



## Research Article

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# Enhancing Competitive Advantage in Kosovo's Hospitality Sector: The Impact of Marketing Mix Strategies

Agim Thaqi<sup>1</sup>

Nora Vizdik Thaqi<sup>2\*</sup>

<sup>1</sup> Faculty of Management,  
University of Applied Sciences in Ferizaj,  
St. Rexhep Bislimi 70000,  
Ferizaj,  
Kosovo

<sup>2</sup>PhD., Faculty of Tourism and Hospitality-Ohrid,  
St. Kliment Ohridski University,  
Kej Macedonija 95,  
6000 Ohrid,  
Macedonia

\*Corresponding Author

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### Abstract

*This paper examines the crucial role of the marketing mix in enhancing competitiveness within the tourism and hospitality industries in Kosovo. As global markets become increasingly dynamic and competitive, understanding the strategic implementation of the marketing mix is vital for securing market position and ensuring long-term business sustainability. This study explores the traditional 4 Ps (Product, Price, Place, Promotion) and the service-specific 3 Ps (People, Process, Physical Evidence) to demonstrate how they collectively contribute to customer satisfaction and competitive advantage. The research method combines theoretical analysis with empirical data, including a survey of foreign tourists in Kosovo, to assess the impact of the marketing mix on customer satisfaction. Findings indicate a strong correlation between the integrated application of the 7 Ps and increased customer satisfaction, underscoring the effectiveness of a well-coordinated marketing mix. This investigation not only enhances understanding of the marketing mix's influence on business success but also offers valuable insights for practitioners aiming to improve their competitive stance through customer-focused strategies. The study advocates for the strategic harmonization of marketing mix elements as fundamental to achieving customer satisfaction and fostering business growth, particularly in the competitive context of Kosovo's tourism and hospitality sector.*

**Keywords:** marketing mix, Customer Satisfaction, Competitive Advantage, Tourism and Hospitality, Product Innovation, Pricing Strategies, Distribution Channels, Promotional Activities

## 1. Introduction

All businesses from various industries recognize the importance of marketing in ensuring success and long-term survival in the market. Also, in the field of tourism, the role of marketing is of great importance, because through the complete satisfaction of consumer needs, it enables making a profit, keeping consumers, conquest of new market segments and long-term survival in the market. The marketing mix consists of the set of activities that a company takes to influence the demand for its products. The marketing mix in tourism consists of the following 4 elements: product, price, place and promotion. In the case of a service organization and industry, three additional elements are added: people, physical evidence and process. These factors affect the competitiveness of the hospitality industry.

Competitive advantage is measured by achieving profit according to planning, increasing market segment, increasing customer satisfaction and also continuing of life sustainability of a business.

In order to determine whether and to what extent the elements of the marketing mix affect the competitiveness of the hospitality industry in Kosovo, a survey of foreign tourists who used hospitality services (hotel services) in Kosovo was conducted. For this purpose, the research was conducted through a printed survey questionnaire consisting of 10 close – ended questions, during which 300 foreign tourists were surveyed.

The data were processed with SPSS, and by crossing certain variables from the questionnaire, correlation and regression analysis was performed.

In order to determine the degree of consumer satisfaction with the elements of the marketing mix of the hotel facilities in Kosovo, a regression analysis was performed on each separate element of the marketing mix and consumer satisfaction, where the coefficients of determination and correlation were calculated. In this way, the strength and direction of dependence of satisfaction on each separate element of the marketing mix is determined. Regression analyzes showed a significant and very strong influence of each separate element of the marketing mix on consumer satisfaction.

