

The Impact of Tourism Development Strategies in Touristic Demand/Supply, the Case of Saranda, Albania

Olta Kapllani Proda¹

Abstract

The main purpose of this paper is to show the importance of tourism development strategies in increasing the touristic demand and supply in Saranda. The final research results show that as a result of a sustainable planning and developing tourism strategies by the responsible institutions of the Republic of Albania, the number of international tourists of a large nationality as well has considerably increased. The range of the countries that have chosen and added Saranda as an attractive and interesting tourism (historical, cultural and environmental destination has increased significantly. This increase in tourist demand is accompanied by an increase in the supply, in which included host, accommodation and entertainment structures. The study will contain a theoretical part and also a part of the Albanian development tourism strategy. The results of the study are of practical value because they yield knowledge for the importance of the tourism development strategy in the demand and tourism supply of a destination. The data include the years 2010-2016 and are been collected from the Ministry of the Tourism of Albania, from the Albanian Statistical Institute INSTAT, and from the Saranda municipality

Keywords: development strategy, tourism sector, touristic demand and supply

Jel Code: O11, L83

1. Introduction

Saranda, is a small town, about 46.307 inhabitants, in south of Albania, located in a beautiful bay among the mountains and the Ionian Sea. Saranda is built on the ruins of an old town called Onchezmus, and around it has a lot of archaeological monuments. Located opposite the Greek island of Corfu, Saranda is characterized by a Mediterranean climate and warm sea waters which are important for the development of tourism in this destination.

After the collapse of communist system, since 1991, Albania was an opened country to be visited by people from around the world. The first decade from 1990 to 2000

¹ Olta Kapllani Proda- University of Tirana, Saranda Branch, Albania, oltakapllani@yahoo.com

the country has gone in a transition development the tourism, construction, structures management field was left entirely in the hands of its tourist operator.

After 1990 the governments realized that tourism was one of the most important sectors in the country to generate income. The Albanian government, through the development of partnerships of public and private sector and in cooperation with other organizations has work to build and formulate appropriate strategies. The application of which has created new opportunities for the country, minimizing the weaknesses realizing and reducing threats.

Governments have the opportunity to strengthen tourism by providing infrastructure, services and financial resources, but also have the ability to control production resort, in order to ensure the product quality and the services required by tourist development and set different criterions to the establishment and operation of business tourist common interest with the aim of tourists and the local community. The importance of tourism is recognized by national governments. They are fully aware that tourism can bring many social and economic benefits to a country.

The last decade of tourism management structures is not been left in the hands of tour operators but it is drawn as to the strategy of tourism development.

1. Literature

Strategic management is a field of study that includes the process by which firms define their missions, visions, goals and objectives, as well as craft and execute strategies at different levels of hierarchy of firms to establish and maintain competitive advantage (Okumus 2010).

In other words, strategic management helps organization to prioritize what is most important to them and provides a vision of the organization. Strategic management consists of two distinct phases that deal with the formation and implementation of the strategy within an organizational environment (Okumus 2010)). Strategy formation is the process of determining the direction of flowing of the firm's futuristic action, which will enable the firm to allocate resources to achieve specific goals and objectives. An analysis of the internal and external environment is part of the evaluation before the strategy is formulated in a corporate, of the business, and operational levels. On the other hand, the strategy is put into action by the process of strategy, which includes the design of organizational structure and training, and the development of performance evaluation and reward systems that lead to the achievement of determinate goals and objectives.

Demand definition

Cooper defines demand as “*a schedule of the amount of any product or service that people are willing and able to buy at each specific price in a set of possible prices during some specified period of time*”. Individuals called “tourists” generate tourism demands.

The demand for tourism can be defined in various ways, depending on the economic, psychological, geographic and political point of view of the author. The geographic perspective defines tourism demand as the total number of persons who travel or wish to travel, and use tourist facilities and services at places away from their places of work or residence (Cooper 1993).

There are many reasons for tourists to visit other destinations. Different people participate in tourism for different purposes. That mine, every purpose comes with specific tourism demand. One of the most common demands is for accommodation. The most common reasons for travel are:

- For leisure, recreation and holidays
- To visit friends and relatives
- For business and professional engagements
- For health treatment
- To undertake religious and other pilgrimages
- Other more personal motives

Supply definition

Tourism supply has to do with the provision of the key elements of the tourism industry by the host governments or destinations. Such provision should extend to maintenance, promotion and management of the tourism facilities and resources. Tourism resources that are necessary for tourism supply range from natural to man-made. Infrastructure required would include telecommunication, accommodation and transportation. (Cooper 1993).

