

4.2 Marketing of craft products, a panorama from Albania

The purpose of this monograph is to give a reflection of artisan products sector in Albania through analysis of interest groups focusing on the marketing of these products and the role it can play the application of the concepts of intellectual property in marketing strategies.

Hypothesis

- Relatively few efforts to promote sector development
- Application of old methods of marketing on craft products, non-recognition of its basic concepts and application of successful marketing strategies
- Lack of knowledge on the role of intellectual property and value it gives businesses craft products

Research methodology of data collection will be divided in two phases.

- a. In the first phase to establish a general view of industry or handicraft products sector
- b. In the second phase of in-depth study on various aspects of this sector mainly related to the marketing and use of intellectual property as an element of marketing strategies. The monograph will begin with an extensive search of secondary data related directly or indirectly with artisan products industry.

4.2.1 OBJECTIVES

In order to achieve better results to see the situation of artisanal products sector in Albania, forms of marketing and their application in the industry and focusing more specifically in the application of some concepts of intellectual property in this sector and their involvement marketing strategies, took drafting this monograph hoping to raise awareness of the goods coming from the intensive development of this sector as part of cultural and ecological tourism and to offer recommendations and potential solutions for many problems that exist in this field.

Our modest effort can be translated into these research objectives:

- Description of current situation of craft products sector
- Description of situation recognition and application of contemporary forms of marketing such products;
- Description of the situation about the knowledge of intellectual property in general and their application in the sector of handicraft products
- Identification of existing problems in the sector and finding better solutions
- Reporting their findings based on research findings to improve the functioning of the industry through marketing and modern forms of approximation to international standards using elements of intellectual property in this sector.

Results were supported by previous hypotheses:

- Relatively few efforts to promote the development of handicraft products sector
- Application of obsolete marketing methods obsolete, non-recognition of its core concepts or applying successful marketing strategies
- Lack of knowledge on the role of intellectual property and the value it gives businesses craft products

From the search resulted series of findings on the basis of which are drawn conclusions and made recommendations, presented in this monograph.

4.2.2 RESEARCH METHODOLOGY

Being a field that is rarely studied before, and collection of data was quite difficult, collection of data passed in two stages: In the first phase created a general view of industry or handicraft products sector, while the second phase was studied in depth on different aspects of this sector mainly related to the marketing and use of intellectual property as an element of marketing strategies.

In the theoretical study of visual arts are included due to classification as artwork or works of art and plenty of similarities in format and apply the elements of marketing and intellectual property rights. While in the practical study focused solely on craft

products. The study started with a quest to expand the secondary data both inside and outside the country that directly or indirectly related to the craft industry products. The study of literature, conducted mainly through major search engines on the Internet, included some microstudies taken around the markets and handicraft industry; publication of various studies related to this area, newspaper articles, annual reports, craft associations, studies in countries the wider region and published on the Internet, material from the Ministry of Culture, Youth and Sports, Institute of Anthropology and Ethnography, Albanian Association of Business Professional Women, Association of Albanian Craft etc.

Primary data was collected mainly through a questionnaire prepared in advance that was completed through individual interviews conducted at points of sale of handicraft products, souvenirs shops and contact artisans or small craft undertakings. It is also realized a number of in-depth interviews with masters of the craft works, worker specializing in preservation and promotion of Albanian cultural heritage which could be introduced and a good portion of the products of genuine craft and non-leading organizations aimed at promoting the development of this sector.

4.2.3 THE SELECTION OF SAMPLE

From the specifics of the study of a specific sector of the industry as it is the crafts and products of selected samples was thought to be not a probability sample, but to be a judged sample. For in-depth interviews that were conducted were selected experts in the field of craftsmanship and master of these works, representatives of associations of handicrafts in the towns of Tirana, Shkoder, Kruja, Gjirokastra and Saranda being a city with great development compared with other cities craft products sector.

