


**LEADERSHIP AND ENTREPRENEURSHIP FOR CREATIVITY AND SURVIVAL OF
TOURISM VILLAGES IN THE COVID-19 TIMES: THE MODERATING ROLE OF
EXTERNAL SUPPORT**

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ARTICLE INFO	ABSTRACT
<p>Article history:</p> <p>Received 04 October 2022</p> <p>Accepted 05 December 2022</p>	<p>Purpose: This research has the objective of developing a theoretical model to provide insights into the association between leadership and entrepreneurship with tourism villages' ability to create creative products and survivability, while underlying the moderating role of external supports in such relationships. Empirically, this research is in-time since the government had provided significant supports to the tourism during the COVID-19 pandemic.</p>
<p>Keywords:</p> <p>Tourism villages; Leadership; Entrepreneurship; External supports; Creative products; Business survivability.</p>	<p>Theoretical framework: The current research takes the perspective of the rural tourism and creative tourism development (Raymond, 2007; Wu, et al., 2017). While past research has explored the role of leadership and entrepreneurship in the Small and Medium Enterprises context (Aslam and Awang, 2015; Zadel and Rudan, 2019), a dearth of research on those roles on Therefore there is still much to examine on the relationships between variables in a comprehensive model integrating leadership, entrepreneurship, creative product outcome, and business survival. Moreover, the external supports were included in the model as a moderating variable.</p>
	<p>Design/methodology/approach: Quantitative research was conducted at tourism villages in Yogyakarta, Indonesia. Data were analyzed using SEM-PLS. The sample group consisted of 154 respondents who were tourism villages' managers.</p> <p>Findings: Results show that (1) Tourism Village Leadership influences positively Creative Product Outcome and Business Survival, (2) Tourism Village Entrepreneurship influences positively Creative Product Outcome and Business Survival, (3) External Support moderates the influence of Tourism Village Leadership on Creative Product Outcome and Business Survival, 4) External Support moderates the influence of Tourism Village Entrepreneurship on Business Survival. However, External Support does not moderate the influence of Tourism Village Entrepreneurship on Creative Product Outcomes.</p> <p>Research, Practical & Social implications: Such results portray the importance of leadership and entrepreneurship as well as external support in sustaining a tourism village.</p> <p>Originality/value: The current research is particularly significant in the study of tourism village tourism development and at the same time theoretically develops a model that connects the variables that are important in the development of rural areas, namely leadership, entrepreneurship, and the ability of local communities to develop creative tourism products and survive in a business manner. As the moderating variable, the external role becomes important to assess its role in strengthening or weakening the potential that village communities have</p> <p>Doi: https://doi.org/10.26668/businessreview/2022.v7i5.e940</p>

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LIDERANÇA E EMPREENDEDORISMO PARA A CRIATIVIDADE E SOBREVIVÊNCIA DAS VILAS TURÍSTICAS NA ÉPOCA DA COVID-19: O PAPEL MODERADOR DO APOIO EXTERNO

RESUMO

Objetivo: Esta pesquisa tem o objetivo de desenvolver um modelo teórico para fornecer insights sobre a associação entre liderança e empreendedorismo com a capacidade das vilas turísticas de criar produtos criativos e capacidade de sobrevivência, enquanto subjacente ao papel moderador dos apoios externos em tais relações. Empiricamente, esta pesquisa está no tempo desde que o governo havia privilegiado apoios significativos para o turismo durante a pandemia da COVID-19.

Estrutura teórica: A pesquisa atual toma a perspectiva do turismo rural e do desenvolvimento do turismo criativo (Raymond, 2007; Wu, et al., 2017). Embora a pesquisa passada tenha explorado o papel da liderança e do empreendedorismo no contexto das Pequenas e Médias Empresas (Aslam e Awang, 2015; Zadel e Rudan, 2019), há ainda muito a se examinar sobre as relações entre as variáveis em um modelo abrangente integrando liderança, empreendedorismo, resultados criativos de produtos e sobrevivência empresarial. Além disso, os suportes externos foram incluídos no modelo como uma variável moderadora.

Design/metodologia/abordagem: Foi realizada uma pesquisa quantitativa em vilas turísticas em Yogyakarta, Indonésia. Os dados foram analisados usando SEM-PLS. O grupo de amostra consistia de 154 respondentes que eram gerentes de vilas turísticas.

Conclusões: Os resultados mostram que (1) A Liderança da Aldeia do Turismo influencia positivamente o Resultado Criativo do Produto e a Sobrevivência Empresarial, (2) O Empreendedorismo da Aldeia do Turismo influencia positivamente o Resultado Criativo do Produto e a Sobrevivência Empresarial, (3) O Apoio Externo modera a influência da Liderança da Aldeia do Turismo no Resultado Criativo do Produto e na Sobrevivência Empresarial, (4) O Apoio Externo modera a influência do Empreendedorismo da Aldeia do Turismo na Sobrevivência Empresarial. Entretanto, o Apoio Externo não modera a influência do Empreendedorismo da Aldeia do Turismo sobre os Resultados Criativos do Produto.

Pesquisa, implicações práticas e sociais: Tais resultados retratam a importância da liderança e do empreendedorismo, bem como do apoio externo na sustentação de uma aldeia turística.

Originalidade/valor: A pesquisa atual é particularmente significativa no estudo do desenvolvimento do turismo de aldeia e ao mesmo tempo desenvolve teoricamente um modelo que conecta as variáveis que são importantes no desenvolvimento das áreas rurais, ou seja, liderança, empreendedorismo e a capacidade das comunidades locais para desenvolver produtos turísticos criativos e sobreviver de forma comercial. Como variável moderadora, o papel externo torna-se importante para avaliar seu papel no fortalecimento ou enfraquecimento do potencial que as comunidades aldeãs têm

Palavras-chave: Vilas turísticas, Liderança, Empreendedorismo, Apoios externos, Produtos criativos, Capacidade de sobrevivência dos negócios.

