

Czech University of Life Sciences Prague

Faculty of Economics and Management

Department of Economics



Bachelor Thesis

Economics of Tourism in Selected Country

Jambulova Aigerim

Supervisor: Ing. Petr Prochazka, MSc, Ph. D.

© 2016 CULS Prague

CZECH UNIVERSITY OF LIFE SCIENCES PRAGUE

Faculty of Economics and Management

BACHELOR THESIS ASSIGNMENT

Aigerim Jambulova

Economics and Management

Thesis title

Economics of Tourism in Selected Country

Objectives of thesis

The main aim is to evaluate features, identify strengths and weaknesses of tourism in Turkey. Purpose improvement in future. Determine things that affect on tourism. Compare tourism in the countries that have access to the sea.

Methodology

Theoretical section will consist of synthesis, induction, deduction, extraction, abstraction. Methodology also will contain literature review. Practical section will consist of basic statistical methods, financial analysis methods, analysis of tourism market.

The proposed extent of the thesis

35+

Keywords

Tourism, Turkey, Marmara, Mediterranean, Black, Aegean seas, muslim, historical sites.

Recommended information sources

Mediterranean tourism: facets of socioeconomic development and cultural change. 1st ed. Editor Yiorgos Apostolopoulos, Philippos J Loukissas, Lila Leontidou. London: Routledge, 2001, xvi, 320 s. Routledge Advances in Tourismus, 4. ISBN 0415180236.

Promotion of tourism in Turkey. Istanbul: Economic and Social Studies Conference Board, [1970], 263 p. YASER, Betty Slade. Some notes on foreign tourism in Turkey, 1963-1972. Ankara: Economic Analysis Staff, United States Agency for International Development, 1973, 43 leaves.

Expected date of thesis defence

2015/16 SS – FEM

The Bachelor Thesis Supervisor

Ing. Petr Procházka, Ph.D., MSc

Supervising department

Department of Economics

Electronic approval: 20. 11. 2015

prof. Ing. Miroslav Svatoš, CSc.

Head of department

Electronic approval: 20. 11. 2015

Ing. Martin Pelikán, Ph.D.

Dean

Prague on 07. 03. 2016

Declaration

I declare that I have worked on my bachelor thesis titled "Economics of tourism in Selected Country" by myself and I have used only the sources mentioned at the end of the thesis. As the author of the bachelor thesis, I declare that the thesis does not break copyrights of any their person.

In Prague on 14.03.2016.

Jambulova Aigerim

Acknowledgement

I would like to express my heartfelt gratitude to my supervisor Ing. Petr Prochazka Ph.D., MSc for useful suggestions, providing materials and encouragement throughout, motivation and enthusiasm. His guidance helped me in all the time of research and writing the thesis.

Economics of tourism in Selected Country

Ekonomický cestovní ruch ve Vybrane Zemi

Summary

The main aim of this bachelor thesis is to evaluate features, identify strenghts and weaknesses of tourism in Turkey.

This thesis consists of two parts. First part includes historical aspects, the development and analysis of tourism in Turkey. Also describes main economic function of international tourism and main directions of international tourism.

The second part evaluates the role of tourism in economy of Turkey. Also noted the Russian-turkish conflict and and how it effects on tourism. The theoretical part includes correlation of priceses and tourism, observations of some tour-agents, interviewing with representatives of tourism industries.

Key words: Tourism, Turkey, Marmara, Mediteranean, Black, Aegean seas, muslim, historical sites, World Tourism Organization (WTO).

Souhrn

Hlavním cílem této bakalářské práce je zhodnotit vlastnosti, identifikovat silné a slabé stránky cestovního ruchu v Turecku.

Tato práce se skládá ze dvou částí. První část obsahuje historické aspekty, vývoj a analýzy cestovního ruchu v Turecku. Dále popisuje hlavní ekonomickou funkci mezinárodního cestovního ruchu a hlavní směry mezinárodního cestovního ruchu.

Druhá část hodnotí roli cestovního ruchu v ekonomice Turecka. Také se zajímá o Rusko-turecký konflikt a jeho efekty na turizmus. Teoretická část se zabývá korelací cen a cestovního ruchu, pozorování tour-agentů, rozhovory se zástupci turistických průmyslů.

Klíčová slova: Cestovní ruch, Turecko, Marmara, Středozemní moře, Černé, Egejské moře, Muslim, historických památek, Světová organizace cestovního ruchu (WTO).

List of figures

Figure 1. Ten countries hosting the greatest number of tourists in the World (2008).....	17
Figure 2. The number of Kazakh citizens, visited Turkey in 2003-2013	25
Figure 3. Number of Russian tourists visiting Turkey in 2008-2015 years.....	43

List of tables

Table 1. Income from tourists from 2005 till 2014 years	27
Table 2. Top 10 countries, citizens from which visited Turkey in 2014-2015 from January till October.....	28
Table 3. The arrival of tourists in Turkey on purpose in 2008.	30
Table 4. Contribution of tourism to the economy of Turkey.....	37
Table 5. SWOT analysys	39

Table of content

1. Introduction.....	10
2. Objectives and Methodology	14
2.1 Objectives	14
2.2 Methodology	14
3. Theoretical Part.....	15
3.1. Literature Review	15
3.1.1. Historical Aspect	15
3.1.2. The main directions of international tourism	16
3.1.3. Tourism in Turkey	18
3.1.4. The main economic function of international tourism	19
3.1.5. Turkey relations with Kazakhstan in the field of tourism	23
4. Practical Part.....	27
4.1. The role of tourism in the economy of Turkey	27
4.1.2. Price effect on tourism industry of Turkey.....	31
4.1.3. Gross Domestic Product.....	37
4.1.4. SWOT analisys.....	38
4.2. Russian-Turkish conflict. Effect on tourism	39
4.3. Interview with Kazakh representatives of tourism industry	44
5. Conclusion	47
6. Bibliography	49

1. Introduction

International tourism is the one of the most profitable and rapidly developing sectors of the world economy. By the beginning of the third millennium on the international tourism accounted for 8% of the total world exports and 30-35% of the world exports of services.

According to the World Tourism Organization (WTO), is the leading inter- governmental organization in the field of travel and tourism, tourist industry demonstrates the highest growth among the world's economic sectors. Over the past 16 years, revenues from international tourism increase annually by approximately 9%. In 2000, the revenue from it reached \$ 476 billion.. During the same period, the number of arrivals increased annually by an average of 4.6% and in 2000 reached 698 million.

According to forecasts of the World Tourism Organization, international arrival of the year 2010 reached the level of 1 billion. Revenues in the global industry will grow by that time to 1.5 trillion dollars.

At the heart of the tourist boom that has swept the world in recent decades, are very specific economic, social and other reasons. First of all, the scientific and technological revolution, which is associated with a whole new level of productive forces. This is a global phenomenon of urbanization, forcing residents of large cities to seek rest in other regions and countries. The significant role played by the "transport revolution" and in particular the rapid development of motorization and air transportation. In general, increases the quality and standard of living in the world, increasing the duration of leave and income. In addition, the overall growth of the population growth of the culture is the cognitive needs of the people.

It should be noted an important role of tourism in addressing social problems. In many countries of the world it is due to tourism and creating new jobs, supported by a high standard of living, are prerequisites for improving the country's balance of payments. The need for the development of tourism sector entails improving education, improving the system of medical care, the introduction of new means of disseminating information (Curtis, Shani, 2002).

Tourism has a major impact on the preservation and development of cultural potential, leading to the harmonization of relations between countries and peoples, forcing governments, community organizations and businesses to actively participate in the conservation and improvement of the environment.

The scope of tourist services is one of the fastest growing sectors of the Turkish economy. This contributes to a number of different reasons.

Turkey has a unique combination of various natural, historical and cultural values.

Many different civilizations, located on the territory of Anatolia, left extant historical monuments. In Turkey, more historic sites than in Italy and Greece put together, here are 2 of the 7 wonders of the world. The country on 3 sides surrounded by seas. Length of sea coastline, including the coast of the Marmara Sea, the Straits and islands is 8333 km, and the beaches are ideal for relaxation. Climatic conditions vary depending on the region. In the north it is temperate in the interior areas of the country the climate is continental, and in the south - a subtropical Mediterranean. The rich flora and fauna, rivers, mountains, hot springs - all this contributes to the development of various forms of recreation. Among the other factors that attract tourists to Turkey, called the richness and diversity of Turkish cuisine, folklore and hospitality of the population untouched compared to the mass tourism places along with the nature of modern infrastructure. However, in addition to beautiful nature, favorable climate, rich cultural heritage attracts tourists to Turkey's high quality services at relatively low prices.

The tourism industry began to attract the attention of the Turkish authorities in the second half of the 20th century. Since the 60s in Turkey were developed 5-year development plans. For it was responsible educated at the same time the State Planning Organization. In the first five-year development plans stressed the need to benefit from tourism development. Plans scheduled to infrastructure development, increasing places for recreation. Already in the 60 years was seen a huge potential in the field of tourism in Turkey, on the development of this industry emphasizes in his speeches the authorities. But you cannot say that at this early stage of sufficient funds or to take all necessary measures for the development of this sector. Lack of budget and capital investments served as the main obstacle to the creation of Turkey's tourism potential.

