

# The Role of Social Capital, Social Media Marketing, and Entrepreneurial Orientation in the Success of Small and Medium Enterprises in the Tourism Industry

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## ABSTRACT

The rapid growth of tourism sector can positively impact the performance of Small and Medium Enterprises (SMEs) in the tourism industry. However, the performance of tourism SMEs largely depends on how many domestic and international tourists arrive in Indonesia. The research aimed to determine the effect of social capital, social media marketing, and entrepreneurial orientation on the performance of tourism SMEs in Greater Jakarta. These indicators were adapted from several previous researchers. The research applied a quantitative approach. The primary data were obtained through interviews and questionnaires from 116 tourism SMEs. Then, the research analyzed the data using a Likert scale and Partial Least Squares-Structural Equations Model (PLS-SEM). The results support the acceptance of all three hypotheses, indicating that social capital, social media marketing, and entrepreneurial orientation significantly impact the performance of SME tourism. The research suggests substantial implications for tourism businesses and policies in Greater Jakarta. Strengthening social capital is essential for SMEs by requiring networking with business partners, suppliers, and local communities. Similarly, promoting marketing through social networks and investing in content strategies, targeted advertising, and collaboration with influencers are necessary. SMEs must apply an entrepreneurial perspective by encouraging innovation, new opportunities, and adaptation. Last, the government and stakeholders must support programs and policies that stimulate the development of these elements that contribute to the growth and sustainability of the tourism sector in the region.

**Keywords:** social capital, social media marketing, entrepreneurial orientation, Small and Medium Enterprises (SMEs), tourism industry

## INTRODUCTION

The tourism industry is one of the Indonesian economy's pillars and an important foreign exchange source. In 2023, it is the deadline for achieving the target for the tourist and creative economy sectors. The number of domestic tourists is expected to reach 1,4 billion, while the number of visitors from other countries is expected to reach 7,4 million. The minimum foreign currency revenue targeted

for tourism in 2023 is US\$2,07 billion, while the maximum should be US\$5,95 billion. Additionally, the economic impact of tourism amounts to 4,1% of total GDP (Hendriyani, 2023). Hence, the tourism sector's rapid growth can positively impact Small and Medium Enterprises (SMEs) performance in the tourism industry. With increased visits by domestic and foreign tourists and government support, SMEs have great potential to contribute to the Indonesian economy and tourism development.

The research focuses on the critical role of social capital, social media marketing, and entrepreneurial orientation in SMEs' performance in the Indonesian tourism sector. The gap lies in its exploration of how these elements contribute to the success of tourism businesses in Indonesia. The research underscores the Indonesian tourism industry's unique challenges and opportunities by emphasizing the need for tailored strategies to leverage social capital, navigate the digital marketing landscape, and cultivate an entrepreneurial mindset. It offers valuable insights for policymakers and businesses striving to thrive in Indonesia's dynamic tourism sector.

Social capital is defined as aspects of the structure of individual relationships that enable the creation of new values. Social capital has a significant role in the success and performance of SMEs in the tourism industry (Xu et al., 2018). Moreover, a strong correlation exists between social capital and the performance of tourist SMEs. Social capital plays a crucial role in enhancing the success of tourist businesses through social networks, access to resources, support, and trust. In a competitive sector, SMEs with good connections with customers, business partners, and local communities are more likely to overcome obstacles and exploit opportunities (Annamalah et al., 2023).

SMEs rely heavily on social capital for success in the tourist industry. One of the primary advantages of social capital is that it improves access to the numerous resources required for a firm to operate successfully. It includes access to financial capital for investment and business growth, market knowledge that allows SMEs to tailor their products and services to consumer trends and needs, training that helps improve staff skills and operational efficiency, and technical support required to address technological issues (Akintimehin et al., 2019). With a robust social network, SME owners may take advantage of possibilities they may not have had access to otherwise. They may seek out possible business partners, acquire access to extra finance, and attract technical resources that will help them boost their competitiveness in the competitive tourist sector (Malesev & Cherry, 2021).