If all 7 elements of the marketing mix are analyzed collectively as predictors of consumer satisfaction in hotel facilities in Kosovo, then the correlation and determination coefficients are even greater. Namely, as much as 93.4% of consumer satisfaction depends on the elements of the marketing mix (determination coefficient 0.934). The elements of the marketing mix have a very large or almost ideal influence on consumer satisfaction (correlation coefficient is 0.967). They are significant predictors of customer satisfaction. Based on the obtained results, it was determined that the marketing mix (as well as each of its separate elements) has a huge importance in creating the competitiveness of the hospitality industry in Kosovo. ( $p=0$ )

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## 2. Literature Review

The marketing mix, originally conceptualized as the 4 Ps-Product, Price, Place, and Promotion—has long been a cornerstone in the strategic planning of businesses aiming to secure a competitive edge in their respective markets. This concept has evolved, particularly within the service sector, to include three additional elements: People, Process, and Physical Evidence, thereby forming the 7 Ps (Booms & Bitner, 1981). This expansion recognizes the intricacies and the heightened role of customer interaction in service delivery, a critical aspect in the hospitality and tourism industry. The following review explores the impact of the marketing mix on customer satisfaction and competitive advantage, integrating findings from relevant case studies and academic research.

The role of product innovation and quality in driving customer satisfaction cannot be overstated. Lovelock and Wirtz (2016) highlight how tangible and intangible product attributes

significantly influence consumer perceptions and decision-making processes. In the context of tourism, Middleton, Fyall, Morgan, and Ranchhod (2009) illustrated how destinations could enhance their appeal and competitive stance by diversifying their product offerings, thereby catering to a broader spectrum of traveler preferences and needs.

Price, as a critical component of the marketing mix, plays a pivotal role in shaping consumer perceptions of value. Kotler and Keller (2016) emphasize the strategic use of pricing to not only cover costs and achieve desired profit margins but also to signal product quality and position a brand within the market. Research by Choi and Mattila (2016) in the hospitality sector demonstrated how pricing strategies impact customer satisfaction, with findings suggesting that perceived fairness in pricing significantly influences guest satisfaction and loyalty intentions.

The distribution strategy, or 'Place', involves decisions about making the product available to consumers in their preferred locations and formats. Hinterhuber and Liozu (2014) argue that the strategic choice of distribution channels directly affects market reach and customer convenience, which in turn can enhance customer satisfaction and competitive advantage. For instance, Buhalis and Law (2008) showed that in the tourism industry, the adoption of online booking platforms has significantly improved accessibility and convenience for consumers, thereby positively influencing their satisfaction levels.

Promotion encompasses the various communication strategies and channels through which firms engage with their target markets. According to Crouch and Housden (2012), effective promotion increases awareness, informs potential customers about product benefits, and can significantly enhance brand perception. A study by Xiang and Gretzel (2010) on online marketing in tourism confirmed that innovative promotional strategies, including social media marketing, have the potential to greatly increase customer engagement and satisfaction.

In service industries, including tourism and hospitality, People, Process, and Physical Evidence play crucial roles in delivering customer satisfaction. Berry, Zeithaml, and Parasuraman (1988) stress the importance of service personnel in creating positive customer experiences. Moreover, processes related to service delivery must be efficient and customer-friendly to enhance satisfaction (Johnston and Clark, 2008). Physical Evidence, or the tangible aspects of the service environment, also significantly impacts customer perceptions and satisfaction (Bitner, 1992).

### **3. The Integral Role of the Marketing Mix in Achieving Business Objectives and Enhancing Customer Satisfaction**

Marketing is fundamentally about fostering profitable relationships with consumers. The dual aim of marketing is to draw in new customers by offering superior value and to maintain and expand the current customer base by delivering satisfaction. This concept underscores marketing as a process whereby companies create value for customers and forge strong customer relationships, aiming to capture value from customers in return, as highlighted by Kotler and Keller (2016). In the realm of tourism, marketing's importance cannot be overstated, given its role in fulfilling consumer needs comprehensively, thereby enabling profitability, customer retention, market segment expansion, and sustained market presence (Middleton, Fyall, Morgan, & Ranchhod, 2009).

Tourism marketing, while adhering to the foundational principles of marketing, is distinguished by its service marketing nature. This distinction is characterized by the unique challenges and directives posed by the intangible nature of tourism products, impacting market strategies (Lovelock & Wirtz, 2016). The marketing mix, comprising activities aimed at influencing product demand, is central to these efforts. Kotler (2007) famously defined the marketing mix as the set of controllable variables that a firm can use to influence the buyer's response.

