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Reputational Risk Management, Satisfaction, and Loyalty Among Nglanggeran Homestay Guests

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Abstract
This study examines the relationships among reputational risk management, tourist satisfaction, and loyalty among homestay guests in Nglanggeran Tourism Village, Gunungkidul, Yogyakarta. It focuses on a single location and uses data from 89 tourists who had stayed in Nglanggeran homestays. The data were analysed using partial least squares structural equation modelling (PLS-SEM) in SmartPLS, with assessment of the measurement and structural models. Reputational risk management had a positive, significant effect on tourist satisfaction (path coefficient = 0.505; $p < 0.001$). Satisfaction had positive, significant effects on intention to recommend (0.489) and revisit intention (0.651), both with $p < 0.001$. The direct effects of reputational risk management on intention to recommend ($\beta = 0.251$; $p = 0.082$) and revisit intention ($\beta = 0.004$; $p = 0.973$) were not significant. Mediation effect-size analysis indicated a medium effect through satisfaction on revisit intention ($\nu = 0.108$) and a small effect on intention to recommend ($\nu = 0.061$). These findings suggest that homestay reputation contributes to loyalty primarily through tourist satisfaction.

Keywords: tourist satisfaction, tourist loyalty, reputational risk management, Nglanggeran, homestay.

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INTRODUCTION

Homestays have become a growing form of accommodation in tourism villages because they offer experiences closely connected to local life. This feature distinguishes them from more standardized accommodation. Tourists evaluate not only rooms and facilities but also interactions with hosts, the surrounding environment, cleanliness, safety, service, and the image formed through experiences and information received before and after a visit (Kiswantoro, Sugiarto, Bahri, et al., 2024; Kiswantoro et al., 2025; Sugiarto et al., 2024). In this setting, reputation matters to the viability of homestays because guest experiences can translate into reviews, recommendations, and decisions to return.

Nglanggeran Tourism Village in Gunungkidul, Yogyakarta, was selected because previous studies have not examined reputational risk management together with tourist satisfaction and loyalty in this setting.

Previous homestay research has more often treated service quality, experience, perceived risk, or operational risk management as predictors of satisfaction and loyalty. For example, Kiswantoro et al. (2025) examined operational risk management, satisfaction, and loyalty among 156 Nglanggeran homestay guests and found a positive effect of operational risk management on satisfaction and an important role for satisfaction in loyalty.

The study aims to analyze the effect of reputational risk management on tourist satisfaction, the effects of satisfaction on intention to recommend and revisit intention, and the mediating role of satisfaction in the relationship between reputational risk management and loyalty in Nglanggeran Tourism Village. The research questions are: (1) Does reputational risk management affect satisfaction among Nglanggeran homestay guests? (2) Does satisfaction affect intention to recommend and revisit intention? (3) Does reputational risk management directly affect these two loyalty indicators? (4) Does satisfaction mediate the relationship between reputational risk management and tourist loyalty?

LITERATURE REVIEW

The research gap concerns how the reputational dimension of risk shapes satisfaction and loyalty in tourism-village homestays. Studies of operational risk show that safety, comfort, facilities, and service matter for satisfaction, but reputational risk operates through perceptions, trust, public opinion, complaints, and recommendations. Examining reputational risk management separately from other risk dimensions provides a more specific account of the pathway from reputation to tourist behavior.

Conceptually, reputational risk management refers to homestay operators' ability to maintain a positive image, respond to public opinion, address complaints, manage reviews, and retain tourists' trust. In a digital environment, guest experiences can spread through review platforms and social media; unresolved service failures can therefore become reputational risks. Conversely, consistent service and effective complaint handling can strengthen positive perceptions (Fombrun & van Riel, 2004; Pérez-Cornejo et al., 2019; Stitzlein et al., 2021).

This article deliberately limits its constructs to reputational risk management, satisfaction, and loyalty, excluding operational and external risk management discussed by Kiswantoro et al. (2025). This narrower scope isolates the reputation pathway to clarify the reputation–satisfaction–loyalty mechanism without conflating it with risk dimensions that operate through different mechanisms.

