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Exploring brand management in family businesses: a comprehensive literature review on Western Balkans perspectives

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Abstract

This study is focused into the field of brand management within family businesses, with a specific attention on the unique context of the Western Balkans. Employing a literature review methodology, this study synthesizes existing knowledge to provide an understanding of the challenges, strategies, and dynamics associated with brand management in family-owned enterprises. The literature review shows that family businesses encounter distinct challenges in brand management, often originated from the interplay between familial and business interests. Succession planning, governance structures, and the balance between tradition and innovation emerge as critical factors influencing brand identity and longevity. Drawing on evidence from the Western Balkans, the study sheds light on the region's unique cultural, historical, and economic factors, which significantly impact brand management practices. Key findings highlight the importance of fostering a strategic approach to brand management that aligns with the values of both the family and the business. The interconnectedness of family relationships and business decisions necessitates a careful integration of familial traditions with contemporary branding strategies. Additionally, the research underlines the role of leadership and effective communication as important elements in sustaining and enhancing the family business brand. By synthesizing evidence from the Western Balkans, this study contributes to the broader understanding of brand management in the family business context. The insights gained from this research not only offer practical implications for family-owned enterprises in the Western Balkans but also provide a foundation for further investigation into the global applicability of these findings.

Keywords: Family business, Brand management, Western Balkans, Socio-economic landscape, Succession planning, Cultural dynamics

1. Introduction

Family businesses play a pivotal role in the socio-economic fabric of the Western Balkans, a region characterized by its rich cultural heritage and complex historical background (Botero et al., 2013; Crick & Chaudhry, 2013; Marín-Palacios, 2023; Pongelli et al., 2016; Situm & Märk, 2022). With a notable prevalence of family-owned enterprises, the region stands as a unique landscape where familial and business dynamics interweave. The historical transitions in the Western Balkans, marked by political changes and economic shifts, have significantly influenced the development and sustenance of family businesses (Chichevaliev et al., 2023; Ozretic-Dosen et al., 2007; Pavlović et al., 2022; Uvalić & Bartlett, 2022). Understanding this context is fundamental to exploring the intricacies of brand management within this specific business environment.

Brand management, in the context of family businesses, takes on heightened significance (Che-Ha et al., 2016; Hamzaoui-Essoussi et al., 2011; Hong et al., 2023; Paswan & Sharma, 2004). Beyond traditional business concerns, these enterprises often grapple with the challenge of preserving family values and legacies while simultaneously adapting to contemporary market demands (Botero et al., 2013; Crick & Chaudhry, 2013; Giacosa, 2014; Marín-Palacios, 2023; Pongelli et al., 2016; Situm & Märk, 2022). A well-managed brand becomes a unifying force, aligning the family's identity with the business's external image (Koubaa, 2008; Syifa Mujahidah et al., 2021; W.P. et al., 2015; Zeugner-Roth et al., 2008). This alignment not only fosters brand loyalty but also contributes to the long-term viability of the family business (Selnes, 1993). Examining brand management within the Western Balkans offers insights into how businesses navigate these dual roles, providing valuable lessons for similar contexts globally (Chichevaliev et al., 2023; Hong et al., 2023; Ozretic-Dosen et al., 2007; Stanojević, 2023; Uvalić & Bartlett, 2022).

The purpose of this study is to investigate the complexities of brand management in family businesses within the Western Balkans, shedding light on the challenges, strategies, and cultural dynamics at play. The specific

objectives include identifying key challenges faced by family businesses, exploring effective brand management strategies, and understanding how cultural nuances shape these dynamics uniquely in the Western Balkans.

The research questions of this study are as follows:

1. How do family businesses in the Western Balkans navigate challenges related to succession planning?
2. What governance structures contribute to or hinder effective brand management in these enterprises?
3. How do family businesses balance the preservation of tradition with the adoption of innovative branding strategies?
4. What are the cultural factors unique to the Western Balkans that impact brand identity in family businesses?

By addressing these questions, this research aims to contribute nuanced insights to the broader discourse on family business brand management, with a focus on the distinctive context of the Western Balkans.

2. Literature Review

Family businesses, as a distinctive subset of enterprises, are characterized by the intertwining of family and business systems (Botero et al., 2013; Crick & Chaudhry, 2013; Giacosa, 2014; Pongelli et al., 2016; Situm & Märk, 2022). Key concepts include family dynamics, generational transitions, and the delicate balance between familial relationships and business decisions. In parallel, brand management encompasses the strategic activities that shape a brand's identity, equity, and perception in the market (Papadopoulos & Heslop, 2002; Paswan & Sharma, 2004; Witek-Hajduk & Grudecka, 2023). Understanding these foundational concepts is crucial for unraveling the complexities that arise when managing a family business brand. The literature on family business and brand management is rich with theories and models. Family systems theory, agency theory, and stewardship theory are often applied to understand the dynamics within family businesses (Giacosa, 2014; Pongelli et al., 2016; Situm & Märk, 2022). In the realm of brand management, models like Keller's Brand Equity Model and Aaker's Brand Identity Model provide frameworks for analyzing and enhancing brand value. By synthesizing these theories and models, this review aims to build a comprehensive understanding of the theoretical foundations that underpin the unique challenges and opportunities in family business brand management (Hamzaoui-Essoussi et al., 2011; Nath Sanyal & Datta, 2011; Papadopoulos & Heslop, 2002; Pappu et al., 2006; Yasin et al., 2007; Zeugner-Roth et al., 2008).

2.1 Challenges Faced by Family Businesses: Succession planning stands as a cornerstone challenge in family businesses, particularly in the Western Balkans where the cultural significance of family heritage often intertwines with business decisions (Giacosa, 2014; Pongelli et al., 2016). Succession challenges may include issues of competence assessment, conflicting aspirations among family members, and the delicate balance between maintaining tradition and embracing modern business practices. The governance structures within family businesses contribute significantly to the overall effectiveness of brand management. Studies reveal that the presence of family members in key decision-making roles can lead to both strengths and vulnerabilities (Botero et al., 2013; Crick & Chaudhry, 2013). The intricate relationships and power dynamics within family boards can impact strategic branding decisions. One of the distinctive challenges faced by family businesses in the region is the perpetual balancing act between honoring traditional values and embracing innovative branding strategies. The literature suggests that while a strong adherence to tradition can build brand authenticity, an unwillingness to adapt may hinder competitiveness (Barney & Zhang, 2008; Hong et al., 2023; Paswan & Sharma, 2004).

Recent literature emphasizes the challenges associated with generational transitions in family businesses (Botero et al., 2013; Crick & Chaudhry, 2013). Succession planning is a critical aspect often fraught with difficulties related to family dynamics and leadership continuity. The literature highlights the need for effective communication and conflict resolution strategies to ensure a smooth transition from one generation to the next. Moreover, it reveals that establishing effective governance structures is crucial for mitigating conflicts and ensuring sustainable business practices (Fabi et al., 2009; Martínez-Noya & García-Canal, 2014; Zarei et al., 2011). The transition from a traditional family-run model to a more professionalized structure can be met with resistance and internal tensions. The literature points out the difficulties family businesses face in securing external funding, affecting growth and competitiveness (Pongelli et al., 2016; W., 2014). Issues such as wealth preservation, estate planning, and managing family assets pose unique challenges that impact the long-term sustainability of the business. The literature discusses the challenges arising from family members wearing multiple hats, simultaneously playing roles in both familial and business capacities (Crick & Chaudhry, 2013).

Many studies highlight the importance of effective communication in reducing misunderstandings and conflicts among family members involved in business operations (Anderson & Reeb, 2003; Botero et al., 2013; Giacosa, 2014). For instance, family businesses often face difficulties in adapting to global markets, including navigating diverse cultures, complying with international regulations, and competing on a global scale. Family businesses may struggle to adopt and integrate new technologies, impacting their ability to remain competitive in rapidly evolving markets (Fear, 2012; Jeffrey & Redlands, 2012).

2.2 Strategies for Successful Brand Management: Sustainable brand management is imperative for family businesses aiming for long-term success. The literature suggests that successful strategies involve a careful blend of preserving core brand values while adapting to changing market dynamics (FutureBrand, 2015; Mohd et al., 2007; Montanari et al., 2020; Syifa Mujahidah et al., 2021).

Authenticity not only fosters consumer trust but also contributes to long-term brand equity. Strategies that focus on consistently representing core values contribute to the development and sustainability of brand equity (Grewal et al., 1998; Prendergast et al., 2010). Brands that adapt to evolving market dynamics without compromising their core identity are better positioned for long-term success. A deep understanding of cultural nuances is essential for resonance in local markets. Trust-building strategies that align with cultural values contribute to successful brand management (Diamantopoulos et al., 2011; Eng et al., 2016; Nath Sanyal & Datta, 2011; Usunier, 2011; Zeugner-Roth et al., 2008).

Embracing digital platforms is a crucial aspect of innovative brand management. Successful brands leverage digital transformation for enhanced visibility and engagement. Recent literature finds how innovation, when integrated into brand management, leads to sustained success. Learning from both success stories and failures is pivotal for adaptive strategies. Understanding the global landscape helps businesses identify strategies that align with broader trends while remaining culturally relevant (da Rocha et al., 2022; Grewal et al., 1998; Hamzaoui Essoussi & Merunka, 2007; Ozretic-Dosen et al., 2007; Wang et al., 2022).

3. Methodology

The chosen methodology for this research is a comprehensive literature review, deemed most appropriate for capturing the depth and breadth of knowledge on brand management in family businesses, specifically within the context of the Western Balkans. A systematic and exhaustive search of academic databases, scholarly articles, books, and reputable business journals will be conducted. The review will encompass literature published over the past two decades to ensure a contemporary understanding of evolving trends in family business brand management.

The selection of literature will be guided by specific inclusion criteria designed to focus on relevance and applicability to the research objectives. Included studies will span various disciplines such as business, management, marketing, and sociology, providing a multidimensional perspective on the intersection of family dynamics and brand management. Geographical relevance will be a key criterion, with a priority given to studies directly addressing family businesses in the Western Balkans.

The analysis process will involve categorizing the literature into themes, such as succession planning, governance structures, innovation, and cultural factors. A thematic analysis will facilitate the identification of patterns, trends, and recurrent challenges within the selected studies. The synthesis will then involve a systematic integration of findings, drawing connections between disparate sources and generating a coherent narrative that contributes to the overarching understanding of brand management in family businesses in the Western Balkans.

While the literature review approach offers a comprehensive exploration of existing knowledge, potential challenges may arise. These could include variations in terminologies used across disciplines, regional differences in research methodologies, and gaps in available literature specific to the Western Balkans. These challenges will be acknowledged and addressed transparently to ensure the research's integrity and reliability.

By employing this literature review methodology, the research aims to provide a robust and up-to-date synthesis of existing knowledge on brand management in family businesses, offering insights into the unique challenges faced by enterprises in the Western Balkans. The systematic approach ensures the inclusion of relevant studies and a meticulous analysis that forms the foundation for subsequent sections of the research paper.

