THE RELATIONSHIP BETWEEN MARKET ORIENTATION, LEARNING ORIENTATION AND BUSINESS MODEL INNOVATION: A CASE STUDY OF RESTAURANTS - HOTELS IN HO CHI MINH CITY

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ABSTRACT: *Currently, people's lives greatly improved, which has led to a fast-growing tourism demand, which requires the tourism industry to grow faster than the GDP growth rate, in which the hotel business system holds a prominent position. Therefore, the objective of this study is to explore the relationship between market orientation, learning Orientation to business model innovation of restaurants and hotels in Ho Chi Minh City (HCMC). The researchers surveyed 600 managers related to restaurants and hotels in HCMC. They answered 12 questions, and 545 samples processed. The data got from November 2019 to January 2020 in HCMC. Simple random sampling technique. The data analyzed Cronbach's Alpha and the exploratory factor analysis (EFA), and multiple regression analysis. Research results showed that there is a relationship between market orientation, learning Orientation to business model innovation of restaurants and hotels in HCMC with significance level 0.01.*

KEYWORDS: market, orientation, learning, innovation, restaurant, and hotel.

INTRODUCTION

Not only in Vietnam but also developed countries in the world, restaurants, and hotels have become a critical economic sector. Restaurants and hotels not only bring a great source of income to the economy, creates jobs, develop service industries and infrastructure, but also promote peace and cultural exchanges. In this context, Vietnam is attempting to synchronously implement many solutions to turn restaurants and hotels into a vital economic sector of the country. Besides, Vietnam is also a country with a stable political regime and abundant human resources. The State's policy of renovation, openness, and integration creates favorable conditions for foreign economic relations, including tourism development. A growing restaurant and hotel business has led to a growing demand for supplies and equipment to build restaurants and hotels and commodity raw materials to supply tourists quickly. There are these inputs provided by industry, agriculture, transport, and commerce. That promotes economic development and contributes to the growth rate of GDP. Therefore, the objective of this study is to find out the relationship between market orientation, learning Orientation to business model innovation of restaurants and hotels in Ho Chi Minh City.

LITERATURE REVIEW

Business model innovation (BMI)

According to (Boshoff C, 2016), business model innovation is the trend of companies to create and apply new products, production processes, and business models. Meanwhile, It stated that product innovation, including new product development, improvement of existing products, and applied products that are known as an essential factor for manufacturing companies (Teece, D. J, 2010).

Market orientation (MO)

Market orientation is a standard business culture, which popularized within the organization through functional coordination, design goals, and profitability for businesses, superior value solutions for customers (Zott C, 2013). Market orientation directly and indirectly of enterprises and other relevant market shareholders (Cashman A, 2014). Market orientation is a strategy focused on addressing the needs and desires of consumers to develop new products. Market orientation is a customer-centric approach to product design (Tang, Y, 2013). It involves research aimed at identifying what consumers consider to be their essential needs, primary interests, or personal interests in a particular product list (Pigneur Y, 2015).

Hypothesis H1: Market orientation has a positive impact on business model innovation of restaurants and hotels in Ho Chi Minh City.

Learning Orientation (LO)

An organization's learning orientation is defined as its foundation for learning, resulting in a more or less organized learning process (Dart, J, 2014) that has developed a scale to provide organizational learning orientation. Their building is in three directions: commitment to learning, vision sharing, and readiness to take on new things and have a central organization. (Velamuri, S. R, 2010) Learning Orientation is the presence of an organization's learning and application trends (Eskildsen J, 2013).

Hypothesis H2: Learning Orientation has a positive impact on business model innovation of restaurants and hotels in Ho Chi Minh City.

Business environment (BE)

The existence and development of any enterprise, regardless of size or business in different fields. It is always an ongoing process of mobilization in a volatile business environment (Slater, S. F, 2015). The impact of the business environment will either be decisive in the sense of creating opportunities or negatively with the opposite, meaning being detrimental for the business of the enterprises (Tubbs W, 2016). The business environment is the totality of the organization's surroundings for the broader concept. (Deimler, M. S, 2013) defines the

environment as all conditional contexts, and affects the surrounding. And Business environment affects the development of the organization or any of its internal systems (Dawes, J, 2015).

