Organizational Structure as a Moderator between CRM Practices and Hotel Performance in Thailand

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Tourism is one of the emerging industries of Thailand. In recent decades, it has contributed significantly to GDP. This study examined the direct impact of CRM practices on the performance of Thai hotels, namely: joint problem-solving, customer involvement, and knowledge management. Moreover, it also scrutinised the moderating effect of organizational structure, in the relationship between knowledge management and hotel performance. PLS-SEM was used, being one of the most flexible and robust techniques to examine the casual as well as structural relationship between and among the variables. Also, it can easily handle the regressions functions involved in multiple relationships. The findings have provided support to the hypothesized results. Our study found that the CRM practices; namely joint problem-solving, customer involvement, and knowledge management, help Thai hotels exploit opportunities and increase clientele. Also, organizational structure matters, because it promotes innovativeness. This research is among the pioneering studies on the impact of CRM practices, and will provide a policy guideline for policy-makers and rescuers.

Key words: CRM, organizational structure, Hotel Performance, Thailand.

Introduction

Thailand is one of the important countries of East Asia, having a very rapidly growing economy. The tourism industry plays a critical role in growth of its GDP and also creates much employment (Jermsittiparsert & Chankoson, 2019; Jermsittiparsert, Jermsittiparsert, & Phonwattana, 2019). A number of different sectors, such as the hotel industry, connect with tourism. Studies have highlighted the importance of hotels, for tourism in Thailand. However, more studies are needed regarding the antecedents critical to improving the performance of hotels in Thailand (Khanal, 2011).
For service sector firms, financial records are key, which highlights the importance of budgeting and financial planning. The financial system of a firm highlights its situation. Additionally, service sector firms are facing immense competition both globally and locally, making it critical to evaluate their financial performance (Saer & Deman, 2012). By keeping track of their financial situation, management can take decisions. This is important for long-term sustainability. With financial management, organizations operating in the hotel industry can develop and sustain stability. Financial performance is key to minimizing the risks, assessing their market situation, and planning the short-term goals important to achieving the long-term goals. In terms of the hotel industry, stakeholders can track organizational performance taken the steps necessary to attract more customers (Borovčanin, 2015).

Organizations globally face intense competition. Therefore it is important that they look at the ways by which they can improve their interactions with all stakeholders, especially customers. Firms can invest in strategies to improve customer relationships. Having improved relations can help firms access customer data and maximize profitability. It is critical for firms to mitigate the obstacles and remove the important barriers to customer loyalty (Al-Hawary & Aldaihani, 2016).

The main pillar of developing good customer relations is customer relationship management (CRM). Through ‘CRM strategies’ organizations can better strategize their market direction (Valos, Bednall, & Callaghan, 2007). The organizations that focus on building relationships with the customer can improve long-term profitability. Thus, their performance also improves. By using CRM strategies therefore, organizations can improve their profitability too (Zablah, Bellenger, & Johnston, 2004).

Scholars have researched CRM at length in the past decade. Such research has facilitated the design of strategies that can help marketers and professionals improve organizational performance. By focusing on relationship management, organizations can also solve several other problems, most of which relate to customers, the main stakeholders. To solve customers’ problems, it is important for the organization to adopt interactive processes. The main focus of such systems or processes is customer-centric outcomes (Biggemann, Kowalkowski, Maley, & Brege, 2013). This process is known as joint problem-solving. The main stakeholders are the participants, to solve the problem or conflict. They work in such a way as to define, analyze and resolve the problems collectively. The main elements of this process are communication and trust among all the participants. Joint problem-solving is based on a series of complex steps. It is not a simple or easy process. Researchers examined a number of problem solvers. They found that the solvers followed a logical pattern, from defining the problem to the analysis of situation faced and coming up with the idea to solve the problem. Scholars have also suggested that the group process matters, as to the nature of the problem. Moreover, problem-solving is critical to building a relationship with customers (Gilbert, 2003).
The most important benefit of CRM is retaining customers long-term. Most businesses facing retention challenges have a number of alternative options (De Madariaga & Valor, 2007). If organizations, especially in the service sector, cannot retain their customers, it will be difficult for them to survive in the market. In addition, financial performance is dependent upon the long-term retention of the customers, who also have a direct relationship with the organization’s survival and profitability (Alrubaiee & Al-Nazer, 2010).