To see the problem of marketing of these products, the challenges faced every day, knowledge about intellectual property concepts and their application was selected a sample of shops trading in these products that were mostly small businesses classified as souvenir shops and artistic products and some other stores retail trading in these

categories of products. 33 interviews were conducted by completing a questionnaire prepared in advance, but were completed and open discussion, which was withdrawn opinion about key issues of interest and problems of concern. 10 interviews were conducted in-depth with artisan masters and several representatives of associations of craftsmanship and the specialist public sector which resulted from a lot of valuable information for exploring the current situation, challenges, different problems and lost opportunities so far.

4.2.4 RESULTS OF THE STUDY AND THEIR ANALYSIS

Results of the study of the interviewed sample showed that most traders and artisans and craft souvenirs are over the age of 40. Their education varies with a large percentage with higher school education, but also those with higher education constitute a significant part. Few artisans who have elementary education and they are mostly aged over 50, which have inherited the art of making craft products from their predecessors and make a living with them.

- It seems clear that establishing a business producing and selling handicraft products is made possible in most cases after 2000. Until 90' most master workers were "Artistic Enterprise". With the development of legal infrastructure and increase investment opportunities they revived their private businesses.

- The random legal form of these artisans is 'natural' and rarely these are organized into a limited liability company and not seen a further development of activity in the partnership or "joint venture". This shows that the craft sector has not yet received a proper form of business and has failed to develop a legal organization with all relevant rights and obligations. In most cases the activity is a family heritage being presented in the form of family business, as a result of family members being employed. In addition the average number of employees varies between two and three workers. Rarely face an enhanced activity on more workers. It should be noted that in the number of employers are included also the retailers aides and not only master artisan.

- Countries with the most evident culture to produce artistic craft, which have kept the tradition, resulting in important centers of development are Kruja t with its famous market, Shkodra a cradle of ancient culture, Berat, Gjirokastra. With themigration of the population over the past decade Tiana has become the center of the presentation of craft products. It should be emphasized that most of the dealers are supplied by such cities, but lately it is being felt the impact of imported products from abroad (mainly neighboring Greece) to craft souvenirs.

- With no less significance and it is problematic to say that the occupation of craft products from the Chinese market is dominating the albanian market. Feature of these imported products is the low cost of purchase and the many colors that represent a beautiful view of "lying". We emphasize "lying" because apparently are quite beautiful colored eye-catching but not genuine products of inherited folk crafts of our country. It is because of this reason that albanian artisans feel quite threatened by imported goods "craft" but which in itself are manufactured in a factory. Although 45% of respondents have commented that do not feel threatened by mime strength of these products is growing by huge steps taking the market by products of genuine mastery and the legacy of the Albanian people. In most cases we are dealing with a talent inherited generation after generation, talent that is not adapted to the evolution of time and preferences of potential consumers of these products.

- Usually these products are intended for local residents and for tourists. But a product can not be sold itself. Notions such as marketing and promotion of craft products, market research, trade marketing, protection of copyright, intellectual property creation. Even though these words may be recognized by artisans as part of the vocabulary of the Albanian language, in most cases they remain just words. Promotion of handicraft products not used by the majority of respondents and that small part of the 12% who used in most cases meant a spot in a press advertisement or other media.

- A very important phenomenon was that the artisans or traders of these products had no knowledge of existing or potential customers. This is because market

research when applied meant the requests made by the consumers. No form of correct market research is applied.

- Intellectual property, a concept not known to this part of the respondents but that includes a percentage and a general phenomenon for this sector. Since the artisans do not have knowledge about forms of protection of their exclusive products, their development for the Albanian economy is still far from reality. Non-recognition of protection of copyright, and the absence of a mark "Made in Albania" for products destined for export, is a fact that deprives the progress of these talents.

- An important place on the progress of this sector must take the state to support programs or creating the appropriate legal infrastructure. About 91% of respondents had even minimal information about the implication of the state in this sector. Recent albanian government effort to help the artisans is the creation of a special law, but that is still in a draft stage.

- It is very important to note that artisanal products are still not treated properly. The value of handmade products abroad is considered quite large and financially compared with Albanian products. 64% of the group say that the prices applied for craft products are quite low and the report quality / price is not satisfactory, so that high quality craft products lost value because of lower prices (61%).

Which is the future of these products?