Limited financial resources and the diversity of tourist resources will inevitably lead to the selection of priority tourist areas. In the early 1970s, the coast of the province of Balıkesir to Antalya Province (which includes such popular today destinations like Izmir, Kusadasi, Bodrum, Marmaris and others) was declared a priority area for investment, the Ministry of Tourism in cooperation with other ministries, work began planning the development of the tourism sector in this part of Turkey, in order to reduce the gap between development plans and implementation of projects in life.

With the increasing demand for tourism services in the world, the Ministry of Tourism of Turkey began implementing projects for the development of resorts. For example, one of them was a project of the South of Antalya, which is supported by the

International Bank for Reconstruction and Development. However, still the development of the tourism sector has been slow. Not the least role in this played a small financing.

Tourism plays an increasingly important role in the global economy, so in many countries of the world, the industry is booming. In recent decades tourism plays very huge importance in the Turkish economy. Tourism has become a source of foreign exchange earnings to the country, and created many new jobs for the residents of Turkey. In addition, tourism has led to a creation and development of many industries, which have become a necessity to service the tourism sector. After China, India, Russia and Brazil in the ranks of the booming economic actors emerging markets entered Turkey. Currently, it is one of the world leaders in terms of economic development. In 2010, the Gross Domestic Product Turkey has exceeded 735 billion US dollars, while GDP per capita - 10 thousand dollars. The growth of the economy was 8.9 per cent. According to the forecast of the World Bank, in 2011, Turkey's GDP growth will exceed 8 percent, making the country remains among the world leaders on this indicator. Services industry is 60 percent of the Turkish economy. The share of basic industry in GDP reached about 30 percent, and the production of agriculture, forestry and fisheries - 12 percent.

An important source of foreign currency revenue is tourism. According to the Turkish Statistical Office, in 2011, foreign tourists joined the state budget to 23 billion dollars, which is 10.6 percent more than in the previous year. Turkey is going in the next few years in every possible way to develop tourism. International tourism has a powerful effect on

employment. According to experts, currently 100 million people work in the industry, and by 2005 one of eight person in the world is engaged in this sector. In this area, new jobs are distributed geographically wider than in other developing sectors of the economy.

International tourism is an active source of foreign exchange earnings and has an impact on the balance of payments. In addition to the impact on the economy of many countries, international tourism affects their social and cultural environment, ecology.

However, the growth of international tourism raises some negative effects, such as inflation, environmental destruction and violation of the traditions of the local people. This is particularly evident in developing countries, where tourists from richer industrialized countries impose their presence inherent in their lifestyle and level of consumption.

Therefore, it is necessary to be able to fully and timely to assess the impact of international tourism, since such an assessment is of great importance in the preparation of economic and tourist policy, which would allow to capitalize and to prevent the negative impacts of tourism.

In the work I would like to deals with the general direction of international tourism, the economic aspects of international tourism and its development in Turkey.

2. Objectives and Methodology

2.1 Objectives

Due to the fact that tourism is an interdisciplinary field of the economy, embracing accommodation facilities, also transportation, communications, food industry, entertainment, and more, this sector affects every continent, country or city. The value of tourism to the economies of the different countries is due primarily to the advantages that it brings, subject to successful development. Important advantage is the multiplier effect of tourism - is the growth of jobs in hotels and other accommodation facilities, restaurants and other enterprises of food industry, transport and related service industries. Another advantage is the growth of tax revenues in budgets of all levels. In addition, tourism has an economic impact on the local economy by stimulating exports of local products. In my work I want to review and analyze of impact of tourism industry from economic point of view and highlight the main economic aspects of international tourism in example of Turkey.

2.2 Methodology

In order to fulfill objectives of this work and show theoretical knowledge which used before I review several articles and wrote literature review. Literature review helps me to understand the past studying of international tourism and tourism in Turkey from economic point of view. Moreover, I conducted several interviews with tourism agencies to know the current situation in the market.

3. Theoretical Part

3.1. Literature Review

Literature review was done by examining articles, books, research papers that author of this thesis considered as relevant. All resources mentioned below were published by accredited scholars and researchers. Chosen literature disposes the research topic within the context of the previous academic findings and sets the background for further studies.

3.1.1. Historical Aspect

The main function is to transform tourism primarily closed societies into open universal society where contacts between people of different countries are becoming everyday life. With this feature, people satisfy their need for meetings, exchanges with other cultures.

Economic analysis of international tourism based on the received precise and universal definition that describes the characteristics of international tourism, classify different types of tourist flows.

Basic definitions of tourism have been formulated by the United Nations (Conference on International Travel and Tourism, Rome, 1963) and the Commission for the United Nations Statistics (April 1968). These definitions were reviewed and adopted at the conference held by the World Tourism Organization in Ottawa in June 1991

The rapid development of tourism accounts for the postwar period.

A special role was played by population growth in the industrialized countries, the increase in paid holidays and increasing incomes. In response to the growing demand for tourism and recreation proposals were developed mainly in the form of a standard mass pocket tour (tourist package), which in turn was made possible by the inclusion of a flight on a jet airliners since 1958, cheaper combustible (Adair,2004) . In addition, the development of international tourism contributed to a significant increase in business travel.

Over the entire period under review, international tourism has shown good and reliable view of the economy despite the many negative factors, such as political and economic instability in many parts of the world, strengthening of terrorism, etc. Typically, during a recession, demand on tourism unchanged, or shortly after the "recovery" of the economy

returning to the previous level. However, this global process is not distributed evenly among all the tourist centers. Many of them disappeared because of what became unfashionable or could not provide sufficient security for tourists.

In the 1980s, there were downturn in the world economy, which has led to reduction of international travel up to 1984 this year and next - 1985 was a record for successful European tourist destinations (Adair, 2011). However, the accident at Chernobyl in the Soviet Union in 1986, as well as Libyan terrorist acts of extremists, the weakening of the US dollar compared with the currencies of other countries have led to a reduction in tourist flows in the world.

In the second half of the 80s the situation was normalized. During this period, some countries Pacific (Australia, Hong Kong, Thailand and China) and Europe (Portugal, Turkey) have experienced rapid growth, while others - the recession, such as the once prosperous and famous for its tourism industry to Lebanon.

The nineties also started unfavorably for tourism. The major role was Iraq war, called "Desert Storm." Shortly after the war were discontinued decrease to travel to the region as well as in the eastern Mediterranean and North Africa, thereby slowing the rate of growth of international tourism. The subsequent economic downturn that gripped many industrialized countries has further aggravated the situation.

Annual proceeds from international tourism (excluding receipts from transport) began to grow in the 80s and in 1996 reached 423 billion dollars. Tourism receipts grow faster and more regularly than the number of tourists traveling to the world, but this is not due as inflationary processes in the world, as improving the efficiency of the industry.

3.1.2. The main directions of international tourism

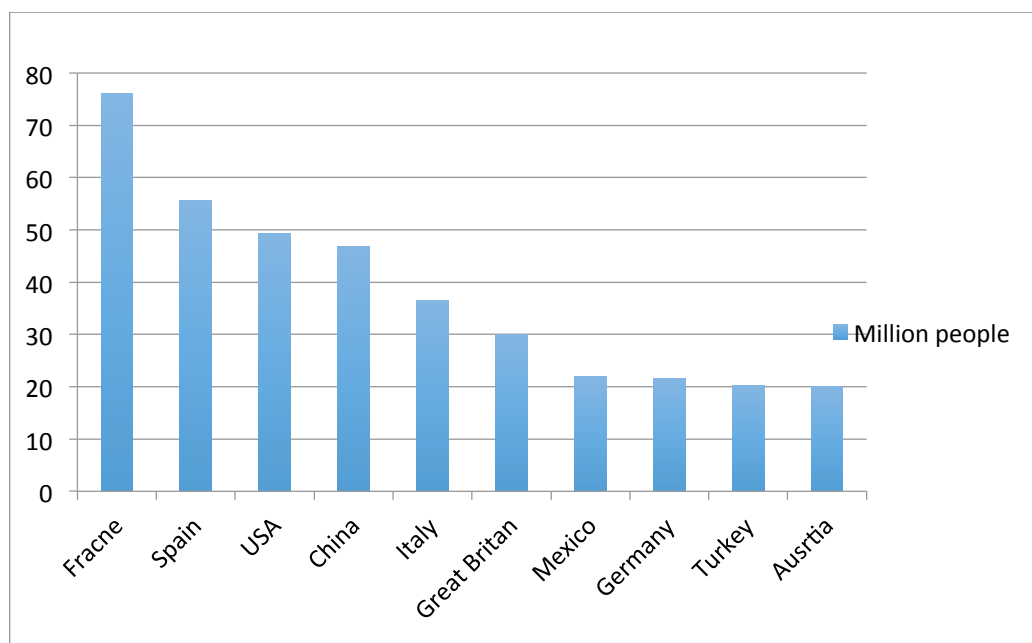
The main directions of the international tourism have been significant changes.

