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USAID KOSOVO PRIVATE ENTERPRISE PROGRAM (KPEP)

Kosovo ICT Marketing & Sales Training: Activities and Recommendations

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KOSOVO ICT MARKETING & SALES TRAINING: ACTIVITIES AND RECOMMENDATIONS

Kosovo Private Enterprise Program - Kosovo ICT and Marketing Sales Training
Contract No. EEM-I-07-00007-00, TO #2

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PURPOSE OF ASSIGNMENT

This assignment is to help firms in the Kosovo IT industry to identify new opportunities and how they can pursue those opportunities. This “Value Selling and Market Identification” program combines presentations with “learning-by-doing” helping to create a new generation of business entrepreneurs who are willing to be creative in determining how their core niche strength can match market opportunities locally or globally. It will give participants practical experience on how to segment, target and communicate with potential clients and help build their confidence in doing so.

The Main Objectives of the Assignment

Get 10-15 IT firms trained in value selling and market identification and able to use the skills. Make recommendations of strategic drivers for the entire sector and how it could be positioned for the regional and global marketplace. Train a local sales trainer/business service provider capable of conducting similar training in future.

BACKGROUND

In September 2008, USAID awarded the Kosovo Private Enterprise Program (KPEP) to Booz Allen Hamilton. USAID designed KPEP to build upon the successes achieved to date and elevate their impact by catalyzing transformational change for Kosovo's economy through lasting improvements in private sector competitiveness.

KPEP includes four main components: 1) provide private sector support in targeted sectors with potential for growth and competitiveness; 2) identify demand-driven development for business support services; 3) improve business enabling environment; and 4) workforce development. The Kosovo Private Enterprise Program will also address several cross-cutting areas including gender, youth and minority development. Finally, the program will manage a Strategic Activities Fund (SAF) valued at \$3,760,000.

II. Component or Sector Objectives

In its analysis of Kosovo's economy, KPEP categorized sectors as transformational, transactional or informational based on an in-depth analysis of the sector's potential to positively impact the economy (employment, exports, jobs, investment) as well as the project's potential to impact the sector during the four-year project time frame. KPEP will track informational sectors to identify reasons to re-visit them but will not initially expend resources on them. Transformational sectors will receive the full support of all four KPEP components – sector expertise, business enabling environment, business support services and workforce development – in a concerted effort at the sector-wide level, transactional sectors will be assisted based on potential individual transactional opportunities that may be pursued.

The Kosovo IT sector may be considered both *transformational* and *transactional*. Therefore, KPEP will focus on the entire value chain by supporting transactional opportunities that arise. IT as a growth sector has not been directly supported at this level by any other organizations or donors before. The Project team started implementing the IT work plan by conducting a sales training program that emphasizes self-analysis by the IT firms to better understand their strengths and values and how to sell those while addressing deficiencies. **Two IT Sales Training Consultants** (hereafter referred to as Consultants) conducted the initial pilot training and, in keeping with KPEP's pledge to ensure transfer of skills from foreign consultants to local consultants, trained a Kosovo consultant to conduct the training.

EXECUTIVE SUMMARY

The goal of this assignment was to help firms in the Kosovo IT industry to identify new market opportunities and give them tools to help them pursue those opportunities. The training program combined two workshops with “learning-by-doing,” to help create a new generation of business entrepreneurs who are willing to be strategic in determining how their core niche strength can match market opportunities locally or globally and then showed them how to pursue those opportunities. The “doing” was working with firms individually to help them implement what they learned in the workshop.

The first module was focused on firm and market assessment trainings and advisory services. This process helped firms understand what their key strategic strengths are and how they can match those up with new market opportunities and trends. After the workshop there were several meetings with Kosovo ICT firms to help them identify their core strengths and what market opportunities they should be pursuing. These activities included helping the firms create a new marketing identity by editing and advising on improvements on their pitches and profiles. The feedback from this module’s training was very positive: 68% of participants said the module was “Excellent”, 30% “Very Good”, 1.8% “Good”.

The second module was called Market Identification and Value Selling. This module gave participants practical experience on how to segment, target and communicate with potential clients and help build up their confidence in doing so. The follow-on firm level consulting services were broken up into two sections. The first focused on helping firms identify new export customers while the second focused on how to implement consultative selling to the local industry by creating a white paper. The consulting on how to export was helpful for the firms to clearly see the sales process and it even helped one firm to identify several new clients in Albania. The white paper was created to help ICT firms understand how to generate new market opportunities locally; firms were shown tools to determine how ICT can help specific industries and then communicate that back to the private sector. This module also received positive feedback: 54% of participants said the module was “Excellent”, 34% “Very Good”, 8.5% “Good”, and 5.7% said “Adequate. Some comments for improvement included making the training more focused on the needs of Kosovo and more details on the sales process

The white paper focused on the ways in which ICT can help the tourism sector in Kosovo become more competitive. The white paper made four recommendations, which included an immediate recommendation to make an e-tourism web-site with web 2.0 capabilities which should be built into a business”.

As the consultants worked with the ICT industry, they made some observations. There are opportunities for KPEP to explore, below:

Observations and Opportunities for KPEP:

In various meetings with the local companies, the consultants heard that about 60-70% of the business for some companies comes from national, local and municipal government activities.

The market is concentrated in the rest of the private sector and is mostly focused on large banks, large retail with multiple locations, and mobile operators. The rest of the private sector needs to be educated about the benefits of ICT - this is well suited to the consultative sales techniques covered in the training.

The consultants also found that export opportunities exist, and some are already being tapped. Most of the current export business is in Albania, and prospects are also said to be in the Albanian market within the MAK (Macedonia, Albania and Kosovo) region. The larger firms also seem capable of breaking out of MAK region with products and software services.

The most significant factor impeding healthy growth is the lack of skilled workers. The companies described this in terms of lack of skilled personnel both in the technical fields as well as in middle management for sales and marketing.

During the course of meetings with the various Kosovo companies, the consultants discovered that some export-oriented Business Process Outsourcing (BPO) activities already exist in Kosovo. The examples quoted were:

- A German language call center with about 50 people, employing mostly young people who returned to Kosovo after several years of living and schooling in Germany and have knowledge of German language and culture
- 1st & 2nd level networking product support for a US firm, employing about 20 experienced networking professionals that have received training from the several centers that offer Cisco-based and other networking courses

Opportunities for KPEP to look into

1. MDA, the local training partner, is a well-established training and recruiting company serving the local market. **MDA should incorporate the training and consulting from module one and two into their practices.**
2. **Present and market the ICT/Tourism white paper to the tourism industry;** this would include detailing the importance of an e-tourism site and how ICT can help hotels operate more efficiently.
3. **Move forward with the white paper in supporting a Kosovo e-tourism site that will utilize web 2.0 technologies.** Would suggest a model similar to the e-biz project in Macedonia. This would entail bringing in Technical Assistance to manage an RFP for entrepreneurs to respond to. Then, support the e-tourism site with some start-up capital, technical assistance and support for some of the initial marketing events.
4. **Implement Module 3 of the ICT market and sales training which would focus on analyzing and targeting opportunities in the MAK region, and specifically Albania.** This would be done by a local consulting firm and would entail presenting the market opportunities in the region and then explaining how to target the right firms.
5. **Market analysis of MAK region and support with Market Linkage.** With significant interest in exporting to the Albanian market in the MAK region, the ICT sector can benefit by better market analysis of the region to identify the best opportunities. This should be followed by employing knowledgeable people to conduct matchmaking between the Kosovo ICT companies and prospects in the MAK region.
6. **Support an online job marketplace and consulting website for the local IT industry.** Based on various meetings with the local companies, there is evidence of a shortage of skilled people required for the successful growth of the companies in the ICT sector. On the other hand, there is also a belief that there are many unemployed young people seeking work. Part of the problem seems to be the lack of

a convenient marketplace for people and jobs. Again, supporting entrepreneurs to jump into this market would be recommended.

7. **Set up independent consultants' systems and processes to be suppliers to the bigger ICT firms.** Several of the larger ICT firms in Kosovo are exporting and growing but having a difficult time in staffing their growth. It would be helpful if they had a trusted set of independent IT consultants they could rely on for additional peaks in projects.

8. The consultants believe that it would be worthwhile to **explore regional and global BPO opportunities**. Based on the fact that there seems to be some BPO businesses currently in country it is recommended that KPEP take a deeper look at this opportunity. This would entail:
 - a. Review of global BPO trends
 - b. Assessment of comparative cost structures in the region including telecom and labor costs
 - c. Identification and targeting of specific BPO opportunities that best leverage the skills and capacity of the Kosovo workforce
 - d. Assisting local entrepreneurs with business planning and marketing activities

9. The consultants also believe that **a second white paper** on the use of ICT to benefit another industry, such as wood or architectural services, would be very helpful.

FIELD ACTIVITIES TO ACHIEVE PURPOSES

Summary Report KPEP ICT Sales & Marketing Training March & April 2009

1. Overall goals

The goals of the JE Austin consultant engagement were to:

- Work with KPEP staff to identify a local training partner
- Train the Kosovo ICT firms in Sales & Marketing with two modules on:
 - Firm & Market Assessment
 - Value selling and market identification
- Provide advisory services after the training:
 - Support on firm and market assessment
 - Support on identification of export markets
 - Use of value selling to create ICT white paper

2. The Plan

The engagement was divided into two parts, with two visits to Kosovo lasting about nine calendar days each in March and April. Training module 1 was scheduled in March, followed by one-on-one consulting with local firms. Training module 2 was schedule in April, followed by two different sets of activities involving local firms.

After reviewing two local companies, KPEP and JEA consultants selected Management & Development Associates (MDA) as the local training partner to support their activities.

3. Training Module 1, March 14, 2009

- Participation:

Total participants: 16 (10 men, 6 women)
Companies represented: 14 (including STIKK)
- Training schedule:
 - Based on stated preference of most companies, the training was scheduled for a Saturday to enable participants to attend the all-day session without impacting their work during the Mon-Fri work week
 - The training lasted from 9 am to about 5:30 pm, with all participants staying throughout the day except for two that had scheduling conflicts
- Topics covered:
 - Analyzing your firm to discover new insights and key strengths,
 - Reviewing core competencies
 - Conducting SWOT analysis using PESTEL framework
 - Analyzing marketplace to find new opportunities and trends
 - Using Porter's Five Forces framework
 - Understanding the market
 - Conducting market research

- Matching firm's capabilities to best target market, identifying gaps, and planning to overcome
- Segmenting and targeting the market
 - Creating a short company pitch and a company profile
 - Participant exercises:
 - SWOT Analysis: the participants were presented a case study of a technology firm focused in the finance market that was seeing a change in its business, and where the CEO decided to restructure the company. Teams of 3-4 participants were created and developed a SWOT analysis of the case study. The teams were then asked to present their analysis to the group.
 - Market research: teams of 3-4 participants were asked to conduct market research online and on the spot under the following scenario: their company provides CAD/CAM services to manufacturers in Kosovo, and is looking to expand its services into Albania. Using techniques explained in the training and some assistance from the training leaders, the teams used web resources to identify the Albanian shoe manufacturing sector as one possible market.
 - One-minute company pitch: after explaining the essential elements of what constitutes a short company pitch, each participant was asked to formulate a pitch for their current company.
 - Participant evaluation feedback: 68% Excellent, 30% Very Good, 1.8% Good. Here are comments from the two ends of the spectrum:
 - "I would like to thank USAID trainers for everything they did for us"
 - "Be more specific for our market "

Prior to conducting the training session, the JEA consultants reviewed the training materials with MDA consultants and made changes as recommended. Most of the training was conducted by Mike Ducker and Imran Qidwai, and MDA's Driton Dalipi covered some of the topics during the training.

4. Meetings with local ICT companies, March 16-20, 2009

The following eight companies signed up for a two hour one-on-one consulting session:

- ATI-KOS
- Comtrade
- DataProgNet
- Expik
- Ilir-Kosova
- InterAdria
- Pronet
- SmartTech

Mike Ducker, Imran Qidwai, Driton Dalipi, Olta Çibuku and Besim Ilazi participated in most of these company meetings.

These companies range from purely resellers of computer, printer and networking hardware to companies that provide custom software development and system integration. The full service companies, providing custom software solutions, feel obligated to provide hardware to their customers as part of doing business in the local environment.

Out of the companies listed, Pronet seemed to be the most advanced in their management structure and experience and is one of the largest with about 85 employees. During the

meeting, the CEO brought up specific past requests Pronet had made to KPEP about help with certification etc.

Many companies benefited significantly from the training and one-on-one consulting. Specifically, some volunteered that they had been introduced to new ideas and concepts about thinking about their business and in creating strategies for moving forward. Some companies also shared their immediate business challenges due to various circumstances in the local market.

As a follow up, the consultants reviewed and rewrote company pitches for several companies (Annex 4). They also reviewed the company profile documents and other sales and marketing leaflets and brochures, and provided specific advice for improvements. Most of the recommendations pertained to sharpening each company's value proposition and differentiation based on their own perceived strengths as well as their target markets. The recommendations also related to projecting the company's real strengths rather than presenting many disparate options to their customers and prospects. Additional Meeting Minutes:

IT Company: Ilir-Kosova **Date:** March 16th 2009

Company Representative: Faruk Ahmeti

KPEP Representatives: Imran Qidwai
Mike Ducker
Olta Çibuku
Driton Dalipi
Besim Ilazi

Meeting Summary:

After KPEP consultants clarified the purpose of the meeting Mr. Ahmeti explained to the consultants the financial and organizational structure of his company. He had prepared a short profile of his company as requested by the consultants during Module 1 training sessions. Mr. Ahmeti gave details on the nature of his business and the main products and services they provided. They were distributors of Konica Minolta, IBM, Olivetti, HP, Samsung, Canon and BENQ. Their main clients were the government and governmental projects, consisting of 70 % of their general business and private businesses represented 30%.

Furthermore, he described the core competences of his business which were product reliability and customer care.

The consultants gave marketing advice on how to segment his target market better during the meeting and further feedback on the company profile and pitch was provided the next day through e-mail.

Mr. Ahmeti explained that their short term plans included finding a partner in Albania and expanding their business. The consultants gave advice based on their previous experiences on how to find partners and expand their business in Albania.

IT Company: InterAdria **Date:** March 17th 2009

Company Representative: Gazmend Kajtazi
Ariana Kajtazi

Shpresa Kajtazi

KPEP Representatives: Imran Qidwai
Mike Ducker
Olta Çibuku
Driton Dalipi
Besim Ilazi

Meeting Summary:

InterAdria has been in the IT business for over a decade. They are distributors of various hardware brands in Kosovo but their main business is software development. They have a staff of 99 people, of which 42 are software developers.

During the meeting, they presented to the consultants their company profile and portfolio. They also explained their core competency which was customer care based on reliability and speed.

The consultants gave recommendations on how to better differentiate the company from their competitors and followed up through e-mail the next day on how to improve their company pitch and profile.

Their short term plans were to re-organize their company. They had currently 3 layers of management but had identified the need to create departments for Human Resource management, Marketing and Sales. The consultants provided recommendations based on their previous experience in this sector and gave them tips on how to pass this transitional phase smoothly.

Their long term plans are to expand their business to Albania and, through aggressive marketing, tackle the SME with software solutions. KPEP consultants provided advice on how to strategically plan both of these objectives.

IT Company: ATI- KOS **Date:** March 17th 2009

KPEP Representatives: Imran Qidwai
Mike Ducker
Olta Çibuku
Driton Dalipi
Besim Ilazi

Meeting Summary:

ATI-KOS was located in Gjakovë/Đakovica and had a wide range of products to offer. They were internet providers for few of the surrounding villages in Gjakovë/Đakovica and recently had even expanded to Albania. Furthermore they provided IT training and upon request developed software.