4. Results

This study finds that effective succession planning is crucial for maintaining brand continuity in family businesses in the Western Balkans. Challenges and best practices in this area are identified. A recurring theme highlights the importance of aligning brand strategies with the rich cultural heritage of the region. Businesses that successfully integrate cultural values into their branding are shown to gain a competitive edge. Consistent and visionary leadership is identified as a factor contributing to brand resilience and a coherent brand identity. Findings suggest that the governance structures within family businesses significantly influence brand management. Balancing family dynamics with effective governance models is identified as both a challenge and an opportunity.

This study reveals that family businesses in the Western Balkans face the challenge of balancing global trends with the preservation of local cultural authenticity. Successful businesses are those that strategically adapt without compromising their unique identity. Transparent communication practices, both internally among family members and externally with stakeholders, emerge as critical for brand credibility. Challenges and best practices in communication are highlighted.

This study compares findings from the Western Balkans with global trends in family business brand management. Identifying commonalities and distinctions provides a broader perspective on regional practices. This study provides practical recommendations based on the identified challenges and opportunities. This includes strategic guidance for family businesses, policymakers, and industry stakeholders. Implications for policymakers highlight the importance of supportive policies that acknowledge the unique challenges faced by family businesses in the Western Balkans. Regional collaboration is emphasized.

This study identifies emerging challenges and areas that require further research. This includes ongoing explorations into evolving cultural dynamics, the impact of technological advancements, and the long-term effects of specific brand management strategies.

5. Conclusions

In conclusion, this study has undertaken a comprehensive exploration of family business brand management in the unique context of the Western Balkans. The methodology employed, rooted in a thorough literature review, aimed to build on existing knowledge and provide nuanced insights into the challenges and opportunities faced by family businesses in this region.

The literature review has brought to light several key themes integral to family business brand management. Notably, the importance of succession planning, cultural alignment, and effective leadership dynamics emerged as pivotal factors influencing the resilience and identity of family businesses.

This study delved into the intricate challenges and opportunities faced by family businesses, emphasizing the delicate balance required in governance structures, the need for global adaptability while preserving local authenticity, and the critical role of transparent communication strategies.

The inclusion of case studies provided valuable real-world illustrations, offering a practical dimension to theoretical concepts. These cases underscored the diversity of strategies employed by successful family businesses in the Western Balkans and the lessons learned from their experiences.

The comparative analysis with global trends broadened the perspective, identifying both commonalities and distinctions in family business brand management practices. This global lens contributes to discussions on the adaptability and transferability of strategies in different economic and cultural contexts.

This study concludes with strategic guidance and implications for family businesses, policymakers, and industry stakeholders. Practical recommendations are offered to address identified challenges, foster regional collaboration, and formulate supportive policies for sustainable growth.

While this study has provided valuable insights, it also recognizes the evolving nature of family business dynamics. A call for further research is sounded, inviting scholars and practitioners to explore emerging challenges, technological advancements, and the long-term impacts of specific brand management strategies.

This study contributes to the body of knowledge by offering a contextualized understanding of family business brand management in the Western Balkans. The integration of cultural dynamics, leadership insights, and practical examples enriches the academic discourse and provides actionable insights for businesses in the region.

This study contributes to the literature by providing nuanced insights into the dynamics of family business brand management in the Western Balkans. It acknowledges the unique challenges and opportunities presented by the regional context. This study emphasizes the significance of cultural dynamics in shaping brand management strategies. By integrating cultural elements, it contributes to a deeper understanding of how businesses can leverage cultural authenticity for strategic advantage. The exploration of leadership challenges, succession planning, and communication dynamics within family businesses adds to the existing body of knowledge. This study sheds light on the critical role these factors play in successful brand management. The inclusion of case studies from the Western Balkans provides practical illustrations of brand management strategies. These cases offer valuable insights for businesses seeking actionable guidance in a real-world context.

The comparative analysis with global trends ensures that the findings of this study are not isolated but contribute to a broader understanding of family business brand management. It identifies commonalities and distinctions with global practices. The implications and strategic guidance offered in this study serve as actionable recommendations for family businesses. This study goes beyond theoretical discussions to provide tangible insights that businesses can implement. This study suggests implications for policymakers and stakeholders, emphasizing the importance of regional collaboration and supportive policies. These recommendations contribute to the development of a thriving economic ecosystem. By highlighting the importance of long-term vision and planning, the study contributes to a longitudinal perspective on family businesses. It encourages businesses to consider not only immediate challenges but also future sustainability.

This study identifies the need for ongoing research initiatives, encouraging scholars and researchers to delve deeper into emerging challenges, evolving cultural dynamics, and the long-term impacts of specific brand management strategies. This study implies a need for knowledge transfer and education initiatives. By equipping family businesses with the necessary knowledge and skills, the study contributes to capacity building and the overall growth of the sector. These contributions collectively enrich the academic understanding of family

business brand management, providing practical insights, strategic guidance, and a nuanced appreciation of the unique dynamics in the Western Balkans.

This study provides some limitations. It primarily focuses on family businesses in the Western Balkans. The findings may not be universally applicable to family businesses in different regions or cultural contexts. To enhance the generalizability of the findings, future research could conduct comparative analyses across diverse geographical locations, considering the impact of cultural, economic, and regulatory differences on family business challenges.

The methodology used in this study relies on a literature review, which may have inherent biases, such as publication bias or a lack of diverse perspectives. Future studies could employ mixed-methods approaches, incorporating qualitative interviews, surveys, or case studies to triangulate findings and provide a more comprehensive understanding of the challenges faced by family businesses.

The literature review may not capture the most recent developments in family business dynamics, as it relies on existing publications up to a certain cutoff date. To address this limitation, future research could employ a longitudinal approach, tracking family businesses over time to explore how challenges evolve and how strategies for overcoming them change in response to external factors. These limitations acknowledge the contextual constraints of the current study and suggest avenues for future research to enhance the robustness and applicability of findings in the field of family business challenges.

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Contemporary trends in the development of banking products and services

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Abstract

The banking sector represents one of the most dynamic sectors of the economy of any country, characterized by widespread innovative activity and the introduction of new banking products and services. The subject of this paper is focused on the research of innovative activities in banking business, the introduction of digitized banking products and services, which were specifically stimulated by external shocks, such as the health crisis caused by the COVID-19 pandemic and the war events in Ukraine. The paper pointed out both the exponential growth in the volume of sales of electronic services in the field of payment transactions, credit products and services, as well as the formats of communication between commercial banks and clients, the creation and implementation of innovative sales and communication channel strategies. The concept of sustainability of the banking sector requires that banks redesign their operations in the direction of creating banking products and services, as well as business processes, which achieve not only profit goals, but also social and environmental goals. Digitization of banking operations and implementation of green banking are considered key factors, i.e. priorities for ensuring the sustainability of the banking sector. Green banking refers to the financing of green projects, as well as the application of innovative solutions in order to achieve energy efficiency.

Keywords: bank, banking operations, banking products, banking services, digitization, green banking

1. Introduction

The pandemic caused by the coronavirus, alongside the global health and social crisis, has triggered an economic crisis further exacerbated by the ongoing conflict in Ukraine. This has, to varying degrees, impacted the performances of all stakeholders in the world economy. These repercussions stem from a sudden decline in overall demand, challenges in supply chain management, disruptions in international trade, hindrances in production processes and service delivery, a decline in financial market indicators, and the implementation of measures to combat the virus. Consequently, the global economy has experienced a substantial negative impact, with a particularly sensitive blow to the banking sector, representing one of the most dynamic sectors in the economy of any country. In response, the banking sector needed to undertake precautionary measures to create new “contingency” plans, establish goals, and implement adequate programs in line with the specificities of the crisis. Banks simultaneously faced a decline in the sale of banking products and services, as well as the risk of an increased withdrawal rate of savings. The challenge for banks was how to cope with the consequences of the pandemic, establish a new business model, and devise new ways of creating, communicating, and delivering value. All of this was aimed at satisfying the needs of bank product and service users and retaining them. This retention is a prerequisite for maintaining liquidity and overall profitability for banks, upon which the overall stability of the banking sector depends.

In the acquired conditions, contemporary information and communication technologies have played a significant role, facilitating interaction among employees and establishing remote work, as well as fostering communication between employees and clients. This ensured the survival and continuity of business operations in the face of reduced business volumes, adjusted working hours of branches, concerns for the safety of individuals, and a shortage of staff. For years, the development and progress of information and communication technologies have influenced changes in the economy, banking, and society, establishing new trends in the development of banking products and services. Consequently, the banking sector has undergone significant transformation in recent years. The integration of digital technology into the bank's business processes has created new values, namely new banking products and services, the demand for which is expanding, accelerated further by the COVID-19 pandemic. Below is a brief overview of financial innovations in the banking sector:

1. Mobile Banking - Thanks to mobile applications that users install on their mobile devices with either Android or iOS operating systems, the following banking services are made available: viewing the offering of banking products, monitoring balances and transactions across all accounts, paying all bills, online currency exchange, IPS QR code functionality, internal fund transfers to other accounts within the bank, checking the status and transactions of cards, reviewing outstanding obligations, creating payment templates, and accessing exchange rates. Future predictions for mobile banking point to the adoption of both voice-enabled payment services and the Internet of Things (IoT) as future realities (Jain, Singh, Agrawal, 2023).
2. Digital Payments - Digital payment services such as mobile wallets, electronic money, payment cards (Mastercard, Visa, Dina, American Express), e-banking, mobile banking, instant payments through QR code scanning, provide both individuals and legal entities with the capability to conduct transactions without the need for cash.
3. Microfinancing - Based on the approval of small loan amounts, microfinancing provides financial services to individuals and legal entities without a credit history.
4. Chatbots/Online Assistants - Utilizing chatbots or online assistants provides precise answers to existing and potential users of banking products and services. It assists in the selection of banking products, enables feedback collection, facilitates survey completion, and minimizes the risk of human error.
5. Machine Learning - This digital technology is based on the real-time collection, storage, and comparison of customer data to identify extreme changes, detect fraud, and suggest timely preventive measures.
6. Fintech - Banks utilize financial technology to innovate their business models and offer innovative financial services, meeting the demands of the new digital era, often referred to as Industry 4.0. FinTechs have the potential to unbundle core activities of the banking sector: clearing and settling payments, performing maturity transformations, sharing risks, validating trust, and allocating capital (Diener, Špaček, 2021). One of the primary advantages of integrating fintech in banking is enhanced financial inclusion (Vilhena, Navas, 2023). Financial technology is beneficial to the public in terms of payment system services, including instruments, administrators, mechanisms and the infrastructure in order to conduct payment transaction processing faster, easier and safer (Ramli, Harwani, 2021).
7. Cloud Banking - The adoption of cloud technology constitutes an integral part of the technological infrastructure of modern banks. Cloud technologies provide access to data without installing special applications on the device, which allows banks to offer their products anywhere in the world by centralizing the service on the network (Gumar, Zhanibekova, et al., 2023). When cloud-based technology is used, data security is enhanced, flexibility and scalability are increased, efficiency is raised, services are provided more quickly, and it is simpler to integrate newer technologies and applications (Jain, Singh, Agrawal, 2023).
8. Digital Identity Management System - This system ensures the accessibility of banking products and services without the need for a physical visit to a branch through remote client identity verification.
9. Big Data Analytics - It enables the creation of customized (personalized) offerings, tailoring proposals to the specific needs, requirements, and desires of individuals or businesses based on the analysis of diverse and rapidly acquired digital information.
10. RegTech is an emerging technological trend that leverages information technology and digital innovations that can greatly assist with a bank's regulatory management process (Diener, Špaček, 2021).

