

# Marketing planning in supporting the performance of the rural AREAS - some cases in Albania

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Keywords: planning, marketing strategy, rural areas, sustainable development.

#### INTRODUCTION

Tourism is emerging as the world's largest industry and the country facing big challenges regard to the fact of being important tourism largest service export. Thought major multinational corporations are visible on the global stage, small businesses and smaller communities are the ones who keep the engine of the tourism industry moving around the world. These smaller communities, who cannot match the marketing muscle and expertise of major multinational or national corporations, are at a disadvantage in terms of attracting a large number of tourists (Inskeep, E. (1991). Additionally, in many areas of the world, national, state/provincial, and local governments are no longer in a financial position to found major tourism programs. Thus, local communities need to become more self-reliant in the area of tourism development and promotion, thus in the marketing area.

## **DESTINATION MARKETING ORGANISATION**

From the economic point of view a destination is a marketplace in which many different companies, large and small, compete against each other and at the same time collaborate in a restricted space. The products and services provided by individual



tourism companies constitute a multi-optional offer for tourists. Guests are able to choose from a variety of products and services for such tourism functions as accommodation and catering.

From the customer's point of view, competition in tourism is primarily among destinations and not individual tourism enterprises. From the tourism company's point of view, even while competing, individual suppliers are forced to work together at the level of the destination. Initially, they delegated the promotional activities for the destination to the local tourism organization. The classical tourist offices are the oldest form of vertical co-operation in tourism. In many European countries Destination Management Organizations (DMOs) form a hierarchical network, with local tourist offices at the bottom and with regional and national tourist boards, including international branch offices. Traditionally, these DMOs focus on destination internal tasks such as monitoring, planning, support in product creation and education as well as external tasks such as promotion and marketing (cf. Werthner / Klein 1999).

Yet, the diffusion of ICT, and especially the enormous spread of the internet, enabled and encouraged DMOs to extend their activities by means of e-business. Following the remarks from above, destinations are some kind of virtual enterprises which require a lot of internal coordination and networking, apart from their external marketing oriented activities (cf. Buhalis / Deimezi 2004).

Smaller communities are going to organize themselves through DMO (destination management organizations), which can be in these forms:

- chamber of commerce,
- convention,
- visitors bureau,
- Local tourism promotional organizations, etc.

## NECESSITY OF USAGE OF TOURISM MARKETING PLAN - ADVANTAGES

Few communities today can afford to ignore the tourism industry, and few can afford to be without some form of a community tourism marketing assessment. So, this means that not all the communities are seeking for a *tourism marketing assessment* which will not result wit a great impact on profits. The assessment made



able the business community to see the usage and predict the capacity of business activities. Inskeep, E. (1991). When properly developed, a community tourism marketing assessment gives a clear and concise direction for achieving specific tourism development goals or objectives. All this at the end will have a backup in helping to maximize the return on investment in marketing activities. This research is intended to help and orient DMO through understanding the process of designing a community tourism marketing assessment plan, which they can further employ to enhance their competitive advantage. Because today's competitive world changes so rapidly, plans must be formed efficiently so businesses can take action to influence the market and adapt the plan when necessary. The community tourism marketing plan is some steps process and includes identifying community stakeholders, determining community stakeholder needs, establishing goals and objectives, etc.

So, there can be noted two stages:

- 1. tourism marketing assessment plan
- 2. Understanding and using the impact of this plan in creating the competitive advantage.

#### WHY AND HOW ALBANIAN COMMUNITIES SHOULD APPLY A TMP?

A TMP (tourism marketing plan) gives or offer to the local destination management organization (DMO):

- a model for understanding the nature of tourism prospects;
- a model for understanding their needs;
- a model how to communicate with them;

In fact, referring Albanian communities, which are rich in potential, rich in tourism flows, and with agriculture, or even with human resource, application of a community tourism marketing plan is a necessary tool in planning and monitoring of whole process of tourism development. Of course, it takes time to know, understand or even to apply a TMP for the communities in the country. This takes time and support.