Hypothesis H3: The business environment has a positive impact on the relationship the market orientation and business model innovation of restaurants and hotels in Ho Chi Minh City.

Hypothesis H4: The business environment has a positive impact on the relationship the learning Orientation and business model innovation of restaurants and hotels in Ho Chi Minh City.

The authors proposed the research model for factors affecting business model innovation of restaurants and hotels in Ho Chi Minh City.
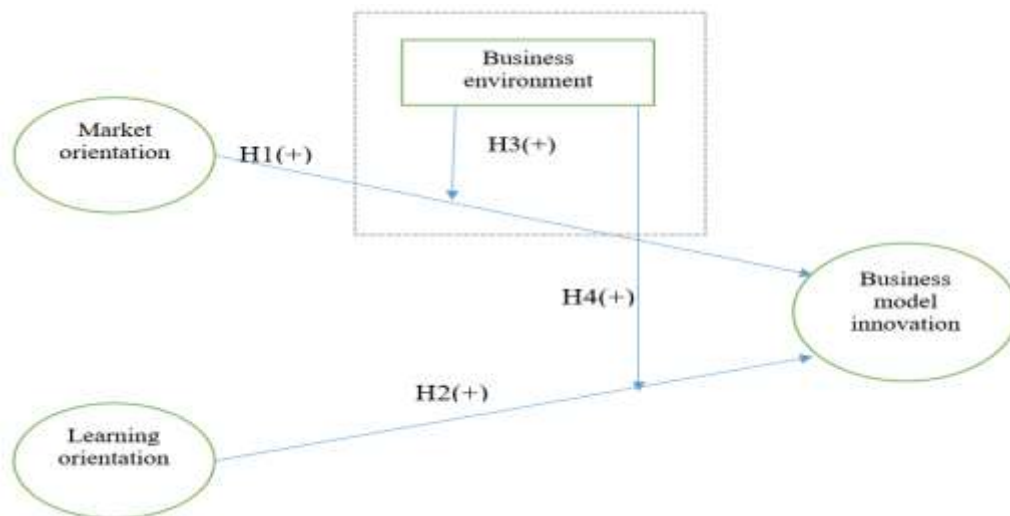
(Source: Researchers proposed)

Figure 1: Research model for factors affecting business model innovation of restaurants and hotels in Ho Chi Minh City

METHODS OF RESEARCH

The research process for factors affecting business model innovation of restaurants and hotels in Ho Chi Minh City having three phases following. Phase 1: Researchers applied the expert methodology and based on 30 experts' consultation about business model innovation of restaurants and hotels to improve the scale and design of the questionnaire. The authors surveyed 30 experts who agreed that all of the factors affecting business model innovation of restaurants and hotels. Researchers created a list of possible factors gathered from the literature reviews, as mentioned in the above studies. Phase 2: Researchers tested a reliability scale with Cronbach's Alpha coefficient and exploratory factor analysis. Completed questionnaires are from restaurants and hotels and having 30 minutes to finish the survey. Researchers surveyed 600 managers related to restaurants and hotels in HCMC. They answered 12 questions, and 545 samples processed. The data got from November 2019 to January 2020 in HCM. Simple random sampling technique. The data analyzed Cronbach's Alpha and exploratory factor analysis (EFA). All data collected from the questionnaire coded, processed by SPSS 20.0 and Amos.

Phase 3: Researchers Cronbach Alpha: any observational variables with a total correlation coefficient greater than 0.3 and Cronbach's Alpha coefficient greater than 0.7 would ensure the reliability of the scale. This method based on the Eigenvalue, the appropriate factorial analysis, and the observed variables in the whole which are correlated when Average Variance Extracted is > 50%, the KMO coefficient is within 0.5 to 1, Sig coefficient ≤ 5%, the loading factors of all observed variables are > 0.5. Besides, the researchers testing scale reliability with Cronbach's alpha coefficient and exploratory factor analyses (EFA) performed. Finally, the least-squares method and multiple linear regression used (Hair, Anderson, Tatham, & Black, 1998). A least-squares method is a form of mathematical regression analysis that finds the line of best fit for a set of data, providing a visual demonstration of the relationship between the data points. Each point of data is representative of the relationship between a known independent variable and an unknown dependent variable (Hair, B. B., & Anderson, 2010).