About 55% of respondents are not confident about the future of their activity even though a large percentage of them (94%) want to expand activities in the years ahead. Challenges and problems highlighted during the interview had to do with protecting their products and greater support from Albanian government.

4.2.5 Graphic results of the survey

The questionnaire presented to souvenirs shops or craft atelieve is included in annex no.1.

Table 1.

The first question. Age of respondents

Age	Frequency	Percentage	% of accumulated
Under 30 years old	4	12	12
From 31 years up to 40 years old	8	24	36
Over 40 years old	21	64	100
Total	33	100	

It is noted that most of the respondents are between 31 and 40 years old.

Table 2.

The second question. Education of respondent

Education	Frequency	Percentage	% of accumulated
8 years old	4	12	12
High school	19	58	70
University	10	30	100
Total	33	100	

Most of the artisans or craft souvenirs traders have a high school education. Not small is the percentage of those with university.

Table 3.

The third question. Legal form of business where artistic craft products are traded.

Legal form	Frequency	Percentage	% of accumulated
Physic person	32	97	97
Ltd	1	3	100
Partnership	0	0	100
Total	33	100	

In most cases, artisans or craft sales activities are organized as physic persons.

Table 4.

The Fourth Question. The time of the opening activity.

Start time of handicraftsman activity	Frequency	Percentage	% of accumulated
Before '90	7	21	21
1990 – 2000	11	33	55
After 2000	15	45	100
Total	33	100	

Is the period after 2000 that has made possible the evolution and establishment of production activity and sales of handicraft products.

Table 5.

Question five. The origin of the craft products traded.

Types of products traded	Frequency	Percentage	% of accumulated
Produced in Shqiperi	29	88	88
Produced abroad	1	3	91
Both	3	9	100
Total	33	100	

The main countries supplying craft products.

Table 6.

Supplier countries	Frequency	Percentage	% of accumulated
Tirana	17	28	28
Kruja	20	33	61
Shkoder	15	25	85
Abroad Albania (Greece)	1	2	87
Produced by their own	8	13	100
Total	61	100	

Most of craft products made by well-known cities as the cultural heritage hearth popular crafts. Mention here Kruja, Shkodra, Berat, Gjirokastra, etc. Although 88% of respondents provide products within the Albanian territory, trading in foreign markets began to become reality.

Table 7.

Question six. Reasons of trading of craft products.

Reason	Frequency	Percentage	% of accumulated
Market with high profit	30	91	91
Products with high demand	1	3	94
Others *	2	6	100
Total	33	100	

Crafts products are a particularity of every nation. This especially makes them very attractive. The fact that the craft sector is a high profitable market is one of the reasons for the creation of manufacturing activity and selling them. Another reason is the legacy of their creation from generation to generation (6%).

Table 8.

Question seven. Forms of finding craft products

Channels	Frequency	Percentage	% of accumulated
Directly from the manufacturer	23	70	70
From wholesalers to retails	5	15	85
From other intermediary	5	15	100
Total	33	100	

About 70% of craft products dealers have established direct links with their manufacturers. The distribution channel from wholesalers manufacturer then to retail manufacturer and to the final customer has not yet taken final form.

Table 9.

Question eight. The price of craft products is considered low, high or average?

Price	Frequency	Percentage	% of accumulated
Low	21	64	64
Average	11	33	97
High	1	3	100
Total	33	100	

Table 10.

Question nine. Do you need publicity for your craft products?

Need for publicity	Frequency	Percentage	% of accumulated
Yes	28	85	85
No	5	15	100
Total	33	100	

Have you ever applied to your business promotion forms of craft products?

Promotion	Frequency	Percentage	% of accumulated
Yes	4	12	12
No	29	88	100
Total	33	100	

Have you ever done market research?

Market Research	Frequency	Percentage	% of accumulated
Yes	1	3	3
No	32	97	100
Total	33	100	

Although most of the artisans or traders of these products think that promotion is essential folk crafts, 88% of them do not apply it. A fact to be noted is not the implementation of 'market research' (97% of respondents), which is quite necessary to determine customer preferences and possible identification of potential clients or keeping it current.

