

# Service entrepreneurship and service success: empirical evidence from boutique hotel businesses in Thailand

Sasichai Pimpan  
Phaprukbaramee Ussahawanitichakit  
Mahasarakham University, Thailand

## Keywords

Service entrepreneurship, Service proficiency, Service excellence, Service effectiveness, Service success

## Abstract

*Service entrepreneurship has been viewed as one of the key elements that have an influence on service success. The purpose of this study is to examine the relationships among service entrepreneurship and service success, and also to explore the mediating effects of service proficiency, service excellence and service effectiveness. The results were received from a mailed survey of 101 boutique hotel businesses in Thailand, which provided the interesting point of service entrepreneurship. These hypothesized relationships amongst constructs were examined by using ordinary least square (OLS) regression analysis. The results propose that some dimensions of service entrepreneurship are a positive influence on dependent of service entrepreneurship. Furthermore, service proficiency, service excellence and service effectiveness have a positive influence on service success. Furthermore, managerial and theoretical contributions, suggestions for further research, and a conclusion are also discussed.*

## 1. Introduction

Recently, rapidly changing business environments, heightened competition, and changeable technological change over time. Firm are recognized developmentsystem of working for survival. (Zhang and Bartol, 2010). Hence, firms need to adapt themselves to ensure survival and achieve service success in the future (Danneel, 2002).In the context of serviceentrepreneurialrefer to the firm level that reflects compatibility in the forms of decisions for the new idea or service taken by an organization (Murray, 1984). Moreover, service entrepreneurial was “direct value creation experienced by the client and indirect value creation at the back-end” (c.f. O’Cass & Ngo, 2010). Therefore, service entrepreneurial focuses on the competency-based view theory has been offered and developed the organization to achieve its service success. Hence, this research used the competency-based view theory to trace to the works of Clark and Maurice (1961), and has been extended by such researchers as Aaker and Mascarenhas (1984); Bharadwaj, Varadarajan, and Fahy (1993); Porter (1990) and Hunt and Morgan (1997). “The view of research is that firms are able to achieve service success when they are able to develop or gain superior skills and resources that enable the firm to achieve a position of competitive advantage and survival”. In particular, services sectors such as tourism industries are a business sectors guiding income into the country in enormous amounts. The boutiques hotel business is a business that has entrepreneurs paying attention to more implementation. The results of a survey found that boutiques hotel business is facing challenges pertaining to service entrepreneurial and boutiques hotels business in Thailand try improve the tourism industry in terms of quality and service.

From literature reviews, service entrepreneurial is one of the best ways to focus on the firm level that reflects well-matched in the forms of decisions taken by an organization (Murray, 1984).In addition, the result of service entrepreneurial brings about positive effects on service success. Therefore, this leads to interest in managing director or managing partnerdirecting of the present study. Hence, the results of the study will be useful for managing director or managing partner to improve service success.

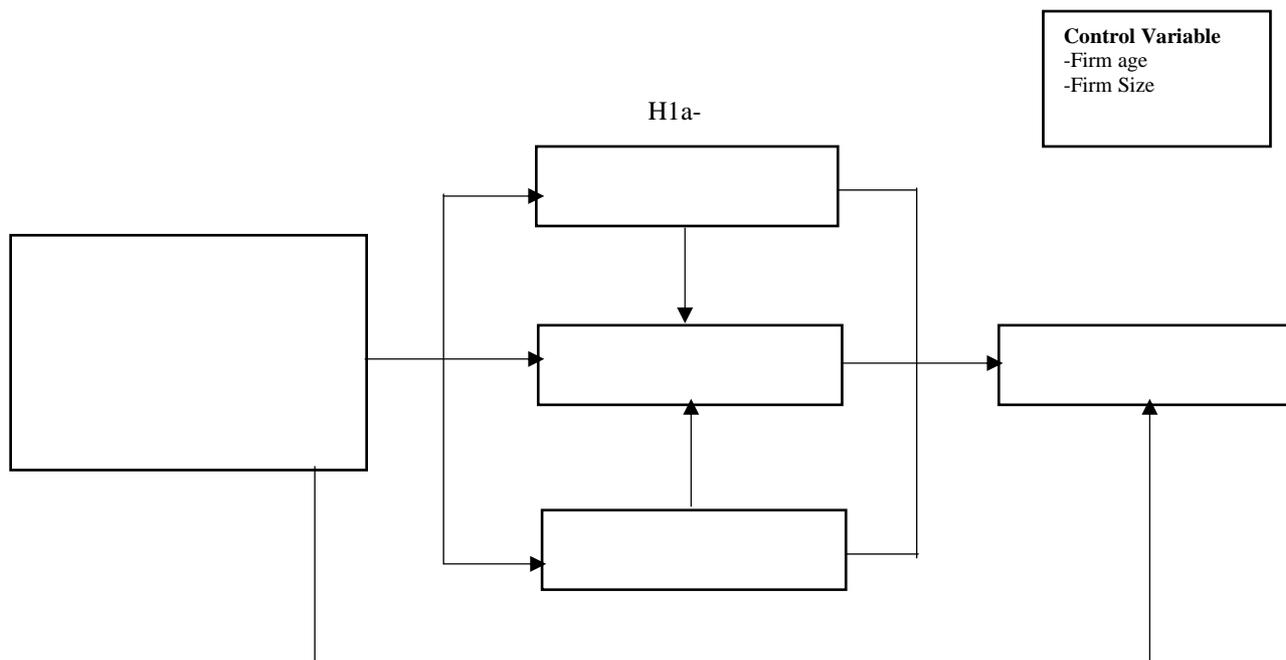
The main objective of this paper is to examine the relationship between the four dimensions of service entrepreneurial (proactiveness, innovativeness, risk-taking and adaptiveness), service proficiency, service excellence, service effectiveness, and service success. The key research question focuses on how service entrepreneurial is related to service success. Furthermore, to focus on this relationship, four specific research questions are created as follows: (1) How does each dimension of service entrepreneurial affect service excellence,service proficiency, service effectiveness, and service success? (2) How do the service proficiency have an influence on service excellence?(3) How do the service effectiveness have an influence on service excellence?(4) How do the service entrepreneurial and service excellence have an influence on service success?

