

# Analysis of Factors that Encourage the Interest of Young Entrepreneurs in Fashion as an Active Role in Preserving Regional Balinese Clothing (Implementation of Governor Regulation No. 79 of 2018)

Anak Agung Elik Astari<sup>1</sup>, Ni Luh Ketut Ayu Sudha Sucandrawati<sup>2</sup>  
{suksmajaya@gmail.com, ayusucandra89@gmail.com}

Faculty of Economic Mahendradatta University, Jl. Ken Arok No. 12, Peguyangan Denpasar, Bali, Indonesia<sup>1,2</sup>

**Abstract.** The development of the fashion world in Bali in recent years has been dominated by the development of traditional Balinese clothing, in the hands of the younger generation the development of the fashion industry has become more creative and innovative, especially since 2018 supported by the regulation of the Governor of Bali (Pergub) No. 79 of 2018 concerning the day of using Balinese traditional clothing so that it has a big impact to growth of young entrepreneurs, especially traditional clothing that is directly used to preserve Balinese regional clothing. From the explanation above, the research aims to find out how much the factors that influence the entrepreneurial interest in fashion in young entrepreneurs. Because the research was conducted during the Covid 19 pandemic, the data collection technique was carried out by using an online questionnaire in the city of Denpasar, Bali. The results of data processing both partially and simultaneously show a significant influence on income expectation factors, social media, creative industries and entrepreneurial spirit on the interests of the young generation, especially women entrepreneurs in the fashion sector in Denpasar, Bali. This research is expected to have implications for the younger generation in growing interest in entrepreneurship.

**Keywords:** Income Expectations, Creative Industry, Social Media, Entrepreneurial Spirit, Entrepreneurial Interest.

## 1 Introduction

Since the reform era the unemployment rate has tended to decline, however, the problem of insufficient job availability is still a problem in various regions, as a tourist destination Bali is a province that has the rate unemployment lowest because the business climate and workforce are good and can be an example. Other region. The Head of the Bali Province Manpower Office, Ni Luh Made Wiratmi, confirmed this. In Bali in 2018 the unemployment rate was 0.86 percent or around 34,485 (Bali Province BPS data) and 27 percent or around 9,563 people were in Denpasar. Most of the unemployed are in the category of high school, vocational, and undergraduate graduates where this group is the generation group younger, because of the mindset of the young generation who always want to work in the formal sector.

To change this *mindset*, the government is intensifying the younger generation to seize the non-formal sector, not only to seize jobs in the formal sector because the formal sector is limited in number. Entrepreneurship is an example of the informal sector which is currently becoming a trend among the young generation, both online and offline.

The younger generation's interest in entrepreneurship in Bali is getting higher. Even according to data in the Bali Province Cooperatives and SME Service, the growth has now reached 8.38 percent. This figure is much higher than the ratio of national data released by the Indonesian Ministry of Cooperatives and SMEs which is only 3.1 percent. It was recorded that in 2018 there were 13,042 new young entrepreneurs born in Bali. "We welcome the growing interest in Balinese entrepreneurs. Last year the entrepreneurial ratio was 7.05. In terms of the number of UMKM players last year 312,960, the latest data in December 2018 was 326,009 people," said the Head of the Bali Province Cooperatives and UKM Service, I Gede Indra Dewa Putra, SE.MM, in Denpasar, Wednesday (20/2/2019). The 13,042 new young entrepreneurs in the UMKM (Micro, Small and Medium Enterprises) sector that have grown in the past year, explained Gede Indra, thrive in Denpasar City and Badung Regency. It is certain that in 2019 new young entrepreneurs will continue to be born, even thanks to the Pergub designed by the Governor of Bali, Wayan Koster will further stimulate the business world. As in the clothing business which is supported by Governor Regulation Number 79 of 2018 concerning the day for the use of Balinese traditional clothing so that it will have a big impact on stimulating the fashion business world.

The increase in the growth of young entrepreneurs reached four percent because Bali is a tourism area so that its economic growth is above the national average. Of course this achievement is inseparable from the various factors that have led to the interest of the younger generation to become business actors, including easy access to capital, the growth of the creative industry, the development of information technology through social media, of course these factors are also supported by the entrepreneurial spirit that this generation must have. young people to give birth to young entrepreneurs who have always been pioneers in the development of the information technology-based business world, it cannot be denied that the role of the young generation in the business world will have an impact on sustainable development in Indonesia [1]. From the explanation above, the purpose of this study is to analyze the factors that influence the interest in fashion entrepreneurship in preserving Balinese regional clothing as the application of governor regulation no. 79, 2019.

