.	Is the analyse both the internal & external environment including customers and competitors in order to understand the current situation facing the companys and perhaps more importantly the trends and changes in these internal and external factors which may affected the organisation in the future.
Competitive Advantage	Is the extend to which the company is able to develop a sustainable competitive advantage.	Give reasons to the customer to choose a companys product offering over and helps to secure the success of the business.

## APPENDIX C

### Restaurant menus

#### a) On saloon services menu

Foods	Drinks
Chicken steak	Coke
Isekender chicken	Ayran
Chicken lemon sauce	Water (small & big)
Dolma	Soda
Kiev	Nescafe
Shish	Turkish café
Grilled	Tea
Shinitzel	Expresso
Goujons	Cappuccino
Kentucky fried chicken	Beer
Minced chicken and cheese balls	Wine (provide by bottle&glass)
Grilled chicken chops	
Mini menu	
Mixed	
Crep chicken	
Fillet with mushroom sauce	
Curry	
Spaghetti bolognaise	
Chicken wings	
Mediterranean breeze	
Misket balls	
Chicken grilled burger	
Diet menu	
Beef burger	
Chef burger	
Chicken burger	
Hunter borek	
Bulgur kofte	
Soup	
Yogurt	
Solen potatoes	
Salad bar (self service)	



**b) Take way menu**

Foods	Drinks
Chicken steak	Coke
Chicken lemon sauce	Ayran
Mixed	Water (small & big)
Dolma	Soda
Kiev	Beer and wine (bottle only)
Shish	
Grilled	
Grilled chicken chops	
Mini menu	
Chicken grilled burger	
Diet menu	
Chicken burger	
Beef burger	
Chef burger	
Chips	

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