Article
Examining Cross-Industry Clusters among Airline and Tourism Industries

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Abstract: Cross-industry clusters are essential for the economic prosperity of a region. However, studies do not address competitive clusters among the airline and tourism industries. Thus, this paper considers the case of both industries in terms of the clusters and synergies formed. This research aim is to provide an understanding of both industries’ protagonists’ involvement in contributing to insights into the establishment of synergies or clusters among the two industries. Cyprus is highly dependent on tourism and airlines because they facilitate connectivity. The research comprises semi-structured interviews with the leading players and organizations of the airline and tourism industries (government bodies, airports, airlines, tour operators and hotels). The results indicate that in a small geographical context, the notion of clusters involves a synergetic relationship among tourism stakeholders. The airlines’ role is essential and affects all stakeholders involved in tourism. Additionally, the research provides new insights into the role of Destination Management Organisations (DMOs) in providing applicable tourism policies that can positively impact effective cooperation among industry partners.

Keywords: tourism clusters; airline; tourism policy; semi-structured interviews; Cyprus

1. Introduction

In the tourism context, a mutual synergetic relationship facilitates access to all services [1]. This relationship can be considered as the formation of regional clusters, entailing ideal planning and development in tourism that provide positive benefits for the destination. Clustering is the geographical concentration and proximity of companies with interdependent services, horizontally or vertically [2,3]. According to the tourism literature, public policy or governance plays a significant role in influencing and guiding the development of a destination [4,5]. Understanding how policy is decided, formed and acted upon concerning its implementation is important. The ‘policyscape’ of a destination sheds light on the trajectory of tourism and provides an understanding of the internal country environment. Destination Management Organizations (DMOs) significantly encourage and enable tourism development [6–8]. Since the government is the most critical sector in tourism and acts as the main ruler, it indicates the type and form of tourism expansion. This underpins the argument that the government’s role in coordinating tourism as a phenomenon of interlinked sectors with many businesses is not easy [9]. That is because each stakeholder has a different view and is motivated by different economic benefits, without considering social benefits. For example, tourism development changes the natural and social features of the area, which comes with many risks and threats. An important aspect is the influence of highly dependent countries on tourism; thus, examining cluster formation has implications for the destination’s competitiveness [9]. Destination policy, or governance, acts as the stimulus to sustain development and ensure viability. Airlines and tourism are inextricably linked because of their dependency on one another [10–12]. Additionally, involved tourism firms in the different sectors must ensure that their interests and performance are for the common good since tourism resources involve collective ownership [13].
This research aims to understand the types of cross-industry clusters and identify the role of airlines in forming a strong relationship among tourism industry partners. The country of Cyprus will be explored to understand the economic and social benefits of forming collaborative strategies to drive viability with substantial benefits to a specific area [14]. The study will investigate the relationships with the following questions:

1. How is the involvement of the protagonists of both industries interlinked with insights into the establishment of synergies or clusters among the two industries?
2. What are the industry and government types of partnerships that provide practical experience and best practices?

With the current turbulent economic and political environment, developing cooperative procedures among firms seems imperative. To avoid a mismatch between supply and demand, the airline and tourism industries should cooperate to offer more premium packages for holidays. Cyprus, as a tourism destination, suffers from flaws in terms of the quality of services offered and value for money. Thus, it is essential to explore the linear and non-linear relationships that develop among the airline and tourism industries in an area whose main economic activity is tourism. The next part considers the theoretical background of the study.

1.1. Literature Review

Cluster discussion dates back to 1920 as a business concept because it was mentioned in the nominal work of Marshall [15]. Marshall [15] raised the importance of clustering by arguing that forming synergies within the business environment can provide better utilization of human resources and production processes and develop new ideas. Michael Porter, a guru on the development of cluster theory, put forth that clusters deal with companies, suppliers, service providers, the government and other institutions that enable education and diffuse information, research and any other technical support within an economic geographical area [16]. Additionally, cluster formation can ensure longevity, sustaining the success of the sector and thus of the country. Porter [16] described clusters as a “concentration of interconnected companies and institutions in a particular field”. Additionally, Brown [17] stated that “geographical proximity enables face-to-face networking, common labour markets and the diffusion of knowledge, especially tacit knowledge, which is difficult to codify”. Nonaka and Takeuchi [18] are the pioneer authors of knowledge management, with the concept of ‘Organisational Knowledge Creation’. In their book ‘The Knowledge-Creating Company’, they defined this construct as “…the capability of a company as a whole to create new knowledge, disseminate it throughout the organization, and embody it in products, services, and systems”. Additionally, Drucker [19] extended the definition and argued that innovation can be achieved only through knowledge. In particular:

“We know now that the source of wealth is something specifically human: knowledge. If we apply knowledge to tasks we already know how to do, we call it “productivity”. If we apply knowledge to tasks that are new and different, we call it “innovation”. Only knowledge allows us to achieve these two goals.” [19].

