The Effects of Immigrant Consumption Experience Abroad in the Education of Albanian Consumption According to International Gusto and Standards

Elvira Fetahu, Ilir Bejtja
Department of Marketing and Engineering, Economic Faculty, UE, Albania
Elona Fetahu
Department of Mathematics, Faculty of Natural Sciences, UE, Albania
Anila (Voci) Çekrez
Department of Finance and Accounting, Economic Faculty, UE, Albania

Abstract

Going international for a national economy in an increasingly globalization process does not mean just thinking how to export products and services. First, you have to create and implement international standards for the home country products and services. The process of internationalization is an integral process, affecting culture, politics, economy and way of living as well. Going international for an economy is a very broad issue but the way we refer in this paper is very closely related to the living standards of the people and more specifically of the immigrant communities between the host country and the country of origin. There are different ways of rising up and establishing international standards in consumption in the domestic market, one of which sounds to be smooth and very natural considering the transformation process. Consumption is part of the culture and so is the way of living. This means that it should be a long process to adopt international standards of consumption in the internal market. But it is not the same when we consider immigrants and their relatives have intense exchange of experiences with them, and the fact that immigrants are bicultural. They naturally can ‘import’ their second culture elements and standards home. The positive effects of this phenomenon which comes as a result of the process of education of the domestic market from the immigrant consumption experience abroad directly impacts the home market demand for consumption according to the international gusto and standards. Albanian immigrant group have been for many years, and still are very important enclave for the internationalization of our economy, as they represent more than 1/3 of our total population. Having into consideration this fact, the goal of this paper is to analyze the consequences that the domestic market, goods and services, have had so far and how the production standards have evolved.

Keywords: internationalization, immigrant, consumption, bicultural, economy
JEL classification: F22
Introduction

The approach of internationalization of the domestic economy has been almost always seen in the light of exports and how to penetrate to the international market. More than anything else it has been a question of prices, costs of marketing channels, promotion and fighting/avoiding competition, finding free international market spaces and looking for customs facilities, as well as non-rigorous international standards of consumption and sale. At the very first thinking, it imposes the interested economies to be internationalized through finding out who are the possible international trade partners.

At this approach it asks for strongly representing channels, costly and highly performing in that sector. The conventional and traditional ways also does not ask for transformation of the domestic economy toward international market, but just some of those economies start adopting products to international market demand, or some businesses are created properly to that demand. The most of the national economy remains internally oriented and the domestic demand remains pretty conservator to the domestic gusto and standards. This slows down the process of innovation and holds low level of competitiveness of the national economy in the international market. Such an economic model, whose approach is not the international cooperation and somehow profiling and specialization of the national economy, in order to get advantage of the best combination of the economic factors of development, is destined to high costs and low competitiveness in general, but also to poor package of product and services, and limited number of potential customers as well.

While adopting international standards in the domestic consumption, makes it easier for the national economy, and even more for some very competitive sectors of it to internationalize with their products and services to international market, as they do not need to shift standards of production, technology and production processes to international market properly.

The main goal of this paper is to identify through quantitative and qualitative analysis of facts and figures problems and issues facing the Albanian immigrants in the Province of Milan Italy in order to find ways for increase of trust in higher levels and so, increase of their social capital in order to foster their faster development and increased competitiveness both economically and socially among the host country market and society.

The paper will treat the methodology used in this study, the data collection process, results from the data analysis, a large discussion of the facts and phenomena considered to analyze the situation with the Albanian immigrant group in the Province of Milan, Conclusions to the analysis of facts and findings, limitations to this study and at the end references.

In creating this paper the following articles and books were used: Adorjan (2008), Chindea (2008), Fetahu (2014), Gaag (2012), Gielis (2009), Grünig (2012), Guarnizo (2012), Halkias (2007), Kepaptsoglou (2010) and Sobel (2010).

Methodology

The methodology used in this paper is deductive-inductive-deductive process through an analysis of the statistical data on the imports and consumption of the foreign products in the Albanian market, understanding the effect of the transnational bridging of the Albanian immigrant community related to the introduction of the international gusto and consumption standards in the home-country market. We have analyzed historical data on the Italian imports in Albania
referring to respective statistics by certified resources (INSTAT, Bank of Albania, IOM, IMWSP of Italy, Caritas Italiana, CAN, NCASME in Italy etc.) and cross section data from a sample of 204 immigrant entrepreneurs interviewed in the province of Milan Italy as well. The sample was selected using criteria (kind of business involved in, level of financial involvement, number of the employees) on the classification of the potential interviewees on a random process using STATA Sampling. Through descriptive statistics and processing of the cross section data with SPSS we have tried to bring out the impact and the role of immigrants in this process of internationalization of the domestic market through internationalization of the consumption, by first deducting and coupling in order to see the specific effects of each variable and their distinctive impact on their performance (immigrants’) then analyzing their common joint effect through an inductive process measuring effects producing ANOVA table with SPSS. The final process is a inductive-deductive one, making conclusions to the synthesis done and the discussion of all the data and information.