Several previous studies have examined the relationship between social capital and SME performance. Previous research on women-owned SMEs in Nigeria's informal sector reveals that internal and external social capital is crucial in improving business performance. External social capital exerts a more substantial influence on online networks, and social media platforms change results (Mutsindikwa, 2019). Social capital is vital to women's business success, reducing poverty (Akintimehin et al., 2019). It focuses on Bangladesh and highlights how social capital improves legitimacy, mutual trust, cooperation, and access to various forms of money. External actors, such as microfinance institutions and government regulations, support women's entrepreneurship in rural areas (Mozumdar et al., 2017). Previous research has shown that when SMEs have substantial social

capital, they tend to have better access to resources, more effective collaboration, and better knowledge sharing, all of which have the potential to improve their performance (Setini et al., 2020). Hence, the first hypothesis highlights social capital's role in influencing SMEs' performance in the tourism sector.

H1: Social capital affects the performance of tourism SMEs.

In recent years, advances in information technology, especially social media, have changed how people interact, search for information, and engage in business activities. The tourist industry's marketing and promotional methods considerably influence its performance. Practical marketing efforts that include digital advertising, social media involvement, and content development may enhance tourist engagement and attract a larger audience. Personalized marketing campaigns that target specific demographics and interests may also improve the visitor experience. Additionally, intelligent alliances and collaborations with local companies and travel agents may bolster promotional efforts and increase tourism (Dağ et al., 2023). Innovative technologies like virtual and augmented reality can also provide immersive experiences that attract more tourists.

Social media marketing is a marketing approach that uses social media as a channel to promote company products, services, and brands to potential consumers (Wiese & Akareem, 2020). Several previous studies have investigated the relationship between social media marketing and SMEs' success. Previous research studies the influence of social media marketing on Micro, Small, and Medium-Sized Enterprises (MSMEs). The results are significant since they reveal favorable outcomes for MSMEs that use platforms. These benefits include significant gains in higher revenue, improved customer connections, greater efficiency, and increased creative outputs (Syaifullah et al., 2021). Similarly, another research looks at the impact of social media marketing competence on Thai company performance. It focuses on Thai firms' need to improve their marketing skills and integrate social media into their marketing efforts smoothly (Tarsakoo & Charoensukmongkol, 2020).

The second hypothesis focuses on the influence of marketing strategies in social networks on the performance of SMEs in the tourism sector. Social media can increase visibility, customer engagement, and brand awareness in the digital age. Therefore, it is assumed that SMEs that effectively use social media will experience higher performance (Verma & Kumar, 2022).

H2: Social media marketing influences the performance of tourism SMEs.

Entrepreneurial orientation has emerged as a critical concept influencing the performance of SMEs in the fast-paced and competitive tourism industry

(Susanto et al., 2023). Entrepreneurial orientation is a strategic mindset and organizational culture characterized by risk-taking, proactivity, autonomy, and aggressiveness in the face of competition. Entrepreneurial orientation has a critical role in impacting the performance and sustainability of tourist SMEs. The focus on innovation enables SMEs to create and deliver new goods, services, and experiences in response to changing customer expectations. It distinguishes them from the competition, draws more clients, and increases growth and profitability. Furthermore, SMEs may explore unexplored markets, invest in development, and adapt to evolving trends if they are ready to take measured risks. Proactivity and autonomy improve their agility and reactivity, allowing them to seize chances quickly (Al-Mamary & Alshallaqi, 2022).

According to Meekaewkunchorn et al. (2021), learning orientation has a mediating role in the connection between entrepreneurial orientation dimensions (innovativeness, proactiveness, risk-taking) and SME performance in Thailand. These elements are vital to strategic management in a dynamic, competitive environment. Moreover, previous research by Octavia et al. (2020) is an essential addition to the knowledge of how e-commerce adoption, entrepreneurial orientation, and market orientation jointly affect the business performance of SMEs. It investigates the subtle dynamics behind the success of SMEs in the contemporary business environment. It undoubtedly uncovers fascinating findings on how SMEs may employ e-commerce to develop an entrepreneurial attitude by fostering risk-taking, creativity, and flexibility. In addition, it illuminates the importance of market orientation in aligning SMEs with their target audience's growing wants and preferences.