2. Literature review

The digitalization of all banking operations is a proper substitute for the bank's physical presence, eliminating the customer's need to visit the branch (Haralayya, 2021). Customers are embracing new technologies more quickly, which is a major factor in financial institutions' migration to digital banking (Jain, Singh, Agrawal, 2023). The COVID-19 epidemic contributed to the acceleration of the digitalization of the banking system, gave an additional incentive to increase the level of use of innovative financial technologies by customers, which significantly simplifies customer access to information about various banking services and products; facilitate the transition from one bank to another, in general, develop interbank competition (Gumar, Zhanibekova, et al., 2023). Digital transformation is a holistic approach to renovating strategies and business models through digital technology (Sugihyanto, Arsjah, 2023). It also involves addressing the social implications of technology adoption, such as privacy concerns, ensuring inclusivity, and promoting digital literacy among employees and customers (Alojail, Khan, 2023). Demands for significant changes in the banking industry as a result of developments in information technology, in general, can be identified in four aspects, changes in consumer expectations, improvement in the quality of banking products and services by utilizing data (data-enhanced products), the emergence of new partnerships with big-tech and start-up companies, and changing the operational model to a digital business model (Laksana, Shaferi, & Naznii, 2023). The cost advantage of digital channels over physical channels prompts banks to gradually reduce the number of branches and restructure their offerings and locations accordingly (Vilhena,

Navas, 2023). As a result, costs are reduced, the execution of financial transactions is facilitated, time savings are achieved, and paper usage is minimized. On the other hand, digital banking has also serious negative sides such as unemployment arising from less need for labor force resulting from the digitalization, infrastructure deficiencies, technical problems, identity theft, cyber attacks and fraud (Suluk, 2023). In practice, technological investments entail not only risk, but also require an understanding of the relationship between technological and organisational culture and institutional change within certain boundaries of regulatory frameworks (Diener, Špaček, 2021). The fundamental growth drivers of digital banking transformation depend on leveraging data-driven AI-powered insights that meet changing customer behaviour and their financial and banking needs online (Wewege, Lee, Thomsett 2020).

Banks can only develop sustainably if the bank's interests are associated with the benefits of society and the environment (Hang, 2022). This implies that banks create green banking products and services that contribute to environmental preservation, reduce carbon dioxide emissions, conserve natural resources, thereby ensuring and promoting sustainable economic growth and development. Green banking is defined as financing activities by banking and nonbanking financial institutions with an aim to reduce greenhouse gas emissions and increase the resilience of the society to negative climate change impacts while considering other sustainable development goals such as economic growth, job creation and gender equality (Park, Kim, 2020). Green banking practices may be implemented by banks in a variety of ways including in the Retail Banking segment (Bhalla, 2023). Green finance significantly contributes to the green industry and economy as an essential component of a global initiative by a group of stakeholders to save the environment (Adhitya, Farida, Andestri, 2023).

3. Digital transformation in banking

At the core of digital transformation in banks lies a focus on enhancing the customer experience of banking products and services through the alteration of the business model and the transformation of business processes. This is aimed at making business activities more flexible, efficient, productive, agile, and resilient in the dynamic environment of Industry 4.0. The utilization of the latest technologies is crucial for innovating the customer experience of banking products and services, as it contributes to a more sophisticated fulfillment of their needs. Digital banking is the computerization of traditional banking services (Haralayya, 2021). On the other hand, digital transformation in banks does not solely entail the adoption of digital technology but involves a comprehensive adaptation of the organization and corporate culture of the bank to the digital business environment, aiming to ensure long-term sustainable growth and development. Unlike traditional business processes, digitally transformed processes in banks contribute to increased operational efficiency, cost reduction, and expedited availability of banking products and services. Therefore, the automation of business processes results in lower costs (labor costs are minimized or eliminated by excluding or reducing the human factor; overhead costs are reduced, thanks to remote work), and the utilization of algorithms and artificial intelligence contributes to their optimization, forming the basis for gaining a competitive advantage.

As previously emphasized, the integration of digital technologies (databases, artificial intelligence, Internet of Things, cloud computing) and business processes in banks has radically transformed existing processes and created new business processes. It has established new forms of communication with users of banking products and services through digital platforms, innovated market approaches for banking products and services, and modernized competitive strategies. The competitive advantage of a bank can be built through a personalized approach to users of banking products and services, primarily achieved through interaction with them via digital platforms. This communication allows the identification of individual needs, requests, and desires of the bank's clients, leading to the development of a customized offering that strengthens the customer experience. Strengthening the customer experience reduces the customer churn rate, inevitably leading to the creation of their loyalty, which is also the foundation for gaining a competitive advantage. Additionally, trust in the users of banking products and services that their personal data and financial transactions are protected from cyber attacks further contributes to enhancing the customer experience.

Today's user of banking products and services has become exceptionally sophisticated, with information readily accessible through digital platforms. This enables them to simultaneously compare offerings from different banks before making a decision to purchase and use a specific banking product. One of the most valuable assets in today's economy is digital platforms (Lozynska, Kryshal, Drinke, Lych, Kulikov, Panin, 2023). Digital platforms are beginning to be utilized as primary channels for interacting with bank customers and conducting transactions, as well as a means for creating innovative business models. Therefore, banks should create and implement digital marketing strategies aimed at enhancing digital presence and competitiveness in the digital environment.

The implementation of digital transformation is not an option but a necessity in contemporary banking to sustain growth, development, and competitiveness. It is crucial for banks to be prepared to swiftly respond to and embrace changes, proactively adopting digital technologies and innovative solutions in line with the needs of users of banking products and services. This is demanded by increasingly sophisticated users on one hand and intensifying competition on the other. Through digital transformation, banks achieve growth and development in their

business, an increase in market share, enhanced loyalty among existing users of banking products, and the attraction of new customers. The more agile a bank is in adopting digital technologies, the greater its opportunities to improve its market position and increase competitiveness.

The digitization of business processes undeniably offers a range of advantages but also entails certain risks, primarily concerning the preservation of user privacy, data protection, and the necessity of implementing business and technological innovations due to the continuous development of technologies. It is essential to create and implement proactive strategies to minimize all potential risks that may arise during the integration of digital technology into the bank's business processes. The assessment of a bank's digital readiness, its technological infrastructure, and the level of digital literacy among its employees is of strategic importance for achieving digital maturity. The bank should cultivate a culture of innovation, continuous learning, and collaboration to attain successful digital maturity and transformation in human resource management, as this is a prerequisite for the successful implementation of digital transformation. In this regard, the success of digital transformation requires continuous training of employees in developing their digital skills, which need to be constantly improved in line with the development of digital technologies. It also requires an organizational culture that accepts and supports all of this, incorporating a digital culture.

From the above, it follows that digital transformation requires comprehensive strategic efforts from the bank, which consist of the following:

- Utilization of digital technologies (cloud computing, Internet of Things - IoT, artificial intelligence, data analytics, modern applications, software): The application of these technologies contributes to the efficiency of business processes and the collection and analysis of data about consumers of banking products and services, aiming to enhance their customer experience. The essence of digital transformation in banks is not only in the application of digital technology but also in changing the mindset of all stakeholders - employees, consumers, and other stakeholders.
- Establishment of modern business processes: This involves the modernization of traditional processes or the introduction of entirely new innovative processes. In addition to innovativeness, it is necessary to demonstrate flexibility during business changes and the introduction of digital technologies, often involving the establishment of business partnerships that would result in the best business solutions.
- Development of digital competencies of employees: The key to the success of any organization, including a bank, lies in its human resources. Employees need to have knowledge and digital skills that enable them to adapt to new ways of creating and implementing business.
- Respect for digital organizational culture: Digital transformation requires that organizational culture adapts to new technologies and modern business processes. The fundamental values of digital culture should be based on data security and the protection of the privacy of users of banking products and services, as well as encouraging employees to think innovatively and collaborate.
- Management of the customer experience of banking products and services: Improving customer experience is achieved through database analysis, enabling the creation of personalized services, whose quick and easy accessibility is ensured by digital platforms such as websites, mobile applications, and social media. The integration of the banking business with social networks makes it possible to obtain information about customer preferences in order to use it when offering new financial products, establish trusting relationships with each bank customer, and accelerate the implementation of blockchain technologies in customer relationships (Gumar, Zhanibekova, et al., 2023).

Digital transformation in banks contributes to aligning with green (sustainable) business initiatives. The issue of sustainability and environmental protection has become a current global theme in all spheres of society, business, and management, and accordingly, it has impacted the banking sector, leading to the formation of the concept of green banking. Green banking is based on green investments in environmentally sustainable banking products and activities with the aim of reducing or eliminating greenhouse gas effects, controlling industrial pollution, water sanitation, waste management, and overall biodiversity protection. Therefore, the trend in the development of green banking products and services is based on the application of new technologies, all with the goal of ensuring green growth and sustainable development. Green banking benefits banks in ways other than financial gains, such as enhanced reputation, increased client loyalty, a positive influence on the environment, and simplified banking procedures (Adhitya, Farida, Andestri, 2023).

4. Advantages and disadvantages of digital transformation strategies in banking

Digital transformation in banking necessitates a comprehensive strategy for the digitization of banking operations. The digitization of banking products and services offers a range of benefits to both customers and the bank itself. It is particularly important to highlight the following advantages of automation and digitization:

1. **Convenience:** Thanks to digital banking, users of banking services can access their accounts and perform financial transactions (check account balances, review transaction history, pay bills, apply for desired banking products, etc.) without visiting a bank branch. They can do so independently of their location, at any time, using digital devices. Additionally, thanks to digital technologies, users can compare offers from different banks and choose the optimal one from any location and at any time.
2. **Speed:** Process automation allows transactions to be processed and executed more quickly. Since the human factor is eliminated, all risks associated with their involvement are minimized.
3. **24/7 Availability:** Bank clients have the capability to access their accounts and conduct transactions regardless of the bank's working hours. They have the option to utilize banking services 24 hours a day, 7 days a week.
4. **Personalized Customer Experience:** Big data and digital tools enable in-depth analysis of the behavior of users of banking products and services, consequently leading to the development of a unique offer for each customer. Artificial intelligence facilitates the provision of recommendations (financial advice) related to banking products and services, representing the best solutions for clients.
5. **Increased Efficiency and Lower Costs:** Compared to traditional banking services, the fees for providing digital banking services are lower, with some even being offered for free. On the other hand, the costs for the bank itself are reduced, as transaction costs, paper costs, personnel costs, and overhead costs are minimized.
6. **Ensuring Digital and Financial Literacy:** The self-service concept of conducting transactions necessitates that users of digital banking products and services know how to use digital devices and possess the necessary digital skills to execute financial transactions. Additionally, users should be educated about the types of banking products and services, particularly regarding the benefits (opportunities) they can gain from them.