#### Income Expectations

Revenue is income earned in the form of money or goods. Entrepreneurship provides income that is used to make ends meet. The desire to obtain income is what can lead to interest in entrepreneurship (Suhartini, 2011). Income expectation is an expectation to get higher income, the higher the expectation to get higher income by entrepreneurship, then this will encourage someone to become entrepreneurial [2]. According to PSAK No. 23 of 2009 income is the gross cash inflows from economic benefits arising from the normal activities of the entity in a period if the cash inflows result in an increase in equity, which does not result from an investment contribution.

### 1.1 Social Media

According to Zarella (in Wardhana, 2015) [3] social media is a site where people communicate with their friends they know in the real world and cyberspace. Social media is an online media that supports social interaction. Social media uses web-based technology that turns communication into interactive dialogue. The popular social media today include: Blog,

Twitter, Facebook, Instagram, Path and so on.

In Communication Works, social media has the following characteristics:

1. Messages that are conveyed are not only for one person but can be to many different people.
2. Messages that are delivered are free, without having to go through a Gatekeeper.
3. The messages conveyed tend to be faster than other media.
4. The message recipient determines the interaction time. From the description above, it can be concluded that social media is a medium of interaction between one person and another which is done online without time and space limits. According to Chris Heuer's opinion [4] there are 4Cs in operating social media, namely:
  1. Context which is a way or form of conveying a message to the public.
  2. Communication which is a practice in conveying, sharing and also listening to, responding and developing messages to audiences.
  3. Collaboration, which is working together between the giver and recipient of the message so that the message is conveyed more effectively and efficiently.
  4. Connection which is a relationship that exists and is built between the message giver and recipient.

Creative industry Creative industry is a business activity that focuses on creation and innovation. Currently, the creative industry still has the potential to be managed because Indonesia is rich in culture and traditions that can be a source of creativity [5]. Creativity can be developed especially by people who have an entrepreneurial spirit. This is because a person who has an absolute entrepreneurial spirit must have an attitude of discipline, high commitment, honesty, independence, realism, and creativity and innovation [6].

## **1.2 Entrepreneur**

The term entrepreneurship comes from the word entrepreneur (French) which is translated into English with the meaning between or go-between. According to Suryana (2013) [7], entrepreneurship is a discipline that studies a person's values, abilities and behavior in facing life's challenges and how to get opportunities with the various risks they may face [7]. In other words, it can be concluded that entrepreneurship is an actor or person who is responsible for getting opportunities with various risks.

## **1.3 Entrepreneurial Interest**

According to Yanto (in Arum, 2014), entrepreneurial interest is the ability to dare to fulfill life's needs and solve life's problems, promote business or create new businesses with one's own strength. In other words, interest in entrepreneurship can also be interpreted as the availability of someone to make efforts to improve the quality of life [8].

According to Bhandari (in Praswati, 2014)[9], the variables and indicators to measure entrepreneurial interest are as follows: The desire to be a boss has several indicators, namely: - Desire to have your own business - Free will to manage your own business - Want to be able to develop your own business:

1. Personal challenges, have The indicators are: -Love creative things -Want to make something different from others -Have to do new things -Able to do what other people can do
2. Flexibility, have indicators, namely: -Happy work. The time is not binding

3. Profits, has indicators, namely: - The desire to be free to run your own business finances -  
The desire to feel wealth on your own business

Online in Increasing Productivity, the result is that the use of social media Instagram has a significant relationship that tends to be strong with the entrepreneurial motivation of business people Suryana (2013: 108), interest in entrepreneurship as interest or love to do something in the form of business [7]. Several critical factors for starting interest in entrepreneurship according to Bygrave in [10]:

1. Personal, concerning aspects related to one's personality.
2. Sociological, is a problem of relations with family and so on.
3. Environmental, regarding the relationship with the environment.

