



**CYPRUS TURKISH AIRLINES**

**BY**

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## **I.INTRODUCTION**

### **1.1. OBJECTIVE OF THE STUDY**

After the Turkish peace operation in 1974 Turkish Cypriots sat hared in the North part of the island and establishment their own government. At that period with the help of the bureaucrats from Turkey they also begun to develop their own economy and thus controlled economic institutions gained a value. Beside some of the economic institutions like Sanayi Holding, Eti Toprak Urunleri Kurumu and Cypruvex; Cyprus Turkish Airlines was also established with the partnership of Turkey as government controlled economic Institutions (KIT)

During the following 25 years most of the other companies (public services) want bankruptand most of the rest had to be supported by the goverment in order to survive. However from its establishment. Cyprus Turkish Airlines has always been developing it selfand able to become capitally self sufficient. In the last three yaers on the other hand they have bought tree latest techonolgy plane(B737-800) and become an even bigger company.

While most of the other companies went bankrupt, because of the economic crisis in the country. Cyprus Turkish Airlines has developed positively in contrast positively in constant and that is why I've chosen it as a little of my thesis.

### **1.2. METHODOLOGY**

The sources that I have used while writing my project.

- 1) The main agreement of the Cyprus Turkish Airlines.
- 2) The members of the executive cornette and people who are working there.
- 3) Controlled reports.
- 4) Executive cometee decision.

5) Publications of search conference held in cooperation with Bahcesehir University and C.T.A.

### 1.2.1. PERSONAL INTERVIEWS

The Director Deputy Hasan Basoglu

Finance Director Sevki Barutcu

Executive Committee Erdal Surec

Auditor Bekir Hincal

### 1.2.2. OBSERVATION

I visited the head quarters of C.T.A, ticket and reservation offices, catering and job training offices of the airport, technical buildings, passenger service rooms C.A.P center and the airplanes for observation.

## II. HISTORICAL BACKGROUND

Cyprus Turkish Airlines was founded in Dec. 1974. The head quarters of the company is in Nicosia and has also got offices in Istanbul, Ankara., Izmir, Adana and Antalya. Besides it has got two offices in London. The offices in Germany Dusseldorf and Nurnberg were closed in 1997. The offices of the company in Antalya, Ankara, Istanbul Mecidiyekoy and Izmir belong to the company and the others are rented.

C.T.A limited has been arranging flights to most of the cities in Turkey and to Europe and London. Besides it has got other charter flights to Germany and Israel.

4<sup>th</sup> December 1974 → C.T.A was established.

1975 → First timetable flight

First office was opened in T.R.N.C

First office was opened in Turkey

1975→Girne office was opened.

Offices were opened in Istanbul and Ankara

London participation.

Using big planes started first flight.

1975→DC-4 Planes were bought.

First Adana flight was started.

1975→Ercan reservation/ checks in services were opened.

1975→ Head office building was opened.

1980-1985→First Izmir office was opened.

All managers were military originated.

Capital was increased first time.

First Ercan-Izmir flight was started.

1985-1990→Magosa office was opened.

20 people were intervened for the first time.

Munich office was opened

Istanbul office was brought

Guzelyurt office was opened

All military originated managers were resigned.

First plane was brought.

1990-1995→Gulf war crisis was occurred. All Adana flights were cancelled.

Hostesses were employed for the first time.

Officials were employed for the first time for ground service.

The computer system was founded.

First pilot employed for the first time.

Guzelyurt office was closed.

1996-2000→The management crisis.

The second Airbus plane was brought.

The TOROS2 system was founded.

The new administrators were come to power.

Administration was changed.

C.T.A was made a profit for the first time.

Two planes were bought but both were returned gave back

C.T.A plane was hijacked for the first time. because of financial difficulties.

C.T.A was made maximum flights however it was minimum profit.

Salary crisis was occurred.

Second C.T.A plane hijacked.(1998)

Ground equipments were started to reviewed.

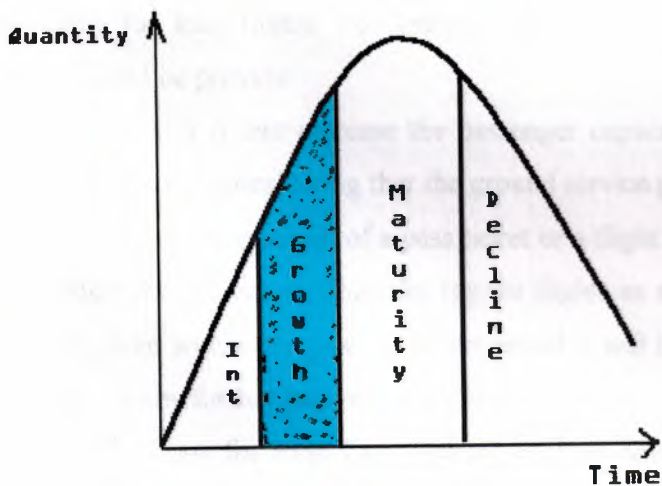
Profit was continued.

Accountant computer departments was founded.

Frankfurt flights were started.