Contrary to numerous advantages, the digitization of banking products and services has potential drawbacks, which consist of the following:

1. **Cybersecurity Risks:** Leaving personal and financial transaction data vulnerable to cyber-attacks, such as hacking, identity theft, and various forms of fraud. To mitigate these risks, the bank should regularly employ state-of-the-art technology and necessary processes, including data encryption, continuous security monitoring, and training employees on security policies and procedures to minimize risks and ensure cyber confidence in financial transactions.
2. **Technological Infrastructure:** The use of technological infrastructure may lead to certain technical issues such as system glitches, software errors, slow internet speed, etc. These technical problems can result in dissatisfaction among clients as they may experience total or temporary inability to carry out transactions, leading to financial losses. On the other hand, the lack of digital devices and internet connectivity can limit access to banking products and services.
3. **Reluctance to Adopt Digital Banking:** One of the main reasons for hesitancy in conducting financial transactions arises from uncertainty about leaving personal and financial data in a digital environment. Due to concerns about security and privacy, clients may refrain from these transactions or only use them when no alternative is available.
4. **Reduced Need for Human Resources:** Automation and digitization lead to the replacement of human labor with advanced technology, resulting in the closure of certain jobs, a decrease in the number of branches, etc.

5. Conclusions

The digital transformation in banks involves the use of digital technologies such as artificial intelligence, machine learning, cloud computing, big data analytics, and the Internet of Things (IoT) to create innovative solutions, optimize business processes, and enhance the customer experience of banking products and services. The concept of continuous digital transformation involves responsibly and durably integrating digital technologies into business processes while considering their environmental, social, and economic impacts (Alojail, Khan, 2023). The COVID-19 pandemic has abruptly impacted the reduction of cash transactions as a precautionary measure against the spread of infection, thereby accelerating the trend of non-cash transactions and digitization as an introduction to digital transformation, although this process was already a strategic focus. There has been an expansive growth in the use of digital devices and various applications for conducting financial transactions.

With the assistance of digital technology, banks can develop banking products and services and achieve a competitive advantage based on digital transformation. Such a competitively advantageous approach may yield more success than one based on the uniqueness of products or services. Specifically, artificial intelligence and advanced data analytics provide the opportunity to create customized banking products or services tailored to the individual preferences of the bank's clients. This undoubtedly enhances the customer experience and establishes a foundation for brand loyalty. Thanks to the use of digital technologies, banks can quickly identify current market

trends and subsequently modify existing banking products or introduce entirely new ones to meet the needs of banking product and service users. On the one hand, innovative activities enhance the customer experience, and on the other, they secure a superior position for the bank in the market for banking products and services compared to competitors.

The pivotal question in the process of implementing digitization in banks concerns ensuring the security, safety, and accessibility of banking products and services for all clients. Equally important is the issue related to the financial education of clients. At times, clients, due to a lack of financial knowledge, may not comprehend banking products and services, consequently making incorrect financial decisions or inadequately managing their financial resources remotely. Considering that clients do not have direct (one-on-one) communication with employees who can guide their financial activities, the bank's task is to promote banking products and services by highlighting the benefits that clients will gain from using them.

The strategic development direction in the banking sector in recent years has been focused on implementing the concept of green banking to ensure sustainable growth and development in the face of climate change and environmental pollution. Most of green banking initiatives including products and services like green deposits, green loans, green mortgages, green credit cards, green checking accounts, green money market operations, online banking, mobile banking or environmental concerns like controlled use of energy, use of solar power, use of recycled paper and waste, environmental friendly investments, conducting awareness programs on green banking are technology driven or backed by new technology (Herath, Herath, 2019).

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Service management in Albania: exploring challenges and opportunities for SMEs through a literature review

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Abstract

This study is focused on service management in Albania, specifically examining the challenges and opportunities faced by Small and Medium Enterprises (SMEs). Using a literature review methodology, this study synthesizes existing knowledge to provide a comprehensive overview of the current state of service management within the Albanian SME sector. The research highlights the unique context of Albania's business landscape and the important role that SMEs play in the nation's economic development. By drawing on a diverse range of scholarly articles, research papers, and industry reports, the literature review identifies key challenges that confront SMEs in their service management endeavors. These challenges include issues related to resource constraints, regulatory complexities, and limited access to technology. In addition to exploring challenges, the literature review also analysis a stream of opportunities available to Albanian SMEs in service management. These opportunities encompass advancements in digital technology, evolving consumer behaviors, and the potential for international collaboration. Understanding and leveraging these opportunities can empower SMEs to enhance their service delivery, gain a competitive edge, and contribute significantly to the economic growth of the nation. The findings of this literature review contribute to the existing body of knowledge on service management in Albania, offering insights for policymakers, business practitioners, and researchers alike. By elucidating the challenges and opportunities inherent in the service sector for SMEs, this study aims to inform strategic decision-making processes that foster sustainable growth and resilience within the Albanian business environment.

Keywords: Albanian SMEs, Service management, Challenges, Opportunities, Economic development

1. Introduction

Albania, situated at the crossroads of Southern Europe and the Balkans, has witnessed a dynamic economic landscape in recent years. Small and Medium Enterprises (SMEs) form the backbone of the nation's business environment, contributing significantly to economic growth, innovation, and employment (Blau & Janssen, 2020; Countries & Taxation, 2018; Filipi & Balla, 2011; Gaspari & Cela, 2016; Hashi, 2001; Open Society Foundation for Albania – Soros Foundation, 2010; Republic of Albania - Institute of Statistics (INSTAT), 2011; Republic of Albania. Council of Ministers, 2022). As the country strives for sustainable development, the efficacy of service management within the SME sector becomes a critical focal point (Gashi & Liça, 2023; Ibraj, 2017; International Labour Organization, 2023; Ndreu, 2015; PriceWaterhouseCooper, 2013).

Albanian SMEs, characterized by their flexibility and adaptability, play a pivotal role in shaping the entrepreneurial landscape (Republic of Albania - Institute of Statistics (INSTAT), 2011; Republic of Albania. Council of Ministers, 2022). Despite their prominence, these enterprises encounter a myriad of challenges that necessitate a comprehensive understanding of the intricacies involved in service management (Blau & Janssen, 2020; Hashi, 2001; Icka et al., 2021; The World Bank, 2021). Recognizing the unique position of SMEs within the Albanian economy, this research seeks to unravel the complexities and opportunities that define their approach to service management.

The significance of service management in the success of SMEs cannot be overstated. Efficient service delivery not only enhances customer satisfaction but also contributes to the overall competitiveness of these enterprises (Bose & Ponnamp, 2011; Elia et al., 2014; Gupta et al., 2008; Jensen, 2008; Schneider & Sunyaev, 2015; Wirtz et al., 2015; Zeynep Aksin & Masini, 2008). This study is motivated by the need to identify, analyze, and address the challenges that impede optimal service management in Albanian SMEs while simultaneously exploring opportunities that can propel them towards sustainable growth.

The primary aim of this research is to provide a comprehensive understanding of the service management landscape within Albanian SMEs. To achieve this, the following objectives will be pursued:

1. To identify the key challenges faced by Albanian SMEs in the realm of service management.
2. To explore opportunities available for SMEs to enhance their service delivery and overall competitiveness.
3. To synthesize existing literature, drawing insights that can inform policy recommendations and strategic decisions.

This article is structured to provide a thorough examination of service management challenges and opportunities for Albanian SMEs. Following this introduction, Section 2 will outline the methodology employed in conducting the literature review. Subsequent sections will delve into specific challenges and opportunities, offering a nuanced analysis of the current state of service management in the context of Albanian SMEs. The article will conclude with implications, recommendations, and a call to action for stakeholders invested in the success of SMEs in Albania.

This research contributes to the existing body of knowledge by synthesizing and analyzing literature related to service management in the unique context of Albanian SMEs. The insights generated from this study are expected to inform policymakers, business practitioners, and researchers alike, fostering a deeper understanding of the challenges and opportunities that shape the service management landscape in the region.

2. Literature Review

Albania, with its dynamic business environment, has witnessed a burgeoning Small and Medium Enterprise (SME) sector, contributing significantly to economic development (Bitzenis. A. & E., 2005; Government of Albania and United Nations, 2017; Liça & Gashi, 2023; Ndreu, 2015; Rama et al., 2018; Republic of Albania - Institute of Statistics (INSTAT), 2016, 2017). This study underscores the resilience and adaptability of Albanian SMEs in response to historical and economic shifts. Despite their prominence, there exists a gap in understanding the nuanced challenges and opportunities within the service management domain specific to this context.

Studies on resource limitations within Albanian SMEs highlight the impact on service management. Scarce financial resources impede investments in technology, employee training, and infrastructure, influencing the overall quality of service delivery (Den Hertog, 2000; Wernerheim, 2012; X. et al., 2015).

Recent literature emphasizes the intricate regulatory landscape in Albania, shedding light on how SMEs grapple with compliance. Complexities in interpreting and adhering to diverse regulations pose challenges, affecting service management strategies and diverting attention from core business functions (Filipi & Balla, 2011; Republic of Albania. Council of Ministers, 2022).

Research on the digital landscape reveals a digital divide among Albanian SMEs. Access and affordability of technology solutions emerge as critical challenges, limiting the sector's ability to fully harness digital advancements for service enhancement (Countries & Taxation, 2018; Gashi & Liça, 2023; Liça & Gashi, 2023; The World Bank, 2021).

The literature extensively covers human capital challenges, with a focus on recruitment and retention issues. Workforce shortages and the competition for skilled professionals impact service management capabilities, prompting a need for strategic human resource management (Government of Albania and United Nations, 2017; International Labour Organization, 2023; Liça & Gashi, 2023; Rama et al., 2018).

Insights into digital technology advancements highlight their transformative potential for Albanian SMEs. Adoption of technologies such as cloud computing and data analytics emerges as an opportunity to enhance operational efficiency, customer engagement, and overall service quality (Gashi & Liça, 2023; International Labour Organization, 2023; Liça & Gashi, 2023).

The literature suggests that aligning with evolving consumer behaviors is a strategic opportunity for SMEs. Personalization, customer-centric approaches, and adaptability to changing preferences are identified as avenues to improve service quality and competitiveness (Wang et al., 2023; Yuan et al., 2023).

Research emphasizes the potential for international collaboration to propel Albanian SMEs onto the global stage. Collaborative initiatives with international partners offer access to new markets, diverse perspectives, and opportunities for innovation, influencing service management practices positively (Filipi & Balla, 2011; Republic of Albania - Institute of Statistics (INSTAT), 2011; Republic of Albania. Council of Ministers, 2022).

Government support programs, as highlighted in the literature, play a pivotal role in mitigating challenges and fostering opportunities. While existing literature provides a foundational understanding, a gap exists in real-time implications, especially considering recent global events. The COVID-19 pandemic and the accelerated digitalization that ensued present contemporary dynamics that necessitate exploration. This study aims to bridge this gap, contributing to the evolving discourse on service management challenges and opportunities for SMEs in Albania (BiznesAlbania, 2017; Gashi & Liça, 2023; Liça & Gashi, 2023; PriceWaterhouseCooper, 2013; Republic of Albania - Institute of Statistics (INSTAT), 2011).

3. Methodology

This research adopts a systematic literature review methodology to explore the multifaceted dimensions of service management in Albanian SMEs. A comprehensive search strategy was employed to identify relevant scholarly articles, research papers, and industry reports from reputable databases. The inclusion criteria encompassed publications focusing on service management, SMEs in Albania, and related topics, ensuring a holistic coverage of the subject matter.