Accordingly, the hypotheses are: H1, reputational risk management has a positive, significant effect on satisfaction; H2, satisfaction has a positive, significant effect on intention to recommend; H3, satisfaction has a positive, significant effect on revisit intention; H4, reputational risk management has a positive, significant effect on intention to recommend; H5, reputational risk management has a positive, significant effect on revisit intention; H6, satisfaction mediates the relationship between reputational risk management and intention to recommend; and H7, satisfaction mediates its relationship with revisit intention.

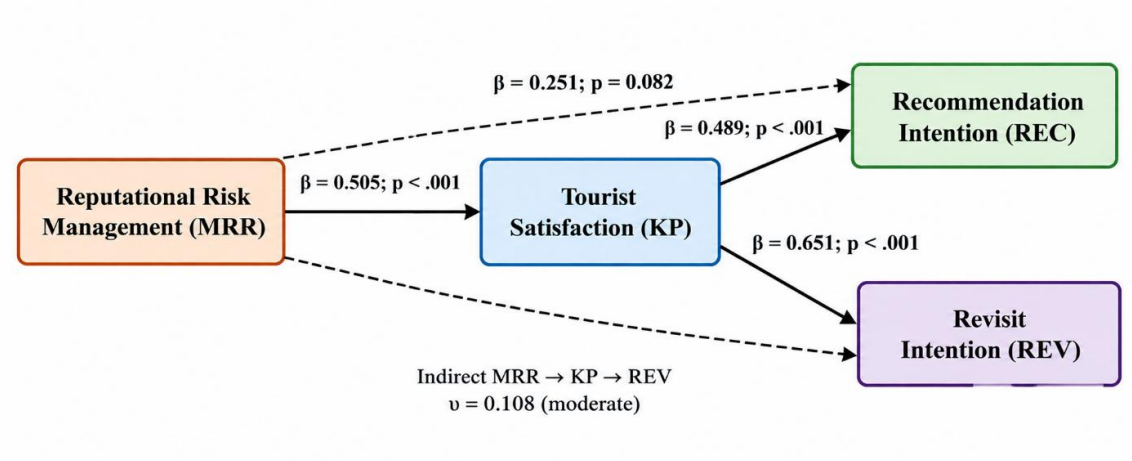


Figure 1. Conceptual model of reputational risk management, tourist satisfaction, and loyalty
Source: Authors' data analysis, Nglanggeran Village

METHOD

This explanatory quantitative study uses data from 89 respondents in Nglanggeran Tourism Village, Gunungkidul Regency, Indonesia. The data comprise 82 respondents who had stayed once and seven who had stayed more than once in Nglanggeran, giving a total of 89. A multistage sampling procedure combined purposive and snowball sampling. Respondents were tourists familiar with and who had stayed at homestays in the tourism village under study.

Data were collected between February and March 2026 through an on-site survey using printed questionnaires distributed directly to tourists. The respondents completed the questionnaires based on

their actual experiences of staying at homestays in the study area. The questionnaire consisted of structured statements measuring reputational risk management, tourist satisfaction, recommendation intention, and revisit intention. All measurement items were assessed using a five-point Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree).

This research examines three groups of constructs: reputational risk management (MRR), tourist satisfaction (KP), and tourist loyalty. Loyalty is operationalized through two behavioral intentions rather than a single path: intention to recommend (REC) and revisit intention (REV).

Reputational risk management was measured using indicators representing homestays' capacity to manage their image, public perceptions, reviews, complaints, and recommendations (Bong et al., 2019; Chernega, 2021; Islam et al., 2021; Kiswantoro, Hendratono, Supina, et al., 2024; Yao et al., 2024). Tourist satisfaction reflects a positive evaluation of the stay (Kesuma et al., 2026; Masjhoer & Dzulkifli, 2019; Susanto et al., 2026). Intention to recommend denotes guests' willingness to share positive experiences and recommend a homestay to others; revisit intention denotes their propensity to choose the homestay again (Juwariyah et al., 2024; Kiswantoro, Sugiarto, Bahri, et al., 2024; Kristianto & Kiswantoro, 2019; Listyawati et al., 2022; Nur Rohman et al., 2024).

Data were analyzed using partial least squares structural equation modeling (PLS-SEM) in SmartPLS (Hair et al, 2019). The analysis assessed the measurement model through indicator loadings, convergent validity, reliability, and average variance extracted (AVE), followed by assessment of the structural model through path coefficients, t statistics, p values, R-squared, and mediation effects.

