

THE IMPACT OF SOCIAL MEDIA ON THE PERFORMANCE INDICATORS (PRODUCT DEVELOPMENT, MARKET DEVELOPMENT AND CUSTOMER LOYALTY) IN THE GASTRONOMY SECTOR³

The aim of this study is to explore and assess the significance of social media in terms of their impact on market performance indicators, including product development, market development, and consumer loyalty.

This study utilized a sample of 279 companies operating in the HoReCa sector (Hotel, Restaurant, and Cafeteria) in Kosovo. To assess the impact of social networks on the gastronomy sector, a structural equation model was employed to analyse the collected data.

Based on our research, the results indicate a positive relationship between social media and performance indicators. However, it is worth noting that the correlation between social media and performance indicators was not particularly strong. This study adds to the existing body of literature on digital marketing strategies from an academic standpoint, highlighting the positive outcomes derived from the influence of social media through performance indicators. From a practical standpoint, the findings of this research suggest that the gastronomy sector can benefit from investing in a comprehensive digital marketing strategy based on the insights gained. Given that many businesses within this sector have a clear requirement for digital marketing and the appropriate platform design, effective management of the HoReCa sector can enable the development of an effective social media strategy that amplifies the impact of performance indicators.

Consequently, the paper begins with a theoretical explanation of the terms of digital marketing of social media, analysing the theoretical aspect of performance indicators such as product development, market development and customer loyalty. Then the paper continues with the hypotheses of the paper and presentation of the conceptual model.

By giving the paper the practical part of the work, the distribution of the questionnaires and finally the analysis of the results.

For clarification, in the paper we have relied on various literatures that have dealt with such variables and we have dealt with our case in Kosovo of these variables that we have called.

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This research study makes unique contributions to the existing literature on social media and performance indicators specifically within the gastronomy sector. The novelty of this study lies in its efforts to enhance the comprehension of social media's impact through performance indicators, ultimately leading to improved performance in gastronomy services.

Keywords: social media; performance indicators; gastronomy sector; digital marketing.

JEL: M00; M20; M31

1. Introduction

Digital technologies are now an integral part of the daily lives of a significant portion of the global population (Blazheska, Ristovska, & Gramatnikovski, 2020). From the review literature, the majority of aims suggest an application that detects the Satisfaction that leads to customers using Social media for any activity like Big Data from Facebook, Linked In, Twitter or any other social media platform (Kenan, et al., 2023). This presents an opportunity for companies to establish closer connections with their customers, considering that every user has the potential to become a customer for any business. Presently, Facebook and Instagram are the most popular social media platforms for promoting products and services (Sheikh, 2023). This accessibility to social media platforms has made it increasingly convenient for various businesses, particularly in the food industry, to distinguish their offerings. Through social media, people now have the ability to share a wealth of information and experiences with other users (Gashi & Ahmeti, 2021). Companies greatly benefit from utilizing social media, as they can display ideas and posts, and describe how social media can make each activity more open. According to Ian P. McCarthy et al (2023) even an idea can develop a process model of five research activities network.

This paper acknowledges its focus primarily on urban, high-end gastronomy businesses, which may not fully represent the diverse range of establishments within the sector. Future research could expand to include rural and smaller gastronomic enterprises for a more comprehensive view. Stakeholders, including gastronomy business owners, digital marketers, policymakers, and academic researchers in hospitality and marketing fields, will find this paper particularly insightful. The findings offer valuable insights for these stakeholders in understanding the role of social media in shaping customer perceptions and driving business performance in the gastronomy sector. Additionally, the research can inform policy decisions and marketing strategies tailored to this vibrant industry's unique challenges and opportunities. The purpose of the paper is the recognition of digital marketing strategies through social media and variables obtained in the study (product development, market development, customer loyalty).

The importance of gastronomy as part of tourism is continuously increasing day-by-day in the world. This fact is approved by the Committee on Culture and Education of the European Parliament for the importance of gastronomy: cultural and educational aspects. "It recognizes the importance of food and gastronomy as artistic and cultural expression and fundamental pillars of family and social relationships" (Hegyes, Máté, Vafaei, & Farkas, 2017).

