

Effect of Service Innovation, Service Quality, Competitive Advantage, and Supply Chain Management on Business Performance of Cultural Tourism Business in Thailand

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ABSTRACT

This study aims to analyze the relationships between these factors and how to boost the performance of the tourism business in Thailand, i.e., service innovation, supply chain management, and quality of services. The mediation role of supply chain management is also evaluated as this is an essential element in tourism business success. Globally, competition has increased due to innovative and sustainable practices in business operations, including effective supply chain management, which has become one of the main priorities of businesses because it is critical to achieving goals and maintaining a competitive edge. The current study applied purposive random sampling to choose a population for data and select 320 respondents to collect questionnaire-based information. Results found that the chosen factors significantly positively influence the tourism business performance in Thailand and the positive mediation effect of supply chain management between business performance and service innovation, service quality, and competitive advantages. Investigated factors are relevant to improve the tourism business performance and provide guidance to achieve efficiency and effectiveness in tourism with continuous efforts and considering the inevitable role of supply chain management. The investigated framework is helpful to improve the overall business performance and beneficial to thinking in tourism sectors.

Keywords: Service innovation, Service Quality, Competitive Advantage, Supply Chain Management

INTRODUCTION

The concern of every business is to improve its performance and attain sustainable growth in the long run. Development is essential to survive in volatile situations and fulfill the rising demands for quality products and services. The tourism industry can produce tremendous employment opportunities and generate revenue for the overall economy. To summarize this concept, the United Nations Educational, Scientific, and Cultural Organization (Rachão, Breda, Fernandes, & Joukes, 2019) defined innovative tourism as “participation in real experiences that include discovering about local arts, heritage, and the unique character of a place, forming deep relationships with people who live there, and creating a living culture.” As a result, local councils have been prompted to develop programs that present native culture and residents' lifestyles as exciting and unique tourist experiences to address tourist needs and contribute to the stability of tourist spots. The economic situation of Thailand reflects several sectors are under financial stress, including agricultural, industrial, and construction, due to various internal and external factors. However, the services sector flourishes day by day, especially the tourism industry outperforming other industries for a decade, even during a recession period.

Thailand's tourism industry is one of the country's key sectors. It generates a significant amount of revenue for private businesses and taxes for the government and is a substantial source of foreign currency. Thailand raised

\$49.24 billion US in 2015, according to Ruangroengkulrit (2019), emphasizing the significance of tourism revenue to the country's national income. The Association of Thai Tourism Marketing also agrees, stating that the tourism sector is important to Thailand's economy. In the country, all sectors are encouraged to follow the principles which lead to developing sustainable economic prospectus. Therefore, considering the importance of Thai tourism government decided to formalize and institutionalize this sector and include it in the national tourism development plan 2012-16 to promote and support the industry. The authority could take credit for the project after the National Statistical Office reported in 2017 that the number of tourists who visited Thailand increased from 3,06 million in 2016 to 3,53 million in 2017.

In Thailand, Gross domestic product (GDP) tourism contributes 17%, and this has more potential to grow and produce more opportunities for Thailand's future economic and social development (Nurdiansyah, 2018). The industry of tourism and related business was attractive as most of the consumers, retailers, and producers consume associated products with the industry. The experience of related products, such as various products and services related to the tourism industry, is influenced by the tourist service provider in Thailand. Furthermore, it has been found that different levels of participants are involved in providing quality and satisfactory services in the tourism industry. The researchers discovered and stated multiple factors, i.e., service innovation, service quality, competitive advantage, and supply chain management, contributing to Thailand's rapidly growing tourism industry and generating massive revenues for the economy. In recent years, the tourism industry has increased and expanded, and it is expected to continue to flourish in the future. The current study will help to achieve the tourism business in Thailand sustainably.