In this way there are the Albanian communities those who in the future:



- Will have direct impact on usage of proper potentials;
- Will control and monitor the process of sustainable development of potentials;
- Have direct impact on economic, social and cultural effect of tourism;
- can provide a plan for economic growth and development;
- Can discover what potential tourists want and need.

A TMA will be done by each DMO located in tourism communities who decide to use their potential in a planned and managerial ways. For this, a DMO's should spend no more than three to six months:

- developing their assessment,
- Develop and update their community tourism marketing plan with fresh information.

In a Albanian surroundings, where communities needs more than developing, supporting and monitoring the process, and where the foreign aid takes special value in marketing assessment, the apply of a TMP for each community has a critical and decisive function.

So, in this way, following such plans, Albanian local businesses invest in a plan of action that helps ensure they maximize their community's product potential and profitability.

# Why?

- ✓ The community tourism marketing assessment is *a strategic process* used by a DMO in developing and maintaining the optimal fit between the allocation of community resources and the business opportunities available in a changing environment.
- ✓ It is more than knowing the private sector market mix of the four P's of marketing product, price, promotion and place. Community tourism marketing plan will provide *a method* for establishing objectives and

formulating strategies and tactics in order to organize a community's marketing efforts.

✓ *A model* which help or orient how to allocate scarce resources in order to achieve specific economic development objectives (i.e., tax revenue generation and job creation).

Regarding to the main steps in the process of applying a TMP will be specified some of those who are important for Albanian communities.

- Stakeholders are interest groups, parties, actors, claimants, and institutions-both internal and external –who influence the development of a community's tourism marketing plan. Stakeholders are individuals who have a direct or indirect interest in the tourism industry. In Albanian case, the main stakeholders are the proper parties that have direct impact on the communities, the local authorities, which are directly connected with residents and parties, and sometimes and Diaspora, the impact of those is indirect through the parents and relatives located in the area, and finally tourists.
- After identifying stakeholders, will provide to the DMO an opportunity to obtain information from individuals who have a significant impact on a community's tourism efforts (Mitroff, 1983, pp.35-37).
- Stakeholders should be aware of the community's tourism efforts (Smith, 1989, p. 87). They should be asked questions they are capable and qualified to answer, I.e., their perceptions of existing efforts/programs, planned programs and /or the effectiveness of existing programs. In Albanian case, several assumptions which DMO directors may wish to make about stakeholder behavior for comparison should take into consideration some special issues regard to the development and awareness.

DETERMINING SOME COMMUNITY STAKEHOLDER NEEDS IN SOUTH OF ALBANIA'S COMMUNITIES



Albanian communities are suffering by a lack of awareness of their potentials, of their inputs and competences, which can be turn in back in competitive advantages for their areas. Questions that must be asked of stakeholder committee members in order to determine the perceptions/needs as they relate to an effective community tourism marketing assessment are:

- 1. Where is the community's tourism industry now? Determine the current tourism marketing situation.
- 2. What is happening in the environment? Assess opportunities and threats to local businesses.
- 3. What does the public want to achieve? Establish realistic, measurable objectives.
- 4. How could the community achieve these objectives? Determine which marketing strategies will work best to achieve objectives.
- 5. What specific actions does the DMO need to take? Create marketing programs/tactics with required Budgets and assigned responsibilities.
- 6. How will the community measure success? Build an evaluation and control system to measure results.
- 7. In what form will the communities present its plan? Put it all together into a concise plan document.

## ESTABLISHING GOALS AND OBJECTIVES - CASE OF RADHIMA

Developing mutually agreed upon tourism goals enables committee members and other stakeholders to identify common perceptions about what a community tourism marketing assessment should accomplish and how it should be implemented. The final responsibility for goal development belongs to the committee. In addition, political and legal constraints may need to be incorporated into the process.