Scholars have started giving attention to the involvement of their customers, in several organizational matters. Authors and academic scholars have shifted their attention towards cross-selling opportunities and repeat purchases, which are dependent upon customer involvement and relationship building. Very little attention had been given previously, regarding customers’ involvement in their own loyalty and retention by the firm. Customer involvement deals with the long-term partnership between the organization and its customers (Lemon, White, & Winer, 2002). Moreover, it is critical for the development of new services and products. The successful development of new services or products mainly depends upon customer involvement (Iruka & Ateke, 2014). The organization is always ready to adapt to situations and market trends, which it learns from the involvement of customers and identifies their needs. For this reason, in relationship management, customer involvement is the main tool required to build long-term customer relationships (Ateke, 2016).

It is critical that the organization select the right information at the right time and convert this knowledge into useful insight. It enables the organization to perform knowledge management (KM). The firm is helped to accumulate core knowledge, obtain competitive competence and build corporate intelligence (Plakoyiannaki & Saren, 2006). The objective of CRM is to invest in the customer relationship, to increase firm revenue and improve the organization’s competitive position. Researchers have found that CRM plays a critical role in developing and sustaining the competitive advantage of the organization. It is important that companies which focus on customers share the customer information demanded by companies. The focus of CRM is on the integration of customer knowledge and information, to find and keep customer value, long-term (Campbell, 2006). Therefore, KM is the set of management activities that aim to design and influence the process by which knowledge can be created and integrated into the business organization. Of the various practices of organizations, sharing knowledge is the most influential (Lee, 2015).

The purpose of this paper is to explore the relationship of CRM practices; namely joint problem-solving, customer involvement with hotel performance (HP), specifically financial performance. Also, the present study has tried to explore organizational structure as the moderating variable of hotel performance.
Literature Review

Hotel Performance (HP)

The level of performance expressed in terms of profit and loss is known as the financial performance of the organization. The organizations that evaluate their financial performance of their business can better develop and adapt their strategies to meet their monetary objectives (Han, Chen, & Ebrahimpour, 2007). Their financial structure is shaped by their operational performance. Management efficiency and effectiveness reflect in the high performance of firms (Wang, Chen, & Chen, 2012).

In the current competitive environment, hotels are relying on the retention of customers, including the improvement of their service quality (NAGY, BĂBĂIłĂ, & ISPAS, 2011). Organizational objectives are measured by the number of customers who stay in a room; gross operating profit is measured by the profit earned from the single person who stays in that room. Ultimately, perceptions are measured by stakeholder satisfaction and competitive performance. Financial support is needed for any firm. It is critical that firms develop and build long-term relationships with customers, to maximize the long-term performance of their organization. For this reason, scholars have developed HP in terms of financial performance (Wang et al., 2012).

Financial performance can be measured in several ways, as by the firm’s return on sales, return on assets, and return on equity. Its financial analysis is mainly based on the particular financial indicators which process the information and data important for decision-making. The present study measured HP on the basis of the firm’s financial performance (Borovčanin, 2015).

Joint Problem-Solving

The main focus of problem-solving is to answer the dilemma or problem in hand. Joint problem-solving is the key to organizational success. Joint problem-solving has been described as a collaboration between customers and the organization, to solve a problem for which both parties share responsibility (Lin, Chen, & Kuan-Shun Chiu, 2010). Also, it is the process in which an answer is designed, evaluated and a strategy implemented, to answer a question and achieve a desired goal. On the other hand, the solution is not ready to hand, most times. Joint problem-solving is the degree to which the parties involved solve problems together. It ensures a satisfactory solution, and hence plays an important role in the success of the organization and in maintaining good and valuable relationships with customers (Valmohammadi, 2017).

Joint Problem-Solving and Hotel Performance

The main objective of service sector organizations is to solve the problems being faced. Solutions are critical in a number of problems, if organizations are to maintain their
performance. Hotels can improve their performance with the help of joint problem-solving. The literature reports positive impacts on organizational success, from the development and success of joint problem-solving, because there exists positive collaboration among the parties involved. From this perspective, organizational performance is improved through joint problem-solving (Shriedeh & Ghani, 2017). On the basis of the above discussion, it has been hypothesized joint problem-solving will positively impact hotel performance (Shriedeh & Ghani, 2017).

