



**"St. Clement Ohridski"- University of Bitola**



**Faculty of Tourism and Hospitality - Ohrid**

**AUTO SUMMARY**

**Doctoral dissertation**

**On the subject**

**THE IMPACT OF THE PROMOTIONAL FUNCTION OF TOURIST  
AGENCIES ON THE DEVELOPMENT OF TOURISM IN KOSOVO**

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## **Summary of the doctoral dissertation on the topic:**

# **THE IMPACT OF THE PROMOTIONAL FUNCTION OF TOURIST AGENCIES ON THE DEVELOPMENT OF TOURISM IN KOSOVO**

In order to define the characteristics of the market, both classical and touristic one, it is necessary to depart from its constituent elements on one side, and the interactions of the elements on the other side. The basic elements that make up every market are market entities, exchange facilities and price, and their interrelationships show the specifics of the market. The market encompasses the relationship between supply and demand, which in fact involves a form of exchange of products or services through money.

The touristic market is unique in its specificity and differs significantly from any other type of market of goods or services. However, it is still based on a mix of supply and demand as integral parts of that market, whereby the object of the demand must match the subject of the offer. The promotional activities undertaken by travel agencies are an integral part of market research, that is, independent research on the relationship between supply and demand and can not be made independently of some other goods and services markets, among which an optimum degree should be established on correspondence.

For the successful development of tourism, the continuous monitoring of the tourist demand and also the tourist offer, is of particular importance. It actually involves monitoring the expected changes in the wishes, needs and expectations of modern tourists, on the one hand, also monitoring the possibilities for their anticipation and satisfaction from the other hand. If we take under consideration the specificity, complexity and heterogeneity of the tourism market, and especially its spatial and temporal variability, then it is clear. It is impossible to apply the single method when we do a research in the market of tourism. Therefore, it is best to combine different methods in order to arrive at the correct result and a valid estimate of the dimension of the tourist demand and perspective. In order to find a correlation between the various elements of the market: natural, psychological, economic, social, cultural, etc., there is a need for a scientific approach in the treatment, research and analysis of the tourism market.

The goal of market research are the right products and services to be offered at the right time to the right buyers, i.e. those who need such products in order to meet their needs. Taking into account the specifics of the tourism market and its core elements, research and analysis relate to its content, significance and level of research.

### **- Methodology of scientific research**

During a research of a particular phenomenon, two types of goals can be set, theoretical (scientific) and practical. Theoretical knowledge related to a particular phenomenon, that should in fact justify a scientific goal. The practical goal, in turn, refers to the application of the acquired scientific knowledge into practice.

The scientific purpose of this research is to comprehensively study the tourist phenomenon, to determine its qualitative and quantitative dimension, in order to avoid theoretical inconsistencies and inaccuracies. In fact, theoretical knowledge relates to the impact of the promotional function of travel agencies on the development of tourism in Kosovo.

The practical goal is actually an adequate use, that is, the practical application of the obtained theoretical knowledge concerning the functional dependence between the development of tourism in Kosovo and the promotional activities of the travel agencies.

Knowledge that comes as a result of study should be of utmost importance to those who will be directly involved in creating promotional activities. So, the practical goal has wide dimensions because it requires the mobilization of all factors that are in any way involved in tourism.

In the scientific research work, putting hypotheses as leading ideas appears as a conjecture that is following the establishment of certain facts. Hypotheses need to be checked and proven by explaining these facts, or by extending the meaning of those facts, that is, a way to pass from the old to the new consciousness.

