STRUCTURAL ANALYSIS OF THE NETWORK THE TOURISM SECTOR. THE CASE OF KUKES DISTRICT

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ABSTRACT

Tourism in Albania is one of the potential sectors for the development of mountainous areas and with limited resources. Despite this fact, information on recognizing this activity in terms of destination and attractiveness at local levels remains limited.

The heterogeneity of actors and activities, as well as the complexity of interactions between them makes the recognition and functioning of this sector even more complicated.

Based on a broad review of field literature and field diagnosis, our study is focused on the structural analysis of the partnership network for the development and promotion of the tourism and evidences the offer, indicators and graphic representation of the relationship. The study finds that the geographic extent of the relationship between the actors for partnership in order to develop and promote the tourist offer varies from local to regional and international level. It is also noted that the transaction costs of interactions for the promotion of tourism offerings are significantly reduced as a result of the development of information and communication technology.

We identified that the density of tourism promotion and development relations is at minimal levels, the fragmentation is very high, so we recommend that the sector needs to be structured through the promotion of increased co-operation among actors involved in the sector.

Another aspect of this study is the assessment of the impact of the partnership for the development and promotion of the tourist offer on members' performance (e.g., impact on the

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revenues of structured network actors) as well as the indirect impact on the region's economy, establishment of enterprises and employment growth.

Key words: cluster, tourism, sustainable economic development

Introduction

The heterogeneity and fragmentation of the organizations involved in the tourism sector brings the need for co-operation between them in order to develop the destinations. In the conditions of globalization, increasing competition, advancements in technology and transport, improving living conditions and increasing tourist demands, creating tourism experience is not only the task of individual tourist providers. In this context, in many countries tourist service providers are organized in various forms such as associations, confederations, organizations, partnerships or alliances, thus creating collaborative platforms that bring them closer to the provider, where the most important element is trust in reciprocal among them, which is the foundation of long-term cooperation. Taking due account of the importance of the cooperation between tourist service providers in tourism and the emphasis on the need for the creation of mechanisms for cooperation at the local, regional or local level, the main problem focussing on this paper is to identify the situation in which it is located structures for the promotion and development of tourist tourism offerings in the Kukes district.

1. Purpose of the study

The purpose of this study is to explore the structure of cooperation of tourism service providers for the promotion and development of tourist tourism offerings in the Kukes Region. Given the fact that the tourist industry is characterized by the heterogeneity of the organizations and the tourism experience is created not by one, but by some touristic service providers, the existence and functioning of a mechanism that will bring the tourist service providers closer together is fundamental. Research on the co-operation structure was applied in the Kukes Region, where 50 tourist service providers were involved. In order to reach the best understanding of the current situation of cooperation, structural analysis of the social network of these tourist service providers has been applied, a new co-operation technique for the county as a destination.

For territories that seek to orient the development strategy and compete at a higher level, identifying this competitive form takes on particular importance. To date, there are no such analyzes that identify the competitive capacity of this sector. Having full information gives the landlords the opportunity to make the right decisions in the most rational way possible.

Based on the theoretical framework and the purpose of the research, the questions that guide the study are as follows.

What is the nature and the main characteristics of the relationship between the different actors for the promotion and development of the tourist offer in the Kukes Region from the network's point of view?

REVIEW OF LITERATURE

Increasing the performance of the tourism sector points to the need for grouping and structuring of tourism stakeholders (Fabry, 2009). Consequently, enterprises need to be organized into networks or clusters of enterprises involved in tourism activity.

The cluster as a special form of network represents an important conceptual framework for studying the relationships of the actors of a destination. Personal relationships are an essential component, as they enable the cluster to be assessed as a social structure. In this context, disciplinary approaches such as sociology and economics are mobilized.

1. **The theory of transaction costs**

The transaction cost theory (TCT), part of the neo-institutionalized (new institutional economics), explains the existence of various organizational forms (or governance structures) by combining transaction costs and production costs. TCT provides an analysis framework of business relationships / collaborations with various parties that may be suppliers, partners, clients or competitors. Transaction cost theory remains current as flows from new information and communication technologies, network structures see their increased interest from the downward trend in transaction costs (Fulconis, 2004 and Joffre, 1999).

2. Social networking theory

The social networking analysis enables the appearance and modeling of the social relationships of actors and relationships (the relationship between the actors), as well as the graphical presentation conceived by the algorithm, which enables to calculate the degrees of strength or density among the actors in the network. The analysis of social networks is also based on the structural approach of relationships between members of an organized social environment. It describes interdependencies between actors as well as simplifies their presentation that Lazega (1998) classifies as "simplified presentation of a complex social system". Social networking is a "technique of exploration and presentation" (Lazega, 1998). Analyzing a social network methodically is an efficient way to understand the structure, the behaviors that result from the interactions between the elements that make up it (Merklé, 2004).

2.1 Structural analysis of social networks

Structural analysis derives from sociology of social networks, studies the relationships and behaviors of actors in order to identify the characteristics with the help of "mathematical models based on graph theory and linear algebra" (Mercklé, 2004).