New offices were opened in Laleli (Fenerbahce)

### III.MARKET LIFE CYCLE



### 3.1. MARKET OVERVIEW

In the year 1997 Cyprus Turkish Airlines arrived at a point of liquidation. In the year 1997 the partners went for capital saving and reshuffled the company's board of directors together with the high the high level directors. In that way from 1997 onwards the company has started to gain profit.

**1998:** 4,281,877 million Turkish Liras

**1999:** 4,108,894 million Turkish Liras

**2000:** 1,161,451 million Turkish Liras were profited.

*(As a result of the studies that I carried out. I am forecasting that the year 2001 will come to a climax with a larger profit)* The C.T.A has reached the stage of growth in the Market Life Cycle as shown.

### 3.2. PORTES FIVE-FORCE MODEL

#### 3.2.1. RIVALRY AMONG COMPETITORS

Rivalry Among Competing sellers I usually the most powerful of competitor in this market C.T.A should intensities competitive pressure by;

- The Cyprus Turkish Airlines can bring the catering service to a better level especially for long flights. For example before and after dinner a free alcoholic drink service could be provide.

- The C.T.A can increase the passenger capacity by organising night flights with cheaper flight fees considering that the ground service provided at night is much cheaper.

- The implementation of a pass ticket or a flight ticket at a reduced price can be put in to effect for customers who take regular flights as a result of certain points that passes a figure given within one year. If implemented it will help to keep the valuable customers and prevent any further loss of customers.

- A section for First Class Passenger does not exist in the C.T.A aeroplanes. On grounds of introducing First Class section it will particularly attract the businessmen who frequently fly and due o the fact that flight tickets sold are expensive, the company's

profit will increase. The wide start A-310 aeroplanes are particularly convenient for this purpose.

-In the T.R.N.C the non-existing cargo plane can be put in to service, which I think will have a big contribution to export. In this way it will increase the C.T.A cargo profit and also it will ensure a contribution to the T.R.N.C's economy especially that the cargo planes play an important role for the export of fresh fruit and vegetables.

### **3.2.2. POTENTIAL ENTRY**

An air company that is going to enter the market before and must be in possession of a new aeroplane fleet as well as flight teams that can provide much cheaper, better quality and a safer service. Cockpit personals that are made up of well trained people helps to give trust to the passengers. It is very important that the time is stated for the planes, which destined to a place before the not are occurs. Such a company becomes a competitor to the C.T.A.

### **3.2.3. SUBSTITUTE PRODUCT**

The C.T.A can from a helicopter fleet so that it can be hired to the tourist agencies. Due to that tour can be organised to tourist regions i.e.: Dipkarpaz

Small, special planes can make available for a lot of special purposes. These planes can also be hired for Government official's journey visits, for businessmen to make business travels, for emergency purposes acting as an ambulance, etc.

During months when the tourism season reaches its peak in Turkey, some numbers o airports can be used for flight journeys to be organised to Cyprus. Such as service will ensure more tourists coming to Cyprus.

### **3.2.4. BARGAINING POWER OF BUYERS**

Since the C.T.A is a monopoly company it has to no problem of selling flight tickets because there is no main issue existing of customers having other alternative.

During the tourism season, some companies now and again organise charter flights by hiring planes. Nonetheless it has not affected at such a large rate the C.T.A sales due to the fact that it is not done constantly and is not reliable.

### 3.2.5. BARGAINING POWER OF SUPPLIERS

C.T.A never lets up in its quest to upgrade and update. One of the most important factors in achieving the highest levels of customer satisfaction is the pervasion of the best in terms of in-flight service.

At C.T.A's onset back in 1976 the in-flight services offered were somewhat limited. By 1992, the C.T.A fleet had begun to expand and parallel to that growth a significant upgrading of the in-flight services was witnessed. With the latest round of growth and development, coupled with an increase number of flyers, C.T.A's targets regarding the provision of in-flight services have once targets regarding the provision of in-flight services have once again been raised.

In order to reach new targets a great deal of groundwork has been undertaken within the company to establish the superstructure upon which such high-standard services can be offered. The last 2 years have been particularly busy in this regard and C.T.A, or rather, the passenger, have recently begun to recoup the rewards of the hard work.

In conjunction with the company's overall expansion the service section of C.T.A has been revamped and update, and along with its young and enthusiastic staff, and the purchase of a completely new, fully equipped service building, C.T.A is in a great position to provide passengers with all their in-flights needs.

#### **New Building**

Located on the eastern flank of Ercan Airport, the new service building comprises a 1.800m covered area. 800m of this area are taken up with the food preparation facility and a restaurant. Coordination and administration are in two blocks of offices. There is also garage and a 300-seat conference hall.

The new services building handles a daily average of 10 flights. Thus catering to the needs of 3.000 passengers per day. As well as seeing to the needs of their own passenger, C.T.A also provide the service to other airlines that use airport. In fact, since 1995, C.T.A has provided the service to other airlines that use the airport. In fact, since

1995, C.T.A has provided the pre-flight and in-flight services for Turkish Airlines passenger using Ercan Airport.

### **A Better Menu**

Hot and cold meals, and both hot and cold breakfasts. Are provided depending on the duration and time of your flight. On trans-European flights alcohol is offered free charge. On shorter flights, such as those between Cyprus a Turkey, the menu has been expanded and improved.