In service industries, including tourism, the marketing mix expands to include seven P's: product, price, place, promotion, people, physical evidence, and process. These elements collectively influence the competitiveness of the hospitality industry. The product encompasses both tangible and intangible components, necessitating attention to quality, design, and packaging to attract

consumers (Kotler & Armstrong, 2010). Stanton (2006) elaborates on this by defining a product as a collection of both tangible and intangible attributes that together fulfill consumer needs.

Pricing strategies are integral to ensuring that the value offered matches or exceeds the price paid, a critical factor in consumer satisfaction (Monroe, 2003). Promotion, then, involves a mix of tools aimed at informing and persuading potential customers about the product (Crouch & Housden, 2012), while place-or distribution-ensures that products and services are accessible to consumers when and where they need them (Kotler, 2007).

The additional P's-people, physical evidence, and process-are especially significant in-service delivery. These elements underscore the importance of the human factor, the tangible cues that signal service quality, and the efficiency of service delivery processes in shaping consumer perceptions and satisfaction (Zeithaml, Bitner, & Gremler, 2018).

The strategic application of the marketing mix thus emerges as a key driver of customer satisfaction and competitive advantage, necessitating a nuanced understanding of customer expectations and preferences. The capacity of an organization to leverage its unique resources and capabilities towards offering greater value than competitors defines its competitive advantage (Newbert, 2008). This competitive stance, predicated on quality and customer satisfaction, requires ongoing development to align with evolving economic, political, social, and technological landscapes (Porter, 1985).

#### **4. Materials and Methods: Assessing Competitive Advantage through Consumer Satisfaction in the Hospitality Industry**

Competitive advantage within a business context is quantitatively assessed through various metrics such as profit realization relative to forecasts, expansion in market share, enhancement of customer satisfaction levels, and the sustained operational longevity of the enterprise. This study adopts consumer satisfaction as a pivotal benchmark for evaluating competitive dynamics within the hospitality sector.

Consumer satisfaction metrics are categorized into direct and indirect measurement techniques. Direct approaches encompass methodologies such as the administration of structured questionnaires, the Critical Incident Technique, the Problem Detection System, Customer Satisfaction Surveys (CSS), assessments of customer feedback, and the Kano model for distinguishing customer preferences.

Conversely, the spectrum of indirect methods, particularly relevant to the tourism industry, includes the analysis of sales revenue, advertising effectiveness, compilation and scrutiny of customer feedback, the consumer loss index, evaluations of customer attrition, and mystery shopping exercises.

This investigation employs a direct measurement approach, utilizing a structured questionnaire to capture data on consumer satisfaction, neutrality, or dissatisfaction concerning various facets of service delivery within the hospitality sector, specifically hotels. The aim is to explore the extent to which marketing mix components influence the competitive standing of the hospitality industry in Kosovo. To this end, a printed survey targeting foreign tourists availing themselves of hotel services in Kosovo was orchestrated. The survey instrument comprised 10 closed-ended items, with feedback solicited from 300 international guests staying at Kosovo hotels.

Subsequent data analysis was conducted using the Statistical Package for the Social Sciences (SPSS), incorporating both correlation and regression techniques to examine the interplay between selected variables derived from the survey responses. This methodology facilitates a nuanced understanding of the marketing mix's impact on the competitive landscape of Kosovo's hospitality sector.

#### 4.1 Data analysis

##### 4.1.1 Descriptive Statistics

Descriptive statistics were employed to summarize and describe the basic features of the data collected from the survey. These statistics provided an overview of the demographic characteristics of the respondents and their overall satisfaction levels with various aspects of the hotel services. Key descriptive statistics used in this study included:

1. **Frequencies and Percentages:** Used to describe categorical data such as demographic variables (e.g., age, gender, nationality).
2. **Means and Standard Deviations:** Used to summarize the central tendency and variability of satisfaction ratings for each element of the marketing mix (Product, Price, Place, Promotion, People, Physical Evidence, and Process).