LIDERAZGO E INICIATIVA EMPRESARIAL PARA LA CREATIVIDAD Y LA SUPERVIVENCIA DE LOS PUEBLOS TURÍSTICOS EN LA COVID-19 EL PAPEL MODERADOR DEL APOYO EXTERNO

RESUMEN

Propósito: Esta investigación tiene como objetivo desarrollar un modelo teórico que permita comprender la asociación entre el liderazgo y el espíritu empresarial con la capacidad de las aldeas turísticas para crear productos creativos y la capacidad de supervivencia, al tiempo que subraya el papel moderador de los apoyos externos en dichas relaciones. Empirically, this research is in-time since the government had provided significant supports to the tourism during the COVID-19 pandemic.

Marco teórico: La presente investigación adopta la perspectiva del turismo rural y el desarrollo del turismo creativo (Raymond, 2007; Wu, et al., 2017). Mientras que la investigación anterior ha explorado el papel del liderazgo y el espíritu empresarial en el contexto de las pequeñas y medianas empresas (Aslam y Awang, 2015; Zadel y Rudan, 2019), una escasez de investigación sobre esos roles en Por lo tanto, todavía hay mucho que examinar sobre las relaciones entre las variables en un modelo global que integre el liderazgo, el espíritu empresarial, el resultado del producto creativo y la supervivencia empresarial. Además, los apoyos externos se incluyeron en el modelo como variable moderadora.

Diseño/metodología/enfoque: La investigación cuantitativa se llevó a cabo en pueblos turísticos de Yogyakarta, Indonesia. Los datos se analizaron mediante SEM-PLS. La muestra estaba formada por 154 encuestados, gestores de aldeas turísticas.

Resultados: Los resultados muestran que 1) el liderazgo de las aldeas turísticas influye positivamente en los resultados de los productos creativos y en la supervivencia de las empresas; 2) el espíritu empresarial de las aldeas

turísticas influye positivamente en los resultados de los productos creativos y en la supervivencia de las empresas; 3) el apoyo externo modera la influencia del liderazgo de las aldeas turísticas en los resultados de los productos creativos y en la supervivencia de las empresas; 4) el apoyo externo modera la influencia del espíritu empresarial de las aldeas turísticas en la supervivencia de las empresas. Sin embargo, el apoyo externo no modera la influencia de la iniciativa empresarial de las aldeas turísticas en los resultados de los productos creativos.

Implicaciones sociales, prácticas y de investigación: Estos resultados ponen de manifiesto la importancia del liderazgo y el espíritu empresarial, así como del apoyo externo, en el sostenimiento de una aldea turística.

Originalidad/valor: La presente investigación es especialmente significativa en el estudio del desarrollo turístico de las aldeas turísticas y, al mismo tiempo, desarrolla teóricamente un modelo que conecta las variables que son importantes en el desarrollo de las zonas rurales, a saber, el liderazgo, el espíritu empresarial y la capacidad de las comunidades locales para desarrollar productos turísticos creativos y sobrevivir de manera empresarial. Como variable moderadora, la función externa adquiere importancia para evaluar su papel en el fortalecimiento o debilitamiento del potencial que tienen las comunidades de las aldeas.

Palabras clave: Aldeas turísticas, Liderazgo, Espíritu empresarial, Apoyos externos, Productos creativos, Supervivencia empresarial.

INTRODUCTION

Since the emergence of the COVID-19 pandemic in March 2022, tourism has been the most adversely affected sector. Research in the era of the COVID-19 pandemic has been carried out in several countries (Abbas *et al.*, 2021, Foo, *et al.*, 2020, Robinson and Kengatharan, 2020, Segal and Gerstel, 2020, Stone and Mogomotsi, 2021). However, research that specifically discusses the impact of the pandemic on rural tourism is still rarely carried out (Sobaih, et al., 2021). For developing countries like Indonesia, tourism is a means to empower people and contributes to the economy (Wulandari, 2021).

During the pandemic, an interesting phenomenon was the resilience of tourism villages in Yogyakarta. Yogyakarta is, after Bali, the most popular tourism destinations in Indonesia where tourism villages flourished as community-based tourism destinations. These tourism villages were tourism villages that had developed well and still got visits during the pandemic. It should be noted that during the pandemic, tourist activities in Indonesia were not prohibited but restricted. The tourism villages offered tour packages containing community-based activities based on local culture and history. As mentioned by Aref et al. (2010) and Richards (2000), when visitors are attentive towards the exploration of local culture and involved in the particular experiences the destinations offer, creative tourism has been created. The principle of developing a tourism village where the tourist experience offered is an exploration of local culture is closely related to the results, namely creative tourism products. Such creative tourism can be created if local people support the development of tourism in their region (Baixinho, et al., 2021).

Other research also mentions that the ability to produce innovative and creative products is also largely determined by community entrepreneurship (Aslam and Awang, 2015; Zadel and

Rudan, 2019). Aslam and Awang's research in rural tourism areas in Srilanka stated that people's entrepreneurship resulted in rural enterprise. The local enterprise grew and developed because it was initiated by local leadership. The tourism village consists of people who need a sense of direction from their leader. The local leaders in particular played an important part in the advancement of creative tourism (Zadel & Rudan, 2019).

