

## Increasing Albanian tourism to spur economic growth

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### Abstract

This study examines the development pattern of Albania's tourism and the effect that this industry will have in the country's economic development. I will attempt to demonstrate that tourism is an indispensable industry in the developing countries like Albania furthermore if it develops through a precise strategy with the government and other institutional support it can contribute to the development of the country.

Firstly I will give a general overview of this industry and its capabilities which are relevant in understanding Albania's tourism and its actual situation. In the second part I will describe the strategy that will be implemented by the Albanian government in the tourism sector until 2021 and analyze its overall contribution to this industry.

Thirdly this project will detect the main challenges faced mostly by the government but also from the Albanian population for the development of tourism. Lastly I will discuss an action plan based on collected primary research information which can help to overcome the main challenges of tourism development plus the effect that tourism will have on the development of the country's overall economy.

**Keywords:** tourism, Albania, economic growth.

### Introduction

In this project Tourism development will be analyzed and discussed within multiple levels including strategically, its effect on economic development and at the practical level all focusing on the main example Albania.

The main objectives of the project are:

1. Understanding tourism development from an industrial and business prospective;
2. Detect the challenges faced for the development of this industry;
3. Find the effect of government on industrial development;
4. Analyze strategies used by the Albanian government (On Tourism);
5. Analyze the effect that tourism development has on economic development;
6. Discus the actions which might help the development of Albanian tourism.

Motivated by the fact that Albania is a developing country and due to my present study on "Modern Business on Comparative Prospective" specialized on national competitive advantages as well late industrializing countries I thought that tourism development would be one of the major factors that would contribute to Albania's national competitive advantage and as a consequence to future economic

development. In order to do this I had to analyze most of the theories on tourism development and at the same time apply a practical case which in this case is Albania. This was what motivated me to undertake this topic.

### **Tourism to Albania**

We can call the actual time as the infancy of the Albanian tourism for the main reason that the country had its first glimpse of international tourism in the 90s after the fall of the communist regime that ruled the country for 50 years. Since the 90s it was difficult for the country to establish any kind of industry as in the case of tourism the whole industry was based on internal tourism. Albanian government officials suggest that the development of an internationally competitive industry is possible as 80% of the coastline is still virgin and untouched by the human hand. Moreover government officials argue that Albania has a strong underlying product with highly saleable potential in the world tourism market.

According to the Albanian government in 2007 the number of foreign visitors reached 1.6 million including ethnic Albanians. The last summer the number of foreign visitors reached 900.000 which indicated that the country was experiencing a tourism "boom" where there was an increase of 35% of tourism visitors compared with the previous years and from these 92% were European, 5% American, 2% Asian and 1% other nationalities<sup>1</sup>. According to World Travel & Tourism council the contribution of tourism in GDP actually is around 3.8% but from 2016 until 2021 this contribution is estimated to be around 7.5%.

The infrastructure is in constant improvement. In the last 15 years roads highways, international air services were privatized. Moreover the government is implementing always new policies in favor of industrial tourism expansion.

### **Challenges**

Every developing or late industrializing nation that tries to promote and develop a specific industry or sector of economy is faced with challenges and barriers to overcome, in the case of Albanian tourism overall general challenges as well as specific challenges relegated directly to the creation of a successful tourism industry based on nature and culture can be analyzed and further examined.

### **Overall challenges**

#### **Competition**

"Creating a specific and clear position in the international tourism market"

The international tourism market is overcrowded and there are a lot of countries that offer specific tourism products which want to attract as much segments of the market as possible. So in order to compete and get noticed in this competitive market the Albanian tourism should specify exactly its position in the international arena and specify which a segment is trying to target.

<sup>1</sup> Toward a Strategy for Culture Tourism and Ecotourism Development. Ministry of Economic Development, Tourism, Trade and Entrepreneurship. September 2016.

## **Investment**

“Investment specifications should be based on long, medium and short terms”

Success in the international markets needs continuous supply with messages and presence on the international market on the yearly basis. In order to do this there is an indispensable need for the investment of the political capital through governmental institutions, as well as the involvement of the private and public sectors. Success in this sector asks for the development and creation of specific mechanisms which will allow well functioning and coordination plus the avoidance of conflicts, hence guaranteeing investment security and decision making.