The predominant approach of social networks is that of "structural analysis" or SNA[2]. This approach was institutionalized by Harrison White and the Harvard School.

SNA application enables explanation of dependent links based on quantitative search methods. In order to have the data about the network, a relationship variable or "structural" should be at least defined, which implies a variable that links all the social system actors involved in the study (Lazega, 2007).

Network structural analysis theory is applied to describe the real world. The study focuses on the structural analysis of networks. In order for the study to be coherent and understandable, Lazega (2007) proposes that it is necessary that the level of unit analysis in the study be clearly identified. Results can be analyzed in three different levels of analysis: structural, relationships and individual (Lazega, 2007).

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[2] Social Network Analysis

3. Methodology of study

The study is of an exploratory nature based on quantitative research methods. Initially, secondary research was applied based on a literature analysis in the service of identifying and structural analysis of the network. The primary data collection tool is the questionnaire. The study was conducted through a combination of methods between network theory, transaction cost theory and structural analysis methodology to identify the situation in which the relationship structure is based on the promotion and development of tourism offerings. This analysis is done by throwing and processing the data via the UCINET program. The study is extended to the Kukes Region and the questionnaire was distributed to 50 touristic service providers.

4. Analyze and discuss search results

In the partnered tourism development and promotion partnership partner-partner partnership has been identified based on the survey / assessment provided by the accommodation units that develop their activity in Kukes Region. From the analysis of the results it turns out that the attributes of the actors involved in the partnership for the development and promotion of the tourist offer are small and medium enterprises as well as the life cycle varies from the newly matured businesses that develop their activity in Kukës Municipality, Has, Tropoja.

Based on the cooperation for promotion and development of tourist offer from processing the information obtained from the questionnaires were issued the indicators presented in the table as well as the visualization of relations as shown below.

Table 1. Partner-Partner Relationship

Indicators	Value
Density	0.024
Connectedness	0.042
Fragmentation	0.958

Figure 1. Partner-Partner Relationship
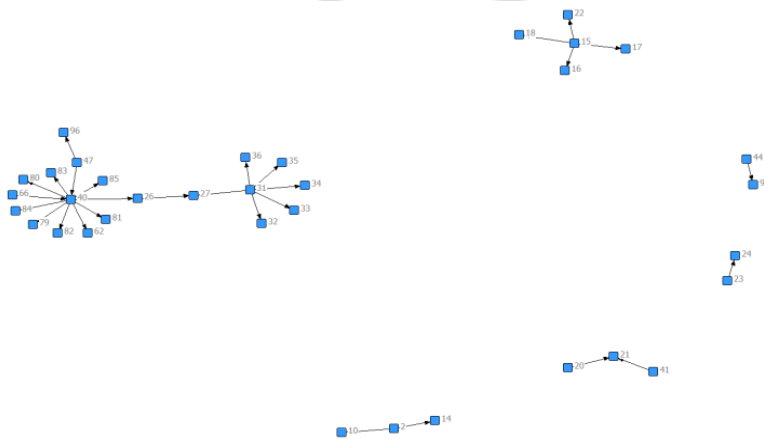
The partnership relationship analysis focuses on the nature of partnership transactions for the development and promotion of the tourist offer. Based on the nature of the transactions, namely the partnership for development, promotion of the tourist offer it is concluded that the geographic extent of the cluster ranges from the local level to the national level such as Tirana (actors 2, 15, 40, 23, 26, 47), Peshkopi (actor 2) (Actor 40), Berat (actor 44), Kosovo (actor 31) and international like Netherlands (actors 20 and 41), Slovenia (actor 31), Slovakia (actor 31), Hungary (actor 31).

Empirical studies focusing on network analysis show that increased competitiveness through cost reduction was the main reason for partnerships (Fréry, 1997; Livian, 1998; Géniaux et Mira-Bonnardel, 2003). Current information and communication technology has been considered by tourist service providers as a potential tool to improve communication between actors (easier, less costly, faster and more accurate) and has facilitated international bid promotion by reducing significantly the transaction costs (case of partnership between local actors with actor 21).

Co-operation of various stakeholders in the tourism sector at the Qark level results in poor connections. Also, there is a complete lack of cooperation and support from local government, and this has a negative effect on common policies in order to structure and promote the tourist offer.

Conclusions

Faced with strong competition, limited resources territories have to rely on differentiation strategies. In other words, to be competitive, the economies of scale approach is replaced by the approach of using specific territorial resources as a differentiation strategy.

Choosing why the research work presented in this paper focused on the tourism sector was because this sector is viewed by central and local leaders as a potential economic resource for the sustainable development of hilly and mountainous areas.

The results from the structural analysis of the network for the relationship between tourism service providers of the Kukes Region highlighted the indicator of the density of the links in minimal values. The relationship structure is unbalanced as a result of the density of very weak links, the fragmentation of very high links, and the very high links. Consequently, the tourist offer is painted, the consequence of which is reflected in the lack of definition of common objectives and policies.

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