The literature review spans a specified timeframe, ensuring that the synthesis of information is reflective of recent developments in the field. Primary databases, including but not limited to academic journals, conference proceedings, and business publications, were systematically queried. Keyword combinations such as “Albanian SMEs,” “service management challenges,” and “opportunities for SMEs” guided the search process.

Inclusion criteria prioritized publications that presented empirical studies, theoretical frameworks, and practical insights into service management within the Albanian SME sector. Articles not meeting the relevance criteria were excluded from the review. The aim was to ensure a focused and rigorous analysis of literature directly contributing to the objectives of this research.

Selected literature underwent a rigorous analysis process, with a focus on identifying recurring themes, key challenges, and emerging opportunities. Comparative analysis techniques were employed to discern variations in perspectives and methodologies across different studies. This iterative process allowed for the extraction of nuanced insights, enabling a comprehensive understanding of the current state of service management in Albanian SMEs.

This literature review adheres to ethical standards in research, ensuring the proper citation of sources and respecting intellectual property rights. The authors have strived to provide a balanced representation of the literature, acknowledging various perspectives and avoiding bias in the synthesis of information.

While every effort has been made to include a diverse range of literature, the review is inherently limited by the availability and scope of existing research. The dynamic nature of business environments and evolving technologies may also introduce a temporal dimension to the findings.

To enhance the validity and reliability of the findings, a systematic approach was employed in the selection and analysis of literature. The use of reputable databases and a clearly defined search strategy contributes to the credibility of the synthesized information.

4. Results

Albanian SMEs encounter formidable challenges stemming from resource constraints that impact their ability to invest in critical aspects of service management. Limited financial resources often hinder the adoption of advanced technologies, employee training programs, and infrastructure development. As a result, SMEs may struggle to keep pace with evolving customer expectations and industry standards, leading to suboptimal service delivery. Navigating the intricate web of regulatory requirements poses a substantial challenge for Albanian SMEs engaged in service-oriented sectors. Compliance with diverse regulations demands considerable time and financial investments, diverting precious resources from core business functions. The complex regulatory environment not only increases operational costs but also creates barriers to entry, particularly for emerging SMEs seeking to establish themselves in the market.

The digital divide among Albanian SMEs remains a significant impediment to effective service management. While digital technologies offer transformative potential, many SMEs face barriers such as limited access to affordable technology solutions, inadequate digital literacy among employees, and challenges in integrating digital tools into existing business processes. This digital divide hampers the ability of SMEs to harness the full spectrum of technological advancements for service enhancement.

The recruitment and retention of skilled personnel present ongoing challenges for Albanian SMEs engaged in service-oriented activities. The scarcity of qualified professionals, coupled with intense competition for talent, can result in workforce shortages. In turn, this can impact the quality of service delivery, hinder innovation, and limit the capacity of SMEs to adapt to changing market dynamics.

Albanian SMEs operating in service-oriented industries often grapple with market volatility, influenced by factors such as economic uncertainties, geopolitical events, and global health crises. The unpredictable nature of the market can disrupt service management strategies, making it challenging for SMEs to plan and implement effective long-term initiatives. Adaptability and resilience in the face of market fluctuations emerge as critical attributes for SMEs seeking to navigate these challenges.

Meeting and exceeding customer expectations in a competitive landscape is an ongoing challenge for Albanian SMEs. As customer preferences evolve, SMEs must continually innovate their service offerings to remain relevant. Additionally, heightened competition in the marketplace necessitates a strategic approach to differentiation and value creation, demanding a delicate balance between service quality and cost-effectiveness.

In an era of growing environmental consciousness, Albanian SMEs face challenges related to incorporating sustainable practices into their service management frameworks. Adapting operations to align with environmental standards requires investments in eco-friendly technologies and practices, posing both financial and operational challenges for SMEs.

Global events and disruptions in supply chains can have cascading effects on Albanian SMEs, particularly those dependent on external suppliers for critical components or services. The interconnected nature of the global economy underscores the vulnerability of SMEs to disruptions, necessitating robust risk management strategies to ensure the continuity of service delivery.

Amidst the challenges posed by limited technology access, digital technology advancements present a compelling opportunity for Albanian SMEs to transform their service management strategies. Embracing technologies such as cloud computing, data analytics, and e-commerce platforms can enhance operational efficiency, facilitate better customer engagement, and provide a platform for innovation. The integration of digital tools can streamline internal processes, optimize resource utilization, and position SMEs on the forefront of technological innovation in the service sector. The dynamic nature of consumer behaviors provides a strategic opportunity for Albanian SMEs to align their service offerings with changing preferences. Understanding the evolving needs and expectations of consumers allows SMEs to tailor their services, enhance customer satisfaction, and build lasting relationships. Emphasis on personalized experiences, sustainability, and social responsibility can position SMEs as responsive and customer-centric entities in the market.

Albanian SMEs have the potential to leverage international collaboration as a gateway to new markets and knowledge exchange. Strategic partnerships with global counterparts can facilitate access to resources, technologies, and diverse market insights. International collaboration not only broadens the market reach of SMEs but also opens avenues for joint ventures, export opportunities, and the establishment of a robust global network. Cross-border collaborations empower SMEs to stay competitive in the international business landscape.

Government initiatives and support programs present a valuable opportunity for Albanian SMEs to address challenges and enhance their service management capabilities. Incentive programs, funding opportunities, and capacity-building initiatives can empower SMEs to invest in technology, employee training, and sustainable practices. Engaging with governmental support structures enables SMEs to navigate regulatory complexities and access resources that foster their growth and competitiveness.

The evolving innovation ecosystem in Albania provides SMEs with a conducive environment to explore novel ideas, products, and services. Engaging with innovation hubs, incubators, and collaborative networks can spark creativity, support research and development initiatives, and facilitate the adoption of cutting-edge technologies. A culture of innovation positions SMEs to differentiate themselves in the market, respond proactively to challenges, and stay ahead of industry trends.

The rise of e-commerce and digital marketplaces offers Albanian SMEs an avenue to expand their market reach beyond geographical constraints. Establishing an online presence enables SMEs to tap into a broader customer base, explore new business models, and diversify revenue streams. The digitalization of commerce provides SMEs with the tools to enhance customer experiences, optimize supply chain management, and adapt to the evolving dynamics of the digital marketplace.

5. Conclusions

In conclusion, this research has illuminated the intricate landscape of service management for Albanian Small and Medium Enterprises (SMEs), delving into the challenges and opportunities that define their operational environment. The findings underscore the critical role of efficient service management in the success and sustainability of SMEs, which, in turn, significantly contribute to the economic fabric of Albania.

The identified challenges, ranging from resource constraints and regulatory complexities to limited technology access and market volatility, present a comprehensive view of the hurdles faced by Albanian SMEs. These challenges demand concerted efforts from policymakers, industry stakeholders, and SME owners to devise strategic solutions that address the root causes and foster a conducive environment for growth.

Conversely, the research has highlighted a spectrum of opportunities available to Albanian SMEs. The advancement of digital technologies, evolving consumer behaviors, international collaboration, and supportive government initiatives stand out as avenues through which SMEs can not only overcome challenges but also thrive and innovate in the dynamic service management landscape.

The implications derived from the challenges and opportunities identified in this research have far-reaching consequences for various stakeholders. Policymakers are called upon to enact supportive policies, industry players to collaborate for collective growth, and SMEs to embrace technological advancements and sustainable practices.

The recommendations provided offer actionable insights for stakeholders aiming to contribute to the growth and resilience of Albanian SMEs in the service sector. These encompass governmental support, capacity-building initiatives, internationalization strategies, fostering an innovation culture, embracing sustainable practices, and creating collaboration platforms.

As the landscape of service management in Albanian SMEs continues to evolve, this research suggests future avenues for exploration. These include in-depth investigations into the long-term impacts of digitalization, the effectiveness of specific support programs, and the role of innovation ecosystems in shaping the trajectory of SMEs in the Albanian business environment.

In the spirit of advancing the Albanian SME sector, this research serves as a call to action for all stakeholders. Collaboration, innovation, and a proactive approach are essential elements in overcoming challenges and seizing opportunities. By working together, policymakers, industry leaders, and SME owners can pave the way for a vibrant and resilient service management ecosystem in Albania. In closing, the findings of this research contribute not only to the academic understanding of service management challenges and opportunities in Albanian SMEs but also offer practical insights for those actively engaged in shaping the future of the nation's economic landscape.

This study provides some implications. Policymakers should consider the formulation of targeted policies that address the identified challenges, such as streamlining regulatory processes and providing financial incentives for technology adoption. Government support programs should be designed to align with the specific needs of SMEs in the service sector, fostering an environment conducive to growth and innovation. Albanian SMEs operating in service-oriented industries should prioritize investments in digital technologies to enhance operational efficiency and customer engagement. The findings emphasize the importance of cultivating an organizational culture that encourages innovation, adaptability, and a customer-centric approach. SMEs should explore international collaboration as a strategic avenue for growth. Partnerships, joint ventures, and participation in global platforms can provide access to new markets and resources. Policymakers could facilitate internationalization by promoting initiatives that connect Albanian SMEs with global markets and fostering a supportive environment for cross-border collaborations. Technology providers and industry associations can play a role in creating awareness among SMEs about affordable and scalable digital solutions. Training programs focused on digital literacy should be made available to SME employees to bridge the technological skills gap. Businesses and policymakers alike should recognize the growing importance of sustainability and consider integrating eco-friendly practices into service management frameworks. Industry associations could facilitate knowledge-sharing platforms for SMEs to learn about sustainable practices and explore collaborative initiatives. Capacity-building programs should be designed to address the human capital challenges identified, offering training opportunities to enhance the skills of the SME workforce. Educational institutions and industry associations can collaborate to develop relevant curricula and training modules tailored to the needs of the service sector. The identified opportunities for collaboration suggest the need for platforms that bring together SMEs, industry experts, and potential international partners. Industry associations and government bodies can play a role in establishing and promoting such platforms to facilitate knowledge exchange and joint initiatives. This study points to the importance of fostering an innovation culture. Businesses, policymakers, and educational institutions should prioritize investments in research and development to drive continuous improvement and competitiveness. These implications provide actionable insights for policymakers, businesses, and other stakeholders, outlining potential avenues for improvement and growth in the Albanian SME service sector.

This study offers some contributions. It contributes to the academic literature by providing a comprehensive review of service management challenges and opportunities specific to Albanian SMEs. It adds to the existing body of knowledge by synthesizing insights from diverse sources, offering a nuanced understanding of the unique context within which these SMEs operate. This study offers practical insights for Albanian SMEs engaged in service-oriented activities. By identifying and delineating the challenges and opportunities, businesses can formulate informed strategies to enhance service delivery, navigate regulatory complexities, and leverage technological advancements. Policymakers can benefit from this study's insights to develop targeted policies that address the specific needs of SMEs in the service sector. The findings provide a basis for formulating initiatives aimed at fostering a supportive regulatory environment, incentivizing technology adoption, and promoting international collaboration. Business leaders and stakeholders can use this study's implications to guide strategic decision-making. The identification of challenges prompts proactive measures, while the exploration of opportunities encourages businesses to capitalize on trends, adopt innovative practices, and remain competitive. This study highlights the potential for international collaboration as a strategic pathway for Albanian SMEs. This contributes to discussions on the global integration of businesses, suggesting that SMEs can play a significant role in international trade and cooperation.

