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International management of customer orientation

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Abstract:

This study investigates the role of customer orientation of service employees (COSE) and its influence on customer satisfaction and on electronic word of mouth (e-WOM), with a focus on international management. An empirical study was conducted amongst hotel customers with a final valid sample of 265 respondents. Digital capabilities have been included in the COSE model for the first time. Findings indicate that digital capabilities have a positive influence on customer satisfaction that is mediated by COSE. This study has also compared differences between international and national firms and also considered family businesses and non-family businesses. Results show that international hotels have a higher level of COSE than national hotels, mainly due to the technical skills of the employees, and the presence of a higher level of COSE in family businesses (FBs) rather than in non-family businesses (NFBs). Some contributions to academia and to international management have been discussed.

Keywords: International Management; Hotels; Digital Capabilities, Customer orientation; Customer Satisfaction, e-WOM, Family Business.

Introduction

Customer relations have become a key topic in international business and marketing literature. The changes that the marketplace is undergoing compel businesses to be on the top of innovation and to offer customers the best high-quality services as possible. Employees must fulfil customer needs in other ways and with other tools (Morgan and Hunt, 1994) and this is becoming imperative in digitalised and globalised economies with competitive markets wherein B2C relationships have been greatly transformed.

In the case of international firms, or those who are immersed in internationalisation processes, the importance resides mainly in the strategies designed and implemented by the top managers. Those strategies have the objective of looking for better performance, assuming its intrinsic risks (Lin et al., 2011). However, the factors likely to have a higher degree of influence in the business performance are the specific characteristics of the firm (Tseng et al., 2007). In particular, international hotels operate in highly competitive global hospitality industries and, therefore, must pay great attention to the strategies with their employees in order to assure customer satisfaction (Chiang et al., 2018).

As stated by Li (2018), many firms have engaged in international activities in recent years and an important driver of firms' growth and success comes from the supported managerial services from top managers. This role of employees is particularly important as non-equity entry modes constitute 65.4% of all the entry modes used by hotel

organisations to internationalise, with the trend increasing over the past two decades (Kruesi et al., 2017). According to the following authors, franchising and management service contracts are the most commonly used. This means, on the one hand, having lower levels of resource commitment, but also a lower level of control; therefore, all efforts to improve employee training will help to maintain higher levels of service quality. In fact, one of the findings of that study is that, for the case of a franchise, hotel services are not easily transferred and that local partners have to replicate the service, which means focusing on the crucial role of employees. Moreover, franchising provides the opportunity to reduce risks when expanding internationally using the brand-name and managerial experience from the franchisors (Alon et al., 2012).

This matter is taking on growing importance in the service industry, where the international market is placed as a variety of opportunities to expand and compete with other companies in other fiercer markets (Gleich et al., 2017). This sector has suffered a huge transformation in the recent years. Services are dominating the actual developed economies, specifically in the tourism sector, which is becoming an important percentage of GDP and employment opportunities in many countries (Eurostat, 2017).

This study has been carried out in the hotel sector due to the special role of employees in the generation of customer satisfaction. This research has a particular focus on international management of firms compared with domestic ones and also in considering family businesses (FBs) and non-family businesses (NFBs). In this sector, the role of front-line employees is, the majority of the time, a reflection of the service quality. That is why service employees of international firms play a crucial role in getting positive and negative results with regard to customer satisfaction. A factor that is changing these relationships is digitalisation, giving other options to the employee to satisfy customer needs. The tourism sector is being influenced by this phenomenon and customer relationships can be influenced by the digital transformation.

This study aims to contribute to the international management and also to the family business academic debate by means of studying customer orientation of service employees (COSE), and their digital capabilities as an influential factor, to have a positive effect on customer satisfaction and electronic word of mouth (e-WOM), being both positioned as consequences in the model proposed. In the majority of the cases, customer satisfaction is seen as a good indicator of business performance, and much the same happens with e-WOM.

All these causal relationships are placed in the field of family businesses (FBs) in the hotel sector. The first aim is to investigate the influence that COSE has on customer satisfaction and e-WOM, and to study how the employees' digital capabilities influence these customer relations, comparing the differences that could be identified between FBs and NFBs.

In the same way, the differences that could exist with regard to international management will be studied. In particular, we aim to understand how international hotels (INT) and national hotels (NT) manage COSE and its digital capabilities. International business research is a young field compared with other academic fields (Seno-Alday, 2010; Rugman et al., 2011), and a comparison between international and national hotels is carried out to analyse if there are any differences between them. It would be interesting to conjecture whether INT hotels have a different way of management than NT hotels

with regard to these variables, and the possible differences that could exist related to the possible consequences previously proposed; customer satisfaction and e-WOM. For the purpose of this study, family business and internationalisation are operating as hypothesised moderators in this research.

Literature Review

Customer orientation of service employees (COSE)

The concept of COSE has been broadly studied in recent decades. The first appearance of the concept can be considered as the SO-CO (Selling orientation – Customer orientation) scale proposed by Saxe and Weitz (1982) and empirically tested in different industries.