They had two groups of clients: individuals and businesses.

Their future plans were to expand more in rural areas. They had currently 400 residents which they provided internet connection to and were looking forward to at least a 20 % increase. They did not have any competition in the region, and their strategy of expansion was through advertising.

Their SME development plan was to be more aggressive in advertising to business in Gjakovë/Đakovica to develop web pages or software upon their request.

IT Company: DataProgNet **Date:** March 18th 2009

Company Representative: Fatos Haxhimusa

KPEP Representatives: Imran Qidwai
Mike Ducker
Olta Çibuku
Driton Dalipi
Besim Ilazi

Meeting Summary:

DataProgNet is a relatively new company. They started providing hardware maintenance services and, three years ago, saw a possibility and expanded their business in software development. Their main field of operation is governmental e-business projects and few web page development projects for SME.

They have 20 employees, 12 of them being programmers.

KPEP consultants channeled the conversation to stress the importance of expanding their fields of operation not only for growth purposes but rather as an exit strategy. DataProgNet has only one product, e-governance software. They have participated in 4 governmental bids and if they win them they will have business for the next 2 years. Nevertheless it is possible that they do not win any of these bids and have no other product to offer in order to survive.

In collaboration with the company representatives the consultants presented ways how to reuse bits of the already developed software or develop new ones to fit the needs of SME.

IT Company: Pronet **Date:** March 19th 2009

Company Representative: Valon Budima

KPEP Representatives: Mike Ducker
Imran Qidawi
Olta Çibuku
Driton Dalipi

Meeting Summary:

Pronet had been an active actor since the first interview they had with KPEP Representatives. Since the previous meeting, they had sent reports and specified their more immediate needs which were:

- ISO Certification
- IPR Standards
- Project Management Trainings.

They were very satisfied with their current sales and furthermore and did not have workforce to handle their current sales so they were outsourcing labor force from Macedonia. One of their requests which were not related to the scope of our project was qualified labor force development. The consultants provided their background on strategies how to increase their project management abilities and their recommendations were very well accepted by the company representatives.

IT Company: Expik **Date:** March 19th 2009

Company Representative: Blerim Tahiraj
Arsim Zeka

KPEP Representatives: Imran Qidwai
Mike Ducker
Olta Çibuku
Driton Dalipi
Besim Ilazi

Meeting Summary:

EXPIK started operating only one year ago, but due to a strong marketing campaign, they have positioned their company as a leading software developer company in Kosovo.

Their field of operation is threefold. They are resellers of various hardware brands. EXPIK provide software solutions to SME or institutions. They have 12 pre-developed products but they also develop tailored software to meet the client's needs. They also provide CISCO trainings.

Their marketing and sales department was fully dedicated and so far, they have done a great job in positioning EXPIK as a leading IT company in Kosovo.

The consultants revised their marketing strategies and gave advice on how to differentiate their company from the rest of the industry and provided them with various marketing tools to promote their products.

Their future plans were to further expand their market by 20% and create partnerships with IT companies or consulting companies to exchange products. The consultants provided advice on how to develop these strategies and invited them to be part of the White Paper exercise which fully focused on solving these kinds of problems.

IT Company: ComTrade **Date:** March 19th 2009

Company Representative: Enver Doko
Edona Konjusha

KPEP Representatives: Mike Ducker
Olta Çibuku

Meeting Summary:

ComTrade is a leading hardware reseller in Kosovo. Their main field of operation is hardware and computer sales, which generates 90% of their income. They also provide hardware maintenance and support for their products and other products. And, they have recently started providing website design.

Their main customers are the government and businesses.

They have a staff of 21 which has gradually grown by 10% each year. Their annual revenue has also experienced 10% annual growth.

ComTrade identifies as their core competence the professionalism of their experts. They are very fast in helping their customers solve their problems and also in helping find the best IT solution for their needs. Mr. Doko explained the future plans of his company to expand their market in Kosovo through marketing and promotions. ComTrade has just created their

marketing department and the main focus of the company was to fully develop that department.

KPEP consultants provided recommendations on how to differentiate their company and introduce to clients added value for the products they buy.

5. Training Module 2, April 11, 2009

- Participation:

Total participants: 11 (7 men, 4 women)

Companies represented: 9

- Training schedule:

- In view of a few known holidays scattered in April, after training module 1 each company was specifically asked about their ability to attend training module 2 on April 11. After everyone expressed their interest in attending the training on this date, the JE Austin trainers made their travel plans and other arrangements accordingly. However, during the week of April 6, the Kosovo government declared Friday, April 10 as an official holiday following the Constitution Day holiday on April 9. Moreover, many people took off Monday, April 13 for Easter. Despite the training falling in the midst of this 5-day break, 11 persons attended the training although the number was fewer than for module 1.
- Some of the module 1 participants advised afterwards that the training covered significant material to be absorbed in one day. It was also observed that the participant exercises provided more interaction and useful learning by doing. Thus, it was decided to shorten the training day slightly, and to include four participant exercises in module 2.
- The training lasted from 9 am to about 4:30 pm, including four exercises and breaks.

- Topics covered:

- Identifying market segments and targeting specific customers
- Positioning own firm, finding and researching prospect firms
- Finding customer decision makers and contacting them
- Creating positioning statement and tailoring it to target firm
- Contacting targets by email and phone
- Value selling and consultative sales process
- Marketing toolkit and recruiting sales & marketing staff

- Participant exercises:

- Finding target customers, decision makers' names and email contact: in teams of 2-3, participants conducted online research for the following scenario: a Kosovo-based web development firm in business for 10 years with 15 employees, including 2 PMI-certified project managers, is seeking new software outsourcing business in the Austrian market. Participants identified some target companies, and looked for names and email contact information of key technical decision makers.
- Creating and emailing positioning statement; follow up phone call: following up on the previous exercise, the participants created the text of their company positioning statement to be sent by email to the target contacts. They also practiced making a follow up phone call with role playing within the group.
- Consultative sales: in teams of 2-3 participants, the trainees created possible solution offers for a local foods wholesaler with 120 employees to solve

problems related to a central warehouse, 5 regional warehouses, a fleet of 50 delivery vehicles, and a customer base of 25 big supermarkets and 100 small mini-markets. Proposed solutions addressed issues such as better inventory and fleet management, people and asset management, and improving sales using handheld mobile devices etc.

- Recruiting sales manager: in teams of 1-3 participants, the trainees defined the requirements for a mid-level sales manager hire in terms of educational qualifications, experience, and skills.

- Participant evaluation feedback: 54% “Excellent, 34% Very Good, 8.5% Good, 5.7% Adequate. Some comments for improvement or follow up:
 - “Making the training specific to the country’s profile”
 - More on “Sales process”

Prior to the training, the MDA consultants reviewed the Module 2 training material draft prepared by the JEA consultants and made some modifications. Most of the actual training was delivered by Mike Ducker and Imran Qidwai, and MDA’s Driton Dalipi and Olta Çibuku covered one topic during the training.

6. Meetings with local ICT companies, April 14-16, 2009

Imran Qidwai and Driton Dalipi helped the following companies with one-on-one advisory services for Market Identification: Export Support:

- Cactus
- Pronet
- SmartTech

The companies that have already started to expand beyond Kosovo have current export business and prospects in the Albanian market within the MAK (Macedonia, Albania & Kosovo) region. The export business consists of either resale of custom software developed initially for Kosovo clients, in cases where the firm has reselling rights, or custom development services for new applications required by customers in Albania and Macedonia. It is the consultants’ assessment that this is a credible approach, and the local companies can use the experience gained by exporting to friendlier markets to then break out into additional markets that may have different demands.

During these meetings, the consultants:

- Coached the ICT companies on leveraging their strengths for the export markets
- Strategized on how to identify opportunities, conduct further research, and how to pursue those opportunities
- Coached mid-level sales employees of one company while they actually conducted online research based on a target segment, country and types of businesses to reach

7. Meetings with members of the Kosovo tourism industry, April 13-16, 2009

The following two companies signed up to participate in Consultative Sales to a local industry sector:

- Cactus
- Expik

The Kosovo tourism industry was selected, in consultation with KPEP project staff, as the local industry sector to target for consultative sales, i.e. to identify how ICT applications would impact the business growth of the sector. Specific meeting summaries are below.

Tourism Industry Representative: AFA Hotel

Time: April 14th 2009

**IT Company's Representatives: Njomza Pallaska (Cactus)
Blerim Tahiraj (EXPIK)**

**KPEP Representatives: Imran Qidwai
Mike Ducker
Olta Çibuku
Driton Dalipi
Besim Ilazi**

Meeting Summary:

Through Kosovo Tourism Association (KOTAS), KPEP consultants met with AFA Hotel General Manager Mr. Ali Mehija. The purpose of the meeting was to provide IT solutions to the problems hotels or restaurants part of KOTAS might have.

Mr. Mehija stated that due to high demand by internationals he usually had 80% of his hotel capacity occupied. They had low booking during the weekend as most of their guests left to go back home or travel around Kosovo or visit other countries. To raise their weekend bookings they offered promotional prices for Friday and Sunday.

Due to the fact that they were always busy, they stated that currently they did not need any advertising. Nevertheless they recognize the need for the future as there are many hotels under construction in Pristina or its surroundings.

Their only request was to develop an integrated system which will communicate with the reception, restaurant and their warehouse in order to make their operations more effective.

Tourism Industry Representative: Gorenje Hotel

Time: April 14th 2009

**IT Company's Representatives: Njomza Pallaska (Cactus)
Blerim Tahiraj (EXPIK)**

**KPEP Representatives: Imran Qidwai
Mike Ducker
Olta Çibuku
Driton Dalipi
Besim Ilazi**

Meeting Summary:

Gorenje Hotel had one of the most advanced IT systems in comparison with any other hotel we visited. They had software developed by InterAdria for their reception and restaurant but these systems were not connected together.

Like Hotel AFA, their request was to have an integrated system through which all their systems communicate together.

Their situation was the same as that of Hotel AFA. They were very satisfied with their current reservations and sales records and they did not have any advertising needs for the moment.

They agreed to the recommendation of the consultants that the best way to make the whole industry more competitive was to develop the KOTAS website from which all members of the association would benefit.

Tourism Industry Representative: Sharri Hotel, Prevallë Time: April 16th 2009

**IT Company's Representatives: Njomza Pallaska (Cactus)
Blerim Tahiraj (EXPIK)**

**KPEP Representatives: Mike Ducker
Olta Çibuku**

Meeting Summary:

With recommendation of Mr. Zekë Çeku from KOTAS, we met with the Hotel Sharri owner. His nature of business was very different from the other hotels we had met and as such, his problems were, too. His customers traveled from around Kosovo or other countries to spend one night or weekend in the fresh air of Prevallë. He did not have any business tourists.

He had an occupancy rate of 40% and was very interested to increase it up to at least 60%.

There were two main sources of customers visiting his location: Training seminars and the healthy air in the location. He identified the need for more marketing and asked assistance from the IT representatives on developing a website. They were members of KOTAS and his interest was to develop and update the KOTAS webpage as well.

He held reservations manually and did not have warehouse software. He only used locally developed restaurant software.

Tourism Industry Representative: Çarshia e Jupave Time: April 16th 2009

**IT Company's Representatives: Njomza Pallaska (Cactus)
Blerim Tahiraj (EXPIK)**

**KPEP Representatives: Mike Ducker
Olta Çibuku**

Meeting Summary:

Hotel Qarshia was a family owned business. They were located in the center of Gjakovë/Đakovica.

Their problems were similar to those of Hotel Sharri.

They were based on tourism needs and their two customers were Seminars and individuals interested in visiting Gjakovë/Đakovica.

After consulting with the IT Representative, he identified that his primary needs were: first, to update his website and through that, do more aggressive marketing and second, develop an integrated system.

Tourism Industry Representative: Prizren Municipality Time: April 16th 2009

IT Company's Representatives: Njomza Pallaska (Cactus)
Blerim Tahiraj (EXPIK)

KPEP Representatives: Mike Ducker
Olta Çibuku

Meeting Summary:

Mr. Jashari was a member of KOTAS and working as a tourism coordinator in Prizren Municipality. He gave us brochures and explained all tourist location and activities in Prizren that make the city attractive.

He explained the situation of hotels in that location and their situation was similar to that of Hotel Sharri and Hotel Qarshia.

He stated that their primary need was to develop KOTAS website. He also identified the need of developing a website specific for Prizren and advertising it online and through various tour agencies operating in Kosovo.

Tourism Industry Representative: Head of KOTAS **Time:** April 13th 2009

IT Company's Representatives: Njomza Pallaska (Cactus)
Blerim Tahiraj (EXPIK)

KPEP Representatives: Imran Qidwai
Mike Ducker
Driton Dalipi
Besim Ilazi

Meeting Summary:

KPEP consultants met with head of Kosovo Tourism Association (KOTAS). The purpose of the meeting was to receive feedback from the KOTAS representative on what are potential ICT demands by the tourism sector in Kosovo.

The overall conclusion is that the tourism industry in Kosovo needs a more updated and a centralized method on managing the hotel capacities in Kosovo. Furthermore, there is a need to educate business owners on the importance of using IRPs to manage their businesses (integrated system which will communicate with the reception, restaurant and their warehouse in order to make their operations more effective). Currently there are no development software solutions by the private ICT companies to manage hotels.

Company: SmartTech **Time:** April 14th 2009

SmartTech Representatives: Valon Hysenaj
Valon Canhasi

KPEP Representatives: Imran Qidwai
Driton Dalipi

Meeting Summary:

SmartTech is one of the companies that took part only in the second module. The management wanted to learn more on methods on how to explore markets in the MAK region. As such, KPEP consultants advised them on preparing a specific strategy which

encompasses the strengths of this young company on creating custom software solutions, especially for the education sector. The idea was inform them of methods on how to research the Albanian education sector and find the appropriate people to talk to.

Company: PRONET **Time:** April 16th 2009

IT Company's Representatives: **Arbër Shala** (Internetworking)
Albert Jegeni (Storage and Servers)
Diedon Kica (Software and Services)

KPEP Representatives: **Imran Qidwai**
Driton Dalipi

Meeting Summary:

KPEP consultants, with the request of the client, concentrated in the following points:

- Help determine segmented market
- Research for firms' contact
- Find the right targeted people at firms
- Send out e-mails to them
- Record information on Pipeline

Region and Market:

- Albania

Sector and Targets:

- Financial and Insurance: Banks, Insurance, and other Financial Institutions
- Networking Service Providers: Telecom, Cabling, Installers etc
- Distributors and Retailers

Potential Solutions:

- Internetworking Solutions
- Storage and Server Solutions
- Pronet Software Solutions and Services

Company: Cactus **Time:** April 14th 2009

Cactus Representatives: **Nora Zhilivoda**, Marketing Specialist

KPEP Representatives: **Imran Qidwai**
Driton Dalipi

Meeting Summary:

The participants wanted to learn more on methods on how to explore markets in the MAK region. As such, KPEP consultants advised them on preparing a specific strategy which encompasses the strengths of Cactus on creating custom procurement, budgeting software solutions, especially for the public sector, but that it can be used also in the private (finance) sector. The software is implemented in PCB Albania, and the idea was to have them contact ProCredit holding and sell it to other 23 ProCredit banks worldwide.

TASK FINDINGS

In various meetings with the local companies, the consultants heard anecdotally that about 60-70% of the business for some companies comes from national, local and municipal government activities.