The third hypothesis analyzes the impact of entrepreneurial orientation on the performance of SMEs in the tourism sector. SMEs with a solid entrepreneurial orientation tend to be better equipped to explore new opportunities. They also adapt to market changes and develop innovative strategies,

which can improve their performance in the tourism industry (Asemokha et al., 2019).

H3: Entrepreneurial orientation influences the performance of tourism SMEs.

The main problem of the research is that the performance of tourism businesses, especially SMEs, largely depends on how many domestic and international tourists arrive in Indonesia and the foreign exchange income generated by the tourism sector. Additionally, the performance of companies in the tourism industry is greatly influenced by factors such as the use of social capital, effective social media marketing capabilities, and business orientation. Hence, these elements must be developed and optimized for the company to achieve its objectives. Economic conditions are marked by it so it can remain competitive in a constantly changing business environment.

SMEs in the tourism sector depend on social capital to achieve success. Although social capital offers many benefits, not all businesses have the social networks to thrive. Technological and social media advances have also changed how the tourism industry operates. Although this opens up growth opportunities, it also creates challenges regarding digital marketing, personalized campaigns, and new technologies. Then, entrepreneurial orientation is considered crucial to the success of SMEs in the competitive tourism industry. However, developing an entrepreneurial mindset, including risk-taking and innovation, can challenge tourism businesses. In this context, discussing entrepreneurial attitude is essential since it is intimately related to the performance and success of SMEs in the tourist business. Entrepreneurial orientation fosters creativity, proactivity, risk-taking, and flexibility. Those factors are essential for SMEs seeking to prosper in the fast-paced tourist industry. It helps SMEs to distinguish themselves, recognize and capitalize on new possibilities, and constantly improve their offers. Hence, this approach promotes efficient resource use, investment in research and development, and market discovery.

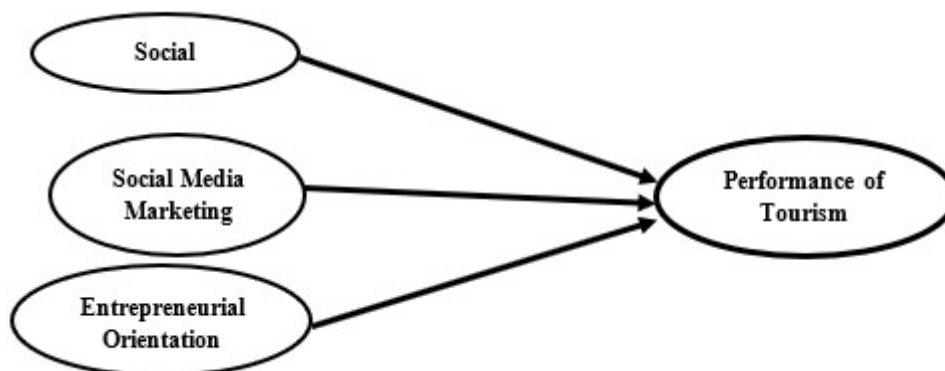


Figure 1 The Research Framework

Based on the literature review and previous research that has been done, a research framework has been designed. The framework can be seen in Figure 1. This framework is an essential foundation for the research to understand the factors influencing the performance of SMEs in the tourism sector.

## METHODS

The research applies a quantitative approach. The unit of analysis for the research is tourism SMEs in Greater Jakarta. The research was carried out from September to October 2022. Then, the sampling method uses purposive sampling. According to Hair

et al. (2019), the sample size should be 100 or more. Generally, the minimum sample size is at least five times greater than the number of items in the question to be analyzed (Hair et al., 2020). There are 15 question items, so the research samples 116 SMEs. The data are obtained through interviews and questionnaires. In the questionnaire, the researchers use ten social capital indicators from Akintimehin et al. (2019), four social media marketing indicators from Tarsakoo and Charoensukmongkol (2020), eight entrepreneurial orientation indicators from Zaidi and Zaidi (2021), and four company performance indicators from Otache and Usang (2022). The list of indicators can be seen in Table 1.