The starting point of the formation of the concept is the widely accepted approaches of the market orientation (MO) models that were proposed and tested by Narver and Slater (1990) and by Kohli and Jaworski (1990). In these models, we can specifically find the dissociation of the concept of customer orientation (CO).

COSE has been studied by many authors, carrying out works such as empirical study highlighting the role of front-line employees (Kelley, 1992), postulating the bidimensionality of COSE (Brown et al., 2002), and studying the construct of COSE at the organisational level (Susskind et al., 2000; 2007; Hennig-Thurau and Thurau, 2003) which settled a definition of COSE and tested some of its consequences.

Hennig-Thurau (2004) defined COSE as the characteristics of a service employee that (1) has the ability of identify, understand and satisfy customers' needs and (2) acts to that end. According to this author, the composition of COSE is based on four essential components: technical skills, social skills, motivation and decision-making authority (Hennig-Thurau, 2004).

(1) Technical and (2) social skills: the first refers to the technical knowledge that a service employee should have to deliver the service (Argyle, 1967), and the second to the employee's ability to catch the customer's perspective.

(3) Motivation: refers to the employee's disposition to fulfil the customer needs.

(4) Decision-making authority is the sense of empowerment that the employees have to take decisions autonomously in customer matters in order to satisfy their needs (Hennig-Thurau and Thurau, 2003). In the model, they pointed out that, for achieving COSE, the four components must be accomplished.

By means of the analysis the author carried out in media retail and travel agent firms, the hypotheses resulting from the model were supported, revealing results such as positives effects on customer satisfaction, customer retention and commitment as consequences of COSE.

COSE has also been studied in other industries, such as full-service restaurants (Kim, 2009), the luxury restaurant industry (Kang, 2012), purchasing natural products, restaurants at the organisational level (Susskind et al., 2000; 2007) and private banking (Morales and Ruiz-Alba, 2018). However, no study yet has addressed the opportunity to study digital capabilities and e-WOM, inside the Hennig-Thurau COSE model and, to our knowledge, there are no studies of COSE in the hotel sector.

Digital Capabilities

The role of technology and innovation in human relations is increasing. The way of doing business is changing rapidly, and also the relationships between companies and customers are being transformed by digital technology (Orlikowski, 1992). The increase of digital technologies leads to an improvement of service and business performance (Teece, 1997), affecting employees and customer relationships (Setia et al., 2013).

However, these transformations do not affect all sectors of the economy in the same way. In the industrial sector, most of the roles played by employees are being replaced by technology, whereas, in the service sector, technology and service employees normally go hand in hand. This happens when the business model is what Lariviére et al. (2017) called a Service Provider business model, achieving the augmentation of service employees: when service employees and technology are supplementary, playing a crucial role in the service encounter, by means of using technology (e.g. CRM tools), to the betterment of customer satisfaction (Marinova et al., 2017).

Actually, there are companies that are acting in this sense, becoming Digital Masters, meaning companies that use digital technologies to obtain better profit, productivity and performance (Westerman et al., 2014) by means of offering their employees the opportunity of obtaining digital capabilities as a culture and tools (digital resources, managing information, analytical tools) to change the customer experience.

Hence, the firm's digital capabilities are highly correlated with higher financial performance (Westerman et al., 2014). Westerman et al. (2014) define digital capabilities as *the what of technology*, the way Digital Masters know how to use technology to get closer to customers and to satisfy their needs better. Therefore, digitalisation is an enabler of service quality through better resource allocation and information (Baird and Raghu, 2015).

Internationalisation and Family business

Internationalisation is considered a prior matter for businesses to secure development and growth. According to Autio et al. (2000), there is a positive relationship between the promptness of becoming international and the extent of growth of the firm. Indeed, in the actual global and competitive markets implementing internationalisation strategies can result in an opportunity to gain competitive advantage, market position and success (Ciravegna, 2018). In this sense, businesses try to get the most benefit from internationalisation, as a consequence of exploring and competing in new markets. It is a prior objective in this research to highlight the differences between international and domestic businesses with regard to COSE, to observe the extent of differences through its components.

However, it is important to also highlight the great challenge that internationalisation represents for family business (Arregle et al., 2012; Fernandez and Nieto, 2006; Sciascia et al., 2012). Family businesses represent the most common type of organisation in the world (Hiebl et al., 2018). Indeed, the number of FBs in Spain is a good indicator of the

importance that they have for the entire economy. They represent 57.1% of the Spanish GDP, 66.7% of employment is created and handled by FBs, and 88.8% of the Spanish companies are FBs (FBI, 2017).

One of the most used definitions of FB is the one proposed by the European Commission (2008). Rojo et al. (2011), among others, applied it in their studies. According to that conceptualisation, a FB must fulfil at least the following conditions: (1) property must be controlled by one or more families; (2) some of the family members must participate actively in the company's government by being on the direction committee; (3) there must be an intention to transfer the company to the following generations, that is, a desire for continuity.

