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RESEARCH ARTICLE

The Role of Decision-Making in the Development of Tourism and Gastronomy and the Exploration of Alternatives: A Case Analysis of the Balkan Petrol Restaurant Network in Ferizaj

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ABSTRACT

This study explores the critical role of decision-making in advancing tourism and gastronomy, with a focus on how geographical and cultural factors influence the overall tourist experience. The research delves into the gastronomic aspect of tourism, examining the impact of local cuisine as a cornerstone of tourist attraction and its potential to enrich cultural identity. Destinations that highlight their culinary traditions are shown to benefit from increased visitor numbers and a stronger sense of cultural authenticity. Employing a blend of theoretical insights and practical analysis, this study investigates prominent tourist destinations recognized for their distinctive local cuisine and the unique experiences they provide. Through case study methodologies and survey data collected from tourists and industry professionals, the findings reveal that factors such as location and the authenticity of gastronomic offerings play a pivotal role in enhancing a destination's attractiveness to tourists. Furthermore, the study underscores the process of decision-making in tourism management as encompassing problem identification, the formulation and evaluation of alternatives, the selection of optimal solutions, implementation, and continuous monitoring. Decision trees, as a strategic tool in managerial decision-making, are highlighted for their effectiveness in navigating complex choices. Ultimately, this research demonstrates that strategic promotion of local gastronomy not only drives visitor growth but also strengthens a destination's image and cultural identity.

INTRODUCTION

The strategic significance of decision-making in tourism and gastronomy has been extensively examined, with numerous scholars emphasizing the pivotal role of geographical and cultural contexts in shaping tourist experiences. Richards (2002) posits that gastronomy serves as a central attraction for tourists by offering authentic experiences that reflect a region's cultural and culinary traditions. He asserts that a destination's geographical placement and its gastronomic identity are critical determinants in tourists' decision-making processes when selecting travel destinations. In organizational leadership, managers are tasked with making decisions that not only enhance their ability to achieve objectives but also adeptly navigate internal and external influences. This decision-making process is integral to the comprehensive management of an organization. The placement strategy is particularly vital for managers during planning, organizing, motivating, and controlling

phases, as it involves continuous decision-making and strategic positioning. The focus on placement in tourism and gastronomy underscores the importance of geographical and cultural locations in the development of these sectors. In tourism, strategic placement is crucial for attracting tourists and influencing their perceptions of a destination. Gastronomic tourism, which involves travel aimed at exploring local cuisine, forges a connection between culture, tradition, and food. Studies indicate that selecting tourist destinations associated with gastronomy can enhance a region's image and promote its cultural identity. Boniface (2003) emphasizes the significance of authenticity and unique experiences in gastronomic tourism, noting that tourists increasingly seek experiences rooted in local cuisine and traditions, viewing them as valuable elements of local culture and history. Management entails organizing and optimizing resources-including human capital, technology, infrastructure, and materials—to achieve optimal results in the tourism industry and related enterprises. Contemporary management practices emphasize collaboration among organizations, shared responsibility, and employee involvement in decision-making processes (Costa, Roe, & Taillieu, 2001). Armstrong and Brown (2001) highlight that the quality of human and intellectual capital within institutions is a key differentiator from competitors and a determinant of high-quality outcomes. Decision-making is an inherent aspect of daily life, refined through experience. Von Neumann and Morgenstern introduced a normative model, termed the expected utility model, to explain the decision-making process. Hofstede (1984) suggests that decision-making can be viewed as an act of choosing among alternatives, acknowledging that decision-makers may not always have complete information about future economic consequences. Hjalager and Richards (2003) propose that gastronomic tourism is a potent catalyst for local economic development, as gastronomy linked to cultural identity can become a significant source of income and a means of promoting cultural heritage. In decision-making, the use of probability assists in evaluating future phenomena. Criteria such as expected monetary value and opportunity loss guide decision-makers. Values also influence decision-making, with collectivism and individualism being prominent dimensions in intercultural psychology (Rexhepi, 2010). Scott and Bruce (1995) identify spontaneous and avoidant decision-making styles, while Kuzgun (1992) categorizes them as intuitive or logical. Daft defines decision-making as a process encompassing problem identification and resolution. Dunham and Pierce describe it as a series of activities from problem definition to alternative selection. Schermerhorn views it as choosing the best action from a set of alternatives. Collectively, decision-making involves defining a problem, formulating solutions, selecting the optimal alternative, implementing the solution, and monitoring its effectiveness. Decision trees are a valuable tool in managerial decision-making, providing a visual representation of the decision-making structure. Everett and Aitchison (2008) emphasize that decision-making is crucial for the success of gastronomic tourism, as geographical location, cultural traditions, and food quality are essential in attracting tourists and creating unique experiences.