Western European countries are lagging behind the United States in international tourism receipts of funds from tourism. Europe more than other regions attracts tourists, but their number is growing slowly. European countries take 60% of visitors from around the world, and only 50% of total tourism receipts in the world account for their share.

Analysis of the development of world tourism, conducted by the WTO (World Tourism Organization), highlights significant changes which have occurred in the arrivals and receipts of the international tourism. From 1985-1996 the tourism industry fell from 65 to 59%, while the share of revenues - from 53% to 51%, over the same period, East Asia and Pacific (EAP) significantly increased their share from 9 to 15% and from 11 to 19, 5%, respectively the number of tourists and revenue from them. In 1950-1960 years the share of this region in total world arrivals accounted for only 1%, in 1970 it reached 3% in 1980 - 7, in 1990 - 11 and 1996 - 15%. The share of revenues from international tourism in the region also grew steadily: in 1950 - 1.4%, in 1960 - 2.8, in 1970 - 6.2, in 1980 - 7.3 in 1990 - 14.4, 1998 - 20%. This demonstrates the growth occurring in the highly competitive environment in countries such as Australia, Hong Kong, Indonesia, Korea, Singapore and Thailand.

The main tourist flows in the world are concentrated in Europe (from the UK to France, from Germany to Spain), America (US and Canada) and the region of BAT (from Japan to Thailand).

Figure 1. Ten countries hosting the greatest number of tourists in the World (2008)



Source: (bankreferatov.ru).

With regard to tourism flows between regions, there is the lead flows between America and Europe. This competition is a result of the increase of flights across the Atlantic and to

reduce the corresponding rates for a large segment of the market. Other leading destinations in BAT, the Middle East and Africa; from BAT in America and Europe.

The world is full of countries annually receives more than 1 million foreign tourists (about 50 countries), and 23 countries visited by 5 million visitors (Dondrand, 2004). According to income derived from tourism, leading the United States, Spain, France, Italy and the United Kingdom.

By spending tourists first in the world and occupy the US, followed by Germany, Britain and Japan, which in recent years pursued a policy of promoting foreign travel of its citizens mainly on in order to ensure a positive balance of payments.

Major countries - the receptors of international tourism flows are also key generating markets. Some countries are among the first in the number of tourist arrivals and may not be the first on the revenue, as is the case with the countries of Southeast Asia, such as Malaysia.

The exchange of tourists and therefore money takes place between the industrialized and newly industrialized countries (NICs) in the world. According to the WTO, in the list of top twenty tourist countries lack the developing countries. However, industrialized and developing countries have always recognized the potential for international tourism (or rather its entry component) - this "intangible" type export for recovery of the balance of payments, and paid great attention to its development.

3.1.3. Tourism in Turkey

Focusing on foreign relations in reforms, creation of a competitive environment throughout the economy and in the services sector, in particular, ensure the overall social and economic stability in the country have stepped up the development of tourism. For a short time in Turkey, not without the use of foreign investment, especially German, it has established an extensive network of hotels, campgrounds, built excellent roads, the preparation of its own qualified guides with knowledge of the major European languages. Much attention has been paid to the reconstruction of old landmarks.

For example, Antalya (one of the first free zones) that used to be inaccessible due to lack even the railway, the port has small, completely transformed. It was built by an international airport, seaport upgraded.

There was a network of five-star hotels. Today Antalya - the most visited summer resort of the country. The Ministry of Tourism of Turkey in cooperation with representatives of the tourist business intends this year to launch a new project aimed at attracting tourists to the country. In total, the development of tourism in Turkey will invest \$ 320 million. Due to large-scale advertising campaign in 2012 it is planned to increase the flow of tourists into the country up to 60 million people a year, and income from tourism - up to \$ 50 billion.

The government will allocate to the development of this sphere of \$ 120 million, the remaining funds will come from the Turkish tour operators and hoteliers (Allen, 2014). The advertising campaign will be concentrated on the promotion of the country's new international markets.

Also as part of the new project, Turkey will be represented as a year-round tourist destination. In addition, the allocated funds be directed to hold the key position of Turkey in the modern tourist market.

3.1.4. The main economic function of international tourism

Economy and tourism are closely interact with each other. There are impacts of tourism on the economy and the impact of the economy on tourism. Since we are interested in the economic aspects of tourism, therefore we consider only the impact of tourism on the economy. In this regard, five distinct economic functions of tourism.

Production function of tourism. The company carries out the production function, if used production factors such as labor, land and capital. By combining the production factors for the production of a new product, creates surplus value. This process is called the accumulation of values. Companies working in the tourism industry, produce new products and promote the accumulation of values. Thus, the production function they perform. Travel products often have a kind of intangible goods, as they are services.

For the production of these services requires staff. It is believed that the tourism industry is highly personalized, so the second important feature of tourism is the function of providing

employment. The quantitative growth of personnel in the tourism industry can be halted only by the introduction of technical developments. Technically tools make it easy to work, but can not replace personal contact with the guest. Tourism directly or indirectly contributes to employment. Talking about the direct effect of employment in tourism, we mean that the population gets the jobs directly in tourism enterprises - mainly in hotels, transport companies and travel agents.

Indirect employment effect. Tourism creates the effect of employment in other sectors of the economy, so to speak of its indirect participation in employment.

The function of creating income. Who works, he usually receives income from its activities. With the function of tourism employment is closely linked to the function of creating income. Using economic terminology, we can say that the economic-worker of tourism contributes to the creation of the national income. This applies especially to all people whose jobs is directly dependent on tourism. In this case it is a direct effect of creating income in tourism.

In addition, it should take into account the fact that every tenge earned by the tourist enterprises on the first turnover, and produced in the form of income, again leaves the company's account (Papiryan, 2006). So there are new revenues, but third parties. If these persons are height-dumb as a supplier of any goods for the tourist enterprise, in this case we can talk about the function of the indirect effect of creating income in tourism. For instance, the hotel manager enters into an agreement with the baker to supply bread, rolls and other bakery products, required to serve the guests in the restaurant of the hotel. Baker thus receives some of their income from the cooperation with the tourism industry, as the goods delivered to the hotel, are consumed by tourists.

Creation of income in tourism helps to increase the national income. The science of economics refers to this effect in the case where it is understood that income received in the same industry, contributes to the emergence of a new income from another business entity (Birzhakov, 2011). The effect of the increase in national income in tourism is primarily regional importance. A significant increase in income occurs when the primary revenues of the tourism industry (as in the example of a baker) goes to regional trade, industry and agriculture.

Within the framework of the regional dimension of the important role played by the following economic function of tourism - smoothing function, manifested in the fact that tourism contributes to the economic development of structurally weak regions. Tourists are usually interested in regions with poorly developed industry, space, having a pristine landscape and the environment in a state of equilibrium. Most often it is the regions with a predominant agricultural development. For local residents of the regions tourism is an important source of additional income, his spo-proper alignment of their income, since this income often lower than in areas with developed industrial production.

Smoothing in tourism also has international significance. In this sense, there is the same as in the agricultural area. Consider the small island states, whose inhabitants live mainly by agriculture and fishing, it is clear that tourism for a country of considerable economic importance, since tourists consume goods and services produced locally. In this case, tourism redistributes income countries, with the industrial and agricultural production.

Recent economic function of tourism, we are considering - the function of leveling the balance of payments. In the economy there is the concept of balance of payments, with all its component parts. An integral part of the balance of services is the balance of travel within the country (Belarus), and travel abroad (Switzerland). This balance of expenditures of local tourists traveled abroad, are opposed to income derived from the consumption of goods and services by foreign tourists. Tourism on the different effects on the balance of payments of each country. Traditionally, the balance of travel is scarce, that is Belarusians leave for more money abroad than foreigners in Belarus.

Most of the Nordic countries are considered outbound tourism. A completely different situation in Switzerland, where the balance of travel shows a constant excess, ie the cost of foreign guests in Switzerland higher than the cost of the Swiss abroad(Burd, 2006). Consequently, the Swiss dominated inbound tourism. Thus, the economic importance of tourism is determined by the following factors: production function, promote employment, income accumulation function, the function of smoothing and leveling function of the balance of payments.

Tourism, however, and could have a negative impact on the economy. Production of tourist products and services requires a transfer of resources from other sectors of the economy

where the demand for them is also high. For example, when moving the workforce in tourist areas from rural areas there is a reduction of employees in the production of agricultural products and overvoltage generated in urban areas due to the additional beds in hospitals, schools, etc. Therefore, to get a complete picture it is necessary to take into account to determine the price and use of scarce resources for tourism instead of using them in other areas.

Inflation can reduce the amount consumed by the local population products. This inflation risk is particularly high in developing countries because of the inelasticity of proposals out there and you cannot import quality products because of the low rate of the local currency against hard currencies. Inflation can be suspended by a reduction in demand from local and foreign consumers or by an increase in imports due to funding received from the same foreign visitors.

