

The relationship between market orientation and innovation performance receives a lot of attention in the academic world. However, despite of the importance of family businesses, research about market orientation in a family business context is limited. Therefore, this study aims to improve our understanding of the relationship between market orientation and innovation performance in family businesses. We propose that this relationship is contingent on one internal variable specific to the family business – generational involvement – and one environmental variable – competitive intensity. Using multiple regression analysis, we find that competitive intensity has a moderating effect on the relationship between market orientation and innovation performance in family businesses.