The local enterprise develops rural tourism products that encourage interaction between tourists and the host community. The tourism products were based on the exploration of the local resources. Tourist products with these characteristics are creative tourism products. This is in accordance with what is defined by UNESCO that creative tourism is a journey towards the creation of an involving, genuine, and co-created experience and study of the local culture, history, heritage, or certain feature of a place which offers an engagement with the people residing in the destination (UNESCO, 2006). Therefore, the creative tourism products produced by tourism villages have two advantages. Firstly, with this paradigm, creative tourism emerges where local communities seem to have an increased predisposition to support tourism. In addition, creative tourists are motivated by the active learning about and engagement with local cultures. Aref et al. (2010) argue for creative tourists, local communities are the main motivation why people choose a holiday destination.

However, the development of creative tourism products in tourism villages has been hampered during the pandemic. To protect the tourism sector and industry, the government and other institutions (NGOs, universities, or companies) in Indonesia (Damhuri, 2021; Limanseto, 2021; Menyiapkan Desa Wisata di Masa Pandemi, 2020, Wulandari, 2021) have provided a lot of assistance to the tourism industry in general and tourism villages in particular. The government provided many incentives in the form of assistance to develop financial facilities, sanitation facilities, and training assistance to enhance the capability of the human capital owned by the tourism villages. During the pandemic, many parties were very dependent on the intervention of external parties, especially the government. Petronova and Malkhasyan (2021) have also examined the part of the government in developing rural tourism in the pandemic era in Pskov, Russia. However, in Petronova & Malkhasyan's study (2021), the role of the government in strengthening the potential of the village was not elaborated. This gives rise to the need to assess the role of external support to strengthen the influence of leadership and entrepreneurship on the desired outcome. Therefore, this research is particularly significant in the study of tourism village tourism development and at the same time theoretically develops a model that connects the variables that are important in the development of rural areas, namely leadership and entrepreneurship, and the capability of local communities to create creative

tourism products and survive in a business manner. In particular, the external role becomes important to assess its role in strengthening or weakening the potential that village communities have. Research on the role of external supports would significantly contribute to future policy formulation regarding direct assistance or enabling environment provided by government or relevant agencies.

LITERATURE REVIEW

Creative tourism was firstly coined in the seminal paper of Pearce & Butler (1993) as a potential model of tourism. During the 1990s, there was an expanding interest in creative urban and rural areas. However, the study of creativity is usually associated with the potential of urban areas, where creative people usually reside (Stipanovic & Rudan, 2015). With the growth of tourist interest in visiting destinations that provide authentic locality and experiences in rural areas, discussions on the development of creative tourism in rural places have also begun to develop.

According to UNESCO, creative tourism is tourism activities related to involving activities in the local culture, that is, to create authentic experience through participation and learning of the arts, heritage, or special feature of a place resulting in a connection with those who stay in the place (UNESCO, 2006). Raymond (2007) states that “*Creative tourism is a type of tourism related to the active participation of travelers in the culture of the host community, through interactive workshops and informal learning experiences based on the characteristics of the holiday destination where they are undertaken.*” In the context of tourism villages where creative tourism can be defined as the construction and implementation of small creative initiatives, creative tourism results in the outcome of tourism products that inspire personal self-expression and engagement between tourists and people residing in the destination. Richards (2011) argues that creative tourism provides visitors with the opportunity to develop their creative potential through participation in local and authentic activities.

Further, Wu, et al. (2017) mentioned that creative tourism products include educational programs or other creative undertaking (in culture, art, and special features of the destination), thus encouraging tourists to feel the genuine atmosphere of the place in which they are visiting. Creative tourism is created in a variety of programs, activities, and packages, such as culinary classes, singing or dancing lessons, and craft making. Taylor (1988) also stated that creative tourism involves creative persons, processes, products, and ideas. Jarábková and Hamada (2012) suggested that creativity pertains to creative ideas which result in creative products. The creative tourism products are rooted in local resources and created and implemented by the

local people for the benefit of the community. Therefore, Outcome of the creative tourism can be measured by the creative tourism products offered by the destination.

In developing creative tourism products in tourism villages, the active participation of the community is very important. As mentioned by UNESCO (2006) and Richards & Raymond (2006), creative tourism consists of participatory tourism activity, that involves tourists and the host community interactively, and tourists participate in creating tourist experiences together with the host community. In the context of a tourism village where community involvement is a matter of principle, creative tourism products can only be produced with the support of the community in the village (Aslam and Awang, 2015). To garner community support, leadership in tourism villages plays a key role. Community support is only obtained if the village leadership can direct, convey a shared vision, and coordinate the community in the tourism village to offer creative tourism products. Therefore, this study proposes hypothesis 1 as follows.

H₁: Tourism Village Leadership affects Outcome of Creative Products positively.

The most important thing for a tourism village, especially in the midst of the COVID-19 pandemic, was its ability to survive. This study specifically looks at the survivability of tourism villages even during the COVID-19 pandemic, with of course various adaptations that must be made by tourism villages. Various adaptations included capacity limitations, the type of interaction between tourists and the host community, and several aspects of sanitation that must be carried out by tourism villages (Limanseto, 2021). Such quick adaptations would rely on the capability of village heads to direct and oversee these changes. In the context of rural areas, leadership play various roles in managing factions and enclave within communities, reassuring risk mitigation, securing long-term commitments, and coordinating cooperative governance across stakeholders (McGehee, et al., 2015; Xu, et al., 2017). Based on these arguments, Hypothesis 2 is proposed as follows.

H₂: Tourism Village Leadership affects Outcome of Business Survival positively.