## **Infrastructure**

One of the biggest advantages when trying to promote and develop natural and cultural tourism which Albania is trying to do is that specialized infrastructure is not indispensable even though basic capacities for the safe transportation of tourists including cars, minibuses, buses, airplanes are crucial in the tourism sector. Telecommunication is another sector that Albania faces many changes as well as most of the advertising and communication nowadays is done through internet especially in this industry.

## **Coordination**

“Specific coordination with most of the governmental institutions”

A successful tourism sector will require the involvement and implication of a number of ministries, public sector, science academies and universities, international institutions and governments like World Bank, International Monetary Fund, as well as the dual collaboration between the Albanian government and the governments of neighbor countries.

## **Market intelligence**

Without the detailed knowledge of the international tourism markets, the arrival expectations and the needs and wants of special targeted segments Albania undergoes a huge risk involving investment and time opportunities. That country needs to invest in information technology and information in general in order to inform the international market for the investment and tourism opportunities as well as the tourism goods and services which they offer.

## **Information management**

International but especially national information management and analysis are crucial for the development of the Albanian tourism industry. The country has to make indispensable investment in order to collect, manage and insure the information within the country in order to analyse tourism visits, expenditure, behaviour, tourist profiles and other characteristics. This has to be done in order for a steady and controlled development of this industry.

### **Specific challenges for the natural and cultural tourism**

Developing a tourism industry strategically specialized in the tourism of culture and nature introduces a number of specific challenges which overpass the general ones according to Dr. Noli Director of Tourism strategy and National Culture.

The durability and stability concept will be build upon the strategic position reliant on the need. Albania can't wait by keeping alive a position in the market which has tremendous potential for international tourist attraction without trying to affect it.

Developing a successful tourism industry specialized in nature and culture will need high levels of investment in areas such as infrastructure, marketing, human resources, natural resources management and historical and monumental zone management.

According to Dr. Nishani we have to understand that without investment in such areas will be impossible to keep the level of national attractiveness high.

There are no special recipes that will guarantee success she argues. The Albanian tourism products should be authentic in order to fulfill and satisfy the needs and expectations of international tourists. National Albanian practices and experiences will be needed and used in order to make the country diversified and distinguished.

Nonetheless the actual tourism products will be the once that represent as much as possible the Albanian traditions and way of living. The best result desirable would have been the adoption and replication of the best international strategies and mechanisms already used in countries known for their good practices.

Cultural and natural tourism asks for the involvement of the public sector on a number of cases mostly for the planning of tourism as a sector, planning the infrastructure development, culture protection as well as the environment protection.

Tourism as an industry as well as a sector relies heavily on human resources. Specialized employees will be the crucial factor that will make the difference in this sector. They have to be trained aggressively. The country will have the need for specialized managers qualified in natural and cultural sectors. Also the government has realized that there is a shortage of personnel specialized in welcoming of the tourists in the national level. The barriers analyzed until now have to be overcome the government has realized that most of the difficulties in overcoming this challenges are faced in the country sides where most of the attractions are which implies big challenges.

It has been suggested by the government that alternative tourism strategies involving here "Sun & Beach" tourism are not the most appropriate strategies for Albania. These strategies are applied by very competitive countries like Croatia, Greece, Turkey and Italy trying to compete with these countries would be impossible even though Albania has the opportunity to do so. Not only these but other reasons of development, image and size will make it impossible to compete with these countries that's why the whole strategy of Albanian tourism is based on the tourism of culture and nature which is also known for its higher-end tourists. Trying to compete in both segments will be impossible as well because the tourism of "Sun & Beach" attracts a lot of tourists and the strategy here is based on economies of scale that how the big countries mentioned before compete if Albania tries to do that cultural and nature tourist won't be attracted to this segment anymore.

Despite the numerous challenges, tourism critics argue that Albania is at its infancy

when it comes to tourism and the country might face a slow growth in this industry at the beginning but if the strategies applied turn to be successful this sector might experience high growth patterns as soon as the international tourism market realizes and experiences the potential that this country has.