We now turn to a more detailed analysis of the economic impact of tourism.

Let's start with the fact that tourists spend money in hotels, restaurants, transport, etc. and thus penetrate into the economy of the host country. This penetration can be explored by assessing the direct and indirect effects of penetrating. The direct effect - is the amount of tourist expenditure minus the volume of imports required for complete software products and services tourists. Companies, which come directly spending tourists also require the purchase of goods and services in other sectors of the local economy. For example, hotels use the services of builders, utility companies, banks, insurance companies, food manufacturers, and others. Thus to generate economic activity derived from the sequence of steps of spending, and is an indirect effect. However, it does not cover all the expenses of tourists during the direct impact, since the money comes out of circulation through the import and taxation.

While the direct and indirect expenditure of the local population is accumulated income in the form of wages, rent and others. This extra income residents may spend on the purchase of domestic goods and services, thus creating a new round of economic activity.

Focusing on external relations in the period of reforms, creation of a competitive environment in the economy and in the services sector, in particular, ensure the overall socio-economic stability in the country have stepped up the development of tourism. For a

short time in Turkey, not without the use of foreign investment, especially German, has established an extensive network of hotels, campgrounds, built excellent roads, it began training its own highly qualified guides with knowledge of the main European languages. Much attention has been paid to the reconstruction of the old attractions.

For example, Antalya (one of the first free zones), which had previously been inaccessible due to lack of even the railway completely transformed. International airport was built and seaport upgraded. There was a network of five-star hotels. Today Antalya - the most visited summer resorts in the country. Turkish Ministry of Tourism, in cooperation with representatives of the tourist business intend this year to launch a new project aimed at attracting tourists to the country. In total, the development of tourism in Turkey, \$ 320 million will be invested. Due to large-scale advertising campaign in 2012 it is planned to increase the flow of tourists into the country up to 60 million people a year, and the income from tourism - up to \$ 50 billion.

The government will allocate to the development of this sphere of \$ 120 million, the remaining funds will come from the Turkish tour operators and hotel owners. The advertising campaign will be mainly aimed at promoting the country's new international markets. Also in Turkey within the framework of the new project will be presented as a year-round tourist destination. In addition, the allocated funds be directed to hold key positions in Turkey's modern tourist market.

3.1.5. Turkey relations with Kazakhstan in the field of tourism

With regard to relations with Kazakhstan in the field of tourism, Turkey has become an attractive destination for Kazakh people relax with a mid-90s year .25 May 1992 between the two countries signed a treaty on partnership in the field of tourism. Kazakhstan and other CIS countries occupy second place after Germany in the number of visiting vacationers.

Kazakh people attracts Turkey with its geographical proximity, quality hotel, cheap holiday in Turkey, beautiful natural and climatic conditions, lack of visa problems, as well as with language problems (now on all Turkish resorts along with personnel trained in German, English and French, working waiters, guides, speaking in Russian). In addition, it should be noted that the Ministry of Tourism of Turkey is spending a lot of money on

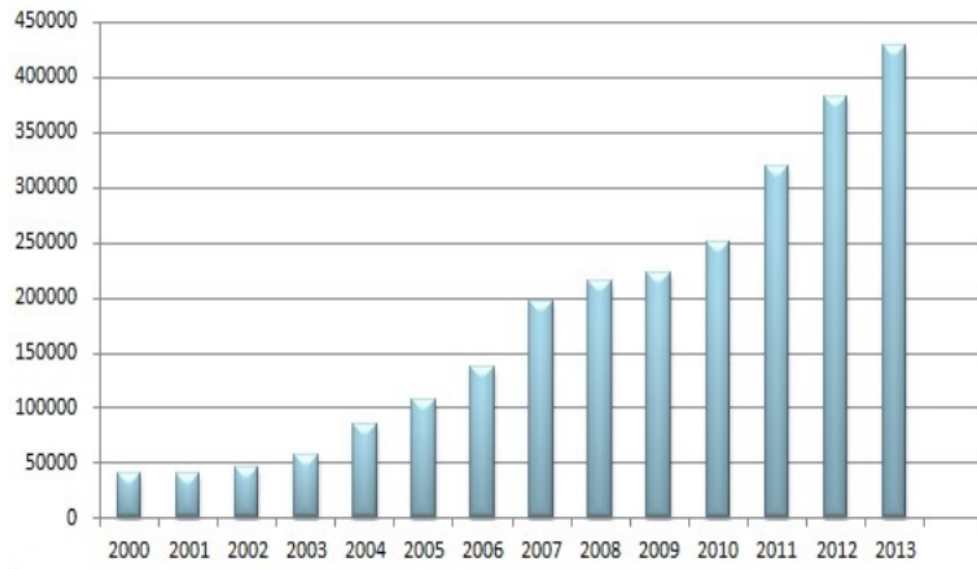
advertising and promotion of the recreational opportunities of the country. In 2002, from March 1st to December on the advertising and promotion of Turkish tourism products in the Kazakhstan allocated 7 million dollars. In addition, 1.2 million dollars directed to the support of tour operators that have their own charter programs in the Turkish area. This support extends not only to Turkey but also to Kazakh operators. In addition, the Ministry of Tourism intends to compensate for travel agents 25% of the cost of advertising on holiday resorts in Turkey and plans to offset some of the costs to firms, organized in April and May of advertising tours to Turkey for tourist industry representatives and the media. Thus, the popularity of holidays in Turkey among Kazakh people due not only to the developed infrastructure and favorable natural conditions, but also thought-out policy of the state, is interested in the development of tourism.

Turkey, a country of traditional beach holiday, one of the top ten world leaders in the tourism industry, obsessed with the development of alternative tourism, in particular health, and on the initial stage of planning revenues from him a billion dollars.

Revenues from tourism in Turkey, which in 2010 was visited by over 27 million foreigners, including more than half million citizens of Kazakhstan amounted to 5 billion dollars. Despite the crisis the interest on Kazakh people to Turkey is not only stopped falling, but increasing. According to data of Turkish statistics institute, the number of Kazakh citizens visited Turkey from 2000 to 2013 increased from 38 939 to 425 773 people per year.

The majority of Kazakh tourist arriving traditionally prefer to stay in Antalya. In Antalya hold annual training about a thousand foreign football clubs, including many Kazakh teams. It also organized various conferences with the participation of representatives of many countries, which refers to the so-called congress tourism. Given the global trend to higher quality and specialized tourism, together with Kazakhstan to join the project of medical tourism, unique in its kind, which includes, along with the traditional holiday, the provision of services in the medical field.

Figure 2. The number of Kazakh citizens, visited Turkey in 2003-2013



Source: (domashke.com, based on Turkish statistical institute)

The idea is that the rest in the resorts of tourists can be combined with prevention and treatment of diseases, a visit to the Turkish thermal clinics, which are world famous with the prehistoric era, special programs in sports clubs and fitness centers. In drawing conclusions from what has been said above, we cannot accept Turkey's progress in the development of the tourism industry. For example it can be seen as a country with great recreational resources, with a sound and balanced policy of the state is interested in increasing revenue from this part of the service sector, can achieve significant results.

At the same time, which is especially important, Turkey does not stop there, but tries to adapt its tourism sector to a variety of market demand for tourism services, responding flexibly to the changing situation in the world. We can say that while maintaining its policy rate is now in this area and the favorable situation in the world for the development of international tourism in general and in Turkey, in particular, the tourism industry will continue to develop dynamically and to bring Turkish economy growing income.

Despite the fact that the world economy is gradually recovering from the global economic crisis in the past in 2010, Turkey became one of the few countries to make a profit in the past tourist season. In 2010, Turkey rested for 6% of the foreign tourists more than in the previous 2009 and 16% more than in 2008, and it is all in spite of the downturn in the economy and all the problems associated with it. Of course, the impact of the crisis on the

Turkish economy has not passed painlessly, so, despite the overall growth of the country's attendance, the tourism sector revenues still have not grown in proportion to the increase in the number of tourists. But the players country's tourism market in general satisfied with the results: in 2010, many of the citizens of Russia and the CIS countries, who every year is traditionally rest on the Black Sea coast of the Caucasus and Crimea, chose the beaches of Alanya, Antalya hotels, vacation in Istanbul or other cities in Turkey: Marmaris, Kemer, Belek, Bodrum.

This year, experts predict decrease of tourism sector of Turkey, and it is expected that decrease will be on the same level of average decrease of the world economy in this area, but tourism in Turkey is not in place. Having gained a strong position in the area of a beach holiday, today the country is stepping up its efforts in other areas of outdoor activities: cultural tourism, event tourism, ski vacation, medical tourism, children's rest - these are just some of the ways in which the country's leadership is making a lot of effort for them development. Rafting, scuba diving, golf, sailing, spa - spas - all actively developed and promoted, and many of those tourists who previously was in a hurry for similar experiences in other countries, have already evaluated affordable prices, European service, varied and delicious Turkish cuisine and the hospitality of the Turkish people.

Visa-free regime is expected to have a positive impact on the volume of mutual trade, as well as lead to a substantial increase in the number of Kazakh tourist and Turkish tourists to the resorts of both countries.