LITERATURE REVIEW

Business Performance

Business performance is typically determined by the creation and distribution of value to both employees and consumers, which positively impacts firms. Scholars look at business performance in various ways, and it can be measured in two ways: financial and non-financial measures (Simon et al., 2015). For example, business performance can be measured using profit growth rates, sales growth rates, asset profitability, and productivity. Business performance is also measured using the sales growth of a business and its net income for the specified period. These figures are used to compare with other competitors operating on the same parameters. The tourism industry has grown significantly in importance and contribution to the global economy, serving as a driver of growth in recent years for many countries. Several countries, including Thailand, have seen an emerging and highly beneficial tourism industry for economic growth. This study compares tourism business performance within Thailand to competitors by measuring sales growth, return on assets, return on investment, and earnings growth (Tarsakoo & Charoensukmongkol, 2019). Several factors play their role in enhancing the tourism business performance, i.e., the supply chain management, quality of services, competitive advantages over other market players, and innovative services offered to visitors to promote tourism.

Tourist visitors are the primary source of the tourism business; as the number of tourists increases, the business of tourism will grow, and ultimately the stakeholders will create facilities as they expect to earn a profit (Roxas, Rivera, & Gutierrez, 2020). Supply chain management is a critical factor in any business's success. In tourism, supply chain management is also crucial, timely, and effectively facilitates to tourist create goodwill for the business firm and allow flourishing. The quality of services in tourist spots has a significant effect on the performance of a business. Suppose the excellent services are provided with economical charges. In that case, the tourist will impress and feel to visit again and again, which will positively enhance the performance of the business in monetary and non-monetary terms.

Service innovation is the continuous efforts to improve the qualities of services and facilitate customers in innovative ways to improve the business performance, services innovation plays a vital role and enables to cope with the changing environment and explore improved ways to do business (Hameed, Nisar, & Wu, 2021). Therefore, it is essential to the success of the tourism business. Furthermore, innovation gives a competitive edge over its competitors, which leads to business performance.

Service Quality

According to Sampaio, Hernández-Mogollón, and Rodrigues (2018), customers did not perceive quality as a uni-dimensional phenomenon. This includes assessing the service quality with multiple aspects such as reliability, assurance, empathy, tangible, and responsiveness. These dimensions emphasize how customers keep information in their minds about service qualities. Reliability consists of performing and providing committed services as promised, accurately, and timely. Assurance covered the skills and knowledge of employees to perform duties with confidence. Awareness indicates a willingness to provide prompt services and help customers more than their

expectations; empathy is defined as paying keen attention individually and care there needs in every aspect. Tangible represents the physical existence of facilities, personnel, and equipment that help to improve the performance of business with service quality (Kirillova & Chan, 2018).

Strategic planning enables the creation of value for customers, continuous improvement of business performance, and a cohesive goal for various departments working toward better business performance. It also fosters a feeling of belongingness in the workers to the organization, with the primary purpose of satisfying the customer, leading to a consensus with customer experience efforts and, as a result, improving business performance. On the other side, customer satisfaction is essential for a company's existence, and the customer determines what the business will be (Minh, Ha, Anh, & Matsui, 2015).

Because of their staffing and organizational characteristics, tourism mainly relies on staff interactions with customers' service quality and creating value. Service quality has a variety of effects on businesses, including increasing customer loyalty and attracting new customers, increasing positive word-of-mouth, increasing employee satisfaction and commitment, improving corporate image, lowering costs, and increasing the performance of the business.

On the other hand, service quality appears to be a predictor of customer satisfaction, and customer satisfaction seems to have a more substantial influence on purchase intention. Thus, managers of service companies should strive to improve service quality and identify and manage factors related to customer satisfaction, i.e., supply chain management, which is continuously helpful in maintaining good service quality. Thus, meeting clients' needs is widely acknowledged as important because it is assumed to be a significant determinant of repeat sales, positive word-of-mouth, and consumer loyalty and ultimately enhances the performance of the tourism business this is hypothesized here considering this concept.

Hypothesis 1. Service quality significantly impact the performance of the tourism business.

Hypothesis 2. Service quality positively influenced supply chain management in the tourism business.

Hypothesis 3. Supply chain management mediates between service quality and tourism business performance.