Following Delgado, Porter and Sterns [20], “clusters contain a mix of industries related by various linkages (knowledge, skill, inputs, demand and others)”. Jackson and Murphy [4] argued that the aim of clustering is a “description of industrial districts, in that both contain interdependent businesses engaged in cooperative competition and interacting within a community-based and supportive public policy”. A large body of the literature on local and regional innovation systems has been dedicated to studying geographical areas or industry clusters that foster local networks [21–25]. There is no doubt that the appearance of cluster initiatives contributes to the effective management of economic, industrial and regional processes at the regional level. Additionally, in the management literature, clusters are examined by two main domains, namely, network development and cooperation [26] and the characteristics of economic geography [27]. Both avenues of examination posit an understanding that interaction among business partners
leads to innovation through knowledge transfer [3]. The role of the firms’ managers is imperative since they are the ones who must understand the emerging opportunities of the market and provide benefits to the businesses they manage [28,29]. In general, cluster formation can have drawbacks for the performance of the businesses in terms of cost and the quality of the products and services produced [30]. In a network of relationships, it can be uncertain whether all members involved can have the same goals and objectives; thus, instead of benefiting, they underperform and perish [31]. Additionally, a set of clusters can imply that competition is restricted in the sense that the firms involved can act against the interests of the customers [29].

Concerning tourism, cross-industry activities can create a tapestry of knowledge with the “formation of alliances with local and regional authorities required so that all partners are engaged in ‘selling’ the destination” [32]. In addition, UNWTO [32] adroitly states: “The demand for a destination depends on its accessibility and cost and the capacity available depends on demand and the destination’s infrastructure”.

Within tourism, the notion of clustering is about inter-related companies that drive economic viability in a region [29]. The various relationships that are formed within the business environment facilitate the value chain of products and services [33]. According to Capone [34], “a tourist cluster is . . . a geographic concentration of interconnected companies and institutions in tourism activities. It includes suppliers, services, governments, institutions, competitors, and universities”. The destination is an aspect of investigation in terms of the functionality of tourism-related stakeholders by identifying the effectiveness of their performance [35]. An airline company is interconnected with the airport and, at the same time, a hotel or a car rental company within a proxy geographical area. The refinement of the tourism literature suggests that clustering is a way of unifying all involved entities in the tourism industry to achieve a competitive edge and lead other destinations. Joint efforts are increasingly becoming the norm rather than the exception, with cluster formation becoming an important priority for business success [36,37]. Effective cluster formation leads to innovation, whereas the overall economic performance can be improved [38]. Industry and/or company clusters are directly linked to innovation with new approaches towards competition [39]. Phelps [40] identified the main strength of clustering as sharing common patterns of business development that can be beneficial regionally. Knowledge creation and transfer play an imperative role in innovation and quality procedures [38,40,41] that can make a destination more competitive [42,43]. All these are embedded with a thorough investigation of national and supranational policies to provide an understanding “by continually reforming and updating the regulatory and institutional framework within which innovative activities are taking place” [44].

The tourism industry’s nature in forming clusters is considered a difficult task due to the complex nature of tourism and the conflict of interest among industry stakeholders that can lead to misunderstandings and misinterpretations [40]. Each sector has a different perspective on the industry and a different role to fulfil in the supply chain. Thus, the role of the DMO is to ensure that the pursuit has positive impacts on social life, the economy and the environment. Additionally, the seasonal nature of the tourism industry especially implies the cessation of operations for a long-term period [42,43]. This impacts the successful formation of geographical clusters and can lead to misunderstandings and conflicts of interest. Applying policies and strategies that provide solutions to tourism industry problems and abnormalities is vital. Getting all tourism stakeholders together by discussing the main issues of the destination can be essential to the progression and development of the destination.