4. Practical Part

4.1. The role of tourism in the economy of Turkey

Scope of tourism plays an important role in the economy of modern Turkey. The share of tourism revenues in the overall structure of exports of goods and services. Every year increasing the inflow of currency into the country. From 2005 to 2014 total revenues to the treasury from tourism increased from \$ 15.7 to \$ 27.8 billion. However, this was mainly due to the increase in tourist numbers, but not because of increase in the average level of expenditure. Travelers costs increased insignificantly - from \$ 766 to \$ 775 per person.

Table 1. Income from tourists from 2005 till 2014 years

Year	Income from tourists, \$	Number of tourists	Average expenditure per tourist
2005	15725813	20522621	766
2006	13918757	19275948	722
2007	15936347	23017081	692
2008	19612296	26431124	742
2009	19063702	27347977	697
2010	19110003	28510852	670
2011	22222454	31324528	709
2012	22410364	31342464	715
2013	25332291	33827474	749
2014	27778026	35850286	775

Source: Compiled by author based on data from The Ministry of culture and tourism of Turkey (available at <http://www.kultur.gov.tr>)

The most promising tourism market in Turkey for more than a year remains the EU and CIS countries. Of all the EU countries holding the palm Germany and from CIS countries - Russia.

Table 2. Top 10 countries, citizens from which visited Turkey in 2014-2015 from January till October

Citezenship	Number of tourists		Share in tourists flow		Change in %
	2014 year	2015 year	2014 year	2015 year	
Germany	4813711	5144609	14,36	15,56	6,87
Russia	4368134	3537428	13,03	10,7	-19,02
United Kingdom	2506875	2422445	7,48	7,33	-3,37
Georgia	1494198	1604350	4,46	4,85	7,37
Bulgaria	1446016	1555171	4,31	4,7	7,52
Iran	1409303	1485051	4,2	4,49	5,37
Holland	1235390	1165975	3,68	3,53	-5,62
Iraq	742344	946770	2,21	2,86	27,54

Source: Compiled by author based on data from The Ministry of culture and tourim of Turkey (available at <http://www.kultur.gov.tr>)

As you can see, Turkey has achieved impressive results in the tourism sector and is not going to stop there. Thus, in the eighth five-year development plan provides for the adoption of measures to extend the tourist season for the entire year through the creation of new tourist areas, taking into account consumer preferences and expected to use areas that have tourism potential, which is not used in full. This should protect the environment and cultural and historical monuments. Also among the identified objectives to improve the quality of training is called working in the tourism sector. In 2001, in Turkey, there were 600 thousand formal and 400 thousand informal hotel rooms and the number continues to increase.

The most developed summer tourism in the regions of the Mediterranean and Aegean seas are allocated to cities such as Antalya, Alanya, Marmaris, Kusadasi, Bodrum, Fethiye and Kaş. There is a growing role of tourism in the mountainous regions of Trabzon, Giresun and Rize. The centers of winter sports are considered complex on Mount Uludağ in Bursa (a dozen hotels, a dozen lifts) and Mount Palandöken in the vicinity of Erzurum.

The first place among the most visited cities in Turkey holds Antalya. An important role is played by the airport, road network, a sufficient number of hotel rooms. In second place is Istanbul, followed by Muğla, Edirne, Izmir, Ankara. Recently, much attention is paid to the development of tourism on the Black Sea coast of Turkey, for which the tourist business in the Black Sea regions was derived from taxation. Turkish Ministry of Tourism sees great tourism potential and the South-East Anatolia. The development of tourism in this region is included in the plans for the project South-Eastern Anatolia.

To increase tourism revenues, Turkey is trying not only to connect to its new development of regions, but also to promote a different kind of tourism, increasing the variety of services provided. Firstly, Turkey is developing today, "congress" tourism. Istanbul, Antalya and Izmir centers designed for congresses were created, conferences, symposia and seminars. These centers are equipped with modern technology and have the necessary space for receiving a large number of guests.

Types of tourism in Turkey:

a. Health

Of course, a wellness vacation - not the most popular aim of trips to Turkey. Nevertheless, there are several well-known spa resorts. Wellness (thermal) tourism is based on the use of the thermal springs, which in Turkey are more than 1000. In Turkey, there are over 200 thermal centers, most of which are located in areas of the Aegean and Marmara seas.

b. Ecotourism

The absolute center of eco-tourism in Turkey is Cappadocia. The local landscapes, caves and underground cities will not leave the traveler indifferent. Many ecotourism lovers deliberately sent it here, bypassing the Turkish beaches.

c. Beach tourism

Of course, the main kind of tourism in Turkey is a beach holiday. According to the number of tourists the country is one of the world leaders and the undisputed authority on the Mediterranean. This status of Turkey managed to get through a huge number of world-class resorts, as well as the optimal combination of price and quality.

d. Other

Table 3. The arrival of tourists in Turkey on purpose in 2008.

The purpose of the visit	In %
Recreation and entertainment	35,7
Visiting family and friends	24,3
Business meetings, conferences	20,7
Job search	4,6
Education	3,2
Religious purposes	2
Health	1,2
Shopping	0,6
Sporting events	0,2
Other	17,5
Total amount	100

Source: Compiled by author based on data from The Ministry of culture and tourism of Turkey (available at <http://www.kultur.gov.tr>)

Religious tourism, development of which began with the '90s, is attractive by the fact that in Turkey a proliferation of 3 world religions, and the country is rich in monuments of architecture and culture, able to interest people of different faiths.

Youth tourism is also developing dynamically thanks to the fact that there are many resorts that belong to universities. The youth camps at affordable prices can relax students from around the world.

Get development in Turkey, hunting tourism, yachting, "cave" tourism, sightseeing along the route passes through the territory of Anatolia Silk Road, scuba dive, white water rafting, botanical and ornithological tourism.

To promote all of these types of services used by a well thought out advertising campaign. For Turkey, which is one of the most competitive tourist areas of the Mediterranean, characterized by an intense, bright advertising. According to the research, the country has recently adjusted its advertising strategy. If in 1999-2000 years image advertising in the

lead of the country, in 2001, a reduction of costs in this sector amounted to more than 8%. The released funds were used primarily for advertising hotels, the reputation of which is raised to the level of mass tourism. On the advertising of their country in 2002, the Turkish Ministry of Tourism announced the 50 millionth bid, hoping to promote Turkey in 50 markets, covering 11 regions.

4.1.2. Price effect on tourism industry of Turkey

The magnitude of the price of the tourist product is determined by its cost and demand for this product. In addition, the price of tourism products is influenced by a number of factors: a class of service, used vehicle, service form (group or individual), and conjuncture of the market of tourist services, the seasonality of services, advertising effectiveness and structure of prices of tourist product.

In developing the tourism product prices (e.g. hotel accommodation) are taken into account the following types of commissions to intermediaries: Commission for wholesalers - tour operators that develop programs and implement them on their own or through intermediaries; retail commission for travel agents, tour operators who resell programs or book their own hotel rooms; Commission for other organizations, which act as intermediaries between the travel agent and tourist hotel.

The price of the tourist product is determined by the regulatory calculation method and includes the cost of people accompanying the group on the route. Thus, the cost of tourist vouchers is determined by the formula:

$$P = \text{Cost} + \text{Indirect Taxes} + p - C \pm K / T + E,$$

Where P - the price of tour package per tourist in tenge;

Cost- the cost of services included in the package tour operators; indirect taxes (VAT) for certain types of services;

p - tour operators profit in tenge;

C (coupon) - discount provided by the tour operator tourist with certain types of services included in the tour package;

K - a travel agent commission, realizing the tour package (extra cost of the tour package or tour operator with discount prices to travel agents);

T - the number of tourists in the group;

E - the number of accompanying a group (escort).

At the conclusion of the contract with the tour agents to implement their tours tour operator can assume two positions.

1. The tour operator sells the tour agent tour package at a price that he has to get a tour agent. In this case, the tour agent makes an allowance in their favor on the price of the tour operator. The tour operator does not intervene in establishing the size of the allowance.

2. The conditions of competition in the tourist market in order to complete the sale of tour packages and to maintain its image of the tour operator offers a tour agent tour package for the implementation of the fixed-price. In this case, the tour agent receives a commission in the form of discounts on the cost of the tour package.

In addition to the above features of pricing in tourism should remember the following:

- The price of certain types of tourism services not included in the price of tourist package (eg excursions); Tourists ordered and paid them extra according to your tastes and interests;
- Tour price per person depending on the type of tour: an individual or group (individual tour price, *ceteris paribus* higher than the group tour price per person);
- For group tour price per person depends on the number of tourists in the group: the greater the size of the group, the lower the cost of the tour per person;
- Price of the tour depends on the age structure of tourists as children and students provided significant discounts to the prices of many tourism services;
- Tour price per person depends on the number tour days, the longer the tour, the more expensive it will be, *ceteris paribus*;

- Profit lay in the tourist product price, a travel agency established in percentage to cost (interest rate depends on the demand on the tourism product and can range from 5 to 100%).