Supply Chain Management

According to academic researchers, supply chain management is defined as the "collaboration and integration of key business processes ranging from raw material procurement to manufacturing and distribution to end-users and information that adds value for consumers and stakeholders." Customers' information exchange and effective utilization on time have been identified as important factors motivating firms to pursue sustainable supply chain management. In literature has shown that customers are an important element in a company's sustainability, but they are often oblivious of their supply chain activities (Wittstruck & Teuteberg, 2012). These processes, including purchasing decisions and supply chain activities, are typically hidden from customers or unknown at the customer level. According to the literature, a firm's sustainability generally is determined by its financial performance. According to previous research, firms strive for profit maximization through sustainable practices, especially in the services sector, i.e., tourism (Theodoulidis, Diaz, Crotto, & Rancati, 2017).

Researchers classified tourism into six categories First, the tourism industry consists of various products and services, including transportation and accommodation for visitors. Second services cannot be saved for later use because, in nature, they are Unpreserved. Third, information-intensive; because the information is required before purchasing a product or service, and customers must seek information before traveling to consume the product. Fourth, tourism is a complex and difficult service because it includes accommodation, transportation, and dining. Fifth, Product presentation and understanding are important factors for point of sale. Finally, the tourism industry is associated with greater volatility and competition for quality service.

The performance of the business can be significantly affected without proper supply chain management. In the services sector, as we are talking about the tourism business, the supply chain services are matter. To gain over competitive advantage over competitors, providing quality services to intact customers' loyalty remain with your organization are essential elements for success and improving business performance (Tarfod, Jawabri, Haque, Azam, & Sherief, 2019). All of these can be possible through better and sustainable supply chain management. Therefore, hypnotized in this study.

Hypothesis 4. Supply chain management positively influences tourism business performance.

Competitive Advantage

Firms are focusing on their stabilization as concern for long-term performance and competitiveness has recently increased. Individual and firm stakeholders examine and proponent for key areas of social interaction between social and business entities. Over the years, the trend of focusing on sustainable performance with competitive advantages has been the key concern of tourism businesses all over the world. Because every approach focuses on achieving and maintaining competitive advantages, company management's primary task is to shape

the company's competitive advantages (de Leaniz & del Bosque, 2015). The tourism and hospitality industry management applies its knowledge, maintains available resources, and regulates business processes and events. Over the past few decades, the business of tourism worldwide growing continuously, and its place is now one of the largest economic sectors with the highest growth in the world economy. However, with a lot of terrorism and threats, the number of international tourists increased day by day and reached 1,235 million in 2016 except 25 million in 1950 (Cristóbal-Santamaría, 2018).

When a country can produce tourism services at a lower opportunity cost than other countries, it has a competitive advantage (Ritchie & Jiang, 2019). This advantage can be attributed to a destination's vast diversity of resource endowments (historical, natural, and cultural resources), different countries' technologies and productivity, or other factors. A competitive advantage enables a tourist firm to sell tourism services on international markets at a lower price than competitors while generating higher revenues. Businesses that specialize based on their competitive advantages can compete successfully not only in the market but also in international export markets, increase profits, and promote job creation. Recognizing assessment in successful tourism competitiveness research is important for preparing tourism programs and decision-making, according to several previous studies, as well as evaluating tourism business performance, analyzing target markets, and predicting future layouts. The competitiveness of a travel destination in relation to the global tourism market impacts its success. Decision-makers and organizations are interested in destination competitiveness, which drives them to invest significant funds in tourist industry sights that face stiff competition to attract visitors. The ultimate goal of competitiveness is to increase real income and social benefits for citizens, which can be exhibited in various ways, including the creation of new jobs, improved living standards, and an increase in overall living conditions. Kastenholz, Eusébio, Figueiredo, and Lima (2012) stated that thoroughly assessing a tourist place's competitive advantages is critical. A competitive edge enables the firm to get benefit from its competitors with its unique competencies and skills. Thus, therefore hypothesized in this study.

Hypothesis 5. Competitive advantages significantly impact the performance of the tourism business.

Hypothesis 6. Competitive advantages significantly impact on supply chain management in tourism business.

Hypothesis 7. Supply chain management mediates the relation between competitive advantages and tourism business performance.