In fact, in some cases, in some communities in the south, especially in Vlora Region, the stakeholders are mutually connected with some special aim to be achieved regard to develop of their communities.

So this is the case of Radhima, a very well known community for the attention that the community, through the representatives, is organized into comities and is trying to manage the process of development of their potentials and inputs. In this case, individuals who are most likely to have a proactive interest in tourism and its overall success could be selected. So, for *Radhima Community* can be recommend a DMO with some persons together functioning as a advisory boards which interface with local industry, which is fishing and tourism. This advisory board:

- □ can assist in identifying stakeholders, so the persons, individuals or organizations directly having impact and interest on tourism resources and having competences in this field:
- who would write up a stakeholder interview questionnaire, in this case can be use
  the University located in the Vlora Region;
- № Who would revive stakeholder comments? This can be by the National tourism offices or representatives of the Ministry of Tourism in Vlora Region, Municipality, or even again the University, through the Department of Tourism which in this case can be served as a *research centre*;
- ™ Who would determine what differences in perception were important. In this case, it is necessary the impact and support of international representatives in Vlora, as UNOPS (Italian Corporations) or even the private researcher;
- Who would decide what follow-up steps would follow data collections and analysis. This can be organized due to allocated to all the forces, included the University, Prefecture, and all national level of interesting in tourism sector.; and
- № Who would develop the final report? This need the support of international al organizations, as World Bank or UNDP located in Albania.

Having a very clear statement of what the main goals should be, according to the stakeholders, the Committee can develop an implementation process to achieve goals. In the Radhima case it is necessary the fact of using a stratified random sample survey. This can be as a starting point for the other communities in the whole Vlora Region, which have potentials, inputs, and capabilities, or even the competences in tourism sector, etc.



## WHO COLLECT THE INFORMATION IN VLORA REGION, AND BY WHOM?

In many cases, the rural area, get the information directly by:

•	t
heir representative committee, or	
•	S
electing and gathering data available by Technological University of Vlora,	
•	P
rivate Sector (hotels, motels, travel agencies),	
	N
GO-s,	
	M
unicipally, etc.	

In this way they can get valuable information about potential tourists from travel publications that want their advertising business. These publications have a wealth of information available and are often willing to research questions a committee member might have about a particular tourism segment. There are two major approaches to collecting information about tourists: primary and secondary research. Primary research is research conducted firsthand by directly asking or observing tourists. It can be conducted on a formal basis using quantitative or qualitative methods. Primary research is privileged, and allows the rural areas to seek answers to questions that are considered most relevant. This type of research has been done by Universities and Municipality of Vlora.

The different surveys include:

- P rimary research: telephone surveys, mail questionnaires, as well as focus groups, and informal interviews.
- econdary research includes trade magazine articles, seminars and travel industry information sources, as well as published research studies or demographic profiles done by local public authorities. In the case of rural areas in Vlora region, we



consider secondary research very useful for identifying categories of tourists that can be grouped according to demographics (age, sex, income, etc.) or psychographic profiles that can shed light on their expected behavior.

The impact of government at all levels has been shown to affect demand for tourism services. In general, local government actions tend to underestimate the contribution of tourism to creating jobs and wealth in the Radhima zone. This situation requires that the committee or even any DMO remain keenly aware of government initiatives (in local and national level), that affect the individual domestic and international tourist as well as companies that compete for the traveler's time, attention and spending.

#### INVENTORY OF POTENTIAL IN RADHIMA TOURIST ZONE - A NECESSARY STEP

In fact, we can consider this step as very fundamental for all the Albanian tourism areas (TDA) which have potential and, the second step after this is to have a clear inventory or what having *in quantitative and qualitative* aspects.

Sometimes, in some communities within the country, many DMO would agree that community tourism marketing assessments must focus not only on the community's product service capabilities and image, but also on the community's tourist potential.

This means getting to know the community and its tourists as thoroughly as possible. This can be achieved through a community tourism resource inventory, primary market research, and other sources of secondary information.