In the pilot study on this doctoral dissertation, the following general hypothesis were set up:

**- DEVELOPMENT OF TOURISM IN KOSOVO IS IN FUNCTIONAL ADDITION TO PROMOTIONAL ACTIVITIES OF TOURISTIC AGENCIES**

***SPECIAL HYPOTHESIS***

The following hypotheses derive from the basic hypothesis in the pilot survey:

- 1.1 Marketing research on the tourism market provides guidance on the promotional activities of travel agencies
- 1.2 Tourist demand initiates innovative forms of promotion
- 1.3 The promotional activities of travel agencies affect tourist demand
- 1.4 The promotional activities of travel agencies influence the creation of a tourist offer

Statistical processing of data from the survey - checking for the existence of significant differences between the respondents (travel agencies), ie testing the differences, was performed with the chi-squared ( $\chi^2$ ).

The chi-squared test is used to determine if the frequencies obtained deviate from the frequencies expected under a given hypothesis, in this case the null hypothesis, that there is no statistically significant difference between the responses received by the respondents (travel agencies) and random distribution of answers.

The Chi-square test is a nonparametric statistical model for estimating the significance of differences (frequencies). It is calculated according to the formula given in Table 5.

Table no. 5 Formula for calculation of  $\chi^2$  test:

$$\chi^2 = \sum_{i=1}^k \frac{(O_i - E_i)^2}{E_i}$$

where

$\chi^2$  = Chi square

O = The received frequency

E = Expected Frequency

K = Number of categories

To measure the correlation between the variables is used Spearman's correlation coefficient (Spearman Rho), in order to determine the relationship between pairs of answers. The results are presented in the matrix (Table no. 26) in which the statistically significant correlations between the variables are marked in red.

The obtained results from the Spearman coefficient of correlation presented in the table should not be (should) be treated as a causal link between the variables, but rather as guidelines for the in-depth dedication of attention to the possible causes of the relationship between certain variables.

The method as a rational research procedure on the road to knowledge or to proving the truth is a way of scientific research, which is carried out in order to obtain certain results and because of their temptation and presentation. A scientific research comes to its scientific truth by using its own methodology. The complexity and breadth of the subject of its study involves the application of numerous scientific methods. In order to define the research procedure in this research, the methods that will be used: survey, interview and statistical techniques: calculation of percentages, statistical significance and  $X^2$ .

The applicability of the survey is very important because it provides information that can not be obtained by quantitative methods. The views and opinions of the respondents are explored, and in this research, these are the touristic agencies. In order to conduct the survey, the basic questionnaire is the survey questionnaire, and it is therefore of utmost importance that the questionnaire be expertly composed.

The interview, in turn, as a statistical method, serves to gain knowledge through direct oral contact, and it is most often used to reveal the opinions and attitudes of the respondents. For the success of the research it is necessary to make a certain plan for the interview. On the other hand, the success of the interview depends not only on the prepared questionnaire, but also on the person who will lead the interview.

The statistical technique  $\chi^2$  was used for data processing. For this purpose, the empirical frequencies ( $f_{ij}$ ), were first counted, then the formula (2) without the calculated and expected frequencies ( $f_{ij}^e$ ). The obtained results served to calculate the value of the  $\chi^2$  distribution according to the formula number (1). However, in order to be able to read the value of the  $\chi^2$  distribution in the  $\chi^2$  distribution (separation) table, the level of significance (-) and the degree of freedom (df) should be determined. Then a comparison of the calculated and table value of the  $\chi^2$  distribution is made and if the calculated value is smaller than the table value, the hypothesis is accepted, and vice versa, if the calculated value is bigger than the table, the hypothesis is rejected.

## **- The Tourism Industry as an Inseparable Part in the Development of the Overall Industry in Kosovo**

Although Kosovo has a small geographical area, it offers good opportunities for development of different types of local, regional, international, stationary and tourism with natural and human motives. Kosovo has touristic spots that can be used by its citizens for trips or excursions, for sports, recreation, relaxation, culture, education, education.

Until the 1970s, because of the absence of good roads, there were few tourist movements in Kosovo, although Kosovo has a good geographical position. After the seventies, with the construction and modernization of the road network for vehicles and economic improvement, tourism movements are beginning to multiply.