Thus, it is hypothesized that

**H1:** Joint problem-solving has a significant relationship with HP.

**Customer Involvement**

The term covers a broad range of activities. They relate to both organizations and customers. In the literature customer involvement is defined as the extent of involvement in the delivery process and value creation. Customer orientation is one step further in customer involvement, than customer relationship management. It regards developing, as well as identifying, different possibilities in which customers are involved in product development and business processes (Iruka & Ateke, 2014).

Interpersonal and personal services are being rendered by the service organizations to the clients, which make these organizations different. Past studies mention that activities in which customers are involved play a critical role in improving hotels’ performance. Therefore, it is critical for organizational staff to spend some time with customers, to get important feedback. It is vital in solving problems faced by the organization. Scholars have characterized customer involvement into three different categories, including innovators, developers, and sources of information (Cui & Wu, 2016).

**Customer Involvement and Hotel Performance**

The impact of customer involvement on organizational performance has been measured. Scholars found that customer involvement enables organizations to perform better and gain competitive advantage. Findings show that customer involvement enhances the performance of firms. These results were reported on the direct relationship between firm performance and customer involvement (Anning-Dorson, Hinson, Amidu, & Nyamekye, 2018).

Therefore, it is hypothesized that

**H2:** Customer Involvement has a significant relationship with HP.
Knowledge management (KM)

One of the most important sources of the organization is the knowledge of the customer. On the basis of this knowledge, the organization can strengthen its relationship with its customers, achieving a sustainable competitive advantage. As a result, knowledge of the customer plays an important role in CRM. For the development and improvement of relationship, organizations can use customer knowledge effectively, and as a result, competitive advantage is developed in the market. Additionally, for CRM, transformation of information is required from the knowledge of the customers (Zahay & Griffin, 2004).

is the process to get information regarding the needs of the customers through the interaction pointe, also known as touchpoints. Then the acquired information is to be shared with all the departments of the organization. All these functions correspond with each other regarding knowledge sharing. Effective management of knowledge is one key element for building strong, as well as long-term relationships with customers; the success of the business is also positively associated with this (Shriedeh & Ghani, 2017).

Knowledge Management and Hotel Performance

Without discussing , it is not sufficient to discuss CRM. Knowledge is the foundation of CRM. Organizational value is dependent upon the superior experience of the customer, which is developed from the data obtained by the knowledge which customers obtained. Only a small number of hotels are giving importance to knowledge gathering by customers. As a result, hotels are missing opportunities regarding value creation for their customers. plays its critical role in the success of the business and have positive impact on the organizational performance (Akroush, Dahiyat, Gharaibeh, & Abu-Lail, 2011). Therefore, it is very important for the organization to get knowledge from customers and share it with all of its departments. Additionally, studies have examined the impact of knowledge on organizational performance, and found it positively impacts financial performance. Therefore, it has been hypothesized that HP will be impacted by the (Al-Azzam, 2016).

H3: KM has a significant relationship with HP.

Organizational Structure

The physical environment of employee behaviour is known as the structure of the organization. There are organic or mechanic structures. The particular structure which is inflexible, tightly controlled, hierarchical, non-participative and highly formalized is known as a mechanic structure. On the other hand, the organic structure is informal, flexible, has open
communication channels and decentralized authority. Managers face difficult situations in deciding the structural design of the organization (Gibson, 2003).

**Organizational Structure and Organizational Performance**

A number of organizations use structural control mechanisms to impact employee outcomes, by requiring the effective and efficient performance of tasks. The main objective is to achieve the objectives and goals of the organizations (Al-Qatawneh, 2014). Their internal attributes are described by their structure. The failure, as well as the success of the organization, depends upon its internal characteristics. As a result, its financial performance is also dependent upon this factor.

The scope of the behaviour of the organization is defined by its structure. This behaviour is within its line of command, accountability and external environment. The general pattern of tasks and their relationship is mentioned by the organizational structure (Zheng, Yang, & McLean, 2010). Formal lines regarding communication are determined by its structure, as well as the pattern of communication among its employees there. The performance is not produced by the good structure of the organization. Therefore, the performance of an organization is affected by its structure. If its structure is poor, that will also impact its performance (Nwosu, Awurum, & Okoli, 2015).

Internal coordination among employees will improve as a result of a good internal structure. Cooperation will be improved as result of good organizational structure, and performance will be improved both in the long-term and short-term (Njiru & Nyamute, 2018).