This research isorganized as follows; the first part reviews the literature that is relevant among these variables, suggests the theoretical framework review, explain the conceptual model, and develops the related

hypotheses. The second part describes the details of research methods, data collection, measurements, and statistics. The third part offers the examination of results and discussion. The final section provides both theoretical and managerial contributions, limitations, recommendations for further research, and a conclusion.

**2. Literature Review and Hypotheses Development**

The conceptual model is offered as shown in figure 1 representing the relationships between service entrepreneurship to service excellence, service proficiency and service effectiveness on service success. Moreover, the relationships between construct were linked by using theories competency-based view theory. In this study the overall of constructs positively impact each other.



**Figure 1: Relationship Model of Service Entrepreneurship and Service Success**

**2.1 Service entrepreneurship (SE)**

The concept of “service entrepreneurial” was suggested by Murray (1984). They explained that service entrepreneurial was “direct value creation experienced by the client and indirect value creation at the back-end” (c.f. O’Cass & Ngo, 2010). Subsequently, service entrepreneurial refer to the firm level that reflects compatibility in the forms of decisions taken by an organization (Murray, 1984). Moreover, service entrepreneurship as a behavioral construct is consistent with the prior work in firm-level entrepreneurship (e.g., Covin & Slevin, 1991; Naman & Slevin, 1993). The characteristic of service entrepreneurship has a relationship with three dimensions; proactiveness, innovativeness and risk-taking (Zahra, Jennings, & Kuratko, 1999). This research added an important factor that stimulated the organization in the context of a boutique hotel in Thailand. Therefore, the dimensions of the service entrepreneurial as proactiveness, innovativeness, risk-taking and adaptiveness in the organization.

**Proactiveness**

Proactiveness is how firms relate to market chances by seizing initiatives in the market. Moreover, Proactiveness is the representative for opportunity-seeking, forward-looking perspective and concern introducing new product or service, success in market and in expectancy of future demand by investigating with change and take advantage of opportunities (cf. Banbury & Mitchell, 1995; Stopford & Baden-Fuller, 1994). Therefore, attempts to be made to make the change and the first mover advantage-seeking efforts to firm (Kropp and Zolin, 2005). Lumpkin and Dess (2001) claimed that proactiveness reaction and tactics to market chance by first mover action and firm outcomes advantages by being the first on new opportunities (Lee, Park and Peterson, 1999). Therefore, proactiveness is likely to have a positive influence on service proficiency, service excellence, service effectiveness and service success. Consequently, this reasoning offers the following hypothesis:

**Hypothesis 1: Proactiveness has a positive influence on (a) service proficiency, (b) service excellence, (c) service effectiveness, and (d) service success.**

#### **Innovativeness**

Innovativeness is defined as reflects the company supports for the new ideas, investigation, finding the problems and making the creativity. McEvily, Eisenhard and Prescoot (2004) stated that innovation is one of the primary means by which an organization can achieve sustainable growth. Moreover, Schumpeter, 1934; Tushman and others, 1997 suggested that innovativeness is a concept of the economic growth and can be a source of sustained competitive advantage to companies. A better understanding of innovation can contribute to the practice of management (Leifer and others, 2000). In addition, innovation is the improvement and uses of new ideas or behaviors in organizations. Also, Roberts (1988) and Afuah (2003) defined innovation as the development of an idea or creation and its change to a useful application. The innovation-generating organizations are those that present products, services, or technologies that are new to the market (Dougherty and Hardy, 1996; Hitt and others, 1996). Therefore, firm will bring about growth, success, competitive profit and business survival. This offer the following hypothesis:

**Hypothesis 2: Innovativeness has a positive influence on (a) service proficiency (b) service excellence (c) service effectiveness, and (d) service success.**

#### **Risk-taking**

Risk-taking is the willingness of the management to obligate assets to opportunities, an undertaking which may involve the failure (Lumpkin & Dess, 2001). Risk-taking is defined as change and unpredicted situations of customer needs and competitors in the marketplace (Lukas, 1999). Therefore, a firm can control, stabilize and decrease uncertainty within the service (Davis et al., 1991). In addition, when firms meet risk-taking in the service, they should customize the marketing activities to fit the customers' needs and preferences (Pine, 1993). Thus, we set the hypothesis as the following.