Authors and academia have shown interest in the research of the FBs field (Sharma, 2004; Moores, 2009); however, few conclusions have yet to be contributed to the field (Gallo et al., 2009). Although the majority of the studies in FBs have covered topics like succession protocols, due to intergenerational failure, or internationalisation, (Dick, 2017), little research has been carried out in the comparison between FBs and NFBs, only on topics like concentration and control, risk aversion, number of employees, etc. (Gallo et al., 2004). Instead of continuing to study succession protocols by means of this comparison, it could be more useful to highlight the way FBs are doing things, and it could be interesting to find the reasons why there's still a large number that suffer from intergenerational failure. That is one of the reasons why FBs were chosen for this study. Although, as has been mentioned in the Introduction, it is important to clarify that internationalisation and family businesses are considered as hypothesised moderators while carrying out this research.

The other element that is crucial in this study is the hotel sector. The family business field and the hospitality sector are very close in the marketplace. More specifically, 86% of the hotels in Spain are family businesses, although it is noteworthy to highlight the considerable increase that the hotel sector has suffered in recent years in the Spanish economy.

Actually, tourism represents 11.2% of the Spanish GDP, accounting for 14,661 hotels, according to the Statistic National Institute (SNI, 2017). With regard to employment, 1,558,500 employees work in the hospitality industry in Spain (SNI, 2017).

In the service sector, the employee is in constant and close contact with the customer, and this relationship is highly influenced by the role of the employee. Front-line service employees are always in touch with customers (Smith, 1994; Gonzalez and Garazo, 2006; Kusluvan et al., 2010; Harris, 2012); this can be very useful for policy decision- makers to get feedback from those employees to measure customer environment and provide service improvements (Ye et al., 2012).

However, whether family firms internationalise more or less than non-family firms is a well-debated topic (Carney et al., 2017), and customer orientation is an understudied variable in family firms. But, as Tokarczyk et al. (2007) revealed, customer orientation, among other variables, can contribute to a propensity for execution of an effective market orientation in a family business. Not to mention the fact that good market orientation provides information to international customers and competitors that can result in an effective international business strategy (Hunt and Lambe, 2000).

Knowledge resources can affect the international expansion in family firms (Fang et al., 2018), as well as other variables. Family firms' internationalisation has unique

characteristics (Arregle et al., 2017). Family businesses account positive factors to internationalise as: speed in decision-making, family members residing in various countries (Gallo and Pont, 1996), information technology and the internet (Davis and Harveston, 2000), the family firm's age, the older the better to internationalise (Casillas and Acedo, 2005), and the arrival of new generations (Fernandez and Nieto, 2006). Restricting factors for family businesses to achieve internationalisation are: product orientation, lack of financial resources (Gallo and Pont, 1996), and the fear of losing the control of the firm (Gallo and Sveen, 1991).

Thus, more research is needed about the internationalisation behaviour of family firms (Graves and Thomas, 2008). In particular, COSE is an understudied topic in these businesses; thus, our study aims to understand how international and national hotels manage COSE.

Proposed model and hypotheses

The model proposed is based on the Hennig-Thurau (2004) model, which postulates customer satisfaction, commitment and customer retention as consequences of COSE, and defines the four components that form the concept. In this model, according to Hennig-Thurau (2004), we suggest customer satisfaction adding e-WOM as a second consequence derived from it.

Digital capabilities which could play with COSE have been incorporated into the model. Digital transformation is a real challenge in businesses, and the role that employees and customers play is influenced by it, transforming infrastructures and processes (Bharadwaj et al., 2013; Setia et al., 2013; Davison, 2017). Due to these related elements and the possible relationship between digital capabilities and customer satisfaction (Westerman et al., 2004), the following hypotheses are proposed:

H1: Digital capabilities have a positive impact on COSE.

H2: Digital capabilities have a positive impact on Customer Satisfaction.

Likewise, it has been pointed out the role that service employees play in the reflection of the service quality. Services are intangible, and the way the employee delivers them in the service encounter is going to be crucial in the customer's feedback (Smith, 1994; Gonzalez and Garazo, 2006; Kusluvan et al., 2010; Harris, 2012. This overall evaluation of the service is defined by Oliver (1980) as customer satisfaction. That is why Hennig-Thurau (2004) studied the positive relationship between COSE and customer satisfaction, and, following their investigation, it is proposed:

H3: COSE has a positive influence on Customer Satisfaction.

The concept of WOM has been developed, due to the influence of new technology and digital transformation, to the new concept of, e-WOM (Buhalis and Law, 2008), which refers to interpersonal and informal communication about goods and services that have been consumed by a specific customer (Liu, 2006). In addition, depending on the

evaluation broadcasted by the customer, the recommendation of the customer could be produced by means of social media, internet, or electronically. Therefore, authors like Anderson (1998) postulated that there is a positive relation between the good feeling of the customer receiving the service (customer satisfaction) and its recommendation (WOM). On the other hand, De Matos and Rossi (2008) studied e-WOM by dissociating the e-WOM predictors (one-order and second-order). The first one makes reference to the hotel qualities, whereas the second is related to the service quality perception, or customer satisfaction. Authors like Sánchez-García and Currás-Pérez (2011) postulate both in the same terms in that, if any one of them happens, a level of e-WOM is going to be produced. However, it is important to highlight that they studied the influencing effect that produces the engagement with brand love and e-WOM, when getting satisfied customers (Carroll and Ahuvia, 2006). Given the previous considerations, the following hypothesis is proposed:

H4: Customer satisfaction has a positive impact on e-WOM.