Because C.T.A is the only company to provide in-flight services here in Northern Cyprus, in order to expand and develop, they have forged links with overseas companies working in the same field, culminating in partnerships with some of these.

C.T.A is constantly expanding in all operational areas, but foremost in the company's philosophy is its desire to fulfill the needs and wishes of its passenger.

## **3.3. CRITICAL SUCCESSION FACTORS OF CYPRUS TURKISH AIRLINES**

### **3.3.1. LOCATION**

Due to the political situation, the C.T.A is a registered company in Turkey. Nevertheless it's situated in Nicosia. To add to that there are agencies and ticket bureau's in Istanbul, Izmir, Ankara, Adana, Antalya, London, and Frankfurt.

### **3.3.2. PRICE**

Due to the fact that C.T.A is a monopoly company it can fix its own prices the way they want. Therefore the prices are considered relatively high.

### **3.3.3. SOCIAL FACILITIES IN CYPRUS TURKISH AIRLINES**

The C.T.A has undertook sponsorship in various social activities organised in the country where sporting facilities comes before everything. Up to now, the C.T.A has carried out sponsorship on the following activities as mentioned below;

- Carting Team
- T.R.N.C basketball team for the disable

- 20001 dart league
- Beko classic Europe Senior golf tournament
- Panel for the Cyprus Problem
- Association for the cancer patients
- T.R.N.C rally for the year 2000
- Recording of the "Step Father" series in Cyprus.
- The broadcasting of the "Cyprus Special Programme-hand in with the Mehmetcik" programme on T.R.T

### 3.4. PEST ANALYSIS

#### 3.4.1. POLITICAL

##### Favourable

The C.T.A had ensured it self as Monopoly Company in this country since it is treated as a national air company. Other than having a small market, in addition due to the necessity of a very costly investment from the airline companies and the political dead lock has led to it becoming a monopoly company. The C.T.A being an unrecognized state, created a situation, which helped to be in favor of the C.T.A. Other airline companies, which have planes, cannot make a direct flight to Ercan Airport causing no effects to the C.T.A as far as customers are concerned.

##### Unfavorable

The C.T.A is a state establishment. A board of directors made up of five people manages it. Since there is continuous change of governments in our country it leads to a continuous changes of members of the board of directors. When the appointed members of the board of directors show a strong influence on the job's political direction it affects the company in a negative way before it even domestic.

Due to the fact that the T.R.N.C is an unrecognized state, the planes taking off from Ercan Airport cannot fly to the third countries without doing a touchdown in Turkey. Just has it let to further time wasting of flights carried out (For example: a London flight journey that takes about 3.5/4 hours is done in 6 hours), it has let to an increase of prices at such a large rate.

### 3.4.2. ECONOMIC

#### Unfavorable

The entire purchases made by C.T.A (petrol, spare parts, hiring of plane, ground services, fly over, etc.) is calculated and paid in dollars. It fixes the ticket prices in dollars in order to maintain this balance. As well as the we of the Turkish Lira currency unit in T.R.N.C the arise of the economical dullness in the last few years has completely paralyzed our country's economy particularly from February 2001 on wards when Turkey entered the "waving system." This situation has negatively affected other sectors as well as the C.T.A.

### 3.4.3. DEMOGRAPHIC

#### Favorable

From the 1990s on wards, quite a few universities have opened in the T.R.N.C. This sector helped C.T.A to gain customers potentiality. Near enough 20,000 students is obtaining educating in these universities. When we consider their families, we can guess how much this sector is making contribution to C.T.A.

Due to the present situation, there are over 30.000 soldiers in the T.R.N.C. As they are in a situation of making flight journeys with their families with the C.T.A it helps to form one respected part of the air companies customers potentiality.

### 3.4.4. TECHNOLOGICAL

Thanks to the C.T.A computer technology providing opportunities, it has ensured the selling of C.T.A flight tickets throughout the world upon there companies channel and smoothed the reservation process in the manner of being a member of the establishment international reservation companies.

C.T.A have bought special lift vehide to provide a more easier service to the disabled customers. In this way it will help to make things easier for the dieasible customers to board and depart from the plane who are using wheelchairs.

### 3.5. PORTFOLIO ANALYSIS

	High	Relative Market Shape	Low
Market Growth	☆		?
	Cash Cow		Dogs

C.T.A is at star stage now. They have high customer balance with their market share. They made a powerful brandname with their advertisements.

### 3.6. SWOT ANALYSIS

#### 3.6.1. STRENGTH

##### *A) Training+Tourism+Gambling+Passangers+Potentiality*

During the last ten years the universities that were opened has converted the T.R.N.C into an university island. The insufficiency of the universities in Turkey has led to a large flow of students into our country. This development seen in the education sector the airline companies to attract more customers.

On the ground of tourism the T.R.N.C is a country that passes a rich potentiality and therefore, this sector providing that it holds a wide space in the country's economy, will help the C.T.A to attract passengers potentiality.

Due to the closure of gambling places in Turkey, The gambling places in our country has attracted more customers. This situation has given a positive effect to the C.T.A especially in the weekends it has increased the passengers capacity to such a respected degree.

##### *B) Young Staff+Dynamism*

After 1997 the youngsters, the managers who know the job as well as having in possession foreign languages have helped the company to gain a high value and therefore have played a role in bringing it to its present developed state.