In the research that we have done with the gastronomy network, we have seen that the importance of consumers is followed by hotels, restaurants and cafes, trying to fulfilling every desire of consumers.

The paper is structured to understand the effect of social media on performance indicators.

Product development is compared to other research where, according to the authors that have been cited, the product plays an important role in social media.

Market development is important for consumers because they have the opportunity to identify the characteristics of global service companies through technological development (Capobianco, 2023). Customer loyalty, according to the review literature, is important to the consumer's approach to what the company presents on social media.

The paper will provide answers to the research questions that are related to the raised variables, we will prove the research questions with the hypotheses that we will raise in the paper. The main purpose of the paper is to recognize and influence digital social tools through market performance indicators and the variables we mentioned and were taken into the study.

The paper will deal with why companies should use social media, and can then measure the effects on the performance indicators we have set. This study shows us that the use of social media measures the effects of consumers on food enjoyment (a common service from HoReCa) seeing 'satisfaction' as a mechanism to measure performance indicators. The consumer can come to his favourite food or his favourite restaurant using social media. In other words, when consumers are positively stimulated while reading online gastronomy reviews on social media platforms, satisfaction is evoked, subsequently increasing the desire to enjoy the various foods displayed online.

Hence, this research paper aims to examine the impact of social media on performance indicators in the market by utilizing an adapted conceptual model and investigating relevant variables. The findings of this study provide valuable insights into the influence of social media on performance indicators within the gastronomy sector. Ultimately, this paper serves as a direct representation of how social media can contribute to the success of companies.

The study may have limitations in terms of the sample size and the demographics of the respondents. If the research primarily focused on a specific geographic region or demographic group, the results might not be generalizable to other areas or populations. Future research should aim to include a more diverse and larger sample to enhance the generalizability of the findings. The study's temporal scope might be limited, possibly focusing on a short-term analysis. Social media trends and their impacts on gastronomy can evolve rapidly. Future research should consider longitudinal studies to understand the long-term effects of social media on market performance indicators in this sector.

2. Literature Review

2.1. The evolution of digital marketing

The external environment and the great technological progress have changed the way of doing business, especially in the field of marketing as a whole, since digitalization has brought many opportunities and alternatives (Reshidi & Baca, 2023).

Based on that, the business environment in marketing has gone through several stages, which have been accompanied by changes in the market, and companies today are more competitive. Marketing has evolved through phases: the production concept (marketing 1.0), the sales concept (marketing 2.0), people-oriented marketing (marketing 3.0), digital marketing (marketing 4.0), and artificial intelligence (marketing 5.0). Marketing has evolved in the market always communicating with the audience. Marketing evolution has been an evolution from traditional to digital. If, in traditional marketing, the attention paid to the consumer has sometimes been dethroned by the attention given to the product in the company's marketing strategy, in the case of digital marketing, the focus remains on the consumer and to his choices to fulfilling his desires and needs (Baltes, 2016).

According to Kotler, the evolution has been from phase 1.0 to 5.0 where along these phases technological changes have been followed and developed along with the era (Kotler, Kartajaya, & Setiawan, 2021).

Digital marketing is a specific term that has evolved using digital channels as a general term that describes the process of using digital technologies to acquire customers and increase sales (Walle, Rodriguez, & Estrada, 2020). According to the American Marketing Association (Association, 2023) social media involves the use of social networks as marketing communications media.

Social media channels are used according to the digital marketing strategies that the company implements. The role of social media marketing is broad and focused on digital marketing strategies. As a result of the development of marketing, as mentioned above, other processes were also developed. Digitalization in the company was born out of a market need and the adaptation of customer requirements as the approach to service provision changed in the market and the need for its adaptation arose (Rachinger, Rauter, Müller, Vorraber, & Schirgi, 2018). Digitalization is important in the gastronomy sector too because it brings faster results (Digital, 2022).