RESEARCH RESULTS

The scale reliability tests for factors affecting business model innovation of restaurants and hotels in Ho Chi Minh City

Table 1: The scale reliability tests for factors affecting business model innovation of restaurants and hotels in Ho Chi Minh City

Items	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
MO1	9.1872	7.049	.942	.928
MO2	9.2092	7.243	.871	.950
MO3	9.1963	7.478	.849	.956
MO4	9.2000	7.039	.913	.937
Cronbach's Alpha for market orientation (MO)				**0.957**
LO1	10.3358	6.554	.844	.882
LO2	10.2440	6.475	.835	.885
LO3	10.3284	6.681	.773	.907
LO4	10.3872	6.686	.795	.899
Cronbach's Alpha for learning orientation (LO)				**0.918**
BMI1	7.2330	3.212	.641	.823
BMI2	7.1064	2.853	.779	.762
BMI3	7.1908	3.298	.602	.839
BMI4	7.0991	2.895	.717	.790
Cronbach's Alpha for business model innovation (BMI)				**0.846**

(Source: The researcher's collecting data and SPSS 20.0)

Table 1 showed that all 12 variables surveyed Corrected item-total Correlation greater than 0.3 and Cronbach's Alpha if Item deleted greater than 0.6, and Cronbach's Alpha is very reliable. Such observations make it eligible for the survey variables after the testing scale. This factor showed that data was suitable and reliable for researching.

- Cronbach's Alpha for market orientation (MO) is 0.957;
- Cronbach's Alpha for learning orientation (LO) is 0.918;

- Cronbach's Alpha for business model innovation (BMI)　is 0.846.

Table 2: KMO and Bartlett's Test for factors affecting business model innovation of restaurants and hotels in Ho Chi Minh City

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.826
Bartlett's Test of Sphericity	Approx. Chi-Square	5805.370
	df	66
	Sig.	0.000

Total Variance Explained							
Com.	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total
1	4.793	39.939	39.939	4.793	39.939	39.939	3.651
2	3.330	27.748	67.687	3.330	27.748	67.687	3.970
3	1.394	11.621	79.307	1.394	11.621	79.307	3.695
4	.585	4.875	84.182				
5	.510	4.249	88.432				
6	.468	3.897	92.329				
7	.241	2.012	94.341				
8	.211	1.755	96.096				
9	.177	1.477	97.573				
10	.136	1.130	98.703				
11	.100	.835	99.538				
12	.055	.462	100.000				

(Source: The researcher's collecting data and SPSS 20.0)

Table 2 showed that KMO is 0.826, sig is 0.000. There is a significance level 0.01 with KMO and Bartlett's Test for factors affecting business model innovation of restaurants and hotels in Ho Chi Minh City.

Table 3: Pattern Matrix of business model innovation for restaurants and hotels in HCMC

Code	Component		
	1	2	3
MO1	.969		
MO4	.953		
MO2	.927		
MO3	.913		
LO1		.913	
LO2		.911	
LO4		.883	
LO3		.875	
BMI2			.893
BMI4			.861
BMI1			.797
BMI3			.752

 (Source: The researcher's collecting data and SPSS 20.0)

Table 3 showed that there were three components. Two factors directly affected business model innovation of restaurants and hotels in Ho Chi Minh City and one moderating variable (business environment) affecting business model innovation of restaurants and hotels in Ho Chi Minh City. Components include market orientation (MO), business environment (BE), learning orientation (LO), and business model innovation (BMI).

Table 4: Coefficients from structural equation modeling (SEM)

ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	50.923	2	25.461	110.154	.000[b]
	Residual	125.280	542	.231		
	Total	176.202	544			
2	Regression	54.752	3	18.251	81.297	.000[c]
	Residual	121.451	541	.224		
	Total	176.202	544			
3	Regression	56.520	5	11.304	50.908	.000[d]
	Residual	119.683	539	.222		
	Total	176.202	544			

Coefficients								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.947	.108		8.773	.000		
	LO	.345	.024	.512	14.094	.000	.994	1.006
	MO	.082	.023	.128	3.521	.000	.994	1.006
2	(Constant)	.825	.110		7.463	.000		
	LO	.300	.026	.445	11.326	.000	.825	1.213