Table 1 Indicators of Variable

Indicators	Code	Author
<b>Social Capital</b>	SC	(Akintimehin et al., 2019)
We in this business communicate honestly with one another.	SC1	
We in this firm have no hidden intentions.	SC2	
We work in this company and voluntarily exchange information with one another.	SC3	
We work in this firm and use our family connections to share information.	SC4	
We patronize our business as much as possible.	SC5	
We promote our business operations as much as possible.	SC6	
We acquire recommendations from friends.	SC7	
We acquire recommendations from colleagues.	SC8	
Family harmony is a crucial consideration in my business choices.	SC9	
My family's identity is directly tied to the success of my enterprise.	SC10	
<b>Social Media Marketing</b>	SMM	(Tarsakoo & Charoensukmongkol, 2020)
By using social channels, we may react rapidly to price strategies used by rivals.	SMM1	
We can react swiftly to any client change using price expertise and social media tools.	SMM2	
We may immediately convey price structures and levels to clients using social media.	SMM3	
We can track our rivals' pricing and price fluctuations using social media.	SMM4	
<b>Entrepreneurial Orientation</b>	EO	(Zaidi & Zaidi, 2021)
Our company develops a more significant number of new items than our main rivals.	EO1	
In general, we alter the development of our items in comparison to our principal rivals.	EO2	
Our company places a significant emphasis on the creation of innovative items.	EO3	
We start acting in response to rivals' reactions.	EO4	
Our company is usually the first to launch novel items.	EO5	
Our company has a very competitive stance.	EO6	
Our company has a significant propensity toward high-risk endeavors with a highly high probability.	EO7	
Due to the nature of the environment, risky actions are required to attain the goal.	EO8	
<b>Performance of the Tourism SMEs</b>	FP	(Otache & Usang, 2022)
Compared to our rivals, our sales and profitability reach are better.	FP1	
Compared to those of our competitors, our market share is more excellent.	FP2	
Compared to our rivals, our returns on investment are much higher.	FP3	
The overall success of our company's finances is higher than that of our competitors.	FP4	

Data collection is the systematic collection of information for research purposes. To deal with self-selection bias, the researchers use measures like random sampling to lessen the influence of voluntary involvement. The research ascertains that the sample appropriately reflects the target population. Meanwhile, to reduce bias, the study uses proper data-collecting techniques, maintains consistency, and offers clear instructions to participants. It also considers undertaking non-response follow-ups to minimize bias from non-participation. Next, the research regularly examines and adjusts data-gathering techniques to ensure data quality and impartiality. These behaviors contribute to the reliability and validity of acquired data, making it more representative of the community under study and less prone to self-selection bias.

The questionnaire preparation process includes setting study goals, writing straightforward and impartial questions, and performing pretests with varied populations. Questions should be culturally appropriate, eliminate leading language, balance positive and negative phrasing, and randomize answer alternatives to reduce prejudice. Only 116 of 135 respondents in the research have completed surveys using GForm. The clarity and length of the questions may impact respondents' engagement. Although only 116 questionnaires are obtained, rigorous data analysis may still give helpful information for the research.

Then, the measurement scale used is the Likert scale. The research uses the Partial Least Squares-Structural Equation Modeling (PLS-SEM) approach. The analysis process is carried out in several stages, namely the external model, the internal model, and the relationship between variables. PLS-SEM using the Smart-PLS 3.3.2 program is the multivariate statistic used. PLS is an alternate approach for analyzing the connection between variables with complicated structures. The PLS-SEM model describes the relationship between the dependent (endogenous) and

independent (exogenous) variables (Zhang & Jedin, 2022).

One aspect that differentiates SmartPLS from other statistical methods is that it is more tolerant of data that are not normally distributed. In SEM, using SmartPLS assumes that the data must be normally distributed, which is unnecessary (Rahman et al., 2021). However, the research uses homoscedasticity and multicollinearity to clean the data and check other assumptions. It is to ensure that the analysis performed still produces valid results. According to Hair et al. (2019), convergent validity includes the Average Variance Extracted (AVE). Meanwhile, discriminant validity consists of cross-loading, Composite Reliability (CR), and Cronbach's alpha (CA). These tests measure validity and reliability in SEM. AVE value should be better than 0,5. Meanwhile, values of cross-loading and CR should be greater than 0,6. Last, CA must be greater than 0,7.