In island tourism destinations, airlines have a central role to fulfil since they facilitate the tourism movement [45]. Thus, any strategic alteration in the airline industry has an impact on the destination, for instance, in the case of COVID-19 [46,47]. A lesson from the pandemic is that tourism studies concentrate on a different model of development that considers an alteration in the tourism movement with simplified journeys of travelling [48]. Admittedly, before and after the pandemic, there is evidence that popular destinations
remained popular; however, there was a change in the behaviour of travellers that concentrated on an isolated and pristine location within the destination. Thus, destinations need to focus on new models of development that instigate a different geographical distribution of demand [49,50]. In any destination, tourism authorities need to work closely with airlines by setting an agreement of cooperation [50].

1.2. The Case of Cyprus

Situated in the eastern Mediterranean Sea, Cyprus is the third biggest island, covering 9251 km². According to the Statistics Service of Cyprus 2019 [51], the population is 888,000 and Nicosia is the nation’s capital. On 1st May 2004, Cyprus joined the European Union (EU). Tourism and air transport operations contribute 20% of the Gross Domestic Product (hereafter GDP) [52]. Before the outbreak of the COVID-19 pandemic, Cyprus welcomed 3.976 million tourists in 2019 (Statistical Service Cyprus 2019) (Figure 1). In 2023, the number of total tourism arrivals was 3.845 million, in comparison to 2022 which was 3.021 million. The tourism revenue reached EUR 2439.2 million in 2022, up from EUR 1513.6 million in 2021 and EUR 3920 million in 2020. The tourism revenue in 2022 measured 61.2%. With 37.9% of all tourists visiting Cyprus in 2022 coming from the UK, Israel (8.7%), Germany (6.2%), Poland (5.8%), Greece (5.3%), Sweden (3.7%), Austria (2.2%) and Denmark (2.1%) were the next countries from which tourists visited Cyprus [53].

![Figure 1. Source: Cyprus Statistical Service 2023.](image)

In island nations, there is a strong reliance on airlines to promote connectivity and attract tourists. In Cyprus, airline governance is directly related to tourism since the two industries are inextricably linked [14,54]. Through deregulation, the airline governance structure has changed since the nation joined the EU. Airlines operating freely and without interference from the government are said to be operating in a deregulated market. The entry of low-cost carriers (LCCs), such as easyJet and Ryanair, has resulted in passengers enjoying reduced costs and increased network links to additional routes [54]. Cyprus is an island, so the tourism industry is mainly airline dependent. Thus, any developments in the airline industry have an immediate impact on tourism arrivals. In Cyprus, the two international airports, Larnaca and Paphos, handled 9 million passengers in 2022 [55]. The most popular inbound countries are the United Kingdom, Greece, Israel, Germany, Poland, Austria, Sweden, Italy, Hungary and Romania. In tourism, airlines are inextricably linked to the success of the destinations and gubernatorial and supranational (EU) directives can determine the outcome of development.
Regarding tourism, the responsible authority for development is the Deputy Ministry of Tourism (hereinafter DMT). The DMT has been established as a national tourism policy to establish Cyprus as a qualitative destination and to disentangle Cyprus from its mass tourism image. The DMT has a significant role in fulfilling decision-making processes that directly affect the airline industry. Seasonality is acknowledged as the tourism industry’s main problem since Cyprus is a popular summer resort. In the ‘National Tourism Strategy 2030′, one of the initiatives deals with “improving connectivity to the island, to diversify our source nationalities and market” [56]. If this is to be achieved, an expanded strategy is required for rebranding Cyprus and establishing the foundations for becoming a year-round destination [56]. This will enable the airline industry to develop a diversified network with significant demand.

The significant economic impact that the tourism industry has on Cyprus is what led to the decision to use it as a study location [12]. The concept of regional clusters adds to the existing literature concerning a particular regional example. Using the case of Cyprus enables to identify various parameters among the airline and tourism industries that are interrelated and examine and assess these. Accessibility to island destinations implies that the airline network, which is important for the development of the tourism industry, is at the same time the backbone of the island’s economic activity [57–60]. Thus, both industries are important in state-wide progression and understanding the degrees of cooperation can shed light on any drawbacks and impediments that prevent them from reaching their full potential. The formation of cross-industry clusters in terms of goals, plans, projects and policies can provide useful information. The level of analysis will be based on the relationships developed and the two industries will be correlated by taking into consideration the case of Cyprus and the main stakeholders.