**Hypothesis 3: Risk-taking has a positive influence on (a) service proficiency, (b) service excellence, (c) service effectiveness, and (d) service success.**

#### **Adaptiveness**

Salunke, Weerawardena, & McColl-Kennedy (2011) mentioned that adaptiveness is referred to the larger interaction with customers as part of their entrepreneurial posture. Consequently, the aims of the study suggest that adaptiveness can strengthen the behavioral entrepreneurship construct. Moreover, adaptiveness has towards customer or buyer desires to include the firm's adaptation in response to the customer's requests as well as customization of the service contribution (Bettencourt & Gwinner, 1996). This position is reflected the hypothesis as below:

**Hypothesis 4: Adaptiveness has a positive influence on (a) service proficiency, (b) service excellence, (c) service effectiveness, and (d) service success.**

### **2.2 Service Proficiency**

This research defines service proficiency as a new creative idea of service and turning into organization's action for new service or process which lead to new business and associated with new service development to achieve competitive position (Ko and Butler, 2007). Accordingly, the integration knowledge and creation generate innovation in production and service, which promotes firm performance (Weber and Weber, 2007). Therefore, firms with high service proficiency tend to achieve greater service excellence and customer service success. This research frames of the hypotheses are as below:

**Hypothesis 5: Service proficiency has a positive influence on (a) service excellence, and (b) service success.**

### **2.3 Service Effectiveness**

Service effectiveness that keeps its clients satisfied with its ability to solve problems, keep accurate records, deliver services on time and communicate effectively can increase customer satisfaction (Leuthesser and Kohli, 1995). Furthermore, service effectiveness is the organizational level of service that will make the achievement of market share, profitability, customer satisfaction, customer acceptance and increase the high rate of the organization. Therefore, service effectiveness functions as the degree to which an organization perceives its goals that will take the overall success, market share, profitability, customer satisfaction, and growth rate of the organization (Daft, 1995). Stank, Goldsby, Vickery, and Savitskie (2003) claimed that service effectiveness mean availability, reliability, speed of service and an influence on customer satisfaction, customer loyalty and market share. Effective services have been found to contribute directly or indirectly to an increase in many performances (Panayides, 2007). Ryan and Schuerman (2004) claimed that effectiveness of the service is

the relationship on services excellence. The result showed that service effectiveness has a positive influence on service excellence on service success. This research offers a hypotheses as follows:

**Hypothesis 6: The service effectiveness has a positive influence on (a) service effectiveness, and (b) service success.**

#### **2.4 Service Excellence**

Service excellence mentions to the service features, best, and advantage than the competition and beyond expectations of the customer. In the context of service excellence is the overall way of working that balances stakeholder concerns and increases the probability of long-term success as a business through operational, customer-related, financial and marketplace performance excellence (Edgeman and others, in press). Within the firms, considered service excellence is perceived as being a measure of “how good we are” and “business can move forward”. Service excellence is considered to be a long-term process, concerned with main strategic issues such as developing core functional methods, to be the best, to get people performing well, and to develop a quality framework in order to provide excellent customer service. Moreover, service excellence is to instill best practice within an organization in order to support its values and strategic objectives, meet stakeholders’ expectations, and maintain and exceed its competitive position (Ritchie and Dale, 2000). The results showed that service excellence has a positively influence on service success. This following offers the hypotheses as follows:

**Hypothesis 7: Service excellence has a positive influence on service success.**

#### **2.5 Service Success**

Service success is defined as outcome from service activity measured by sales, market share, and total of performance from service activity (Jennifer D. Flynn , 2009). Each outcome items are evaluated of business performance relative to service activity. Therefore, service success could be achieved with the manager’s skill to cope with both “positive (empowerment, esprit de corps, understanding, and commitment) and negative (argument, denial, and concern)” situations within the organization and to create positive viewpoint in the workplace (Turner and Crawford, 1998). Moreover, service success to a greater extent than tangible product firm is based on their greater experience in measuring elements (Storey and Kelly, 2001). Thus, firms with high performance tend to achieve greater corporate survival.

### **3. Research Methods**

#### **3.1 Sample Selection and Data Collection Procedure**

This research selected boutique hotel businesses in Thailand as a population because the behaviors of employees were important to hotel businesses in the hospitality industry. Additionally, Anhar (2001) claimed that boutique hotel is as friendly, usually comfortable or characteristic hotel in the unique environment. It differentiates from larger hotel or branded hotels by providing personalizes level of accommodation, service or facilities, design and lifestyle hotels. The population of this research was acquired from the list of sample from the database of Thailand Boutique Awards 2014-2015. ([www.thailandboutiqueawards.com/](http://www.thailandboutiqueawards.com/) last accessed October 1, 2015). This database was a good source of information providing the best boutique hotel and showing the level of standard. There were 300 boutiques hotel business selected as the population. A survey using a mailed questionnaire was used as the main data collection method. The key participants in this study were managing directors or managing partners. After 300 questionnaires had been mailed to respondents, 199 surveys were rejected because these firms moved to unknown location. Thus, the data were collected completed and returned, only 101 were usable. The effective response rate was approximately 33.66 %. According to Aaker, Kumar and Day (2001), 20 percent of response rate from mailed survey was satisfactory to the subsequent analysis. Lastly, to test a non-response bias followed the recommendation of Armstrong and Overton (1977) to ensure that the final sample represented the population of the research. Therefore, t-test statistics were used to test the difference between early and late responses in various firm characteristics. Thus, non-response bias does not pose a significant problem for this study.