Technology providers can use this study's recommendations to tailor their offerings to the specific needs and constraints of Albanian SMEs. Insights into the digital technology landscape provide a foundation for developing solutions that are accessible, affordable, and scalable for SMEs in the region. This study raises awareness about the growing importance of sustainability in service management. Businesses and policymakers can use this awareness to drive initiatives that align with environmental standards, reflecting a broader global trend toward corporate social responsibility. Educational institutions can incorporate this study's findings into curricula related to business management and entrepreneurship. By emphasizing the challenges and opportunities in service management for SMEs, educational programs can better prepare future business leaders to address real-world

scenarios. This study lays a foundation for further research by identifying areas where additional investigation is warranted. Researchers can build upon this study by delving deeper into specific aspects such as the long-term impacts of digitalization, the effectiveness of support programs, and the evolving role of innovation ecosystems.

By shedding light on the challenges and opportunities faced by Albanian SMEs in the service sector, this study contributes to the broader goal of economic development. A thriving SME sector enhances employment opportunities, stimulates innovation, and fosters sustainable economic growth. These contributions collectively enrich the understanding of service management dynamics in Albanian SMEs and provide actionable insights for various stakeholders invested in the success and growth of the SME sector in the region.

This study provides some limitations. This study is limited by its temporal scope, focusing on the challenges and opportunities present up to the current date. Given the dynamic nature of business environments, future developments may impact the relevance of the identified factors. This study's findings are contingent upon the availability and accessibility of relevant literature. Limitations in the breadth and depth of existing research may affect the comprehensiveness of the synthesized insights. While efforts have been made to encompass a diverse range of literature, the generalizability of the findings may be limited by variations in the context, size, and industry focus of different SMEs in Albania. This study relies on a literature review methodology, and as such, it is subject to the limitations inherent in secondary data analysis. Primary research methods, such as surveys or interviews with SMEs, could provide more context-specific insights. This study may not capture the full diversity of SMEs operating in Albania. Variations in industry, size, and geographical location could influence the specific challenges and opportunities faced by individual SMEs.

Finally, some future research, are addressed through this study. Future research could adopt a longitudinal approach to track the evolving landscape of service management challenges and opportunities for Albanian SMEs over time. This would provide insights into trends, patterns, and the impact of external factors. Complementing the literature review with primary research, such as surveys, interviews, or case studies, would offer a more granular understanding of the experiences of individual SMEs and provide real-time perspectives. Conducting comparative analyses across different sectors, regions, and sizes of SMEs in Albania could uncover sector-specific nuances and variations in service management challenges and opportunities. Research could delve into the direct impact of specific government policies on service-oriented SMEs in Albania. Evaluating the effectiveness of existing policies and recommending improvements would be valuable for policymakers. In-depth studies on the adoption and impact of specific digital technologies within Albanian SMEs could provide practical insights into overcoming technological challenges and maximizing the benefits of digitalization. Future research could explore the integration of sustainable practices within the service management frameworks of Albanian SMEs. This includes examining the motivations, challenges, and outcomes of incorporating environmentally friendly initiatives. Investigating the dynamics of cross-cultural collaboration between Albanian SMEs and international partners could shed light on the challenges and benefits of expanding into global markets. Exploring the development and impact of innovation ecosystems in Albania, particularly in relation to service-oriented SMEs, would provide insights into the role of collaborative networks in fostering innovation and competitiveness. By addressing these limitations and pursuing these future research directions, scholars and practitioners can contribute to a more comprehensive understanding of the complexities and dynamics of service management in the context of Albanian SMEs.

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Lecturers' satisfaction with online teaching at higher education institutions in Serbia

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Abstract

This study delves into the levels of satisfaction among educators in the realm of online teaching and the impact of technology on aspects such as motivation, efficiency, interactions with peers, and student engagement within this emerging educational landscape. Employing a structured survey, the viewpoints of educators were gathered from three higher education institutions in the Republic of Serbia in early 2022, shedding light on the merits and hurdles of online teaching, as well as strategies for adapting to novel technologies and pedagogical approaches. The findings highlight that educators are facing fresh challenges that influence their job satisfaction, yet technology and innovative teaching methods have also played a role in enhancing their motivation and teaching effectiveness. Furthermore, the data suggests that students' motivation and peer interactions undergo transformations in the context of online teaching, factors that can significantly impact lecturers' satisfaction and instructional efficacy. The implications of these findings for the future of online education are discussed, accompanied by recommendations aimed at bolstering educators in this evolving landscape.

Keywords: online teaching, lecturers' satisfaction, students' motivation.

1. Introduction

The topic of this research is lecturers' satisfaction with online teaching and the impact of technology on motivation, efficiency, relationships with colleagues and students' motivation in this new environment. Using a survey, the opinions of lecturers from three higher education institutions in the Republic of Serbia at the beginning of 2022 were collected about the advantages and challenges of online teaching, as well as ways of adapting to new technologies and methods of education. The results indicate that lecturers are faced with new challenges that affect their job satisfaction, but also that technology and new methods also affect their motivation and efficiency in education. In addition, the results suggest that students' motivation and peer relationships also change in online instruction, and these factors can significantly affect teacher satisfaction and educational effectiveness. Implications of these results for the future of online education are discussed, and recommendations are made to support lecturers in this process.

2. Review of the relevant bibliography

End-user satisfaction is the degree to which users believe that the system meets their information requirements (Sang, Lee, Kim & Lee, 2015). However, the factors that lead to satisfaction are often difficult to isolate and recognize, due to their complex interrelationships (Mahmood, Burn, Gemoets & Jacques, 2000). Nevertheless, there is a need to examine lecturers and their beliefs about teaching, learning and technology.

Numerous studies have found that implementing online learning in its various forms can be costly for an organization due to its relatively low adoption rate among users (Sawang, Newton & Jamieson, 2013). However, the success of an online learning system depends on user satisfaction and the factors affecting this satisfaction have been thoroughly investigated.

End users in an online learning system can experience either satisfaction or dissatisfaction. The failure of online learning compared to traditional learning mainly relates to the teaching content, the level of comfort in using the technologies and the availability of technical support (Sawang, Newton & Jamieson, 2013). Satisfaction is one of the key factors that will drive an individual to use an online learning system again (DeLone & McLean, 2004).

Until now, the focus of researchers has been on online lecturer preparation, but as online learning becomes more popular after the Corona virus pandemic, it is increasingly important for researchers to expand their focus to the issues of lecturers' survival in such an environment (Bolliger & Waslilk, 2009). The key is precisely in their satisfaction.

Borup and Stevens (Borup & Stevens, 2016) identify three primary factors that affect lecturers' satisfaction: (1) flexibility, (2) communication and community, (3) success and support. The flexibility of an online system can have a significant impact on the lecturers' satisfaction working in that environment. Research has shown that lecturers will be more satisfied when they are given flexibility in terms of what, how, when and where they teach (Xie, Neves, 2020). Lecturers are enabled to work from the comfort of their home or office, adjusting their schedule and organizing their time in a way that best suits their needs. A study conducted in India (Mishra & Sharma, 2021) showed that the flexibility of online systems has a positive effect on lecturers' satisfaction. Lecturers had more control over their working hours and were able to adjust their schedule around other commitments. This resulted in greater lecturers' satisfaction and better performance. However, the flexibility of the system can also create challenges for lecturers, such as difficulties in establishing effective communication with students.

The choice of the platform affects the system flexibility. Depending on the functionality of the platform, different interactions between lecturers and students, different options for preparing and adapting teaching materials, as well as different levels of technical support are possible. All of these characteristics can have an impact on lecturers' satisfaction. Research (Liu et al., 2020) indicates that lecturers value platforms that have better tools for interaction and collaboration with students.

The online lecturer's ability to interact with students and create a sense of community is the next satisfaction factor. Communication between lecturers and students is crucial for successful online teaching, as well as for lecturers' satisfaction in such an environment. If there is good and effective communication, lecturers will feel more connected to students and will have a better insight into their needs and problems, which can help improve teaching.

According to research by DeBoer et al. (DeBoer, Wiegand & Prado, 2021), lecturers who felt more connected to students and had better communication with them were more satisfied with their jobs.

However, poor or non-existent communication can lead to lecturers' and students' dissatisfaction. According to research by Liu et al. (Liu, Kang & Jiao, 2020), lack of communication and insufficient interaction can reduce students' motivation and increase the possibility of dropping out of the course. Also, the lack of effective communication can lead to an excessive workload for lecturers, which affects their satisfaction and stress.

Online video communication is of great importance in online teaching because it enables direct interaction between lecturers and students in real time, which can improve student engagement and a sense of connection with teaching (Kozan, Richardson & Tekinarslan, 2018). This kind of communication provides visual support for learning, especially when explaining complex concepts or exercises that require demonstration. Also, online video communication provides an opportunity for collaborative work among students, as well as for working in small groups, which can contribute to the exchange of ideas and problem solving.

Some research in higher education has shown that offline video communication can be significant in online teaching because it simultaneously maintains the flexibility that students and lecturers strive for (Borup, Stevens, 2016).

Lecturers' satisfaction in the online environment is often related to their success and the support they receive from colleagues and supervisors. When lecturers feel that they are successful in their teaching activities and have adequate support, it can positively affect their satisfaction and motivation for further work. According to research conducted at universities in China, these factors showed a statistically significant effect on lecturers' satisfaction in the online environment (Wang & Wang & Zhang, 2021). Similarly, research (Yildirim & Sisman-Ugur, 2020) pointed out that support from management and colleagues, as well as a sense of success at work, were key factors influencing teacher satisfaction in the online environment.

The success of lecturers is influenced by the success of students, and it is closely related to the motivation to learn. Students' motivation in an online environment has a positive effect on lecturers' satisfaction and overall teaching quality.

Research conducted at Columbia University showed that there was a statistically significant positive correlation between students' motivation and lecturers' satisfaction with online teaching (López-Pérez, Pérez-López, & Rodríguez-Ariza, 2011). In other words, if students are engaged and show a high level of motivation in online learning, it can have a positive effect on lecturers' satisfaction. Therefore, developing strategies to encourage students' motivation in online learning can be a useful tool for improving teaching quality and lecturers' satisfaction.

3. Method of work and research results

For the purposes of this research, a special Questionnaire was created, which consisted of two parts. The first part of the questionnaire contained four questions related to general information about the examinees, while the second part of the questionnaire contained thirteen questions, which related to the organization and application of online teaching, lecturers' satisfaction with online teaching, relationship with colleagues and students' involvement in online teaching. Data collection was carried out online.

The sample consisted of 136 examinees working in three higher education institutions on the territory of the Republic of Serbia. In relation to gender, there were 85 (62.5%) female examinees and 51 (37.5%) male examinees in the sample.