LITERATURE REVIEW

The scholarly discourse on tourism and gastronomy underscores the profound influence of geographical, cultural, and economic factors in shaping tourist experiences and advancing gastronomic tourism. Dwyer and Kim (2003) posit that a destination's success in tourism is intricately linked to its inherent resources, encompassing geographical location, infrastructure, and cultural assets. They assert that the geographical setting directly affects the tourist experience, with natural landscapes and cultural heritage serving as primary attractions for visitors. In regions endowed with favorable geographical features, particularly those adjacent to natural landmarks or historical sites, tourism can prosper by offering unique products that provide distinctive and memorable experiences. Getz (2008) emphasizes that destinations strategically situated near such attractions have the advantage of drawing tourists through curated offerings that highlight the region's natural or historical significance. Richards (2002) and Hjalager (2004) further underscore

the integral role of gastronomy in the tourism experience, noting that culinary elements have evolved into essential components that enhance the allure of tourist destinations. Hall and Sharples (2003), in their exploration of gastronomic tourism, observe that certain destinations captivate visitors not solely for their scenic beauty or historical landmarks but also for the unique culinary experiences they offer, which often reflect the area's cultural heritage and culinary traditions. The United Nations World Tourism Organization (UNWTO, 2019) identifies gastronomic tourism as one of the most rapidly expanding segments within the global tourism industry. Their report highlights that the strategic placement of restaurants and culinary hubs near tourist attractions significantly contributes to local development, yielding economic and social benefits for the surrounding communities. Gastronomic tourism promotes local identity by offering tourists an immersive cultural experience that intertwines history, tradition, and culinary authenticity.

METHODOLOGY

This study employs a comprehensive methodology to assess the role of decision-making in the development of tourism and gastronomy, with a particular focus on the Balkan Petrol restaurant network in Ferizaj. The approach integrates both quantitative and qualitative research methods to provide a holistic understanding of the subject matter.

Bibliographic Research (Literature Review)

- *Purpose:* To identify existing theories, concepts, and approaches related to strategic positioning and gastronomic tourism.
- *Sources:* Academic journals, books, and reports from international organizations specializing in tourism and gastronomy.
- *Key Authors:* The literature review encompasses works by scholars such as Richards (2002), Hjalager and Richards (2003), and Boniface (2003), who have extensively explored the interplay between local cuisine and tourism.

Case Study Analysis

- *Purpose:* To examine successful destinations that have leveraged their geographical positioning and culinary offerings to attract tourists. This includes regions renowned for their gastronomic tourism, such as Tuscany in Italy, Lyon in France, and notable culinary areas in Spain.
- *Chronology:* The case study focuses on the Balkan Petrol restaurant network in Ferizaj, analyzing its strategic positioning and its impact on the local gastronomy sector and regional tourism development. The analysis is structured around several key dimensions:

a. Geographic Location and Strategic Positioning

- *Strategic Placement:* The Balkan Petrol restaurant network is strategically situated near major highways and thoroughfares connecting significant cities, serving as an ideal stopover for travelers and tourists passing through Ferizaj. This location attracts both domestic and international customers, establishing it as a pivotal point for prompt services and quality gastronomic experiences.
- *Proximity to Tourist Attractions:* Ferizaj is a city with evolving tourist attractions. Balkan Petrol capitalizes on this by serving as a destination for tourists seeking authentic local cuisine during their journeys.