The concentrated market in the rest of the private sector is mostly focused on large banks, large retail with multiple locations and mobile operators. The rest of the private sector needs to be educated about the benefits of ICT, and this is well suited to the consultative sales techniques covered in the training.

The consultants also found that export opportunities exist, and some are already being tapped. Most of the current export business is in Albania, and the prospects are also said to be in the Albanian market within the MAK region. The larger firms also seem capable of breaking out of MAK region with products and software services.

The most significant factor impeding a healthy growth is the lack of sufficient HR capacity. The companies described this in terms of lack of skilled personnel both in the technical fields as well as in middle management for sales and marketing.

During the course of meetings with the various Kosovar companies, the consultants discovered that some export-oriented BPO activities already exist in Kosovo. The examples quoted were:

- A German language call center with about 50 people, employing mostly young people who returned to Kosovo after several years of living and schooling in Germany and have knowledge of German language and culture
- 1st & 2nd level networking product support for a US firm, employing about 20 experienced networking professionals that have received training from the several centers that offer Cisco-based and other networking courses

CONCLUSIONS AND RECOMMENDATIONS

Recommendations for Follow Up

1. MDA, the local training partner, is a well-established training and recruiting company serving the local market. **MDA should incorporate the training and consulting into their practices.**
2. **Present and market the ICT/Tourism white paper to the tourism industry;** this would include detailing the importance of an e-tourism site and how ICT can help hotels in operate more efficiently.
3. **Move forward with the white paper in supporting a Kosovo e-tourism site that will utilize web 2.0 technologies.** Would suggest a model similar to the e-biz project in Macedonia. This would entail bringing in Technical Assistance to manage an RFP for entrepreneurs to respond to. Then, support the e-tourism site with some start-up capital, technical assistance and support for some of the initial marketing events.
4. **Implement Module 3 of the ICT market and sales training which would focus on analyzing and targeting opportunities in the MAK region, and specifically Albania.** This would be done by a local consulting firm and would entail presenting the market opportunities in the region and then explaining how to target the right firms.
5. **Market analysis of MAK region and support with Market Linkage.** With significant interest in exporting to the Albanian market in the MAK region, the ICT sector can benefit by better market analysis of the region to identify the best opportunities. This should be followed by employing knowledgeable people to conduct matchmaking between the Kosovo ICT companies and prospects in the MAK region.
6. **Support a job and consulting website for the local IT industry.** Based on various meetings with the local companies, there is evidence of a shortage of skilled people required for the successful growth of the companies in the ICT sector. On the other hand, there is also a belief that there are many unemployed young people seeking work. Part of the problem seems to be the lack of a convenient marketplace for people and jobs. Again, supporting entrepreneurs to jump into this market would be recommended.
7. **Set up independent consultants' quality system and process to be suppliers to the bigger ICT firms.** Several of the larger ICT firms in Kosovo are exporting and growing but having a difficult time in staffing their growth. It would be helpful if they had a trusted set of independent IT consultants they could rely on for additional peaks in projects.
8. The consultants believe that it would be worthwhile to **explore regional and global BPO opportunities.** Based on the fact that there seems to be some BPO businesses currently in country it is recommended that KPEP take a deeper look at this opportunity. This would entail:

- a. Review of global BPO trends
 - b. Assessment of comparative cost structures in the region including telecom and labor costs
 - c. Identification and targeting of specific BPO opportunities that best leverage the skills and capacity of the Kosovo workforce
 - d. Assisting local entrepreneurs with business planning and marketing activities
9. The consultants also believe that **a second white paper** on the use of ICT to benefit another industry, such as wood or architectural services, would be very helpful.

Annex 1: ICT/ Tourism White Paper

This white paper looks at how the ICT sector in Kosovo can help create a more competitive tourism sector in country

INTRODUCTION

The following White Paper has a dual purpose: first, to illustrate how ICT can make the tourism sector more competitive in local, regional and global markets; and second, to show the ICT industry how to engage the private sector and respond to the needs of individual enterprises with specific solutions to their critical issues. The process of collecting information and brainstorming IT solutions was as important as the final product in achieving both goals.

The White Paper process is the reverse of a typical sales process for an IT firm in Kosovo. As opposed to responding to an RFP released by a bank or the government, the focus of this work is to assist IT firms in understanding and responding to the issues facing their clients, in this case the tourism sector. The White Paper team was composed of two Kosovo IT firms (Cactus and Expik), the Kosovo Tourism Association (KOTAS), a local consulting firm called Management Development Associates (MDA), an international IT market development specialist and the IT coordinator from the USAID-funded project Kosovo Private Enterprise Program (KPEP). For additional details on the composition of the White Paper team, see [Annex 1](#)). The team interviewed hotels in Pristina, Dragash/Dragaš and Gjakovë/Đakovica, tour operators, and local government officials in Prizren. Critical to the success of the White Paper was the need to ensure that the tourism enterprises guided the interview and expressed the most pressing issues for their organizations.

From the interviews, the team was able to distill the four common issues facing the Kosovar Tourism Sector:

- Expand the Expat Tourism Business through better education and communication systems
- Pursue International Leisure Tourism Market outside of Kosovo
- Better market data for the hotels to manage their business
- Use of integrated IT system to help hotels run more efficiently

The White Paper team then up with several IT solutions and business models which are highlighted in the table below. Although not all solutions to business process inefficiencies can be solved through the use of IT alone (see Table 1 on the next page), the team finalized a set of recommended solutions that are important to the future growth of the tourism industry.

Table 1: Summary of IT Solutions and Business Models for Tourist Opportunities

Tourism Opportunity	Technology Solution	Benefit to Tourism Sector	Business Model
<p>Expand the Expat Tourism Business through better education and communication systems</p>	<p>Create a market driven e-tourism site with large amount of content (destination descriptions, itineraries, tourist events, tourism firms and high quality pictures and videos) that also updates the market regularly on day trips and weekend itineraries. The site will contain up to date content on hotels, operators, car rentals, restaurants and other services. It will have an advanced search function so users can find the perfect weekend getaway. Lastly, the site will allow visitors to post feedback directly to the site to comment on their experiences.</p> <p>Increase User-Generated Content utilizing Web 2.0 tools. Entice tourists and businesses to create user-generated features on Kosovo blog sites. Create links with some of the tourist research sites. Could create a module that allows users to post content from SMS and MMS messages.</p>	<p>Drive more traffic and sales from expats looking to explore weekend destinations in Kosovo instead of Macedonia and other regional locations</p> <p>Utilize free content and reviews from visitors who are currently in the country to help entice other future tourists to come to Kosovo.</p>	<p>E-Biz Business Model Similar to Macedonia. The key to the model is having a Kosovar entrepreneur create the site. They will make revenue on different membership schemes marketed to tourism businesses based on how much information they post and where they want their information presented on the site. Marketing will entail online and offline efforts targeted to the local market</p> <p>User-generated content on Kosovo is already being produced on the web from sites outside of Kosovo. A Web 2.0 Site can generate revenue earned by some advertising on the blogs. The goal would be to generate user content and visitors to visit the blogs to generate the revenue. Should be linked with E-tourism Site. SMS messages would utilize revenue (shared with mobile operators).</p>
<p>Pursue International</p>	<p>Upgrade the e-tourism site for international tourists with booking module. The e-tourism site</p>	<p>Help support an international tourist</p>	<p>Increased content and increased traffic should lead to</p>

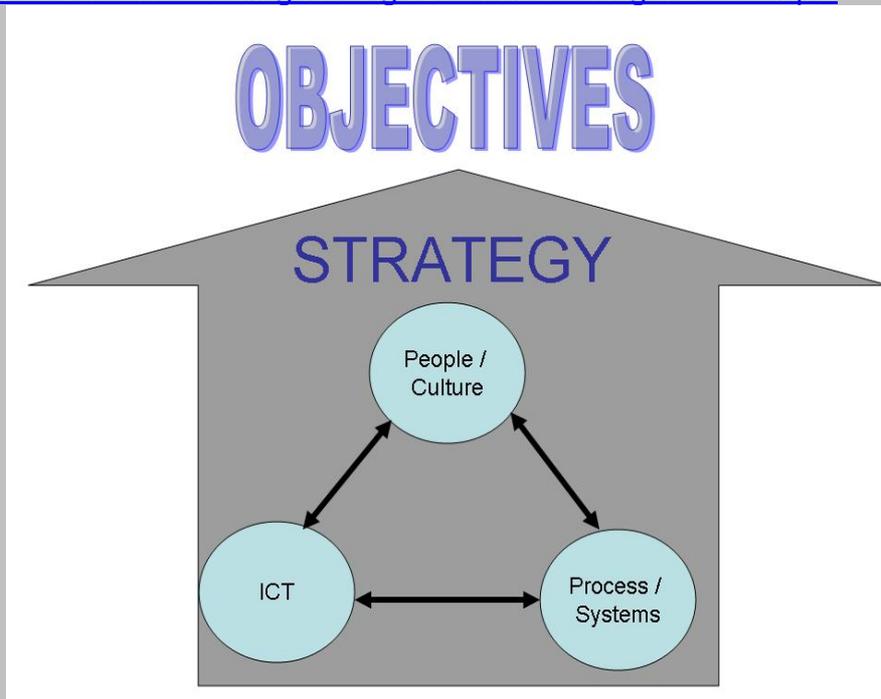
<p>Leisure Tourism Market outside of Kosovo</p>	<p>would be upgraded to target international leisure tourists. This would require three things: 1. More destination, flight, transportation and safety information; 2. An online booking system to book Kosovo hotel rooms, rental cars and tours. The booking system should use a Global Distribution system (GDS) like Amadeus or Galileo which will link with Online Tour Agents (OTA) like Expedia or Travelocity; 3. Updated content would need to be created for tourist information websites outside of Kosovo like Trip Advisor and Virtualtourist.</p>	<p>strategy. The web is the number one tool that international tourists use to find out about tourist locations and often to buy tourist services. It would be imperative that any international tourist strategy incorporate web strategy.</p>	<p>an increase in members and advertising. The site will earn revenue from booking taken as a small percentage of the reservation revenue from transacting online.</p>
<p>Better market data for the hotels to manage their business</p>	<p>A Kosovo Hotel Marketplace. This would be a reverse auction system that would allow major customers of Kosovo hotels to place their reservation requests online and for hotels to then communicate through the system if they have the room availability for such requests. The requests would be classified in different ways: Stars, price, availability of amenities such as a gym, per diem pricing, restaurants, dates, etc.</p>	<p>Hotels would have a much clearer view of future demand in the marketplace for planning purposes, and the system would also allow them to sell additional inventory of rooms</p>	<p>This system should be part of the e-tourism site and would only be open to the top 30 to 50 major tour operators, business and projects in Kosovo that provide at least 100 days of revenue for hotels a year. The site could earn revenue by collecting membership fees from the hotels.</p>
<p>Use of integrated IT system to help hotels run more efficiently</p>	<p>Integrated Hotel Management System that is integrated and linked with its restaurant system, depot system, reservation system and accounting system. The system would allow for bills to be created in the restaurant and then inputted into the reservation system and for restaurants bills to directly update the inventory level in the depot system. Everything would be linked up through a financial accounting system.</p>	<p>Same as business model→</p>	<p>With 200 to 400 hotel rooms being brought into the market place in the next year, there will be an opportunity to ensure these new hotels and upgrades are utilizing ICT to help their businesses become more efficient. Hotels that use a more integrated system find that these systems help reduce their costs, including inventory costs.</p>

A WORD OF WARNING ON THE ICT PRODUCTIVITY PARADOX

Most firms have three primary tools that need to work in harmony for them to operate at maximum efficiency on a daily basis: people, information technologies, and business processes (see diagram below). These three tools reinforce one another through an overarching company strategy to reach the firm's objectives. When any of these three tools changes, the other two must change with it. Unfortunately, in the case of ICT improvements, corresponding employee training programs and efforts to upgrade company business processes are often delayed or never implemented, which limits the benefits of an IT upgrade. More information on managing ICT transformational issues can be found by following the links below:

< <http://ocw.mit.edu/OcwWeb/Sloan-School-of-Management/15-566Information-Technology-as-an-Integrating-Force-in-ManufacturingSpring2003/DownloadthisCourse/index.htm> >

<http://www.sric-bi.com/consulting/briefings/BestPracTechMgmt2003-10.pdf>



HOW TECHNOLOGY INCREASES FIRM COMPETITIVENESS

The increase in overall company efficiency after implementing ICT systems has been well documented, as has ICT's impact on the productivity level across a country's economy.¹ For instance, Wal-Mart is one of the largest enterprises in the world and employs some 1.6 million people, but it started as a small rural retail shop. Even as a small shop, the founders realized the potential for implementing IT solutions in their store as a strategic tool for controlling assets and as a way to understand the market and demand for particular products. Wal-Mart utilized this information to streamline its supply chain and was therefore able to negotiate favorable distribution terms with large consumer goods companies. The same opportunity to utilize ICT to grow and become more efficient also exists for the Kosovar tourism sector.

BACKGROUND ON KOSOVO TOURISM

Kosovo Tourism: Just Getting Started

The tourism sector in Kosovo is fairly new, and many of the enterprises in the industry have limited experience. Overall, the tourism sector has been doing well (see Tables 2 and 3 below). According to the Kosovo Hotel Association, many of the hotels in Prishtina are near full capacity (85%+ of capacity) and new investment in hotels is flowing into the capital. Much of this success has been driven by longer term (2 – 4 week) expat visits for business purposes, especially donor projects. Even given such great success in a short amount of time, the industry has greater opportunities to expand their business and reduce their costs utilizing ICT.

Statistical data

Based on the 2006 "Kosovo Tourism Development Strategy 2007-2013" authored by a team of experts from the Ministry of Trade and Industry (Department of Tourism) and Riinvest and developed with the assistance of GmbH Consult (Wiesbaden, Germany), we show below some statistical data relevant to our research.

Tables 2 & 3: These data show the growth of the tourism both domestic and foreign

Tourist Circulation

Year	Total	Visitor		Total	Net stays (overnight) in Kosovo	
		Domestic	Foreign		Domestic	Foreign
2000	740,314	627,199	113,115	51,020	23,720	27,300
2001	755,782	643,840	111,942	67,259	37,657	30,268
2002	1,277,438	1,091,918	185,520	135,875	87,925	47,950
2003	1,511,135	1,255,543	255,592	147,357	96,594	50,763
2004	1,438,845	1,196,546	242,299	135,481	77,253	58,228
2005	1,934,101	1,671,038	263,063	193,800	103,873	89,927

¹ *The Economic Impact of ICT: Measurement, Evidence and Implications*, OECD 2004, pp. 77-79.

Tourist Entities by Year

Year	Hotels and motels with restaurants	Hotels and motels without restaurants	Youth hostels and alpinist houses	Camps and auto-trailers	Accommodation for shorter stay	Restaurants	Night bars	Kitchen and menza	Supply with prepared food	Tourist agencies	Total
2000	95	36	11	3	153	1,751	152	226	82	195	2,704
2001	132	53	16	7	241	2,226	223	287	218	214	3,617
2002	202	74	22	23	347	2,459	382	342	848	346	5,045
2003	122	16	18	2	150	1,121	75	168	342	183	2,197
2004	190	41	28	8	181	1,669	148	235	522	263	3,285
2005	250	53	32	13	413	2,238	503	338	886	376	5,102
2006	284	64	26	8	217	2,078	831	334	951	348	5,141

Tourist Regions of Kosovo

Kosovo is divided into five tourist regions:

1. Central region of Pristina;
2. Tourist region of Albanian Alps (Bjeshkët e Nemuna);
3. Tourist region of Sharr;
4. Tourist region of Anamorava;
5. Tourist region of Mitrovica.