Pricing on the tourism product is made based on the calculation of regulatory cost of services. Costing - the definition of the cost of one unit of service (or product).

In determining the prices for tourism services should be based on the following principles:

-Price must compensate the tourist company production costs, implementation, and organization of tourism consumption of services and to ensure a profit margin that would allow it to operate on a self-financing;

-The price must meet the demand for these services, which is largely determined by the seasonal nature of tourism;

-Price must be flexible, that is, have the agility and dynamism.

Calculation depending on the method of their determination is divided into direct costs attributable to the unit of goods or services on the basis of norms and direct accounting and indirect accounted and planned for the whole production and distributed by types of products on the basis of a trait.

In practice, several methods of cost allocation:

- In proportion to the weight of raw materials or produced products (services);

- By excluding from the total cost the cost of the individual products (services) on a solid assessment;

- Based on the coefficient in proportion to the established norms and other costs.

Prices for tourism product must meet demand and advertising. They need to be guided not by the average consumer (tourist), and certain types of groups. Typology of consumption should be seen as a basis of increase of efficiency of business tour companies.

The price of a tourist product depends not only on demand, but also on the advertising of this product, since there is a close relationship between them. As a rule, price reduction

leads to an increase in demand for tourism product and has a real impact on the buyer of the product tour; in turn, improve advertising can increase the price of a tourist product.

The level of prices significantly affects the volume of sales of the product tour. However, this effect has its own specificity, which is due to the following points:

- The tourism product is consumed in their spare time, which has a value in itself for a tourist and that he does not have much. Hence the special selectivity, higher demands and sensitivity to price and quality of the tourist product. On the tourist market situations arise when a tourist in some places of tourist rest would not go because of the low quality and high prices for the product tour;

- Between the time of sale of a product tour and act of consumption there is a considerable time lag. Tours are made and sold is usually a few months before the start of the holiday. This is reflected in a tourist product pricing policy. For example, introduced special additional travel insurance, bought a tour package, inflation, bad weather, etc. This system applies only to a certain time.

Travel firms offer a discount from the cost of the tour, when a tourist, book a tour, gives the company the right to self-select one of the three dates of their origin and one of the three vacation destinations. Widely seasonal discounts apply.

Price performs an extremely important function, which is to obtain proceeds from the sale. It is up to the price, ultimately depend on the achieved business results, and properly selected pricing strategy has long-term and crucial to competitiveness as tourism products, and the company's activity.

Price has a huge impact on the formation of the economic results of tourism enterprise. The price of the product round up cost and profits. Proceeds from the set of vouchers sold enterprise income tour. And income, in turn, depends on the turnover of the enterprise funds rate, for example, on the speed of implementation of the product tour for a specific period. The price may have a different impact on the income of the company tour. Low price, *ceteris paribus* contribute to greater demand and, therefore, more revenue. But there are other criteria for impact on the income price. It depends on the fame and prestige of the enterprise, advertising, product tour, product type tour, the material provisions of the client, the season. For example, higher-income tourists will seek to obtain the highest

quality of services and, therefore, will be looking for a firm that can provide him with the full range of services; naturally the price of a product will be high. The more firm capacity to provide a quality service, and the more ads, the more of these customers and therefore - income. But consumers less wealth is much more, and they tend to get more or less high-quality services for a small fee. Therefore, at low cost tours of such clients are in great demand and generate more revenue the company tour. It should be born in mind that such consumers in our country the most.

Also on the earnings effect exclusive, exotic, unusual and rare services provided. These services are costly, both material and physical and therefore have a high price. If such services are in demand and potential customers, the income from the sale is big enough.

An additional source of income for tour company is the realization of additional services. Additional services - is the sale of air tickets, visas, insurance, optional excursions are not included in the tour price, and others.

For tourism characteristic of a particular circuit diagram of the working capital. It is due to the fact that

- Firstly, the main object of activity is the tourism people (tourists) who buys services and, as a consequence, tourist experience, based on their tourist interest;
- Secondly, tourism production, implementation and organization of the tourism product consumption are joined together into a single production server process.

These factors determine the originality of circulation of working capital in tourism, which is significantly different from the circulation of funds in the industry, trade, public catering.

The consumption of the tourism product is getting a tourist tourist experience - the complex of positive emotions and state of mind of the tourist, arising or made them as a result of consumption of tourist products (services, goods).

In tourism circuit current assets involved money invested in services (tangible and intangible) rendered to tourists tourist firms (or enterprises of the tourism industry), and the money invested in the products of the tourist range, produced and sold by the tourist and tourist impressions caused tourist interest and the sale of which is profitable tourism company, without requiring it costs money to create objects of the tourism industry.

The tourist pays for what he sees and what it is impressive (the beautiful landscape, the phenomena of nature, historical and cultural monuments, architectural monuments, etc.). The creation of these objects of tourist show tourist firm does not invest its capital, but their existence is already one of its kind brings monetary income of the tourist company. Travel firm pays only services associated with the show tour of these objects. Which shall conform to the interests of tourism. Change or disappearance of the (partially or completely) of tourist interest sites leads to a sharp slowdown in the turnover of funds and to a decrease in cash flows in the tourist company.

For travel companies characterized by a special composition and structure of financial resources.

This composition is determined by the actors involved in tourist activity - a tour agents, tour operators and the peculiarities of their activities. The tour operator creates (generates) a tourist package (tour), carries out its promotion and implementation of their own or through an agent tour.

Thus, the process of implementation of the tourism product is concentrated mainly in companies - tour agents or tour operators special units that perform the functions of the central agencies. Due to the fact that many tourist firms in the generality of the license for the international tourist activities while engaged operatorship tour and tour agency, over the criteria for classifying firms to the tour operator or travel agent assumed the ratio between the number of own certified tour (tour operator activity) and the number of purchased tours, tourist trips (tour agency activity).

A feature of financial relations in tourism is caused by the action of the tourist circuit.

On the tourist market is a continuous flow of money and the tourism product, which moves to the meeting, to each other and communicating. Continuous exchange "Money - The tourist product" gives rise to the tourist circuit and financial relationships related to this circuit. Tourist circuit - a system of civil law (ie, economic, financial and legal) relations arising between the tourists and the tourism company and covers the tourist product flows and flows of money, flows of investment in the development of tourism, and remittances flows to the budget of income tourist activity.

4.1.3. Gross Domestic Product

Tourism in general has three positive effects on the economy of the state:

- The inflow of foreign currency
- It has a positive effect on economic indicators such as the balance of payments and total exports
- It helps to increase employment.

Gross domestic product (GDP) is one of the most important indicators of the system of national accounts, characterizing the final result of production activity of economic units - residents and measures the value of goods and services produced by these units for final use.

Table 4. Contribution of tourism to the economy of Turkey

Year	Direct contribution to GDP		Total contribution to GDP	
	billion \$	%	billion \$	%
2005	21,325	4,4	58,132	12
2006	22,063	4,1	56,883	10,7
2007	26,395	4	65,849	10,1
2008	29,672	4	75,442	10,3
2009	27,255	4,4	71,537	11,6
2010	29,201	3,9	73,88	10
2011	31,618	4	86,024	11
2012	31,181	4	86,874	10,9
2013	34,803	4	93,941	10,8
2014	36,265	3,9	98,161	10,7

Source: Compiled by author based on data from World Travel And Tourism Council.

The tourism industry in Turkey provides about 2 million jobs (about 500 thousand directly and 1.5 million in related industries) and services occupy a significant share in the country's GDP — more than 60%. According to the World Travel and Tourism Council,

for 10 years direct contribution of tourism in GDP of the country increased from \$21.3 billion in 2005 to \$36.3 billion in 2014. However, in relative terms, the figure for the same period decreased from 4.4% to 3.9%.

According to the State Institute of Statistics in Turkey in 2013 the rate of growth of the basic economic indicators of GDP in nominal terms amounted to 10.2%, 4% - in real (1998 - base), GDP (at current prices) is estimated at 820 against 786, 2 billion USD in 2012. The structure of Turkey's GDP up services - 66.5%, industry - 24.7%, agriculture - 9.2%.

Compared with the 2012 financial services sector grew by 9.8% in the base year prices, reaching 15.5 billions lirs, at current prices grew by 12.8%, reaching 52.5 billion US dollars.

Industrial production grew by 3.8% in the base year prices (up 29.5 billions lirs) and in current prices increased by 8.9%, reaching 239.1 billions lirs. Gross fixed capital formation in 2013 at current prices grew by 10.6% (to 317.5 billion of lirs), in the base - by 4.3% (to 274 billion of lirs). Exports of goods and services at current prices grew by 7.7% (to 401.4 billion of lirs), in the base - by 0.1% (to 32.03 billion of lirs). Imports of goods and services at current prices grew by 13.1% (to 504.1 billion of lirs) at basic prices - by 8.5% (to 35.5 billion of lirs). The main problem Turkey is the deficit of its balance of payments, which makes its economy vulnerable to changes in the trade balance and to some extent impedes economic progress. Revision of Turkey's rating upward is possible in the case of effective fiscal and monetary policies that can balance the balance of payments.