Creative tourism products are an important performance of a tourist destination. One of the characteristics of creative product creation is the ability to innovate to create products from local potential owned by the community or location (Duxbury, et al., 2021). The potential in the form of art, culture, society, or the natural environment must be processed into tourism products, in the form of cultural attractions or product packaging in such a way. The ability of rural communities to convert tourism potential into creative tourism products requires creativity and a vision that the potential of tourism villages can be realized into tourism products. Entrepreneurship is a mindset that produces creativity (Ciolac, 2021; Jarábková & Hamada,

2012; Radosavljevic, et al., 2022). Therefore, entrepreneurship from the community in tourism villages greatly affects the development of creative tourism products. Thus, we propose H3 as follows.

H₃: Tourism Village Entrepreneurship affects Outcome of Creative Products positively

Enterprising tourism village includes the enhancement of the village's capacity to produce tourism products based on natural facilities and resources such as culture, nature, and landscapes. Tourism village entrepreneurship is the ability to develop tourism products originated in local resources which can meet the demand of customers of customer-oriented (Aslam and Awang, 2015). Entrepreneurship is the ability of rural communities to capitalize on the rural area's assets to result in its productivity and competitiveness (Ciolac, et al., 2022; Radosavljevic, et al., 2022). In particular, during the COVID-19 pandemic, the entrepreneurial ability of the community plays a very important role in producing tourism products that must be adapted to new normal conditions (Strategi Desa Wisata Nglanggeran dalam Menghadapi Tatanan Kenormalan Baru, 2020). This ability will have a positive effect on the Outcome of Business Survival of the tourism village. Therefore, this study proposes the following hypothesis.

H₄: Tourism Village Entrepreneurship affects Outcome of Business Survival positively

During the COVID-19 pandemic, intervention and support from many external parties were provided to tourism villages. External support is defined as all forms of support provided by parties outside the entity concerned (Global, I, 2018). The tourism sector was the sector most affected by the pandemic, so the government, companies, and various parties assisted in various forms. Especially for tourism villages, because of their very important role in supporting the resilience of rural communities, various special assistance was given to tourism villages. Tourism village as a form of rural tourism has received support even before the pandemic because it is an effort to empower the community through tourism. Petrova and Malkhasyan (2021) stated that support for rural tourism must be carried out in a structured manner, not only during a pandemic.

However, apart from external support directed to Small and Medium Enterprises which has been widely studied, the role of community-based enterprises has not been studied systematically. Given a large amount of external support for tourism villages during the pandemic, the role of external support for tourism villages is very relevant to do during the COVID-19 pandemic. Research on the effectiveness of government aids for SMEs has been carried out, where government support has resulted in managerial capabilities, boost their growth, increase competitiveness, improve performance and help business expansion (Adam

and Alarifi, 2021; Cliff, 1998; Gimeno et al., 1997; Storey, et al., 2010). Even though the nature of social business-like tourism villages is quite different from that of SMEs, their small sizes are quite similar (Sobaih, et al., 2021). So, this study can look at the results of similar studies on SMEs to generate hypotheses for tourism villages.

Empirically, this research is in-time. Government support to the tourism sector through various types of assistance in the form of grants, activity support, and human resource development has been implemented during the pandemic, which covers 2020 and 2021. The Indonesian government, for example, has provided a lot of support for the National Economic Recovery for tourism and the creative economy through various programs (e.g., Proud to Travel inside Indonesia, Proud to Buy Made-in Indonesia Products, and Indonesia Care). Funds distributed as incentive assistance to the tourism sector in 2021 have increased 3 times from 2020 and even the allocation for the development of the National Tourism Strategic Area reaches 7.67 trillion rupiahs (Limanseto, 2021).

Types of programs supported by government assistance included destination and human resources development. Human resource development included various kinds of capacity building and human resource skills in destinations. The Ministry of Tourism and Creative Economy of the Republic of Indonesia has specifically paid attention to tourism villages. Tourism villages are considered an economic solution, especially in the tourism sector amid the pandemic (Sidik & Adji, 2021). The rural tourism development via supports to the tourism villages during the pandemic is very important because of the nature of its adaptation and the nature that attracts tourists to visit. Tourism villages become destinations that can receive tourists in the new normal era because tourism villages present natural attractions that are open air and do not cause mass concentration. (Damhuri, 2021). The various government assistance is believed to have helped the performance of several tourism villages. Therefore, this study proposes a hypothesis that external assistance moderates the influence of Tourism Village Leadership and Tourism Village Entrepreneurship on the Outcome of Creative Products and Outcome of Business Survival as follows.

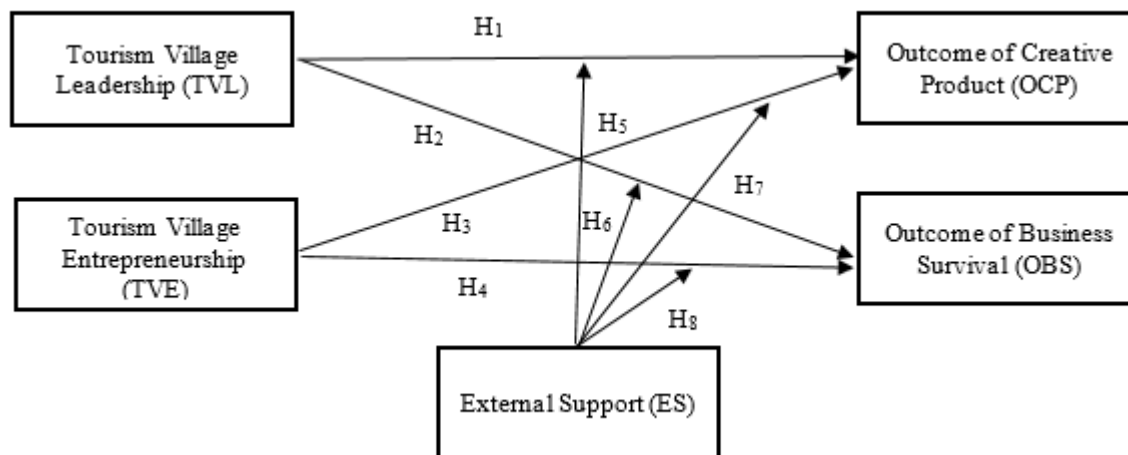
H₅: External Supports moderates the influence of Tourism Village Leadership on Outcome of Creative Products.