Figure 1: Kosovo Tourist Regions



TOURISM OPPORTUNITIES IN KOSOVO

The White Paper Team saw four opportunities for how ICT can help the tourism sector:

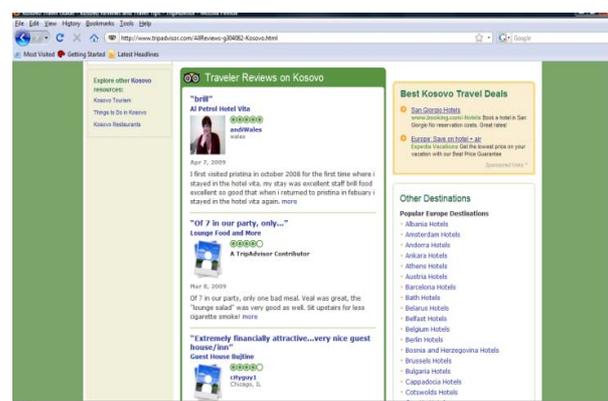
1. In the short term there is an immediate need to utilize the web to provide market information on tourism content (sites, events, businesses, etc.) to expats who live in Prishtina and are in country for extended periods of time (over two weeks) on the exciting events and activities to do in Kosovo
2. The Hotel Room Market could become more efficient in Prishtina through the use of a Market Information System. This would be a reverse auction system that would allow the major buyers of hotel rooms in Prishtina to share their demand for upcoming hotel rooms with the hotels so they can better prepare.
3. In the long term, when Kosovo is ready to target the international tourism market, it will have to expand its web presence with content and the ability to book hotels and other offerings on-line. This will require investing in activities like search engine optimization, utilizing hotel and tour operators' online booking systems, and linking with online tourism operators (OTAs) and other international websites that provide destination information.
4. Lastly, ICT can help the hotels become more productive!

Learning About the “Hidden Gem”: Capturing more business from expats traveling locally

Many expats who are working in Kosovo for weeks, months or years will travel outside the country during the weekend to destinations like Macedonia or Montenegro. One reason they are seeking vacation outside the country is that these

Figure 2: Trip Advisor User-Generated Reviews on Kosovo

<http://www.tripadvisor.com/AllReviews-g304082-Kosovo.html>



people have little knowledge of possible tourism products within Kosovo. Globally, expats utilize the web to learn about a location they are visiting or even living in. However, if there is little information on the internet on a particular destination, they will look to go elsewhere for their vacation.

Currently, there is little content on the internet about tourist activities in Kosovo: destinations to visit, restaurants to dine in, or hotels to stay in. Unless you have been in the country for some

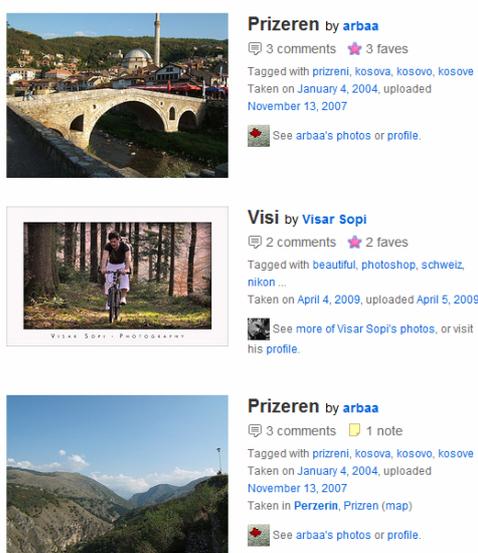


Figure 3: Flickr Photos of Prizren

<http://www.flickr.com/search/?s=int&q=prizren&m=text>

time and ask the right people, there is little opportunity to find out about the good skiing in Peja or hiking in Prizren. In fact, there is currently more content created by international travel research sites like <http://www.inyourpocket.com/city/pristina.html> or <http://www.tripadvisor.com/Tourism-g304082-Kosovo-Vacations.html> than sites developed in Kosovo (for an example, see Figure 2). In addition, some of the best pictures of Prizeren, for example, are on sites like Flickr.com (see Figure 3). Many of these sites receive user-generated content, including reviews and pictures of hotels and restaurants. This user-generated content is very powerful information for potential tourists. It should be noted that user-generated content does not provide enough information on its own, and marketing strategies should still be pursued.

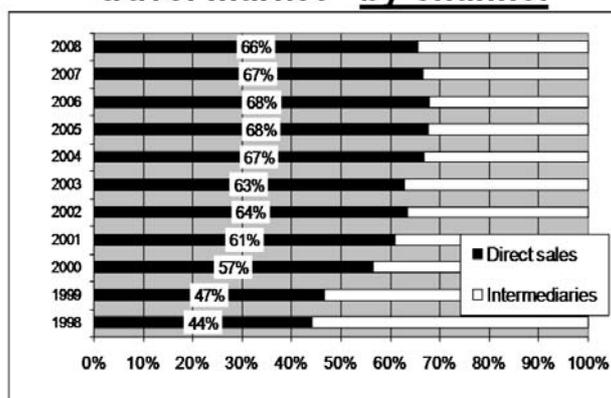
Hotels need Better Market Information to manage their Room Inventory and Operations

The hotels in Pristina currently rely on an estimated 30 to 50 businesses, tour operators and donor projects (such as the KPEP project) for a great deal of their bookings. These hotels typically take reservations by phone or e-mail from these organizations. This is an inefficient system for all parties involved. Because the hotels prefer longer stays from their clients, they limit the number of options for short stays (less than a week), even from their regular clients. For this reason, the hotels currently prefer not to offer online bookings; they would rather control who gets a reservation into their system to ensure they have enough inventory of rooms for longer stay visitors.

International Leisure Tourism is Dependent on the Internet

According to the World Tourism Organization, by 2020 a majority of tourists will choose Eastern/Central Europe as destinations over Western Europe, and the Balkans will receive 79 million visitors by the year 2020. The Kosovo tourism sector is going to have to create a much deeper online presence. Currently 66% of tourism products in Europe are purchased online, and that number is growing (see Figure 4). Of the US travel populations, 79% are web-savvy and 55% of these web-savvy travelers will purchase their travel products online. According to the Travel Association of America, the most popular way to collect information about tourism destinations is online using Travel Agency Sites or Online Tourist Agents (OTAs) and search engines. More than half of online travel planners use destination websites as a way to plan trips. Users might research information from Web 2.0 travel sites, on-line magazines, destination sites and newspapers, and travel guide websites like City in your Pocket. Most often, users will first use a search engine, such as Google, to find these websites, or they might go directly to branded travel sites like Lonely Planet. Most of the OTAs are not directly linked with destination content websites (see Figure 5 below).

Trends in the European online travel market - by channel



Source: Carl H. Marcussen, Centre for Regional and Tourism Research, www.crt.dk/trends, 23 March 2009.

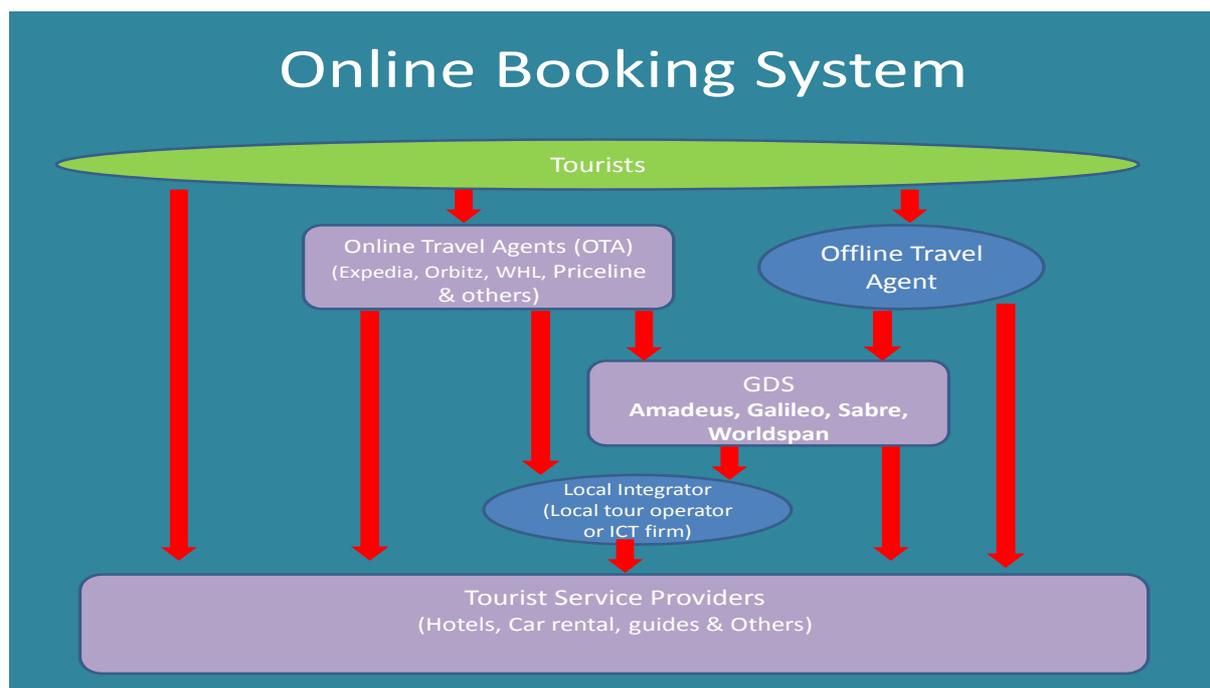
Figure 4: Direct sales in the European online travel market

Figure 5: US Tourist Research Sites



More and more, tourists' transactions take place through online booking systems. Tourists are purchasing items like hotel rooms, rental cars, airplane tickets and event tickets. Typically a tourist will use an Online Tourist Agent (OTA) like Expedia to purchase hotel rooms. The OTA is an aggregator of several booking systems which are called Global Distribution Systems (GDS), the global system that keeps track of inventory of rooms, flights, prices and schedules, and other key tourist product information. There are four major online booking systems in the world: Amadeus, Galileo, Sabre, and Worldspan, all of which are either connected directly to the IT Systems of tourism service providers or connected through a local integrator who might host the system locally (see Figure 6).

Figure 6: Online Booking System Structure



Need for Integrated Hospitality Information Services

There are 200 to 400 additional hotel rooms that will become available for tourists over the next year in Prishtina. This includes expansion of hotels and investment into new hotels. As hotels move from small boutiques with 20 rooms or less to larger hotels with 50 plus rooms, hotel management will need more automated tools to help manage a more complicated business. Most hotels in Kosovo have basic IT systems such as a restaurant management system and / or a simplified accounting system. Some of the larger and more sophisticated hotels have a reservation system and a depot system for inventory management. None of the hotels had integrated systems according to the Kosovo Tourism Association. So, for example, when a customer wants his food bill to be added to his hotel room, there is no automated way of doing this. Also, the food item is not automatically taken out of the depot system, so inventory levels are not up to date which creates more room for wastage or even theft. The White Paper team found that hotels that use a good restaurant system with integrated Depot Management are more likely to keep their food waste costs down (from 5% to 3% of food inventory). The other issue the team uncovered is some hotels' reservation systems in Prishtina had the capability of an online booking system, although most did not want to open them up because they wanted to ensure they had rooms in their inventory for longer stays, as previously mentioned. This can cause headaches for visitors looking to book short term stays. Lastly we found some hotels do not have any software solutions. These circumstances are unsustainable for the future given that the number of tourists is growing rapidly.

Other Issues in the Tourism Sector

- Lack of integrated management system in tourism industry
- Current unwillingness of hotel owners to implement the solutions offered by software companies due to financial constraints
- Lack of human resources in using solutions offered in field of IT
- Not clear who would cover exploration and development costs of a integrated system because there is no assurance that solution offered is acceptable from hotels at its real cost

- Necessity of coordination between service companies in planning, designing and implementation this project
- Lack of centralized database that will hold the data information for entire tourism sector
- Lack of a website with detailed textual information and other illustrations as reference for web visitors
- Absence of central web page for online bookings

TECHNOLOGY SOLUTIONS FOR TOURISM GROWTH OPPORTUNITIES

For the four opportunities mentioned on the previous page, the White Paper team has brainstormed four ICT solutions, which are listed in Table 4 below:

Table 4: ICT Solutions for the Tourism Industry

Expand the Expat Tourism Business through better education and communication systems	<p>Create a market driven e-tourism site with a large amount of content (destination descriptions, itineraries, tourist events, tourism firms and high quality pictures and videos) that also updates the market regularly on day trips and weekend itineraries. The site will contain up to date content on local destinations, itineraries, hotels, operators, car rentals, restaurants and other services. It will have an advanced search function so users can find the perfect weekend getaway. Lastly, the site will allow visitors to post feedback directly to the site to comment on their experiences.</p> <p>Increase User-Generated Content utilizing Web 2.0 tools. Entice tourists and businesses to create user-generated features on Kosovo Blog Sites. Create links with some of the tourist research sites. Could create a module that allows users to post content from SMS and MMS messages.</p>
Pursue International Leisure Tourism Market outside of Kosovo	<p>Upgrade the e-tourism site for international tourists with booking module. The e-tourism site would be upgraded to target international leisure tourists. This would require three things. 1. More destination, safety, flight, and transportation information. 2. The site would also include an online booking system to book Kosovo hotel rooms, rental cars and tours. The booking system should use a Global Distribution system (GDS) like Amadeus or Galileo which will link with Online Tour Agents (OTA) like Expedia or Travelocity. 3. Updated content would need to be created for tourist information websites outside of Kosovo like Trip Advisor and Virtualtourist.</p>
Better market data for the hotels to manage their business	<p>A Kosovo Hotel Marketplace. This would be a reverse auction system that would allow major customers of Kosovo hotels to place their reservation requests online and for hotels to then communicate through the system if they have the room availability for such requests. The requests would be classified in different ways: Stars, price, availability of amenities such as a gym, per diem pricing, restaurants, dates, etc.</p>
Use of integrated	Integrated Hotel Management System that is integrated and

IT system to help hotels run more efficiently	linked with its restaurant system, depot system, reservation system and accounting system. The system would allow for bills to be created in the restaurant but then inputted into the reservation system and for restaurants bills to directly update the inventory level in the depot system. Everything would be linked up through a financial accounting system.
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E-Tourism Site for Kosovo

There is very little information available about many of the tourist destinations within Kosovo, and there is a potential expat tourist market living and working in Prishtina who often go to Macedonia and Montenegro on the weekends. This is the first market to target. Most of these tourists use the internet to find out about tourist locations and businesses, so building an e-tourism website would help to keep tourists inside Kosovo more often. The tourism site should be well-organized so that visitors can easily find the information they need. This would include the ability to view information grouped by destination, activity, tours, tourism businesses, events, travel tips and other essential information. The site should not only include text descriptions, but also lots of “visuals” like pictures, videos and 360° tours. According to a Harris Interactive poll of U.S. travelers choosing hotels online, 69% surveyed said visuals were very important in the decision making process, even more important than the property’s Star Rating which was considered important by 60% of those surveyed. Of the visuals most desired, pictures and 360° virtual tours were found to be most useful. The site should also use Web 2.0 technologies so it can leverage content creation from other websites and users like tripadvisor.com.