#### **3.2 Measurement of Variables**

All constructs in the model include multiple-item scales. Each of these variables is measured by a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). An exception was demographic and control variables. The measurements of dependent, independent, moderating, and control variables are discussed as below:

### Independent Variable

*Service entrepreneurship (SE)* is consistent with the prior work in firm-level entrepreneurship (e.g., Covin & Slevin, 1991; Naman & Slevin, 1993). It is measured by Likert-type scale (anchored by "Never" and "Frequently") which was classified into four dimensions: the first three representing the elements of proactiveness, innovativeness and risk-taking (Covin & Slevin, 1986), and a fourth item representing adaptiveness (Gwinner, Bitner, Brown, & Kumar, 2005).

*Proactiveness* is measured by Likert-type scale and it is defined as the first to introduce new services in the marketplace, the ability to market chances by seizing initiatives in the marketplace (Baker and Nelson, 2005).

*Innovativeness* is measured by Likert-type scale and it is defined as an emphasis on the marketing of new innovative products or services and evaluated new concepts, experimentation, new results to find the problems and creativity (Lumpkin and Dess, 2001).

*Risk-taking* is measured by Likert-type scale and it is defined as the willingness of the management to obligate resources to opportunities, a responsibility which may involve the failure (Covin & Slevin, 1986).

*Adaptiveness* is measured by Likert-type scale and it is defined as uses a variety of strategies in order to offer solutions, customization of the service offering (Gwinner, Bitner, Brown, & Kumar, 2005).

### Dependent Variable

*Service proficiency* is measured new techniques, original procedures or innovative be adjacent to performing a job. This construct is modified from (Perry-Smith and Shalley, 2003).

*Service excellence* is measured by 4 item scales and it is defined as increases the possibility of long-term achievement as a business through the right pull operational, and beyond expectations of the customers. This construct is developed as a new scale applied from (Wiertz, Ruyter, Keen and Streukens, 2004).

*Service effectiveness* is measured by 4 item scales and it is defined as organizational level of service that will bring success to overall market share, profitability, customer satisfaction, customer acceptance and growth of the organization (Stank, Goldsby, Vickery, and Savitskie, 2003).

*Service success* is shown by the comparison among sales, market share, and overall performance. This construct is modified from (Weinzimmer, Nystrom and Freeman, 1998).

### Control variables

*Firm age* is a control variable that may affect the organizational identification capability and goal achievement. Firm age is measured by the number of years a firm has been in operation. (Jonas and Diamanto, 2006).

*Firm size* may affect the capacity to adjust, and redefine a firm's strategy (Zahra et al., 2007). It was measured by the number of currently registered employees in firms.

### 3.3 Methods

To test all reliability and validity on each set of the items; therefore, confirmatory factor analysis (CFA), each observable item ought to have high component loadings in its factor. Factor analysis is to test the validity of data in the questionnaire. Items are used to measure each construct that is extracted to be one only principal component. In addition, the reliability of measurement was assessed by Cronbach's alpha coefficients that ought to be greater than 0.7. According to the recommendation by Nunnally and Bernstein, (1994), factor loading ought to be greater than 0.40 cut-off value. Table 1 illustrates the results of both factor loadings and Cronbach Alpha for multiple-items scales to presented in this study as follows.

Items	Factor Loadings	Cronbach's Alpha
Proactiveness (P)	0.641 - 0.847	0.745
Innovativeness (I)	0.737 - 0.850	0.773
Risk Taking (RT)	0.770 - 0.878	0.840
Adaptiveness (A)	0.700 - 0.845	0.814
Service Proficiency (SP)	0.893 - 0.912	0.882
Service Excellence (SE)	0.885 - 0.929	0.895
Service Effectiveness (SEF)	0.804 - 0.899	0.807
Service success (SS)	0.844 - 0.907	0.832

**Table 1: Result of Measurement Validation**

From Table 1, the results indicated that factor loading of each item was loaded on one factor, and the range of factor loading of all variables was between .641-.929, which was above the cut-off score of .4 following the recommendation of Nunnally and Bernstein (1994). This indicates that constructed validity was at acceptable levels. Moreover, the range of Cronbach’s alpha coefficient was between .745 - .895, all of which were greater than .7. Therefore, it can be concluded that all items in this research had a sufficient internal consistency.

**Statistical Techniques**

The ordinary least squares (OLS) regression analysis is used to test all hypotheses and examine the relationships among service entrepreneurship, service proficiency, service excellence, service effectiveness and service success. Because of all dependent variables, independent variables, and control variables in this study were neither nominal data nor categorical data. OLS is an appropriate method for examining the hypothesized relationships (Aulakh, Kotabe and Teegen, 2000). With the need to understand the relationships in this study, the research models of the above-mentioned relationships were illustrated as shown below.