With regard to the comparison of FBs vs. NFBs, there are studies that have paid attention to the differences between both types of organisations (Gallo et al., 1995; Gallo et al., 2004) making reference to their economic structures, the strategies followed by FBs or NFBs in the market, or the sector in which they develop their activities.

Hence, it has also been researched that there are differences in their identification and in their daily activities to build their own culture, which "carries them" to achieve maximum profit in social and economic matters (Denison et al., 2004). Furthermore, the differences that exist in both types of businesses related to the degree of market orientation (MO) have been identified (Zachary et al., 2011), especially in terms like decision-making processes or the concentration of power in one member of the family, that could make the business less adaptive to changes and, as a consequence, less market-oriented (Beck, 2011). With these considerations, we propose the following hypothesis:

H5: FBs have a different level of COSE than NFBs.

Thus, it could be interesting to go into depth with the COSE components, due to the possible differences that could be analysed in terms of what the concepts concern and in relation to the FBs and NFBs comparison. Indeed, between other differences of FBs and NFBs, literature shows the lower tendency of these businesses to have participation in global markets and to be less prone to growth (Gallo, 1993)

Taking into consideration some characteristics that can mark the differences between them, some factors can be highlighted affecting the structural differentiation as to the role that "familiness" plays, defined as the emotional bonds that the employee has with the company due to family matters (Frank et al., 2010). The sense of belonging that employees experience when developing their job in a family business, being family members, perceiving unity and sharing social and economic objectives with the firm is another factor to be considered in the comparison (Chrisman et al., 2007; Le Breton-Miller et al., 2009).

The previous factors could be translated into an increase of the motivation or the commitment and motivation of the employee (Lee et al., 2016), due to "familiness". However, issues like nepotism or conservative values that are present in FBs, due to

patriarchal structures or due to the FBs idiosyncrasy itself (Gallo et al., 2009), or due to cultural matters affecting FBS's governance (Piana et al., 2018), could affect the degree of technical/social skills of the employee, or even the degree of decision-making authority between the two types of businesses. That is why, we propose the following hypotheses:

H5a: Employees from FBs have a different level of technical abilities than employees from NFBs.

H5b: Employees from FBS have a different level of social skills than employees from NFBs.

H5c: Employees from FBs have a different level of motivation than employees from NFBs.

H5d: Employees from FBs have a different level of decision-making authority than employees from NFBS.

In the same way, when researching the factors that affect companies with regard to internationalisation, the complexity derived from the internationalisation process makes the firm's way of acting change, due to the different adversities that they must face when entering in a new and unknown market (social, cultural and economic factors) (Hofstede, 1984; Roth and O'Donnell, 1996). When internationalisation is achieved, being in different and unknown countries implies, for companies, complexity and possible differences in the firm structure (Wolf and Egelhoff, 2002), which could have an influence on the managerial structure. Hence, the facts are being analysed under the premise that, due to the complexity that causes internationalisation, there must be differences in the way of organisation, due to the particularities of each company (Kontinen and Ojala, 2010; Arregle et al., 2012). Thus, the following hypothesis is proposed:

H6: International hotels have a different level of COSE than national hotels.

In this assumed risk that international companies face when internationalising (Dick et al., 2017) and the social, cultural and economic challenges they have to deal with, some differences are produced in comparing national businesses with international businesses, depending on the business way of organisation (Li, 2018). Therefore, to test if there are differences between the components of COSE, and between employees from international hotels vs. employees from national hotels, due to differences in training processes or human resources policies, the following hypotheses are proposed:

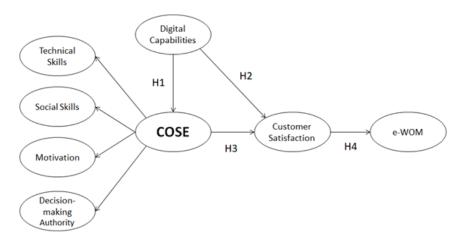
H6a: Employees from international hotels have a different level of technical skills than employees from national hotels.

H6b: Employees from international hotels have a different level of social skills than employees from national hotels.

H6c: Employees from international hotels have a different level of motivation than employees from national hotels.

H6d: Employees from international hotels have a different level of decision-making authority than employees from national hotels.

Research model



The relationships developed in this research model are presented in Figure 1.

Figure 1: Research model (author's elaboration adapted from Hennig-Thurau, 2004)

The proposed model keeps the same antecedents suggested by Hennig-Thurau (2004): technical skills, social skills, motivation and decision-making authority. In this model, customer satisfaction is also kept as a consequence of COSE, but e-WOM is incorporated to the construct as a consequence of customer satisfaction. Finally, digital capabilities are incorporated in order to investigate their influence on COSE and on customer satisfaction.