Service Innovation

The concept of service innovation in the tourism business is to facilitate the tourism services in an innovative way that differentiate a firm's business from other competitors. Rapid changes, such as globalization and competitive pressures, significantly impact how businesses operate in today's business environment. The transformation of business development, coupled with rising customer expectations, has forced companies constant search for new ways to differentiate what they offer to the market (Souto, 2015). To become profitable and sustainable, businesses strive to gain a competitive advantage. Creating innovative products and services is essential for long-term success and expansion.

The need for business innovation is growing due to the rapid development of an organizational system to ensure the quality of goods and services, consumer pretension, competition from non - traditional sources, and the emergence of hybrid enterprises. In the services sector, innovation has become a critical component of day-to-day operations, and companies that do not change or innovate their businesses will suffer. In the tourism sector and other innovative services, the role of supply chain management is also crucial, i.e., to sustain the development and improve the business performance, need to provide continuous fresh facilities on tourist spots which, without proper supply chain, is not possible (Zhang, Song, & Huang, 2009). Several studies have found that innovative services have better financial or business performance outcomes in the shape of sales, assets, exports, and the number of workers. However, all of these studies, particularly in the service sector, emphasize the relationship between both innovation and business performance rather than assessing the efficiency of adopted innovations (Tajeddini, Martin, & Altinay, 2020). As a result, a better understanding of how innovation affects firm performance is required. Furthermore, because most studies are cross-sectoral, the findings presented cannot easily be generalized to the service sector. This justifies the need for more sector-specific research to produce comparable and fair representative results. Therefore, the current study in the context of Thailand tourism is helpful in development. thus here hypothesized

Hypothesis 8. Service innovation significantly impacts on the performance of the tourism business.

Hypothesis 9. Service innovation significantly impacts the performance of supply chain management in the tourism business.

Hypothesis 10. Supply chain management mediates the relation between service innovation and tourism business performance.

METHODOLOGY

As the purpose of this study to evaluate the impact of multiple factors, i.e., service innovation, service quality, and competitive advantages, on the performance of the tourism business in Thailand, the study also wants to assess the mediating role of supply chain management to improve this task. Therefore, the method fit for this purpose is quantitative and qualitative to assess these productive impacts. The questionnaire method was applied to collect the quantitative information from concerned tourism businesses staff, including from officer to managerial level. The sample size was decided based on the standard of 20 times the observed variables (Jackson, 2003). The population size for this study is 320, and select purposive random sampling to choose the population and used a questionnaire (Reid & Mash, 2014) as the study want to explore the impact of a different factor on the tourism sector, which need to assess and gather detailed information also with personal observation. The qualitative method is helpful in mitigating the flaw of quantitative data, for qualitative information purposes interviews conducted, and detailed questions are discussed to cover all the aspects regarding our chosen framework factors. Thorough interviews were conducted with 20 main informers for the qualitative research method. The sample informants consisted of experts in tourism businesses and been attached to this sector in Thailand for more than 20 years.

DATA ANALYSIS RESULTS AND DISCUSSION

Structural equation modeling (SEM) was applied to assess the compiled data. The benefit of using this model is that it enables us to assess the impact of variables direct and indirectly on the performance of the tourism business. To assess the effect of variables in accurate term information collected with equal proportion from all the selected tourist spots. To find out the proper results and maintain the minimum criteria for sample size, 320 respondents and 20 interviews selected are selected. To evaluate the normality of collected information, a basic analysis is run, and found the values of standard deviation and p-value. Although the results indicate in table 1, the data is normal accurate to proceed with further analysis. The statistical test of observed variables is given in Table 1, in which standard deviation mean values results are presented. Furthermore, skewness and kurtosis for normality tests of data, and P-value result are also highlighted in this table which indicates whether our proposed hypothesis will acceptable or rejected. Other statistical tests are applied to assess the proper impact of variables directly and indirectly. These test results indicate either the chosen model have impactful on practical aspects, or we need to review and consider some other factors to achieve effectiveness in tourism business performance improvement.

