

## **USE OF SWOT ANALYSES AS A PLANNING TOOL IN REGIONAL TOURISM PLANNING IN VLORA REGION, ALBANIA**

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### **Abstract**

*Regional development is one of the key EU policy which is designed to provide a link between different countries and regions, to ensure regional competitiveness and employment; to ensure territorial cooperation. SWOT analyses has been largely used in many regions in EU countries as a powerful tool in helping the planning process and building strategies for regional economic development. So, aim of this paper is to show the SWOT analyses for Vlora region, Albania and how it has been used in regional tourism planning, listing advantages and challenges in the process. The study involves the use of secondary data and interviews with professionals who have participated in the SWOT analyses in different projects. Many projects have contributed in the regional planning of this region, especially in the tourism planning of the area. Advantages of using this tool include also the involvement of local experts and local communities in the process of planning. But different challenges include the proper adoption of strategies in the planning process, in Vlora region, which relies on the development of the tourism sector as a key aspect of regional planning.*

*Keywords: SWOT, regional planning, tourism, Albania, competitive advantage.*

## INTRODUCTION

Albania, a country that confines with Montenegro, Macedonia, Kosovo and Greece and Adriatic and Ionic Sea is recently considered a very interesting destination to visit. Lonely Planet currently has labeled Albania as 'Awaking Sleeping Beauty'.

Albania is a country with different types of destinations, maritime as well as mountainous terrain. Vlora is one of the biggest regions of the country, that lies on the Ionian coast. It is also one of the most beautiful tourist destinations, with a seaside long 144 km. One of the biggest mountainous National Parks, Park of Llogara in the country is also placed in this region. So, tourists that are visiting this destination can pass through different types of experience. Thanks to its geographical position and its variety of territory, different types of tourism can be met. The strategies and management plans related with tourism, for the years 2013-2020, both in local and national level, focus on the alternative types of tourism, like nature based tourism, ecotourism, agro-tourism, youth tourism, etc.

But the decisions about the path that should the tourism industry take and where are to go the investments in tourism industry, need thorough analyses. One of the most used techniques, used in strategic planning and also in regional planning for developing strategies is the SWOT analyses.

The SWOT analyses is used in different levels of strategic planning in Vlora Region. Different municipalities, as well as the district of Vlora have issued their strategic plans, all including SWOT analyses. Different initiatives for developing strategic plans by local government and also by Non Governmental Organizations (NGOs) have used SWOT analyses. But there have been difficulties in applying SWOT analyses as well as in decision-making about strategies to be followed. Also the different communes of the region have not collaborated to integrate their SWOT analyses with that of the region. There is a gap between methodology of SWOT as a strategic tool also for regional strategic plans and its implementation according to importance of the factors that should be analyzed.

The study brings the theoretical approach to the use of SWOT for regional planning. A case study of Vlora region as one of the most important economic and tourism regions in Albania will illustrate the correct application of SWOT analyses.

Then the advantages and disadvantages of the process are identified, to come up with the proper recommendations for authorities to select strategies in the regional development process.

## METHOD

After literature review, different documentation have been consulted to identify the use of this analyses and to present SWOT for all the region of Vlora. Participation from various stakeholders is identified. The interviews with 20 participants in the data gathering and SWOT analyses will help in identifying how the use of SWOT has helped in the process of constructing the strategic plans and also in showing advantages and problems. But the next section is dealing with the theoretical aspects of use SWOT analyses.

### SWOT analyses and its special use in strategic regional planning

SWOT analysis, which mainly analyzes the strengths, weaknesses, opportunities and threats of target object or place, is a useful method in strategic planning. Strategic planning is an extended tool for regional development and can be defined as a systematic form of preparing for change and for the future of a city. Strategic planning takes into account the socio-economic and environmental context. Nowadays, Environmental analysis is a critical part of the strategic management planning process.

Planning is the process of facilitating decision making to carry out development with consideration on the natural environmental, social, political, economic and governance factors and provides a holistic frame work to achieve sustainable outcomes (Beer 1977).

SWOT the acronym standing for Strengths, Weaknesses, Opportunities and Threats analysis is a useful tool for analyzing internal and external factors in order to attain a systematic approach and support for a decision situation. SWOT analysis has been widely applied in the fields of land-resource planning, urban strategy planning, tourism planning, etc.