(C.Gunn 2002) Gunn suggest that tourism supply components can be classified according to the following four different elements (natural, human, technological and cultural resources):

Natural or environmental resources

Last year there is growing attention to the environment, nature conservation and natural resources to ensure their sustainability for the benefit of the future. The supply of tourism in this area includes elements such as physiographic of the area, soil forms, flora, fauna, water bodies, air quality and similar natural phenomena. In

essence, the availability of such resources is of great importance for the success and continuity of tourism as a spatial industry.

Built or man-made resources

Infrastructure includes all underground and surface development constructions such as water supply systems, sewage disposal systems, power lines, roads, communication networks and many other commercial and recreational facilities. Particularly needed by tourism is a superstructure to include facilities constructed primarily to support visitation and visitor activities. Primary examples are airports, parking lots, parks, hotels and other places of entertainment.

Transportation is a critical component of tourism supply, without it tourists cannot reach their tourism destinations. Airplanes, trains, buses and other modes of transportation are part of this category.

Hospitality and cultural resources are another component of the tourist offer. Tourists are present where there is security and where they feel at home. Residents' attitudes towards visitors should be desirable. Friendship, kindness, sincere interest, and willingness to serve and get to know the visitors are the decisive factors in the supply of tourism. Historical and archaeological sites are a very valuable source of tourist offer. For a tourist category is a very strong motive to move from their homes.

2. Tourism development strategies over the years in Albania

After the '90s, the Albanian Government it began to work to provide a legal framework for the tourism development. The Law on Tourism No. 7665, dated on January 21, 1993 "For the development of tourism priority areas" and its amendments provided a legal framework which had developed the country's tourism strategies. The most important critical points of the legal framework were those in which the country was facing at that time. This law was not a modern and comprehensive law for tourism development; it rather was an appropriate response to the priority issues the country was facing in 1993. The law represented a lack of bylaws and regulations for the tourism development.

Tourism Development Strategy 2002-2012.

The Ministry of Tourism and Territory presented in 2002 "The Tourism development Strategy in Albania." This strategy was first a coordinated effort in place to bring forth objectives and a concrete plan for the development of the tourism sector in its infancy. (Ministry 2012). The main macro-economic long-term tourism strategy for the development of the tourism sector was:

Generating jobs and income, Acceleration of the economic development of the country over the social impact, Improvement of the living conditions in Albania, Commencement of economic activities.

During 2005-2006, the Ministry of Tourism, Culture, Youth and Sports, prepared and approved the strategy and the plan for natural tourism and environmental development.

The purpose of this document is to facilitate the process run by the Ministry of Tourism, Culture, Youth and Sports for developing the strategy and its implementation. This process was based on the existing legal framework. The objective was to establish a clear direction for a national tourism strategy oriented to the natural resources tourism and the culture. The overall objective of the Albanian tourism development was to increase significantly the quality of life of the Albanians in a larger scale.

Tourism Strategy and Action Plan is estimated at a Tourism Strategy 2007-2013.

The document (Ministry of Tourism 2008)“The Tourism Sector Strategy” was prepared within the frame of a process initiated by the Albanian Government in order to coordinate the strategies of different sectors of the economy, whereas the priority is given to the need for revision of the Tourism Development Strategy 2002-2012 and the combination of its Strategy and the action plan for the development of natural and environmental tourism. This document is based on the directives principles derived from the statements of the European Tourism Forum shield in Malta and Cyprus on:

Development of a sustainable tourism, growth and sustainable development of cultural tourism market, as well as the undertaking of positive steps in long-term plans with the aim of increasing the number of tourists.