The content management technology for the site should be an easy tool for users of the system, such as hotels, to upload content, offer mash-up technology to integrate other international travel sites like travaeladvisor.com, and offer links for users to upload content like videos. The content management tool helps to quickly build and deploy feature-rich, interactive websites and applications in Microsoft environments. Through an intuitive, menu-driven interface, even non-technical users can use Web Content management solution to easily create new sites or extend the functionality and features of existing web applications. The application’s content management system is extensible and customizable through the use of skins and modules, and it can be used to create, deploy, and manage intranet, extranet, and web sites. Currently Kosovo has several institutions that are using the Web Content Management Solution including the [Prime Minister’s Office](#), [Kosovo Business Registration Agency](#), and the [Ministry of Community and Return](#). The technology is not new for Kosovo and firms like Cactus have had many several implementations.

Below (in Table 5) is a list of features the e-tourism site should contain and example sites from Macedonia and Thailand. The e-tourism site should use the live visitKOSOVA which is the official web portal of Tourism in Kosovo and is managed and maintained by the Ministry of Industry and Trade (Department of Tourism) and KOTAS (Kosova Tourism Association). The site visitKOSOVO provides tourist information starting from general information about Kosovo, cultural events, traveling advice/recommendations (Travel Tips), accommodation, contacts and other relevant information. More on visitKosovo can be found at <http://www.visitkosova.org/english/index.htm>.

Table 5: Details of the Kosovo e-Tourism Site

Function	Details
Information should Include:	<ul style="list-style-type: none"> • Destinations • Activities • Businesses (hotels, tour operators, restraints & others) • Events • Need to Know • Travel Tips • Search Function
Content should be in the form of:	<ul style="list-style-type: none"> • Descriptions • Pictures • Videos • 360° tours
Content should come from	<ul style="list-style-type: none"> • Utilize visitiKOSOVA Site • Tour Operators • Hotels • Restaurants • Municipalities • Travel Guide and research website • Tourists

Figure 7: Exploring Macedonia Home Page

The screenshot shows the 'Exploring Macedonia' website. The main content area features a 'Sports & Recreation Tours' section titled 'Discover Skopje from the sky'. This section includes a 'TOUR CODE PT 20060401', a duration of '3-4 hours', and a price of '29 Euro (Discount for group)'. Below this, there is a paragraph of text and a photograph of a person paragliding. A 'Contact us' button is visible at the bottom of this section.

On the left side, there is a navigation menu with categories such as 'Cities', 'Lakes', 'Mountains & Nat...', 'Art & Culture', 'Cuisine & wine', 'Did you know', 'Events', and 'Municipalities'. Below this is a 'Tours' section with sub-categories like 'Cultural', 'Sports & Recreat...', 'Wineries', 'Hunting', and 'Eco tourism'. Further down is a 'Tourism Services' section listing 'Accommodation', 'Restaurants & Ba...', 'Travel Agencies', 'Air Travel', 'Rent-A-Car', 'Entertainment', 'Museums & Galler...', 'Recreation', 'Associations and...', 'Passenger Service', 'Guiding Services', 'Hiking', 'AgriTourism Farms', 'Thermal spas', and 'Translation & Ed...'. At the bottom left, there is a 'Travel' section with 'How to get here', 'Getting around', and 'Macedonian words...'. On the right side, there is a 'PARAGLIDING' section with a list of activities: 'About Paragliding', 'Discover Skopje from the sky', 'Paragliding - Tandem flight from Vodno', 'Tandem flight in Krusevo', 'Tandem flight on a small hill - Skopje', 'Weekend paragliding tour in Krusevo', 'Paragliding Tandem flight in Mavrovo', and 'Paragliding Tandem flight in Skopje Crna'. Below this is a 'SPORTS & RECR...' section listing 'Hiking', 'Biking', 'Paragliding', 'Speleology', and 'Canyoning'. At the bottom right, there is a 'HIKING AND TREKKING GUIDE FOR MACEDONIA' section by Tomislav Vranesevic.

Four callout boxes are overlaid on the image:

- 'Search Function!' points to a search bar at the top right.
- 'Sports Activities Listed' points to the list of activities in the 'PARAGLIDING' section.
- 'Connect to tourist businesses' points to the 'Tourism Services' section.
- 'Important Facts' points to the 'Contact us' button.

Figure 8: www.tourismthailand.org

The E-Tourism Site will Need a Business Model that will Help Increase Traffic and Sales to Kosovar Destinations

The site will be focused on bringing in additional traffic and business to destinations for the benefit of their hotels, restaurants and other tourist activities like hiking. To do this, it is suggested that the site have a business model that motivates the organization that manages the site to drive sales for firms. The best example of this is the USAID sponsored E-Biz project that helped start up the Exploring Macedonia site. The site is operated by an entrepreneur who makes a profit by collecting membership fees from tourism businesses and by taking a small percentage of all booking fees. The USAID E-biz project provided some start-up capital and technical assistance. The entrepreneur was also vested in the process through his own investment in the business. It is suggested that Kosovo follow a similar business model by first identifying an entrepreneur. Some firms that might be interested are ICT firms, tour operators and marketing firms. This firm would take on the responsibility of managing an e-tourism website. They could make their revenue scheme using a membership model, an example of which is shown below (costs are estimated; more detailed analysis would be based on strategy and revenue forecasts)

Tourist Sites to Link, Update or Advertise with:

- <http://www.travelzoo.com/>
- <http://www.kayak.com/>
- <http://www.shermanstravel.com/>
- <http://travel.yahoo.com/>
- <http://www.professionaltravelguide.com/>
- <http://www.gayot.com/>
- <http://www.fivestaralliance.com/>
- <http://www.concierge.com/>
- <http://www.iexplore.com/>
- <http://www.perfectescapes.com/>
- <http://www.travelandleisure.com/>
- <http://maps.google.com/>
- <http://www.tripadvisor.com/>
- <http://www.travelbeen.com/home>
- <http://vacations.escapeartist.com/>
- http://wikitravel.org/en/Main_Page

Table 6: Possible Membership Classes for the Kosovo e-Tourism Website

General Membership	Business name and contact information listed under appropriate headings	Free
Silver	Business name, 20 word description, 1 picture, higher priority listing above General	15 Euro/month
Gold	One web page with 5 pictures, higher priority listing above Silver	40 Euro /month
Platinum	Own branded website, unique URL, 15 pictures, and 360° view, 1 ad per month running on home page, highest priority listing	100 Euro /month

Much of the other content for the website will need to be developed as part of the initial investment to drive traffic to the site. This means that specific information on activities, pictures of the destination, descriptions, and user-generated content will have to be part of the initial investment. To create user-generated content, the site could use available Web 2.0 tools such as blogs, picture uploading capabilities, and links to travel and tourist research sites. One example would be to use mash-up technology and widgets from different sites like <http://www.tripadvisor.com/DestinationMarketing-g304082-Kosovo.html>, which allows you to upload additional content created by users of their site.

Second Phase of the E-tourism Site: Upgrading for International Tourists

Once the initial e-tourism site is completed and Kosovo is ready to focus on the international market, it will be very important for the country to have a destination e-tourism website that can provide high-quality content to entice and inform international tourists about Kosovo. As stated before, the international visitor will use OTAs and/or search engines to find and research their destination. They will also use the destination website and travel research sites to do research about the destination and will likely want to book online through an OTA, a travel agent or directly through the destination website. Upgrades will be needed for the e-tourism website to have the functionality to manage these needs. This means the site will have to utilize search engine optimization strategies, have marketing agreements with some of the major OTAs, and utilize one of the Global Booking Systems like Amadeus or Galileo. Specific needs are listed in Table 7 below.

Table 7: Upgrade Needed for an International Tourism-Focused Website

Function	Specific Features
	<ul style="list-style-type: none"> • Optimize for Google searches • Home page has broad content for different searches • Key words embedded in site • http://www.google.com/support/webmasters/bin/answer.py?answer=35769 • Advertising with Google will be one of the quicker ways to get the site noticed
	<ul style="list-style-type: none"> • Use the Travel Research Sites to be listed for free • Advertising with OTAs will get the site more attention

	<ul style="list-style-type: none"> • Contract out with one of the Global Booking Systems • Create the ability for visitors of the e-tourism destination site to be able to make a reservation • Integrate GBS with hotels' current reservations site
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The Business Model behind the Booking System

The creation of the e-tourism destination site with booking capabilities will enable the destination website to offer additional products to the marketplace. The booking system will have two specific revenue flows for the site. The first is the integration of hotels' reservation systems and other systems into one of the four GBS. There should be a separate fee for this integration. The second is for the site to take a cut of the booking transaction for each hotel room or tour booked online. For hotels that don't currently have their own reservation system, the site could virtually host the site for them and earn an additional fee for hosting such a system. The USAID funded project "While in Egypt Stay Connected" was successful in linking an ICT entrepreneur who did the integration of the reservation systems with local hotels. The project also supported marketing events to bring the parties together.

Figure 9: Steps Focused on International Leisure Travel Market



A Prishtina Hotel Marketplace

As has been mentioned, currently hotels in Prishtina have limited room capacity and thus limit bookings for tourists who are short-stay visitors. One way to manage this problem would be to create a Hotel Tourism Marketplace; this would be similar to a reverse auction. The system would allow the top 30 to 50 customers for Prishtina hotels (i.e., the major businesses, donors, tour operators and projects currently in Prishtina which typically book at least 100 room nights in a year) to input upcoming room needs for the future months. The users would be able to select the type of hotel they require, number of stars, location, amenities, number of rooms, price range and other functions that the tourism association requested. Figure 10 on the previous page gives an example of how the system architecture would be set up. Hotels would be able to see and respond to the requests to fill up some of their unused rooms. The system would also allow for the hotels to see the market for rooms and would allow for them plan better (and in turn run specials such as restaurant promotions). More on the functionality of the system is below in Table 7. The business model for the system would be a yearly membership base with the hotels. The Hotel Marketplace could become a hidden part of the e-tourism site or become a separate business. This business would be well-suited to a travel operator in Kosovo.

Table 8: Prishtina Hotel Market Place Needs

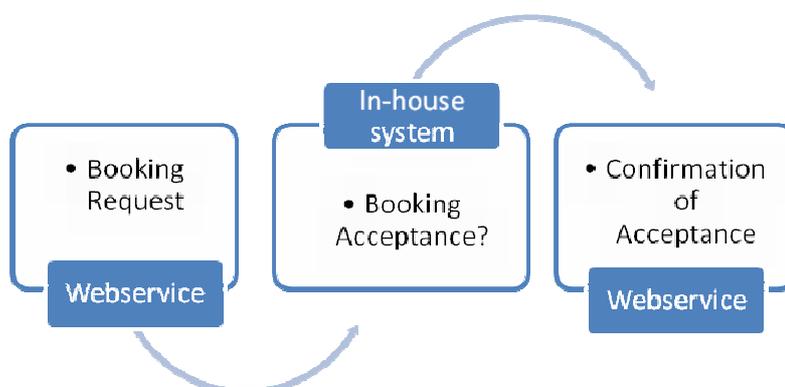
Areas	Detail
	<ul style="list-style-type: none"> • Reverse Auction Technology • Ability to request hotel rooms by different categories • Hotels able to respond to requests with offer
	<ul style="list-style-type: none"> • Hotels would be paying members • The 30 to 50 major hotel buyers would be free members
	<ul style="list-style-type: none"> • The e-tourism website • A tour operator • Another entrepreneur

An Integrated Hotel Management System

There is a clear financial performance difference between a hotel that utilizes technology and one that does not. Hotels that utilize technology have better control over their inventory, can generate invoices in real-time, and are better able to forecast the future and manage it. The best IT system would integrate all of the hotel systems including the Depot, Restaurant, and Reservation Systems.

The White Paper team strongly believes that the recommended application will cover all financial and material management of hotels. A turnkey solution **HISS** (Hotel Integrated Software Solution, see Figure 11 below) covering all modules of a software solution for industry of tourism will help

Figure 10: Hotel Booking Process (created by Expik)

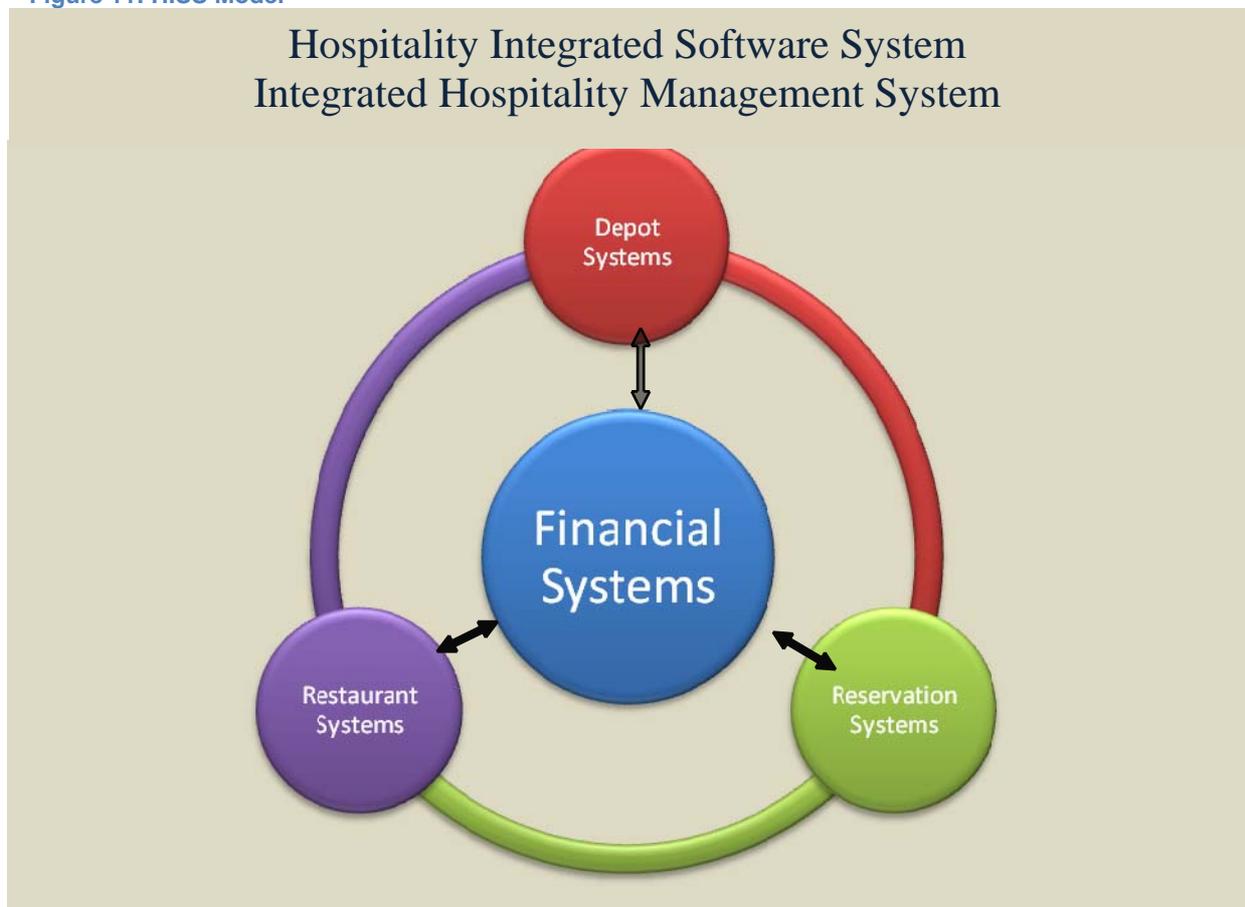


it become more productive. The system would either have to be integrated with from existing systems or implemented as an already one system. Kosovar ICT Firms like Expik which have extensive experience in enterprise management systems could implement such projects. More specifics on the HISS model can be found in Table 9 below.