- Equation 1:  $SP = \beta_{01} + \beta_1 P + \beta_2 I + \beta_3 RT + \beta_4 A + \beta_5 (FS) + \beta_6 (FA) + \epsilon_1$
- Equation 2:  $SE = \beta_{02} + \beta_7 P + \beta_8 I + \beta_9 RT + \beta_{10} A + \beta_{11} (FS) + \beta_{12}(FA) + \epsilon_1$
- Equation 3:  $SEF = \beta_{03} + \beta_{13} P + \beta_{14} I + \beta_{15} RT + \beta_{16} A + \beta_{17} (FS) + \beta_{18}(FA) + \epsilon_1$
- Equation 4:  $SS = \beta_{04} + \beta_{19} P + \beta_{20} I + \beta_{21} RT + \beta_{22} A + \beta_{23} (FS) + \beta_{24} (FA) + \epsilon_1$
- Equation 5:  $SE = \beta_{05} + \beta_{25} SP + \beta_{26} (FS) + \beta_{27} (FA) + \epsilon_1$
- Equation 6:  $SE = \beta_{06} + \beta_{28} SEF + \beta_{29} (FS) + \beta_{30} (FA) + \epsilon_1$
- Equation 7:  $SS = \beta_{07} + \beta_{31} SP + \beta_{32} SE + \beta_{33} SEF + \beta_{34} (FS) + \beta_{35} (FA) + \epsilon_1$

**4. Results and Discussion**

This research used the descriptive statistics and correlation matrix for all variables with respect to potential problems relating to multicollinearity. Therefore, the results of the correlation analysis were presented in Table 2.

	P	I	RT	A	SP	SE	SEF	SS	FS	FA
Mean	4.1736	4.0660	3.8299	4.1806	3.8843	3.8981	3.9352	3.7546	.4444	.2394
S.D	.54650	.62517	.62914	.56796	.74674	.81772	.62207	.72079	.50039	.42978
P	1									
I	.712**	1								
RT	.575**	.644**	1							
A	.614**	.650**	.581**	1						
SP	.468**	.596**	.495**	.627**	1					
SE	.465**	.544**	.334**	.527**	.784**	1				
SEF	.526**	.657**	.523**	.536**	.705**	.719**	1			
SS	.421**	.478**	.471**	.557**	.598**	.568**	.700**	1		
FS	.197	.087	.101	.175	.151	.238**	.139	.255**	1	
FA	.050	-.080	.144	-.128	.001	.040	.077	.088	.238*	1

\*\*\*p<0.01, \*\*p<0.05, \*<0.10a Beta coefficients with standard errors in parenthesis.

**Table 2: Descriptive statistic and correlation matrix**

For the correlation analysis, rang of VIFs is from 1.02 to 3.32, which was below the cut-off value of 10 as recommended by Hair et al., (2006). Thus, the independent variables are not correlated with each other. Therefore, there are no considerable multicollinearity problems encountered in this study. As expected, control variables, firm size and firm age are not significantly correlated to each equation model.

**Hypothesis Testing and Results**

The effects of the four dimensions of the service entrepreneurial, including proactiveness, innovativeness, risk-taking and adaptiveness were based on hypotheses 1(a-d) to 4(a-d). All relationships among the four dimensions of service entrepreneurial, service proficiency, service excellence, service effectiveness and service success were hypothesized to be the positive correlation. The results were presented in Table 3.

Independent Variables	Dependent Variable (Model)						
	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6	Model 7
	SP	SE	SEF	SS	SE	SE	SS
Proactiveness (P)	-.120 (.142)	-.012 (.150)	-.016 (.141)	-.107 (.150)			

Innovativeness (I)	.347* (.149)	.416* (.158)	.495*** (.148)	.177 (.158)			
Risk-taking (RT)	.083 (.128)	-1.43 (.136)	.093 (.128)	.165 (.136)			
Adaptiveness (A)	.451** (.134)	.366* (.143)	.196 (.134)	.432*** (.143)			
Service proficiency (SP)					.766*** (.075)		.221 (.144)
Service effectiveness (SEf)						.281 (.172)	.558*** (.129)
Service excellence (SE)							-.049 (.151)
Firm size (FS)	.047 (.194)	.215 (.206)	.029 (.193)	.234 (.206)	.216 (.155)	-.111 (.172)	.287 (.180)
Firm age (FA)	.181 (.231)	.260 (.246)	.301 (.230)	.272 (.245)	.032 (.178)	.703*** (.083)	.030 (.204)
Adjusted $R^2$	.430	.350	.435	.354	.615	.520	.499

\*\*\* $p < .01$ , \*\* $p < .05$ , \* $p < .10$  a Beta coefficients with standard errors in parenthesis.