H₆: External Supports moderates the influence of Tourism Village Leadership on Outcome of Business Survival.

H₇: External Supports moderates the influence of Tourism Village Entrepreneurship on Outcome of Creative Products.

H₈: External Supports moderates the influence of Tourism Village Entrepreneurship on Outcome of Business Survival.

Figure 1: Conceptual Model



DATA AND METHODOLOGY

This research is quantitative research carried out in 3 (three) tourism villages in the Special Region of Yogyakarta, Indonesia. The tourism villages that were used as research areas were Nglanggeran Tourism Village, Kreet Tourism Village, and Kelor Tourism Village. These three tourism villages were tourism villages that had developed well and could survive during the COVID-19 pandemic. Data collection was carried out using questionnaires aimed at managers or community residents who actively managed and participated in the operation of tourism villages. The questionnaire was translated into Indonesian so that respondents could understand the questions. The sample was elected non-randomly, by choosing the tourism village administrators who had at least 1 year of experience and continued to manage the tourism village post-COVID-19 pandemic.

Data collection was carried out in October 2021 with questions covering the 2020-2021 period, when population mobility and tourist activities were limited. At the end of data collection, 154 participants completed the questionnaires. The data were analyzed using PLS-SEM (Sekaran & Bougie, 2003). A majority of respondents were male (66.2%), with a senior high school educational background (80.5%), and aged 35-50 years old (65.6%). The respondents have been already involved in the management of tourism villages for 1-3 years (21.4%), 4-7 years (45.5%), and more than 7 years (33.1%).

Measurements

Measures of the variables of the proposed research model were derived from the literature and adapted to the context of the study. To ensure the validity of the measures, the measures were translated from the original versions to Bahasa Indonesia and back-translated to English. To check the face validity of the instruments, two of our faculty members reviewed the questionnaires. Having been reviewed and revised accordingly, the questionnaires were distributed to a tourism village for a pilot project. Based on their comments, revisions were made.

The variables were measured using multiple items. The questions were related to tourism villages' activities and conditions since the outbreak of the pandemic. The questionnaire consisted of 6 sections. The first section addressed the profile of the respondents. The second to the sixth sections addressed the tourism village leadership, tourism village entrepreneurship, external support, creative product outcome, and business survival outcome consecutively.

Dependent Variables

Our dependent variables are creative product outcome and business survival outcome. Measurements of creative products outcome were derived from the definition of creative tourism products (Duxbury, et al., 2021; Jarábková & Hamada (2012)). Outcome of creative tourism products measurement consists of 5 items, i.e., tourism products which encourage more active participation of tourists, tourism activities that engage tourists more intensively, tourism products that can reflect the uniqueness of the local culture, tourism products that package in innovative ways the existing local potentials, and tourism products which were adapted to the current situation (including the COVID-19 pandemic).

The variable of Outcome of Business survival was measured as a subjective scale consisting of the tourism village performance and survivability derived from Bouchikhi (1993)'s to include measurement of the tourism village's financial indicator (ability to invite tourists, generate cash receipts from tourists) and confidence to survive (optimistic that the tourism village can survive, ability to maintain assets during COVID-19 pandemic). All items were measured using a five-point Likert Scale ranging from 1 (strongly disagree) to 5 (strongly agree).

Independent Variables

The proposed model has argued for Tourism Village Leadership and Tourism Village Entrepreneurship as independent variables. Tourism Village Leadership measurements were derived from various sources (McGehee, et al., 2015; Richards & Raymond (2006; Xu, et al., 2017). Seven items in the measurement include the "ability to direct, convey a shared vision, coordinate the community in the tourism village, manage factions within communities, reassure risk mitigation, secure long-term commitments, and coordinate cooperative governance across stakeholders.

Measures of Tourism Village Entrepreneurship consist of 5 items. The measurements were adapted from Ciolac (2022), where entrepreneurship refers to the ability to capitalize on local resources, stimulate productivity, ability to create innovative products, anticipate the future, and willingness to take risks. All responses were recorded on a 5-item Likert Scale. Responses can range from 1 to 5 ("strongly disagree" to "strongly agree").

Moderating Variable

External supports were positioned as the moderating variable in the theoretical model. The hypotheses proposed regarding external support is leveraging the role of leadership and entrepreneurship of the tourism village on business survival and creative products. The items used to measure external support were derived from the actual assistance provided by the government of Indonesia, the private sector, and the NGOs during the COVID-19 pandemic (Damhuri, 2021; Limanseto, 2021). Although the forms of assistance were particularly contextualized during the COVID-19 pandemic, these forms of assistance were regular programs which are applied not just during the pandemic, but indeed were intensified during the pandemic. Measurement for external supports includes 5 items where responses were recorded from 1 to 5 ("strongly disagree" to "strongly agree") on the Likert Scale.