### ***C) Becoming a Small Scale Company***

The C.T.A is a small scale company. This situation has ensured a quick decision making and implementations and the results shown early as a result of decision and implementation made. This situation also helps to be aware of wrong decisions made by company directors and amending them in a positive direction.

### **3.6.2. WEAKNESSES**

#### ***A) Lack of Training***

According to the necessity of aiming the targets training must be given within the certain system. Up to now necessary importance has not been shown to this subject in the C.T.A. Confirmation has to be made, in this direction in terms of the people to be sent for training and the announcement of the targets stating the company's lacknesses and on the subject of training. It is very important to choos someone to be sent for training.

Ever since the founding of the C.T.A up to the present day, it is still going through the difficulties because the necessary importance has not been given to this subject. Due to that reason the new board has recently started to show importance to training.

#### ***B) Lack of Foreign Language***

The C.T.A is in a situation of estabilishing communication with the entire world as necessary. This is why it needs staffs to know out of all languages English and also other foreign languages according to the requirements. However the company from this aspect has a large absence.

#### ***C) The Team Work is being Weak***

Among the departments there is a lack of knowledge flowing and co-operation. The transfer of information is generally done in an oral way. However the way of writing information and orders is the best way.

#### ***D) Quality***

The C.T.A has to maintain the service that it gives at a certain quality and by taking it further forward it is going to bring an advantage to the C.T.A against any competitors that might occur. In order to ensure this quality control department is needed which is a lacking.

#### ***E) The Problems Within The Airport***

As far as the infrastructure is concerned there is a lot of defects at such an excessive rate existing in the two airports in the T.R.N.C. The existing problems due to insufficiency have caused condemnation being made at such a large rate to the Cyprus Turkish Airlines.

### **3.6.3. OPPORTUNITIES**

***A) Being company + Being an island + Being a national firm + The fact that there is not enough company in the sector.***

It is a great advantage that C.T.A is a monopoly in the T.R.N.C because the passenger (customers) has got other choice the firm (C.T.A) can do everything.

Since T.R.N.C is an island the people have to travel either with airlines or by sea however since traveling by plane is more comfortable and easier, C.T.A is in an advantageous position.

#### ***B) To Trust***

Having the new technology planes in the past two years gave an extra confidence to the passenger. From its establishment day, there is no aircraft or other accidents.

#### ***C) Financial Power***

Since the company is financially in a good position this relaxes the company. Thus it gives opportunity to compete with the other airlines. EX; Last year in order to compete with C.T.A; Turkish Airlines suddenly decreased the ticket prizes to 90\$ and then C.T.A even lowered the prizes to 70\$. Upon that Turkish Airlines tried to negotiate with the C.T.A and if there wasn't financial power this may even caused Turkish Airlines to close down Ercan-Istanbul flies.

### 3.6.4. THREATS

#### *A) Cyprus Issue*

Since the Cyprus problem cannot be solved, it prevents the development of C.T.A. For this reason C.T.A cannot have a direct flights to the other countries. This has caused an additional financial problems and also loss of time. Besides; because the problem is not solved it caused difficulty while having financial decision. This also stands as an abstract for the investments of C.T.A.

#### *B) Being State Controlled Economic Institution*

Since C.T.A is a state controlled company politicians can interfere to the company. Thought the eyes of the politics state controlled institutions are investments for the elections. They usually employ more people that they should do and it causes many problems in the services.

On the other hand, because the members of the executive come tee changes all time it also prevents the decision to be long lasting. Another disadvantage is that the executive committee are assigned by politicians they usually do not have enough knowledge or information about the airlines. This also prevents the further development of the company.

#### *C) Fear Of Privatization*

The fear that the company could become a private entrerpise, effects the workers badly. Because of that some of the workers may loose thair jobs.

### 3.7. KEY ASSUMPTION

For the worker devolpment of the C.T.A the Cyprus problem should be soved because only after the solution the airlines would be able to have direct flights to the demanded countries.

Besides the ambargoes to the Turkish Cypriot if the support ambargoes and other trade ambargoes lifted as well it will be for the benefit of the C.T.A. As a result the flights will cost cheaoer for the passengers and thus more tourists will come to the country this will also develop the country's economy.

For the further development of the T.R.N.C we need stability in government policies. Changes in governing also the strategies in politics of T.R.N.C permanent and professional (expert) people are needed for the administrations. (Governing)

### **3.8. KEY ISSUES TO BE ADDRESSED**

In order to follow the latest technology and to give better services, the reservations could be done through the Internet.

On the other if same passengers fly more than once in a year, the company may make discount in the ticket prizes for them. And more over they may have special services for them during flights.

## **IV. FURTHER OBJECTIVES AND STRATEGIES**

### **4.1. CORPORATE MISSION**

WE CARRY VALUES ON TIME (because we give value to our passengers we have to give good services)

### **4.2. CORPORATE OBJECTIVE**

- Membership to IATA\ 2005
- 400 million \$ to endrose\2005
- Hangar + Technique services + to establish a base\2005
- Ambulance Plane\2005
- 6 piece Boeing 737-800, 2 piece Boeing 767\2005
- Human resource services, department should collaborate and cooperate with one another. \2002

### **4.3. GROWTH STRATEGIES**

- Intituationalizing Human Resource department
- To form up new departments.
- Advertisement

- Spent money for the technical investment.

