

**DIRECT MARKETING THROUGH WEBSITES AS A
SOLUTION FOR INCREASING THE PROFITS
A CASE OF ALBANIAN TOURISM INDUSTRY**

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Abstract

The sector of tourism services is currently recognized as one of the sectors where online information on the services and tourist destinations are widely shared. Albania, after a period of approximately 50 years of a totalitarian regime, where private entrepreneurship and managerial concepts did not exist, was faced with lack of experience in the tourism sector, especially in the fields of business operations, information technology, infrastructure, legislation etc. The overall aim of this study is to identify how is perceived by the Albanian tourism entrepreneurs/managers the direct marketing through websites and their quality, and how it affects the level of revenues and marketing activities. The study is descriptive, as well as explanatory. The research instrument used was a questionnaire. The sample consisted of N = 208 participants, representatives of three types of tourism enterprises (accommodation units, travel agencies and restaurants). The study was based on five districts of Albania, respectively: Tirana, Durres, Shkodra, Vlore and Saranda (from North to South). The results show that a website affects positively on the enterprise's revenues, communication with international markets. Also, the website availability and use of ICT-s have a positive relation with marketing.

Keywords: *Marketing, Websites, Profits, Albania, Internet, Tourism Enterprises*

INTRODUCTION

After the 1990-s, when started the transition process, Albania was characterized by lack of experience in the field of tourism services, poor infrastructure, information and communications technology (ICT) almost inexistent, and lack of Internet access etc,. In a very strategic geographical position in the Balkans region and very rich natural and cultural tourism potential, the tourism sector represented a great opportunity for entrepreneurs who wanted to be engaged with tourism services, such as accommodation services, travel agencies etc. So, the Albanian tourism sector has had lack of competitiveness within the Mediterranean region where there were other popular tourist destinations such as Greece, Italy, Croatia, Montenegro etc.

Generally, the market pressures lead to developments in most cases. Investments in information technology represent a competitive advantage, which means that new applied technologies or existing ones that enable a business opportunity or idea can be converted very well in reality. Often, there are the businesses themselves as promoters of investments in information technology and not the new technologies which dictate that, driven by suppliers of services or equipments related to technology. For this reason, business managers are often self-interested. Meanwhile, the business case is somewhat controversial. Why two risks taken at the same time - that means a new business, based on new technologies? According to Sevrani et al. (2011): "The main failures in the use of information technology are based on better technology and worse business vision. Success comes from a very good technology and very clear understanding of customer needs. However during the last 10 years the investments focused on the internet access in Albania have had a rapid growth, bringing a significant increase in the number of subscribers, but also a relatively low cost for individuals and businesses.

According to AKEP (2015), the number of subscribers with broadband access from fixed networks by the end of 2014 was about 207,000, compared to 183,000 in 2013, representing an annual increase of 13.3 %. All the main operators of fixed Internet in Albanian market have increased the number of subscribers for the year 2014.

Given the fact, that a significant proportion of small and medium-sized tourism enterprises, do not understand the importance of investing in Information technology and specifically in designing websites with the aim of using it as marketing tools to attract the markets, this study is considered very important.

Aim of the Study

To identify how is perceived by the Albanian tourism entrepreneurs the direct marketing through websites and how it affects the level of revenues and the marketing activities.

Research Questions

- 1- Is the direct marketing through websites a way to increase business revenues?
- 2- Does the presence of a website affect the use of ICT-s for marketing purposes in general?
- 3- What does a website bring to the communication with international tourist markets?

Hypotheses

H₁: The presence of a website will lead to increased profits

H₂: Use of internet and ICT for marketing will have a positive correlation.

LITERATURE REVIEW

International tourism arrivals grew by 4,3 % in the first eight months of 2015, fuelled by strong results in Europe which is the world's most visited regional destination. It recorded a robust of 5% increase in international tourist arrivals, the highest across all regions and a notable result for a rather mature region (UNWTO, 2015).

Information technology has grown to a very large extent the time and ease of shopping for customers, and at the same time, has significantly reduced the cost of access, which should be provided by businesses. The Internet in particular is very attractive as a very fast network, with low cost and very high value of services.