Path-coefficient significance was tested by bootstrapping at the 5% significance level. Discriminant validity was assessed using cross-loadings. After indicators that failed to meet the criteria were removed, the retained indicators had adequate loadings on their respective constructs. All constructs had AVE values above 0.50, supporting convergent validity; the cross-loading assessment supported discriminant validity.

Collinearity was assessed using the variance inflation factor (VIF), with VIF < 3.00 indicating no serious collinearity problem. Structural-model VIF values fell below this threshold and thus did not indicate collinearity that would compromise estimation of relationships among constructs. Because all responses came from the same questionnaire and respondents, potential common method bias was considered in interpreting the findings. However, the VIF assessment here concerns structural collinearity; it is not presented as a full-collinearity VIF test specifically designed to assess common method bias.

RESULTS AND DISCUSSION

Respondent Characteristics

The Nglanggeran sample comprised 89 tourists. Of these, 82 (92.1%) had stayed once and seven (7.9%) more than once. Thus, most respondents had experienced a homestay stay at least once.

Table 1. Frequency of homestay stays among Nglanggeran respondents

Stay frequency	Number	Percentage
Once	82	92.1%
More than once	7	7.9%
Total	89	100.0%

Source: Authors 'data analysis

These characteristics are relevant to the satisfaction and loyalty model because an actual stay provides the basis for tourists 'assessments of homestay reputation and service. Reputation here is understood not merely as a promotional image but also as a product of guests 'experiences and information.

Discriminant validity was assessed through cross-loadings. After indicators that failed the criteria were removed, retained indicators loaded adequately on their respective constructs. Inferential analysis focuses on the MRR–KP, KP–REC, KP–REV, MRR–REC, and MRR–REV paths, as well as the mediated effects of MRR through KP.

Table 2a. Discriminant validity assessed using cross-loadings

Construct	Full indicator Statement	Factor loading
MRR – Reputational risk management	MRR1: The image I have of the homestay I stayed at is good.	0.901
	MRR2: The homestay I stayed at is clean.	0.823
	MRR3: The homestay I stayed at has a good level of safety and security.	0.799
KP – Tourist satisfaction	KP1: Overall, my impression of my experience staying at the homestay is positive.	0.820
	KP2: Overall, my impression of my experience staying at the homestay is enjoyable.	0.847
	KP3: Overall, my evaluation of the homestay I used makes me satisfied with the experience I received.	0.831
	KP4: I really enjoyed staying at the homestay and would stay at this homestay again the next time I need accommodation.	0.790
REC – Intention to recommend	REC1: I would like to recommend the homestay I have stayed at to other people.	0.930
	REC2: I will say positive things about the homestay I have stayed at to other people.	0.902
REV – Revisit intention	REV1: I would use the homestay I have stayed at again as my first choice.	0.824
	REV2: I will use the homestay I have stayed at again.	0.892
	REV3: I will stay longer at the homestay I have previously used.	0.892

Source: Authors 'data analysis. Retained indicators loaded adequately on their respective constructs after indicators that did not meet the criteria were removed

Table 2b. Convergent validity of constructs in Nglanggeran Village

Construct	Nglanggeran AVE	Assessment
Tourist satisfaction (KP)	0.676	Valid
Reputational risk management (MRR)	0.709	Valid
Intention to recommend (REC)	0.839	Valid
Revisit intention (REV)	0.757	Valid

Source: Authors 'data analysis. AVE > 0.50 meets the convergent-validity criterion, complementing the cross-loading assessment in Table 2a.

Hypothesis Tests

The Nglanggeran structural model shows a positive, significant effect of reputational risk management on tourist satisfaction (path coefficient = 0.505; t = 5.115; p < 0.001). H1 is therefore supported: better management of homestay reputational risk is associated with higher tourist satisfaction.

Satisfaction had a positive, significant effect on intention to recommend (path coefficient = 0.489; t = 4.412; p < 0.001), supporting H2. It also had a positive, significant effect on revisit intention (coefficient = 0.651; t = 5.655; p < 0.001), supporting H3. The path coefficient for revisit intention was thus larger than that for intention to recommend.

By contrast, the direct effect of reputational risk management on intention to recommend was not significant (coefficient = 0.251; t = 1.742; p = 0.082); H4 was not supported. Its direct effect on revisit intention was likewise not significant (coefficient = 0.004; t = 0.034; p = 0.973); H5 was not supported.