**Table 3: Results of Regression Analysis**

Table 3 represents the results of ordinary least square (OLS) regression of the relationships among four dimensions of service entrepreneurship (proactiveness, innovativeness, risk taking and adaptiveness) and its dependent: service proficiency, service excellence, service effectiveness, and service success which are Hypothesis 1-4 and Hypothesis 5-7. The results show that proactiveness has no significant positive effect service proficiency, service excellence, service effectiveness, and service success. **Thus, hypotheses 1a, 1b, 1c, and 1d are not supported.** Hypothesis 2 proposed that innovativeness would be positively associated with service proficiency, service excellence, service effectiveness, and service success. Interestingly, innovativeness has a significant positive effect on only three dependent of service entrepreneurial as service proficiency, service excellence, and service effectiveness ( $b_2=0.347, b_8=0.416, p < 0.10$ ;  $b_{14}=0.495, p < 0.01$ ). **Therefore, hypotheses 2a, 2b, and 2c are supported, but, hypothesis 2d is not supported.** Risk-Taking has a not significant positive effect service proficiency, service excellence, service effectiveness, and service success. **Thus, hypotheses 3a, 3b, 3c, and 3d are not supported.** Hypothesis 4 proposed that adaptiveness would be positively associated with service proficiency, service excellence, service effectiveness, and service success. Interestingly, adaptiveness has a significant positive effect on only three dependent of service entrepreneurial as service proficiency, service excellence, and service success ( $b_4=0.451, p < 0.05$ ;  $b_{10}=0.366, p < 0.10$ ;  $b_{22}=0.432, p < 0.01$ ). **Therefore, hypotheses 4a, 4b, and 4d are supported, but, hypothesis 4c is not supported.** Moreover, the results of hypotheses H5-H7, concentrate on hypothesized tests of service proficiency, service excellence, service effectiveness and service success. The result revealed that service excellence has a positive significance on service proficiency ( $b_{25}=0.766, p < 0.01$ ) and service success has a positive significance on service effectiveness ( $b_{33}=0.588, p < 0.01$ ). **Thus, hypotheses 5a and 6b are supported, but, hypothesis 5b, 6a, 7 is not supported.**

## 5. Contributions and Directions for Future Research

### 5.1 Theoretical Contributions and Directions for Future Research

This research provides an insight into providing clearer understandings the relationships between service entrepreneurship and dependent (service proficiency, service excellence, service effectiveness and service success). This study focuses on learning service in boutiques hotel businesses in Thailand. According to service entrepreneurship, this study focuses on its importance in the context of the firm level that reflects compatibility in the forms of decisions taken by an organization. Two theoretical contributions are provided. From reviewing the literature of service entrepreneurial, it has been found that the concept of service entrepreneurial comprises three dimensions; proactiveness, innovativeness and risk-taking (Zahra, Jennings, & Kuratko, 1999). But this research proposes new dimensions focusing on adaptiveness, which consists of proactiveness, innovativeness, risk-taking and adaptiveness that bring about new dimensions of service entrepreneurial. Moreover, this paper identifies the constructs, including independent, dependent and control variable that relates to the use of service entrepreneurial. Finally, this study provides unique theoretical

contributions by using two theories including the dynamic capabilities approach and competency-based view theory. Hence, the results of this study is needed for further research apparently. Because this study finds that some dimensions of service entrepreneurship do not associate with consequences. Then, future research is needed to conceptualize the measurement of some of the dimensions of service entrepreneurship. Also, future research is suggested to confirm this model by collecting data from other industries and both cross sectional and longitudinal study should be used to collect data.

## 5.2 Managerial Contribution

In this study, it provides important implications to managing directors or managing partners mainly in boutique hotel, to understand how their firms can complete service entrepreneurial. It helps them justify key support of the four dimensions of service entrepreneurship that may be more critical on service proficiency, service excellence, service effectiveness and service success. Moreover, this empirical research helps to plan the solutions in business problems which offer the basis of survival and success for organizations. Accordingly, managers should thoroughly understand all service entrepreneurship with stakeholder or partner which leads to business

## 6. Conclusion

This study investigates the impact of service entrepreneurship in the context of boutique hotel in Thailand. This study examines each dimensions of service entrepreneurship such as proactiveness, innovativeness, risk taking and adaptiveness which influence service proficiency, service excellence, service effectiveness and service success. Certainly, those of the relations are positively significant and partially supported. Moreover, service proficiency, service excellence, service effectiveness are likely to positively impact on service success. The model testing collected data from a mailed survey of 101 boutique hotel businesses in Thailand. Likewise, this study suggests new theoretical framework that examined boutique hotel in Thailand. Especially, further study is needed to conceptualize the measurement of some dimensions of service entrepreneurship that are not significant in other context.