Local tourist traffic, individual, family and group relations are undertaken with a view to rest and recreation, especially during the summer by pools, rivers, lakes, or during the winter of ski resorts (Brezovica and Rugova).

Kosovo has an area of 10,887 km<sup>2</sup> and has a population of about 2.3 million inhabitants, located in the central part of the Balkan Peninsula, to the north-south between Belgrade and

Thessaloniki and east-west direction, between Sofia, the Adriatic port of Shengjin, Albania. Through Kosovo passes the road: Belgrade-Kraljevo-Prishtina-Skopje. While in the vicinity of Kosovo, the meridian road of the Balkan Peninsula passes, along the valley of the Morava River and Vardar to Thessaloniki.

Through Kosovo passes one of the shortest transversal Balkan road Nish-Prishtina-Prizren-Kukës-Shëngjin that is connected with Albania. With the construction of the highway Durrës-Qafëthanë-Kicevo-Skopje-Sofia-Istanbul, Kosovo will be linked to this important road in Skopje, which is only 90 km far from Prishtina. Kosovo has a good chance to connect with the highway Belgrade-Skopje-Thessaloniki, the inter-Balkan transversal Durrës-Skopje-Sofia-Istanbul and the Adriatic coast in Prizren-Kukës-Shëngjin (Prizren-Shëngjin is 160 km away). Kosovo is surrounded by high mountains to the south, west and southwest, high mountains to the north and south, and low mountains to the east. The surrounding regions are connected with 16 automobile roads and three railways. The border of Kosovo is natural and passes through the mountains.

The border crossing is defined as a space that serves for control and allows the passage of people and goods from one state to another. These areas are managed by police that register entry and exit of individuals or cars and financial authorities that record entry and exit goods and cash. Kosovo has 17 border crossings, one air and 16 terrestrial. Kosovo is limited by Albania, 118.8 km, Macedonia, 158.7 km, Serbia with 351.6 km and Montenegro with 78.6 km. The Kosovo border with neighboring countries, mainly passing through the mountains and has a natural character.

The evolution of human development in history has gone through phases, stages; the different phases of the life span of birth, it came up to the organized life of the birth that brought us to the need for travel. From that time on, people had to move and this movement made them in different ways and for various reasons. Modern tourism differs from the free time of the previous available and facilities free of charge, following the basic motives to move on the journey. All in the geographical space have to enjoy different motives of natural and cultural values of the inheritance.

Man is the main factor for tourism development. Motives and activists are psychological phenomena, including different sectors and socio-economic life. Travel began earlier within history. In this period, tourism with its importance, it loses the part of migrations and starts to use

thermal baths and drainage sources. Tourists are not just people of privileged classes, which is understood by the disposition of money which is a requirement for participation in tourist trips.

The development of travel agencies around the world has been undertaken to a large extent with the development of tourism, and tourism revenues in economic travel agents have managed to take on the dynamics of development in the second half of the twentieth century to the present throughout the entire industry. with difficulties in their function, not only for small but also for large companies in several countries. Tourist agencies within the development of tourism demand in any part of the each market, the development of their activity and depends on the characteristics of the tourist offer in some countries. Development of tourism with its dynamics submitted the necessary requirement to organize by tourist agencies, interests for the tourist.

The travel arrangements are also a very specific part of the ultimate cost of the product, including costs during the product creation process, the cost of the presentation, including costs, product presentation, including profit. Sale-promotional publication or contracts through a counterpart; agencies and tour operators publish editions with their production program, which they put into the tourism market for a year or season. The services of travel agencies are specific and require the engagement of the workforce. Travel agents are in direct contact with service providers both in the sales process and in the performance of travel arrangements.

The tourism economy is part of the economic system, at the same time a unit of a complex system of economy, where travel agencies have important sales conditions, insurance services between supply and demand , as well as an offer of product services on their tourist markets. Travel agencies are an economic organization that deals with buying, selling, brokering, booking, service and participating in travel agency arrangements.