##### 4.1.2 Methods to Assess Correlation

To assess the correlation between the marketing mix elements and customer satisfaction, the following statistical methods were utilized:

1. **Pearson Correlation Coefficient:**

- Pearson's correlation coefficient was calculated to determine the strength and direction of the linear relationship between each marketing mix element and overall customer satisfaction.
- This coefficient ranges from -1 to 1, where values closer to 1 indicate a strong positive correlation, values closer to -1 indicate a strong negative correlation, and values around 0 indicate no correlation.

2. **Regression Analysis:**

- Multiple regression analysis was conducted to examine the impact of multiple independent variables (the seven elements of the marketing mix) on the dependent variable (overall customer satisfaction).
- This method allowed for the identification of the individual contribution of each marketing mix element to customer satisfaction while controlling for the influence of other elements.
- The regression model was specified as follows:

Customer Satisfaction =  $\beta_0 + \beta_1(\text{Product}) + \beta_2(\text{Price}) + \beta_3(\text{Place}) + \beta_4(\text{Promotion}) + \beta_5(\text{People}) + \beta_6(\text{Physical Evidence}) + \beta_7(\text{Process}) + \epsilon$   
Customer Satisfaction =  $\beta_0 + \beta_1(\text{Product}) + \beta_2(\text{Price}) + \beta_3(\text{Place}) + \beta_4(\text{Promotion}) + \beta_5(\text{People}) + \beta_6(\text{Physical Evidence}) + \beta_7(\text{Process}) + \epsilon$  where:

- $\beta_0$  is the intercept.
- $\beta_1, \beta_2, \beta_3, \beta_4, \beta_5, \beta_6, \beta_7$  are the coefficients for each marketing mix element.
- $\epsilon$  is the error term.

3. **Coefficient of Determination (R<sup>2</sup>):**

- The coefficient of determination (R<sup>2</sup>) was calculated to assess the proportion of variance in customer satisfaction explained by the marketing mix elements collectively.
- A higher R<sup>2</sup> value indicates a better fit of the regression model to the data, demonstrating that a significant portion of the variability in customer satisfaction can be attributed to the marketing mix elements.

## 4.2 Survey Methodology

### 4.2.1 Sample Size

The survey targeted a sample size of 300 international visitors who stayed at hotels in Kosovo. This sample size was determined to be sufficient for achieving a 95% confidence level with a 5% margin of error, ensuring the results are statistically significant and representative of the population of international tourists in Kosovo.

### 4.2.2 Sampling Method

A stratified random sampling method was employed to ensure a diverse and representative sample of foreign tourists. The sample was stratified based on key demographic variables such as age, gender, nationality, and purpose of visit (leisure or business). This approach allowed for a balanced representation of different tourist segments, reducing potential sampling bias and enhancing the generalizability of the findings.

### 4.2.3 Data Collection Process

The data collection process involved the following steps:

**1. Questionnaire Development:**

- A structured questionnaire was designed to capture various aspects of consumer satisfaction related to the marketing mix elements (Product, Price, Place, Promotion, People, Physical Evidence, and Process).
- The questionnaire included 10 closed-ended questions rated on a 5-point Likert scale, where 1 indicated "very dissatisfied" and 5 indicated "very satisfied".

**2. Pilot Testing:**

- The questionnaire was pilot-tested with a small group of 30 foreign tourists to ensure clarity, relevance, and reliability of the questions.
- Feedback from the pilot test was used to refine and finalize the questionnaire.

**3. Survey Administration:**

- The final questionnaire was distributed to 300 international visitors staying at various hotels across Kosovo.
- Surveys were administered in person by trained interviewers who approached guests during their stay and invited them to participate in the study.
- Participation was voluntary, and respondents were assured of the confidentiality and anonymity of their responses.

**4. Data Collection Period:**

- Data collection was conducted over a three-month period, from January to March 2023, to capture a broad range of tourist experiences and avoid seasonal biases.