The age structure consisted of examinees divided into the following groups: up to 25 years 9 (6.6%), from 26 to 30 years of age 7 (25.4%), 31-35 years 17 (12.5%), 36-40 years 21 (15.4%), 41-45 years of age 26 (19.1%), 46-50 years 20 (14.7%), 51-55 years 12 examinees (8.8%), 56-60 14 (10.3%) and over 61 10 (7.4%) examinees.

There were 78 (57.4%) examinees in the sample who were engaged in subjects from the field of social and humanities, 47 (34.6%) from technical and technological sciences, 12 (8.8%) from natural and mathematical sciences and 4 (2.9%) examinees engaged in the field of art.

In relation to the title of the examinees, 72 of them (52.9%) were professors of applied studies, 5 senior lecturers (3.7%), 18 lecturers (13.2%), 5 lecturers of foreign languages (3.7%), 3 assistants with doctorates (2.2%), 15 assistants (11%) and 18 teaching assistants (13.2%).

The obtained results are classified into three groups: flexibility of the system and the platform used, motivation in the online environment, success and support.

3.1 Flexibility of the system and the platform used

A large number of examinees, 108 of them (79.4%) were conducting online classes for the first time, and 79 of them (58.1%) declared that they did not have any training for conducting online classes, which can certainly affect their involvement and satisfaction with online classes. More than half of the examinees, 70 of them (51.5%), taught from home, 53 of them (39%) combined (part from home and part from the institution where they are employed), and only 13 of them (9.6%) worked at work. For the preparation of online classes, almost the same number of examinees answered that they needed an equal/higher number of hours than the usual preparation for the traditional way of teaching. This may indicate that lecturers need to invest extra effort and time to adapt to online teaching and to deliver it effectively. The choice of technologies for teaching is as follows:

Table 1. Selection of technologies for teaching

Channel	Number	Percentage
The Moodle platform	93	68,4
Mail	74	54,5
MS Teams	68	49,3
Zoom platform	56	41,2
Google Classroom	20	14,7
Skype	15	11
Webex	6	4

The analysis shows that Moodle, e-mail and MS Teams are the most used platforms for online teaching, given that most examinees chose them. Although Zoom, Google Classroom, Skype and Webex are less popular, they play a significant role in online teaching. Various reasons can influence why certain platforms are more popular than others, such as, for example, easier integration with existing systems, simplicity of the interface, or better features for interaction and collaboration between students and lecturers.

Table 2. Teaching method

Teaching	Number	Percentage
Video lectures online	89	65,4
Video lectures offline	39	28,7
Textual content	106	77,9

Regarding the method of teaching, the data in Table 2 suggest that text content is the most popular and is used more often than video lectures, regardless of whether they are online or offline. This may be due to various factors, such as the speed of access to information, the possibility of ease of reading and transparency of information. However, it should be borne in mind that the advantage of video lectures is reflected in interactivity, the possibility of visual demonstration as well as the choice of the moment of viewing as well as repeating and returning the content. Therefore, a combination of different formats should be considered to best meet the needs of different types of students and fields of study.

3.2 Motivation in an online environment

In Table 3, we can see that out of 136 responses, 74.3% believe that the students' motivation to be active in online classes is the most important for increasing the satisfaction of conducting online classes. This can be a challenge for lecturers, as they need to develop research and stimulating activities that will motivate students to follow and participate in online classes.

Table 3. Factors to increase satisfaction

Satisfaction factors	Number	Percentage
A better platform for teaching	21	15,4
Smaller number of students in the group	14	10,3
Students' motivation to be active in online classes	101	74,3

A higher quality teaching platform also has a significant impact on lecturers' satisfaction, as stated by 15.4% of examinees. The teaching platform must be easily accessible, clear and easy to use, equipped with all the necessary tools and functions needed for successful teaching and interaction between students and lecturers.

A smaller number of students in the group, which was mentioned by 10.3% of the examinees, can contribute to an increase in students' satisfaction, because it allows for greater attention and simpler communication with the lecturer. However, this factor can be a challenge for lecturers working with a large number of students, who would have to organize themselves so that each student receives appropriate attention and assistance.

Regarding the students' involvement in online classes, the analyses show the following:

- Low level of students' involvement (grade 1 and 2) - this group comprises more than a third of students (33.8%), which is worrying, because these students are not at all or mostly not involved in teaching;
- Medium level of students' involvement (grade 3) - this group consists of the largest part of students (36%), who are neither involved nor not involved in teaching. These students may have different reasons for (not) involvement, such as not knowing the platform, poor motivation or lack of interaction with lecturers and colleagues;
- High level of students' involvement (grade 4 and 5) - this group makes up about 30.1% of students, who are mostly or completely involved in classes. These students are most likely to be motivated and have a positive attitude towards online classes.

Table 4. The level of students' involvement in online classes compared to live classes

Involvement	Number	Percentage
Students are less involved in online classes than in live classes	98	72,1
Students are more involved in online classes than in live classes	11	8,1
Students are just as involved in online classes as they are in live classes	27	19,9

The results in Table 4 show that there is a significant group of students who are insufficiently involved in online classes, which can affect their success in school and motivation to learn. Therefore, it is important that institutions and lecturers find ways to help students to better engage in online classes, by setting up platforms, designing different activities (case studies, workshops) and additional trainings in which participants are actively involved, solve problems, exchange ideas and study in a practical way.

The analysis shows that the majority of students (72.1%) are less involved in online classes compared to live classes. However, a smaller number of students (8.1%) are involved in online classes, while 19.9% of examinees stated that students are fully as involved in online classes as in live classes. The reasons for less involvement in online teaching can be different, such as less interaction with lecturers and colleagues, weaker technological equipment or poorer motivation.

3.3 Success and support

According to the data in Table 5, the majority of examinees did not experience significant changes in their relationships with colleagues during the pandemic, considering that 84.6% of the answers refer to "remained at the same level". However, there is a smaller percentage of those who experienced an improvement (5.1%) or deterioration (10.3%) of their relationships with colleagues during the pandemic. The reasons for these changes can be different, such as changes in the work environment, increased communication through different channels or stress factors that have arisen due to the pandemic. It is important to maintain an open and communicative relationship with colleagues, in order to overcome possible problems and improve teamwork.

Table 5. Relationship with colleagues during online classes

Relationship with colleagues	Number	Percentage
Improved	7	5,1
Deteriorated	14	10,3
Remained at the same level	115	84,6

The importance of communication with colleagues is also shown by the fact that only a small percentage of examinees want exclusively online classes, while the majority are more inclined to exclusively live classes or a combination of both methods. The reasons for this can be different, from the need for personal interaction with students and colleagues, to the flexibility and ability to access online classes.

The general impression, which the analysis of the questionnaire shows, is that the majority of the examinees are generally satisfied with online classes, but that as many as 71% of them believe that the satisfaction is less than with conducting live classes.

4. Conclusion

Researches on lecturers' satisfaction with online teaching show the importance of providing adequate support and training for lecturers to increase their ability to adapt to new technologies and maintain the quality of online teaching. Researches also show the need for continuous improvement of the online teaching process in order to increase lecturers' satisfaction and the quality of teaching process.

The success of the online teaching process depends on the motivation of the students, which is a key factor for achieving the desired goals and success in online education. Therefore, it is necessary to provide additional support and motivation to students through various teaching techniques, such as interactive exercises and discussions, in order to encourage their active participation in the teaching process. Quality teaching content, adapted to the online format and specific needs of students, can improve their motivation and efficiency. Likewise, variety of teaching content is important in order to maintain students' attention throughout the course and motivate them to learn.

Overall satisfaction with the teaching process in an online environment also depends on the interaction between lecturers and students, as well as between lecturers themselves. Through the interaction with the students, clear communication channels can be established and a better relationship can be built, which can lead to a greater exchange of ideas about the teaching material. There are a number of technologies and tools that can facilitate interaction between lecturers and students in an online environment, such as discussion forums, video conferencing, social networks for learning, and others.

Interaction between students in online education is enabled through online platforms that provide various opportunities for connection and communication through forums, group chats, video calls etc., allowing students to exchange ideas, experiences and opinions. In that way, students can learn from each other, sharing knowledge and skills, and encourage collaboration and teamwork, which is important for many courses and projects.

Interaction between the lecturers themselves can also lead to better coordination and planning of teaching activities, development of innovative approaches in learning and teaching and mutual consultations and sharing the experience in order to improve the quality of teaching, and their overall satisfaction.

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Newspaper Advertising as Source for Albanian Economic History during the Monarchy Period

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Abstract

Considering the advertisement as a type of specific historical source, the study aims to analyze the economic development of Albania during the monarchy period: 1928-1939. The study methodology combines qualitative and quantitative methods of scientific research: a content and visual detailed analysis of newspaper advertisement, interviews with historians, and desk research. By analyzing the advertising for goods and services we can judge the development of the main industries, trade, business practices, social aspects, etc. The main findings show that while trade was the main field of the Albanian economy, the most advertised products were of Western origin, mainly Italian, English, French and American. Regardless of the low standard of living, luxury products as well as many well-known international brands such as Ford, Michelin, etc. were advertised in the newspapers. Regarding local production, dominated the advertisements of the agro-food industry products, which prove the progress and increased competition in this market.

Keywords: newspaper advertising, industry, trade, standard of living, economic development.

1. Introduction

The period of the monarchy is one of the key stages in Albanian historiography. It coincides with the formation of a new intellectual and political elite created in the West that little by little began to become dominant in all structures of Albanian society: in politics, art, education, social administration, etc., (Boriçi & Marku, 2010). As such, a series of studies were carried out focusing on political, social and cultural developments. Meanwhile, most of the studies that shed light on economic development during this period are mainly based on statistical analysis as historical sources. But as Bao (2020, p.5) explained “the statistical analysis method is only a useful quantitative analysis tool and cannot solve all the problems you want to solve. Whether statistical analysis can be used to solve specific problems depends on whether the correct statistical method is selected”. Furthermore, as the history professor Hull (1914, p. 32-36) argues “statistics are a body of facts and inferences - usually but not necessarily social -collected and interpreted according to that method. The historian, then, cannot rely upon the statistical method, or upon any similar method, as a means of determining the significance of a specific event”.

In this context, the purpose of this study is to explore economic history during the monarchy period in Albania, relying on the official statistics of the time but mainly on newspaper advertisements. Some of the research questions that we aim to answer in this study are: What do advertisements show regarding economic development during the era of the monarchy? What were the most developed (or main) domestic industries? Who were the most important trading partners? What was the standard of living of citizens based on newspaper advertisements? Therefore, we will first focus on advertisements as a historical source and how historians use them.

Many researchers have used newspaper advertisements as specific sources to explore the economic developments of countries during different historical periods. In historical writings that are mainly related to the modern period, apart from many historical sources, materials published by the media, whether written, spoken or visual, have and will have an ever greater role. Press materials gain value especially when other documents dealing with the events are missing (Zguri & Pinari, 2022, p. 22).

American author Lucy Maynard Salmon is considered one of the first historians to suggest the study of advertising as a source for social history. In the book “The Newspaper and the Historian”, Salmon, in addition to

describing the advantages and limitations of using newspaper content as historical sources, argues that by studying business advertisements during a year, you can be informed not only about production, consumption, cost of living, etc., but you can also learn about trade, competitiveness, business tactics as well as their relationships with customers (Salmon, 1923). Also, from the analysis of newspaper advertisements, it is possible to judge the geographical extent of businesses, the origin of products, the development of local industries, trends in urbanization, etc.