#### **1.4 Entrepreneurial**

Spirit The entrepreneurial spirit is the life in entrepreneurship which is basically an entrepreneurial attitude and behavior shown through the nature, character and character of a person who has a willingness to creatively embody innovative ideas into the real world [11].

#### **1.5 Empirical Research**

Sari (2017) conducted a study entitled "The Influence of Income Expectations, Motivation, Entrepreneurship Education, and Subjective Norms on Entrepreneurial Interest." This research is a causal comparative research [12]. The population in this study were 862 students of the Faculty of Economics, Yogyakarta State University who had taken Entrepreneurship Education courses with a research sample of 295 respondents. (1) There is a positive influence on Income Expectations on Entrepreneurial Interest, (2) There is a positive influence on Motivation on Entrepreneurial Interest, there is a positive influence on Entrepreneurship Education on Entrepreneurial Interest, (4) There is a positive influence on Subjective Norms on Entrepreneurial Interest, (5) There is a positive influence. Income Expectations, Motivation, Entrepreneurship Education, and Subjective Norms for Entrepreneurial Interest.

Mulyandi and Puspitasari in 2018 conducted research with the theme of "Creative Industry, Social Media, and Entrepreneurial Interest: Synergy Towards Sustainable Development" analyzed the influence of social media on entrepreneurial interest in the younger generation as a potential creative industry development [1]. The development of the creative industry is very important given its significant role in the Indonesian economy. The creative industry can develop in the hands of young people who have an entrepreneurial spirit and are supported by the massive use of social media lately.

Hasanah in 2015 conducted a research on "Development of Young Entrepreneurs in a Culture-Based Creative Economy in the Special Region of Yogyakarta" using a SWOT analysis which resulted in the development of young entrepreneurs in a culture-based creative economy through training, development and capitalization programs [13]. The results of this study include the young generation is a productive resource with creative ideas that can open a business (entrepreneurship) which also helps the government in reducing the unemployment rate in the productive workforce. The more young people who are involved in the entrepreneurial world, the more productivity will be generated so that it will also have an impact on increasing national economic development.

## 1.6 Hypothesis

Hypotheses of this study are as follows:

- H<sub>1</sub> : There is a positive effect of income expectations on entrepreneurial interest in the sector, fashion especially Balinese traditional clothing in Denpasar City
- H<sub>2</sub> : There is a positive influence of social media on entrepreneurial interest in fashion, especially Balinese traditional clothing in Denpasar City
- H<sub>3</sub> : There is a positive influence on the creative economy towards entrepreneurial interest in fashion, especially Balinese traditional clothing in Denpasar City
- H<sub>4</sub> : There is a positive influence on the entrepreneurial spirit on entrepreneurial interest in the fashion sector, especially Balinese traditional clothing in Denpasar
- H<sub>5</sub> : There is an influence positive income expectations, social media, creative industries, and spirit entrepreneurial towards entrepreneurial interest in fashion, especially Balinese traditional clothing in Denpasar City

## 2 Method

Research This research is an ex-post facto method because of a series of independent variables to be studied. has happened when researchers I started observing the dependent variable. This study seeks to reveal existing events and then trace back to identify a series of causal variables [14]. This study uses quantitative methods based on the characteristics of research using descriptive research. Descriptive research was conducted to determine the effect of factors affecting the interest in entrepreneurship in the sector *fashion* among the young generation in Denpasar, Bali. Variables used in this study are as follows: Income Expectation (X1) with indicators: High income and unlimited income. Creative Industry (X2) with the indicator Creative Economy is an economic activity where the input and output are ideas, so that the essence of creativity is an idea. Social Media (X3) with indicators of participation, openness, communication, and skills. Entrepreneurial Spirit (Y1) with indicators: leadership, hard work, cooperation, confidence. Entrepreneurial Interest (Y2) with indicators: not dependent on others, creating jobs, future-oriented and time management. The study population was 100 young people with an age range of 18 - 35 years, either already entrepreneurs or who are not yet entrepreneurs, in Denpasar City. Sampling using *accidental sampling technique*.

Data Collection Techniques Data collection techniques are carried out by observing and using questionnaires or distributing questionnaires online considering the situation in the Covid19 epidemic that occurred where still being applied *social and physical distancing* are in breaking the chain of spread of the Covid19 virus. In this study, the author will use a structured questionnaire, where the questionnaire in this study will be sent online directly to the respondent.

