

# **Intensifying Hospitality Performance: The Role of Entrepreneurial Orientation, Market Orientation and Environmental Factors in the Homestay Industry**

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In the South-East Asian region, a homestay business is a well-known form of community-based tourism. Leisure travel began to grow in Malaysia in the early 1970s, and tourism contributes significantly to Malaysia's economic growth and is a significant source of foreign exchange earnings. As a result, rural homestays have emerged as an appealing option for tourists. Previous research has looked at the relationship between entrepreneurial orientation and business performance in various organisations; however, there have been few studies on the homestay industry. This research aims to evaluate the role of entrepreneurial orientation (EO), market orientation (MO), and hospitality performance in the homestay industry. The moderating role of environmental factors (EF) in enhancing these relationships is also investigated. Data for this study were collected from 116 homestay operators in Selangor, and the measurement model was evaluated using the Partial Least Square Structural Equation Modelling (PLS-SEM) approach. According to the findings, EO is directly and positively related to hospitality performance. However, the strength and direction of this relationship vary depending on how the EF and MO variables are configured. When EF and MO variables are considered, firms achieve superior performance. As this is a cross-sectional study, one limitation is that firms were not examined longitudinally. Longitudinal research or a focus on other regions may be included in future studies. The study's implications for destination marketers, homestay operators, and owners are discussed, which should aid in attracting discerning tourists to such regions' rural homestays.

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