This paper acknowledges the evolution of marketing strategies in gastronomy, highlighting a significant shift from traditional methods to digital platforms. The transition towards digital marketing has been pivotal, reflecting the changing consumer behaviours and technological advancements. This shift underscores the importance of digital means, such as social media, in contemporary marketing strategies. By leveraging these digital tools, businesses in the gastronomy sector can more effectively engage with their target audience, gather valuable consumer insights, and adapt to the dynamic market landscape. This evolution from traditional to digital marketing methods is central to our discussion on the impact of social media on business performance in the gastronomy sector.

2.2. The evolution of gastronomy

Throughout history, people have prepared food which was sourced from, and influenced by, their immediate surroundings and circumstances, and its consumption has always been fundamental to civilisation and daily life. However, the evolution and development of gastronomic tourism arguably has a more substantial genesis in forces capable of penetrating cultural barriers and internationalising food (Mulcahy, 2019).

Such evolution has made consumers perceive and observe and develop gastronomy. Since its development has progressed to the technological approach of taste and consumer satisfaction, as we will treat in this paper the case of the HoReCa network in Kosovo.

2.3. Social media like performance in the gastronomy sector

The application of digital trends and digital services can increase the power of the local self-government and help organize this event for successful business (Blazheska, Ristovska, & Gramatnikovski, 2020). Social media have a significant impact on market performance indicators such as product development, market development, market penetration, and consumer loyalty (Lin, Yang, Ma, & Huang, 2018). The technological approach has changed after the end of the COVID-19 pandemic, especially in the service industry in gastronomy, where restaurants have not faced the losses created and have built new strategies for providing their services by moving to a completely digital platform (Kotler, Kartajaya, & Setiawan, 2021). After the COVID-19 pandemic, customers also know that the main information about the company's products originates from social media, where the social networks Facebook, Instagram, etc. enable the rapid spread of news or different information and have influenced many companies to change formats and their communication skills (Gashi & Ahmeti, 2021).

This study underscores the pivotal role of social media in enhancing key performance indicators in the gastronomy sector. We delve deeper into this relationship's social and economic ramifications, providing a comprehensive analysis of how social media strategies drive both tangible and intangible benefits. Social media's influence extends beyond mere marketing metrics; it fosters community engagement, brand loyalty, and customer satisfaction, all of which contribute significantly to the economic sustainability and growth of businesses in the gastronomy sector. Our findings reveal that an effective social media presence amplifies product and market development and cultivates a loyal customer base, leading to improved financial performance and market competitiveness. This paper, therefore, contributes to the broader understanding of digital marketing's economic and social impacts in the gastronomy sector, offering practical insights for businesses seeking to harness the full potential of social media.

The top 23 social media sites of 2023, as more important and more used are (Lua, 2023): Facebook — 3.03 billion MAUs, YouTube — 2.5 billion MAUs, WhatsApp — 2 billion MAUs, Instagram — 2 billion MAUs, WeChat — 1.3 billion MAUs, TikTok — 1.05 billion MAUs, Telegram — 700 million MAUs, Snapchat — 557 million MAUs, Kuaishou — 626 million MAUs, Qzone — 600 million MAUs, Sina Weibo — 584 million MAUs, QQ — 574 million MAUs, X (formerly Twitter) — 556 million MAUs, Pinterest — 445 million MAUs,

Reddit — 430 million MAUs, LinkedIn — 424 million MAUs, Quora — 300 million MAUs, Discord — 154 million MAUs, Twitch — 140 million MAUs, Tumblr — 135 million MAUs, Threads — 23.7 million (predicted U.S. users), Mastodon — 1.7 million MAUs and Bluesky — MAU unknown. Based on this data, we conclude that social media are indispensable and that almost every consumer can find themselves on one platform.

Therefore, even with the change in the climate of doing business, companies are changing their rules so that the promotion of new products is done through social networks, where companies cooperate more with customers.

2.4. Product development

The process of developing company products and services begins with ideation, launch strategies, and the overall advancement of the organization's offerings, as discussed by Adler et al (2003). While different companies may perceive product stages differently, it is crucial to exercise heightened supervision, particularly during the introduction phase, as it can be a risky period where many new products may fail after their launch, as emphasized by Gashi and Ahmeti (2021). In companies where there are many products, companies have life cycle stages of their products. Where according to the authors Baca and Reshidi (2023) there are four phases of the product life cycle: 1. Introduction, 2. Growth, 3. Maturity, and 4. Decline.