In this study, the method The analysis used is simple linear regression and multiple linear regression is a linear relationship between one independent variable (income expectations, social media, creative economy, and entrepreneurial spirit) and the dependent variable (interest in entrepreneurship). This analysis is to determine the direction of the relationship between the independent variable and the dependent variable whether it is positive or negative and to predict the value of the dependent variable if the value of the

independent variable has increased or decreased. The data used is usually an interval or ratio scale.

### 3 Results

**Table 1.** Coefficients<sup>a</sup>

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.790	1.486		1.205	0.231
1 income expectations	0.259	0.082	0.221	3.163	0.002
creative industry	0.430	0.076	0.399	5.682	0.000
social media	0.156	0.075	0.140	2.094	0.009
entrepreneurial spirit	0.322	0.080	0.299	4.01	0.000

a. Dependent Variable: Entrepreneurial\_ Interest

### 4 Discussion

Hypothesis testing in this study uses the results of the t test which shows how far the influence of one independent variable (income expectations, creative industry, social media, entrepreneurial spirit) partially (individually) in explaining the variation of the variables (interest in entrepreneurship). The t test compares the results of the significance probability value, with a significance level of 5% ( $\alpha = 0.05$ ), where the results can be concluded as follows:

The significance level value of the two-sided t test for the income expectation variable is 0.002 which is smaller than the significant level value  $\alpha = 0.05$  ( $0.002 < 0.05$ ), with the t value of the income expectations variable (X1) of 3.163. It turns out that the results of t count ( $3.163 > t$  table (1.985)). These results support  $H_{a1}$ , namely that income expectations have a positive effect on interest in entrepreneurship. The results of this study are the same as the research by Puspitasari (2017) [12] stated that income expectations have a positive effect on entrepreneurial interest.

The partial test results (t test), the creative industry factor sub variable with a significance value of 0.000 which is smaller than the significant level value  $\alpha = 0.05$  ( $0.000 < 0.05$ ), with the t value of the creative industry variables (X2) amounting to 5,682. It turns out that the results of t count ( $5.682 > t$  table (1.985)). These results support  $H_{a2}$ , namely that the creative industry has a positive effect on interest in entrepreneurship. The creative industry is currently dominated by the younger generation who have creativity, this is because someone who has an absolute entrepreneurial spirit must have a disciplined attitude, high commitment, honest, independent, realistic, and creative and innovative [6].

Social Media Factors (X3) After going through the t test, it has a significance value of 0.009 <0.05, with a t value of 2.094, this result is greater than the t table (2.094 > 1.985) so that this result supports  $H_{a3}$ , namely social media variables partially have a positive effect on entrepreneurial interest. In the study of Rahayu *et al.*, Said that there is a significant influence on the use of social media variables on entrepreneurship [15].

The partial test of the entrepreneurial spirit factor has a significance value of 0.000 which is smaller than the significant level value  $\alpha = 0.05$  (0.000 <0.05), where the t value of the entrepreneurial spirit variable (X4) is 4.010 greater than the t table 1.985 ( 4.010 > 1,985) so that  $H_{a4}$  is accepted, namely the entrepreneurial spirit has a positive effect on the interest in entrepreneurship, the entrepreneurial spirit is the life of life in entrepreneurship which is basically an entrepreneurial attitude and behavior which is shown through the nature, character and character of a person who has a willingness to realize innovative ideas into in the real world creatively [11]. The results of this study are also supported by Yatun Nisa (2018) [16] which states that partially the entrepreneurial spirit variable affects the interest in entrepreneurship.

Simultaneous test with the test criteria,  $H_0$  is accepted if F count <F table or  $H_0$  is rejected if F count > F table. From the above results obtained F count > F table (48,508 > 1,401), then  $H_0$  is rejected, meaning that there is a significant influence on income expectations (X1), creative industry (X2), social media (X3), entrepreneurial spirit (X4) together on entrepreneurial interests.

## 5 Conclusion

The regression coefficient for each variable, income expectations of 0.259, creative industry 0.430, social media 0.156, and entrepreneurial spirit has a value of 0.322, this means that every change in one value in the independent variable while the other variables are constant, the interest in entrepreneurship will change as much as the regression coefficient value. in the same direction.

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