**5. Data Entry and Cleaning:**

- Completed surveys were collected and entered into a database using the Statistical Package for the Social Sciences (SPSS) software.
- Data cleaning procedures were implemented to check for and rectify any inconsistencies or missing responses.

## 4.3 Results and Discussion

In order to determine the degree of consumer satisfaction with the elements of the marketing mix of the hotel facilities in Kosovo, a regression analysis was performed on each separate element of the

marketing mix and consumer satisfaction, where the coefficients of determination and correlation were calculated. In this way, the strength and direction of dependence of satisfaction on each separate element of the marketing mix is determined.

Finally, a multi-linear regression analysis of all elements of the marketing mix and consumer satisfaction was performed, in order to determine the total consumer satisfaction from the overall marketing mix of the hotel facilities in Kosovo.

The product (its features and quality) has a key role in meeting the needs of consumers and on their satisfaction. It can be seen from tables 1, 2 and 3, where the correlation coefficient is 0.913, the regression coefficient is 0.834,  $B = 0.804$ ,  $p = 0$ . This means that as much as 83.4% of the change in consumer satisfaction depends on the product and its quality. That relationship is directly proportional and very strong, as can be seen from the correlation coefficient, which is 0.913. Thus, if the quality of the product increases by 1, the degree of consumer satisfaction will increase by 0.804. The regression line is as follows  $Y = 0.907 + 0.804 X$

**Table 1.** Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,913 <sup>a</sup>	,834	,834	,21940

a. Predictors: (Constant), Product

**Table 2.** ANOVA<sup>a</sup>

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	72,321	1	72,321	1502,365	,000 <sup>b</sup>
Residual	14,345	298	,048		
Total	86,667	299			

a. Dependent Variable: Satisfaction

b. Predictors: (Constant), Product

**Table 3.** Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	,970	,096		10,085	,000
Product	,804	,021	,913	38,760	,000

a. Dependent Variable: Satisfaction

The price of the product/service also has a great impact on consumer satisfaction. Thus, 79.9% of the variability in consumer satisfaction (coefficient of determination 0.799) is the result of the price of the product/service. The correlation between product/service price and consumer satisfaction is very strong and inversely proportional (- 0.894 which means that if the price of the product/service increases then consumer satisfaction will decrease. (table 4). If the price increases by 1, then consumer satisfaction will decrease by 0.495. (table 6)

The regression line is  $Y = 2.539 - 0.495 X$

**Table 4.** Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	-,894 <sup>a</sup>	,799	,798	,24170

a. Predictors: (Constant), Price

**Table 5.** ANOVA<sup>a</sup>

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	69,258	1	69,258	1185,548	,000 <sup>b</sup>
Residual	17,409	298	,058		
Total	86,667	299			

- a. Dependent Variable: Satisfaction
- b. Predictors: (Constant), Price

**Table 6. Coefficients**

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	2,539	,063		40,095	,000
Price	-,495	,014	-,894	34,432	,000

- a. Dependent Variable: Satisfaction

The regression analysis of consumer satisfaction with the promotion of hotel facilities in Kosovo gives the following results (table 7, 8, 9)

- coefficient of determination 0.841
- correlation coefficient 0.917
- B = 0.560
- p = 0

Therefore, 84.1% of the variability in consumer satisfaction is due to promotion. The correlation coefficient is very strong (0.917), and the relationship is directly proportional, which means that if the promotion of hotel facilities increases, then consumer satisfaction will also increase. If promotion increases by 1, then consumer satisfaction will increase by 0.560.