Table 3. Direct-effect hypothesis tests in Nglanggeran Village

Hypothesis	Path	Path coefficient	t statistic	p value	Decision
H1	MRR → KP	0.505	5.115	< 0.001	Supported
H2	KP → REC	0.489	4.412	< 0.001	Supported
H3	KP → REV	0.651	5.655	< 0.001	Supported
H4	MRR → REC	0.251	1.742	0.082	Not supported
H5	MRR → REV	0.004	0.034	0.973	Not supported

Source: Authors 'data analysis

This pattern shows that reputation is strongly associated with satisfaction but does not translate directly into loyalty. Loyalty is more evident when favorable perceptions of reputation are accompanied by satisfying experiences. Tourists may return because a homestay with a good reputation actually delivered an experience they found satisfactory.

The Mediating Role of Tourist Satisfaction

Mediation effect-size analysis indicates that satisfaction transmits the effect of reputational risk management to loyalty. The MRR → KP → REV path had an upsilon (ν) effect size of 0.108, classified as medium; the MRR → KP → REC path had an upsilon of 0.061, classified as small. The upsilon effect-size statistic follows Lachowicz, Preacher, and Kelley (2018), selected because it does not rely on the normality assumption for the indirect effect underlying the conventional Sobel test.

These results reinforce the direct-effect findings. For MRR → REV, the direct effect was close to zero (β = 0.004), whereas the indirect pathway through satisfaction had a medium effect size. Reputation therefore appears more relevant to revisit decisions when it translates into satisfaction. Mediation was also observed for recommendations, although its effect size was small; other factors beyond the three constructs studied may also influence recommendations.

Table 4. Mediation effects of tourist satisfaction

Mediated path	Upsilon (ν)	Effect size
MRR → KP → REC	0.061	Small
MRR → KP → REV	0.108	Medium

Source: Authors 'data analysis

These findings are consistent with the general pattern reported by Bam and Kunwar (2020), Nurofik and Wiana (2022), Pujiastuti (2020), Usman et al. (2020), and Viet et al. (2020), which highlights satisfaction as a mediator between risk management and loyalty, although the magnitude varies by risk dimension and setting. In Nglanggeran specifically, reputational risk management was significantly associated with satisfaction, which was significantly associated with both loyalty indicators.

Discussion

Reputation emerged as an important antecedent of satisfaction among Nglanggeran homestay guests. The coefficient of 0.505 indicates an association between perceptions of reputation management and satisfaction. In homestays, reputation may arise from consistent service, cleanliness, safety, responsiveness to complaints, guest reviews, and experiences shared with others. Reputational risk management should therefore encompass management of the guest experience and responses to problems, as well as promotion.

This finding relates conceptually to homestay research identifying experiences, service quality, and satisfaction as drivers of loyalty. Ghimire (2023) linked homestay experiences with satisfaction and behavioral intention. Lam et al. (2024) likewise found relationships among service quality, satisfaction, and loyalty in homestays. The present article focuses instead on reputational risk management as its principal explanatory construct, viewing reputation as an outcome of managing risks to public perceptions and guest experiences.

The satisfaction–recommendation coefficient of 0.489 suggests that more satisfied tourists are more inclined to recommend a homestay. This matters in tourism villages, where personal recommendations can support experience-based marketing. Satisfied Nglanggeran guests may convey their experiences through interpersonal communication and digital channels, thereby extending homestay reputations.

The satisfaction–revisit intention coefficient of 0.651 was the largest in the article's focused model. This finding underscores the importance of satisfaction for guests 'decisions to return. It is consistent with earlier homestay loyalty research that positions satisfaction as a key mechanism following evaluation of the service experience.

Notably, reputational risk management had no significant direct effect on either revisit intention or intention to recommend. Non-significant direct paths do not imply that reputation is unimportant: the mediation results suggest that it operates principally through satisfaction. Conceptually, reputation is a relatively abstract perception, whereas loyalty-related intentions are closer to actual experience. Tourists may arrive because of a homestay's reputation, but their intention to return is stronger when their own experience is satisfying.