2. Methods of the Research

The nexus of relationships and strategies involves airlines, airports, hotels, tour operators and destinations. This study will attempt to provide an understanding of the geographical characteristics to identify the cluster formation or type. Further, this study seeks to identify the form of destination development that is taking place in the air transport industry concerning the role of the airlines. Additionally, this discussion considers the policy remits that primarily impact developments in both the airline and tourism industries. This will be achieved by understanding (1) both industries’ leaders’ involvement in contributing to insights on the establishment of synergies and clusters among the two industries and (2) industry and government partnerships providing practical experience and best practices.

The study will investigate the relationships with the following questions:

1. How is the involvement of the protagonists of both industries interlinked with insights into the establishment of synergies or clusters among the two industries?
2. What are the industry and government types of partnerships that provide practical experience and best practices?

The research incorporates semi-structured interviews with the leading players and organizations of the airline and tourism industries (governmental bodies, airports, airlines, tour operators, hotels) (Table 1). The sample is non-probabilistic and purposeful, targeting key organizations and people from airlines, airports, official tourism offices, hotels and tour operators. The interviews were mainly conducted by phone from December 2022 to June 2023. The average duration of the interviews was 25 min. The final sample involves 20 tourism domain managers (Tables 1 and 2). The selection of the interviewees was based on a non-probability purposive type with the criteria to involve the target organisation and the position of each participant. In particular, the sample is representative and covers the main industry players in Cyprus. The interview protocol was designed to assess the relationship between tourism stakeholders and the development in terms of the discussion of three themes (Table 3). This analysis will be of interest to deepen the knowledge of the existing cooperation between both industries to better understand and define the
exact cluster approach. This research follows an inductive method of analysis based on the evidence given in terms of the experience and actions of the research participants in the relevant organisations appropriate for a particular case study. Adopting a case study approach is appropriate since most of the research deals with clusters examining a particular geographical area, which can lead to useful conclusions [2,4,5].

Table 1. Interview respondents.

<table>
<thead>
<tr>
<th>List of Interviewees</th>
<th>Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interviewees I–IV</td>
<td>Tourism Officers</td>
</tr>
<tr>
<td>Interviewees V–VIII</td>
<td>Airline Managers</td>
</tr>
<tr>
<td>Interviewees IX–XII</td>
<td>Tour Operators Managers</td>
</tr>
<tr>
<td>Interviewees XIII–XIV</td>
<td>Airport Managers</td>
</tr>
<tr>
<td>Interviewees XV–XX</td>
<td>Hotel Managers</td>
</tr>
</tbody>
</table>

Source: Author.

Table 2. Interviewees profile.

<table>
<thead>
<tr>
<th>Gender</th>
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</tr>
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<tbody>
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<td>60</td>
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<tr>
<td>Female</td>
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<table>
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<tr>
<th>Years of Experience</th>
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<th>%</th>
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<td>6–9</td>
<td>5</td>
<td>25</td>
</tr>
<tr>
<td>10–19</td>
<td>7</td>
<td>35</td>
</tr>
<tr>
<td>More than 19</td>
<td>8</td>
<td>40</td>
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<table>
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<th>Educational Level</th>
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<tr>
<td>College diploma</td>
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<td>30</td>
</tr>
<tr>
<td>Bachelor’s degree</td>
<td>8</td>
<td>40</td>
</tr>
<tr>
<td>Master’s degree</td>
<td>6</td>
<td>30</td>
</tr>
</tbody>
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Source: Author.

Table 3. Interview protocol Themes.

Themes

- Interaction and Participation
- Tourism Policy Understanding
- Strategic Responses

Source: Author.

In the case of tourism, social actors are a web of individuals involved in tourism. Understanding the stance of the social actors involved in the tourism industry, with special emphasis on the airline industry, provides implications for the development of the tourism industry [59]. Additionally, the main theme was to investigate the role of the airlines in cluster formation and to lead to useful conclusions. Bergeman and Richards [61] put forth:

The actions, interactions and behaviour in a practice are, therefore, determined by the characteristics of the actor and the conditions of the context.

This is more intense in the case of tourism, whereas the complex nature engages in a network of interrelations that might bring conflicts. However, territorial, national and supranational policies build the interrelations that affect external and internal environments. Considering the context of the airline industry and the actions of the people involved that
ensure its viability, this study will examine its effect on other business sectors. The analysis of the interviews is based on NVIVO12 software that analyses qualitative data through thematic analysis. The results provide a framework to define the clusters developed among airline and tourism companies. These will enable policymakers and opinion leaders to understand the economic environment of the two industries and their degree of influence on each other.