National Tourism Strategy 2014-2020 is a strategy recently developed by the Albanian Government for the coming years. This is a main platform associated with policies, reforms and measures in the tourism sector not only for the Government and the Ministry responsible for tourism. This strategy reflects the Government reform program in all sectors, with the aim to establish tourism in sustainable development directions and to cut the development chaotic path, unplanned and uncoordinated tourism. (National Tourism Strategy 2014-2020 2014)

3. Saranda tourism domain over the years

(Proda 2017) The number of tourists traveling to Albania is doubled these last 6 years. If in 2010, there were 2,302,899 tourists registered in the Albanian borders, in 2015 there were 4.1 million. The largest number of tourists constitutes from neighboring countries, Kosovo, Italy, Greece, but also from Poland, who choose to spend their summer holidays in Albania. While the number of foreign visitors to the territory of Albania is on the rise every year, except 2013 where this figure has declined from 3,513,666 to 3,460,103 visitors, (INSTAT 2015), the number of tourists, in Saranda has been fluctuated over the years. In 2011 the number of tourists has fallen from 600.000 to 469.830, a fall which continued the consecutive year (2012-466.400). In 2013 demand for visiting Saranda increased and this increase continues until 2016. (Municipality 2016)

Period	2010	2011	2012	2013	2014	2015	2016
No. of tourists	600.000	469.830	466.400	480.000	600.000	600.000	680.000

Table 1. Number of tourists in Saranda, 2010-2016, Source Municipality of Saranda

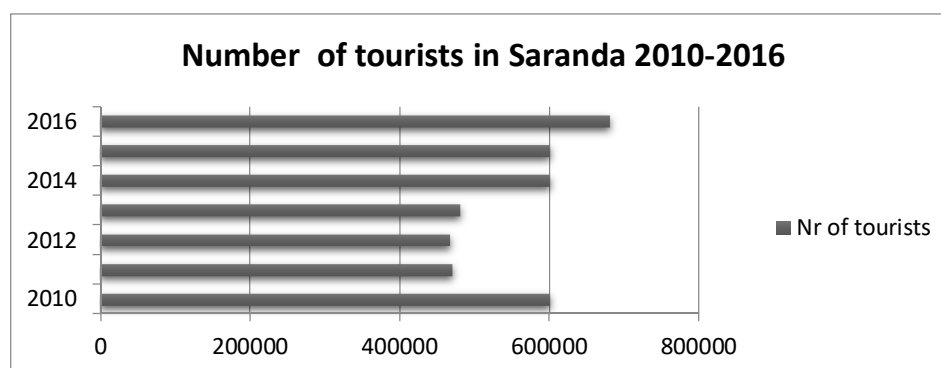


Chart 1. Number of tourists in Saranda, 2010-2016, Source Municipality of Saranda

During 2016-2017, there has been a significant increase in tourist demand in Saranda, as a result of different touristic Cruises visits in its port, which has led to an increase in the number of daily tourists. During the first six months of 2017 the number of tourists stopping in Saranda Port increased with 38.846 new visitors.

Table 2. Statistics from port of Saranda, 2016-2017

Nr.	Arrivals Activity	Semester first 2016	Semester first 2017	Difference
1	Arrivals of foreign citizens	25.507	66.353	+38,846
2	Arrivals of Albanian passenger boats	292	352	+60
3	Arrivals of foreign passenger boats	205	269	+64
4	Arrivals of yacht /Touristic vessel	182	279	+97
5	Arrivals of Cruises	7	17	+10

Above in the theoretical part was said that tourism demand is created by different factors, so the reasons why people move from one destination to another are different. Below we will give a graph of the reasons of tourists for visiting the destination. These data are collected at customs points from which tourists enter. The data are processed by INSTAT.

From the following data we noticed that the purpose of a larger number of tourists is holidays, followed by other visitors and those who are present.