	MO	.080	.023	.124	3.471	.001	.993	1.007
	BE	.094	.023	.162	4.130	.000	.827	1.209
3	(Constant)	.112	.281		.400	.689		
	LO	.289	.027	.430	10.664	.000	.777	1.288
	MO	.078	.023	.122	3.417	.001	.992	1.008
	BE	.345	.096	.597	3.615	.000	.046	21.633
	C.BELO	-.018	.019	-.103	-.899	.369	.095	10.505
	C.BEMO	-.061	.025	-.342	-2.494	.013	.067	14.955
a. Dependent Variable: BMI								

Note: *** Significant at 1 percent (All t-tests are one-tailed)
(Source: The researchers' collecting data, SPSS 20.0)

Table 4 showed that the column "Sig." < 0.01 with significance level 0.01. This factor showed that two factors are affecting business model innovation of restaurants and hotels in Ho Chi Minh City with significance level 0.01 and business environment affecting business model innovation of restaurants and hotels in Ho Chi Minh City with significance level 0.01.

CONCLUSIONS & MANAGERIAL IMPLICATIONS

Conclusions
More foreign tourists are staying at hotels, the more foreign currency revenue increase, which means that the development of the hotel business implements on-site export and contributes to the country's export strategy. On-site exports of hotels are more efficient than exports abroad because of the prices of on-site goods and services export at international prices, while on-site exports reduce expenses such as testing costs, packaging costs, customs fees, shipping costs, storage costs. Research results showed that there is a relationship between market orientation, learning Orientation to business model innovation of restaurants and hotels in HCMC with significance level 0.01. The researchers had managerial implications policymaker of restaurants and hotels in Ho Chi Minh City continued to improve the service quality of restaurants and hotels following.

Managerial implications
Based on results as mentioned above and the researchers had managerial implications flowing: (1) In 2020, the Government should continue focusing on overcoming inadequacies and substantially reforming the regulations on business conditions. The functional agencies need to study and consider connecting the inspection results to have appropriate solutions, minimize troubles for businesses in inspection, examination, non-inspection, and examination of enterprises. Once of the year. Improving the efficiency of the hotline to receive enterprises 'feedbacks, prompt and thorough answers, and timely removal of enterprises' difficulties. Create equity in policies, especially tax policies and land incentives for domestic, small, and medium enterprises; It is necessary to review the preferential policies and select small and medium

enterprises. the Government should continue promoting the improvement of direct revenue for the budget from raising the contribution of small and medium enterprises, at the same time creating a fair and fair competitive environment, nurturing revenue from the development of domestic enterprises such as restaurants and hotels.

(2) Restaurants and hotels should continue market research that plays an essential role in promoting business. Grasping the mindset and using market research tools help businesses optimize costs and minimize risks for their business activities. Market research is not a new industry. But researching what the market is for is always the top question of many people, especially for small and medium-sized startup owners when it comes to business. If it was once considered a silent army to support business and marketing decisions. Restaurants and hotels should continue to ensure a sufficient number of standard facilities to serve tourists; strengthen sanitation, timely garbage collection; there are signs, reminders, guide tourists to participate in environmental protection. On the other hand, the authorities need to widely propagate about attractive local destinations, products to serve customers based on promoting traditional values, the essence of national culture.

(3) Restaurants and hotels should develop regulations on conditions for practical facilities applied to tourism human resource training institutions in Vietnam. Training institutions need to synchronize the practice room with management software, apply smart technology to teaching specialized subjects. It is to implement this solution, and each sub-sector needs to sign a contract with enterprises to be allowed to equip similar software for businesses, helping learners to quickly catch up when doing practical learning, internships, and working after graduation. Besides, Restaurants and hotels need developing regulations on the quality of trainers applied to tourism human resource training institutions in Vietnam. It is necessary to stipulate that lecturers participating in the training of tourism human resources training establishments must have a certificate of tourism in Vietnam, especially lecturers participating in the teaching of professional subjects and practical instructions. Under the two subsectors of Accommodation and Travel. Finally, Vietnam is in the period of integration and development, Restaurants and hotels should continue improving vocational skills through well-trained international standard training programs help human resources of tourism hotel industry of Vietnam create such a position. Healthy competition for human resources from other developed countries to enter the Vietnamese labor market and seize valuable job opportunities.

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