RESULTS AND DISCUSSION

The hypotheses were tested using the Partial Least Square Structural Equation Modeling (PLS-SEM). PLS-SEM offers an efficient tool for measuring the strength of structural and complex relationships between variables and a sound analysis of theoretical relationships between variables (Chin et al., 2003). The Smart PLS software was utilized to first estimate the measurement model and then was used to test the hypotheses, including the moderating effect of the moderating variable.

Measurement Model

The measurement model was tested to ensure the validity of the model's constructs. The measurement model shows how the manifest or observed variables represent the latent variables to be measured. Convergent validity was measured using the outer loading and AVE (Average Variance Extracted) parameters. Individual reflexive measures are said to be correlated if the value is more than 0.7 with the construct to be measured.

Table 1 -- Internal Consistency, Convergent Validity, Composite Reliability, and AVE

Variable	Items	Loadings	CR	AVE
Tourism Village Leadership	TVL1	0.886	0.961	0.780
	TVL2	0.846		
	TVL3	0.903		
	TVL4	0.873		
	TVL5	0.888		
	TVL6	0.902		
	TVL7	0.882		
Tourism Village Entrepreneurship	TVE1	0.942	0.967	0.855
	TVE2	0.866		
	TVE3	0.923		
	TVE4	0.936		
	TVE5	0.953		
External Support	ES1	0.800	0.908	0.665
	ES2	0.835		
	ES3	0.774		
	ES4	0.858		
	ES5	0.807		
Outcome of Creative Tourism Products	OCP1	0.886	0.954	0.805
	OCP2	0.908		
	OCP3	0.899		
	OCP4	0.902		
	OCP5	0.892		
Outcome of Business Survival	OBS1	0.896	0.949	0.824
	OBS2	0.918		
	OBS3	0.903		
	OBS4	0.913		

Table 2 -- Cross Loading

	External Support	Outcome of Business Survival	Outcome of Creative Tourism Products	Tourism Village Entrepreneurship	Tourism Village Leadership
ES1	0.800	0.141	0.233	0.130	-0.013
ES2	0.835	0.146	0.265	0.147	0.047
ES3	0.774	0.136	0.282	0.100	0.113
ES4	0.858	0.230	0.305	0.209	0.037
ES5	0.807	0.245	0.228	0.146	-0.009
OBS1	0.215	0.896	0.679	0.610	0.526
OBS2	0.262	0.918	0.698	0.626	0.546
OBS3	0.115	0.903	0.698	0.601	0.524
OBS4	0.217	0.913	0.741	0.667	0.524
OCP1	0.206	0.759	0.886	0.539	0.663
OCP2	0.332	0.770	0.908	0.611	0.681

OCP3	0.249	0.657	0.899	0.568	0.603
OCP4	0.389	0.633	0.902	0.534	0.599
OCP5	0.273	0.655	0.892	0.599	0.637
TVE1	0.131	0.667	0.598	0.942	0.419
TVE2	0.119	0.580	0.554	0.866	0.367
TVE3	0.208	0.643	0.598	0.923	0.364
TVE4	0.221	0.654	0.618	0.936	0.356
TVE5	0.164	0.645	0.571	0.953	0.396
TVL1	-0.026	0.463	0.596	0.329	0.886
TVL2	0.078	0.444	0.620	0.428	0.846
TVL3	-0.005	0.529	0.639	0.378	0.903
TVL4	0.059	0.511	0.581	0.293	0.873
TVL5	0.101	0.552	0.648	0.362	0.888
TVL6	0.025	0.513	0.602	0.366	0.902
TVL7	0.035	0.579	0.691	0.384	0.882

Based on Table 2, the cross-loading value for each item has a value of > 0.70 , and also each item has the greatest value when it is associated with its latent variable compared to when it is associated with other latent variables. This shows that each manifest variable in this study has explained the latent variables and proved that the discriminant validity of all items was met.

Table 3 -- Discriminant Validity (Fornell and Larcker, 1981)

	ES	OBS	OCP	TVE	TVL
ES	0.815				
OBS	0.224	0.908			
OCP	0.324	0.776	0.897		
TVE	0.183	0.690	0.636	0.925	
TVL	0.044	0.584	0.710	0.411	0.883

Descriptive Statistics

Table 4 depicts the descriptive statistics for the results of the study. The mean values of the Tourism Village Leadership and Tourism Village Entrepreneurship were 3.866 and 3.805 respectively. External support which was received a lot during the Covid-19 pandemic by tourism villages resulted in a high mean value of 4.070. Outcome of Creative Products' mean value of 3.721 showed the moderate value of creative products offered by the tourism villages. Last, Outcome of Business Survival's mean value showed that tourism villages felt that they can still overcome the COVID-19 pandemic and could still survive.

Table 4 -- Descriptive Statistics

Variable	N	Minimum	Maximum	Mean
Tourism Village Leadership	154	2	5	3.866
Tourism Village Entrepreneurship	154	2	5	3.805
External Supports	154	2	5	4.070
Outcome of Creative Products	154	2	5	3.721
Outcome of Business Survival	154	2	5	3.761

Structural Model

Following the measurement model, the subsequent step is to assess the structural model using PLS-SEM. Evaluation of the structural model or inner model aims to examine the relationship between latent variables. Structural model examination presents results of the exogenous latent variable coefficient of determination (R^2). R^2 indicates the degree to which exogenous latent variables explain the variation in the endogenous variables (Hair Jr., et al., 2014).