4.1.4. SWOT analisys

Turkey has its own target audience, primarily the people who prefer to combine high-quality and inexpensive vacation. The resorts of Antalya repeatedly recognized as one of the best, at the same time in the resorts of Antalya, tourists could find reasonable prices for any budget a summer vacation. The aim of SWOT-analysis is to provide conclusions about stenghts and weaknesses of the organization's activities in connection with external opportunities and theats.

Table 5. SWOT analysis

Strength	Weaknesses
<ul style="list-style-type: none"> • Significant natural, ecological, historical, cultural potential; • The system of ultra all-inclusive; • Existence of public and commercial organizations that can contribute to the development of tourism; • The events and entertainment business plan (good animation); • Improving the competitiveness of the tourism industry of Turkey by conducting targeted market. 	<ul style="list-style-type: none"> • Seasonality of activities; • Not always good service; • Rising cost of production factors; • Unrecorded transactions and tax avoidance among smaller, less organized companies in the industry.
<ul style="list-style-type: none"> • Opportunities 	<ul style="list-style-type: none"> • Threats
<ul style="list-style-type: none"> • Geographical position, allowing to attract tourists (due to the large number of tourists from Russia); • Stable socio-economic situation in the country, contributing to the formation of demand for tourist services; • A continuing interest in Turkey. 	<ul style="list-style-type: none"> • Growing competition among tourism regions; • The risk of reduction of tourist flow, due to the possibility of obtaining a comfortable stay in another country.

Source: Compiled by author.

4.2. Russian-Turkish conflict. Effect on tourism

Turkey has trade relations with many countries of the world. The main commodity markets of Turkey in 2013 were Germany, Russia, China, Italy, USA, UK, Iran, France, Iraq and Spain. At the same time the country's government has set the task to increase the Turkish products markets, particularly in Asia, Africa and Latin America.

The summer season is approaching, and tourism starts sounding alarms. The economic crisis in Russia, which is the second most important market after Germany for tourism business, turned into a nightmare for all who are engaged in it. It is expected that the

depreciation of the Russian currency against the dollar will lead to a serious reduction in the number of tourists from Russia.

According to the report, the owners of hotels in Turkey Federation (TÜROFED) for 2015, in the case of the continuation of the economic crisis in Russia, the number of Russians who visited Turkey decreased by 25-30%. This figure, which corresponds to 1-1.5 million tourists, leads to the conclusion that the tourism sector alone has lost about two billion dollars. It is expected that with the multiplier effect and the influence of the secondary sectors of the size of the damage will amount to \$ 4.5 billion.

Although the drop in oil prices was to reduce the price of tickets and tours, higher prices for flights to Russia by 15-20% marred expectations of travel agencies. Association of Tour Operators of Russia ATOR said that in 2015 the Russian tourism sector will be reduced by 30%, after it published a similar report and TÜROFED.

The report on the state of the tourism industry in 2015 is carried out a detailed analysis of the coming tourist season. Part of the report devoted to Russia, clearly shows that there comes a difficult time for tourism. It is noted that in 2014 Turkey was visited by 36.8 million people, which is 5.5% more than in the previous year. The number of tourists from Germany reached 5.2 million with an increase of 4.1%, from Russia, which is in second place after Germany - 4.4 million with an increase of 5%. All who are engaged in the tourism sector, dreaming of that growth continued in 2015, but the hot events in Ukraine are a desire to reduce to nothing.

Many countries, especially the US and the EU, initially did not attach particular importance to the adverse events and the regional crisis, which began in the last months of 2013 because of the Ukrainian and Crimean Russian policy. But the conflict continued, Moscow annexed Crimea, regional crisis grew. As a result of changes in the European countries and the US policy toward Russia, the imposition of sanctions against it, and then a sharp fall in oil prices, the Russian economy shattered. As a result, the ruble began to rapidly lose value, the economic crisis broke out. As a result of the devaluation, which began in September 2014 (its effect continues to this day), the ruble fell by almost half. This situation has led to the fact that the population of Russia was to give up traveling.

How long will the crisis in Russia - is unknown, it is obvious that it will result in a serious loss of foreign currency for Turkey.

Turkey - the only country member of NATO, with which Russia has a free visa regime. She became one of the first countries, which were able to freely leave the former Soviet citizens on holiday.

Good service, affordability, resorts for any taste still attracts a large flow of Russian tourists to the Turkish coast. In recent years, Russian tourists there and the ski resorts of Turkey. Thus, Turkey has become a year-round tourist paradise for tourists from the CIS.

However, from last year the flow of Russian tourists to Turkey decreased significantly. For the first nine months of last year, Turkey, according to its Ministry of Tourism, visited by 3.3 million Russians - this is 20% less compared to the same period in 2014. Over the past year the number of tourists to Turkey from Russia amounted to almost 4.5 million (an increase of almost 5%).

The biggest problem of the lack of Russian troops from experiencing the city of Antalya. As a result, Turkey's revenues from tourism declined this year. For Turkey, Russia - the second country after Germany for tourist arrivals (in 2014 Turkey was visited by 5.4 million Germans and 4.4 million in January-September 2015). Tour operator "Natalie Tours", one of the largest in Russia, first announced the termination of sales of tours to Turkey because of the worsening of bilateral relations and for the safety of Russian tourists.

"Today, due to the unstable political situation and in accordance with the measures taken by the state to ensure the security of Russian citizens, the leadership of" Natalie Tours "decides to suspend the sales of tours to Turkey since November 24, 2015", - the statement says the tour operator. On the eve of the Russian Foreign Ministry warned the citizens of the Russian Federation about the dangers of visiting Turkey, and then all the major Russian tour operators have suspended the sale of permits in Turkey.

"In connection with the communication of the Federal Tourism Agency November 24, 2015 sale of the tourist product in the direction of Turkey "suspended", - he said to the agency "Interfax" the head of department on public relations tour operator Coral Travel Marina Makarkova.

Tour operator "Biblio Globus" TEZ Tour reported the suspension of sales of tours to Turkey on their sites, explaining the decision statement by Russian Foreign Minister Sergei Lavrov and the recommendation of the Federal Tourism Agency.

Turkey's tourism industry is experiencing one of the worst periods in its history. Branches of the economy, more recently, brings to the treasury of about \$ 24 billion in revenue each year, is now on the verge of bankruptcy. The most affected hoteliers Antalya, the traditional resting place of the Russians. Resort hotels are full with «For Sale» signs. According to the Istanbul edition in Antalya for sale 410 tourist sites exposed. This ranking antirecord not far behind, and other Turkish resorts: Mugla (349), Izmir (203), Istanbul (162), Istanbul (139), Istanbul (35) and Denizli (20). The total cost to sell Antalya real estate - about 30 billion Turkish lira (\$ 10.115 billion), the rest of the hotel's 908 estimated at 8.8 billion lira (\$ 2.97 billion).

Turkish tourist attraction for the lost property of their respective owners in the first place due to the lack of Russian tourists. "Revenues from our tourists who visit Turkey are considerable. According to estimates for Turkey itself, this amounts to about \$ 10 billion per year ", - said the head of the Federal Tourism Agency Oleg Safonov.

Every year in Turkey, arrived more than 4 million Russian tourists, most of them stayed in hotels in Antalya. After the imposition of sanctions on the party of Russia - and therefore from an offering of revenues - seems to have forgotten. "Specifically, Russia will not send about 4.5 million tourists - about \$ 4.5 billion in losses", - quotes newspaper Today's Zaman chairman of the association of tourism enterprises and hotels Aegean Mehmet Isler region.

The number of Russian tourist visiting Turkey started to increase in 2009. During 5 years this amount increased from 2.697 million to 4.482 million people. After the incident, which led to the conflict, the number decreased on 18.5%, or to 3.652 million people. The change of volume of travellers from Russia is presented below:

Figure 3. Number of Russian tourists visiting Turkey in 2008-2015 years



Source: (hurriyetdailynews.com)

In an interview with Today's Zaman the owner of one of the hotels in Antalya Abdurahman Karamanlyoglu complained that many hotels on the Turkish coast of the Mediterranean Sea on the verge of bankruptcy (Burd, 2006). The reason - the lack of tourists from Russia, which had previously imposed a number of sanctions against Turkey, including in the tourism sector.

"We are talking about what is happening in reality, while Turkish officials make" brave face ", talking about the problem. The crisis in relations between Turkey and Russia seriously affected our business. Particularly affected Antalya hotels, many of which are simply closed in the last four months, "- said Karamanlyoglu.

The Turkish government says that in the absence of tourist business will be able to recover from the panic is already in the spring, but not many people rush to believe it. Turkish businessman Mehmet Ali Gultekin says: "Even if you keep calm, do not turn a blind eye to the fact that tourism suffered extensive damage in the region. Since most agencies begins to plan tours for the next year and enter into agreements with airlines, negative effects due to the Russian sanctions are evident now. "

According to Gultekin, the damage suffered by Antalya due to the loss of Russian tourists, you can compensate for not more than 15% at the expense of tourists from other countries.