By actively engaging in the process of realization of the tourism circulation, these are the members who participate in the tourist offer of the country, region or zone..In this way, the trips of the organizers, travel agencies, are intermediaries between subjects who like parties. Early, Kosovo was covered very well with the local network and business enterprises of tourism. So the organization of mediation from the point of view had a network of business units without branch offices.

The subject of exchange on the tourist market is a multidimensional creation of services for transport, accommodation, food, sports, recreation, local or national souvenirs, climate services, the sea, the sun, natural beauties, cultural and historical values and other benefits.

. Motivations to travel to other countries are present in many travelers that is seeking a good culture. A man through a tourism tool can know a side of another culture and their mutual recognition.

Culture is shown as like achievements of the country itself and people, as well as means of production and art. Culture is the most important resource to demonstrate the achievements of the country, which is useful for tourism. The rich culture of the country depends on the regional cultures, on the cultures of social groups, communities, ethnicities, etc. As a result of migration, there were a large number of people, who often asks who are tourist travelers.

Given the importance of tourism as an economic and social activity, it is important to give them full information for defining these terms, which contain many aspects of the study. In order to be very simple in the cases of a specified period of tourist travel, it is always necessary to take into consideration these two conditions; - So I travel abroad as temporary permanent residence for the purpose of enjoying the holiday, it is figured out as vacation and recreation. This means that each author defines tourism according to him. The perception of tourism according to numerous definitions, we can conclude that it is a scientific and economic discipline, which is composed of a multidisciplinary character.

## **- Travel Agencies as Initiators of the Tourism Industry**

Economic activity and tourism is a very complex unit of the economic system in which travel agents take a prominent place in mediating sales, respectively, in providing tourist services between supply and demand. Economic travel agencies are organizations that deal with buying, selling, booking services, mediation contracts and participating in the organization of travel arrangements and selling them for the active engagement of their applicant. With this process of realization of tourism circulation are the entities that participate in the tourist offer of one country, region or locality.

Visitors are interested in visiting different countries, in some countries a wider range of subjects, phenomena, manifest and many noticeable activities. Since the beginning of tourism circulation in the world, it has always been increasing in the role and importance of tourism.

According to the agencies the increased needs for tourism circulation, it increases the need for further training of tourist trips in different categories of tourist clients and wishes. Only their specific location in the resort provides basic production to increase tourist flows in different locations in all their forms, which results in the creation of tourist cultures from the population in the regions of tourist sites.

Travel agency so-called an economic enterprise, which can be considered as an economic branch, can be considered as a branch of tourism, the economy and the organization supports an economic sense, but it has the unique position to acquire the tourist demand. Besides that, in accordance with the Law on Tourism and Tourism services of the Republic of Kosovo, a travel agency established and registered only as a subject of business, which is tasked with providing tourist services for tourists and organized groups for profit, in accordance with the relevant law provisions.

A travel agency, as a mediator of different needs of tourists, at the expense of a service that performs, is paid a commission for a touristic mediation. Agencies that are represented as an intermediary, who perform their work at the expense of others (tourists).

Modern trends in the development of travel agencies have been a great success. Today, the need for travel is to get the opportunity, from which many country depend on their economy. The activity of travel agencies began by mediating and selling transport tickets for passenger: by rail, by boat, and later through the streets and developed through air. Tourism is a journey, when travel needs escalate with tourist complex needs, which is about travel agencies.

In the modern business, the travel agencies, by using the air traffic are of great importance, for many travel organizers in the field of tourism. This form of transport has numerous advantages for tourism and travel agencies, which connect the farthest places with the cheapest price. The sale of tickets for rail passengers to domestic and international tourism represents the first tasks that were brought before the first agencies.