**Organizational Structure as Moderator**

It is very challenging for organizations to attain their best performance. In fact, in some scenarios it is near to impossible. If the organizations apply good structures, that will harness their internal resources. Organizations will then be able to address their customers’ issues in a proper manner and in a proper time (Jaoua, 2015). There exist tight hierarchies in the mechanical structure of organizations with proper channels of communication. This type of organizations also has proper rules. Whereas, the rules in organic structure are flexible (Marri, Qaiyum, & Alibultto, 2018). On the basis of this discussion, it has been concluded that the relationship of  and HP can be moderated by any variable and that can be organizational structure.

**H4:** Organizational structure moderates the relationship between  and HP.
Theoretical Framework

CRM practices

Methodology

In this section, we will discuss the study’s nature, and the statistical methodology employed in our study and discussion of results. The study is cross-sectional and has used the deductive hypothetical method, which involves finding and interpreting research, empirical analysis, data collection, determination of measures and the formulation of a hypothesis. The focal research component is the deductive method, accounting for developing and implementing the theoretic framework. Thus, we have developed a hypothetical framework from the existing literature. To achieve research objectives and obtain the required responses we developed the questionnaire, and employed a 5-point Likert scale. Using cluster sampling the customers of three, four- and five-star restaurants were chosen. Additionally, for data collection, we had developed an email questionnaire, and obtained further data from statistical testing. Therefore, we had tested the purposed hypothesis by using statistical measures. The cross-section took
only a minimal time and reduced cost, to collect data from extensive regions. So, to generalize the outcomes of our research we conducted a survey. The items were addressed properly, and subsequently the questionnaire items were related. Therefore it was expected that all items were valid.

The following table has determined the sample and population size for this research (Krejcie & Morgan, 1970). Therefore, the total population size is 473; the sample size also being based on the population size. Most of the time PLS-SEM is used in social science research because it is powerful when immediately testing for multiple relationships. Previous researchers usually applied a covariance-based approach. However, for CB-SEM approaches, a possible alternative is PLS-SEM. The response rate for the surveys was 63.2%.

Results

PLS-SEM is ubiquitous among researchers and scholars, for many reasons. A previous study also tried to discuss the reasons behind using the PLS-SEM approach, which is why the researcher wanted to use this approach (Urbach & Ahlemann, 2010). If the study aim is explained and the measurement of constructs are significant analytically, then PLS-SEM is beneficial.

In the current study we have used PLS-SEM. It is flexible and the minimum requirement for our sample size. Further, it can easily handle regressions functions involved in multiple relationships. In addition, PLS-SEM involves discriminant and influential constructs (Hair Jr, Hult, Ringle, & Sarstedt, 2016), which also supports these arguments. The PLS-SEM model account for the estimation of outer and inner models. The outer model accounts for the determination of items and model components, the determination of the degree of indicators, the correlation between consistent constructs, and for the theoretical loadings. The estimation of our outer model is used to check that the survey items measured the variables, as per expectations. Later the current study checked reliability as well as validity for the examination of the measurement model.
Figure 1. Outer Model
Table 1: Outer Loading

<table>
<thead>
<tr>
<th></th>
<th>CI</th>
<th>HP</th>
<th>JPS</th>
<th>KM</th>
<th>OS</th>
</tr>
</thead>
<tbody>
<tr>
<td>CI1</td>
<td>0.887</td>
<td></td>
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<tr>
<td>CI2</td>
<td>0.864</td>
<td></td>
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<tr>
<td>CI3</td>
<td>0.909</td>
<td></td>
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<tr>
<td>CI4</td>
<td>0.854</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>CI5</td>
<td>0.922</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>CI6</td>
<td>0.903</td>
<td></td>
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</tr>
<tr>
<td>CI7</td>
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<td></td>
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<tr>
<td>HP1</td>
<td></td>
<td>0.874</td>
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<td></td>
<td></td>
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<tr>
<td>HP2</td>
<td></td>
<td>0.852</td>
<td></td>
<td></td>
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<tr>
<td>HP4</td>
<td></td>
<td>0.917</td>
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<tr>
<td>HP5</td>
<td></td>
<td>0.913</td>
<td></td>
<td></td>
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<tr>
<td>HP6</td>
<td></td>
<td>0.924</td>
<td></td>
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<td></td>
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<tr>
<td>HP8</td>
<td></td>
<td>0.868</td>
<td></td>
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<tr>
<td>JPS1</td>
<td></td>
<td></td>
<td>0.897</td>
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<tr>
<td>JPS2</td>
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<td></td>
<td>0.838</td>
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<tr>
<td>JPS3</td>
<td></td>
<td></td>
<td>0.906</td>
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<td>JPS4</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>KM2</td>
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<td></td>
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<td>KM3</td>
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<td>KM4</td>
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<tr>
<td>OS1</td>
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<td></td>
<td>0.938</td>
<td></td>
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<tr>
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<tr>
<td>KM1</td>
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<td></td>
<td></td>
<td>0.898</td>
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</table>