Companies utilize digital marketing to enhance their products in collaboration with business partners and suppliers, and they can leverage social media to positively impact product development, as highlighted by Piller et al. (2011). Building upon the research conducted by Nader et al (2019), it is noted that product development may not have significant effects on the operations of high-tech companies. However, this paper aims to measure the impact of product development on social media as a performance indicator. This presents a dilemma regarding how product development influences performance indicators, which will be assessed through the research questions incorporated in the model. Based on the research conducted by Nader et al (2019), the paper provides a reference for managers of high-tech companies and helps them reduce the failure rate of product development. As well as to measure if the marketing strategy is effective, Rumelt (2011) as an expert on strategies stated in his book that the strategy is to "choose the way to promote innovation and the realization of ambitions, as well as to decide what they are for leadership and determination, how to serve him and why". From what it discusses, we can conclude that product development is important in digital marketing strategies.

2.5. Market development

The expansion of opportunities and the pursuit of new customers are key objectives of market development, as outlined by Alkasim et al. (2018). The market development strategy (MDS) is an organizational approach that focuses on expanding the firm's product offerings in both existing and new markets, as highlighted by Alkasim S. B. et al. (2017). The development of the market is also advanced in offering their products to the market, because they can combine their market elements to benefit from the benefits that those products have. To build

good market, companies take five steps to develop to gain market share (Kotler & Kotler, 2013):

1. Companies seek more efficiency,
2. Companies prepare an analysis of strengths, weaknesses, opportunities and threats (SWOT Analysis),
3. Companies improve financial and marketing strength,
4. Reassess the marketing mix and profile,
5. Develop winning strategies for market share.

Notably, social media serve as a valuable platform for understanding customers' immediate needs, and their impact is positively perceived in terms of providing businesses with faster and timely information, as stated by Livingstone (2008). Customers also engage in brand communities to discuss products and services, where they assert that social media has influenced market development and consistently had a positive impact, as discussed by Arnone et al. (2010). According to Arnone (2010), the impact of social media is positive, because social media with their platforms have created great facilities. Since the company meets its audience on many online platforms such as Facebook, Instagram, Twitter and LinkedIn. Regardless of country or location, companies find which platform to use. This is a relief since, based on social media, the company also targets other groups of consumers.

2.6. Customer loyalty

The satisfaction of customers plays a crucial role in determining the success of any business. When Henry Ford (2013) was asked about the importance of consumers in business, he answered that: "employers only receive money from sales – it is the consumer who pays the wages". In the marketing literature, it is constantly and deliberately emphasized that consumers are kings, therefore it is of critical importance that companies devote considerable time and resources to understanding the needs of their consumers (Baca & Reshidi, 2023).

According to Khadka & Maharjan (2017), when establishing a business, prioritizing customers over profit is essential. This is all to gain the trust of consumers. Companies win customer when he returns and likes the company's services. Also, the customer is connected with the company for a long-term approach, according to Khadka & Maharjan for the primary company is the customer and the gain of customer credibility.

The research represents a small step in a series of studies needed to understand the broader picture and more precisely measure consumer satisfaction in gastronomy (Andaleeb & Conway, 2006). Customer service in the gastronomy network has changed due to a new trend of consumer preferences and demand. Maintaining service quality is the main strategy to treat the customer to remain satisfied and loyal with the service provided (Razak, Aminuddin, & Ghazali, 2020).

Customer satisfaction has received significant attention in the existing literature, with several prior studies conducted in various types of restaurants to investigate the impact of service

quality on customer satisfaction, as highlighted by Almohaimmeed (2017). In line with the research conducted by Ramanathan et al. (2017), it has been found that social media has a positive influence on customer loyalty. The authors explain that leveraging social media for promotions can enhance service operations by facilitating interactions between the company and its customers, consequently fostering customer loyalty.

2.7. Hypotheses and conceptual model

Drawing from the analysis of existing literature and utilizing the conceptual framework derived from Kotler et al., this study puts forth a set of hypotheses that will be examined through research questions. Furthermore, the study evaluates the influence of performance indicators on the market and their ramifications on social media. In light of the aforementioned research, we can propose the following hypotheses:

H1. There is a positive relationship between social media engagement and product development in the gastronomy sector.

