

International Brands in a New Economic Concept in Albania

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Abstract

Foreign Investment by International Brands is a new economic concept, and had a rapid increasing development during time. Driven by technological change, global competition and market liberalization, foreign investment by international brands can play a key role in the process of global economic integration. They create effects in the host countries as well as in the investing economies. Effects on host countries are important for the diversity and for the economic, political and social importance that they generate. The benefit of these effects does not come automatically but is affected by the implementation of some specific conditions. Those brands bring the necessary capital, increase the productivity of the economy through the transfer of knowledge and technology, affect the opening of new markets for trade, increase the competitiveness of the economy by reducing the impact on the current account deficit, increase employment and above all affect the welfare of the population. Collecting these investments requires well defined policies and strategies in the legal and institutional framework, economic stability and sustainable growth, improvement and modernization of infrastructure and improvement in the climate for business and investment environment.

Keywords: international, brands, economy, concept, Albania.

Introduction

"SHELL", one of the world's most popular oil and gas exploration companies, will be present in Albania. On Friday, in a ceremony attended by Prime Minister Rama, the company announced that it has started drilling an oil well in the Shpiragu area 3. Max Brawers, deputy director of Shell, said, "We are officially launching the search at Shpirag 3, with one From the best and most powerful probe in the world, with the best experts in the field." According to him the depth of the spit will reach 6 thousand meters. The work is expected to last 437 days and the cost is estimated at \$ 72 million. Mr. Brawers said that in the process of searching for oil and gas reserves in this area, business should be guaranteed by a stable and transparent fiscal and fiscal framework. "We decided to stay in Albania even though our investments in some countries were discontinued. Cooperation with the Albanian government has been very good and we promise to be good partners," he said.

The company SHELL GAZ, which has been operating in Albania for many years, has successfully fulfilled all the obligations stipulated by the agreement. On November 4, 2013, the company announced the discovery of a Shpiragu-2 oil well. This well gave very good quality diesel fuel and a debit 800-1300 barrels / day and 45,000-50,000 m³ / day gas accompanying and low H₂S content. The SHELL Company has also carried out the drilling of the Molishti-1 well, which provided information on the structural development of the Berat belt and increased the area's perspective, with regard to the

southern oil tanker in Shpiragu-2. The seismic works carried out in these blocks and their geological interpretation have shed light and have added the prospect of the area further south of the Molishti well. According to the National Agency for Natural Resources, the investments made so far under this agreement amount to about 270 million USD.

Presence of world leader of soft drinks, Coca Cola in Albania

The CCBS company, "Coca-Cola Bottling Albania Ltd.", celebrated today the 20th anniversary of its work in Albania. On 19 May 1994, when CCBS opened the doors and produced the first Coca-Cola bottle, it represented the first foreign investment in Albania after nearly 50 years of isolation. Today, the company has over 300 direct employees and over 1,500 non-direct, as well as an excellent sales agent network. The company has set up a world-class business that has experienced sustained growth and growth and has ambitious plans for its future.

In 2013, the company's performance exceeded all the previous year's benchmarks, providing 22 million euros in turnover, an increase of 3.9% in volume, and a 42% increase in net income. When Coca-Cola arrived in Albania in 1994, it had a \$ 12 million factory, built in 83 days, and 20 employees. In this 20th anniversary, total investments have surpassed \$ 50 million. Focusing on innovation and the perfect execution of commercial plans, the company is also excited about introducing new products. One of the latest projects, "100% Project" aims to provide 100% coverage of the Albanian market.

Muhtar Kent, today CEO of The Coca Cola Company, representing the international giant at the 1994 inauguration ceremony, shared the following message on CCBS's 20th anniversary: "Through its dedication to Coca-Cola Bottling Albania (CCBS) The Coca-Cola Company has expressed its confidence in the Albanian market, demonstrating an impressive growth trajectory in the last 20 years. I am proud to have been part of this growth from the first few days and I am privileged to say that I helped start this business. The strength of a company is equal to the strength of its people and I believe that the dedicated team of professionals at Coca-Cola Bottling Albania is the key to Coca-Cola's success in the country. "

Presence of world leader in Telecommunication, Vodafone in Albania

Vodafone Albania Sh.A. is part of Vodafone Group Plc - the world leader in electronic communications. Vodafone Brand is ranked the seventh most valuable brand in the world. Vodafone is present in more than 30 countries and is partner with other networks in over 40 countries. Vodafone was introduced in the Albanian market in August 2001 through a fastest-ever process for installing the network based on the experience of operating Vodafone networks around the world.