For the examination of a measurement model and the assessment of an outer model these measures are the common standards (Ramayah, Lee, & In, 2011). The existing nature of the relationship among the constructs of the model are confirmed by these measures as well. Therefore the correctness of our measurement model may evaluated by perceiving discrete items convergent validity (CV), discriminant validity (DV) and reliabilities, where the reliability of individual items may be detected by the observation of composite reliability (CR) and internal consistency (IC), while we have measured the DV by following the criterion of outer-loadings and Fornell and Larcker, for the indicators of CV when measuring the AVE value (Fornell & Larcker, 1981). The relationship among latent and observed constructs can also be explained with the measurement model. Its items also show variations throughout its estimation. By using the constructs of first and second order, the current study has performed CFA as well for the reconfirmation of the validity of the model. Therefore, by using structure
modelling, reflective and formative separately determine each variable. The amount of change in each indicator can be described, due to the latent construct referred to by the indicators’ reliability which ranges from 0 to 1. For the assessment of reliability, we have observed the outer loadings for every construct of measurement. Whereas, standardization of indicators and latent variables the reliability inclines for equalization indicator loading square. According to (Hair et al., 2014) the indicators with loadings less than 0.40 must be excluded from the model. Although, in the current study no item is excluded because loadings for all the items were within the suggested range. We also analyzed the internal consistent reliability of the model after implication of a unidimensional test for an indicator. A composite reliability test was incorporated by the PLS-SEM as an alternative to Cronbach Alpha for the estimation of variables reliability, because of an inter-correlation of indicators. In PLS-SEM adjusted items based on discrete reliability, are associated with limitations of Cronbach alpha consequently for all the indicators assuming the identical loadings. For many indicators Cronbach Alpha demonstrates the sensitivity and miscalculates the internal reliability of construct and creating its importance for introducing the alternative measures for the assessment of reliability.

Table 2: Reliability

<table>
<thead>
<tr>
<th></th>
<th>Cronbach's Alpha</th>
<th>rho_A</th>
<th>CR</th>
<th>(AVE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>CI</td>
<td>0.958</td>
<td>0.960</td>
<td>0.965</td>
<td>0.799</td>
</tr>
<tr>
<td>HP</td>
<td>0.948</td>
<td>0.949</td>
<td>0.959</td>
<td>0.795</td>
</tr>
<tr>
<td>JPS</td>
<td>0.913</td>
<td>0.914</td>
<td>0.939</td>
<td>0.793</td>
</tr>
<tr>
<td>KM</td>
<td>0.922</td>
<td>0.922</td>
<td>0.945</td>
<td>0.810</td>
</tr>
<tr>
<td>OS</td>
<td>0.911</td>
<td>0.912</td>
<td>0.944</td>
<td>0.850</td>
</tr>
</tbody>
</table>

The best alternative to this is composite reliability (CR). It eliminates the level of all indicators for sharing the higher variance and overlaps with the other variables’ indicators. It is measured by using the Fornell and Larcker criterion, the sum of square loading of each construct /total indicators (Fornell & Larcker, 1981). So, convergent validity is established when the AVE value is above or equal to 0.50, therefore representing that on average greater than the half of the indicators’ construct explains the variance. Half of the indicators’ variance is explained by the construct. Whereas, if the value of AVE is less than 0.50, then it will show that variance of indicator, due to the errors on average, cannot be described by its construct (F. Hair Jr et al., 2014). The values of CV are shown below in Table 3. It indicates the satisfactory CV, subsequently the value of AVE driven out, to be 0.6 to 0.8, in that way sustaining the threshold that is the value of AVE must be greater than 0.50 (AVE>0.5) (Bagozzi & Yi, 1988). By following experimental standards, the degree at which concepts of measurement are not related with other concept measures is known as DV. However, a recognized DV shows that as noticeably dissimilar, compared to the constructs of another model. DV is measured with a formal Lacker criterion in the measurement model.
Table 3: Discriminant Model