H2. Social media engagement positively correlates with market development for the gastronomy sector.

H3. There exists a positive relationship between social media interaction and consumer loyalty in the gastronomy sector.

The hypotheses are built in such a context that each of them is proven in the corresponding questions. The purpose of the research is to measure the impact of social media as a digital marketing strategy in companies. We have seen this best in past research because social media has a positive impact on companies. Against this, in the model, we also presented performance indicators, which will measure the effect of social media in terms of companies. The performance indicators in this paper will show which has the largest weight in the company and how they are related. The conceptual model has been approximated and combined by different authors in the field of marketing. Considering the weight of social media in many factors and indicators of performance, we have researched and combined the model from the work of (Gashi & Ahmeti, 2021). The authors have foreseen the development of social media in many spheres therefore their weight has been taken and carried in many works and researches.

Also, in the research of (Gashi & Ahmeti, 2021) it is stated that digital marketing is necessary for company environments if they want to stay long-term in the market. In the following, we will have the opportunity to see the connection of the variables in the model, based on them as well.

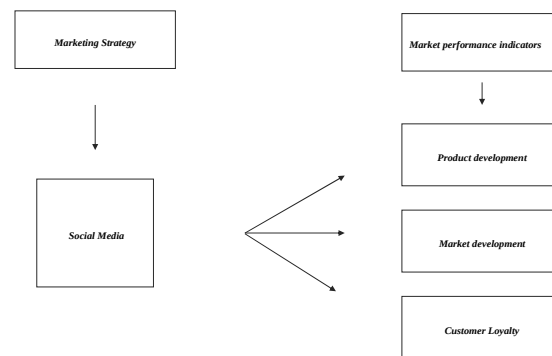
3. Methodology

3.1. Data collection – sampling strategy and sampling technique

The methodology of the work in the paper starts from the analysis of the variables of the conceptual model that we will present. The model has been adapted by different authors,

alluding to the variables that have been taken into the study and each variable has been treated from a theoretical point of view, and thus based on the research, we have included questions for each of them. The figure below presents the conceptual model for this study.

Figure 1. Conceptual Model



The research sample is segmented at the country level and further analyses are within different cities. Taken in total, the number of hotels, restaurants, and cafes in Kosovo is 18646 (source obtained from the Ministry of Trade and Industry). To determine the required sample size, a simplified formula by Yamane (1967) was employed: $n = N / [1 + (N \cdot e)^2]$, where n represents the sample size, N represents the population size, and e represents the level of precision.

Assuming the desired level of confidence to be 95% and the level of accuracy to be +/- 5%, given the size of the population (number of businesses), we can derive the necessary sample size for the research. In our case, $n = 18646 / 1 + (18646 \cdot 5\%)^2 = 18646 / 47.61 = 392$ businesses of the HoReCa network were interviewed to complete our questionnaire.

Out of the total sample size of 392, only 315 completed questionnaires were returned. However, 36 of these questionnaires were only partially completed and, as a result, were excluded from the analysis.

3.2. Measures and instrument development

This research utilizes two types of data: primary and secondary. Secondary data is obtained from literature sources focusing on digital marketing strategies and their impact on business performance. Primary data, on the other hand, is collected through fieldwork and questionnaires. The study employed well-established measurement scales derived from a comprehensive review of the literature on digital marketing and social media.

Our methodology centres on the use of quantitative surveys to collect primary data. These surveys are designed to capture various metrics related to social media usage, consumer behaviour, and business performance indicators in the gastronomy sector. Respondents include customers, business owners, and marketing professionals within this industry. For secondary data, we analyse existing academic research, industry reports, and social media analytics to contextualize our findings and identify prevailing trends. This approach allows for a data-driven, quantitative analysis of the impact of social media on gastronomy businesses.

All constructs were assessed using a five-point scale ranging from strongly disagreeing (1) to strongly agreeing (5). The questionnaire consists of two sections.