Table 9: Structure of a HISS Model Software Solution

Areas	Detail
	<ul style="list-style-type: none"> • Integrated Hotel System <ul style="list-style-type: none"> ○ Finance & Accounting ○ Depot ○ Reservation ○ Restaurant • Real Time Process <ul style="list-style-type: none"> ○ Update customer bills ○ Update inventory ○ Update finance
	<ul style="list-style-type: none"> • Hotels with restaurants with over 20 hotel rooms
	<ul style="list-style-type: none"> • Probably best as a local network application with development and integration of current systems being used in the marketplace. • Could be a cloud computing application in the future where hotels could pay a monthly fee

Figure 11: HISS Model



CONCLUSION: White Paper Summary of Suggestions

Table 10: Summary Technology Solutions, Benefits and Business Models

<p>Expand the Expat Tourism Business through better education and communication systems</p>	<p>Create a market driven e-tourism site with large amount of content (destination descriptions, itineraries, tourist events, tourism firms and high quality pictures and videos) that updates the market regularly on day trips and weekend itineraries. The site will contain up to date content on local destinations, itineraries, hotels, operators, car rentals, restaurants and other services. It will have an advanced search function so users can find the perfect weekend getaway. Lastly the site will allow visitors to post feedback directly to the site to comment on their experiences.</p> <p>Increase User-Generated Content utilizing Web 2.0 tools. Entice tourists and businesses to create user-generated features on Kosovo blog sites. Create links with some of the tourist research sites. Could create a module that allows users to post content from SMS and MMS messages.</p>	<p>Drive more traffic and sales from expats looking to explore weekend destinations in Kosovo instead of Macedonia and other regional locations</p> <p>Utilize free content and reviews from visitors who are currently in the country to help entice other future tourists to come to Kosovo.</p>	<p>E-Biz Business Model Similar to Macedonia. The key to the model is having a Kosovar entrepreneur create the site. They will make revenue on different membership schemes marketed to tourism businesses based on how much information they post and where they want their information presented on the site. Marketing will entail online and offline efforts targeted to the local market.</p> <p>User-generated content on Kosovo is already being produced on the web from sites outside of Kosovo. A Web 2.0 Site can generate revenue earned by some advertising on the blogs. The goal would be to generate user content and visitors to visit the blogs to generate the revenue. Should be linked with E-tourism Site. SMS messages would utilize revenue (shared with mobile operators).</p>
<p>Pursue International Leisure Tourism Market outside of Kosovo</p>	<p>Upgrade the e-tourism site for international tourists with booking module. The e-tourism site would be upgraded to target international leisure tourists. This would require three things. 1. More destination, safety, flight, and transportation information would need to be generated. 2. The site would also include an online booking system to book Kosovo hotel rooms, rental cars and tours. The booking system should use a Global Distribution</p>	<p>Help support an international tourist strategy. The web is the number one tool that international tourists use to find out about tourist locations and often to buy tourist</p>	<p>Increased content and increased traffic should lead to an increase in members and advertising. The site will earn revenue from booking taken as a small percentage of the reservation revenue from transacting online.</p>

	system (GDS) like Amadeus or Galileo, which will link with Online Tour Agents (OTA) like Expedia or Travelocity. 3. Updated content would need to be created for tourist information websites outside of Kosovo like Trip Advisor and Virtualtourist.	services. It would be imperative that any international tourist strategy incorporate web strategy.	
Better market data for the hotels to manage their business	A Kosovo Hotel Marketplace. This would be a reverse auction system that would allow major customers of Kosovo hotels to place their reservation requests online and for hotels to then communicate through the system if they have the room availability for such requests. The requests would be classified in different ways: Stars, price, availability of amenities such as a gym, per diem pricing, restaurants, dates, etc.	Hotels would have a much clearer view of future demand in the marketplace for planning purposes, and the system would also allow them to sell additional inventory of rooms	This system should be part of the e-tourism site and would only be open to the top 30 to 50 tour operators, business and projects in Kosovo that provide at least 100 days of revenue for hotels a year. The site could earn revenue by collecting membership fees from the hotels.
Use of integrated IT system to help hotels run more efficiently	Integrated Hotel Management System that is integrated and linked with its restaurant system, depot system, reservation system and accounting system. The system would allow for bills to be created in the restaurant and then inputted into the reservation system and for restaurants bills to directly update the inventory level in the depot system. Everything would be linked up through a financial accounting system.	Same as business model→	With 200 to 400 hotel rooms being brought into the market place in the next year, there will be an opportunity to ensure these new hotels and upgrades are utilizing ICT to help their businesses to become more efficient. Hotels that use a more integrated system find that these systems help reduce their costs, including inventory costs.

Other beneficiaries:

Municipality – they will have higher income from taxes, decreasing unemployment and creating competitiveness in the region

Citizens – they will have more opportunity for employment, greater selection of holiday destinations, and updated information about these tourist regions in Kosovo

Government – increased tourism revenue will boost GDP; developing the tourist sector and moving it into a position of greater importance in the economy may allow it to become a model for developing other sectors.

Annex 2: SOW Matrix of tasks and deliverables

Task	Status	Notes
Adapt existing JE Austin IT sales training workshop (“boot camp,” to be described as “Value Selling and Market Identification” and outline attached) for use in Kosovo. Develop and prepare all presentations, hand-outs and other materials needed for training sessions Provide all materials in a timely manner so they can be translated	Completed	N/A
Work with KPEP staff to develop and administer criteria for selection of IT companies to participate in the program	N/A	Firms’ participation was less than anticipated so all firms participated in activities
Work with KPEP staff to identify a local partner whose capacity can be expanded to carry out this type of activity in the future	Completed	N/A
Work with KPEP’s Business Support Specialist to develop a scope of work that identifies specific tasks and deliverables to be accomplished by the local partner. Monitor local partner and provide feedback and oversight during the whole training process	Completed	N/A
<u>First Training Module: Firm and Market Assessment Workshops and Advisory Services</u> 1. Consultants will conduct two 1-day training sessions in English for two groups of 10 to 12 participants each a. Ideally the Consultant will conduct the first pilot with the local trainer attending, and the local trainer will be an active participant in the second pilot	Completed 1 day of training	Participation was less than expected so only needed one day of training, local trainer was part of the training process
2. Consultants will provide advisory services to firms on the assessment and market analysis process to the 20 to 25 firms	8 firms plus the ICT Association	Team provided advisory services to firms that signed up which included the Kosovo ICT Association

Consultants will work with KPEP in making a selection of 10 to 12 firms that will be provided specific “Value Marketing and Identification” training and advisory services.	10 Firms	Had 10 firms show interest in training, so needed to lower selection
<u>Second Training Module: Value Selling and Market Identification</u> 1. Consultants will hold 1-day training on value selling and market identification; the training will include: Identifying targets, positioning towards target clients, communicating with clients, building a sales pipeline and consultative selling approaches.	Completed	N/A
2. Consultants will provide advisory services to each firm in helping them link with their global target market	Completed	Supported 3 firms that expressed interest
3. Consultants will provide advisory services for selected firms on consultative sales approach for a selected local industry (construction, tourism or others) in creating a white paper on how ICT can make this industry more competitive	Completed	Worked with IT firms and the tourism association Annex 2
4. Consultants will prepare summary report of training, outcomes and “next steps” a. Present report to KPEP staff, USAID and others.	Completed	N/A
5. Consultants will prepare report assessing individual IT firms who were trained a. Their ability and capacity to use the training; that is, to increase domestic sales and market share and to compete in the regional market place b. Specific areas requiring additional capacity building	Completed	Annex 3
Prepare a final report of the assignment, including feedback on performance of local partner as well as potential “next steps”	Completed	In this report

Additional Tasks beyond the SOW

Additional Tasks	Status	Notes
Company Pitches	Completed	Annex 4
ICT Association Marketing Materials	Completed	Annex 5

The Consultants were responsible for the following Deliverables.

Two training sessions as outlined in Tasks above, including all handouts, presentations and other materials needed for the training	Completed	
Summary report of training, findings and outcomes and recommended "next steps"	Completed	
1. An ICT White Paper on how ICT can make a selected local industry more competitive	Completed	
2. Summary reports of other activities undertaken	Completed	
3. Report assessing individual IT firms who were trained as outlined in Tasks above	Completed	
4. Final report of the incumbent's work within 15 days of completing the assignment. The final report shall include lessons learned, recommendations and suggested "next steps" where appropriate.	Completed	

Annex 3: ICT/Marketing assessments

Marketing & Sales Assessment: Ilir-Kosova

Firm Sales / Marketing Capabilities (Write Down What the Firm is Able To Do)

Company Pitch

Does the firm state what it does? Do they differentiate themselves based on facts? Do they state what market segments they serve? Is the pitch concise?

The company did not provide a separately written company pitch. We derived it from their profile doc as well as verbal communications with the company contact. The firm describes the products and services they provide. However, differentiation and benefits are missing. They are also unclear about the market segments they serve, as they claim that they will serve anyone. The pitch was not concise, and needed significant re-doing.

Company Profile

Is it clear what the firm does? Does the profile state what market segments they focus on? Is the profile written in language that the market segment would understand (NOT too much IT jargon)? Does the company profile present the problem it will solve? Does the profile state what the benefits of the firm are?

It was clear that the firm provided hardware products to the local market. They are unclear about the market segments they serve, and they seem ready to serve anyone. The profile was written in simple language, and was not high on IT jargon. The problem and the benefits were not clearly articulated.

Ability to Understand Markets

Is the firm able to state what markets it serve and give facts about it? Can they state what is their fastest growing market is? How do they collect market information? Do they go to trade shows? Do they look for reports? Do they talk to market players?

They attend trade shows to find new customers. However, it is unclear how and what market data they collect. We did not get any feedback on their fastest growing market (segment).

Ability to Identify Market Opportunities

Ability to explain how they find new market opportunity (It is based of sound logical thinking? Or are they following someone else's example?) Ability to find new customers? Number of new customers they have? Ability to find new export customers. Ability to find sales partners?

The company appears very weak in these areas. As they sell hardware, and provide follow up services, it appears that they are very much customer demand driven. They appear to be working in the "commodity" hardware market.

Ability to communicate with Markets

How often do they visit their customers and future markets? Do they use several communication tools and channels to communicate (Several brochures based on Market Segments, Have a web site, E-mail and call their customers). Do they go to networking events that allow the firm to communicate with new customers?

Their primary marketing tool seems to be trade show attendance. They reuse product specific brochures for the hardware products they are selling.

Ability to Manage their Sales Process

Do they understand the Sales Process? Do they have a system of tracking customers in a pipeline? Do they meet often on the sales process? Is there a senior manager responsible for the Sales Process?

They do not seem to have a formal sales process, and it is unclear whether and how they track customers in a pipeline.

Sales and Marketing Professionals

Have the sales and the marketing professionals gone through any formal training? Are they well-versed in firm's products and services? Can they communicate well with potential clients? Do they have sales people who are well known in their target markets?

The company sends its sales and service staff to training programs conducted by their product suppliers. They do seem knowledgeable in the products they sell.

Firm's ability to recognize IT solutions for customer problems

Are they able to understand the customer's problems and prescribe IT solutions for those problems? Are they too product focused and sells too much instead of listen. Do they know how a business within their target market operates?

From our understanding, the company is very much in the commodity hardware market. It is unclear how deep they delve into problems across the customer enterprise.

Marketing & Sales Assessment ATI-KOS

Firm Sales / Marketing Capabilities (Write Down What the Firm is Able To Do)

Company Pitch

Does the firm state what it does? Do they differentiate themselves based on facts? Do they state what market segments they serve? Is the pitch concise?)

The company has written materials describing what they do, but not a separate pitch. They have several disparate businesses. On top of this, the written material went into deep details of some of the businesses, and not others. The differentiation was clear for one line of business, and not others. They are somewhat clear about the market segments they serve. The pitch needed work in order to achieve clarity.

Company Profile

Is it clear what the firm does? Does the profile state what market segments they focus on? Is the profile written in language that the market segment would understand (NOT too much IT jargon)? Does the company profile present the problem it will solve? Does the profile state what the benefits of the firm are?

The written leaflet went into deep details of some of the businesses, and not others. Thus, the focus of their business was not totally clear. There were some references to the market segments they serve. The profile was generally written in a language that their customers would not understand. The leaflet did describe several customer benefits very well.

Ability to Understand Markets

Is the firm able to state what markets it serve and give facts about it? Can they state what is their fastest growing market is? How do they collect market information? Do they go to trade shows? Do they look for reports? Do they talk to market players?

For one of their four business lines, the firm was very clear about the markets they serve and had numerical data about its growth. They also had knowledge of the competitive landscape. We believe that market data collection is mainly local and anecdotal for their rural wireless ISP business.

Ability to Identify Market Opportunities

Ability to explain how they find new market opportunity (It is based of sound logical thinking? Or are they following someone else's example?) Ability to find new customers? Number of new customers they have? Ability to find new export customers. Ability to find sales partners?

They find new customers for their WISP business mostly through word of mouth marketing, and via their retail outlet. Taking advantage of their knowledge of operating in the remote areas within Kosovo, they have already entered the Albanian market to provide wireless ISP services to a remote region in Eastern Albania. Thus, they seem entrepreneurial in discovering and tapping new markets that leverage their experience and strengths. They also have mutual referrals through computer hardware resellers. However, it is unclear if they have identified market segments that will provide them sustained growth.

Ability to communicate with Markets

How often do they visit their customers and future markets? Do they use of several communication tools and channels to communicate (Several brochures based on Market Segments, Have a web site, E-mail and call their customers)? Do they go to networking events that allow the firm to communicate with new customers?

They use several channels for their retail WSIP business. While they have used radio advertisements, the results have not been significant. In the past, they also used billboard ads for their coax/fiber business (since sold to IPKO). Given that they provide primary ISP service to businesses and homes, it is unclear if email and/or web presence would reach their target demographics.

Ability to Manage their Sales Process

Do they understand the Sales Process? Do they have a system of tracking customers in a pipeline? Do they meet often on the sales process? Is there a senior manager responsible for the Sales Process

They do not appear to have a well-established sales process where they would track their customers in a formal pipeline.

Sales and Marketing Professionals

Have the sales and the marketing professionals gone through any formal training? Are they well-versed in firm's products and services? Can they communicate well with potential clients? Do they sales people who are well known in their target markets?
Their sales and marketing experience has been achieved mostly by doing.

Firm's ability to recognize IT solutions for customer problems

Are they able to understand the customer's problems and prescribe IT solutions for those problems? Are they too product focused, and sells too much instead of listening? Do they know how a business within their target market operates?

In the area of custom software development and an e-Government solution they have provided, they have been able to prescribe IT solutions based on an understanding of their customer's problems. The team members we met did have good listening skills.