As has been suggested in the hypotheses, two other variables have been considered as moderators: a) being an international or a national hotel and b) being a family business (FBs) or a non-family business (NFBs). The hypotheses are formulated, as has been previously shown, to study the differences between the COSE components considering whether the hotels analysed are international vs. national, or FBs vs. NFBs. The purpose of this study is to analyse the value of COSE and its components (intercepts) by investigating the moderating effect of the following two variables: a) international vs. national hotels, and b) FBs vs. NFBs hotels, rather than analysing these moderating effects on the relationships between COSE and other variables, as shown in Figure 1 (slopes).

Methodology

Sample and data collection

The sample of our study consisted of hotels from Costa del Sol (Málaga), which is one of the major tourist destinations in Spain. In order to select the sample, the Iberic Balance Analysis System (SABI) was used, which is the most reliable database of Spanish firms with more than 850,000 and with detailed information that allows filtering by selected criteria. An initial selection of hotels operating in the Costa del Sol was done. The second step was to identify those that were FBs and NFBs. To do this, hotels were filtered and

then selected by the criteria of FBs and NFBs regarding the European Commission (2008) definition, and also representation of international hotels (INT) and national hotels (NT) was assured. For a few cases that were not clear, based on the information available on SABI, we double-checked using a second database, from Red de Cátedras Andaluzas de Empresa Familiar. This database includes 19,777 multisector businesses. Hence, a list of 52 hotels was selected following criteria to represent FBs and NFBs and also INR and NAT hotels. One member of the research team contacted hotel managers in order to request their collaboration in the delivering of a questionnaire addressed to their customers. A total of 387 customers from these 52 hotels was selected to conduct the study. Data were collected between February and May 2018, and the collection method was to approach hotels, ask for permission to do the research, and make contact with customers to get them to complete the survey. Interviews with customers lasted about 13 minutes, resolving the doubts of the customer while doing the questionnaire. The final number of valid responses to the questionnaire was 225 customers, meaning a 58.1% response rate. We have conducted an analysis of the non-response bias and we found that those who did not respond do not differ essentially with respondents in terms of main variables such as gender, age and type of hotel. The demographic characteristics of the analysed sample are shown in Table 1.

Table 1: Sample characteristics.				
Variable	Categories	%		
Gender	Male	48.8		
Gender	Female	51.1		
	< 25	14.2		
	26-35	21.3		
Age	36-45	25.3		
	46-55	23.1		
	56-65	16		
TT . 1	City	70.2		
Hotel	Rural	4.9		
Typology	Beach	24.9		

Questionnaire and scales used

A 23-item scale completed the questionnaire, and was used to measure the variables (see Appendix). Twelve items were used to measure COSE, four to measure digital capabilities, three for e-WOM and four to measure customer satisfaction. The questionnaire was based on existing scales designed to measure COSE (Hennig-Thurau, 2004), digital capabilities (Westerman et al., 2014), e-WOM (Carroll and Ahuvia, 2006) and customer satisfaction (Oliver, 1980). All the items were presented in a 7-point Likert-type format, ranging from "totally disagree" (1) to "totally agree" (7), as can be observed, these scales have been proved and implemented in previous studies.

The questionnaire was revised by six experts: hotels managers and university researchers and other professionals from the sector who made some comments to improve it and to make it clearer to potential respondents. There were two versions of the questionnaire: English and Spanish.

Results

To test the hypotheses proposed in this paper, three stages will be completed. Firstly, it will be verified that the scales used to measure each of the latent variables of the proposed model have convergent validity, discriminant validity and are reliable. Secondly, the model in Figure 1 will be estimated to test whether H1, H2, H3 and H4 receive empirical support. Finally, the scores of COSE and its dimensions (technical skills, social skills, employees' motivation and decision authority) will be estimated in order to find possible differences in the level of each of them, comparing family and non-family companies, as well as international hotels and national ones. The obtained results will allow to test H6 and the sub-hypotheses H6a to H6d.

Validity and reliability of measurement scales

A confirmatory factor analysis (CFA) was conducted in order to test if the scales used are reliable and if there is both convergent validity and discriminant validity. For this purpose, COSE was specified as a second-order latent variable measured through four first-order dimensions (technical skills, social skills, employees' motivation and decision authority).

Robust maximum likelihood was used in order to estimate the model, as the sample did not follow a multivariate normal distribution (b1p = 322.50, p = 0.00; b2p = 1323.14, p = 0.00; Omnibus = 2842.64, p = 0.00) (Bollen, 1989, pp. 415-425). Results show that the model fit is adequate, as the global indicators are within the limits recommended by literature ($\chi^2_{SB}(340) = 481.83$; p = 0.00;CFI = 0.94; NNFI = 0.93; RMSEA = 0.05) (Hair et al., 2013).