We are after all talking about fundamentally different target audiences. Russians buy luxury items and booked tours, and European tourists, many of whom are retired, not active and often go out of hotel complexes.

Among other reasons for the sale of resort hotels Today's Zaman newspaper calls the economic difficulties, reduction in the number of tourists from European countries, cancellation of bookings, as well as hoteliers debts to banks.

"Many owners of the hotel took the money in the debt, and then could not pay them, after deterioration. In addition, more and the crisis with Russia has forced hoteliers to sell hotels "- newspaper quotes the realtor Ismail Lakes. According to him, more than a hundred tourist companies have expressed a desire to go out of business.

On the Turkish resorts and in other cities of the country has become less and German tourists, according to Today's Zaman. Reducing the number of tourist arrivals from Germany took place after the terrorist attack in the heart of historic Istanbul on January 12 that killed ten German citizens. This put under even greater impact and without stagnating local tourism industry. The Russians and the Germans were the two most numerous groups of tourists in Turkey.

The Turkish government refrained from estimates of damage that will cause the Russian sanctions tourist industry of the country. However, local entrepreneurs are confident that the tourism industry is doomed to a crisis that will last a very long time.

4.3. Interview with Kazakh representatives of tourism industry

Kazakh tour operators may benefit in the event of the closure of the Turkish destinations for Russian tourists, according to the official representative of the Association of Travel Agencies of Kazakhstan (ATAK) Denis Krivosheev.

"I do not think that will be the rejection of Turkey, especially since Kazakhstan has a huge amount of real estate in Turkey, there are mixed marriages, have friendly relations. Plus, all the same it is necessary to understand that the Turkic world for us - it is generally the base value (...). For families there is no better country ", - said Denis Krivosheev.

He believes that "even if we leave all Russian tour operators, it will be on hand to us, because the market is very small and, in principle, our Kazakh operators will be able to

fully serve the demands of the market." In addition, said Denis Krivosheev, it is necessary to take into account that Kazakhstan travel agencies trips to Turkey - "the main way to earn money."

"In December, begins early booking, respectively, will be sold, even if the worst case scenario - 200 thousand places for the season. Given the fact that the Turks are going to reduce the cost of hotels based on the fact that we have an economic crisis in the country, the (...) market simply will not survive, two and a half thousand companies may simply be closed (in case of failure from traveling to Turkey) ", - said the representative of the association. It is important to take into account the political component. We have no reason to impose any sanctions, he added.

Domestic tour operators do not see any reason to ban flights to Turkey. They expect that in Antalya, Kemer and Belek next year will go to no less than 240 thousand inhabitants of our country. That's how much Kazakhstanis rest on Turkish resorts this summer. Kazakhstani tourist industry does not share the opinion of the Russian authorities about the dangerous terrorist situation in Turkey.

Season popular among Kazakhstanis holiday in Turkey is already closed (there usually spend their holidays from May to September). So now difficult to determine how to Kazakh tourists glowing affect Russian-Turkish relations. Tour operators also are not particularly experienced. After all booked trips to Turkey begin in February.

Anna Zagoruiko, «Kompas» director of tour operator:

- To say that the Turkish season on disrupting or that Turkey is now dangerous to ride, it's stupid. And there are no arguments for this. That is, there are no terrorist attacks in Turkey. Turkey and Turkish hotels are preparing for next year, so now about something in general is difficult to say. And how it will affect. Well, in general, have any effect. We do not yet know how it will develop in Russia. Now tell tourists: "peruse the routes", of course, will not.

Asel Nurkebaeva, president of the Association of Tourist Agencies of Kazakhstan:

- Turkey it has always been very welcoming and safe country for all of us, that is for the citizens of Kazakhstan. And as on the border with Syria and other countries, and it is on

tourism in general does not reflect several years. So why should today be reflected? Not reflect the situation with the downed Russian plane and regular flights from Kazakhstan to Turkey. Our ships continue to carry out all of the flights. There are regular flights as the «Air Astana» - our national carrier, "Turkish Airlines" - the national carrier of Turkey, «Pegasus Airlines», that is, they fly in the direction of Istanbul. As for the Russian tour operators, which stopped selling tours to Turkey, so this is how it turns out, only to hand the Kazakh entrepreneurs. They will now have more customers. Unless, of course, do not impose restrictions on flights to Antalya. But the reason for this has not yet seen.

Overall we can say that in current political situation of Turkey and Russia, could be beneficial for Kazakhstan because Kazakhstan can be a new hub between Europe and Asia.

5. Conclusion

The great importance in the country is played by tourism, people come from many countries, including Kazakhstan. Assessing the level of socio-cultural development of Turkey as a whole, it should be noted that the country has achieved a lot in recent years - the significant rise in the economy. Orientation in foreign trade to those countries that have found themselves in crisis in an extremely disadvantaged (Russia, Germany, and others.). The deep recession of the Russian economy, Germany, Turkey and other key trading partners led to a sharp reduction in the number of Turkish workers who have worked in these countries and forward earnings home. The imbalance of the demographic situation in the country (a sharp increase in population over the last few years) and the level of development of the national economy. In general, we can say that the results of the economic reforms undertaken by the government in 2004-2006 were aimed at the greatest possible intensification of production and maximize profits in the growing market to the detriment of sheathe the stability of the economy. In terms of the scale of the crisis, the country's economy was extremely volatile as a result of a number of threats to economic security, which caused a decrease of stability of the whole economic structure.

The peculiarities of the development of international tourism in the global and domestic scale. The essence of modern tourism, emphasis on the fact that tourism now plays a key role in the world economy, providing a tenth of the world's gross national product. Considered sector of the economy - tourism - is developing very dynamically in the coming years may be the most important of its sector.

The state Turkey was chosen as an example, which is very popular among Russian and Kazakh tourists.

In view of the above, we can conclude:

- The tourist industry - a collection of hotels and other means of accommodation, means of transport, catering, means of entertainment, facilities cognitive, business, health, sports and other purposes, organizations engaged in tour operator and travel agency activities, as well as institutions providing excursion services and services guides and interpreters;

- The main tourist product is a comprehensive service is a standard set of services sold to tourists in one "package";
- The Turkish government created favorable economic conditions for a more efficient development of the tourism industry. The first is the creation of free economic zones, providing favorable credit conditions, activation of the private sector and significant investment on the part of the German capital. It is also necessary to stress the importance of well thought-out personnel policy in the tourist centers.

6. Bibliography

1. Adair, A. (2004) Tourism of Turkey. Campus Life Special Issue. Retrieved from <http://web.ebscohost.com>
2. Allen, K. (2011) Tourism problem of Turkey. The Guardian. Retrieved from <http://www.guardian.co.uk>.
3. Birzhakov M. (2011) Introduction to tourism industry. Retrieved from <http://web.ebscohost.com>
4. Burd, S. (2006). Economy effect of Russia –Turkey Conflict. Retrieved from <http://web.ebscohost.com>
5. Curtis S., Shani N. (2002). The Effect of Tourism to the Whole Economy. Journal of Further and Higher Education. Vol26, No 2. Retrieved from <http://web.ebscohost.com>
6. Dondrand, G. (2004). Problems of Tourism in Early Stages in Turkey Research in Higher Education, Vol. 45, No. 3. Retrieved from <http://web.ebscohost.com>
7. Papiryan G. (2006) International economic relations: Tourism. Economics: Finance and Statistics, p.8.
8. Paul H. (2001) Economy and Tourism. Journal of Economic Education. 2001. Vol. 13. P. 51- 56. Retrieved from <http://web.ebscohost.com>
9. Report of the League of Nations. The Economic Committee of the "Study of a tourist trip as an international factor." - Geneva.
10. Roberts K. (2000). Transition of Tourism Industry. Journal of Education and Work. 2000. Vol 11, No 3. Retrieved from <http://web.ebscohost.com>
11. Roshchin S. Y. (2015) Russia and Turkey Working Paper WP3/2006/10. Moscow: SU HSE, 2015 (in Russian).
12. Sarath A., & Gail, I. (2011). Economic performance of Turkey: Journal of Education for Business Retrieved from <http://web.ebscohost.com>
13. Smith, E., Patton, W. (2011). Tourism in Australia. Youth Studies Australia. Retrieved from <http://web.ebscohost.com>
14. Timothy R., Alsup, J. (2003). The role of the employer in price setting of pour pack. Journal of Employment Counseling. Vol.40. Retrieved from <http://web.ebscohost.com>

15. The Economist Web Journal. (2011). The Jobless young left behind. Retrieved from <http://economist.com>
16. Washington, R.A (2015). Tourism effect on sanction. Retrieved from <http://economist.com>
17. “Development of international tourism”. [online]. Available at web.snauka.ru/issues/2015/03/51174. (Accessed 12.03.2016)
18. “Kazakhstan has a great tourist potential”. Available at <https://kapital.kz/expert/17789/u-kazahstana-bolshoj-turistskij-potencial.html>. (Accessed 12.03.2016)