A SWOT analysis is a technique commonly used to assist in identifying strategic direction for an organization or practice. SWOT model is a classic strategic analysis tool for strategic management, first proposed by Ken Andrews (Andrews, 1971). SWOT analysis is a precursor to the strategic planning process (Harrison 2010). The benefit of such an analysis tool is that it can better balance all internal and external aspects of enterprises, ensuring that analysis is more comprehensive. The strengths and weaknesses of a system are determined by internal elements, whereas external forces dictate opportunities and threats. Strengths can be defined as any available resource that can be used to improve its performance. Weaknesses are flaws/short- comings of any system that may cause to lose a competitive advantage, efficiency or financial resources (Wang and Hong 2011, Ying 2010).

In fact, all the analyses should lead to the identification of those strengths which in the long run, in cooperation with the opportunities in the environment will constitute the competitive advantage which will support the future strategies.

The above-mentioned issues can also be stated in terms of planning/strategy formation and strategy implementation on different administrative levels. Regional SWOT analysis concentrates on the region in question, not on the organization undertaking the SWOT, as was originally intended in the management sphere (Karpi et al. 2001).

Problems regarding the necessary balance between internal and external factors may rise also in regional planning as well as unforeseen issues relating to external factors. It has been argued in public planning debates that “any process of choice will become a process of planning (or strategic choice) if the selection of the current actions is made only after a formulation and comparison of possible solutions over a wider field of decisions relating to certain anticipated as well as current situations” (Friend and Jessop 1969: 110). The uncertainties in the process may also require making implementation and strategic planning a more inter-woven process, where planning and implementation are considered as part of the same interactive process on communicative planning (Sotarauta 1996b).

The context question in the strategy formulation stage is sometimes seen as secondary to the contextual nature of strategy implementation. This means that one should formulate strategies objectively, but the degree to which their implementation can be objective is dependent on the person or organization implementing the strategy. The fact that the strategy formulation stage (and the SWOT analysis as an intrinsic part of it) is not necessarily undertaken by the same person/persons as the implementation stage is often overlooked. In addition, it is assumed that (business) leaders and executives view strategies as specific or subjective, whilst researchers apply scientific objectivity in their implementation of a strategy (Näsi 1991). The art of implementing a strategy (i.e. deciding on how, and by what means the strategy should be applied) becomes the area in which these two opposites of subjectivity and objectivity meet.

In concrete programming work, however, the question of objectivity versus subjectivity may recede, when the nature of the process becomes more consensus- oriented. In fact the whole methodology of programming work (within the EU framework or any similar framework emphasizing partnership) is likely to reflect the need to build a stable consensus (European Commission 1999), which makes the objectivity or subjectivity of the analysis undertaken at best a secondary concern.

## SWOT ANALYSES: FOR REGIONAL DEVELOPMENT IN VLORA REGION

After 1990, Albania began with the efforts for developing tourism industry, within the frame of free market economy. Ministry of Urban development and tourism is responsible for the organization and coordination of tourism. There are also some departments, such as General Directorate for Tourism and Cultural Heritage, National Tourism Agency and Tourism Service office that depend directly from the Minister and that are responsible for the promotion of tourism in Albania. But one of the most important agencies of the moment, created only after the elections of 2013 is the National Coastal Agency, which is responsible for the environmental problems of the coast as well as for security and safety of tourists and the well functioning of the tourism activities.

Regional development is one of the key EU policy which is designed to provide a link between different countries and regions, to ensure regional competitiveness and employment; to ensure territorial cooperation.

In this regard, many efforts from different institutions, such as local government institutions, but also supported by different projects in the local level, has led to the strategic plan for the Region of Vlora. This plan indicates different scenarios for the development of the region, as a result of a thorough analyses, which is based on the SWOT analyses. The main scenario is that of tourism development, because Vlorathe has all the potential to be an attractive tourist destination.

### Strengths

- Region of Vlora is one of the major economic areas of the country. It has a favorable geographical position in relation also to other regions in Albania
- There are numerous resources that can be used in creating the image for attracting tourists:
  - Cultural and natural monuments.
  - The combination of mountain climate with maritime climate
  - Rich flora and fauna
  - Typical agro-food products, in 11 different food chains, 4 of which are unique for their values: olive oil, wine, , honey and other bee products, and medicinal plants.
  - Strong feeling of identity of population in the region
  - Raised attention and existence of the initiatives for environment protection and control of illegal constructions.