Table 1 Statistical test of empirical variables (n=320)

Variable	Range	Min	Max	\bar{x}	SD.	Variance	Sk	Ku
Service Innovation								
SI1	2.80	2.81	5.00	4.26	0.59	0.33	-0.08	-0.77
SI2	3.00	2.00	5.00	4.19	0.59	0.38	-0.26	0.35
SI3	3.00	2.00	5.00	3.97	0.73	0.52	-0.66	0.50
Service Quality								
SQ1	3.00	2.00	5.00	4.15	0.64	0.39	-0.35	0.11
SQ2	3.00	2.00	5.00	4.23	0.56	0.27	-0.25	0.06
SQ3	2.50	2.85	5.00	4.22	0.55	0.25	0.21	-0.38
Competitive Advantage								
CA1	3.00	2.00	5.00	4.18	0.67	0.43	-0.45	-0.29
CA2	3.00	2.00	5.00	4.25	0.65	0.50	-0.63	0.26
CA3	2.90	2.00	5.00	4.34	0.57	0.34	-0.62	-0.18
CA4	3.00	2.00	5.00	4.43	0.62	0.45	-0.45	-0.18
Supply Chain Management								
SC1	2.50	2.60	5.00	4.35	0.56	0.34	-0.25	-0.72
SC2	2.70	2.00	5.00	4.25	0.54	0.28	-0.15	-0.19
SC4	3.00	2.00	5.00	4.19	0.72	0.51	-0.93	1.08
Business Performance								
BP1	3.00	2.00	5.00	3.98	0.75	0.57	-0.74	0.72
BP2	2.80	2.00	5.00	4.25	0.55	0.34	-0.45	-0.26
BP3	2.90	2.40	5.00	4.18	0.59	0.28	-0.27	0.08

Note: SI=Service Innovation, SQ= Service Quality, CA = Competitive Advantage, SC = Supply Chain Management, BP=Business Performance

Table 2 Factor Loadings. (n = 320)

Variable	λ	SE.	t-value	R ²	AVE	CR.
Service Innovation					0.886	0.895
SI1 (Parameter constants)	0.82	-	-	0.76		
SI2	0.75	0.06	17.665**	0.89		
SI3	0.79	0.05	13.874**	0.88		
Service Quality					0.855	0.910
SQ1 (Parameter constants)	0.73	-	-	0.78		
SQ2	0.75	0.05	18.435**	0.79		
SQ3	0.69	0.05	17.971**	0.82		
Competitive Advantage					0.799	0.889
CA1 (Parameter constants)	0.89	-	-	.91		
CA2	0.77	0.07	13.765**	.75		
CA3	0.93	0.09	12.233**	.83		
CA4	0.86	0.08	11.921**	.87		
Supply Chain Management					0.768	0.817
SC1 (Parameter constants)	0.73	-	-	.80		
SC2	0.81	0.12	11.763**	.76		
SC3	0.82	0.17	9.855**	.82		
Business Performance					0.796	0.735
BP1 (Parameter constants)	0.79	-	-	.84		
BP2	0.84	0.09	7.866**	.83		
BP3	0.91	0.08	9.776**	.79		

Note: SI=Service Innovation, SQ= Service Quality, CA = Competitive Advantage, SC = Supply Chain Management, BP=Business Performance

Factor loading results are shown in Table 2, along with r and R² values. In this paper, the factor loading of the items was examined as. Loading estimates should be 0.50 or higher, ideally 0.70 or higher, according to (Tang, Zhang, Lu, Wang, & Tsai, 2020). Items with low factor loadings should be removed in the meantime. The result shows the value of all factor items is above the level, which indicates the correlation between items is significant—value of all items above 0.5, therefore is no need to remove any item from the results. The result shows the data is normal, and no ambiguity to proceeding further to assess the relationship of considering factors.