All unstandardised loadings are high and significantly different from zero. Likewise, all standardised loadings are higher than 0.70, except for one item related to the technical skills dimension whose value is very close ($\lambda = 0.64$). This implies that the variance that each item shares with its respective latent construct is equal to or greater than 0.50. Thirdly, the composite reliability is greater than 0.80 in all cases, while the average extracted variance (AVE) exceeds the recommended value of 0.50. All of the above allows us to conclude that the scales used are reliable and that they have convergent validity (Hair et al., 2013) (see Table 2).

The Fornell and Larcker (1981) criterion has been used to verify the existence of discriminant validity. Table 3 shows that the AVE (diagonal) is, in all cases, greater than the square of the correlation between each pair of latent variables (lower diagonal), which allows to conclude that the scales used have discriminant validity.

Table 2. Loadings (unstandardised and standardised), reliability and AVE of									
measurement scales.									
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Latent variable	Items	Loading	p-value	Std.	Reliabilit	AVE
		s		Loadings	У	
Technical skills	technical_skills_1	1.000		0.835	0.915	0.608

	technical_skills_2	1.034	0.000	0.846			
	technical_skills_3	1.125	0.000	0.862	-		
	technical_skills_4	0.854	0.000	0.641	_		
	technical_skills_5	0.874	0.000	0.774	-		
	technical_skills_6	0.828	0.000	0.739			
	technical_skills_7	0.899	0.000	0.737	_		
	social_skills_1	1.000		0.840			
Social skills	social_skills_2	1.073	0.000	0.873	0.885	0.720	
	social_skills_3	0.970	0.000	0.832	_		
	motivation_1	1.000		0.873			
Employees' motivation	motivation_2	0.972	0.000	0.879	0.909	0.769	
	motivation_3	1.046	0.000	0.878	_		
	decision_1	1.000		0.891			
Decision-making authority	decision_2	1.060	0.000	0.937	0.928	0.811	
	decision_3	1.058	0.000	0.873			
	Technical skills	1.000		0.941			
COSE	Social skills	1.066	0.000	0.950	0.946	0.814	
COSE	Employees' motivation	1.061	0.000	0.920	0.940	0.011	
	Decision authority	1.145	0.000	0.788			
	digital capabilities_1	1.000		0.803			
	digital capabilities_2	1.220	0.000	0.850			
Digital capabilities	digital capabilities_3	1.313	0.000	0.934	0.946	0.778	
	digital capabilities_4	1.282	0.000	0.910			
	digital capabilities_5	1.341	0.000	0.906			
	satisfaction_1	1.000		0.710			
Customer satisfaction	satisfaction_2	1.274	0.000	0.857	0.870	0.627	
	satisfaction_3	1.113	0.000	0.841		0.027	
	satisfaction_4	0.962	0.000	0.749			
	ewom_1	1.000		0.880			
EWOM	ewom_2	1.073	0.000	0.936	0.949	0.861	
	ewom_3	1.133	0.000	0.966			

	COSE	Digital capabilities	Customer satisfaction	EWOM
COSE	0.814	0.761	0.778	0.645
Digital capabilities	0.579	0.778	0.555	0.673
Customer satisfaction	0.606	0.308	0.627	0.441
EWOM	0.416	0.453	0.195	0.861

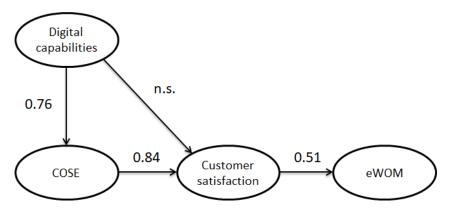
 Table 3. Discriminant validity of measurement scales

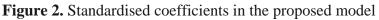
Estimation of the proposed model

The model in Figure 1 was estimated by Robust Maximum Likelihood in order to test whether the first four hypotheses receive empirical support. The global fit indexes show that this model adequately reproduces the variance and covariance matrix observed in the sample $(\chi_{SB}^2(342) = 552.66; p = 0.00; CFI = 0.91; NNFI = 0.90; RMSEA = 0.05)$ (Hair et al., 2013). An examination of the obtained coefficients reveals that the relationship between the digital capabilities and COSE is positive and significantly different from zero ($\beta = 0.62, p = 0.00$); therefore, H1 receives empirical support. However, the relationship between digital capabilities and satisfaction is not significant ($\beta = -0.03; p = 0.62$), thus H2 must be rejected. A more detailed analysis shows that the relationship between digital capabilities and customer satisfaction seems to be mediated by COSE, given that the indirect effect (through COSE) between digital capabilities and customer satisfaction is significantly different from zero ($\beta = 0.00; CFI = 0.90; COSE, given that the indirect effect (through COSE) between digital capabilities and customer satisfaction is significantly different from zero (<math>\beta = 0.00; CSE$) between digital capabilities and customer satisfaction is significantly different from zero ($\beta = 0.00; CSE$) between digital capabilities and customer satisfaction is significantly different from zero ($\beta = 0.00; CEI = 0$

Thirdly, COSE positively and significantly influences customer satisfaction ($\beta = 0.70$, p = 0.00), and, therefore, H3 receives empirical support. Finally, as proposed in H4, customer satisfaction positively and significantly influences e-WOM ($\beta = 1.098$, p = 0.00).