## Discussion

### Action plan and economic development

One of the most important objectives set by this study was to understand and deeply discuss with the help of the Albanian government and the passive reader the actions that will take place in the future in order to develop Albanian tourism

This discussion takes full advantage of the primary research carried and analyses in detail the actions that should be taken and their effect on overcoming the challenges mentioned in the previous chapter so the Tourism industry can develop through governmental intervention.

As an action plan focus will be made on discussing aspects that have direct influence on the development of tourism more precisely on politics and government, legislative aspect as well as the institutional aspects.

The positive correlation between tourism and economic development will be analyzed and discussed in detail in order to detect the impact that tourism can have on economic development in small developing countries.

According to the Albanian government nowadays the country has the capacity to welcome more overnight tourists than ever before. There are a lot of challenges which need to be addressed today in Albania hence most of them will not be tackled without the promotion and permit ion of the industry of tourism. Even though the nature and the characteristics of the challenges are diverse as well as complicated the country has to start tackling those issues which will eventually permit the organic growth of tourism.

They include:

- Marketing;
- Product development;
- Investment in priority zones;
- Investment in culture;
- Human Resources;
- Infrastructure;
- Business climate;
- Information management.

### Marketing

According to Mr. Collaku the director of marketing and promotion in the National Tourism Agency, Albania has to work within multiple levels in order to increase or expand the: knowledge on tourism, positive associations with Albania, consolidation of a unified theme which will bring together tourism products and international markets, convince tourism experts and critics that Albania has the potential to be highly visited, increase the contacts and collaboration with international tourism

operators, right structures and mechanisms which will continue to expand the marketing obligations on the international level.

This will be in terms of diplomatic and political involvement. Until now Albania and its international press coverage are known for their neutral even negative impact on the international tourism market. The government and its mechanisms haven't managed properly the marketing sector. Every time that the ministers and the prime minister visit other countries which as targets by the Albanian tourism industry they have to find the right mechanisms to promote it there especially in the international media as their presence in other countries attracts the attention of international media in its highest levels.

This was just one example how marketing could help the tourism sector in overcoming information and other barriers that constrict its expenditure in the international arena. I will present now some actions which need to be taken in order to expand and develop the marketing sector:

The development of a promotional package consisting of special tourism materials particularly developed for the international tourists and mostly international Medias or "press kits".

### **Media coverage expenditure in the international arena**

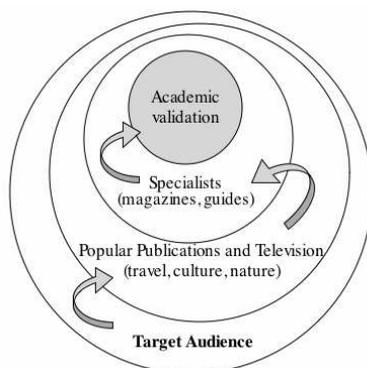
Albania has to be a lot more aggressive in communicating positive messages in all the international targeted markets. Positive messages and information characterised by cultural and natural factors which are associated with Albanian tourism would impact immensely the positive image creation in the international audience. This can be done mostly from the department of the Albanian marketing agency and distributed to the Albanian embassies in the countries targeted by the industry.

### **The creation of close relationships with Albanian lobbies in the world**

It is crucial that Albanian citizens with foreign nationalities come back to their native country and spend their holidays with their families and friends. One of the most successful examples in this case is Mexico where they are known for their brilliant motto "WELCOME HOME PAISANO" and have achieved close relationships with their emigrants to USA.

### **Convincing tourism opinion leaders that Albania has the potential**

Tourism which I have explained earlier will be successful in the tourism market only if the tourism opinion leaders accept them as valuable and worthy of visiting by the international tourists. For a destination like Albania the tourism opinion leaders are usually writers and publicists of articles, travelling magazines and books which are oriented in areas of natural, cultural and environmental tourism. Moreover they are known for working in close relationships with travelling agencies or tourism institutions which explore new destination attractions. This can be better explained by the graph above.



**Graph 2. Explaining the marketing functions**

**Source:** Toward a Strategy for Culture Tourism and Ecotourism Development. Ministry of Economic Development, Tourism, Trade and Entrepreneurship. September 2016.