Passenger agents are commercial entities that appear on the passenger services market. One of the definitions of the problems and relations that arise in this sphere is the definition of Hunsicker and Kraf. According to these authors, the travel agency in tourism is the oldest and the most important indirect organization. It is a company that offers traveling and staying abroad, or offers them in combination as new own services.

The tourist agency as a connector of the journey between service providers and users is transformed into organizational combine services to the third person (customer) . The work of travel agencies in many countries looks at the control of activities by state institutions. On the basis of fulfilled conditions, the state, through its bodies, issues an approval for the opening of travel agencies. The competent state institutions shall issue licenses for the work of the travel agencies as verification of the fulfilled conditions for performing the activity.

The synchronization of activities and demand activities in the tourist market performance is one of the most important goals of studying the work of travel agencies. Travel agencies represent are a mediocre intermediary phenomenon that folow human travel in an extensive and historical context, since travel is as old as human existence.

However, the appearance of forms of mediation in travel can not be identified with the pathetic work of the agency. Even less this mediation can be reduced to tourist-agency work. The appearance of travel agents is therefore closely related to travel through human historical development, the occurrences of mediation in travel, the determination of travel agents in the world and the space.

## **-Using the Promotional Function of Travel Agencies as an Integral Part of the Marketing Concept**

Marketing is defined as an oriented action in the enterprise, for co-ordination on product and consumer relations. Certain activities can also determine the needs and the needs of consumers. These phenomena should be analyzed with the aid of the scientific methods to obtain the safe results of the examination. Marketing is essentially linked with the economy and the profitability for the same interests in the company.

Marketing concepts are tools to direct and manage the enterprise in order to meet the needs of consumers in order to gain profits from the product or service. The product or service is a marketing instrument for satisfying the needs of the consumers themselves, with the sale itself, which is required to cover the costs and profit.

These products or services need to be brought closer to consumers to make a change of ownership. In this exchange, a service appears as a value and change by convincing the buyers to sell or buy a product or service.

## **-Marketing Research on the Tourism Market as a Fixed Segment for the Projection of Promotional Activity**

For successful analysis, planning, implementation and control of marketing activities for marketing managers, they need information. Information is not just an input for making good business decisions, but a marketing tool that gives a competitive advantage of strategic significance. Competitors may copy each other for: equipments, products and procedures, but they can not copy the information of the company and its intellectual capital.<sup>1</sup>

Accordingly, the problem is not that there is no sufficient information, but it is necessary to draw conclusions from the data system. And besides the fact that they are overloaded with information, the marketers often complain that they have lack of information. Accordingly, most of the marketing managers don't need more information; they need better information. Due to the need for permanent data collection, a service should be available within the pre-requisite that will allow the movement of information to the three main flows: from the environment to the enterprise, inside and outside the enterprise.

In the theory of marketing, or more precisely in the theoretical and methodological explanations of marketing research, different approaches and aspects are evident, in the amount of the results. In the marketing research literature, methods for collecting data are grouped in different ways. In the collection of secondary data, the historical method of research is common

Qualitative research will evaluate the thoughts of small sample of clients or may become a quantitative research panel that provides statistical data for a large sample of clients.

The tourism market is needed for the tourism; the market should be treated in the field, occupying the organization of the tourism. The structures are the bearers of political relations and political entrepreneurs. In the first place, its task is to coordinate all participants, so that they respond to their tasks in the field of tourism.

## **A Strategy for Organizing Promotional Activities with Travel Agencies in Kosovo**

Promotion is a mechanism of communicating for marketing, exchanging information between users and sellers. Its task is to inform, remind and persuade consumers if they react to the product or services they are offering. The response may have many forms, from the public awareness of the existence of products or services to ongoing purchases.

Propaganda offers some significant advantages over other promotion techniques. The first of these are costs. Some people are shocked when they hear propaganda messages on television that are thousands per second, with what they are forgetting the size of the hearing audience.