Marketing & Sales Assessment: InterAdria

Firm Sales / Marketing Capabilities (Write Down What the Firm is Able To Do)
<p>Company Pitch Does the firm state what it does? Do they differentiate themselves based on facts? Do they state what market segments they serve? Is the pitch concise?)</p> <p><i>InterAdria pitch states products and markets and also market segment, although they could be more specific, ex...state what types of software products they have. They also need to differentiate themselves more clearly! They have been in business for a long time and have a large staff of engineers and technicians this is a strength they need to leverage.</i></p>
<p>Company Profile Is it clear what the firm does? Does the profile state what market segments they focus on? Is the profile written in language that the market segment would understand (NOT too much IT jargon)? Does the company profile present the problem it will solve? Does the profile state what the benefits of the firm are?</p> <p><i>InterAdria profile states clearly what products they have and is pretty clear on how it serves the Telecom industry. For SME's this needs to be written more clearly in a business language that SME's will understand. They need to state how their software is going to help businesses and what problem they are solving. The product descriptions also use too much technology jargon for SME's. The screen shots are not helpful in the profile because there is no description on what it needs. They need to describe what is going on in the screen shots and should have some diagrams that show the flow of data.</i></p>
<p>Ability to Understand Markets Is the firm able to state what markets it serve and give facts about it? Can they state what is their fastest growing market is? How do they collect market information? Do they go to trade shows? Do they look for reports? Do they talk to market players?</p> <p>Outside of the telecom industry and government, I don't believe they understand the private sector or regional markets. They need to start to collecting reports, talking to potential clients, going to trade shows to understand more about what the market technology needs are. This is going to be a crucial step if the firm wants to grow!</p>
<p>Ability to Identify Market Opportunities Ability to explain how they find new market opportunity (It is based of sound logical thinking? Or are they following someone else's example?) Ability to find new customers? Number of new customers they have? Ability to find new export customers Ability to find sales partners?</p> <p>InterAdria needs to improve in this area greatly. They have traditionally relied on 1 or 2 customers and need to diversify them greatly. They will need to find a top marketing / sales person to developing relationships with new customers. They need to have a sales and marketing campaign to reach to new customers.</p>

Ability to communicate with Markets

How often do they visit their customers and future markets? Do they use of several communication tools and channels to communicate (Several brochures based on Market Segments, Have a web site, E-mail and call their customers). Do they go to networking events that allow the firm to communicate with new customers?

Because they are not really targeting new targets, they have no sales and marketing push and are not using any communication channels. They do have a web-site but it doesn't seem to be bringing customers in. Once they establish a proper sales team and improve their company profile they should put together a sales/ communication scheme that will establish relationships with new customers. The use of e-mail, phone and trade shows should be their major communication channels.

Ability to Manage their Sales Process

Do they understand the Sales Process? Do they have a system of tracking customers in a pipeline? Do they meet often on the sales process? Is there a senior manager responsible for the Sales Process

NO, but it is suggested they do so.

Sales and Marketing Professionals

Have the sales and the marketing professionals gone through any formal training? Are they well-versed in firm's products and services? Can they communicate well with potential clients? Do they sales people who are well known in their target markets?

No, but it is suggested they do so.

Firm's ability to recognize IT solutions for customer problems

Are they able to understand the customer's problems and prescribe IT solutions for those problems? Are they too product focused and sells too much instead of listen. Do they know how a business within their target market operates?

It seems for telecom industry they are strong in creating solutions but for SME's they are very "product focused" meaning they are trying to over sell these products and not really trying to find out how these products can help potential clients. Again if they hired some professional sales people and taught them on how to how to solution sell to businesses this would help.

Marketing & Sales Assessment: DataProgNet

Firm Sales / Marketing Capabilities (Write Down What the Firm is Able To Do)
Company Pitch Does the firm state what it does? Do they differentiate themselves based on facts? Do they state what market segments they serve? Is the pitch concise? DataProgNet have clearly identified their target market or targeted projects. They are focused and have strategically targeted their market. Their previous experience, working on e-governance projects, has differentiated them from their competitors and has created a core competence for them. They are the only ones in Kosovo that have e-governance experience and are intelligently using this competence while applying for various e-governance projects. Nevertheless, they do not have a clear pitch that clearly identifies this core competence and this was one of the areas recommended by the consultants to work on.
Company Profile Is it clear what the firm does? Does the profile state what market segments they focus on? Is the profile written in language that the market segment would understand (NOT too much IT jargon)? Does the company profile present the problem it will solve? Does the profile state what the benefits of the firm are? The company profile clearly states the products and services the company provides. Furthermore they provide references for most of the services and products they offer. This clear profile is fully tailored for e-government projects. They are currently not interested in expanding their services for SME or other organizations. However, the company does not clearly present the benefits of their services in comparison to their competitors. It is advised to create a more detailed profile that focuses only on the benefits and the experience rather than solely the product offered.
Ability to Understand Markets Is the firm able to state what markets it serve and give facts about it? Can they state what is their fastest growing market is? How do they collect market information? Do they go to trade shows? Do they look for reports? Do they talk to market players? DataProgNet is currently targeting only e-governance projects. As the only ones in Kosovo with relevant expertise in this area they have applied for 8 tenders published by the government. Although they have identified their target strategically and are well positioned, they do not have any exit strategy on how to survive if they do not win any of the bids they have entered.

Ability to Identify Market Opportunities

Ability to explain how they find new market opportunity (It is based of sound logical thinking? Or are they following someone else's example?) Ability to find new customers? Number of new customers they have? Ability to find new export customers Ability to find sales partners?

They are fully focused on Government tenders on e-governance and operate on a tender basis. They do not approach new costumers and do not intend to expand their services to SME or export.

Ability to communicate with Markets

How often do they visit their customers and future markets? Do they use of several communication tools and channels to communicate (Several brochures based on Market Segments, Have a web site, E-mail and call their customers). Do they go to networking events that allow the firm to communicate with new customers?

They do not have any clear communication plan as they mainly operate through tenders. They network on specific government bodies but only for e-governance projects. They are focused on maintaining the same costumers through providing them new services rather than expanding their pool of costumers.

Ability to Manage their Sales Process

Do they understand the Sales Process? Do they have a system of tracking customers in a pipeline? Do they meet often on the sales process? Is there a senior manager responsible for the Sales Process

They have a Sales manager but no Sales process. The Sale person is responsible for media monitoring and applying for tenders. Its function is rather that of a Business Developer than a proper Sales agent or manager.

Sales and Marketing Professionals

Have the sales and the marketing professionals gone through any formal training? Are they well-versed in firm's products and services? Can they communicate well with potential clients? Do they sales people who are well known in their target markets?

No they do not have a Marketing Department, nor a marketing agent or manager. It is advised to establish one in order to target markets such as SME and differentiate their risks.

Marketing & Sales Assessment: ProNet

Firm Sales / Marketing Capabilities (Write Down What the Firm is Able To Do)
<p>Company Pitch Does the firm state what it does? Do they differentiate themselves based on facts? Do they state what market segments they serve? Is the pitch concise?</p> <p>The firm states that they are one of the most capable Kosovo companies (with a small presence in Albania) in solutions in the field of Information Technologies and Telecommunications, computer systems from world leading manufacturers, original hardware and software solutions, consulting, technical support and maintenance of IT systems. They do differentiate with other local IT companies due to their capacities (one of the largest ICT companies in Kosovo) continued (increasing) success in both local and Albanian markets. The pitch lacks information regarding their specific regional and sector targets.</p> <p>Pitch sent by ProNet: PRONET is an IT company established in Pristina, Kosovo in January 1997. We offer high-quality solutions in the field of Information Technologies and Telecommunications, computer systems from world leading manufacturers, original hardware and software solutions, consulting, technical support and maintenance of IT systems. The company is maintaining continuous growth and represents a strong pillar in supporting government institutions, international organizations, businesses and industries in Kosovo, Albania and in the region, nowadays when information technology and telecommunications are very important factors for more efficient business operations and for faster development</p> <p>Revised pitch: PRONET is an ICT company established in Pristina, Kosovo in January 1997. We are the largest provider of ICT solutions, consulting services, original hardware and software solutions, technical support and maintenance of IT systems, and reseller of world leading computer systems serving private and public sectors in Kosovo, with near-term goal of expanding into the entire MAK region.</p>
<p>Company Profile Is it clear what the firm does? Does the profile state what market segments they focus on? Is the profile written in language that the market segment would understand (NOT too much IT jargon)? Does the company profile present the problem it will solve? Does the profile state what the benefits of the firm are?</p> <p>The company profile gives a detailed description of the firm's capabilities and benefits. The profile lists and details all the services they provide, such as: software development, system integration, virtual support and sales of vendor products.</p> <p>The Profile is available in both Albanian and English language. The profile does specify the team composition and their capabilities. It further describes growth of the company using real sales revenues. This adds credibility to the company.</p>

Ability to Understand Markets

Is the firm able to state what markets it serve and give facts about it? Can they state what their fastest growing market is? How do they collect market information? Do they go to trade shows? Do they look for reports? Do they talk to market players?

There is relevant market information in the company profile, and during interviews the firm's CEO briefly described their target client, and the products usually demanded by them. Furthermore, a large list of references is available. Currently they do not have a specific procedure for collecting market information. Local/regional trade shows are one of the main means that the company utilizes to talk to the market.

Ability to Identify Market Opportunities

Ability to explain how they find new market opportunity (Is it based on sound logical thinking? Or, are they following someone else's example?) Ability to find new customers? Number of new customers they have? Ability to find new export customers. Ability to find sales partners.

While the structure at PRONET provides ample resources to find and talk to new clients, their sales and negotiation abilities seems to be limited. The right to negotiate on behalf of PRONET is reserved for the senior management.

The firm is just starting to take a different approach to go after export opportunities. They are in the process of using their contacts in Albania to identify and then connect with potential customers in the finance sector, since this is considered one of the most profitable private sectors. Furthermore, references from Kosovo would provide credibility to PRONET in Albania market.

Ability to communicate with Markets

How often do they visit their customers and future markets? Do they use several communication tools and channels to communicate (Several brochures based on Market Segments, Have a web site, E-mail and call their customers)? Do they go to networking events that allow the firm to communicate with new customers?

PRONET has developed numerous brochures where it targets its clients according to their needs. They have a good website, yet which could use more frequent updates (last update of the Info section took place about two months ago). Furthermore, PRONET takes part in networking events such as trade fairs (exception was the last ICT fair held in April 2009); however, they lack strategy on creating new leads and gathering client information, i.e. names of decision makers in the prospective client organizations.

Ability to Manage their Sales Process

Do they understand the Sales Process? Do they have a system of tracking customers in a pipeline? Do they meet often on the sales process? Is there a senior manager responsible for the Sales Process?

PRONET has relevant product managers who develop the markets for their particular products. These employees, while passionate about their work, mostly have technical background and need to improve their sales, marketing, and presentation skills.

Sales and Marketing Professionals

Have the sales and the marketing professionals gone through any formal training? Are they well-versed in firm's products and services? Can they communicate well with potential clients? Do they sales people who are well known in their target markets?

Their sales team (product managers) is not trained in marketing and sales. The CEO acknowledged this and is currently looking at local training houses to train these individuals in different soft skill subjects. Few of the people we met can communicate well with non-IT audience.

Firm's ability to recognize IT solutions for customer problems

Are they able to understand the customer's problems and prescribe IT solutions for those problems? Are they too product focused, and sells too much instead of listening? Do they know how a business within their target market operates?

During our meeting with PRONET senior management, we found that they have the experience and discipline to create a specific SOW, and translate that into a formal contract. This is because of their extensive experience with projects in the public sector.

Marketing & Sales Assessment: ExPik

Firm Sales / Marketing Capabilities (Write Down What the Firm is Able To Do)
<p>Company Pitch Does the firm state what it does? Do they differentiate themselves based on facts? Do they state what market segments they serve? Is the pitch concise?)</p> <p><i>ExPik pitch states what products it has developed but does not state what market segment they serve or what makes them different. Stating the company is only 2 years old can be a disadvantage more than an advantage so I would take this out. They should focus more on the high number credible business clients they have. They should also state they are one of the only Microsoft Gold Partners in Kosovo. On the training they also need to state why they have an advantage.</i></p>
<p>Company Profile Is it clear what the firm does? Does the profile state what market segments they focus on? Is the profile written in language that the market segment would understand (NOT too much IT jargon)? Does the company profile present the problem it will solve? Does the profile state what the benefits of the firm are?</p> <p><i>ExPik Company Profile states clearly what products they product, they do a decent job of expressing what segments they focus on Banking or IT Staff. I suggest they segment a bit more and mention most of their software is made for large and medium size businesses. Again they do a decent job of explaining what problem they are trying to solve, but it could be improved. For example for Expert 2007, they start explaining that the product can help businesses optimize control and help with financial management but then it goes into a lot of IT jargon. I would state in bulleted format how exactly how their products help business. I would also suggest that they take out the picture of the women on their web-site as it doesn't symbolize what they do.</i></p>
<p>Ability to Understand Markets Is the firm able to state what markets it serve and give facts about it? Can they state what is their fastest growing market is? How do they collect market information? Do they go to trade shows? Do they look for reports? Do they talk to market players?</p> <p><i>I think ExPik does a pretty good job of collecting market information. Before they launched their product they took time to talk to customers on what they needed, currently they are collecting feedback from their customers on what enhancements they would like (this is very good business practice). I suggest they do something similar for their training business. Also I would suggest being a specific industry segment based on their customer data and start developing products for those segments.</i></p>
<p>Ability to Identify Market Opportunities Ability to explain how they find new market opportunity (It is based of sound logical thinking? Or are they following someone else's example?) Ability to find new customers? Number of new customers they have? Ability to find new export customers Ability to find sales partners?</p> <p><i>Again I think ExPik does a pretty good job in finding new market opportunities. They have grown their business fairly quickly, pretty fast. They have 4 sales people who are looking for new business. They are currently one of the only firms focused on the private sector market in Kosovo. They do some networking but seem to rely on advertising. Would</i></p>

suggest they do more segmentation of the market and focus on the bigger markets.

Ability to communicate with Markets

How often do they visit their customers and future markets? Do they use of several communication tools and channels to communicate (Several brochures based on Market Segments, Have a web site, E-mail and call their customers). Do they go to networking events that allow the firm to communicate with new customers?

ExPik did a large advertising blitz using billboards that sounds like built up its name quickly and brought in customers. They are using e-mail marketing very aggressively to bring in students. They are not actively selling to the market place right now.

Ability to Manage their Sales Process

Do they understand the Sales Process? Do they have a system of tracking customers in a pipeline? Do they meet often on the sales process? Is there a senior manager responsible for the Sales Process

Did not get into this, did not have a sales process. But looking to create one from the training.

Sales and Marketing Professionals

Have the sales and the marketing professionals gone through any formal training? Are they well-versed in firm's products and services? Can they communicate well with potential clients? Do they sales people who are well known in their target markets?

They have 4 sales people and they seemed to be experienced although maybe haven't had formal training. They seem to understand and be able to communicate the functionality of their products but are not able to explain the benefits of those products to potential clients.

Firm's ability to recognize IT solutions for customer problems

Are they able to understand the customer's problems and prescribe IT solutions for those problems? Are they too product focused and sells too much instead of listen. Do they know how a business within their target market operates?

I think ExPik is going to need some help here. Their products are pretty ridged so they are not going to be able to do much customization to meet needs. That said, they are changing their products based on customer feedback which I think will be a strategic strength over the long term.