Increasing the coverage and circulation of Albania and its potential in the tourism guides conducted by independent adventurers and more precisely: Bradt Travel Ltd in UK for extending and including Albania in their prestigious guide, Lonely Planet Guides in UK for developing and dedicating a special sector especially for Albanian not in general for eastern Europe, Rough Guides in UK for taking in consideration the involvement of Albania in their tourism guide portfolios.

### **Investment for appearing in high quality magazines**

Marketing professionals argue that an article publication on prestigious magazine can five to ten times more effect then advertising it in a normal magazine. Special publications with high credibility like National Geographic and National Geographic Traveler can have tremendous influence in changing the image of Albania.

High involvement in international tourism fairs characterized by nature, culture, alternative, tourism destinations. International tourism fairs are considered by the countries involved as an indispensable devil. Albania's presence on these events should be coordinated within a unifying national theme in order to focus on the message and image of the country.

### **High presence levels of Albania on the internet**

It is highly indispensable that if wanted potential customers could find enough information about Albania on the internet.

### **Product development**

The general tourism strategy based on the development of tourism products mainly through the exploration of culture and nature is fundamental for the exploration of this sector reliant on the action plan. Experts argues that development of tourism has evolved from a regional focus through a concentration on big cities and their rural areas. The advancement of this evolution is quiet visible in Albania. Culture and nature tourism which form the basis for the most important tourism product in

our strategy the “Special interest tourism product” will be highly dependent on the effective organization of the rural areas. They have to convert their natural and cultural assets in tourism attraction products characterized and specialized places, activities, information, interpretation, food, service, guide as well as other characteristics that identify the quality and service of a tourist destination.

One of the most important actions within this sector would be the creation of specialized mechanisms which would allow the rural areas to bring in the market their cultural and natural tourism products. The first step in developing this process would be the identification of such products and by involving the communities and the right governmental institutions to protect them.

Another action that would be necessary for the well functioning of these tourism products mentioned earlier in the strategic section would be the creation and publication (in all the cities and regions where these tourism product would be applied) of natural and cultural activities recommended by the tourism ministry. In association with the local government, local private sector and other non profitable organizations all the tourism centers on the country should organize and coordinate special activities which would enhance the tourists visit in these areas. All the roads that direct the tourists to the tourist destinations should be visible and easy to read from the tourist and if it's possible translated in English as well as supplied on the internet so would be printed and easy to use for the tourists. Moreover in these tourism areas there is the need for the construction of information desk offices which would help the tourists in need especially in tourism seasons. Even though these offices exist in paper since five years ago they haven't been applied in reality yet. Financed by the government and private sectors as well as non-profitable organizations there should be information centers in all the tourist attraction areas with at list on person responsible and ready to give information to tourist in nearest hotels, restaurants, shops, hospitals, tourism attractions in that specific area, tourism itinerary, transportation methods and telephone as well.

### **Investment in priority zones**

According to the Minister of Economic Development, Tourism, Trade and Entrepreneurship Prof. Dr Milva Ekonomi has a long tradition in managing priority zones reliant on a sophisticated legislation and technical expertise. Priority zones especially those related to tourism also called protected zones according to him are the most valuable assets to Albanian tourism. They include mostly cultural, natural and historical tourism destinations directly related to tourism products. The country will not be successful in the long run for certain if it doesn't manage these assets properly he says.

These priority zones need constant investment in maintenance and reconstruction as the government called them the base for the development of the Albanian tourism industry. Hence there are a number of these zones around the country and there are other sectors within the tourism industry that require financial investment the government stated that financial investment will be based on priority fields which in this case of priority zones it meant they had to come first.

The government stated that most of the financial investment during these transition years will be focused on resources that are in critical conditions and in priority zones, which are indispensable for development of the essential conditions reliant on the

creation of an effective synergy between tourism and priority zones. Albania has to invest now otherwise the cost of investment will go up with time and the opportunity cost of loosing potential tourists will be high as well.

The actions which should be taken in order to keep the priority zones at their best conditions would be:

### **Creation of long term financial mechanisms**

Mechanisms and special structure should be created for the main purpose of insuring the growth of financial funds for the protection of these priority zones and the development of tourism.