## 7. Reference

- Aaker, D.A., Kumar, V. and Day, G.S. (2001), *Marketing research*. 7th ed. New York: John Wiley & Sons, Inc.
- Aaker, D. A. and B. Mascarenhas. (1984), "The Need for Strategic Flexibility," *Journal of Business Strategy*, Vol.5 (2), pp.74-82.
- Afuah, A. (2003), "Innovation Management : Strategies, Implementation, and Profits," 2nd ed. Oxford UK : Oxford University Press.
- Anhar, L. (2001). HVS International: The definition of boutique hotels.
- Armstrong, J. Scott and Overton, Terry S. (1977), "Estimating Non-response Bias in Mail Surveys", *Journal of Marketing Research*, Vol.14 (3), pp.396-402.
- Aulakh, Preet S., Kotabe, Masaaki and Teegen, Hildy. (2000), "Export Strategies and Performance of Firms from Emerging Economies: Evidence from Brazil, Chile, and Mexico", *Academy of Management Journal*, Vol.43 (3), pp.342-361.
- Baker, T., & Nelson, R. E. (2005), "Creating something from nothing: Resource construction through entrepreneurial bricolage", *Administrative Science Quarterly*, Vol.50 (3), pp.329-366.
- Banbury, Catherine M., Will Mitchell. (1995), "The effect of introducing important incremental innovations on market share and business survival", *Strategic Management Journal*, Vol. 16(S1), pp.161-182.
- Bettencourt, L. A., & Gwinner, K. (1996), "Customization of the service experience: The role of the frontline employee", *International Journal of Service Industry Management*, Vol.7 (2), pp. 3-20.
- Bharadwaj, S. G., R. P. Varadarajan and J. Fahy. (1993), "Sustainable Competitive Advantage in Service Industries: A Conceptual Model and Research Propositions," *Journal of Marketing*, Vol. 57, pp.83-99.
- Clark, J. M. (1961), "Competition as A Dynamic Process". Washington D.C.: Brookings Institution.
- Covin, J. G., & Slevin, D. P. (1991), "A conceptual model of entrepreneurship as firm behavior", *Entrepreneurship: Theory and Practice*, Vol.16 (1), pp.7-25.
- Daft, R. L. (1995), "Organizational theory and design," St. Paul: West Publishing.
- Damanpour, F. and J. D. Wischnovsky. (2006), "Research on innovation in organizations: Distinguishing innovation-generating from innovation-adopting organizations," *Journal of Engineering Technology Management*, Vol. 23, pp.269-291.
- Danneels, E. (2002), "The dynamics of product innovation and firm competences," *Strategic Management Journal*, Vol.23, pp.1095-1121.
- Davis, D., Monis, M. and Allen J. (1991), "Perceived Environmental Turbulence and Its Effect on Selected Entrepreneurship and Organizational Characteristics in Industrial Firms", *Journal of the Academy of Marketing Science*, Vol.19, pp.43-91.
- Dougherty, D. and C. Hardy. (1996), "Sustained product innovation in large, mature organizations: overcoming innovation organization problems," *Academy of Management Journal*, Vol.39, pp.1120-1153.
- Edgeman, R.L. and others. In press. "Leadership, business excellence model and core value deployment," *Quality Progress*.
- Eisenhardt, K. M. and Martin, J. A. (2000), "Dynamic Capabilities: What are They?", *Strategic Management Journal*, Vol.21(10-11), pp. 1105-21.