The first section includes constructs related to the study, such as social media, product development, market development, and customer loyalty. The second section gathers demographic information from participants, such as gender, age, work experience in the industry and activity of business.

As shown in Table 1, demographic data were considered control variables rather than influencing factors when creating hypotheses for this investigation. This research also collected data on these control variables through the survey instrument.

Table 1. Respondent's profile

Measure	Data	n	%
Gender	Male	249	89
	Female	30	11
Age	18-24	52	19
	25-30	67	24
	31-40	88	32
	41-50	49	18
	51+	23	8
Work experience	0-12 months	10	3.6
	1-3 years	54	19.4
	3-5 years	52	18.6
	5-10 years	67	24
	10+	96	34.4
Activity	Hotel	34	12.2
	Restaurant	122	43.7
	Cafeteria	123	44.10

In examining the influence of social media on market development, we drew upon various sources to inform our study. Aronu et al., (2014) provided the foundation for our research by exploring the relevant variables. We also considered the work of other authors to guide our investigation into specific aspects. For instance, Ali et al. (2016) examined the impact of social media on influencing behaviour, while Su, Tsang, and Peng (2009) informed our understanding of product development. To explore market development, we adapted our research based on the findings of Pellissier, Joubert and Garg (2004). Lastly, to understand customer loyalty, we referred to the insights of Ramanathan et al. (2017).

3.3. Measurement model reliability and validity

To evaluate the reliability of the measures used in the study, reliability measures such as Cronbach's α and item factor loadings were utilized. The recommended threshold for acceptable values is 0.70, as suggested by Ringle et al. (2015) and Hair et al. (2011).

Table 2 displays all the constructs employed in this study. Moreover, all variables demonstrated Cronbach's α values higher than 0.70, indicating that the measures effectively and reliably assessed each construct.

Table 2. Measurement model results

Constructs	Indicators	α	(CR)	(AVE)
Social media	SM1 – Customer perceptions can change from marketing activity on social media! SM2 – Digital marketing strategies must be relevant and clear on social media. SM3 – People mainly buy those services that are most visible on social media. SM4 – Social media are helpful in operating for advertise products and services. SM5 – Consumers perceive information posted by other consumers on social media as more credible. SM6 – Social media have a positive impact on customer engagement.	.930	.945	.742
Product Development	PD1 – Product development affects the quality of digital marketing strategies. PD2 – Digital marketing strategies influence rapid product growth. PD3 – Digital marketing strategies affect service improvement. PD4 – Product development directly affects the reputation of the company.	.896	.785	.508
Market development	MD1 – Digital marketing strategies have an impact on increasing sales. MD2 – Digital marketing strategies have an impact on increasing market share. MD3 – Digital marketing strategies have an impact on the image of the company. MD4 – Digital marketing strategies have an impact on company loyalty.	.904	.784	.517
Customer loyalty	CL1 – Customer loyalty is focused on customer satisfaction. CL2 – Digital marketing strategies encourage activities that improve customer satisfaction. CL3 – Digital marketing strategies meet consumer expectations. CL4 – Digital marketing strategies help you respect the customer. CL5 – Digital marketing strategies help you explain the quality of the product.	.912	.831	.615

The reliability and validity of the measurement model are assessed using specific statistical techniques. For reliability, Cronbach's alpha is used to measure the internal consistency of the scales. A Cronbach's alpha value above 0.7 is generally considered acceptable, indicating that the items within a scale are reliably measuring the same underlying construct.

For validity, the manuscript employs factor analysis. This technique helps understand whether the items grouped under a particular construct measure that construct. It involves examining the factor loadings of the items, with higher loadings indicating a stronger relationship between the item and the underlying construct, thus supporting the construct validity of the measurement model. These methods ensure that the scales used in the research are reliable and valid, providing confidence in the findings derived from the data. The overall model demonstrated satisfactory fit indices, including degrees of freedom CMIN/DF = 2.155, comparative fit index CFI = 0.959, Normed Fit Index NFI = 0.926, and root mean square error of approximation RMSEA = 0.059. These values suggest that the data fit the model well. The results of the hypothesized paths are provided in Table 3.