### **Aggressive research for foreign investment**

Albania has to explore a number of financial mechanisms (traditional or non-traditional) in order get the right amount of investment directed at the special priority zones. The appropriate time for the successful propositions within this sector usually last between one or two years.

### **Financing environmental services**

Ecosystems ensure numeral beneficial services to the economy and the country in general which can't be valued by any monetary system. These ecosystems ensure between the others: the storage and filtration of water, natural resources, climate control (National and Global), storage of fauna and biodiversity, natural beauties and lastly relaxing spaces and atmospheres. So the country has to invest in order to repair the deformations done to these ecosystems and invest again in order to keep them alive as they don't have a huge impact to the tourism industry only but to the country in general as well.

### **Creating financial mechanisms for the fund management**

The country finds the necessity for having trust funds which can function as a separate entity without any relation to the ministry of finance which can immensely contribute to any complementary fund collection. The usual mechanisms used in international level are National Parks Foundations or similar entities which collect private funds or insure financial investment from private donators or international foundations.

## **Human resources**

According to Mr. Bytyci the Strategic Director of Tourism, Albania has to invest heavily in human resources in order to experience a superior and healthy tourism development.

Including:

### **Training managers in the fields of cultural and natural tourism**

As the Albanian tourism industry expects to grow based on natural and cultural tourism strategies this will require high levels of managerial expertise so it can overcome the challenges faced by the new strategies. Today nature and culture tourism destination managers require qualified staff within their departments in the natural field they need forest specialists, biological specialists and agricultural experts, as well in the cultural field they require architects, engineers, painting experts.

Actually these qualified people are not missing but they seem not to be appreciating evaluating these jobs which are considered by them as low paid and unsatisfactory . Plus this industry faces the need for qualified staff in special departments like finance, marketing, HR, accounting, project management and other areas which are crucial to the tourism development. In all these areas there are two priorities: one is the identification of the right mechanisms required to train the actual managers within these qualifications and the second is the development of special strategies in order to educate and prepare the managers to come.

### **Creating specialized tourism guides**

They key to a steady tourism development will lie on the factor of repeated visits and mouth to mouth recommendations. Due to the fact that Albania is highly diversified and complex and the high quality explanation of specialized tourism guides can make the tourism industry flourishes. Statistics have shown that highly educated tourists have the tendency to pay high prices in order to get highly qualified tourism guides. These highly qualified and specialize tourism guides will be the emblem and the factor that will differentiate Albanian tourism from all its competitors.

### **Training and qualifying special tourism personnel**

Albania will require highly qualified staff and personnel well trained and specialised in order to manage the high levels of tourists which are expected to come in the near future. The faculties and universities all around the country should prepare special tourism management programmes and mangers highly specialised in the types of tourism that Albania is trying to develop. These courses should include and specialise in fields of history, Albanian traditions, sustainable tourism, cultural and natural heritage, hotel management, resort management and many others. There will be special courses designed for the youth as the tourism sector will require high levels of specialists in areas that don't require full degrees like electricians, plumbers, carpenters, cooks and drivers which are compulsory for the construction of any industry.

## **Infrastructure**

One of the most important requirements when trying to develop cultural and natural tourism as mentioned by experts is the specialised infrastructure which will allow the tourists to travel safely and comfortably. Moreover telecommunication and internet are some of the most important components and indispensably vital when promoting and developing tourism.

Albania faces many challenges in general but infrastructure is one that lies at the heart of tourism. Some of the most important actions that need to be tackled for the improvement of infrastructure are:

### **Improvement of the main highways in the south**

The south of Albania is known as the Perl of Balkan or as the Albanian Riviera due to the beautiful sea side and diverse nature that characterises this region. The two main highways that connect the south with Tirana the capital and second that connects the second biggest city Durres which also has the national harbour are both very

damaged and need repairing as soon as possible.

### **Taking care of secondary roads**

Tourism based on factors of culture and nature requires high levels of tourist movement mostly with buses, cars, taxis and other vehicles. The exploration of these tourism attractions concentrates on the usage of secondary roads as through the highways is impossible to take advantage and of these places due to the nature and characteristics of the last one. Travelling through the secondary roads will give tourism guides and tourists the opportunity to explore better the history, nature and culture of Albania. Furthermore this will give the remote villages and tourists the opportunity to interact with each other. So these roads need to be highly accessible and economically acceptable for international as well as national tourists.