Marketing & Sales Assessment: SmartTech

Firm Sales / Marketing Capabilities (Write Down What the Firm is Able To Do)
<p>Company Pitch Does the firm state what it does? Do they differentiate themselves based on facts? Do they state what market segments they serve? Is the pitch concise?)</p> <p>The firm states that they are very good at customized software solutions using Microsoft platforms (.Net and C-Sharp). They do differentiate with other local IT companies, since they are more focused in custom software development. The pitch lacks information regarding their specific regional and sector targets.</p> <p>Pitch sent by SmartTech: SmartTech is an IT Consulting company, focused on providing IT Solutions, combining experience of our partners such as Microsoft, Symantec, Linksys, IBM, Lenovo, VmWare, with extensive SmartTech experience in software development with the objective to help businesses reach their goals, lower costs, and gain business advantage from the competitors.</p> <p>Revised pitch: SmartTech, an IT consulting company based in Pristina, provides custom software development, using C-Sharp and .Net technology, as well as complete software and hardware IT solutions leveraging technologies from its partners such as Microsoft, Symantec, Linksys, IBM, Lenovo and VmWare, in Kosovo. SmartTech has helped many SME businesses reach their goals by lowering operational costs and gaining business advantage over competitors.</p>
<p>Company Profile Is it clear what the firm does? Does the profile state what market segments they focus on? Is the profile written in language that the market segment would understand (NOT too much IT jargon)? Does the company profile present the problem it will solve? Does the profile state what the benefits of the firm are?</p> <p>The company profile gives a detailed description of the firm's capabilities and benefits; however, it stops short of specifying what market segments they are focusing on. The profile lists and details all the services they provide, such as: software development, system integration, virtual support and sales of vendor products.</p> <p>The profile does specify the team certifications, in acronyms. It further describes a potential solution for the clients using IT graphics.</p>
<p>Ability to Understand Markets Is the firm able to state what markets it serve and give facts about it? Can they state what their fastest growing market is? How do they collect market information? Do they go to trade shows? Do they look for reports? Do they talk to market players?</p> <p>There is lack of market information in the company profile and in the interviews held with the firm. Currently they do not have a specific procedure for collecting market information.</p>

Local/regional trade shows are one of the main means that the company utilizes to talk to the market.

Ability to Identify Market Opportunities

Ability to explain how they find new market opportunity (It is based of sound logical thinking? Or are they following someone else's example?) Ability to find new customers? Number of new customers they have? Ability to find new export customers. Ability to find sales partners?

SmartTech's ability to find and talk to new clients is limited. Namely, they are passive when it comes to creating opportunities for themselves. Clients usually approach them, and they custom develop their products for them only.

The firm is just starting to take a different approach to go after export opportunities. They are in the process of using their contacts in Albania to identify and then connect with potential customers in the higher education provider market.

Ability to communicate with Markets

How often do they visit their customers and future markets? Do they use of several communication tools and channels to communicate (Several brochures based on Market Segments, Have a web site, E-mail and call their customers). Do they go to networking events that allow the firm to communicate with new customers?

SmartTech has developed its own CRM solution to manage the contact data collected from the market, specifically from networking events such as trade fairs; however, they lack strategy on creating new leads. They don't have separate brochures for separate segments, since they are not able to identify what those segments are.

Ability to Manage their Sales Process

Do they understand the Sales Process? Do they have a system of tracking customers in a pipeline? Do they meet often on the sales process? Is there a senior manager responsible for the Sales Process

SmartTech has recently developed a CRM solution to manage the sales pipeline. Since this is new, their clients' information has not been integrated into it as yet. During our interviews, the managing partners (one of whom is the senior manager for Sales and Marketing), pointed out that they do encounter problems with clients due to lack of internal policy and procedures when communicating with clients. Specifically, when the same client contacts different personnel in the firm at different times, the company personnel are unable to always provide continuity of communications. The custom made CRM will help SmartTech on creating and pursuing leads as well as capturing client communications in the future.

Sales and Marketing Professionals

Have the sales and the marketing professionals gone through any formal training? Are they well-versed in firm's products and services? Can they communicate well with potential clients? Do they sales people who are well known in their target markets?

Their sales team is the company's managing partners. They have a technical background and do not have any specific sales and marketing training. They can communicate well with non-IT audience.

Firm's ability to recognize IT solutions for customer problems

Are they able to understand the customer's problems and prescribe IT solutions for those problems? Are they too product focused, and sells too much instead of listening? Do they know how a business within their target market operates?

During our meeting with SmartTech owners, we found that they lack the experience and discipline to create a specific SOW, and translate that into a formal contract. Often, this results in continuous requests by their clients causing functionality creep, which in turn changes/adds working days and output for the same contracted amount.

Marketing & Sales Assessment: Comtrade**Firm Sales / Marketing Capabilities**

(Write Down What the Firm is Able To Do)

Company Pitch

Does the firm state what it does? Do they differentiate themselves based on facts? Do they state what market segments they serve? Is the pitch concise?

ComTrade has a clear and concise pitch. They are focused and have a clear vision of their future. They adequately present each of the services and products they offer and provide detailed reasons why they are the best at what they do.

They have identified their target market and are working to expand their coverage within that market. They have set SMART objectives and are successfully working toward their completion.

Company Profile

Is it clear what the firm does? Does the profile state what market segments they focus on? Is the profile written in language that the market segment would understand (NOT too much IT jargon)? Does the company profile present the problem it will solve? Does the profile state what the benefits of the firm are?

Their profile is detailed and clear. Although they have used some IT jargon it is comprehensive for business people. In order to improve their profile it was advised to emphasize their core competency, their after sale benefits and services.

Ability to Understand Markets

Is the firm able to state what markets it serve and give facts about it? Can they state what is their fastest growing market is? How do they collect market information? Do they go to trade shows? Do they look for reports? Do they talk to market players?

They fully understand their market and adapt according to its needs. They have not conducted any marketing research but they are active members of the IT community and keep themselves updated through various reports and participating in trade shows.

They are very successful in collecting market data for their target market but they have to be more active and aggressive in finding new costumers.

Ability to Identify Market Opportunities

Ability to explain how they find new market opportunity (It is based of sound logical thinking? Or are they following someone else's example?) Ability to find new customers? Number of new customers they have? Ability to find new export customers Ability to find sales partners?

Since 2007 they have had a constant 10% growth in their Annual Revenue and are aiming to maintain the same growth for this fiscal year.

Although they have a sales department it is newly established and does not have clear processes and procedures. It was advised to further train their sales staff on how to approach a new costumer and how close a deal.

Ability to communicate with Markets

How often do they visit their customers and future markets? Do they use of several communication tools and channels to communicate (Several brochures based on Market Segments, Have a web site, E-mail and call their customers). Do they go to networking events that allow the firm to communicate with new customers?

They have brochures but they are outdated. Although they have some communication tools and channels they are not exploiting them adequately. They are passive sellers and it was advised to reverse this culture into a more active sales strategy.

Ability to Manage their Sales Process

Do they understand the Sales Process? Do they have a system of tracking customers in a pipeline? Do they meet often on the sales process? Is there a senior manager responsible for the Sales Process

Yes there is a sales process managed by a Senior manager who is in charge of maintaining customer relations and assuring client satisfaction. They understand the importance of the Sales Department and are working on developing a strong and active one.

Sales and Marketing Professionals

Have the sales and the marketing professionals gone through any formal training? Are they well-versed in firm's products and services? Can they communicate well with potential clients? Do they sales people who are well known in their target markets?

Their Sales Department is a newly established one and the company is currently developing it. It was advised by the consultants and the client agreed on the need of training and professionally developing their staff with formal training. Their current staff is informed and can easily communicate with potential client but further improvements are necessary.

Firm's ability to recognize IT solutions for customer problems

Are they able to understand the customer's problems and prescribe IT solutions for those problems? Are they too product focused and sells too much instead of listen. Do they know how a business within their target market operates?

They tailor their products to their customer needs and listen to their requests. Nevertheless, they have already identified their immediate need for a manager with the adequate sales background and training who can expand their area of operations.

Annex 4: Kosovo ICT Sales Pitches

Elevator Pitch

ATI-KOS Pitch

ATI-KOS is one of the fastest growing ICT companies in Kosovo providing Wireless Internet Services, customized web-based software solutions, and Cisco/ECDL trainings for both public and private sector. Our focus is to supply every household and business in the Dukagjini rural region with broadband internet connectivity, whilst providing a high level of customer services and competitive prices. The use of current technologies enables us to provide the most reliable Internet service to our clients, and our stability is ensured by operating as a licensed ISP. Our customized MIS solutions have helped numerous private businesses improve operations and lower their costs, while our custom developed Intranet solution software has been installed by all 30 Kosovo municipalities supporting their internal information management and enabling better services for citizens. Lastly, our courses on Cisco and ECDL, provided by certified professionals, help prepare individuals for the fastest growing job market.

ComTrade Pitch

For over 17 years, ComTrade has been the leading provider of information technology products and services in Kosovo. The Firm has one of the largest selections of computing, printing, imaging and networking equipment from brands like HP, Fujitsu Siemens, D-link, and APC. ComTrade will custom design, build and support computer systems, wireless and wired network infrastructure and software systems for its customer needs. Lastly ComTrade will train their clients to get the best value for their investment and is one of the only Authorized Testing Center for Pearson VUE in the country. Because of ComTrade's commitment to service they have been able to serve some of the largest most complicated organizations in Kosovo like KTA, UNMIK, 10 major municipalities, six government ministries, most of the major banks and private firms in country, many of the international organizations and NGOs. That said many individuals who want to purchase the best technology come to ComTrade retail outlet for their technology needs. ComTrade has a team of highly trained specialists consisting of computer, network, and software engineers, who are there to ensure you get the right technology for your needs.

ExPik Pitch

EXPIK is a leading technology firm that develops software programs made specifically for Kosovar business needs. It is one of the top licensed training centers using experienced instructors to ensure you earn your European Computer Driving License (ECDL). EXPIK software programs are being used in over 30 of the best businesses in Kosovo and their recommendations have driven further product development. These valuable updates are free and come to customer seamlessly over the internet. EXPIK is one of the only technology firms in Kosovo to have earned Microsoft Gold Partner because its staff continues to upgrade their skills on the latest technology.

Ilir-Kosova Pitch

Ilir-Kosova was established in 1999 and is part of the Ilir Group, a Slovenian multinational. The company is the leading provider of office productivity solutions for enterprises, SMEs and the public sector in Kosovo, and current customers include A, B, C and D. As a full service reseller of computer hardware, and operating and application software, it offers

delivery, installation, after-sales service and maintenance of its products, and provides training to customer staff when requested. It has built a reputation for providing fast and reliable services to customers across the country, backed up by highly trained professional sales and customer service personnel. Ilir-Kosova is the exclusive distributor in Kosovo for Konica Minolta printers and copiers, and its product offerings include a variety of computer and printing products and supplies from Canon, HP, IBM Lenovo, Microsoft, NEC and Olivetti.

InterAdria Pitch

For over 30 years InterAdria, has been a leader in creating innovative technology solutions for government, telecommunication organizations and SMEs in the Balkans. It is one of the largest high tech firms in Kosovo with a pool of 60 engineers and technicians. Its deep history and size allow InterAdria to offer a broad range of products and services to its clients. This includes products and services for the telecommunications industry, and radio communications and networking products for the government and private sector. InterAdria has also developed applications as well as custom software for the telecommunications industry and SMEs, such as POS solutions, accounting, payroll, HR management and asset management. Mostly importantly, InterAdria provides solutions, products and services tailored made to your specific needs to ensure that technology solves your pressing business problems.

Pronet Pitch

PRONET is an ICT company established in Pristina, Kosovo in January 1997. We are the largest provider of ICT solutions, consulting services, original hardware and software solutions, technical support and maintenance of IT systems, and reseller of world leading computer systems serving private and public sectors in Kosovo, with near-term goal of expanding into the entire MAK region.

SmartTech Pitch

SmartTech, an IT consulting company based in Pristina, provides custom software development, using C-Sharp and .NET technology, as well as complete software and hardware IT solutions leveraging technologies from its partners such as Microsoft, Symantec, Linksys, IBM, Lenovo and VmWare. SmartTech has helped many SME businesses reach their goals by lowering operational costs and gaining business advantage over competitors.

Annex 5: Kosovo ICT Association marketing rewrite

The Kosovo Association for Information and Communication Technology (STIKK) will play a central role in stimulating dynamic growth of the ICT sector across Kosovo by opening up new opportunities and increasing the overall competitiveness of the sector. STIKK will help create a better ICT business environment by improving standards and education and by advocating with the government on behalf of its members to ensure that the sector will attract new business and investment.

Why You Need to Join STIKK Now!

We understand that it is crucial for the benefit of its members that STIKK's activities provide value to its members. STIKK has learned from past ICT associations that it is important to differentiate itself early on and to remain focused on the common issues of interest.

STIKK, now in its formative stages, will focus on a wide range of opportunities and activities for the industry, and drive resolution of the common issues facing the members. Foremost, a comprehensive and accurate assessment of the ICT sector is needed. We all know the sector has been growing quickly and this data needs to be marketed to potential investors. We also know our growth is partially limited by access to qualified workforce and we need this information to effectively advocate to the government. Further the assessment will provide details on the size of the ICT market, current challenges, and help determine and prioritize the issues and projects the association should get involved with.

STIKK will have a professional governance structure ensuring that plans and strategies of activities will be determined by the General Assembly, Governing Board and operating staff. Below is a list of activities STIKK will get involved with based on sector input:

- Compile market data and research on ICT market in Kosovo and the regions
- Lobby the government for a tax holiday or reduced customs tax on the nascent ICT sector until the industry has reached a level of maturity over the next 10-15 years
- Help expand the availability of qualified and skilled workforce across all sectors of the ICT industry
- Create awareness in the local SME market about the value of using ICT, including the identification of specific applications enabling a progression of business benefits
- Publish an e-newsletters on relevant trends in the industry throughout Europe and beyond, and possible business opportunities
- Help integrate the sector and develop business opportunities for association members, especially small sized businesses
- Serve as a portal for foreign investors and attract and invite potential businesses interested in investing in ICT in the region
- Implement marketing campaign to increase the positive exposure of the ICT industry to both the public and private sectors
- Develop a recruiting database of ICT experts in various fields in Kosovo, such as all Cisco engineers
- Identify, provide and increase training opportunities in needed areas
- Work to improve the education curriculum at institutions

- Help link association members with business opportunities outside of Kosovo through networking and business events
- Improve research and design (R&D) opportunities for the ICT sector, including the use of government funding and grants in this regard

Core Principles

- Develop an independent and objective association focused solely on the needs of ALL of its members
- Implement value added activities that increase the profile and organization of the entire ICT sector
- Dedicate necessary funds to enable full time staff and allow reasonable time for association to become sustainable and operational
- Focus on revenue generating activities, best practices in the region, and integration into regional and European markets

Organization

The specific structure of the association will be determined in the first few months by its initial members with guidance from the implementing consortium. This will allow various options to be considered, and how to best maximize outputs and activities. However, at a minimum, the association will consist of:

A Governing Board, made up of key members of the association as well as additional key players such as sponsors and business partners. During the two years that the association is supported by this proposal, each implementing party will have a seat on the Governing Board and will participate to the extent possible. Once the association is launched a regular schedule of meetings and operating procedures will be developed.

One of the first activities for the Governing Board will be to hire a full-time association Executive Director who will be responsible for launching activities and overseeing the operations of the association. This will enable a quick transition to full operations and the ability of the association to address a wide range of issues. The Executive Director will report to the Governing Board.

The **General Assembly** will consist of all members of the association. During the first 6 months when the association is being set up, there will be no fees required to join. Rather, the association will work to sign up members, get them involved and begin to address their issues. Once it is operational and adding value, members will be asked in month seven to begin making member contributions to the association. The General Assembly will initially meet quarterly and then will shift to bi-annual meetings once the association is fully operational.

Subcommittees will be developed by interested members and the core staff to address specific issues such as lobbying, matchmaking, and advancing the educational curriculum. Interested members will be given the opportunity to participate and help guide activities of interest to them. Core staff will maintain a role in these groups to monitor progress and lead activities when necessary.