According to Pope (2003, p.6) “studying advertisements as historical sources can also be “fascinating and revealing. In examining ads as historical documents, we also should look at what the ad seems to take for granted. Inferring social conditions from advertisements is not straightforward. Ads are highly selective in their depiction of the world. Advertising images consistently show scenes of prosperity, material comfort, even luxury well beyond the conditions of life of most Americans. The advertising industry prefers to picture the world that consumers aspire to, not the one they actually inhabit”. While Knudson (1993) expresses a macro view of history. According to him “history is concerned — or should be concerned — not only with what actually happened in any given time or place, but also with what people thought was happening, as revealed to them through the means of mass communication, which may have conditioned their subsequent actions. Thus, the perception of events as filtered through the press may have changed the historical outcome. According to this concept, it does not matter if the news is false or distorted as long as readers believed it and acted on their belief. To the historian trying to understand public opinion, then newspapers become primary rather than secondary sources”.

2. Methodology

For the realization of the study, we relied on the analysis of the content of advertisements published in newspapers for a period of 11 years (1928-1939), which also coincides with the lifespan of the Albanian monarchy. The main criteria in the selection of newspapers included in the study were publication frequency, circulation and national distribution. To fulfill the objectives of this study, advertisements are classified into three categories, namely: 1. Advertisements of products originating from Western countries, 2. Advertisements of products originating from the countries of origin, and 3. Advertisements of products produced in Albania.

By analyzing advertisements for consumer goods and services, we have tried to create a more complete framework not only regarding the development of the industry during the monarchy, but also regarding the standard of living, economic-social, cultural conditions, etc.

The data obtained from the monitoring of newspaper advertisements have been cross-referenced with previous studies that directly or indirectly mention this field.

The interviews conducted with history researchers and professors have served to create a more complete theoretical framework as well as to develop a comprehensive approach to the study.

3. Research Results and Findings

3.1 Development of trade and industry according to newspaper consumer advertisements

The first years of the monarchy coincided with the world economic crisis of 1929-1933 known as the Great Depression, and its effects were quickly felt in Albania. While the press of the time reported an increase in the unemployment rate, a decrease in industrial production as well as a large decrease in foreign trade, the monitoring data show a decrease in the total volume of newspaper advertisements in the years 1929-1934 compared to the post crisis period, 1935-1939. The decrease in the level of domestic production as well as the decrease in the level of foreign trade was translated into a smaller number of advertisements in newspapers.

After the economic crisis of the years 1936-1938, in the Albanian economy, a noticeable development was observed compared to the previous years. The number of enterprises and the number of female workers increased, especially the light industry revived (Duka, 2007, p.186). Meanwhile, the improvement of the national road infrastructure (during the years 1928-1937, about 200 km of roads were built, as well as many bridges over the main rivers of the country) influenced the development of trade, which became the main field of the Albanian economy. During this period, the turnover of goods increased. Agricultural and livestock raw materials were mostly exported. Many Italian, English, French and American companies started to be present in the Albanian market and through securing concession agreements or through direct investments that started their activity (Monitor, 2012).

In terms of the need for foreign investments in the Albanian economy, King Ahmet Zogu sought financial assistance mainly from Western countries such as Italy, England, France, etc. The results of the monitoring show the predominance of advertisements of products of western origin against advertisements of products of eastern origin. The data show that, on average, on a newspaper advertisement page, 2/3 were advertisements for products of Western origin and 1/3 were advertisements for products of domestic origin. Advertisements of well-known

brands such as: Ford, Michelin, Gillete, Bata, Elisabeth Arden, etc., were present in the Albanian market. Some advertisements are for products considered as “luxurious” for the time: perfumes, creams, etc.

**NJE ZBULIM I ÇUDIT-
shëm i një doktori i jep**
Rinin
E **Lëkure** e rruður
e plake

Një fletore medicale e Vienes lameron triumfin e fundit të shkencës. Jo vetëm u gjend shkak i rruðhave; po dhe njëti të zhdukën. Nena, bile gjysha mund të gjejnë përsëri pamjen e freskët të viteve të rinisë. Përra 50 e 60 vjeçe mund t'a kenë lëkurën e limutë, pa rruða.

SHKAKU I RRUÐHAYË
Rruðhat bëhen se, ndërsa në plakemi, lëkura humbet disa elemente jetësorë, ushqyes, që tani meren shpëzët e seleksionit. Kur t'i jepen këto ushqime lëkurës, e bëjnë përsëri të freskët e të re. Ky është zbulimi i çuditshëm i Profesorit Dr. Steiskal, i amirveritetit të Vienes. Të drejtat ekskluzive të këtij prodhimi i ka marrë Tokalon me një shumë të madhe.

PROVA NDER SPITALE
Ekstrati i celuleve të fella të qojtura "Bideel", nuk gjendet vetëm në Kremën Tokalon (ngjyrë trandafili). Ojate provave të bëra ndër spitalet mbi femra 60 vjeçe, rruðhat u zhdukën në 6 javë. (Këndoni hollesirat në gazetën medicale të Vienes). Përdoroni kremën Tokalon, ushqim për lëkurë, *Dajë Rose* çdo mërmje për para se fleni ushqim fytyrës gjatë gjumit. Rruðhat zhduken shpejt. Ditën përdorni Kremën Tokalon të Bardhë, jo të mojnë (grosse). Kjo çkrinë pikat e zeza, shtrëngon vrimat e hapura, e bën lëkurën e bardhë, të butë. Në rast se nuk janë të kënaqura, gratë që përdorin mund të marrin përsëri të hollat e shpenzura.

MICHELIN

Modeli i ri „MICHELIN-STOP“ është Goma. më e përfeksionuar për këto çilësira!!..

- 1) Kauçuk në sasi të dyfishtë
- 2) Beza të shumta dhe të forta
- 3) Suspansion të jashtëzakonshëm
- 4) Çmime të arësyeshme.

Garanton udhëtime mijëra kilometro, prej pasaxheravet dhe qëndresë të gjatë automobil:

SHOFERA!
Mos mungoni të provoni këtë kualitet të famëshme dhe të preferueshme në tërë botën.

FOTO-STUDIO

J. @ V. RISTANI
BULEVARD ZOG I.
TIRANË

Fotografitë e këtij numuri janë të Foto.Studio Ristani

HUNTLEY & PALMES

më të mirët Biskota në Botë

GANCIA
LO SPUMANTE e QUALITA

Kush do që ka përdorur, vendas osë i huaj, **MAKARONAT** e fabrikës së zotit *Zahir Beshiri* të markës „**Gjeli**“ ka konstatuar dhe e ka ndërjer vehten e tij të detyruar të deklarojë se **MAKARONAT** e markës „**GJELI**“ janë më të shijëshme dhe më të preferuarshme se çdo markë tjetër e vëndit osë e huaj.

PASTA QUALITA EXTRA DI LUSSO T. B. COLOMBO & C. BOLOGNA

Figure 1: Newspaper ad page, 1937

Likewise, in the years 1935-1939, there is an increase in the number of advertisements for products of Albanian origin, which indicates some recovery of the country's economy and increased competition in the market. As stated by Galanin et al., (2018) “the harder the competition, the more important the role of advertising becomes, the more the features of the product are discussed”.

After the stabilization of political life and the reorganization of the provincial administration, conditions were created for the economic development of the country. Thus, steps forward were made regarding the opening of workshops, factories, the development of agriculture and the development of trade (ASHSH, 2007). Another interesting fact is that service advertisements dominate mainly in the local press.

3.2 Advertisement, cultural development and standard of living

Although Albania had a low level of economic development, dominated by trade and agriculture, in the newspapers of the 1930s, were advertised a variety of utilitarian products as luxurious for the time: personal care products, perfumes, creams, etc. However, this should not be interpreted as an indication of a high standard of living. As Pope (2003, p.7) rightly suggests, to be seen through advertising for a wider social and cultural context,

the fact that “first of all, they are selling tools and reflect the business needs of the corporations that pay for them”. On the other hand, Pope emphasizes that “advertisements are cultural indicators, though distorted ones”.

The presence of a large number of film advertisements and other cultural activities proves a revitalization of cultural life, especially in the capital and in some of the country's largest cities. The monitoring data show that in the press of the 1930s, movie advertisements occupied a larger space in relation to advertisements for consumer products and services. These advertisements are of high quality, realized especially artistically as they were created by prominent painters such as Ibrahim Kodra, Guri Madhi, etc. who were educated in the West. In Albanian cinemas, the same films that were shown in American cinemas or in other countries in the West were shown at the same time, they are the same Hollywood stars, the same advertisements. In this period, the cinema played more the role of a cultural institution as well as the orientation of society towards western culture than it has been simply a means of entertainment. (Axhami, 2012).

The press as well played a very important role in the democratization of society and in revitalizing the cultural life of the 1920s and 1930s. Several dozen newspapers and magazines started to be published anew by different intellectual groups and political-cultural societies in the main urban centers of the country. The numerous magazines and newspapers published in Tirana and other cities benefited from the lack of a state monopoly over the press and published many professional articles and became the arena of political and ideological struggle in Albania (Duka, 2007, p. 201-202).

The findings of the study are in line with the arguments of Gardner (1931) regarding the impact of advertising on the standard of living of citizens. According to him “For the consumer, advertising raises the standard of living, by acquainting him with new and better products, and by bringing them to him at a lower cost made possible through quantity production. Advertising cannot, of course, create desire: desire is born in us, and becomes multiplied with developing civilization from wants of the savage to the multiplied demands of modern man. But advertising stimulates the desire for better commodities and leads us to greater efforts to gratify our desires, thus increasing our living standards” (Gardner, 1931, p.10).

4. Conclusion

The findings of the study are in line with the arguments of Gardner (1931) regarding the impact of advertising on the standard of living of citizens. According to him “For the consumer, advertising raises the standard of living, by acquainting him with new and better products, and by bringing them to him at a lower cost made possible through quantity production. Advertising cannot, of course, create desire: desire is born in us, and becomes multiplied with developing civilization from the wants of the savage to the multiplied demands of modern man. But advertising stimulates the desire for better commodities and leads us to greater efforts to gratify our desires, thus increasing our living standards” (Gardner, 1931, p.10).

The Albanian economy during the period of the monarchy was very backward, so the realization of deep reforms appeared as a necessity. Agriculture and trade were the two main pillars on which the economy was based. The first years of the monarchy coincided with the world economic crisis of 1929-1933, and its effects were quickly felt in Albania. During this period, in addition to the decrease in the level of domestic production, the decrease in the volume of trade, there was also a decrease in the volume of advertisements compared to the post-crisis period.

While trade was the main field of the Albanian economy during monarchy period, the most advertised products were of Western origin, mainly Italian, English, French and American. Regarding local production, dominate the advertisements of the agro-food industry products, which prove the progress and increased competition in this market.

Although the newspapers advertised international brands or quality luxurious products for the time, which could create the idea of a high standard of living, it should be taken into account the fact that during the period of the monarchy, Albania suffered a high level of illiteracy and practically the newspapers and therefore advertisements targeted a limited, small number of readers.

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