### **Connecting north Albania**

The actual road situation and the absence of any other type of transportation have isolated entirely the south of the country also these factors have separated the south with the other part of the country. Even though improvement has been made in the last years other types of transportation are needed in order to develop tourism in general in the whole country.

First of all the country has to develop of interior air transportation. Indispensable is the study and development of aviation services studies and projects that would allow the development of this sector inside the country in order to support tourism. Furthermore investment is needed for the development of sea transportation methods that would connect the main sea side cities with each other mostly through the north region. This would also allow the exploration of the sea nature and wild life which is supportive of the tourism industry as well.

### **Connecting the country side with the main cities**

Internet and telecommunication are vital nowadays for the communication and connection between people but not only. Access at high quality is it through internet or telephone is indispensable for the well functioning of the business inside the country. Businesses in the country side and main cities need to communicate with each other be it business to business relationship or just business to consumer. Also communication can be important for the international tourist for several of reasons like booking, general information, payments and other actions of this sort.

## **Tourism and economic development**

In this section I will discuss the overall benefits of tourism and the impact that this sector has on the Albanian economy. We have to understand that tourism has unprecedented potential and can act as a tool through the macro-economic level to increase the economic development. Moreover tourism in the Albanian prospective has to support the economic development and industrialization of the country at the same time.

Some of the most important macro-economic objectives according to the Albanian government that come as a result of tourism development are:

- Generation of income and capital

- Advancing economic and social development
- Improving living standards in Albania
- Generating economic activities
- Creating a different national image of Albania as a tourism destination
- Increasing governments income through foreign currency and tax entries
- Developing sustainable tourism

As I mentioned previously the main objective of the Albanian tourism development is to improve the living standards for most of the constant increasing Albanian population. Tourism development should be in constant relationship with economic development in any country not just in Albania. We have to understand that more tourists don't always mean better living standards or better earnings for the Albanian population.

The type of tourism that the country adopts has to be modified and personalized to the constant changing needs of the country's population in order to get the benefits of the last one. The tourism strategies that the country is going to focus mainly culture and nature tourism will give the possibility to most of the population to get involved and benefit through this process. In this prospective there is going to be a lot of benefits for most of the population classes without any differentiation between race and gender.

Special focus has been made to the contribution that tourism is going to make to the lower and middle class of population as a lot of the tourism resorts and attractions will be based on local and provincial areas where these classes of population live. Relying on these strategies there is going to be a lot of economic benefits to the poor and lower classes of the population due to their provincial location which makes them face high levels of economic difficulty this will be done through FDI and joint ventures which will minimize the risk of poverty. Tourism development will be based on medium and long term periods in order to guarantee as well as secure the development and industrialization of the Albanian economy. Included in this aspect tourism development could be and should be as part of the Albanian objective strategy for the development in the new millennium. The Albanian tourism ministry has its own view on this matter as they focus their engagement on this industry through these beliefs:

1. Cultural tourism and ecotourism formulate an important aspect of the Albanian national tourism industry and are crucial to the development of the country's economy.
2. Ecotourism is a true alternative for the economic development of the rural areas of Albania

Visible profits benefited from a specialised and successful strategy will contribute to the increase of employment, more capital revenue for the economy, infrastructure improvement, national increase to the standard of living, income per capita, GDP per capita, health service improvement, education improvement and other socio-economical benefits. Some less visible profits will be to the culture, short term business, national business in some way, national competition etc.

If we look at the actual situation we can see the emergence of the tourism industry and its effects on the Albanian economy clearly. It has been more than seven years that the tourism sector plays a major role in the Albanian economy by representing approximately 77% of the Albanian exports. From 2006 to 2007 the number of tourists has increased from 900.000 to 1.6 million relying on the World Tourism Organization. Still relying on the WTO the contribution of tourism on the Albanian GDP is approximately 3.8% and they estimate that this will change in the period from 2016