Likewise, the results reveal that the indirect effect between COSE and the e-WOM is positive and significant ($\beta = 0.77$, p = 0.00). Figure 2 shows the standardised coefficients for the relations proposed in the estimated model.





Comparison between family and non-family businesses

A comparison is made between the means of COSE in both groups to know if customer orientation differs between family businesses and non-family businesses. It is necessary to obtain the score of each case in each of the first order dimensions (technical skills, social skills, motivation and decision-making authority) in order to analyse this comparison. The respective items are averaged, for that purpose, because, as shown above, the scales are valid and reliable. Once the scores of the first order dimensions were obtained, the score of each case with respect to COSE was obtained by averaging the values of the first order dimensions.

A test of means for independent samples has been used to compare the mean of COSE. The first group (64 cases) includes non-family businesses (NFBs), while the largest group (161 cases) is formed by family businesses (FBs). The results show that the comparison between both groups is significant (t = -3.77, p = 0.00).

More specifically, the level of COSE is significantly higher in family businesses compared to non-family businesses (μ _NFBs = 5.57 vs. μ _FBs = 6.13). A more detailed examination shows that this is because family businesses have employees with a higher level of technical skills (t = -3.63; p = 0.01), social skills (t = -2.92; p = 0.00), motivation (t = -2.77; p = 0.01), and decision-making authority (t = -3.99; p = 0.00) compared to non-family businesses (see Table 3). Therefore, H5a to H5d receive empirical support.

Comparison between domestic and international businesses

A similar analysis was conducted in order to compare national with international hotels. Results show that the level of COSE is higher in international hotels when compared to national ones (t = -2.22, p = 0.03); therefore, H6 receives empirical support. More specifically, this higher level of COSE in international firms is due mainly to the higher level of technical skills of employees (t = -2.21, p = 0.03) since, for the rest of the dimensions, the differences obtained are marginally significant (social skills: t = -1.72, p = 0.09, motivation: t = -1.92, p = 0.06, decision-making authority: t = -1.88, p = 0.06) (see Table 3). From the above, it can be concluded that H6 and H6a should not be rejected, while H6b to H6d receive marginal empirical support.

Table 4. Means between family vs. non-family business, and domestic vs. international business

	NFBs	FBs	National	International
COSE	5.57	6.13	5.83	6.08
Technical skills	5.67	6.18	5.90	6.14
Social skills	5.71	6.20	5.94	6.16
Motivation	5.69	6.15	5.88	6.13
Decision-making authority	5.11	5.91	5.51	5.82

N	64	161	102	123

Discussion

Theoretical implications

This study shows some interesting findings that, from a theoretical perspective, can contribute to the enhancement of current knowledge about COSE in the context of international management of firms compared with domestic ones.

In particular, testing COSE for the first time in the hotel sector and confirming some of the results of previous studies represent a contribution, as the hotel sector has special characteristics that make this research relevant.

It is noteworthy to mention the incorporation of e-WOM as a possible consequence of COSE and of customer satisfaction. This opens new avenues of research about the consequences of COSE and the impact on e-WOM. In particular, this study shows that COSE has an indirect effect on e-WOM through customer satisfaction, highlighting the repercussions that it has on business performance, due to the utility of the actual experimental-based information that customers transmit via e-WOM (Yoo and Gretzel, 2008)

Another theoretical contribution is the incorporation of digital capabilities to this research framework. This study has proved that the digital capabilities have a positive influence on customer satisfaction, but only through the mediating effect of COSE. That is, the influence that digital capabilities of the employees have to get any grade of customer satisfaction, which has been demonstrated as a potential influencer (Westermann et al., 2004; Davison, 2017)

In addition, our study presents interesting findings about the differences between international and national hotels, which is a contribution to research on international management. In particular, we found that international hotels have a higher level of COSE than national hotels. Another interesting finding is that employees from international hotels have a higher level of technical skills. This is a relevant point, due to the fact that international hotels could be paying more attention to employee training and knowledge than national hotels. This matter refers to what has been previously studied as the enrichment of organisational knowledge resources due to the internationalisation process (Fang, et al., 2018).

Finally, the analysis conducted by comparing FBs and NFBs means another relevant contribution, as FB hotels show a higher level of COSE than NFBs; ultimately, identifying the differences of these two types of businesses constitutes the basis of the family business research (Gallo et al., 2004).

Managerial implications

The present study provides recommendations for professionals involved in the international management of hotels concerning the implementation of COSE strategies. In particular, if managers of hotels want to facilitate a positive e-WOM from their customers, they should focus their efforts on increasing the level of customer orientation of their employees and this will have a positive indirect effect on e-WOM through the mediating role of customer satisfaction, which will indirectly increase the level of positive e-WOM activity of their customers (De Matos and Rossi, 2008).