b. Culinary Offerings and Menu Diversification

- *Gastronomic Portfolio:* The restaurant network offers a fusion of traditional Balkan and contemporary cuisine.
- *Menu Diversification:* To appeal to a broad clientele, the restaurants provide an extensive array of dishes, including traditional specialties from Kosovo and the Balkans, alongside international options. This variety caters to the diverse preferences of tourists and transient travelers.

c. Marketing and Branding Strategies

- *Promotion via Digital Platforms:* The Balkan Petrol network utilizes social media and targeted advertising campaigns to promote its restaurants and locations.

d. Customer Experience and Service Quality

- *Efficient Service Delivery:* Given that Balkan Petrol primarily serves customers on the move, providing swift and high-quality service is a significant advantage.
- *Local Employment and Community Engagement:* As a prominent restaurant network in the region, Balkan Petrol plays a crucial role in generating employment opportunities for local residents. Additionally, collaboration with local agricultural suppliers fosters community development.

By implementing these strategies, the Balkan Petrol network can enhance its position in the gastronomic tourism market and further contribute to the advancement of tourism and the local economy. This model aims to create sustainable benefits for the business, the local community, and tourists visiting Ferizaj and Kosovo.

Decision-Making Framework

To facilitate the application of the expected value concept, it is imperative for decision-makers to estimate the probability of each economic outcome. Once these probabilities are determined, the expected value for each decision alternative is calculated by multiplying each potential outcome by its corresponding probability and summing the results.

Planning Process:

Planning is a fundamental function, as all subsequent actions implement decisions made during the planning phase. In this context, the decision-making process for the gastronomy manager encompasses six steps:

1. Reviewing primary goals and specific objectives.
2. Inventorying and assessing available resources.
3. Identifying potential products and technical coefficients.
4. Estimating gross profit margins.
5. Selecting an optimal combination of products.
6. Preparing a comprehensive budget for the restaurant's gastronomic operations.

Investment Decision Scenario:

Consider a scenario where the manager anticipates business expansion and needs to evaluate three investment alternatives. These investments are subject to certain probabilities of favorable or unfavorable economic conditions, assumed to be 0.06 and 0.04, respectively. The decision-making process involves calculating the expected monetary value for each alternative to inform the optimal investment choice. By integrating bibliographic research, case study analysis, and a structured decision-making framework, this methodology provides a robust foundation for understanding the role of strategic decision-making in the development of tourism and gastronomy, with a specific focus on the Balkan Petrol restaurant network in Ferizaj.

Table 1. Payoff table with probabilities of economic conditions.

No.	Decision of Alternative	Economic Consequences	Good Conditions (p=60%)	Bad Conditions (p=40%)
1	Alternative I	€6000	€0	€3600
2	Alternative II	€0	€6000	€2400
3	Alternative III	€7000	€3000	€6000

Expected Loss of Opportunity (ELOP): €6000(0.60) +(0.40) *0=€3600, and so on.*

To make the most informed decision, it is essential to consider not only the alternative with the highest expected value but also the associated cost variances under different economic conditions. In this scenario, although Alternative II demonstrates the highest expected value, a thorough analysis of potential regrets-or losses from foregone opportunities-provides an additional layer of insight. The regret, or opportunity loss criterion, serves as a valuable decision-making tool when assessing possible outcomes under uncertainty. Here, regret is calculated by comparing each decision's outcome against the optimal result for each economic condition. By multiplying the probabilities with the regret values of each outcome, we derive the expected opportunity loss for each decision, mirroring the process used to calculate the expected monetary value. For example, if an investor chooses only to sell pizzas under the belief that future economic conditions will be favorable, they might experience disappointment upon realizing they could have secured a higher profit with Alternative II. In this case, the regret, quantified as the difference between Alternative II's potential profit and the chosen outcome, would amount to €6,000. Under such circumstances, decision-makers may seek to minimize regret by selecting the option that limits the maximum potential regret. The regret table, or opportunity loss table, provides a structured view of the regret associated with each choice. For each economic outcome, the maximum gain is identified, and other gains are subtracted from this maximum, resulting in the regret values:

- **Good economic conditions:** €10,000 - €6,000 = €4,000 (Alternative II), €10,000 - €10,000 = €0 (Alternative I), €10,000 - €4,000 = €6,000 (Alternative III).
- **Bad economic conditions:** Alternative I: €3,600 - €3,600 = €0; Alternative II: €3,600 - (-€4,000) = €7,000; Alternative III: €10,000 - €36,000 = (negative value).

These values quantify the regret each decision would incur if it yields less than the maximum possible gain for that outcome. When the decision-maker seeks to minimize expected regret, the choice with the lowest potential regret, in this instance, emerges as Alternative II, with a minimal regret of €2,400.

This analysis illustrates that the optimal decision remains consistent across both the expected value calculation and the regret minimization framework, with both approaches favoring Alternative II. However, the accuracy of this decision ultimately hinges on the decision-maker's ability to assign probabilities with precision. If the probabilities used are inaccurate, the decision outcome may be compromised. Hence, it is paramount for decision-makers to base probability assessments on as accurate data as possible to ensure reliable results.

Decision Tree

Another useful technique for analyzing a decision-making situation is known in the literature as the decision tree technique. A decision tree is nothing more than a graphical diagram that contains the decision node (the root), possible events (the branches), and possible outcomes for each event. In this technique, in the decision tree, the expected value of each outcome is calculated, and the decision is made based on these expected values. The primary benefit derived from using a decision tree is the illustration of a forecast, in other words, providing a general overview of the decision-making process.

An example of decision-making using the decision tree:

Different decisions, probabilities, and initial outcomes from the previous example are illustrated in the following decision tree.

In practice, many management decisions result from a series of sequential decisions. The decision tree and the study of the value of additional information allow for the presentation of sequential decisions and the assessment of influences. The tree presents the chronological order of a series of possible decisions made by a manager and the outcomes resulting from these decisions. A useful technique for analyzing a decision-making situation is also what is known in the literature as the decision tree technique. A decision tree is simply a graphical diagram that contains the decision node (the root), possible events (the branches and sub-branches), as well as the possible outcomes for each event. A decision tree provides a systematic and quick representation of the processes involved.

Example of decision-making through the decision tree:

The different decisions, probabilities, and initial outcomes from the previous example are illustrated in the corresponding decision tree (Scheme 1).

Scheme 1. The decision tree for making the decision based on the data in the table over a three-month period.

The process of determining the best decision to be made, using the decision tree, involves calculating the expected values for each probability node, which are as follows:

VP (node 2) = 0.60(€6000) + 0.40(€3600) = €4200

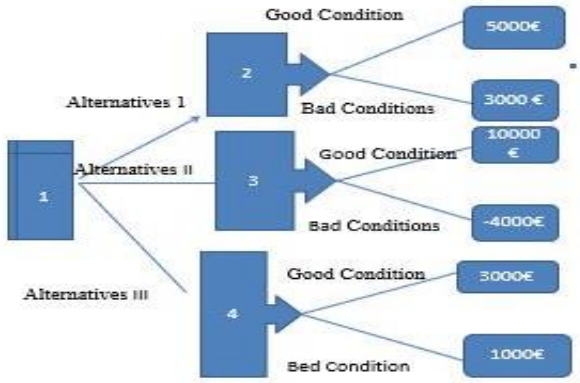
VP (node 3) = 0.60(€10000) + 0.40(€-4000) = €4400

VP (node 4) = 0.60(€3000) + 0.40(€1000) = €2200

These values are now seen as expected payments from each of the three branches stemming from node 1 in the above scheme. Each of these three expected values at nodes 2, 3, and 4 are possible decision outcomes that can result from node 1. Moving towards node 1, the chosen branch will be the probability node that offers the highest expected payment, which in our case is alternative 2 with a profit of €4400. The decision for this alternative, with a payment of €4400, is the same result we obtained earlier using the expected value criterion. In conclusion, it can be said that if only one decision is made, then the outcome obtained through the decision tree will result in the same decision and the expected payment will also align with the expected value criterion.