The revenues generated from online travelling are consistently ranked at very high levels compared with other goods and services. The reasons for this are related to the quantity and dissemination of information provided on the Internet and the wide public access, high levels of competition and the entry of new players with a lot of websites, supported by efficient transaction services.

Clayton and Criscuolo (2002) claim that the technology accompanied by a modern information society , especially through the Internet , has caused four key changes in terms of the ways in which business operates today. These changes, which are applied widely in the tourism sector, are: 1. The ability to turn ideas into marketable innovations for a wide range of customers, with reduced costs in terms of searching process, as well as the costs of access to new markets. 2. Increasing the speed for trading and promoting new product offerings via the Internet. 3. Changing processes and dissemination of information within and between organizations. 4. A change in the balance of power between suppliers and customers due to the growing availability of information

Despite the fact that results of research and studies vary according to different researchers, most of them emphasize the presence of more than one billion pages on the

Internet. The connecting nature of the web has become part of the market space and offers great communication opportunities as a result of size and rapid technological development.

METHODOLOGY

Research Design

In this study, the quantitative method approach through the use of surveys to collect data is adopted. Thus study is descriptive in nature.

Research Context

The study was conducted in five districts of Albania, respectively in: Tirana, Vlora, Durres, Shkodra and Saranda. Although tourism services and related enterprises are not limited to these five districts, according to database for tourism and its development, these areas have greater development of tourism industry during last year's. Sampling is based on a list of registered tourism enterprises in Albanian Tourism Association (ATA) and is referred to three types of tourism services: accommodation units, travel agencies and restaurants. Once the respective districts have been selected, then, it is taken a percentage from each district.

Sampling

In this study, was included one of the most common models of non probability sampling called quota sampling. According to ATA, in the selected districts there were 416 registered tourism enterprises. But, only in Tirana district was not possible, to be obtained a percentage of 50% enterprises, due to the high number of rejections to complete the questionnaire. In other districts, there were not so many rejections. The number of enterprises which responded to the questionnaire (50% of the total), is as follows:

Number of registered enterprises, according to ATA database		
Districts	Nr of Enterprises	50%
Tirana	140	49
Vlora	66	33
Saranda	120	60
Durrës	72	36
Shkodra	60	30
Total	416	208

Inclusion Criteria

To participate in the study, participants must be over the age of 18 and had the primary responsibility to manage a tourism enterprise. They could be self owners, key managers or

when they were not found, could be old employees. In other cases, have participated ICT specialists employed in the relevant enterprises.

Research Tool

In order to realize the study as a research tool was used a questionnaire. It was self-designed, based on the recent literature. At the end of data collection, the final number of questionnaires was $n = 208$. The method of data collection for this study was that of a face -to-face interview. At last, data was analyzed through the statistical software SPSS 16.

ANALYSIS AND RESULTS

General Information about the Enterprises

In this study 23.6 % of the enterprises were located in Tirana, 15.9% in Vlora, 28.8% in Saranda, 17.3% in Durres and 14.4% were in Shkodra.

Based on their capacity, 48.1 % of the enterprises were large and 51.9 % small, according to their registration at the Albanian National Center of Registration. Sometimes the use of ICT-s and the internet are related to the capacity of enterprise.

The three types of activities that have participated in this study, according to predetermined criteria, were: accommodation units at a rate of 56.2 %, travel agencies at 22.1 % and restaurants at 21.6 % . In the field of tourism usually these are the types of activities that are studied. As regards the period of starting the business, the enterprises had an average of 10 years that they were operating in the market.

The Impact of Websites

After the research was found that 80.8% of the tourism enterprises generally have their own websites, but 19.2% of them have not invested in this field yet.

Also, other results showed that the enterprises had a lot of benefits from the availability of a website such as: the growing number of customers visiting their websites for tourism trips (97.6 %), a better communications with the international customers (95.8 %), less costs in making the marketing campaign compared with traditional methods of performing marketing, such as direct sales, leaflets (86.3 %) and business revenues increase (92.8 %).