These values suggest that the data fit the model well. The results of the hypothesized paths are given in Table 3.

Table 3. Results of path analysis

Path from	Path to	Hypothesis	Std. Coeff.	p-Value
Social media	Market Development	H2: Supported	0.713	***
	Customer Loyalty	H3: Supported	0.818	***
	Product Development	H1: Supported	0.786	***

*Note * $p < 0.05$, ** $p < 0.000$*

We mention the hypotheses again:

H1. There is a positive relationship between social media engagement and product development in the gastronomy sector.

H2. Social media engagement positively correlates with market development for the gastronomy sector.

H3. There exists a positive relationship between social media interaction and consumer loyalty in the gastronomy sector.

For clarification, let's analyse the results a bit. Hypothesis 1, the strongest support is found in product development and has good positive effects or satisfying effects. Based on the results called Standard, the coefficient is 0.786, so there is a strong connection.

The second hypothesis has a positive impact on market development. And it has satisfying effects, as far as the standard coefficient is concerned, it is 0.713.

And the third hypothesis has a higher standard coefficient than the other two. The third hypothesis has a Stand. coeff. of 0.818.

So, the three hypotheses remain with positive effects, where social media have a positive effect and a good relationship in performance indicators.

4. Discussion

In this study, we utilized the AMOS statistical platform to conduct structural equation modelling. Our choice to employ a structural equation model was driven by our desire to assess the influence of social media on key performance indicators, namely product development, market development, and consumer loyalty.

Based on the data collected, the results indicate that Social Media has had a positive impact on performance indicators. This demonstrates that numerous companies have recognized the importance of utilizing digital marketing to enhance their businesses and maintain ongoing communication with customers, particularly through social media platforms. Our findings also align with prior research, such as Aronu (2014), which highlights the significance of market development in relation to the influence of social media.

The obtained results reveal the effects of social media on performance indicators in the following ways:

Impact on Customer Perceptions: The study finds that social media marketing significantly influences customer perceptions in gastronomy. Specifically, it demonstrates how effective digital marketing strategies on social media can alter consumer views and preferences regarding gastronomy services in Kosovo.

Influence on Consumer Purchasing Decisions: The results indicate that visibility on social media platforms is critical in influencing consumer purchasing decisions. Services that are more prominently featured on these platforms tend to attract more customers, underlining the importance of a strong social media presence for gastronomy businesses.

Role in Product Development: The findings suggest a substantial impact of social media on product development within the gastronomy sector. Digital marketing strategies not only promote rapid product growth but also contribute to improving services, showcasing a dynamic interaction between social media engagement and product innovation.

Contribution to Market Development: The study reveals that effective digital marketing strategies on social media are key to market development, particularly in increasing sales. This highlights the significant role of social media in expanding market reach and enhancing the economic performance of gastronomy businesses in Kosovo.

Our findings align with prior research conducted by Piller et al. (2011), which emphasizes the significance of product development. However, our findings contradict the previous research by Seyyedamiri and Tajrobehkar (2019) that emphasizes the importance of product development. Based on our results, the following outcomes have been observed:

Product development plays a crucial role in shaping the effectiveness of digital marketing strategies, and in turn, digital marketing strategies contribute to the rapid growth of products. These findings have a substantial impact. Additionally, product development directly impacts the reputation of the company. This aspect of our findings holds a moderate impact. The findings are consistent with previous research that has emphasized the importance of customer loyalty (Ramanathan, Subramanian, & Parrottc, 2017). Based on the questions, have the following results: Customer loyalty is centered around ensuring customer

satisfaction, and digital marketing strategies serve to promote such activities. These findings carry significant weight.