Vodafone Albania is the first operator to introduce 3G technology services to Albania in January 2011. Already Vodafone covers 99% of the population with 3G network signal.

Vodafone offers over 2 million of its customers in Albania a wide range of high

quality communication services, including voice and data communications, ensuring that customers use the best electronic communications network and benefit from innovative services And qualitative.

Vodafone Albania currently has a network of 139 shops around the country that provide service every day of the week. Vodafone shops offer Vodafone products and services, mobile phones and accessories, as well as technical assistance. Vodafone Albania's Customer Care Service responds to customers' needs 24 hours a day and 7 days a week.

Vodafone Albania is one of the largest companies in the Albanian market that makes a significant contribution to the Albanian economy. The company has recruited the best staff and expertise in the country and has trained and professionally promoted its employees, becoming one of the most popular and most admired jobs in the Albanian market.

The effects brought by these brands in Albania

When analyzing the effects of investments by the global company named in the host economies, it often happens to differentiate between two broader effects groups, namely direct effects and indirect effects "(Blomstrom, 1989). Direct effects, according to Blomström, can affect:

1. in domestic labor, by increasing more employment opportunities and higher payments;
2. on consumers in the form of lower prices;
3. on governments through higher tax revenues. Within a host country, foreign-owned firms usually pay higher salaries than domestic ones. It does not always happen that they cause wage increases even in domestic firms, but their presence generally increases the salaries in the host country.

Indirect effects are the external effects that are otherwise called "spillovers". The term "leak" defines the indirect effects generated by the presence of foreign companies, the industrial structure of the host country and the performance of domestic firms. When FLASHING for indirect effects can focus on:

1. Increase the prestige of our country globally, as the presence of these international labels can become absorbing other brands that are interested in realizing market expansion.
2. Domestic consumers are happier and more satisfied, as they have the opportunity to consume the same products and services with EU citizens or the US.
3. Promote fair competition, as with the presence of global brands, local producers or retailers will tend to products or services of superior quality coupled with competitive and fair prices, set by market law, and not by manipulations or cartels formed in the market before.

Conclusions and Recommendations

Another sector in which policymakers focus should focus on tourism. Albania's Opportunities to Offer Coastal, Mountainous Tourism, Historical and sporting events

have not yet been explored by foreign investors. Albania offers tourism opportunities almost throughout the year. Mainly Tourism is developing in the west, due to more infrastructure Developed and services it offers versus the rest of the country. Study a long-term tourism development strategy and to include the entire territory, is of particular importance. So we should be happy to attract well-known brands in that industry such as: Hilton Hotel.

Albania is considered a low manufacturing country and one Medium agricultural importance. Therefore, this sector should be stimulated through specific policies and concrete stimuli for adults Investors' interest in it. One of the strengths of this sector And where to work for attracting investments is the fact that most of the Agricultural products still do not have artificial additives and pesticides, Which places the country in a favorable position to be made Manufacturer and exporter of quality organic foods. Given that Agriculture is considered the sector that records the largest number of it Employees, the design of policies that focus on it will have an impact in employment. A good idea could be to negotiate with brands such as Walmart or Target, which operate with leadership in costs.

Albania has undertaken a comprehensive program of regulatory reforms, But their implementation should be a top priority. Failure to implement generates a high level of insecurity in the environment Business, which significantly reduces investment income Private sector in Albania. Unstable political environments increase the risk of Which investors tend to avoid. In addition, political factors as well Corruption, bureaucracy and lack of rule of law, are not Only risks, but they charge more direct investment costs. Our government should takes policies such as: reduce in tax, low loan etc to attract International Brands to come, produce and sell here in Albania.

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