The survey was conducted and pointed to some flaws of a promotional tool that affect the sales results recorded in the travel agency:

1. Under the conditions of high complexity of the existing information system does not provide the necessary information to make more effective decisions about the promotion.
2. The available funds for promotional activities are not enough for an intense and aggressive action on new market segments.
3. Does not control the promotion plan and does not assess the effectiveness of promotions, so it does not plan, does not make arguments
4. In line with these shortcomings are proposed for the effect of promoting an effective activity staging the results of a travel agency:
  1. It is imposed as an urgent need to introduce a marketing information system for the purposes of marketing and promotion.
  2. It will be necessary to find additional means for implementing promotional activities aimed at conquering new market segments.
  3. In order to achieve more effective action as required during the implementation of promotional activities in certain market segments guided message orientation of the economy and investments

4. Based on market research and assessment of the effects of various promotional activities, it should be to create a strategy for promoting travel agents and implementing reasoned planning for different periods.

The explanation or information the broadcaster indicates to the receptor to exercise its influence on the impact on attitudes and the behavior that effects of the economic propaganda should be viewed across the general degree of the economic entity, that through the elements of marketing, the mix affects the control of sales. The economic propaganda in the society encompasses a number of community measures, its forms and institutes are to suppress the disloyal propaganda and to familiarize the consumer with its influence. Economic propaganda and advertising in the practice of the business of companies and some of the staff that are working on economic propaganda, there is often not a difference between economic propaganda and reckoning.

### **- Empirical Research on the Impact of the Promotional Function of Travel Agencies on the Development of Tourism in Kosovo**

The survey used a convenient sample of travel agencies of 7 (seven) cities on the territory of Kosovo. This survey included 45 (40) travel agencies. Looking at the importance of tourism for the economy and its direct impact with the social product and the national profit: the impact of tourism on the development of economic activities that comprise the tourism economy (traffic, market, catering, communal activities, cultural institutions, etc.) the impact to increase in employment and the living standards, positive impact on balance of wages, influence in development of underdeveloped areas, possibility for foreign investments, importance of tourism in terms of strengthening the prestige of Kosovo in the international level in order to realize the envisaged tasks. Also, an explanation of the issue of organization of tourism in Kosovo, starting with the organization of hotels and other tourist enterprises, organizing tourism in the level of municipalities and regions to the central organization.

The way of organizing is supposed to be this way:

- Every institution should work in full harmony with the duties and obligations that belong to it by law
- Tourist department, to formulate laws for catering and tourism activity;
- Ensuring institutional and legislative conditions and other conditions for a normal offer of tourism economy in the region.
- - Classification, licensing and categorization of tourism activity;
- Creating a vision and strategy for tourism development;
- Promotion of spatial planning regulations;
- Promoting urban development in the environment that is important for the development of tourism;
- Promoting the development of tourism activity for the product of tourism products and interesting products for the market, but also
- Increasing the quality of the tourist offer at the local, regional, national and international level;
- Incentives for the development of tourism infrastructure and superstructure;
- Monitoring the developmental tourist trends on the national and international level;
- The cooperation of the tourism department with tourist local associations and international;
- Creation of investments for tourism;
- Marketing activities for the promotion of tourism;
- Ministry and its organization association;
- Human resources - trainings;
- Legal framework.

## **Conclusion**

The market research can realistically plan the overall marketing activities and expect the travel agency to succeed on the market. This implies a detailed examination of the economical, sociological, demographic, psychological and other characteristics and factors that shape them. The results of research on the tourist market and the behavior of tourists represent the basis for overall marketing research of the travel agency, which allows consumers, respectively, tourists to be in the center of the overall work of the travel agency.

The research on the tourism market is such an approach that aims to obtain the information necessary for the realization of the business policy of the travel agency. This means that the research on the tourism market implies research of the competition on the market. It needs to be careful to examine all factors from which depends the success of the travel agency. The tourist services offered by the congress, ie their quality and quantity, the price of the services, etc., should be thoroughly examined.