Decision Analysis with Additional Information

Above, we discussed the concept of expected value under conditions of perfect information. We emphasized that if perfect information about future economic consequences could be ensured, then the decision-maker would undoubtedly make better decisions. However, since perfect information about the future is difficult to obtain, it is necessary to ensure additional information to facilitate



Qualitative improvements in decision-making.

Scheme 1. The decision tree for making the decision on based on data in the table over a three-month period

Using the expected value criterion, we found the best decision, which was alternative two with an expected value of €4400. We also arrived at an expected value of perfect information of €28000. This means that the company would be willing to pay €28000 for information about economic consequences, in order to enhance the quality of the decision-making process. Let's assume that the company has decided to hire an economic expert who will provide additional information about future economic conditions. The expert continuously studies the economic situation, and the investor's decisions will be based on his research findings. Based on his obligations, the expert will need to equip the company's management with a report that details the economic situation for the future. The report could be positive, indicating that good economic conditions are likely to prevail in the future, or negative, suggesting that we may face poor economic conditions.

Based on the expert's data regarding his forecasts for future economic conditions, the company's management must determine the conditional probabilities of the outcomes corresponding to the various situations presented in the report.

To express these conditional probabilities, we will use the symbols:

- g = good economic conditions
- p = poor economic conditions
- P = positive economic report
- N = negative economic report

Let's assume that the conditional probabilities of each outcome of the report, given the occurrence of any economic consequence, are:

- $P(P/g) = 0.8$
- $P(N/g) = 0.2$

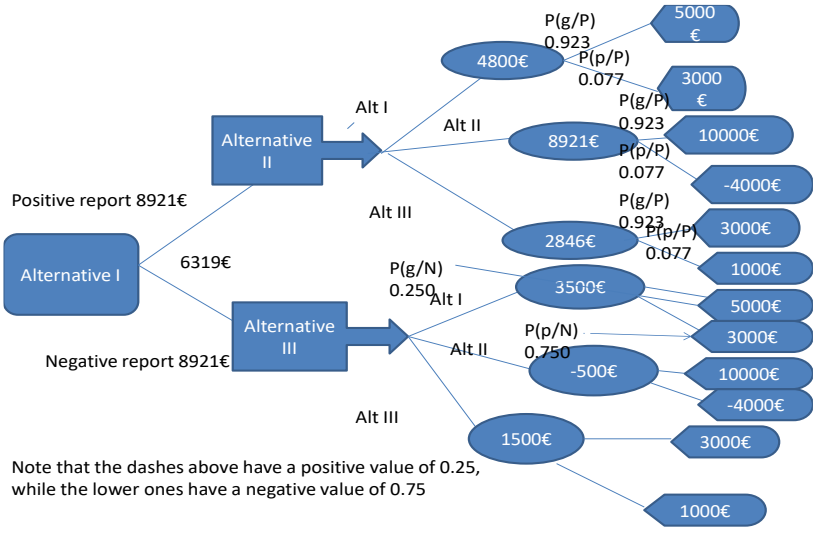
- P(P/p) = 0.1
- P(N/p) = 0.9

The prior probability of encountering good economic conditions in the future is 0.6. However, by obtaining the additional information presented by the expert through a positive report, the company can revise the prior probability of the occurrence of good economic conditions. Calculations show that the revised prior probability of good economic conditions is 0.923. Meanwhile, the remaining posterior probabilities are: P(g/N) = 0.250, P(p/P) = 0.077, P(p/N) = 0.750.