Based on the results, we can consider the research important because companies can now refer to the research, to also develop other parts of digital marketing. From what we have seen, the gastronomy sector in Kosovo does not have a high focus and orientation on the development of digital marketing, but it focuses more on what social media offers (a post or a sponsor). Therefore, this paper is only a part of what we will be able to research further in the field to see companies and make them aware that they have a focus on digital marketing. Focus on the design of digital marketing strategies to benefit more audiences and to have effects in the market. Also, based on the results obtained, companies operating in the Republic of Kosovo widely use digital marketing and maintain a strong presence on social media platforms. Where they provide information about their products and services. These companies demonstrate a clear understanding of the benefits and necessity of leveraging digital marketing and developing effective digital strategies, particularly in relation to products and markets and driving customer loyalty. Here we make an intervention, since companies in Kosovo know the importance of digital marketing, but marketing terms are not defined. Very often we had to clarify the importance of social media. Among other things, it was necessary to create research teams that should clarify marketing terms. I consider the lack of research in the field of marketing to have brought the company to this point. But now I emphasize that after the pandemic, the effect of marketing is clear, but the strategy of its construction is still being worked on by people who are not experts in the field of marketing.

I consider that the research will serve everyone who reads it, because in the research it is mentioned and it is proven that social media have a positive role in the company. Also, the connection of social networks with performance indicators is positive and satisfactory. For this reason, the performance indicators, whether the product, the market or the consumer, are each related to social media. These companies demonstrate a clear understanding of the benefits and necessity of leveraging digital marketing and developing effective digital strategies, particularly in relation to products, markets, and fostering customer loyalty.

4.1. Academic and practical implications

The research aims to assist managers in focusing their digital marketing strategies. The findings from this study will help gastronomy managers in the effective management of their digital marketing strategies, especially in increasing market performance through the indicators identified in the research. Additionally, the research will create a framework for training the communication of digital marketing strategies and increase the accountability of internal investments by identifying measurable organizational benefits resulting from these efforts.

The paper contributes to the existing marketing literature, as well as to the management of digital marketing strategies and the overall performance of the enterprise in the market. The paper also has its gap as we have researched the findings of social media and their impact on performance indicators but we have not addressed the role of other marketing strategies. This research was started with the idea of being a basis for why it should be invested in digital

marketing. Especially in the gastronomy network, a network whose main goal is service, and through service I can benefit the consumer.

As we can see from the literature, the best indicator of performance is the satisfied customer, therefore the goal of each company at the practical level is to have satisfied customers. From what I have seen during the research, the main implication of the company is the construction of a real strategy. I mention this because, in a way, as I mentioned in the conclusions, digital marketing has been given a higher focus by companies after the COVID-19 pandemic. And that they have understood that the impact is positive and that the idea is for the consumer to come back again and benefit from the company on the products it has.

Also today, another practical implication is the market in Kosovo, based on Table 1 (respondent's profile), the number of hotels that accepted was small. From this point of view, I see a small obstacle because if the phenomena are not researched, it will be difficult for the consumer to access them.

4.2. Conclusion

In conclusion, the paper empirically examines the impact of social media on the company, thereby adding to the marketing management literature. It also adds value to digital marketing strategies by evaluating their contribution to market development and measuring enterprise performance in the market. By incorporating essential variables from the research, a more comprehensive approach to managing digital marketing strategies will be provided.

The paper's main purpose was to recognize and influence digital social tools through market performance indicators. The study has successfully achieved this by conducting a detailed analysis of the role of social media in product development, market development, and customer loyalty in the gastronomy sector.

The objectives were to explore why companies in the gastronomy sector should use social media and to measure the effects on the set performance indicators. The paper has effectively proven the hypotheses raised through the research, providing empirical evidence to support the claims.

The study compared the role of product development in the context of social media, highlighting its significant impact and aligning with previous research. The research underscored the importance of market development, showing how consumers can identify the characteristics of global service companies through technological advancements. The study also emphasized the importance of customer loyalty, focusing on how consumers' approach to a company's presentation on social media influences their loyalty.

Based on the results obtained, companies operating in the Republic of Kosovo extensively utilize on social media platforms, where they provide information about their services. These companies demonstrate a clear understanding of the benefits and necessity of leveraging digital marketing and developing effective social media, particularly in relation to services, markets, and fostering customer loyalty. Based on the results obtained, companies operating in the Republic of Kosovo extensively utilize on social media platforms, where they provide information about their services. These companies demonstrate a clear understanding of the

benefits and necessity of leveraging digital marketing and developing effective social media, particularly in relation to services, markets, and fostering customer loyalty.

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