## RESULTS AND DISCUSSIONS

The characteristics of the respondents' demographic information are shown in Table 2. Around 116 respondents have participated. Most of the respondents are female (n=74 or 64%). In the age range, the most significant result is within 26 to 35 years old (n=42 or 36%). Moreover, most respondents are in high school (n=76 or 66%).

Based on Table 3 and Figure 2, It is discovered that eight indications are not valid. These indications have loading factor values less than 0,5. The indicators are EO1, EO2, EO4, SC1, SC2, SC3, SC8, and SMM1. However, the outcome demonstrates that all variable indicators are valid, with AVE values between 0,571 and 0,650. All indicators are also reliable, with CR values between 0,808 and 0,8869, which have high reliability.

Table 2 Respondents' characteristics

Constructs	Indicators	Frequency	(%)
Gender	Male	42	36%
	Female	74	64%
Age	18–25	15	13%
	26–35	42	36%
	36–45	34	29%
	>46	25	22%
Education	High School	76	66%
	Undergraduate	34	29%
	Postgraduate	6	5%

(Source: Authors' Calculation)

Table 3 The Results of Construct Validity and Reliability

No	Construct	Cross Loading	AVE	CR	CA
	<b>SC</b>		<b>0,650</b>	<b>0,848</b>	<b>0,730</b>
1	SC5	0,816			
2	SC6	0,769			
3	SC7	0,832			
	<b>SMM</b>		<b>0,586</b>	<b>0,808</b>	<b>0,644</b>
4	SMM2	0,768			
5	SMM3	0,815			
6	SMM4	0,757			
	<b>EO</b>		<b>0,571</b>	<b>0,869</b>	<b>0,813</b>
7	EO3	0,775			
8	EO5	0,690			
9	EO6	0,752			
10	EO7	0,777			
11	EO8	0,779			
	<b>FP</b>		<b>0,614</b>	<b>0,863</b>	<b>0,786</b>
12	FP1	0,828			
13	FP2	0,763			
14	FP3	0,864			
15	FP4	0,666			

Note: Average Variance Extracted (AVE), Cross-Loading (Cross), Composite Reliability (CR), Cronbach's Alpha (CA), Social Capital (SC), Social Media Marketing (SMM), Entrepreneurial Orientation (EO), and Performance of the Tourism SMEs (FP).

(Source: Authors' Calculation)