Now that the company has the processed probabilities of future economic conditions, the question arises as to how this probable information will be utilized in the decision-making process. The answer can be better determined within the framework of the decision tree.

Decision Tree with Posterior Probabilities

Using this decision tree, we established that the most suitable decision was alternative two with an expected value of €4400. However, as we emphasized above, the data provided by the expert gave us other levels of possible probabilities. This naturally constitutes an additional phase in the decision-making process, which is positioned in the decision tree, according to the following scheme.



Scheme 2. Decision tree with posterior probabilities, in a three-month period

This tree is very similar to the decision trees in the above scheme, except for two changes. The first change concerns the existence of two new branches at the beginning of the decision tree, representing the two possible outcomes of the report that may be encountered in the future. The second change is that the probabilities of economic outcomes are no longer the prior probabilities given in scheme 1; instead, they are the revised posterior probabilities. For example, if a report results in a positive outcome, then in the above scheme, a higher branch will be reached (from node one to node two). If alternative 1 is applied (the branch from node 2 to node 4), the probability of good economic conditions is 0.923, while the probability of poor conditions is 0.077. These are the revised posterior probabilities of economic conditions, based on a possible positive report. However, before we carry out the expected value analyses using the decision tree, another piece of probable information must be determined—the probabilities of the initial branches of a positive or negative economic report. Now we have all the necessary information to conduct a decision tree analysis. The analysis of the decision tree for our example is shown in the scheme below.

Decision Tree Analysis

To illustrate how a decision tree is constructed, let's start from node four (alternative 1). (Ev Alternative 1) = €500 * (0.923) + 30.00 * (0.077) = €4846, which is the expected value of alternative 1, having data on both economic outcomes. In this way, the expected values of nodes 5, 6, 7, 8, and 9 are also calculated. It is assumed that the investor will make the best decision regarding which investment to make, based on nodes two and three. The decision at node two will be alternative two with an expected value of €8921, while the decision at node three will be alternative three with an expected value of €35.00. These two outcomes at nodes two and three specifically refer to the decision strategy. They represent a plan of decisions that must be made, taking into account both the positive and negative reports from the economic expert.

CONCLUSION

This study underscores the pivotal role of strategic decision-making in advancing gastronomic tourism, particularly through the application of expected value analysis to assess various economic outcomes. By accurately estimating the probabilities of potential scenarios and calculating the expected value for each alternative, decision-makers can align their choices with the most favorable economic prospects. The case analysis of the Balkan Petrol restaurant network in Ferizaj reveals several strategic initiatives that can enhance gastronomic tourism and stimulate local economic development. The following recommendations are proposed:

1. **Cultivation of Authentic Gastronomic Experiences**
   - **Integration of Local Ingredients:** Emphasizing the use of locally sourced products and ingredients can enrich the menu, authentically reflecting the culinary traditions of Kosovo and the broader Balkan region. This approach not only enhances the dining experience but also reinforces cultural identity.
2. **Enhancement of Marketing and Promotional Strategies**
   - **Emphasis on Digital Marketing:** In light of the growing influence of digital platforms on tourist behavior, Balkan Petrol should invest in robust digital marketing strategies, including active engagement on social media and the development of a user-friendly website. Highlighting the strategic location, fresh local products, and authentic culinary experiences can attract a wider tourist demographic.
3. **Promotion of Local Economic Development**
   - **Support for Local Producers:** Establishing partnerships with local farmers and suppliers to procure fresh, traditional ingredients can strengthen the local economy and enhance the authenticity of the restaurant's offerings.
   - **Investment in Staff Training:** Providing comprehensive training programs in hospitality and restaurant management for staff members can improve service quality and elevate customer satisfaction, thereby enhancing the restaurant's reputation and competitive advantage.

Implementing these strategies can position Balkan Petrol as a leader in gastronomic tourism, fostering sustainable growth and contributing significantly to the local economy. Through informed decision-making and strategic planning, the restaurant network can offer unique culinary experiences that attract tourists and promote the rich cultural heritage of the region.

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