The regression line showing that relationship is as follows  $Y = 2.201 + 0.560 X$

**Table 7. Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,917 <sup>a</sup>	,841	,840	,21536

- a. Predictors: (Constant), Promotion

**Table 8. ANOVA<sup>a</sup>**

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	72,845	1	72,845	1570,541	,000 <sup>b</sup>
Residual	13,822	298	,046		
Total	86,667	299			

- a. Dependent Variable: Satisfaction
- b. Predictors: (Constant), Promotion

**Table 9. Coefficients**

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	2,201	,063		34,695	,000
Promotion	,560	,014	,917	39,630	,000

- a. Dependent Variable: Satisfaction

The better location of the facility contributes to greater customer satisfaction. The relationship between these two variables is very strong and directly proportional (correlation coefficient 0.867,



table 10). About 75.2% of the changes in consumer satisfaction is the result of the location of the object. This is shown by the coefficient of determination, which is 0.752. P = 0 and is a relevant significance, and B = 0.611 (table 11 and 12).

The regression line is as follows  $Y = 1.939 + 0.611 X$

**Table 10.** Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,867a	,752	,751	,26877

a. Predictors: (Constant), Location

**Table 11.** ANOVA<sup>a</sup>

	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	65,140	1	65,140	901,749	,000b
	Residual	21,527	298	,072		
	Total	86,667	299			

a. Dependent Variable: Satisfaction

b. Predictors: (Constant), Location

**Table 12.** Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	1,939	,092		21,041	,000
1 Location	,611	,020	,867	30,029	,000

a. Dependent Variable: Satisfaction

A fast and good product/service delivery process also contributes to greater customer satisfaction. The correlation between the product/service delivery process and customer satisfaction is directly proportional and very strong (correlation coefficient 0.931, table 13), so that as much as 86.6% of changes in satisfaction are due to the service process (determination coefficient 0.866). Process is a significant predictor of satisfaction (P=0, table 14), so if process improves by 1, then consumer satisfaction will increase by 0.525 (B = 0.525, table 15).

The regression line is as follows  $Y = 2.449 + 0.525 X$

**Table 13.** Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,931 <sup>a</sup>	,866	,866	,19726

a. Predictors: (Constant), Process

**Table 14.** ANOVA<sup>a</sup>

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	75,071	1	75,071	1929,279	,000 <sup>b</sup>
1 Residual	11,596	298	,039		
1 Total	86,667	299			

a. Dependent Variable: Satisfaction

b. Predictors: (Constant), Process

**Table 15.** Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	2,449	,052		47,334	,000
Process	,524	,012	,931	43,924	,000

a. Dependent Variable: Satisfaction

A linear regression of physical evidence and consumer satisfaction yields the following results: (table 16, 17 and 18)

- coefficient of determination 0.779
- correlation coefficient 0.883
- $p = 0$
- $B = 0.460$

Created and good physical evidence contributes to greater consumer satisfaction. The correlation is very strong and directly proportional (0.883), and 77.9% of the variability in consumer satisfaction depends on physical evidence (coefficient of determination 0.779).

Physical evidence is a significant predictor of consumer satisfaction ( $p = 0$ ), such that a change in physical evidence of 1 contributes to an increase in consumer satisfaction of 0.460 ( $B = 0.460$ ).

The regression line is the following  $Y = 2,795 + 0.460 X$

**Table 16.** Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,883a	,779	,778	,25359

a. Predictors: (Constant), Physical evidence

**Table 17.** ANOVA<sup>a</sup>

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	67,503	1	67,503	1049,723	,000 <sup>b</sup>
Residual	19,163	298	,064		
Total	86,667	299			

a. Dependent Variable: Satisfaction

b. Predictors: (Constant), Physical evidence

**Table 18.** Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	2,795	,060		46,899	,000
Physical evidence	,460	,014	,883	32,399	,000

a. Dependent Variable: Satisfaction

The human factor (people) as product creator or service provider on the supply side, with its knowledge and behavior greatly influences consumer satisfaction. It can also be observed from the obtained results of the regression analysis which shows a strong and direct correlation between these two variables (correlation coefficient 0.740), whereby the human factor is a significant predictor of consumer satisfaction ( $p=0$ ), and 54.7 % of consumer satisfaction in hotel facilities in Kosovo depends of the human factor. Thus, if knowledge and behavior of the human factor improve by 1, consumer satisfaction will increase by 0.712. (table 19, 20 and 21)