The findings also distinguish two forms of loyalty. Revisit intention was more strongly associated with satisfaction than intention to recommend ($\beta = 0.651$ for KP → REV versus $\beta = 0.489$ for KP → REC). Satisfaction therefore had a stronger association with a personal decision to return than with a social decision to recommend a homestay. Recommendations entail an additional consideration: tourists put their social credibility at stake when suggesting accommodation to others.

The medium effect size for MRR → KP → REV is a central finding. An upsilon of 0.108 indicates a more substantial reputation–revisit pathway when satisfaction is considered. By comparison, the effect size for MRR → KP → REC was small (0.061). Homestay operators therefore need to turn a favorable image into satisfying experiences through the quality of interactions, comfort, cleanliness, safety, and responsiveness to guests 'needs.

These findings should be understood within a broader model. The data indicate that operational risk management (MRO) and external risk management (MRE) were also associated with MRR in

Nglanggeran, with coefficients of 0.528 and 0.276, respectively. Reputation is thus related to the management of operational and external risks. These variables were deliberately excluded from the article's principal analysis to focus on the MRR–KP–loyalty mechanism. Its results should not be interpreted as the complete homestay risk-management model for Nglanggeran.

Empirically, this study extends earlier Nglanggeran research on risk management, satisfaction, and loyalty. The study published in 2025 focused on operational risk management and used 156 respondents in its own research design. This article analyses a subset of 89 Nglanggeran respondents from the same broader research population, with reputational risk management as its focus. It thus examines a different risk dimension rather than directly repeating the earlier operational-risk analysis.

In practice, Nglanggeran homestay operators should manage reputation through actual guest experiences. First, complaints should be recorded and resolved promptly. Second, reviews should be monitored for recurring problems, rather than solely to improve ratings. Third, consistently positive experiences should be maintained, since a favorable reputation without a satisfying stay does not automatically produce loyalty. Fourth, guest feedback can guide service improvement and authentic communication.

At the tourism-village level, a coordinated reputation-management system is needed. This could include issue monitoring, complaint-response procedures, homestay service standards, and regular forums for operators to assess performance. Reputation is thus both the responsibility of individual homestay owners and an element of Nglanggeran Tourism Village's collective quality.

Table 5. R-squared values for Model 2 in Nglanggeran Village

Variable	R^2 in Nglanggeran Model 2	Interpretation in this article
Intention to recommend	0.60	60% explained by the full model; not by MRR alone
Revisit intention	0.44	44% explained by the full model; not by MRR alone
Tourist satisfaction	0.54	54% explained by the full model; not by MRR alone
Reputational risk management	0.45	45% explained by MRO and MRE in the full model

Source: Authors 'data analysis

Conceptual Analysis and Managerial Implications

Reputational risk management in homestays differs from reputation management in more standardized hotels. In tourism-village homestays, reputation develops through direct relationships between tourists and local families or operators. It is therefore closely tied to host behavior, responses to guest needs and complaints, and the consistency between information received and actual experiences. Qualitative analysis in Nglanggeran indicates that operators have procedures, strive to manage challenges, and receive complaints courteously. Reputation thus develops through everyday service, as well as external communication.

The positive MRR–satisfaction relationship ($\beta = 0.505$) can be understood in terms of the alignment between expectations and actual experiences. A good reputation before arrival may create particular expectations. When the stay meets them, tourists are likely to evaluate it positively; a gap between image and experience can instead produce dissatisfaction and eventually damage reputation. Conceptually, reputational risk management and satisfaction may therefore be linked in both directions: reputation shapes expectations and satisfaction, while satisfaction generates reviews, recommendations, and experiences that may subsequently strengthen or weaken reputation.

In this study, the direct MRR → REC path was not significant. A p value of 0.082 does not provide sufficient statistical evidence at the 5% level for a direct effect. Recommendation is a social behavior:

even tourists who perceive a homestay favorably may consider their specific experience, the prospective recipient's needs, the quality of communication, or comparisons with other accommodation before recommending it. Reputation alone may therefore be insufficient to prompt a recommendation.

The non-significant MRR → REV path also warrants careful interpretation. Its coefficient of 0.004 and p value of 0.973 suggest almost no direct relationship in the model. Yet the MRR → KP → REV path had an upsilon effect size of 0.108, classified as medium. Reputation may therefore support satisfaction more than it directly triggers return visits. Tourists may know or perceive a homestay to have a good reputation, but their decision to return depends more closely on whether their own stay was satisfying.

