

# Management and marketing in Korca tourist destination

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**Abstract:** Tourism is characterized as being a sector that stands out as one of the business activities with the greatest potential for worldwide expansion and as an engine for economic growth. If at the national level, the appeal of tourism is significant, on the local level this sector presents itself as an essential tool in regional development, as a means to avoid regional desertification and stagnation, stimulating the potential of more undeveloped regions. In such a competitive sector as tourism, companies should develop synergies and achieve competitive advantage. This paper reports on experiences and activities that are taken in destination management and marketing in Korça tourist region. Primarily it is told about importance of management and the role of marketing in the development of tourist destination and how to be combined them to grow up competitive advantages. Then are described all main problems of destination management and marketing in Korça region and all problems that are viewed in tourist villages of this region. In the end is suggested a model that can be used to develop sustainable tourism, to grow up profits and to reduce negative impacts that would come from this industry.

**Key words:** competitive advantages, destination management, sustainable tourism

## 1. Introduction

Tourism plays a significant role in the economic and social development of many destinations and communities around the

world. Destinations seeking to find a balance between their economic, social and environmental aspirations are engaged in 'destination management'. Destination managers and tourism planners have recognized the

need for a more holistic approach to destination planning, development and marketing. Over the last decade tourism stakeholders at the destination level have gradually shifted focus from the traditional marketing and promotional functions to the more coordinated strategic approach of destination management. The term 'destination management' and other tourism-specific terminology are often defined differently. Marketing literature suggested further that marketing success is more likely when customer groups are well defined and the market segmentation and method are selected. A large part of marketing literature has been devoted to finding the best instrument for market segmentation (Madrigal and Kahle L.R, 1994). Understanding the needs and wants of the selected segment of customers is vital since their tastes will dictate product development, pricing, place (distribution), and promotion (communication). These aspects are known as a 'traditional' marketing mix or 4Ps. Overtime, the goods marketing versus services marketing debate has led scholars to broaden this traditional mix to three additional '3Ps': people, physical evidence and process. Ryan, C. (1991) concludes that "marketing has been interpreted narrowly as being concerned with advertising and promotion and possibly to some extent with price ..", adding, "Murphy, P. (1985) argues strongly for the need of communities to be involved in tourism planning but generally omits the role of marketing within product development". Similarly, March, R. (1994) has indicated that marketing's contribution to tourism has been dismal. March added, "when the issue of marketing has been raised in the academic tourism literature the term is usually narrowly defined or corrupted".

Furthermore, March contends that the adoption of marketing principles within the tourism industry, compared with other service industries, has been undervalued and misrepresented by tourism policy makers and practitioners alike.

Destinations are created at various geographical levels, with corresponding responsibilities and functions. At the institutional level, the organizational structure is represented by local and regional tourist organizations (associations, federations, destination management, DMO). A good way to manage a tourist destination is the creation of destination management organization (DMO) and the key principle of the present travel industry management in the destinations is the cooperation of actors from both the private and the public sector. The collaboration of the actors is important mainly because of the synergy effects that it creates. Tourism in most countries is led and driven by the private sector – though within legal and planning frameworks set by the public sector. In recent years, many tourism destinations have realized the need of involving the private sector in the strategic planning, development and marketing of tourism to ensure the long-term sustainable development of the sector. This is generally ensured through effective public-private partnerships. The issue of private sector involvement is of utmost importance, and cannot be treated lightly. Often, the private sector is expected to contribute financially to tourism destination management, but is not given the accompanying involvement in the planning and monitoring process of this development.

The requirement for both public and private sector commitment to tourism development is essential for the planning,

sustainable development and marketing of tourism in any destination. And commitment means willingness to invest the relatively limited resources required to ensure the necessary planned development. For the public sector, it is often limited to realizing that to achieve set targets of tourism development, there is a need to allocate sufficient resources for the management, marketing and promotion of tourism that will ensure these targets are achieved.

Similarly, if the private sector wants to be involved in the planning and management of tourism development, it must be willing to participate in the cost of destination management to the mutual benefit of the expected development, even if the cost coverage initially is nominal.

In particular with respect to the SME-structure, the resources are used more effectively, innovations are implemented, new management methods and TQM introduced, and economies of scope created, which enables the destination to better face negative externalities, in particular with respect to the environment, etc. Moreover, destination management provides for functions that are beyond the capacity or the interest of the individual actors – e.g. brand building and brand management.