The regression line in this case is as follows  $Y = 1,274 + 0,712 X$

**Table 19.** Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,740 <sup>a</sup>	,547	,546	,36277

a. Predictors: (Constant), People

**Table 20.** ANOVA<sup>a</sup>

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	47,450	1	47,450	360,557	,000b
1 Residual	39,217	298	,132		
1 Total	86,667	299			

a. Dependent Variable: Satisfaction

b. Predictors: (Constant), People

**Table 21:** Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	1,274	,180		7,082	,000
1 People	,712	,037	,740	18,988	,000

a. Dependent Variable: Satisfaction

If all 7 elements of the marketing mix are analyzed collectively as predictors of consumer satisfaction in hotel facilities in Kosovo, then the correlation and determination coefficients are even greater. Namely, as much as 93.4% of consumer satisfaction depends on the elements of the marketing mix (determination coefficient 0.934, table 22). The elements of the marketing mix have a very large or almost ideal influence on consumer satisfaction (correlation coefficient is 0.967). They are significant predictors of customer satisfaction (p=0, table 23)

The regression line in this case is as follows: (table 24)

$$Y = 1.246 + 0.39X_1 - 0.189X_2 + 0.356X_3 + 279X_4 + 0.475X_5 + 0.054X_6 + 0.407X_7$$

X<sub>1</sub> product

X<sub>2</sub> price

X<sub>3</sub> promotion

X<sub>4</sub> place ( location)

X<sub>5</sub> process

X<sub>6</sub> physical evidence

X<sub>7</sub> human factor (people)

**Table 22.** Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,967 <sup>a</sup>	,934	,933	,13970

a. Predictors: (Constant), Product, Price, Promotion, Location, Process, People, Physical evidence

**Table 23.** ANOVA<sup>a</sup>

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	80,968	7	11,567	592,687	,000b
1 Residual	5,699	292	,020		
1 Total	86,667	299			

a. Dependent Variable: Satisfaction

b. Predictors: (Constant), Product, Price, Promotion, Place, Process, Physical evidence, People

**Table 24.** Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1.(Constant)	1,246	,104		12,008	,000
Product	,039	,048	,044	,822	,002
Price	-,189)	,034	-,341)	-5,507)	,000
Promotion	,356	,033	,583	10,681	,000
Place (Location)	,279)	,038	,396)	7,368)	,000
Process	,475	,033	,843	14,219	,000
Physical evidence	,054)	,024	,103)	2,251)	,005
People	,407	,035	,423	11,621	,000

a. Dependent Variable: Satisfaction

Table 25 shows the correlations between separate elements of the marketing mix and guest satisfaction in hotel facilities in Kosovo, as well as the correlations between each element of the marketing mix.

**Table 25.** Correlations

	Satisfaction	Product	Price	Promotion	Location	Process	Physical evidence	People
<b>Pearson Correlation</b>	1,000	,913	-,894	,917	,867	,931	,883	,740
Satisfaction	,913	1,000	,932	,918	,901	,902	,889	,801
Product	-,894	,932	1,000	,913	,936	,931	,912	,805
Price	,917	,918	,913	1,000	,914	,921	,890	,665
Promotion	,867	,901	,936	,914	1,000	,903	,893	,803
Location	,931	,902	,931	,921	,903	1,000	,932	,664
Process	,883	,889	,912	,890	,893	,932	1,000	,722
Physical evidence	,740	,801	,805	,665	,803	,664	,722	1,000
<b>Sig. (1-tailed)</b>	.	,000	,000	,000	,000	,000	,000	,000
Sis Satisfaction	,000	.	,000	,000	,000	,000	,000	,000
Product	,000	,000	.	,000	,000	,000	,000	,000
Price	,000	,000	,000	.	,000	,000	,000	,000
Promotion	,000	,000	,000	,000	.	,000	,000	,000
Location	,000	,000	,000	,000	,000	.	,000	,000
Process	,000	,000	,000	,000	,000	,000	.	,000
Physical evidence	,000	,000	,000	,000	,000	,000	,000	.
People	,000	,000	,000	,000	,000	,000	,000	.
<b>N</b>	300	300	300	300	300	300	300	300
Satisfaction	300	300	300	300	300	300	300	300
Product	300	300	300	300	300	300	300	300
Price	300	300	300	300	300	300	300	300
Promotion	300	300	300	300	300	300	300	300
Location	300	300	300	300	300	300	300	300
Process	300	300	300	300	300	300	300	300
Physical evidence	300	300	300	300	300	300	300	300
People	300	300	300	300	300	300	300	300