The study has passed also through a qualitative analysis of the issue and theoretical arguing related to the verification of our question. Finding and conclusions conclude the paper.

Results

As stated in the methodology above we represent here some of the results of our analysis of the statistical data on the Albanian imports from Italy as the enclave we are considering so far in the study is related to the Albanian immigrants in Italy which are entrepreneurs but who also when acting as transnational bridges with the home country are also consumers of the home products with a different oriented gusto mixed with the culture of the host country, the country where they live and work.

The below figure, Figure 1, shows the amounts in millions of USD of the total imports we have from the neighboring country categorized into groups of products.

Figure 1
Albanian Imports from Italy

![Albanian Imports from Italy](source)

Source: The Observatory of Economic Complexity
The twenty year data do say a lot about the increased trend of imports which is explained from many reasons but also the effect of internationalization and orientation of Albanian gusto toward consuming of foreign products. The nineteen categories of goods imported from Italy, some of them such as textiles, foot wear, foodstuff do explain at some extend the tendency of Albanian trade toward goods that are related to lifestyle and food which first of all change because of the imported behavior of the enclave of immigrant who live in this country.

From the analysis of the data from the enclave of Albanian immigrant entrepreneurs in Italy below in Table 1 is shown the frequencies of the period of immigration of this group of people from 1990 to 2011. As noticed from the cumulative table most of them have immigrated in 1998 and about 67% of the total until 1999. The specific characteristic of this enclave is that they have been really oriented toward the home country and because they were engaged in entrepreneurship they have played the role of the transnational middleman between the two cultures. The nationality of the partner at 88.6% is the same with the one of interviewed, that means is Albanian. This fact has an implication in explaining the orientation of these immigrant families toward countries of origin during holidays or for family reasons.

**Table 1**
Year of Arrival in Italy

| Year of Arrival in Italy | Valid Percent | Cumulative Percent |
|-------------------------|---------------|--------------------|
| 1990                    | 2.0           | 2.0                |
| 1991                    | 9.8           | 11.8               |
| 1992                    | 2.0           | 13.7               |
| 1993                    | 13.7          | 27.5               |
| 1994                    | 3.9           | 31.4               |
| 1995                    | 3.9           | 35.3               |
| 1996                    | 3.9           | 39.2               |
| 1997                    | 9.8           | 49.0               |
| 1998                    | 15.7          | 64.7               |
| 1999                    | 2.0           | 66.7               |
| 2000                    | 9.8           | 76.5               |
| 2001                    | 5.9           | 82.4               |
| 2002                    | 5.9           | 88.2               |
| 2003                    | 3.9           | 92.2               |
| 2004                    | 2.0           | 94.1               |
| 2006                    | 2.0           | 96.1               |
| 2007                    | 2.0           | 98.0               |
| 2011                    | 2.0           | 100.0              |
| **Total**               | **100.0**     |                    |
| **Missing**             | **9999**      |                    |
| **Total**               |               |                    |

Source: The Observatory of Economic Complexity
### Table 2
Nationality of Partner

|                | Valid Percent | Cumulative Percent |
|----------------|---------------|--------------------|
| Valid          | 88.6          | 88.6               |
| The same nationality of the respondent | 88.6          | 88.6               |
| Italian        | 11.4          | 100.0              |
| Total          | 100.0         |                    |
| Missing        | 99            |                    |
| Total          |               |                    |

Source: Authors’ calculation

### Discussion

There are different ways of rising up and establishing international standards in consumption in the domestic market, one of which sounds to be smooth and very natural considering the transformation process. Consumption is part of the culture and so is the way of living. This means that it should be a long process to adopt international standards of consumption in the internal market, due to the local phobia toward foreign products, gusto and standards as well.

But it is not the same when we consider immigrants and their relatives have intense exchange of experiences with them, and the fact that immigrants are bicultural, as they live abroad. They naturally can ‘import’ their second culture elements and standards home. The positive effects of this phenomenon which comes as a result of the process of education of the domestic market from the immigrant consumption experience abroad directly impacts the home market demand for consumption according to the international gusto and standards. As they do it in a pretty natural way, it is sustainable and adopted without any visible contradiction by the natives.

What I analyze here in this paper is the fact that getting use of the immigrant enclave abroad, case of the Albanians living in the province of Milan as a representative sample for Italy, getting use of their living style, especially their consumption, perception for their future life always between the two cultures and environments, increases introduction of Italian gusto and consumption models or behavior in the Albanian market. They are our Albanian consumers traditionally adopted to the Albanian consumption style, but in a certain way trained to consumption so far. They find it natural to bring and introduce Italian style in our country. This is an important reason on the increase of certain imports in Albania through years, and an important reason in the internationalization of the domestic consumption toward international standards as well.

On the other side, implementation in the domestic production of some international standards due to this transformation in consumption standards has pushed our production toward more exports as they find it easier to fit with the international demand and its standards in consumption in some specific product and services.
Conclusion
The education through immigrant community, while living part of their life in Albania, converges to the spread throughout the home country (domestic market) of the international standards of consumption, their second culture standards.