- Bench marketing.

We have to believe I first instead of making the others to believe.

#### **4.4. VALUE CHAIN ANALYSIS**

##### **4.4.1. SUPPORT ACTIVITIES**

###### **4.4.1.1. INFRA STRUCTURE**

Cyprus Turkish Airlines (C.T.A) is a state enterprise. Because of this the political influence on this enterprise is noticeable. In particular, the imperfect and inappropriate employing are increases the cost of enterprise. There are several ways in order to prevent this. The one solution way could be the enterprise gets services from private sector and create the competitive environment. As a result of this the costs are reduced.

For example the catering, the ground services at Ercan Airport have been leased to private companies.

###### **4.4.1.2. HUMAN RESOURCE**

C.T.A has an agreement with the travel agencies (Thomas Cook etc.) around the world. There are two important consequences of this. The first important result is C.T.A could sell tickets everywhere around the world. The second important benefit for C.T.A is the number of employees whom worked for booking department could be reduced. C.T.A has got three different sorts of planes. These planes are B-727, B737-800 and A310. Because of the company has three different kinds of planes as a result of this C.T.A must have special engineers, technicians for each kind of different plane. The company official's main aim is to reduce this to one kind of plane in five years time. The benefit for the company will be the following result; the number of employees whom currently worked for different planes will be reduced.

For instance, the company officials have agreed to cancel all B727 planes due to their petrol consumption is not economic. When this happens 30% of the pilots will loose their jobs.

#### **4.4.1.3. TECHNOLOGY**

C.T.A has a great computer network system and it is a member of the International Air Transport Association (IATA). The IATA has introduced new Billing Settlement Program, which now means that agents, who are members of IATA when selling tickets of any member airline, can print their own tickets. This saves time, increases efficiency, and relieves stress for passengers and cut costs.

#### **4.4.2. PRIMARY ACTIVITIES**

##### **4.4.2.1. INBOUND LOGISTIC**

The company officials have agreed to buy all necessities such as catering supplements, spare parts for planes etc. if they exist or produce in our country. We can say that the one of the main aim of the C.T.A officials is to support the home market.

For instance computers for offices, plane parts and non-flammable carpets, which are not produced in our country, are brought from other countries.

##### **4.4.2.2. OPERATION**

In C.T.A all the necessities, which are brought for the departments, are delivered to the departments directly and then the concerned departments can be used these necessities independently. For instance all hot and cold drinks are prepared at catering building and then delivered to the plane.

##### **4.4.2.3. OUTBOUND LOGISTIC**

The advertisement is very important for C.T.A. It is possible to find C.T.A advertisements in the daily newspapers every day. Also television and radio adverts are exist for C.T.A. C.T.A has its own magazine, which is called Caretta Caretta. Moreover in order to make an advertisement; C.T.A is sponsored football and basketball teams in Northern Cyprus. I reckon the main advertisement for C.T.A is to provide most reliable and most comfortable air services to the customers from establishing up to now.

#### 4.4.2.4. MARKETING & SALES

1. C.T.A has its own sales points (offices) in different countries. (Turkey, England, Germany)
2. Different tourism agencies around the world.
3. C.T.A is a member of the International Air Transport Association (IATA)

#### 4.4.2.5. SERVICES

All the services, developments are made with just one aim in mind, to provide customers with the safest most reliable and most comfortable air services possible.

#### 4.5. COMPETITIVE ADVANTAGE & STRATEGIES

- C.T.A is a state enterprise.
- The company capital is very high.
- The company officials are young, proactive and creative.
- Brand new planes. (Boeing 737-800)

#### 4.6. MARKETING MIX

##### 4.6.1. PRICE

C.T.A has Thursday night flights. These flights are cheaper than the other flights. The officials can improve these flights such as daily routine every night flights during a week except weekends.

##### 4.6.2. PRODUCT

C.T.A has no helicopter fleet. The company officials can create a new helicopter fleet. There are lots of benefits of this fleet to the company. Some of the benefits can be listed as follows;

- Helicopters can be hired to hospitals in emergency situations,
- Helicopters could be hired to the businessmen,

- Helicopters can be hired to the ministers for internal flights,
- Helicopters can be hired to travel agencies for short visits and day trips.

#### 4.6.3. PLACE

C.T.A officials have agreed to introduce new offices in 2002 in Glasgow (Scotland), Munich (Germany) and Dublin (Southern Ireland).

#### 4.6.4. PROMOTION

The presents and the special gifts are prepared by C.T.A for their customers especially during Bayram's and New-Year's time. As I mentioned before C.T.A has its own magazine, which is called Caretta Caretta . This magazine is free and is delivered to the tourism agencies around the world in order to promote C.T.A.

In addition some sports and cultural activities, some television and radio programmes are sponsored by C.T.A.

### V.ANSOFF MATRIX

	Differentiation	Cost
Many	1	2
Few	3	4 <sup>x</sup>

- Because of there is no other airline company in our country we can classify this as 4.
- C.T.A main aim is to provide efficient service, comfortable planes and customers pleasure.