<table>
<thead>
<tr>
<th></th>
<th>CI</th>
<th>HP</th>
<th>JPS</th>
<th>KM</th>
<th>OS</th>
</tr>
</thead>
<tbody>
<tr>
<td>CI</td>
<td>0.894</td>
<td></td>
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<td></td>
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<tr>
<td>HP</td>
<td>0.710</td>
<td>0.892</td>
<td></td>
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<tr>
<td>JPS</td>
<td>0.710</td>
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<td>0.891</td>
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<tr>
<td>KM</td>
<td>0.808</td>
<td>0.762</td>
<td>0.884</td>
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<tr>
<td>OS</td>
<td>0.757</td>
<td>0.711</td>
<td>0.770</td>
<td>0.761</td>
<td>0.822</td>
</tr>
</tbody>
</table>

As per the literature the association between the proposed model constructs was eliminated with the structural model. It offers beneficial interdependence among the constructs like the structural model which defines the relationship between latent constructs.

Figure 2. Inner Model

For obtaining the t-statistics and standard errors we have used boot-strapping. Subsequently for the estimation of validity of PLS, this technique offers an approach which is non-parametric, thus permitting for an examination of the path of coefficient importance of models (F. Hair Jr et al., 2014).
Table 4: Results of Strudel Model

|                      | (O) | (M) | (STDEV) | (|O/STDEV|) | P Values |
|----------------------|-----|-----|---------|--------|----------|
| CI -> HP             | 0.130 | 0.135 | 0.106 | 1.230 | 0.000    |
| JPS -> HP            | 0.330 | 0.325 | 0.085 | 3.895 | 0.000    |
| KM -> HP             | 0.255 | 0.244 | 0.088 | 2.899 | 0.002    |
| Moderating Effect 1 -> HP | 0.073 | 0.069 | 0.095 | 3.766 | 0.000    |
| Moderating Effect 2 -> HP | 0.162 | 0.172 | 0.134 | 4.206 | 0.000    |
| Moderating Effect 3 -> HP | 0.047 | 0.060 | 0.099 | 3.473 | 0.000    |
| OS -> HP             | 0.783 | 0.771 | 0.055 | 14.329 | 0.000    |

According to many researchers, for the estimation of model, the assessment of obviousness of model, and for explaining the change in endogenous variables, mostly studies use the value of R² and PLS-SEM can forecast it well (Sarstedt, Ringle, Henseler, & Hair, 2014). R² shows the coefficient of determination which demonstrates the collective effect on the endogenous variable of model, from a set of exogenous variables. Additionally, with the use of items gained by empirical analysis we had measured the goodness of fit or regression function. In endogenous variables the value of R² value evaluated 0.19 as weak, 0.35 as moderate and 0.68 as considerable. Whereas the rejection or acceptance of R² is on the basis of the nature of the study (Sarstedt et al., 2014).

Table 5: R-Square

<table>
<thead>
<tr>
<th></th>
<th>R Square</th>
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<tbody>
<tr>
<td>HP</td>
<td>0.873</td>
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</table>

Conclusion and Discussion

This study examined the link among CRM practices, namely, joint problem-solving, customer involvement, and their effect on hotel performance in Thailand. In addition, current the moderating effect of the organizational structure in the relationship between and HP as well.

The findings support the hypothesized results. They reveal that the CRM practices, namely, the joint problem-solving, customer Meanwhile, organizational structure matters because it improves the overall outcomes of the innovativeness. Joint problem-solving appears in a significant relationship with the performance of Thai hotels. The study also revealed that collaborative efforts between the two parties help the firm in managing any contingency. Thus,
joint problem-solving is linked with better HP. It is argued and proved in the current study that industry knowledge and information about customers facilitate the firms, and ultimately enhance their performance. Therefore, a positive relationship is found between and performance. Thus, CRM practices, namely joint problem-solving, customer involvement, and appear as a significant determinant of hotel performance in Thailand.

The study is among the very few on the impact of CRM practices, namely, the joint problem-solving, customer involvement, and on the performance of hotel in Thailand. The study is intended to bridge the gap in the literature, and will provide a policy guideline for decision-makers in the hotel industry and researchers, in understanding the relationship between CRM and the performance of hotels in a tourist country like Thailand.
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