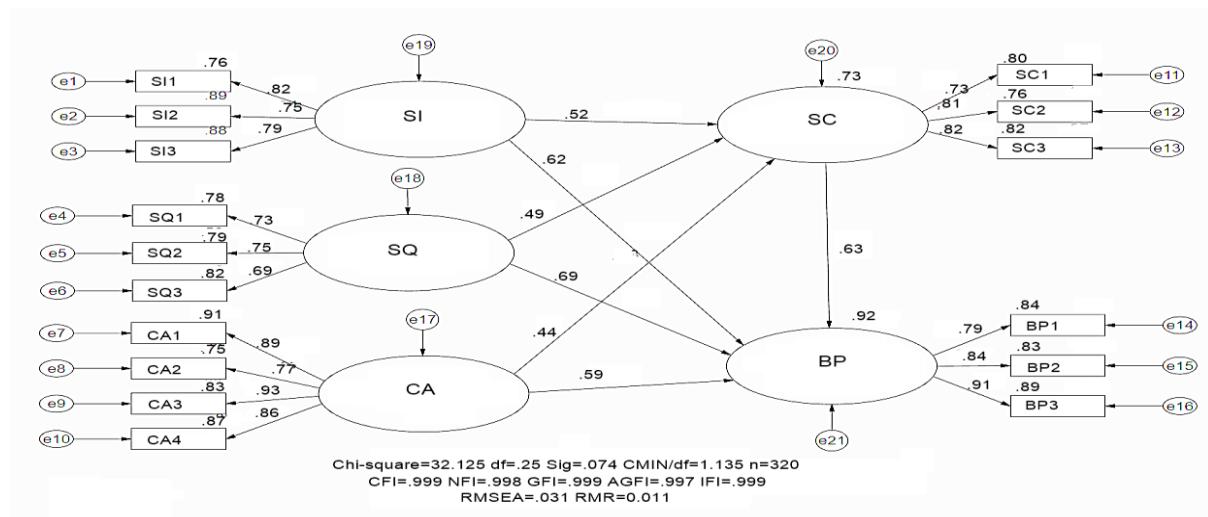
Table 3 Results of hypotheses testing (n=320)

variable (path)			β	SE.	t-value	Sig.	R ²
SC	<--	SI	0.52	0.02	4.257	0.000**	0.73
SC	<--	SQ	0.49	0.06	5.132	0.000**	0.73
SC	<--	CA	0.44	0.08	4.092	0.000**	0.73
BP	<--	SI	0.62	0.09	5.035	0.000**	0.92
BP	<--	SQ	0.69	0.05	8.579	0.000**	0.92
BP	<--	CA	0.59	0.10	2.833	0.000**	0.92
BP	<--	SC	0.63	0.07	3.462	0.000**	0.92

Note: SI=Service Innovation, SQ= Service Quality, CA = Competitive Advantage, SC = Supply Chain Management, BP=Business Performance

The direct impact of selected constructs shows in Table 3. the value highlights the independent variables impact on the dependent variable. As shown, the impact of service innovation on supply chain management and beta value of 0.52, t-value of 4.257 and R² is 0.73, which indicates the significant effect. In the second construct the beta value 0.49, t-value is 5.132 and R² 0.73 which highlights the impact of service quality on supply chain management is significant. Competitive advantages effect value beta 0.44, t-value 4.092 and R² on the supply chain is positive. Now the result of constructs another independent variable is also highlighted i.e., service innovation positively impacts on tourism business performance values (β 0.62, t-value 5.035, R² 0.92) in Thailand. The other construct, service quality, positively effect business performance, and results (β 0.69, t-value 8.579, R² 0.92) prove this hypothesis. Competitive advantages also positively impact on enhancing the business performance in Thailand's tourism values (β 0.59, t-value 2.833, R² 0.92). The factor of the supply chain in this study was specifically used as a mediator but therefore, the direct impact is also observed with business performance to check

the relation. The result found the effect of supply chain management is a positive influence on business performance and values highlight these values (β 0.63, t-value 3.462, R^2 0.92) and this relation is also accepted.



Note: SI =Service Innovation, SQ = Service Quality, CA = Competitive Advantage, SC = Supply Chain Management, BP =Business Performance

Figure 1 SEM Model (n=320)

Figure 1 shows our theoretical model proposed for this study. The relations of independent variables are assessed directly with supply chain management, business performance, and indirectly with supply chain management in this model. The results of this assessment are only applicable in Thailand as data is collected from their tourist spots. The model clearly defines the observed factors relation and shows the impact results in one variable to another.