- Gwinner, K. P., Bitner, M. J., Brown, S. W., & Kumar, A. (2005), "Service customization through employee adaptiveness", *Journal of Services Research*, Vol. 8(2), pp. 131-148.
- Hair, J. F. and others. (2006), "Multivariate Data Analysis," 6th ed. New Jersey: Pearson Education,
- Hitt, M. A. and others. (1996), "The market for corporate control and firm innovation," *Academy of Management Journal*, Vol.39, pp.1084-1119.
- Hunt, S. D. and M. M. Robert, (1997), "Resource-Advantage Theory: A Snake Swallowing Its Tail or A General Theory of Competition," *Journal of Marketing*, Vol.61 (3), pp.74-82.
- Jonas, G. and P. Diamanto. (2006), "Board Control and Corporate Innovation: An Empirical Study of Small Technology-Based Firms", Centre for Innovation
- Johne, Axel and Storey, Chris. (1998), "New service development: a review of the literature and annotated bibliography", *European Journal of Marketing*, Vol.32, pp.184-25.
- Ko, S. & Butler, J. E. (2007), "Creativity: A key link to entrepreneurial behavior", *Business Horizons*, Vol. (50), pp.365-372.
- Kropp, F. and R. Zolin. (2005), "Technological Entrepreneurship and Small Business Innovation Research Programs," *Academy of marketing Science Review*, Vol.7, pp.1-14.
- Lee, Y. K., D. H. Park and D. K. Yoo. (1999), "The structural relationships between service orientation, mediators, and business performance in Korean hotel firms," *Asia Pacific Journal of Tourism Research*, Vol.4 (1), pp.59-70.
- Leifer, R. and others. (2000), "Radical Innovation, How Mature Companies Can Outsmart Upstarts", Harvard Business School Press, Boston, MA.
- Leuthesser, L. and A. K. Kohli. (1995), "Relational behaviour in business markets," *Journal of Business Research*, Vol.34 (1), pp.221-233.
- Lukas, Bryan A. (1999), "Strategic Type, Market Orientation, and the Balance Between Adaptability and Adaptation", *Journal of Business Research*, Vol.45, pp. 147-156.
- Lumpkin, G. T., & Dess, G. G. (2001), "Linking two dimensions of entrepreneurial orientation to firm performance: The moderating role of environment and industry life cycle", *Journal of Business Venturing*, Vol.16 (5), pp. 429-451.
- McEvily, S. K., K. M. M. Eisenhardt. and J. E. Prescott. (2004), "The Global Acquisition, from and with Customers," *International Journal of Service Industry Management*, Vol.15 (5), pp.479-498.
- Menor, L.J. (2000), "An Empirical Investigation of New Service Development Competence and Performance. Ph.D. Dissertation(unpublished)", University of North Carolina, Chapel Hill, NC.
- Murray, J. A. (1984), "A concept of entrepreneurial strategy", *Strategic Management Journal*, Vol.5 (1), pp. 1-13.
- Naman, J. L., & Slevin, D. P. (1993), "Entrepreneurship and the concept of fit: A model and empirical tests", *Strategic Management Journal*, Vol.14 (2), pp.137-153.
- Neter, John, Wasserman, William and Kutner, Michael H. (1985), "Applied Linear Statistical Models: Regression, Analysis of Variance, and Experimental Designs", 2nd Edition. Homewood: Richard D. Irwin, Inc.
- Nunnally, Jum C. and Bernstein, Ira H. (1994), "Psychometric Theory". New York, NY: McGraw-Hill. Ostrom
- O'Cass, A., & Ngo, L. V. (2010), "Examining the firm's value creation process: A managerialperspective of the firm's value offering strategy and performance", *British Journal of Management*.
- Panayides, P. M. (2007), "The impact of organizational learning on relationship orientation, logistics service effectiveness and performance," *Industrial marketing management*, Vol.36, pp.68-80.
- Perry-Smith, J.E., Shalley, C.E., (2003), "The social side of creativity: a static and dynamic social network perspective", *Academy of Management Review*, Vol.28 (1), pp.89-106.
- Pine, J. (1993), "Mass Customization", the New Frontier in Business Competition, Harvard Business School Press.
- Porter, M. E. (1990), "Competitive Advantage: Creating and Sustaining Superior Performance", New York: Free Press.
- Ray, G., J. Barney and W. A. Muhanna. (2004), "Capabilities business processes, and competitive advantage: choosing the dependent variable in empirical tests of the resource-based view," *Strategic Management Journal*, Vol.25, pp.23-37.
- Ritchie, L. and B. G. Dale. (2000), "Self-assessment using the business excellence model: A study of practice and process," *International Journal of Production Economic*, Vol. 66, pp.241-254.
- Roberts, E. B. (1988), "Managing invention and innovation," *Research Management*, Vol. 31, pp. 11-29.
- Salunke, S. S., Weerawardena, J., & McColl-Kennedy, J. (2011), "Towards a model ofdynamic capabilities in innovation-based competitive strategy: Insights fromproject-oriented service firms", *Industrial Marketing Management*, Vol. 40(8), pp.1251-1263.
- Schumpeter, J. A. (1934), "The theory of economic development", Cambridge, MA: Harvard University Press.
- Stank, T.P. and others. (2003), "Logistics service performance: Estimating its influence on market share," *Journal of Business Logistics*, Vol.24 (1), pp. 27- 55.
- Stopford, John M. and Baden-Fuller, Charles. (1994), "Creating Corporate Entrepreneurship", *Strategic Management Journal*, Vol. 15(7), p. 521-536.
- Teece, D. J., G. Pisano and Shuen. (1997), "A Dynamic capabilities and strategic management," *Strategic Management Journal*, Vol.18 (7) pp. 09-533.
- Turner, D and M. Crawford. (1998), "Competencies for the Achievement of Value Creating Change", Centre for Corporate Change, AGSM, Sydney, Australia University of NSW, CCC Working Paper No. 029.
- Tushman, M. L., P. Anderson and C. A. O'Reilly. (1997), "Technology cycles, innovation streams, and ambidextrous organizations: organizational renewal through innovation streams and strategic change", In: Tushman, M.L., Anderson P. (Eds.), *Managing Strategic Innovation and Change*. Oxford, New York, pp. 3-23.
- Weber, Barbara and Weber, Christina. (2007), "Corporate venture capital as a means of radicalinnovation: Relational fit, social capital, and knowledge transfer", *Journal of Engineering and Technology Management*, Vol.24, pp.11-35.
- Weinzimmer, Laurence G., Nystrom, Paul C. and Freeman, Sarah J. (1998), "Measuring Organizational Growth: Issues, Consequences and Guidelines", *Journal of Management*, Vol.24 (2), pp. 235-262.

- Wiertz. and others. (2004), "Cooperating for service excellence in multichannel service systems An empirical assessment," *Journal of Business Research*, Vol.57, pp.424-436.
- Zahra, S. A., Jennings, D. F., & Kuratko, D. F. (1999), "The antecedents and consequences of firm-level entrepreneurship: The state of the field. *Entrepreneurship, Theory and Practice*, Vol. 24(2), pp. 47-67.
- Zahra, Shaker A., Donald O. Neubaum and Barbara Larraneta, (2007), "Knowledge Sharing and Technological Capabilities: The Moderating Role of Family Involvement", *Journal of Business Research*, Vol. 60(10), pp. 1070-1079.
- Zhang, X. & Bartol, K.M. (2010), "Linking empowering leadership and employee creativity: The influence of psychological empowerment, intrinsic motivation and creative process engagement", *Academy of Management Journal*, Vol.53 (1), pp.107-128.
-