Table 5 -- R^2 Values Before and After the Inclusion of the Moderating Variable

	Before including the moderating variable		After including the moderating variable	
	R Square	Adjusted R Square	R Square	Adjusted R Square
Outcome Creative Tourism Products	0.597	0.589	0.657	0.645
Outcome Business Survival	0.699	0.693	0.712	0.702

Results show that the model portraying the influence of Tourism Village Leadership and Tourism Village Entrepreneurship on Outcome Creative Tourism Products produces a value of 0.597, which can be interpreted that the Outcome Creative Tourism Products variable can be explained by the Tourism Village Leadership and Tourism Village Entrepreneurship variables of 59.7%. The rest is explained by other variables outside this study. Further, the Tourism Village Leadership and Tourism Village Entrepreneurship model on Outcome Business Survival resulted in a value of 0.699. This means that the Outcome Business Survival variable can be explained by the Tourism Village Leadership and Tourism Village Entrepreneurship variable is 69.9%, while the rest is explained by the variable others outside of this study. Having included the moderating variables, both model examinations resulted in R^2 values of 0.657 and 0.712. Falk and Miller (1992) stated that the R^2 value for endogenous variables should not be lower than 0.10. Further, Chin (1998) suggested that R^2 values provide substantial explanation if the value=0.67, moderate explanation if the value=0.33, and weak explanation if the value=0.19. Therefore, we can conclude that the proposed structural model has good predictive power.

Hypothesis Testing

Bootstrapping results

To determine the influence between variables, the bootstrapping method was used. The bootstrap approach represents a nonparametric precision of the estimate. In the PLS method,

the decision to accept or reject a hypothesis is based on the significance value (p-value), and the T-table's value. In the Smart-PLS application, the significant value can be determined by looking at the parameter coefficient value and the t-statistic significant value. The criteria for accepting or rejecting the hypothesis are if the significance value of t - value > 1.96 and or p-value ≤ 0.05 at a significance level of 5% ($\alpha 5\%$) then H_0 is not supported (or H_a is supported). On the contrary, if the t-value < 1.96 and or the value p-value > 0.05 at a significant level of 5% ($\alpha 5\%$), H_0 is supported (or H_a is not supported).

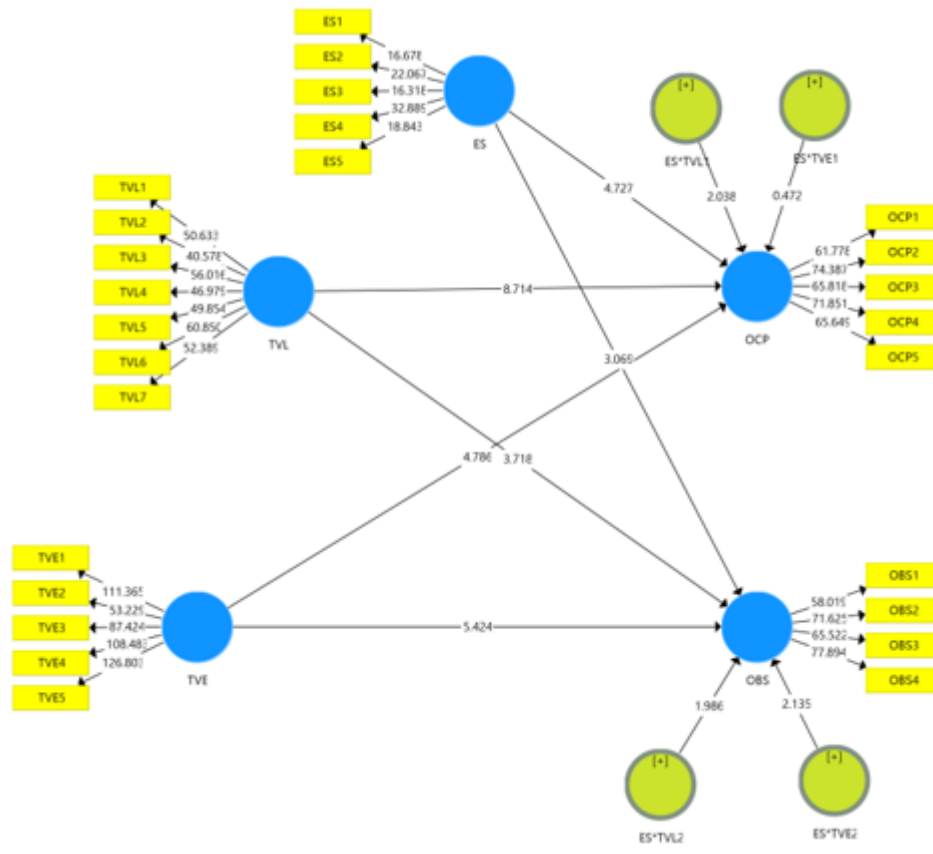
The analysis results (presented in Table 5 and Figure 1) indicate that H1 is supported, where Tourism Village Leadership influences positively Outcome of Creative Products (Beta = 0.540, t =8.714, p =0.000). As well, H2 which states that Tourism Village Leadership has a significant positive influence on Outcome of Business Survival is supported (Beta =0.316, t=3.718, p=0.000). On the role of Tourism Village Entrepreneurship, results show that TVE has a positive significant influence on Outcome of Creative Products (Beta =0.331, t=4.786, p=0.000) and also a positive significant influence on Outcome of Business Survival (Beta=0.450, t=5.424, p=0.000).