Table 11.

Question ten. Do you know the concept of "Intellectual Property"?

Intellectual Property	Frequency	Percentage	% of accumulated
Po	4	12	12
Jo	29	88	100
Total	33	100	

Informing participants of craft sector about forms of protection products and their talent is very important, but 88% of respondents did not recognize the concept of intellectual property and even not the way of protection from no fair competition.

Table 12.

Question eleven. Do you know if any of your craft products traded under a commercial brand?

Intellectual Property	Frequency	Percentage	% of accumulated
Yes	3	9	9
No	30	91	100
Total	33	100	

"Made in Albania": placement and creation of a trade mark of craft products is the main step for the protection of copyright, the development of this sector and his opportunity for recognition in foreign markets. Not less but 91% have no knowledge about trading crafts products under a brand name shopping.

Table 13.

Question twelve. How many employees do you have in your activity?

Employed	Frequency	Percentage	% of accumulated
Family Business (working family members)	5	15	15
1 to 2	20	61	76
3 to 4	8	24	100
More	0	0	100
Total	33	100	

Craft parlour are seen as a family business where is reflected the legacy of this talent from generation to generation. However, in most cases (61%) average number of employees is 1-2 persons.

Table 14.

Question thirteen. Who are the target customers of craft products.

Category of target customer	Frequency	Percentage	% of accumulated
Local residents	1	3	3
Foreigners - tourists	1	3	6
Both categories	31	94	100
Total	33	100	

94% intended to attract their own clients, which comprises both local residents and tourists.

Table 15.

Question fourteen. Do you feel threatened by imported products emulation?

Imitated products	Frequency	Percentage	% of accumulated
Yes	18	55	55
No	15	45	100
Total	33	100	

Flux of imitative products in Albanian markets has negatively impacted Albanian craft sector. Although 45% of respondents stating that they do not feel threatened by these products, it would be very important to exist forms of protection to this phenomenon.

Table 16.

Question fifteen. How do you think the future of this business?

The future	Frequency	Percentage	% of accumulated
Better	13	39	39
Worse	1	3	42
Threatened	1	3	45
No idea	18	55	100
Total	33	100	

Table 17.

Question sixteen. Challenges and problems that face in this business?

Challenges and Problems	Frequency	Percentage	% of accumulated
No fair competition / Mock out	4	12	12
Lack of support from the Government	3	9	21
No response	26	79	100
Total	33	100	

The last question of questionnaire aimed at identifying the challenges and problems faced by artisans or any member of the craft sector.

79% of respondents have not given a response.

However the rest identified two of main problems but not only for the sector such as lack of support from Albanian Government in creating an infrastructure and inability to be protect against multiple imitation and from unfair competition.

Conclusions

1. Craft products sector does not have a complete distribution channel. It is very dery difficult for craft products to move to the final consumer or buyer.

2. Channel marketing is not developed or is developing at a very mediocre level in some cases.

3. There isn't a system of integrated marketing communications to support crafts and souvenirs sector to reach the final buyers, both international and domestic.

4. All manufacturers of craft products and souvenirs, as well as all department sales of these products, face a lack of management, communication, financial, design and marketing and research capabilities.

5. There is no law to protect and regulate the artisanal sector, the production and sales of these products.

6. There is a total discrepancy between where the craft products and souvenirs are offered for sale and the places where are the real buyers. This is connected with seasonality. But this fact makes it difficult for these businesses to manage their inventories.

7. There are not correct local politics in support of this sector. But recently are created several important initiatives undertaken by several Albanian cities and regions

in relation to the promotion of the artisanal sector, along with other important developments in the tourism sector, as we can mention: the municipalities of Korça, Shkodra , Elbasan, Gjirokastra, Tirana, etc.).

8. Prices: In most cases, consumers of these products and especially tourists require either a small souvenir minimum prices to get as memory or something of value many times higher, but with high quality. Both these cases should be taken into consideration by the artisans.

9. There is a lack of investment, particularly in the manufacturing sector of the artisans in terms of techniques and new technologies, as well as tools and equipment they use. There are still used tools that were used during the previous regime.