Table 4: Result of testing for path influences (n=320)

Variable	Effect	Supply Chain Management	Business Performance
Service Innovation	Direct effect	0.52	0.62
	Indirect effect	-	0.33
	Total effect	0.52	0.95
Service Quality	Direct effect	0.49	0.69
	Indirect effect	-	0.30
	Total effect	0.49	0.99
Competitive Advantage	Direct effect	0.44	0.59
	Indirect effect	-	0.28
	Total effect	0.44	0.87
Supply Chain Management,	Direct effect	N/A	0.63
	Indirect effect	N/A	-
	Total effect	N/A	0.63
R^2		0.73	0.92

Note: SI =Service Innovation, SQ = Service Quality, CA = Competitive Advantage, SC = Supply Chain Management, BP =Business Performance

Table 4 represents the indirect effect factor supply chain management results on business performance. In our proposed model, we choose supply chain management as a mediator for service quality, competitive advantages, and service innovation to measure the tourism business performance in Thailand. Therefore, our proposed hypothesis for service innovation, service quality, and competitive advantages mediation results found an average 0.73 for all constructs, which indicates the indirect relationship is positively influences on business performance and help to enhance the business tourism business. The result value for business performance is 0.92 which shows the significant impact and thus proposed model was found to be valuable for overall tourism business performance in Thailand.

CONCLUSION AND RECOMMENDATION

This study used a structural equation modeling method to investigate the link between business performance and the proposed model. The findings highlight particular elements that appear to have a significant impact on the performance of tourism businesses in Thailand. In recent years, the tourism sector has seen a considerable transformation. Companies are looking for techniques to provide more value to their customers while improving their overall performance level. For example, service quality appears to be the most essential characteristic among all of the parameters studied. This category relates to one of the early stages of performance characteristics and is defined as an anticipated degree of service feasibility and reward results. At this stage, tourism spot managers expect future revenues and costs of new service projects and the return on investment and market rivals and then determine to choose whether or not to pursue the service quality project. Quality is an essential component of success, but any evaluation of quality demands a comparison approach, both regarding expectation-perception gaps and in aspects of addressing various client groups. Determining the level of service quality is critical for travel companies and other service organizations in the tourism industry. Providing high-quality service necessitates precisely understanding consumer expectations and delivering on those expectations.

Service innovation is another important factor which helps to enhance the tourism business performance continuously. Tourists find new ways to make their travel trips memorable and introduce innovative services attracting to compensate for these requirements. In this study direct proposed hypothesis validate that service innovation positively impact tourism business performance. However, also evaluate the indirect relation of service innovation with supply chain management and found significant results to improve tourism business performance.

For effective and efficient supply chain activities in the service industry, supply chain performance must be evaluated, and one of the contributions is evaluate the mediation role in this study. The goal of supply chain management is to develop trust-based relationships and collaboration among business partners to improve business operations from incoming to outward. In the current study the main aim is to enhance the performance of the tourism business in Thailand. Therefore, the role of the supply chain is assessed directly and indirectly. Result found the significant influence of supply chain on business performance in Thailand tourism. All proposed hypotheses found positive and overall impact is helpful to enhance performance. Competitive advantages give the edge of business over competitor. In current model also assess the role of competitive advantages, either its effective in enhancing tourism business performance or not. The result indicates competitive advantages positively influence business performance in the tourism sector of Thailand and need to importance when deciding to improve business performance. Overall the proposed framework is significantly influenced in tourism business performance and help to foster the economic performance with the improvement of the tourism sector performance in Thailand.

IMPLICATIONS OF THE STUDY

The study's findings have important implications for implementing best practices in supply chain management, service innovation, service quality, and competitiveness performance in Thailand's tourism industry. Firms try to make the optimum use of their resources to respond to client needs and remain competitive, which impacts and influences sustainability. The proposed model must be taken into account to develop and grow a successful tourist business plan in Thailand. These findings can be used as a policy guideline to help boost tourist operations steadily and sustainably throughout the year. In terms of practical contributions, applying the findings of this study to develop proper preparations would be beneficial to tourist industry firms. This study can be utilized as a guide for both tourist business firms and government agencies to improve the evolution process and minimize shortcomings in tourism business performance.

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