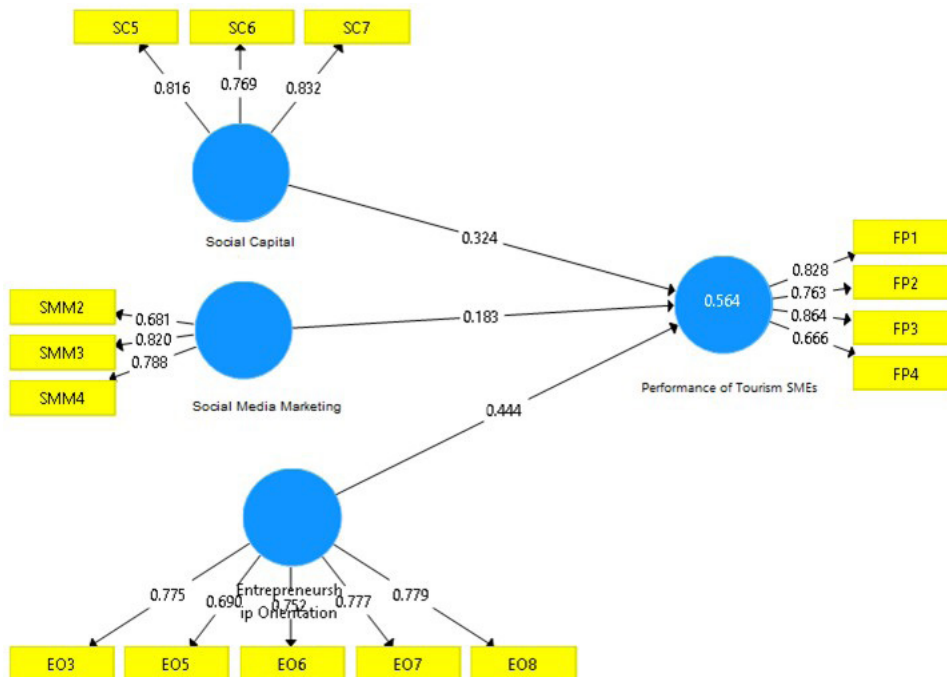


Figure 2 Model of Path Coefficient Output

According to Table 4 and Figure 3, the statistical analysis results show that three hypotheses are tested. First, the results show a t-statistical value of 3,443 for the relationship between social capital and the performance of SMEs in the tourism sector. It implies that the relationship is statistically significant. Second, it shows the relationship between social media marketing and the performance of tourism SMEs with a t-statistical value of 1,987. It also indicates that this relationship has statistical significance, although it may be less significant than the first hypothesis. Last, the relationship between entrepreneurial orientation and the performance of tourism SMEs has a t-statistical value of 5,425. It demonstrates a high statistical significance.

The research on the link between social capital and business performance uncovers persuasive evidence supporting the notion that social capital significantly affects the performance of tourism

SMEs. According to Boohene et al. (2020), the research reveals a substantial positive association between social capital and the performance of SMEs. Furthermore, social capital is a significant intangible asset, and businesses may concentrate on developing social interactions, constructing connections, and strengthening network links. Cultivating a culture of cooperation, trust, and reciprocity may also result in the growth of substantial social capital, which is advantageous for the organization and its stakeholders (Kang & Na, 2018).

The research emphasizes the vital role that social capital resources play in the success of entrepreneurs, with the entrepreneurs' professional and institutional networks serving as the investigation's main point. Modern business environments are highly interconnected, and business owners who can effectively use their social capital have a greater chance of attaining excellent economic performance.

Table 4 The Results of the Path Coefficient and t-statistical

Hypothesis	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	t-stat ( O/STDEV )
Social Capital → Performance of the Tourism SMEs	0,324	0,315	0,094	3,443
Social Media Marketing → Performance of the Tourism SMEs	0,183	0,191	0,092	1,987
Entrepreneurial Orientation → Performance of the Tourism SMEs	0,444	0,444	0,082	5,425

(Source: Authors' Calculation)

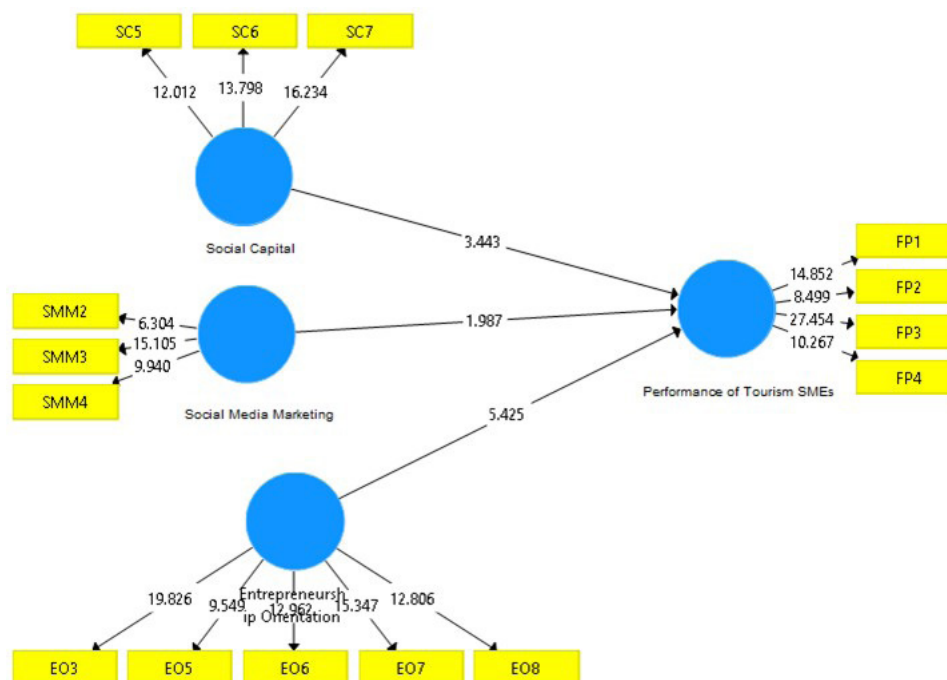


Figure 3 Path Coefficient and t-statistical of the Model

Professional networks are a vital source of knowledge, information, and support. Members of these networks have access to information on their specific sectors, best practices, and potential business partners. These connections may result in the establishment of new opportunities and partnerships, as well as an improvement in competitiveness.