3. Research Results

Regarding tourism and airline relationships in the sense of clusters, the study’s results reveal a gap in setting common goals and strategies. However, the respondents stated that during the COVID-19 pandemic, the Deputy Ministry of Tourism took immediate actions that enabled the speedy recovery of the industry. Based on the interviews content, the analysis developed three main thematic topics: (a) interaction and participation, (b) tourism policy understanding and (c) strategic responses. The themes were developed based on how cross-industry clusters can be defined and how they can be implemented. Respondents emphasized airlines’ role in tourism development and the formation of synergies to enhance tourism development as part of an effective strategic response.

3.1. Interaction and Participation

The first theme of analysis was to identify the degree of interaction of private airline companies with the governmental body of tourism. Admittedly, airlines have the most critical role in developing tourism on the island [13]. However, according to the respondents, the main limitation is a lack of an airline division in the Deputy Ministry of Tourism with an exclusive role of keeping tight links with the airline industry. However, any airline restrictions, such as COVID-19 and the Ukrainian–Russian political dispute, directly impacts tourism flows on the island. Regarding cluster formations, the respondents highlighted that because of the small size of Cyprus, a cluster network can be effective due to its geographical proximity. However, as mentioned by Interviewee I:

*A stronger relationship is necessary to monitor and enhance the performance of all firms in tourism. Local associations of tourism stakeholders need to be closer and have an informative role in exchanging the main developments and trends.*

Addressing the industry’s main challenges as they emerge from external factors needs to be communicated to encourage industry practitioners to be proactive and effective in their role [3,4,7]. The airline industry has direct links with outbound and inbound tour operators, highlighting the efficiency of the air transport capacity and network. A specialized airline division in the Deputy Ministry of Tourism could disseminate accurate and timely information about trends and occurrences that reciprocally affect the airlines and tourism. A representative excerpt is the following:

*There is a communication gap in the tourism sector; this is a common phenomenon concerning setting up various effective communication channels. Unfortunately, the public sector is reluctant to impose innovative methods of bringing together tourism participants and set a common strategy of interaction and communication.*

Interviewee IV

The above reveals a problematic interaction with airlines that is distant from the organized public sector with an interactive relationship that can act proactively and set the same goals and objectives. All tourism managers (airlines, tour operators, hotels and government) identified that there are no clear and active structures that can enable interaction with tourism-involved parties that can enable immediate communication [12]. Respondents have a broader problem to state, as presented below:

*There is a lack of formal structures where all the stakeholders in tourism can interact and communicate. Because airlines play a big part, they must keep other industries informed about changes and how to best respond to them. This way, other industries can do better at strategic planning.*
Interviewee IX

This problem is indicative and suggests that airlines do not disseminate information adequately; thus, their role as central protagonists in tourism clusters is underdeveloped.

3.2. Tourism Policy Understanding

Tourism policy is set as a plan that dictates future tourism development [7]. In general, tourism is suffering from a rhetorical gap, with a limitation in successfully implementing any tourism plans and strategies [8]. The tourism policy highlights the roles of the airlines and the fact that tourism on the island is facilitated by air. Interviewee IV put forth that

*A formal network of synergetic relations through clusters can be for the benefit of the tourism industry.*

An airline manager (VI) mentioned as below:

*An airline’s decision to enter Cyprus depends on the potential of tourism demand. If there is demand, then Cyprus is an attractive destination.*

The main concern is for the official tourism authorities to have a cooperative strategy with feedback regarding the actual tourism policy. Noteworthy is the role of the airport management teams in attracting more airlines and ensuring the adequacy of flights. Clustering is the formation of learning networks that can lead to innovation, which is the key to gaining a competitive advantage. A respondent (XIV) mentioned that

*Tourism policy is the key to success in the sense that, for instance, the main problem of the island is seasonality, with a remarkable decrease in demand. Cyprus must be established as an all-year-round destination and must provide a viable airline network.*

An airline officer (VII) has a representative opinion as below:

*Collaboratory networks are imperative in tourism. Any airline flying to a destination must examine its long-term performance and determine its market segment. Cyprus is unique in location since it is the first entry point to the European Union and the Middle East.*

Another participant (X) mentioned

*Clustering in Cyprus is not about geography but about practical cooperation and understanding if small island states are considered. Setting a clear and standard tourism policy can benefit all players in the industry. The air transport industry has become more flexible since the introduction of European liberalization with the island’s entrance into the European Union in 2004.*

Clustering refers to a web of interconnected activities, indicating the interdependency of business interactions. Cooperation is imperative for an island such as Cyprus and information access is easier here. Another perspective that can enhance cooperative synergetic relations in tourism is as commented below:

*There is a need for an association of airlines in Cyprus with a strong representation in tourism policy and decisions.*

Interviewee XX

Islands can act as a unique collective case of the geographical context regarding clusters.