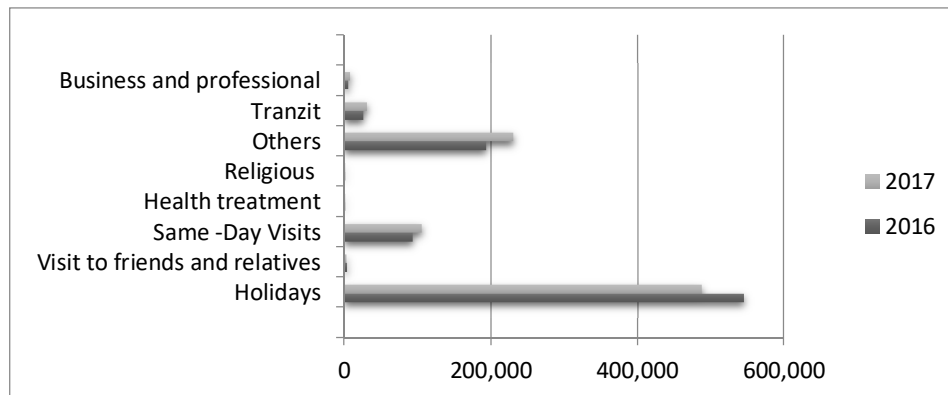


Chart 2. Arrivals of foreign citizens by purpose, July 2017, Source INSTAT

4. Saranda touristic supply

Natural or environmental resources

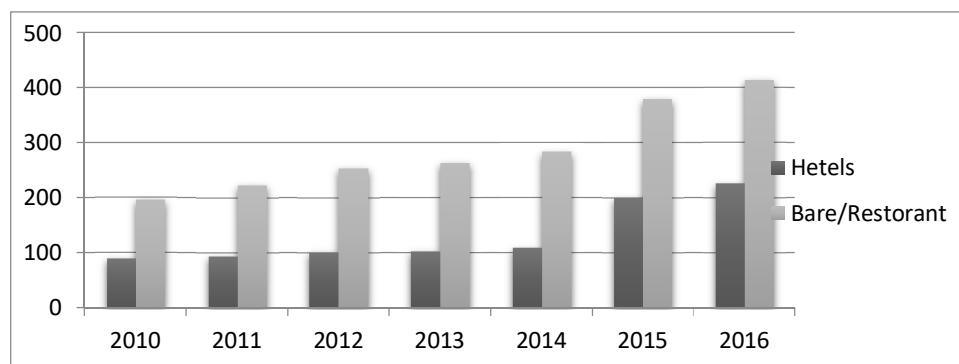
Saranda has a Mediterranean climate with a hot summer and mild winter; it has the highest number of sunny days in Europe. It is a coastal city with clear water and rocky beaches. Saranda is characterized by a large number of natural, semi-natural and artificial habitats. There is varied Mediterranean vegetation. The area is known for the production of citrus and olive trees, while fruit trees account for about 30 percent of the area. The plant's wealth of Saranda is also added to the water vegetation of the Ionian Sea.

Built or man-made resources

The increase of the number of tourists in Saranda has necessarily led to the increase of the touristic supply, translated that into hosting structures such as hotels, motels, restaurants, entertainment facilities, etc. Below there is a chart showing the evolution of the tourist offer in the city of Saranda for the period 2010-2016. Unlike the tourist demand that has fluctuated during these years, tourist offers have only increased, this growth has been significant during 2015-2016.

**Table 3. Number of hotels, bars and restaurants in Saranda, 2010-2016,
Source Municipality of Saranda**

Period	2010	2011	2012	2013	2014	2015	2016
No of hotels	90	94	102	103	109	200	226
No of Bars, Restaurants	196	223	254	263	283	380	414



**Chart 3. Number of Hotels, Bars and Restaurants in Saranda, 2010-2016,
Source Municipality of Saranda**

Hospitality and cultural resources

Saranda is a city with an ancient history; it is rich in rare values of Albanian cultural and archaeological heritage. In Saranda and its surroundings there are a total of 13 castles, 21 temples and cult objects, five ancient cities and dozens of other historical monuments (<http://sarandaweb.net/lista-monumente-ve-te-kultures-ne-sarande/2016>).

Conclusions

The tourism is considered as one of the most important sectors of the economy of the Republic of Albania, especially during the recent years, therefore it is being awarded with a special attention on its strategic leading. Its application has brought an increase of the development of the tourism sector. The above strategies included the strategic concept to tourism development giving a strategic direction and a development of tourism products aiming to lead Albania into its achievement of being a future attractive tourism destination in the international touristic market.

The Government of Albania is having a special focus on the development of this sector. In the latest decades, a myriad of strategies for the development of the tourism sector have been elaborated, which have significantly affected the development of the tourism. Nowadays our country is recognized as a competitive destination not only in the region but farther than that.

The demand for visiting our country has increased as well, in the same way as the number of the countries that generates this touristic demand.

In reference to the data gathered, the highest numbers of the inbound tourists are coming from the North Europe followed by the Eastern European countries.

An increase has been marked in the number of the daily international tourists who enter the city via Saranda port from the stopping by Cruises. This linked also with the increase of the number of the passenger ships, yachts, sailing ships, etc.

In order to satisfy this yearly increasing touristic demand, it has been noted that the touristic supply having tourists' accommodation and hospitalization structures have been increased as well. Although the demand might have marked some fluctuations over the years, the offer – supply has only marked annually increase.

In reference to the statistics, the number of the hotels and restaurants during 2015 – 2016 has been significantly increased, a growth that replies to the touristic demand.

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