On the other hand, institutional networks include ties to government agencies, regulatory authorities, and business groups, among other organizations. Those business owners who are adept at navigating these networks will have access to resources such as financing, grants, and policy support, all of which have the potential to boost the economic viability of their enterprises dramatically (Ceci et al., 2020). Investing in social capital may lead to more significant decision-making, problem-solving, and risk management. In addition, social capital allows knowledge exchange and development, allowing businesses to remain competitive in today's fast-evolving business environment.

The research on the effect of social media marketing on company performance generates substantial results, confirming the premise that social media marketing has a significant impact on the variable representing business performance (Abbas et al., 2019). Data analysis and statistical testing reveal a highly positive association between social media marketing activities and many elements of corporate performance.

The research shows the impacts of firms seeking to improve their performance via digital marketing. In today's linked world, social media platforms have become indispensable tools for companies to communicate personally with their target audience. These platforms provide a one-of-a-kind chance to foster a feeling of community and brand loyalty among consumers. One of the primary benefits of social media marketing is its ability to establish authentic customer interactions. Through consistent interactions, organizations may develop a more humanized and approachable brand image, thus fostering a deeper emotional connection with their audience. This emotional connection often results in enhanced consumer loyalty, as people prefer to choose businesses with which they have a personal relationship (Bala & Verma, 2018).

Social media networks are incredible tools for getting client feedback in real time. Businesses may gather their audience's comments, reviews, and opinions, allowing them to make educated judgments on product and service enhancements. This feedback loop is crucial for refining services and improving client happiness, which may result in excellent customer retention and good word-of-mouth (Ayodeji & Kumar, 2019).

The results emphasize the significance of incorporating social media marketing into an organization's business performance. Companies must use social media platforms to remain competitive and grow in today's quickly expanding digital world.

This claim is substantiated by the results of Qalati et al. (2021), which highlight the importance of social media marketing in increasing company performance. Focusing on producing and distributing engaging content may help businesses improve their social media marketing efforts. Not only does engaging and relevant material captivate the target audience, but it also promotes a feeling of community and brand loyalty. Quality content generates credibility and authority in the industry, enhancing the firm's reputation.

Moreover, utilizing influencers has the potential to revolutionize social media marketing. Collaboration with influencers whose beliefs and image fit with the business may extend the company's reach and reputation since influencers have a devoted following. Their endorsement may dramatically influence the audience's perception and engagement with the brand. Next, for improving social media marketing tactics, data analytics is a vital tool. Organizations may learn more about their audience's interests, habits, and trends by employing data-driven insights. This insight enables more focused and successful marketing, increasing Return On Investment (ROI) and performance overall (Qalati et al., 2021).

The research examines the association between entrepreneurship orientation and the performance of tourism SMEs and finds persuasive evidence of a substantial influence. Data analysis and statistical testing reveal a high and positive association between entrepreneurship orientation and several company success variables. The result aligns with Sajilan et al. (2015). Multiple performance metrics show that firms with more excellent entrepreneurship orientation have better company performance. Entrepreneurship orientation is critical to organizations' ability to recognize and develop new business opportunities, adapt to changing market circumstances, and stay competitive (McKenny et al., 2018).

The research outcomes demonstrate the importance of entrepreneurship orientation in determining company success. A proactive attitude to innovation, risk-taking, and resource utilization may result from fostering an entrepreneurial mentality inside a business. Entrepreneurial businesses are more likely to detect and capitalize on new market trends, resulting in long-term development and profitability (Arabeche et al., 2022).

The research provides valuable information for companies to improve SMEs' performance. According to the Influence, Priority, Monitoring, and Adaptation (IPMA) analysis, there are three main findings that management should pay attention to. First, the research reveals that social capital significantly influences company performance. The company should emphasize the importance of developing relationships, cooperation, and social networks within and outside the organization. Management should also prioritize initiatives to build social capital and continually monitor progress. The practical strategies include formal networking events, trust-building



activities, and relationship-building programs.