to 2021 to 7.5%<sup>2</sup>. Last year the contribution of tourism to the Albanian economy was approximately 1 billion dollars with an increase of approximately 20% from 2014. This increase is evident in the income generation from non residential tourists or passengers that come in Albania for business reasons only. We mention this as the entrance of non residential tourists has increase by 25% which has contributed to the overall increase of tourism industry budget by 17%<sup>3</sup>. The number of foreign tourists until September 2015 reached 900.000 within this figures the level of increase compared with last year has been approximately 35%<sup>4</sup>. From these 95% were Europeans, 5% Americans, 2% Asians and 1% forming other destinations? Neighbor countries have generated the highest levels of visitors including here Kosovo with 32%, Macedonia with 24%, Monte Negro with 10%, Italy 9%, Serbia 7%, UK 6%, and Greece 6%<sup>5</sup>. We have to consider visitors from other countries like France, Austria and Germany but with slightly lower numbers.

These figures have indirectly influenced the price of land, labor and capital hence they also have contributed to the national income as well. By doing this they have changed tourism by making it an industry with high productivity levels. One of the sectors with the highest increase is the hotels and restaurants with an increase of approximately 17% compared with the previous years. There is also an increase of the country's overall trade balance which has been affected by tourism immensely on the last years. The number of tourists that travelled by air, land and sea has increase by 15% to 16% as well. The sea traffic has increase by 20% due to the high levels of tourism visits that visited the country on the summer.<sup>6</sup>

## Conclusions

This part brings this dissertation to an end by making some concluding remarks on the study of the Albanian tourism development. Thus the main aim for this dissertation was to analyze describe and discuss the Albanian tourism development it also took a slightly different approach by analysis the effect of this sector on the Albanian economy as well.

As I pointed out in my method and abstract chapters most subjects on this dissertation contribute to the bigger picture of how Albania should develop its tourism sector and how this could affect the country's economy. In a brief summery I gave an overview of the present situation of the actual Albanian tourism industry and the potential that this sector has. Furthermore I took a close look to the main challenges faced by the country and the government in general for the developed of this industry.

Based on several theories on tourism development the main terminology and theories were further analyzed. Literature on the subject as well as the advantages and limitations consisted in previous studies on this manner were analyzed and further explained. Different theorists on tourism development starting from Sinclair who analyzed the economic advantages and disadvantages of tourism development and many others that focused on his views like Eugenio-Martín & Morales as well as

<sup>2</sup> Ministry of Economic Development, Tourism, Trade and Entrepreneurship. - <http://www.mtkrs.gov.al/>.

<sup>3</sup> TTI (Travel & Tourism Intelligence) Country Reports (Al).

<sup>4</sup> Ministry of Economic Development, Tourism, Trade and Entrepreneurship. - [www.ekonomia.gov.al/](http://www.ekonomia.gov.al/).

<sup>5</sup> Ministry of Economic Development, Tourism, Trade and Entrepreneurship. - [www.ekonomia.gov.al/](http://www.ekonomia.gov.al/).

<sup>6</sup> INSTAT (2005), "Economic Indicators of Albania", Tirana Press, Tirana.

Syriopoulos were mainly concerned with the effects that tourism development had on the economy. Moreover there were other theorists like Liu and Var, Long, Perdue, and Allen and Milne that have contributed to the field of tourism development but in a different prospective. They were concerned with the costs involved by adopting tourism development as an industrialization and development strategy.

Further analysis on the literature detected limitations especially on the methods of development as in the ways in which the countries should carry out tourism development and the actions that need to be taken on order to succeed in this industry. On this basis I have supplied and analyzed the main challenges that the county faces in order to develop the tourism sector. As we saw the challenges were many starting from infrastructure and ending with information management. In order to overcome these challenges the government and other analysts supplied a strategy which I have described in details where tourism products are used in order to develop an industry that it has been said is in its infancy. I in this prospective my study shows that a strategy is not enough and further actions are needed in order to develop the tourism sector. On this basis a detailed discussion was developed in order to understand in detail the actions needed to be taken from the government and the national in general at the same time, in order to develop the tourism sector successfully. This discussion was based on actions that were needed to be taken in any particular fields starting from infrastructure and ending in information management so this industry could overcome its infancy stage and affect the country's economy more effectively. At the end we have to understand that this study is highly specialized in only one country and the literature on the field was limited to the government. Hence the actual situation in the Albanian tourism is not bright its future for sure is.

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