## **VI. MARKETING SEGMENTATION OF C.T.A**

1. Turkish Cypriots students who are studying abroad. Businessmen who are visiting other countries and Turkish Cypriots tourists who are visit other countries.
2. Turkish people who are come from Turkey as a student, to complete military service, to make business, etc.
3. Turkish Cypriots, who are live in England, visits their families in T.R.N.C
4. Tourists from Germany, England and Israel.

## **VII. CONCLUSIONS**

There is a general conception that every government must have its own airline company. From this conception C.T.A was born after the 1974 peace-movement in Cyprus.

We can summarised the establishment and development process of the C.T.A as follows,

- In 1974-1981; C.T.A was established. Until 1981 military originated people directed C.T.A.
- In 1987; C.T.A was managed to create its own ground services by using its own employees.
- In 1991; C.T.A was managed to buy its own plane by using its own money.
- In 1992-1997, Turkish Cypriots lost their places in the management of the C.T.A. During this period the people who came from Turkey directed C.T.A. During the end of the 1997 C.T.A was almost bankrupt by this management.
- After 1998, the new and young Turkish Cypriots management came to power. C.T.A has started to develop under this new management. C.T.A still develops day by day.

## VIII. RECOMMENDATIONS

As far as I concern that there several factors that affect the C.T.A to have better place among the other airline companies. These factors can be classified into two groups. These are internal and external factors.

If we look at the external factors first I consider that Cyprus Conflict is the very first and important factor. Another factor is that T.R.N.C is unrecognised country around the world. Turkey is the unique country, which recognise T.R.N.C.

The fact of the continued recognition of the Greek Cypriot administration as the formal Government of the Cyprus is seriously prejudicing the Turkish Cypriot position in the political area as well as economic fields. The Central Bank of Cyprus is in the Greek Sector so that no benefits from foreign currency loans or grants reach the Turkish side; the new airport built by the Turkish Cypriots at Ercan is not accepted by I.C.A.O as an international airport because the Government of Cyprus does not approve it. As I described above firstly Cyprus Conflict and secondly to be unrecognised country (except Turkey) around the world are causes many problems. I personally believe that if we cannot solve this conflict not only C.T.A also other small sectors in T.R.N.C will face to abolish in the coming years.

If Cyprus Conflict would be solved and T.R.N.C would become recognised country around the world, as a result of this all our companies will become recognised companies around the world. Consequently, I reckon the more competitive will bring us better quality, good services and better prices.

The internal factors can be classified as follows;

1. C.T.A is a state enterprise. The politicians use these sorts of state enterprises for their benefits. In order to win the next election they employ many employers whom are unnecessary for the enterprise. As a result of this the cost for the company increases. They are also employed unskilled people and these people reduce the productivity for the company. Moreover the government appoints the C.T.A management. I believe this is another disadvantage for C.T.A. In the government there may be partisan people and they may appoint inexperienced people for the C.T.A management. As a result of this the company

efficient and effectiveness will be reduced or may be destroyed. I strongly believe that privatisation is only and unique solution to solve the above problems.

2. I personally reckon that the plane fleet must be uniform in other words C.T.A must have one kind of plane. As I commented on before C.T.A has 3 sorts of planes. These increase the cost of the company as a spare part of the planes, cabin crew, etc. I consider that the uniform plane fleet with high technology planes, such as Boeing 737-800, will boost the competition chance and also increment reliability for the passengers. C.T.A officials will also have a chanced to cut some jobs and as a result of this the company income will increase. (There are 3 pilots for Boeing 727, There are 2 pilots for Boeing 737-800)
3. May, June, July, August and partly September are the tourism seasons in our county. During these months C.T.A works with full capacity. All planes are in the flights. However, during the wintertime C.T.A loses lots of passengers and the most of the planes are stayed at the airport due to lack of passengers. I strongly believe that during this staying period C.T.A management could hire these planes to other companies and by this way company could earn an extra income during this staying period.
4. I believe that there are considerable number of unskilled people whom worked for C.T.A. I consider that if C.T.A cut the unnecessary work force, the income for the company will increase. In addition C.T.A will also cut the unnecessary expenses.
5. As far as I concern that the ground services, catering could be refereed to a private sector.
6. I consider that if tourism sectors develop in our country as a result of this C.T.A will also develop. For this reason firstly the number of hotel rooms must be increased and also above this the quality of the hotels must be reached to the world standards.

# APPENDIX



KIBRIS TÜRK HAVA YOLLARI ŞTİ. LTD.

## UÇAK FİLOMUZ

UÇAĞIN İSMİ	MODELİ	İMALAT TARİHİ	KATILIS TARİHİ	KOLTUK KAPASİTESİ
<b>BEŞPARMAK</b>	TC - JBJ	1974	22/ 06 /1990	164
<b>YAVRUVATAN</b>	TC - JBG	1974	20/ 12/ 1990	164
<b>YEŞİLADA</b>	TC - JEC	1981	12/ 03/ 1993	164
<b>ERENKÖY</b>	TC- JYK	1982	01/ 01/ 1995	230
<b>GİRNE</b>	TC - JBF	1974	28/ 02/ 1996	164
<b>LEFKOŞA</b>	TC - JCO	1982	15/ 05/ 1999	246
<b>MAĞUSA</b>	TC-MSO	1999	Nisan 2000	177
<b>GÜZELYURT</b>	TC-MZZ	1999	Nisan 2000	177
<b>Toplam Koltuk Kapasitesi:</b>				<b>1486</b>
<b>* BEŞPARMAK VE GİRNE UÇAKLARIMIZ 2001 OCAK AYINDA SEFERDEN KALDIRILMIŞTIR.</b>				