Second, the research shows that social media marketing significantly impacts the performance of tourism SMEs. Using social media platforms to engage with customers, build brand loyalty, and gather customer feedback should be a top priority. Businesses should continually monitor engagement metrics, customer feedback, and the effectiveness of their content. Using data-driven insights to direct marketing strategies, collaborating with influencers, and focusing on high-quality content are actions that must continue to be adopted.

Last, the research highlights the importance of entrepreneurial orientation in influencing various performance metrics, including revenue growth, profitability, market share, and innovation capabilities. Management must prioritize a business culture that encourages innovation, risk-taking, and efficient use of resources. It is essential to follow entrepreneurial guidance continuously, adapt to promote creativity and explore new business opportunities.

## CONCLUSIONS

In conclusion, the research findings significantly affect SMEs in the tourism sector. Tourism is an essential economic sector in many nations, contributing considerably to the nation's Gross Domestic Product (GDP) and providing job opportunities. Tourism is home to active SMEs in various sub-sectors, including restaurants, hotels, travel agencies, and tour guides. The research is connected to how SMEs may improve their overall performance by better comprehending the functions of social capital, social media marketing, and entrepreneurial orientation.

Tourism SMEs may benefit significantly from social capital. In this context, the term "social capital" refers to the networks and connections that SMEs develop with their clients, business partners, and the communities in which they are located. Reputation and long-standing positive customer connections may be significant assets in this sector. Then, positive evaluations, referrals from satisfied customers, and support from the community may be obtained by SMEs with substantial social capital far more readily. According to the research findings, investing in forming these connections may favor performance and benefit tourism SMEs.

In the context of tourism SMEs, social media marketing is also relevant. Social networks as a marketing strategy have become more important in travel. Engaging with prospective clients, promoting their services, and building their brands may be accomplished via social media platforms. The findings prove that marketing activities conducted through social networks may benefit a company's overall success. Therefore, by using social media effectively, tourism SMEs may get a competitive edge and attract more clients.

Next, an entrepreneurial attitude is equally vital in tourism SMEs. The entrepreneurial mentality

consists of perspectives and a strategic orientation that produces a conducive atmosphere for innovation, risk-taking, and company development. Focused SMEs are often more adaptable and capable of seeking new business opportunities in the highly competitive tourism industry. They can create new products and services, give customers one-of-a-kind experiences, and develop inventive methods to operate their enterprises. Tourism SMEs must recognize the need to adopt a business perspective to increase their competitiveness and sustain long-term growth.

However, most tourism SMEs are small businesses and may face limited resource constraints in building substantial social capital, managing effective social media marketing, or implementing a solid entrepreneurial orientation. Therefore, the research results also provide a better understanding of how resource-constrained tourism SMEs can overcome these challenges and remain competitive in the competitive tourism market. Apart from that, the research results also guide the government and institutions supporting tourism SMEs. They can use the research results to design programs and initiatives that help tourism SMEs develop social capital, effectively use social networks, and create an entrepreneurial orientation. The government can contribute to regional and national economic growth by supporting tourism SMEs adequately. Moreover, governments and other supporting organizations may utilize the research results to establish programs promoting tourism SMEs' growth and success. These initiatives may generate considerable economic advantages for local communities, regions, and the globe.

Despite the valuable insights the research provides, some limitations that impact the breadth and generalizability of the results must be acknowledged. The research is done within a particular geographic location or context, and the conclusions may be restricted in their relevance to varied tourist destinations or economic circumstances. In addition, the research focuses on the individual components of social capital, social media marketing, and entrepreneurial orientation. These aspects' combination and synergistic impacts and their interaction with other internal and external influences may have gone unnoticed. A future study may explore the complex interactions between these factors and their effect on SMEs' success.

Expanding the efforts to conduct additional research can yield significant benefits to increase the understanding of the factors that influence company performance. A deeper understanding of these elements is critical to improving business results. With this knowledge, future research can develop better and more strategically effective business plans. It can develop focused interventions designed precisely to address specific determinants of performance. This approach, based on careful research, not only maximizes the probability of success but also ensures the efficient allocation of resources and the implementation of optimal strategies to improve the company's overall performance.

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