At the same time, many of them agree that the initial cost of creating a website is high for the company. On this question, participants were almost equally divided with 44.6 % of them agree or strongly agree and 40.5 % of them to strongly disagree or not agree, and a relatively high percentage 14.9 %, who are uncertain.

The Relation between the Beliefs about the Website and Use of ICT-S for Marketing

One of the most important and most studied issues in the field of tourism and ICT-s is the relation with marketing. In this study the correlation between beliefs about the possibilities offered by the website and the use of ICT-s for marketing was moderate and positive $r_s=.372$, $p < .00$ (Table 1). So, the second hypothesis is suggested: H_2 : *The beliefs for internet and ICT use for marketing will have a positive correlation.*

Table 1: The Relation between the Beliefs about the Website and Use of ICT-S for Marketing

		Marketing	Internet
Spearman's rho	Marketing	The correlation coefficient	1.000
		Sig. (2-tailed)	.372**
		N	208
			168

** . The correlation is statistically significant at the level 0.01 (2-directional).

The Relation between the Increase of Revenues and the Website Availability

In the following table are introduced the results of the linear regression trying to provide a good model that explains better the revenue increase of the enterprises by having or not a website and the opportunities that it provides. The best predictors were: The Internet is a way to increase the business revenues, the Internet allows us to have a better communication with international costumers, the initial cost of creating a website is high for our company. In this model $R^2=.291$, $F(1,164) = 6.701$, $p=.010$. In the table 2 are shown the respective coefficients. According to the table the first hypothesis (H_1 : *It is suggested that the presence of a website will lead to increased profits*) is suggested.

Table 2: The Relation between the Increase of Revenues and the Website Availability

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. Change
1	.477 ^a	.228	.223	.76718	.228	48.962	1	166	.000
2	.512 ^b	.262	.253	.75222	.034	7.665	1	165	.006
3	.539 ^c	.291	.278	.73955	.029	6.701	1	164	.010

a. Predictors: (Constant) , the Internet is a way to increase business profits

b. Predictors: (Constant) , The Internet is a way to increase the profits of the business , the Internet allows us to have a better communication with international clients

c. Predictors: (Constant), The Internet is a way to increase the business revenues, the Internet allows us to have better communication with international clients, the initial cost of creating a website is high for our company

In the following table are introduced the results of the linear regression trying to provide a good model that explains better the revenue increase of the enterprises by having or not a website and the opportunities that it provides. The best predictors were: The Internet is a way to increase the business revenues, the Internet allows us to have a better communication with international costumers, the initial cost of creating a website is high for our company. In this model $R^2=.291$, $F(1,164) = 6.701$, $p=.010$. In the table 2 are shown the respective coefficients. According to the table the first hypothesis (H_1 : *It is suggested that the presence of a website will lead to increased profits*) is suggested.

CONCLUSIONS

Regarding the enterprise's website availability was found that a large part of them have their own websites on the Internet, but there is still a percentage of those who have not invested in this direction.

From the study was found that there is a growing number of customers who visit websites for travelling, and it has helped tourism enterprises to have better communication with international clients and less costs in making the marketing activities compared with traditional methods for making it. From the questions that were made to respondents was found that the initial cost of creating a website was high for a large part of them. Also, it was found that at the enterprises which had a website, it was relatively at good levels.

Most entrepreneurs or managers support the use of ICT-s for selling the services they offer. Also, they had invested in the development of ICT-s and website availability and were aware of the benefits that a website brings in the marketing of tourism services.

This study has been focused in 5 tourist areas in Albania. However, tourism is a dynamic phenomenon; therefore other studies should be focused in other areas, even if the tourism sector is less developed. In the recent literature are addressed a number of other issues that affect the performance and marketing of tourism enterprises such as the strategies, human resources etc. It is suggested that other studies should include other factors which affect the performance of tourism enterprises.

RECOMMENDATIONS

- The tourism entrepreneurs should be more interested in investing for creating and updating their own websites
- The tourism enterprises which have a websites should offer mobile versions as well.

- Enterprises should have in their staff a person, responsible for maintaining and updating the web site. Improvement of the quality of the websites by adding options and attractive graphic design shall be practiced.

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