Conducting an inventory of current community tourism resources is an essential step for the whole communities and its benefits. Can be dividing into two categories: natural and man-made.

#### Natural resources include:

☼ Climate, environment, natural attractions (mountains, oceans, canyons, etc.), historical, religious, ethnic and cultural identity, and related sights. They are the backdrop for tourism development. These natural resources are difficult to evaluate because they are difficult to quantify. Every Albanian community has its own unique character and ambiance. Each Albanian community has its own traditions and heritage. Usually, they are expressed in the day to day activities of its people, as



well as their festivals, events and celebrations. They give life to the authenticity of the community, the ambiance of the town, and the charm of its people.

### Man-made resources are:

☼ The physical facilities, the infra-structure and super-structure of the area. It is the accommodations, attractions and theme parks, restaurants, shopping malls, recreational activities, transportation, and complimentary services that are commonly called the "tourism industry" or an Albanian Unique Community's "tourism product".

An inventory of resources normally focuses on these elements. This is particularly true because these resources can be identified and measured with relative uniformity. The comparison of the number of man-made resources in a community can be related to sales, population, or square miles, thus providing a barometer or yardstick of relative development or underdevelopment of the Area in Vlora Region.

There are, however,

- no absolute standards to follow in evaluating community tourism resources;

Comparison among Albanian Communities located in the South of the Country, mainly in Vlora Region, well known for the popularity of the incoming and domestic tourism flows, the comparison within a community over a period of time servers to help the committee identify:

- ☼ Developments those are compatible with the values of the residents within a community.

The inventory of Radhima, or even in Jal, Himara, Qeparo, etc., community tourism resources can also serve *as a basis for future non-tourism planning*. Therefore, all community tourism resources which are identified should be included in the inventory.

There are potentially as many different classifications of community resources as there are professionals conducting community tourism inventories. The following classifications provide a working list, for the Universities or individual researcher



which might be able to have their proper support in Albanian communities for all this process, to begin an inventory:

- ∆ Accommodations;
- ∆ Attractions;

## HOW SHOULD PREPARE ECONOMIC IMPACT FOR THE CASE STUDY?

Radhima compose a community which by years is promoting tourism by local businesses that operate in an extremely competitive environment-competition

The different organization among the local business in Radhima, must look beyond their community and recognize that many other attractive communities are available to tourists, both domestically and internationally. It is helpful to divide a community total tourism market into:

urrent tourists;

t ourists to competitive cities;

P rospective Tourists.

Given the proper information, the committee should be able to generate a detailed description of existing tourists. This description can include:

- 1. demographics,
- 2. lifestyle,
- 3. a purchasing history,
- 4. Other collected Information.



Most of the methods used to measure economic impact incorporate one or more models, i.e., mathematical relationships among or within groups of travel industry components, to project the total impact of the industry from actual measurements of a smaller number of these components. These actual measures are themselves usually projected from a small sample taken within the community. Some questions must be addressed to prepare an economic impact study;

- 1. How many tourists are visiting the Radhima zone?
- 2. What is the average party size?
- 3. How long are they staying?
- 4. What are they purchasing?
- 5. What is the purpose of their trip?
- 6. How are they arriving (Heller, 1985).

## RECOMMENDATION

Local communities are encouraged to explore the potential of tourism growth. By integrating the tourism concept into the existing structures, local public officials will be able to develop a more integrated approach to economic development planning and implementation. Tourism may very well be the twenty –first century's new crude!

Focus on the customer, not in the Albanian products

Because of that, we recommend that every type or organizing within the rural area, (TDA), should fail or win depending what is undertaking in the first steps, how is organize everything in the beginning, how is training the staff, who is taking the responsibilities, who is manager of the whole process of assessments, but especially by the fact, that how and *in which way is started* the process. This means to place more importance on the Albanian tourism *product* or on the *costumer* (domestic or international). For the local actors, private or public ones, it is a crucial moment to keep the attention primarily and focused on the customer. This should be essential.