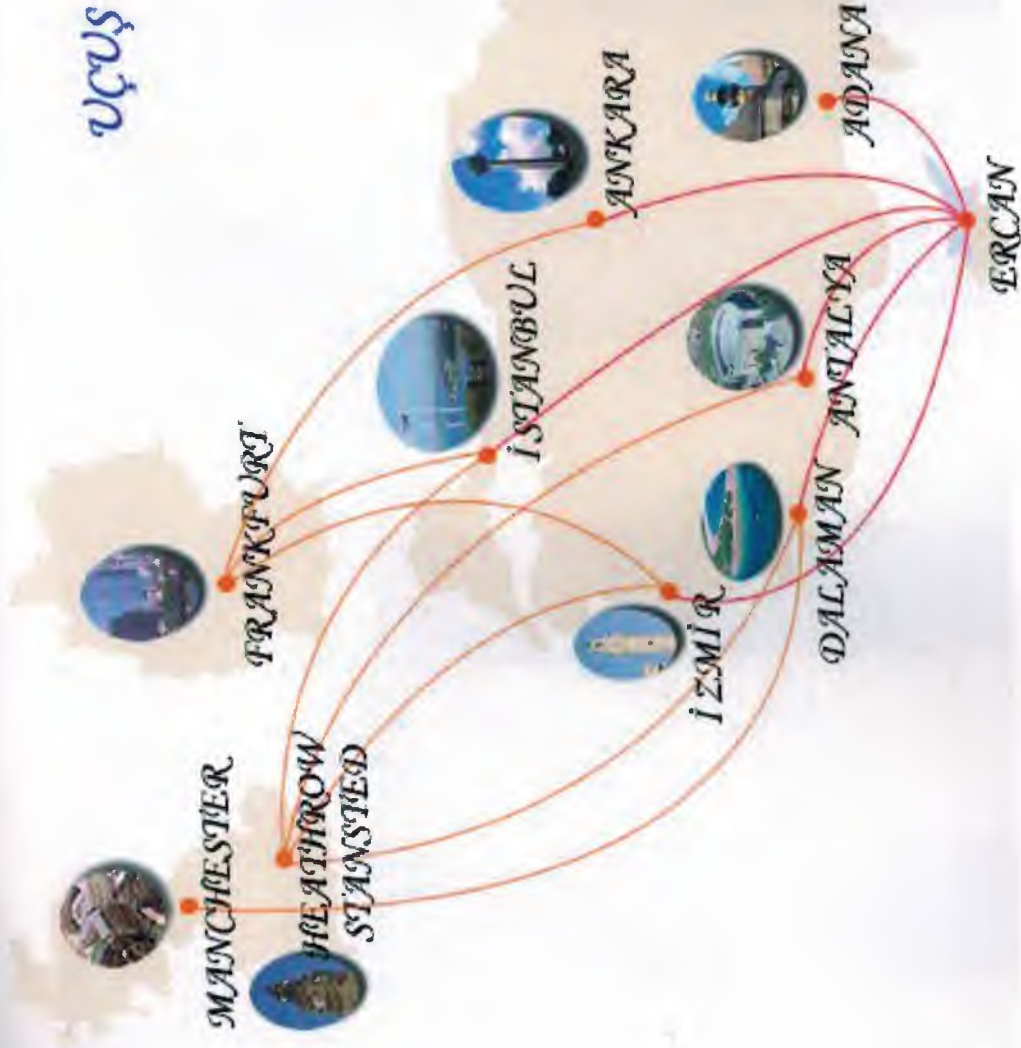




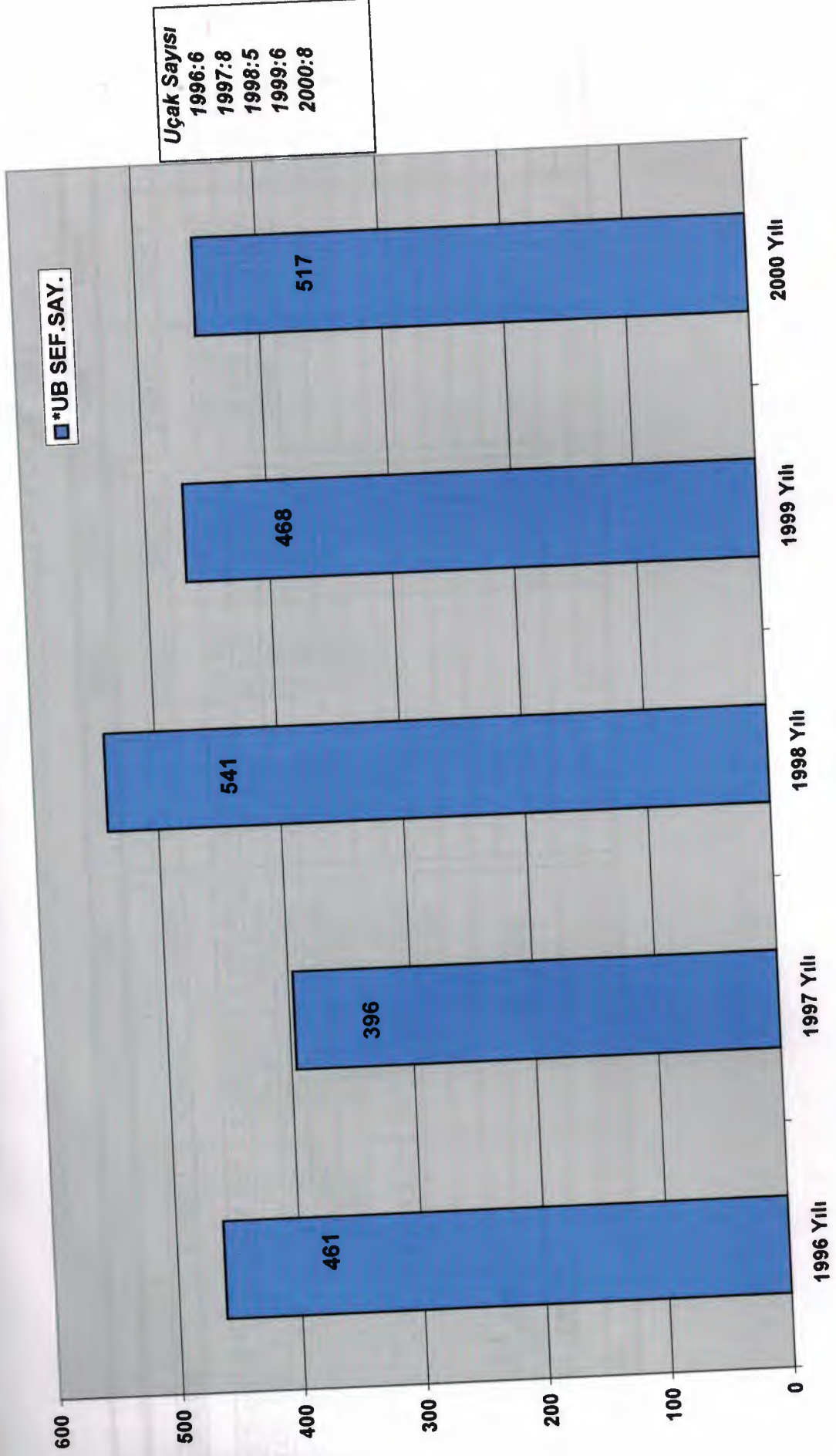


KIBRIS TÜRK HAVA YOLLARI ŞTİ.ŞTĐ.

## UÇUŞ NOKTALARIMIZ



1996-1997-1998-1999-2000 YILLARI UÇAK BAŞINA ORTALAMA SEFER SAYISI





KIBRIS TÜRK HAVA YOLLARI ŞTİ.İTD.

OCAK - ARALIK (ON İKİ AYLIK) TASINAN KARGO, BAGAJ VE POSTA (KG.)

	1998		1999		2000		1998		1999		2000		1998		1999		2000	
	PARKUR	KARGO	KARGO	KARGO	KARGO	KARGO	BAGAJ	BAGAJ	BAGAJ	BAGAJ	BAGAJ	BAGAJ	POSTA	POSTA	POSTA	POSTA	POSTA	POSTA
ECN-IST-ECN		2.486.351	2.209.779		2.440.464		116.216	120.464	143.425				164.079	107.357			74.644	
ECN-ANK-ECN		174.255	194.810		96.149		62.809	54.310	47.329				46.902	60.870			54.307	
ECN-ADA-ECN		113.193	133.446		115.957		28.901	22.835	29.613				3.508	2.026			1.634	
ECN-IZM-ECN		275.336	215.956		216.949		23.705	19.807	20.566									
ECN-AYT-ECN		68.956	5.676		5.686		5.964	3.910	3.590									