These findings have implications for reputation-management strategy. Promotion, positive posts, and requests for reviews need to be accompanied by control of experience quality. A reputation unsupported by the stay itself can create an expectation gap, whereas consistent experiences may generate positive reviews more organically. Reputational risk management should therefore be treated as a system of problem prevention, perception monitoring, complaint response, and learning from feedback. Qualitative Nglanggeran data frequently refer to having standard operating procedures (SOPs), managing challenges, and receiving complaints courteously in discussions of risk management. These practices can serve as three practical reputation-management mechanisms: SOPs promote consistency, managing challenges mitigates risk, and courteous complaint handling supports service recovery. Together, they can shape guests' evaluations after firsthand experience of the service.

Service recovery matters because reputational risks cannot always be prevented. Tourism services can be disrupted by weather, guests' health needs, inadequate facilities, or unexpected events. The data also identify highly contextual risks, such as illness among tourists, disturbances involving small animals, and certain unforeseen incidents. When a disruption occurs, the operator's response can determine whether a negative experience remains an isolated incident or becomes a complaint and reputational risk. Responsiveness is therefore part of reputation management.

Coordination between homestay operators and the tourism-village organization is also important. One homestay's reputation may shape perceptions of the wider village, especially when tourists purchase experience packages involving several services. Operators should therefore agree on minimum standards for complaint handling, crisis communication, tourist information, and escalation procedures. Coordination need not erase the distinctive character of each homestay: family life, culture, cuisine, and local activities can remain distinctive within a shared framework for managing reputational risk.

The two loyalty indicators convey different information. Revisit intention concerns a personal consumption decision, whereas intention to recommend involves social communication. The satisfaction–REV coefficient of 0.651 exceeded the satisfaction–REC coefficient of 0.489. Satisfaction was thus more strongly associated with the intention to return than with the intention to recommend. Both paths were nevertheless significant, making satisfaction a strategic asset for enduring tourist relationships.

The R-squared values for Nglanggeran Model 2 (Table 5) provide additional context. The full model, comprising MRO, MRE, MRR, and KP, explained 60% of the variation in intention to recommend, 44% in revisit intention, and 54% in satisfaction. MRO and MRE explained 45% of the variation in MRR. These figures cannot be attributed to MRR alone: the R-squared values come from a model different from the article's focused model. They also leave substantial variation in loyalty to be explained by other factors.

Possible factors include experience quality, perceived value, trust, destination image, memorable tourism experiences, price, accessibility, and tourist characteristics. Because this article did not test them, it cannot estimate their individual contributions. Future research could examine whether trust or perceived value mediates the effect of reputation on satisfaction, and whether memorable experiences strengthen the satisfaction–loyalty relationship.

Recent homestay research provides further context. Ghimire (2023) linked homestay experiences to satisfaction and behavioral intention. Lam et al. (2024) associated service quality with satisfaction and loyalty. Dai et al. (2025) highlighted the roles of community experiences, local character, and emotional responses in loyalty. The Nglanggeran results add evidence that reputational risk management has a significant path to satisfaction, whereas loyalty is more strongly associated with reputation once satisfaction develops.

The article's contribution is therefore its focused examination of the reputation mechanism in tourism-village homestays, rather than a new construct. The data enable analysis of the reputational dimension at village level; earlier published Nglanggeran research focused on operational risk management. That study used 156 respondents and reported an effect of operational risk management on satisfaction and a role for satisfaction in loyalty (Kiswantoro et al., 2025). By analyzing 89 Nglanggeran respondents from a broader population and specifically testing the reputational dimension, the present article offers another perspective on the loyalty mechanism.

Four managerial priorities follow. First, operators should establish prompt, courteous, documented complaint responses. Second, online reviews should be monitored as a source of risk information, not simply a promotional tool. Third, complaints and reviews should inform regular organizational learning. Fourth, reputation should be considered alongside satisfaction and loyalty indicators so operators can assess whether reputation-related improvements coincide with better guest experiences.

These priorities can be organized into a simple reputation cycle: monitoring, identification, response, recovery, evaluation, and improvement. Operators first track reviews and complaints, then classify issues by type and severity. They respond with an explanation and corrective action, allow guests to provide further feedback during recovery, check whether problems recur, and update SOPs and training. Risk management thereby becomes a process of learning rather than stopping at risk identification.