## **Weaknesses**

- Lack of information for tourists about all the natural and cultural monuments in Vlora region
- Low Performance of tourism services and low level of price / quality ratio for the accommodation industry, but also other services
- Low level of awareness about the environment and also about the economic value of cultural monuments.
- Lack of systems for administering urban and inert wastes, as well as waters, sewage, causing problems for the environment.
- Lack of processing industries for food chains, problems with distribution and marketing systems
- Land fragmentizing and very small farm businesses, as a result low levels of production and difficult access in innovations and in technology.
- Low level of partnership between local producers.

## **Opportunities**

- Tourism industry as one of the greatest opportunities of employment and reduction of poverty.
- Government initiatives for taking control of territory and urban planning
- National Agency of the coast, taking actions to support local administration in relation to coast activities and different problems.
- Opportunities for qualified prepared staff especially after the opening of a branch of Tourism at the University of Vlora and tradition of this area.
- Raising interests of international markets about Albania, mentioned in the most prestigious journals of tourism
- Opportunities to participate in EU funding , after taking the candidate status.

## **Threats**

However, tourism development is facing many challenges associated with:

- Unplanned urban development
- problems with decentralization, which causes lack of proper funding and problems with decision making in the local level,

- geographical distribution of tourism activities, and sometimes unplanned utilization of all resources and tourist potential,
- challenges with natural and cultural heritage protection from the community but
- Lack of planning and administration of wastes, urban and inert wastes.
- Military base in the Orikum Bay, which limits access in some of the cultural and natural sites for tourists.

### **COMPARATIVE ADVANTAGE THAT SUPPORT THE PLANNING PROCESS**

Competitiveness of the region in regard to regional development must be seen in the micro and macro level. At the macro level it should be viewed as part of the Strategic Development Plans National Economy, Environment and Tourism. Micro problems are those problems that arise within individual enterprises operating in the area under study.

From research done in the field, it appears that in this area operate a lot of entities that offer different products and services. These entities have occasionally made product improvements to meet the growing needs of consumers and enhance performance in order to create competitive advantages and adapt labor market.

Comparative advantages should be viewed as an important source in the long term. Comparative advantages of the area added especially with the massive expansion of tourism in Vlora, are:

- Beautiful Landscapes
- Historical and Cultural Heritage
- Favorable climate
- Various artistic and cultural activities during the tourist season
- Biodiversity in the area, as a resource for the environment, but also for many alternatives for tourists
- Sustainable Tourism conditions as :
  - ✓ clean water tourism,
  - ✓ BIO food (without GMOs because of favorable climatic conditions allow the growth of various crops field crops, vegetables and different varieties of wood-trees),
  - ✓ natural monuments, more than any other area as fir, oaks, pines, olive 500-600 years old, caves, monuments, religious cultural monuments etc.

## **ADVANTAGES AND PROBLEMS IN THE PROCESS OF STRATEGIC PLANNING**

After the interviews, some of the advantages of using SWOT analyses are confirming the authors in literature review. The most mentioned are:

- After using SWOT the process of strategic planning became easier.
- collaboration of all stakeholders in SWOT and planning process, local administration, business representatives, local NGOs, associations representatives, investors etc., evaluate the process as much collaborative between them.
- prediction of who will carry on with the implementation after strategy formulation, all the institution involved in SWOT are also part of the implementation of strategic planning.
- Consensus about different issues such as opportunities and threats, is reached at the end of SWOT analyses.

Anyway the process is associated with different problems, as far as interviewed told.

- Difficulties in balancing internal and external factors. The factors that are strengths and weaknesses, which compose the internal factors in the course of analyses are intertwined with the external factors, and there are difficulties
- Difficulties in decision-making about choosing the alternatives for the strategies

## **CONCLUSIONS AND RECOMMENDATIONS**

The SWOT analyses in Vlora region has helped in coming out with a full strategic planning process, after a thorough environment analyses. As a result, we can say that, with all the opportunities offered by Region of Vlora results have not been satisfactory in the post-transition period, because the vision for tourism has not been at the right level.

Different stakeholders discussed the formulation and comparison of possible solutions over a wider field of decisions relating to certain actions.

As a conclusion economic empowerment of Vlora region depends on the strengthening of the tourism industry this is related to the geographic extent of this region. Vlora has a great potential for development. Tourism can be one of the methods of economic growth but still faces many challenges in order to develop a sustainable regional tourism. Other industries, such as agriculture and food industries are going to support the sustainable development and also the development of tourism industry.



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