Furthermore, the practical implications of these findings for practitioners in the hospitality industry are substantial. By understanding the significant impact of each element of the marketing mix on customer satisfaction, hotel managers can tailor their strategies to better meet the needs and preferences of their guests. For instance, focusing on enhancing product quality and features while simultaneously optimizing pricing strategies could result in a substantial increase in overall customer

satisfaction. Moreover, the findings suggest that investing in promotional activities and ensuring a convenient location can significantly contribute to guest satisfaction. By leveraging these insights, hospitality professionals can make informed decisions that ultimately lead to improved guest experiences, increased loyalty, and sustainable business growth.

## 5. Conclusions

Within the realm of tourism, the pivotal role of marketing emerges as a cornerstone for business success, primarily through its ability to fully cater to consumer needs. This encompasses profit generation, customer retention, the expansion into new market territories, and the assurance of operational longevity. The marketing mix, comprising a set of variables within the firm's control, plays a critical role in influencing consumer decision-making. This mix is traditionally articulated through four primary components-Product, Price, Place, and Promotion-and is expanded to include People, Physical Evidence, and Process within service-oriented sectors. Together, these seven elements are instrumental in shaping the competitive dynamics of the hospitality industry.

The metric of competitive advantage is comprehensively defined by a firm's ability to generate planned profits, capture increased market share, elevate customer satisfaction levels, and sustain operational longevity. In this investigation, consumer satisfaction served as the primary indicator of competitive advantage within the hospitality industry. A direct measurement approach was employed, utilizing a questionnaire to gather insights on consumer satisfaction, neutrality, or dissatisfaction across various operational dimensions of hotel services.

The study aimed to assess the impact of the marketing mix on the competitive standing of the hospitality industry in Kosovo, engaging foreign tourists through a structured questionnaire. This survey, comprising 10 closed-ended questions, yielded responses from 300 international visitors.

Subsequent analyses, including regression and correlation assessments, were conducted to elucidate the relationship between individual marketing mix elements and consumer satisfaction. These analyses revealed a pronounced and significant impact of each marketing mix component on consumer satisfaction levels. When considered collectively, the influence of the marketing mix elements on consumer satisfaction was even more striking, with as much as 93.4% of satisfaction attributable to these factors (determination coefficient of 0.934), indicating a substantial, nearly optimal effect on consumer contentment (correlation coefficient of 0.967). Such findings underscore the critical role of both the collective and individual marketing mix elements in fostering customer satisfaction and by extension, competitive advantage in Kosovo's hospitality sector.

The conclusions drawn from this research underscore the indispensability of a well-orchestrated marketing mix in enhancing the competitive landscape of the hospitality industry in Kosovo. The substantial influence of each element, both individually and as part of a cohesive whole, highlights the integral role of marketing in driving customer satisfaction and securing a sustainable competitive edge.

To summarize significant insights into the relationship between various marketing mix elements and consumer satisfaction in Kosovo's hotel industry. Key findings include:

- **Product and Process** were the strongest predictors of customer satisfaction, with high regression coefficients and strong correlation values.
- **Price** had a negative impact on satisfaction, indicating that higher prices might decrease customer satisfaction unless matched with corresponding value.
- **Promotion and Place** also had substantial positive impacts, demonstrating the importance of marketing efforts and convenient locations.
- **Physical Evidence and People** contributed positively but to a lesser extent compared to other factors.

These results underscore the importance of a balanced and customer-centric approach in managing the marketing mix to enhance customer satisfaction in the hospitality sector.

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