3.3. Strategic Responses

An important parameter discussed during the interview was the extent to which strategic actions by the airlines influence strategic responses by other prominent players in the industry.

A respondent from the hotel industry (XVI) pointed out:

*Airlines’ role is to promote locations and improve tourists’ travel experience. Their role should be to work with regional tourism boards, lodging establishments, travel agents, and other tourism-related businesses. A synergetic relationship is the format of a business cluster.*

All respondents highlighted that all sectors’ representative associations must be aware of the strategic actions of the airline industry, led mainly by the official civil aviation authorities. A respondent (XVI) highlighted the below excerpt:
Sanctions to Russia impacted tourism arrivals on the island since it is one of the most important markets. The official tourism authorities must seek new markets to fill the gap, thus new opportunities were identified in the French market.

The above implies that an array of relationships are affected by each tourism supplier and have a role to fulfil. Airline companies fulfil the most critical role in enabling tourism arrivals on the island. Thus, clustering starts with the airlines, and there is a force of movement in all territorial aspects of the island. Interlinked strategic responses can set up an effective tourism network, and the respondents highlighted the effectiveness that can be provided in developing synergies. This will lead to practices aligned with tourism planning and policy, where all the players will be informed and be able to progress with effective knowledge transfer that can lead to innovation. The role of the airlines is crucial in the formation of a strong web of relations, asserting as a central point of concentration for the airlines flying and aiming to fly in Cyprus. The network forms through the actors involved in each organisation that must make decisions that can minimise risk. Network synergies are formed by each tourism stakeholder to ensure the organisation’s viable performance. The respondents’ responses emphasise the perceived lack of communication and the necessity of institutional frameworks for productive stakeholder interaction in the tourism sector. The issue of airlines not disseminating information effectively is a crucial point that requires consideration to build strong tourism clusters. The focus should be on convergent policies that encourage collaboration without suppressing healthy competition. Combining policies through Destination Management Organisations (DMOs) may be a more successful strategy. DMOs can help airlines and tourism agencies coordinate strategies and provide feedback.

4. Conclusions

The study results revealed that the motivation for creating a cluster network in tourism is the drafting of an applicable tourism policy by involving tourism actors. However, the results suggest that a viable airline network can enable the diversification of tourism arrivals and provide a sustainable approach to tourism development. The actors involved in the industry in high positions have a determining role to execute. Close cooperation with officials from the tourism authorities can play a significant role in tourism planning and development. Clusters in small island nations refer to a holistic approach to development, with close cooperation and understanding among all industry players. Inactive tourism planning can adversely affect islands’ futures since they are highly dependent on tourism. Air transportation to an island destination does not necessarily imply a geographical dimension since distances can be small. Their role is mainly in developing synergetic relationships among stakeholders and informing them about future strategic plans. Apart from the geographical dimension, the cluster’s formation involves personal interaction among the actors. Such an interaction indicates an exchange of views and opinions to extract positive actions for development.

The air transport industry can ensure the economic viability of the geographical place; thus, any developments directly affect tourism. Setting the foundations of a strong airline network can play a significant role, so it is essential to have a common strategy. The tourism authorities should prioritise effective communication with the airline players and create synergetic solid relations. The tourism authorities should prioritize effective communication with the airline players and establish strong synergetic relations, ensuring that airline companies entering the island are well-informed about the tourism policy and developments. This is particularly important in addressing the main problem of the tourism product of Cyprus, which is seasonality, as well as the underutilization of accommodation capacity during low-season months. Business partners can enable effective clustering through synergetic relationships. Airline companies must have an informative role in other sectors by highlighting their potential plans and strategies. In turn, the official authorities in the tourism industry diffuse all information to other business partners to make plans and minimise risks. In an island context, clustering is the transfer of communications.
and knowledge, which represents a strong role for airlines that can diversify tourism demand throughout the year. Tourism practitioners must prioritise and be aware of air transport actions and proactively influence them. The results of the study also suggest that an effective airline network is directly based on the alertness of the tourism authorities via their DMOs, who set and adjust policies according to the needs of the airlines to attract customers.

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