Evaluation of Residents' Features



An understanding resident' attitude requires an understanding of the relationship between the residents and the tourism industry. Residents are both the primary beneficiaries of tourism development within the community and a critical part of the tourism product. Clearly, the successful initiation and implementation of any community tourism marketing requires support from residents. This may be in the form of changes in local laws, taxation levels, willingness to retrain for newly created jobs, or through their hospitable receptiveness of tourists.

Lack of awareness on the part of residents as to what there is to see and do within the community suggests to the DMO that the community has little to offer, or is indifferent to the tourist's needs. The relationships which all Radhima's residents are likely to have tourists will depend on the *skill levels*, the *availability of a labor force*, and the *interest of residents* in employment opportunities within the tourism industry.

A survey of residents will serve to pinpoint specific concerns or population groups with differing attitudes. Such information will save time and effort over the long run of the community tourism marketing plan since the design strategy can be responsive to identified concerns. Such surveys can be conducted by University of Vlora or even other professional organizations.

## Attract firstly domestic visitors

The experience has shown than if a destination (in the level of macroeconomic statement) develop international demand and has much potential, there results will be lowest compare than if there is develop primarily the domestic demand, so attracting the residents is an effective strategy of marketing. For this reasons, the regions within Albania, not only Radhima as a case which we are developing, but all the small areas during the Ionian Sea, starting from Vlora town to the southeast part of Albania, will develop their tourism offer to serve primarily to the national tourists, visitor or excursionists, Albanian residents or Diaspora, and after them, the second group will be the international flows.

Follow a marketing approach in attracting the tourists



The rural areas will not follow a *sales-oriented approach* that assumes customers are naturally resistant to making purchases and, therefore, must be persuaded to buy travel products or services through high pressure sales techniques. This orientation is particularly short-sighted in today's marketplace. Because these tools that we discussed often focus on only immediate opportunities for sales, they seldom consider long-term marketing approaches that would stimulate repeat business.

# Evaluate the economic Impact

It is very difficult to create a tool for evaluation of planning tourism impact, especially the economic impact of tourism. Anyway, the importance of having an accurate measure of the economic impact of the tourism industry on the rural areas is essential. The direct impact includes:

- t
  he jobs and wages created for local residents,
- t
  he profits received by local businesses from sales to tourists,
- he direct net revenues received by local state and federally owned facilities,
- he taxes paid to local government from sales and wages created by tourist purchases.

One of the recommendations goes to the *policy of investment and planning* in Radhima and other small tourism areas *must be very transparent*. So, we propose:

- ocal governments must invest tax revenues for the development of tourism programs because one of the reasons is that the taxes are collected by local government and reinvested in goods and services enjoyed by residents and tourists alike.
- E conomic impact studies, most likely, would be commissioned through Vlora University or an organization having similar specific technical expertise.

## Evaluate the advantages



Radhima as a very competitive zones around the Vlora Region, should be describe separately in order to evaluate any key differences and points of opportunity: what makes competitive area, and is there any real difference in what these tourists want and need?

#### Evaluation the Business in Radhima

The nature of the tourism industry is such that in many communities it permeates throughout the community unseen. Unlike agriculture, manufacturing, or high-tech industries, the tourism industry in a community is not readily identifiable. Rather, it is made up of a full spectrum of businesses which serve the tourist's needs.

Transportation, accommodations, attractions, restaurants, retail sales, and recreational attractions combine to make up the community's tourist product. These businesses are an integral part of the community serving not only tourists, but also residents.

Many of the businesses in the tourism industry are small businesses. While some of these may be affiliated with franchise chains, particularly accommodations and restaurants, the majority are small, independently and locally owned and operated (lbid., 1981, pg.87). Their individual ability to influence tourism growth may be negligible, but by working together, their impact can be considerably greater.