## **2. Tourism management in Korça region**

The Korça Region is located in the Southeast of Albania and borders Greece and Macedonia to the South and the East. It is a mountainous region with two major lakes, Lake Ohrid, one of the oldest lakes in Europe, which is shared with Macedonia and Lake Prespa which is shared with Greece and

Macedonia (100 km<sup>2</sup> in Albania). The highest peaks are Gramozi in the East of the region at 2,523 m and Morava at 2,047 m. The altitude provides the region with an excellent climate which is very favorable for tourism - cool in summer and the snow in winter is an attraction for visitors. The economy of the region is based on agriculture including farming, forestry and fisheries which account for 30% of overall production in the region. In recent years the construction and transport sectors have expanded, as have some service sectors such as the communication sector and tourism. Remittance from immigrants living abroad is an important source of income and investment for the region. Whilst the Korça Region has a very long history, distinctive traditions and an exceptional environment, tourism in most of the region is emerging as an economic sector (with to a certain extent the exception of Pogradec on Ohrid Lake where leisure vacations have been established over a longer period). Figures for tourist arrivals have not been collected or compiled but according to local stakeholders, there has been a significant increase of visitors in recent years. The region has an excellent mix of soft and hard cultural assets as well as outstanding natural assets.

Problems that exist and have to be resolved in this region are:

- No good infrastructure in tourist rural areas around the region.

- No signs for orientation of international visitors to tourist attraction.

- Lack of environmental protection plans

- No focus on capacity building of the region.

- Lack of web face for tourist destination and no possibility to reserve or buy on line

- Lack of shops that sell traditional souvenirs and handicrafts.

### 3. Role of DMO in Korça region

It is clear that there is a pressing need for a regional management structure to be put in place to provide the tourism sector with leadership and management required to properly develop the Korça Region's tourism potential.

The tourism administration organization - referred to the Destination Management Organization (DMO) – have the following responsibilities:

- Regional tourism policy and strategic planning
- Marketing and promotion
- Collection and provision of visitor and general information
- Product development
- Market research
- Facilitation of the private tourism sector and of tourism investment
- Development of relevant PPPs
- Regional tourism awareness

This structure is a clear partnership between the public and private sector with both contributing resources (financial, human and in-kind); it should be a permanent, independent and safe from dissolution because of a change in administration. Its financing arrangements should be guaranteed by statute and its resources totally within its own control. The key roles of the DMO will be to coordinate the implementation of strategic plans affecting tourism in the region, to enhance public-private partnerships within the tourism sector and to become the focal point for the coordination of tourism planning and development in the Korça Region. This organization have followed this action (DMO of Korça Region ,2012):

➤ Have encouraged villages to develop and offer distinct products related to each village to provide them with a clear identity and to offer a greater regional village tourism product.

➤ Have created links between villages and establish an association of Korça Region Tourist Villages which will be linked to the regional DMO.

➤ Have created a website for the associations which will be linked to the Korça Region portal and relevant national agency websites.

➤ Have identified different market segments such as; those that will just visit the village, those that will have lunch or dinner in the village and those that will stay overnight offering different packages on the website with contact and booking details, in Albanian but also in English, Greek and Macedonian.

➤ Have established information points in each village. (Village office, larger hotels, restaurants)

➤ Have done a list of available accommodation, restaurants and their specialties as well as activities available to enjoy in tourist guides and at specially established information points in the villages.

➤ Have put up clear signage and a map with local attractions in the centre of the village.