To analyze the moderating effects, the moderating variable "external support" was included in the structural model. The moderating variable was hypothesized to strengthen the influence of the independent variables on the dependent variables. PLS-SEM bootstrapping was performed to examine the moderating effects. Statistical results in Table 5 show that "external supports" have a significant effect on the influence of Tourism Village Leadership on Outcome of Creative Products (H5) (B=0.102, t = 2.038, p=0.042) and the influence of Tourism Village Leadership on Outcome of Business Survival (H6) (B=0.170, t=1.986, p=0.048). External Supports also moderate the influence of Tourism Village Entrepreneurship on Outcome of Business Survival (B=0.154, t=2.135, p=0.033). However, H7 on the moderating role of External Support on the influence of Tourism Village Entrepreneurship on Outcome of Creative Products is not supported.

Table 5 – Hypothesis Testing

	Hypothesis Relationships	Original Sample (O)	Sample Mean (M)		Standard Deviation (STDEV)	T Statistics ((O/STDEV))	P-value	Decision
H1	Tourism Village Leadership -> Outcome Creative Products	0.540	0.533		0.062	8.714	0.000	Supported
H2	Tourism Village Leadership -> Outcome Business Survival	0.316	0.302		0.085	3.718	0.000	Supported
H3	Tourism Village Entrepreneurship -> Outcome CP	0.331	0.335		0.069	4.786	0.000	Supported
H4	Tourism Village Entrepreneurship -> Outcome Business Survival	0.450	0.459		0.083	5.424	0.000	Supported
H5	External Supports moderates the influence of TVL on OCP (ES*TVL1 -> OCP)	0.102	0.106		0.050	2.038	0.042	Supported
H6	External Supports moderates the influence of TVL on OBS (ES*TVL2 -> OBS)	0.170	0.179		0.086	1.986	0.048	Supported
H7	External Supports moderates the influence of TVE on OCP (ES*TVE1 -> OCP)	0.023	0.021		0.048	0.472	0.637	Not Supported
H8	External Supports moderates the influence of TVE on OBS (EES*TVE2 -> OBS)	0.154	0.154		0.072	2.135	0.033	Supported

Figure 2 -- Structural Model



The tourism sector has been the most affected by the COVID-19 pandemic. There is various research conducted on the detrimental effect on the tourism industries in several countries (Abbas *et al.*, 2021, Foo, *et al.*, 2020, Robinson and Kengatharan, 2020, Segal and Gerstel, 2020, Stone and Mogomotsi, 2021). There are also studies on the strategies taken by Small and Medium Enterprises (Adam & Alarifi, 2021) to overcome the effects of the pandemic. However, rural tourism which has also faced various difficulties and challenges due to the COVID-19 pandemic (Sun, 2021) has not been internationally addressed, despite UNWTO's recognition that rural villages have a significant role in promoting and preserving cultural heritage and sustainable development through tourism (UNWTO, 2020).

This research has proposed a comprehensive model to include two important issues in tourism village development, that is, leadership and entrepreneurship. The model has also included important issues of creative tourism that produce creative tourism products as an outcome. In addition to creative tourism products as an outcome, business survival is an important aspect that is also investigated. Outcome of Business Survival is also strongly influenced by Tourism Village Leadership and Entrepreneurship. The stronger the Tourism Village Leadership, the more creative tourism products are produced and the more resilient the

tourism village is, which means that the tourism village has the ability to survive. This supports the statement of Gannon (1994) that tourism villages should benefit the rural areas economically.

The results of the study show that external supports do not moderate the influence of village tourism leadership and tourism village entrepreneurship on creative product outcomes. This shows that creative tourism products are things that have become good practices in tourism villages, which do not depend on external support. This finding supports the statements of Richard & Raymond, 2000 and UNESCO (2006). The potential of the tourism village itself is an authentic and participatory cultural experience. Naturally, the tourism experiences offered are creative tourism products that make tourists engaged in authentic experience, with participative learning in the arts, heritage, or special character of a place, and it provides a connection with those who reside in the place (UNESCO, 2006).

External supports moderate the influence of tourism village entrepreneurship and tourism village leadership on business survival, especially in the context of the COVID-19 pandemic. To address the negative impact of the COVID-19 pandemic on SMEs and community-based businesses, the government and the private sector were providing assistance. The tourism industry, particularly tourism villages, has received a lot of support from the government. This study shows that external support leverages the capacity of tourism villages. The capacities studied in this research are Tourism Villages Leadership and Tourism Village Entrepreneurship. The results show that external intervention can strengthen the role of Tourism Village Leadership and Tourism Village Entrepreneurship on the Outcome of Creative Products and Outcome of Business Survival. This is in line with the argument that despite the existing potential of tourism villages, the capability of tourism villages is still very limited so it requires external support (Aslam and Awang, 2015; Petrova and Malkhasyan, 2021).

CONCLUSION

This study concludes that two important capabilities that must be possessed by tourism villages are leadership and entrepreneurship. The results of this study indicate that Tourism Village Leadership and Tourism Village Entrepreneurship emphasize the importance of developing human resources. As stated by Radosavljevic, et al. (2022), the human factor has a dominant role in the movement of almost all elements of economic development and growth, including rural development. However, it is also important to realize that leadership in tourism villages is crucially important. Especially in the context of the village as an administrative area

as well as a community. This requires the development of strong institutions, which are a platform for the development of sustainable leadership.

Tourism Village Leadership and Tourism Village Entrepreneurship are particularly important, leading to the creation of creative tourism products, without even depending on external support. In other words, important variables to intervene in boosting creative tourism development are leadership and entrepreneurship.

The existing model has not yet addressed the relationships between the outcome of creative tourism products and business survival explicitly. In the present research, we model creative tourism products and business survivability as separate outcomes. The future model should establish a direct relationship between creative tourism products and the business survivability of the tourism villages.

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