Managers who want to develop digital capabilities in their employees should know that, if they want to see a positive impact of these digital capabilities on customer satisfaction, they need firstly to assure that the level of COSE is increasing, as this will have an indirect effect on customer satisfaction. They can put in place control systems to ensure that digital capabilities are leading directly to be oriented to customer orientation.

In particular, managers of international hotels, based on the findings from this study, could be interested in knowing that international firms have a higher level of COSE than domestic ones. This gives international hotels a competitive advantage against national ones, due to the fact that international processes accompanied by innovation in the business model plays a crucial role with direct effects on sustainability, future health and international prosperity (Johanson and Valhne, 1977). Therefore, as a recommendation for international management, they should keep investing in COSE to stand out from their domestic competitors. It is also important to highlight that this advantage on COSE comes mainly from a higher level of technical skills in international hotels than in national ones. Consequently, international hotels should keep investing in the technical skills of their employees needed to deliver a positive level of customer orientation. Something similar happens with family firms.

Managers of international hotels should create a culture of service where COSE plays a crucial role in customer satisfaction and, consequently, in e-WOM. Some findings suggest that success in foreign markets relies on the supported managerial services from top managers (Li, 2018). However, it is worth highlighting the advantages that international firms gain by means of the internationalisation process, such as economies of scale, market power and getting knowledge from competitors and partners (Rugman and Verveke, 2001), could have a positive influence on their customer-employee relationships.

At first sight, it seems that international business implements best practice training or human resources policies to attract better employees, in terms of technical skills, to develop a more professional job to, ultimately, achieve a more satisfied customer.

Limitations and future research

One of the limitations of the study is that it has been conducted only in a particular region of Spain. Although this region is quite representative of the Spanish tourist market, and with a high presence of international hotels, future studies could be conducted including other geographical areas, international comparisons between hotels, or analysing the differences between FBs and countries. Another future area of research could be to investigate COSE from employees and managers' perspectives. Most studies about COSE have been conducted from customers' perspective and it would be interesting to investigate from employees' perspective and even to compare with customers' perception about the level of COSE.

Conclusion

The present study utilised data gathered from hotels in the Costa del Sol (Andalucia, Spain). As mentioned earlier, COSE has been proved to be formed by technical and social skills as well as by motivation and decision-making authority and has a direct positive influence on customer satisfaction and a positive indirect effect on e-WOM. At the same time, it has been found that digital capabilities of employees have a positive impact on customer satisfaction only when mediated by assuring a high level of COSE.

Some interesting contributions have been provided for international management regarding COSE, digital capabilities, customer satisfaction and e-WOM that, on the one hand, will contribute to academia and, on the other, offer relevant and practical contributions to managers of international firms.

With regard to family business, we hope this research could provide knowledge and be useful to family owners and managers so that customer orientation and digital capabilities strategies could be implemented in their business structures to improve efficiency and the satisfaction and loyalty of their customers.

However, it is our hope that future studies will continue researching and complementing understanding as to how COSE and digital capabilities can contribute to improve the way of doing business and have a positive influence on society, and what other implications can be found to contribute to the improvement of international management.

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APPENDIX I:

- Customer Satisfaction (Oliver, 1980):
- My choice to come to this hotel was a wise one.
- I am happy with this hotel's services.
- In general, I am satisfied with this hotel's services.
- I think I did the right thing when I decided to come to this hotel.
- e-WOM (Carroll and Ahuvia, 2006).
- I recommend this hotel on social media.
- I give this hotel a lot of positive word of mouth on the internet.
- I try to spread the good word about this hotel on the internet.
- Digital Capabilities (Westerman et al., 2008).
- The receptionists of this hotel can find, manage, store and present digital information and content relating to their job.
- The receptionists of this hotel can make use of standard analytical (e.g. Customer Relationship Management) tools in applications to better interpret information.
- The receptionists of this hotel can synchronise information across different devices.
- The receptionists of this hotel are good using different digital resources to provide better customer service.
- The receptionists of this hotel have a clear view of the most important first steps in the digital transformation.

• COSE (Hennig-Thurau, 2003).

Technical Skills (Own contribution)

- The receptionists of this hotel have a high level of knowledge about their job.
- The receptionists of this hotel are experts in their job.
- The receptionists of this hotel are highly competent.
- The receptionists of this hotel have a professional level of English.
- The receptionists of this hotel have a high level of knowledge about the services that the hotel offers.
- The receptionists of this hotel have a high level of knowledge about the cultural offer in the area.
- The receptionists of this hotel have a high level of knowledge about catering and leisure in the area.

Social Skills

- The receptionists of this hotel have extensive social skills.
- The receptionists of this hotel are able to consider the customer's perspective.
- The receptionists of this hotel know how to treat a customer well.

Motivation

- The receptionists of this hotel show strong commitment to their job.
- The receptionists of this hotel do their best to fulfil customer's needs.
- The receptionists of this hotel seem to have positive motivation.

Decision-making authority.

- The receptionists of this hotel are allowed to decide autonomously in customer matters.
- The receptionists of this hotel have appropriate room for manoeuvre in solving customer problems.
- In the case of customer request, this hotel's receptionists do not need to ask their superior for permission.