These newly established standards of consumption, easily introduced among their parents and native egos, induce the start of production based on international market standards, already educated to the domestic consumption, in order to face this consumption while becoming important. The process asks for new technology in order to meet these standards. The increased implementation of international standards and new technology foster innovation through tacit and implicit ways in the case of Albania, as it is already impossible to initiate and complete pure innovation internationally. These standards can be imposed even directly by the international demand spontaneously. As it is also possible that the new Albanian products, genuine or not, can be requested spontaneously by the international market demand.

The process takes place simultaneously with the extension of imports, in order to support the domestic need for the materials which are scarce based on domestic resources, as well as with the stimulation of the innovation process according to the progress of the international science and technology.

At this end, the international gusto and standards are embedded in Albanian individuals consuming in the same place and in the same way with their parents, relatives or co-nationals.

We can mention some limitations to the study: first, we generalized on the results of a sample of interviewees situated only in the Province of Milan, which does not fully represent the total Albanian immigrants in Italy, and wider around the Europe. Second, in order to get information about consumption to, we considered for the same purpose during the interview the same sample, the sample of the entrepreneurs combined with some group meetings with other Albanian immigrants in the province of Milan, which are members of the Albanian Immigrant Association in the Province of Milan, third, we have done a mechanical union between cross section data results from the interview and the statistical and historical data from other certified sources of statistics, fourth, the criteria used for the sampling involve somehow a small rate of subjectivity, considering only the entrepreneurs with more than 3 employees as they are more addicted to transparency and accountability.

References
1. Adorjan, T. (2008), “Steps of Internationalization and the use of direct export methods”, Budapest: Budapest Business School.
2. Chindea, A., Majkowska-Tomkin, M., Mattila, H. Pastor, I. (2008), “Migration in Albania: A Country Profile 2008”, Switzerland, International Organization for Migration.
3. Fetahu, E. (2014), “Immigration entrepreneurship and its local integration: a possibility for transnational bridging of native economies: Albanian immigrants in the region of Lombardia”, Italy, Durre: s.n.
4. Gaag, M. et al. (2012), “Social Capital. An international research program”, s.l.: Oxford University Press.
5. Gielis, R. (2009), “Borders make the difference: migrant transnationalism as a border experience”. Jornal of Economic and Social Geography, Vol. 100 No.5, pp. 598-609.
6. Grünig, R. Morschett, D. (2012), “Facts and figures about internationalization”, in: Developing International Strategies. s.l.:Springer, pp. 11-25.
7. Guarnizo, L. E. (2012), “The economics of transnational living”, International Migration Review, Vol. 37 No. 3.
8. Halkias, D. (2007). “Characteristics and business profiles of immigrant-owned small firms: the case of Albanian immigrant entrepreneurs in Greece”, s.l.: Hellenic American University.

9. Kepaptsoyerliou, K., Karlaftis, M.G. Tsamboulas, D. (2010). “The Gravity Model Specification for Modeling International Trade Flows”, The Open Economics Journal, Vol. 3, pp. 1-13.

10. Sobel, R.S., Dutta, N. Roy, S. (2010). “Does cultural diversity increase the rate of entrepreneurship?”, The Review of Austrian Economics, Vol. 23 No. 3, pp. 269-286.

About the authors

Elvira Fetahu, PhD, is a lecturer at Faculty of Economy, University “A. Xhuvani“ Elbasan and member of Higher Education Reform Experts (HERE) of Albania. She obtained her B.Sc. (Finance) from University of New York in Tirana and Empire State College, M.Sc. (International Business and Marketing) from European University of Tirana and her PhD on Marketing at University “A. Moisiu” Durrës. She has been a visiting researcher at ECMI in Flensburg, Germany and GSSPS at the University of Milan in Italy during her PhD studies. She is involved in research about internationalization of the Albanian economy with focus on immigrant entrepreneurship of Albanians in the Province of Milan, Italy and also member of HERE providing expertise, promoting and enhancing progress toward further modernization of the higher education sector and guidance to higher education institutions in the area of quality assurance and curricular reform. Author can be contacted at elvirafetahu@uniel.edu.al

IlirBejtja, PhD in Marketing, Lecturer at the University “Aleksander Xhuvani” of Elbasan. She is lecturer of International Marketing Management, Marketing Management, Marketing on Travel and Tourism and EU Economic Policies and Project. Author can be contacted at ilirbejtja@uniel.edu.al

Elona Fetahu, M.Sc., is a lecturer of Applied Mathematics at the Faculty of Natural Sciences, “Aleksandër Xhuvani” University, Elbasan. She obtained her B.Sc. (Mathematics) from University of Tirana and M.Sc. (Applied Mathematics) from the Central European University in Budapest. Author can be contacted at fetahuelona@gmail.com

Anila (Voci) Çekrezi, PhD in Finance is a lecturer of Financial Markets, Cash and bank at the University of Elbasan. She obtained her M.Sc. (Finance) from the University of Tirana. Author can be contacted at anilavoci@uniel.edu.al