From this perspective, reputation is the cumulative result of tourist experiences. A good reputation depends on consistency among promises, service, responses, and the stay itself. The Nglanggeran findings suggest that when reputation translates into satisfaction, its association with loyalty becomes stronger, particularly for revisit intention.

Operationalizing Reputational Risk Management in Homestays

Reputational risk management should be distinguished from measurement of destination image. Image concerns tourists' overall perceptions of a destination; reputational risk management concerns operators' actions to prevent, mitigate, and address incidents that might harm perceptions of a homestay. This distinction matters in Nglanggeran because tourists encounter both the tourism village as a destination and the homestay as an accommodation provider. MRR is analyzed at the homestay level, with interpretation focused on service reputation and management of the stay.

Qualitative findings indicate that Nglanggeran operators recognize the importance of procedures, managing challenges, and handling complaints courteously. These practices correspond to three reputational risk-management functions: prevention through procedures that reduce service failures; response through the ability to manage challenges or unforeseen events; and recovery through courteous, accountable complaint handling. Together, these functions operate before, during, and after a guest encounters a service incident.

From a risk-management perspective, reputation is an asset vulnerable to repeated small incidents. One complaint about a facility may not change a homestay's image, but recurring unresolved complaints can increase reputational risk. Conversely, a promptly and empathetically resolved negative incident need not cause lasting damage. Assessment of reputational risk should therefore consider both the occurrence of problems and the quality of operators' responses.

In the article's Nglanggeran measurement model, MRR had an AVE of 0.709, exceeding the 0.50 threshold and indicating that the construct explained an adequate proportion of indicator variance. AVE values were 0.676 for satisfaction, 0.839 for intention to recommend, and 0.757 for revisit intention. Indicators retained in the final model thus met the convergent-validity criterion for structural analysis.

These validity and reliability results have methodological implications. Because this article analyses a subset of a broader study, indicators from the original model could not simply be retained without reassessment. The measurement model was evaluated again at village level to establish indicator suitability. This matters because tourist behavior can vary across destinations, and an indicator that performs well in one setting may perform differently elsewhere.

A sample of 89 permits exploratory PLS-SEM analysis, but the findings should be understood as context-specific evidence from Nglanggeran, not generalized to all Indonesian homestays. Nglanggeran Tourism Village has distinctive destination characteristics, activities, environmental conditions, and management arrangements. The article is therefore best viewed as a contextual quantitative case study offering empirical insight into the reputation–satisfaction–loyalty mechanism.

The age of the data also matters when applying the findings today. Responses were collected in 2024, with analysis and reporting conducted subsequently. The coefficients represent respondents' circumstances during that collection period. Future research could test whether the MRR–KP–loyalty relationships persist as tourist behavior, social media, and homestay management practices change.

Overall, reputation does not operate in isolation. MRR is associated with satisfaction, which in turn is associated with two forms of loyalty. Operators' investment in reputation should therefore be directed toward the actual guest experience. Managing reputation solely as marketing communication may yield limited loyalty benefits; treating it as a system of risk prevention and recovery may contribute to satisfaction.

CONCLUSION

Reputational risk management had a positive, significant effect on satisfaction among homestay guests in Nglanggeran Tourism Village. Satisfaction in turn had positive, significant effects on intention to recommend and revisit intention. Reputational risk management showed no significant direct effect on either loyalty indicator. The principal finding is the role of satisfaction as the mechanism linking reputation and loyalty. The mediated effect of reputational risk management through satisfaction was medium for revisit intention and small for intention to recommend. Homestay reputation is thus most consequential when it is reflected in a satisfying stay.

In practice, operators should view reputation as an outcome of managing guest experiences, complaints, reviews, and service quality. Consistent experiences help maintain a good reputation, generate satisfaction, and encourage loyalty. Tourism-village managers can strengthen destination reputation through complaint-response systems, review monitoring, and assessment of homestay quality.

The study is limited to one village and a data subset of 89 respondents. It deliberately examines reputational risk management, satisfaction, and loyalty rather than the entire homestay risk-management model. Future studies could compare several tourism villages or add trust, tourist experiences, destination image, and perceived value to the model.

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