### 4. A Model for a successful management of the destination

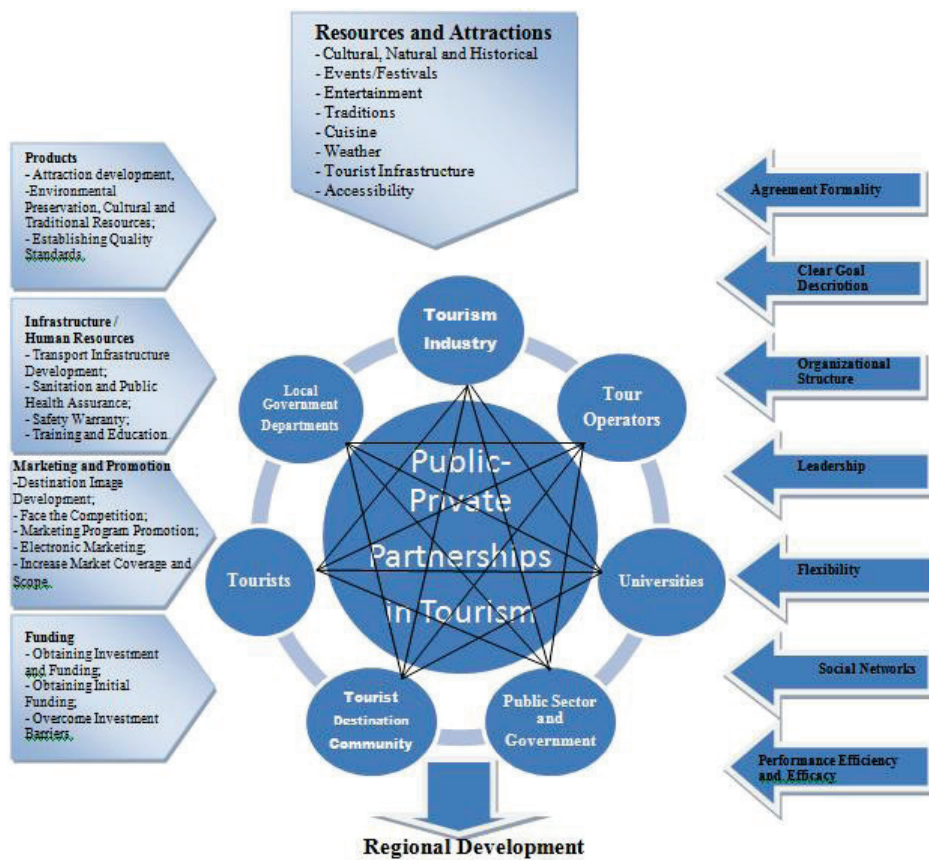
Partnerships between the public and private sectors are increasingly recognized as a strategic option for the development of tourism. However, there is a gap in the studies conducted on this subject, mainly concerning

the efficacy and efficiency of such partnerships. It is therefore necessary to identify the critical success factors of these cooperation forms in tourism (Augustyn; Knowles, 2000). This model has a point that consists of a tourism stakeholder relationship network (tourism industry, local government departments, universities and the community tour operators, tourists, public sector and government,) with the PPPs (public and private partnership) of the tourism destination, considering the resources and attractions available, influenced by the partnership goals and the critical factors that may influence the success of the partnership. The objectives are based on the products, human resources, infrastructure, marketing and promotion and funding.

The critical success factors are based on the formality of the agreements, leadership and flexibility, clear goal definition, organizational structure, social networks and the efficiency/efficacy of the partnership performance. The model represents an interactive tourism system. If there is harmony between the various relationships and variables, these aspects will contribute to the success of the partnership and therefore contribute to the regional development of a tourist destination.

The following figure presents a theoretical conceptual model proposal for successful public-private partnerships, for the development of a regional tourist destination.

Figure 1 - Model for public-private partnerships for the development of regional tourism



### Conclusions

Korça region has a good perspective to develop tourism because is rich of tourist attraction. This region has a strong concurrence from neighbor countries as Greece and Macedonia, which are well known as a tourist destination. Korca region need a good strategy in management and even in marketing to be developed as a successful and competitive destination. To achieve this aim in this region with the help of WTO is created DMO which has done many activities in tourism management. In the management of a tourist destination is needed a integration of marketing and management strategies which will be focused on comprising desires and expectations of tourists, community and all tourist destination stakeholders. A good model for managing tourist destination is the partnership between public and private sector and interaction with all stakeholders. The key factor leading to partnership relies on the fact that all partners, either from the public or private sector, wish to benefit from sharing resources and objectives. This study led to the conclusion that the importance of partnerships, as a way to ensure sustainable development of the tourism sector tends to present itself as something consensual and evident.

However, the great difficulties and obstacles the creation and organization of partnerships face are also undeniable. From the same perspective, identification of critical success factors is revealed to be of great importance for correct partnership management, acting as a reference of good practices

for the creation and maintenance of this cooperation method. The proposal of a model for public-private partnerships presented here, makes a contribution to regional development, may contribute to identification of gaps and potentials for competitive development that will aid the competent entities in their management tasks. This paper has limitations related to the fact that the model presented was not tested empirically, as well as the shortage of specific studies about the tourism partnership phenomenon in Portugal. In fact, the interface between the public-private domains has received great importance in national and international contexts, due to the economic and financial crises. Thus, the model presented may be looked upon as a small step in the study of public-private partnerships in tourism, a matter that should be researched in future studies, namely through a case study of inland regions and geographical and temporal comparisons.

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