ECN-DLM-ECN			1.820		1.680			105	265									
ECN-LON-ECN		3.003.551	2.724.316		2.519.600		17.880	20.317	20.531									
ECN-FRA-ECN					11.501				76									
ADA-FRA-ADA									3.257									
ANK-FRA-ANK									1.104									
IST-FRA-IST					400				1.044									
IZM-FRA-IZM									455									
TOPLAM		6.121.642	5.485.803		5.408.386		255.475	241.748	271.255				214.489	170.253			130.585	



## KTHY PERSONEL SAYISI ÇİZELGESİ

1998	1999	2000
655	699	703

### 1998-1999-2000 YILLARI NDA KTHY UÇAK SAYISI VE KOLTUK SAYISI

1998-1999-2000 YILLARI NDA KIHY UÇAK SAYISI VE KOLTUK SAYISI					
1998		1999		2000	
UÇAK SAYISI VE UÇAK TİPİ	KOLTUK SAYISI	UÇAK SAYISI VE UÇAK TİPİ	KOLTUK SAYISI	UÇAK SAYISI VE UÇAK TİPİ	KOLTUK SAYISI
4 B727	656	4 B-727	656	4 B727	656
1 A-310	230	2 A-310	476	2 A-310	476
				2 B737	354
TOPLAM:	886	TOPLAM:	1132	TOPLAM:	1486

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