

The Influence of Entrepreneurial Behavior on Business Income in MSMEs in the Culinary Sector

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Abstract

This research aims to determine the influence of entrepreneurial behavior on business income in MSMEs in the culinary sector in Wuluhan District, Jember Regency. This research uses quantitative descriptive methods, with non-probability sampling techniques. With a total sample of 81 MSME actors in the culinary sector in Wuluhan District, Jember Regency. The analytical tool used is multiple linear regression analysis. The research results show that innovation has a significant negative effect on the income of culinary MSME businesses in Wuluhan Jember District. The variable willingness to take risks has a significant positive effect on the income of culinary MSME businesses in Wuluhan Jember District. The independent variable has a significant positive effect on the income of culinary MSME businesses in Wuluhan sub-district.

Keywords

willingness to take risks; independent; innovation; entrepreneurship; culinary



I. Introduction

National development aims to create a just and prosperous society, covering all aspects of national life carried out by society and the government. The community is the main actor in development, while the government is obliged to guide, direct, protect and foster an atmosphere and climate that supports development growth as expected. Prosperity can be achieved if it is realized through economic development based on economic democracy. Equal opportunity to participate in the process of achieving prosperity, including through Micro, Small and Medium Enterprises (MSMEs) (Hastuti et al., 2020).

The increasingly rapid development of the economy and the increasing need to support economic activities have resulted in the emergence of many products and businesses that encourage people to emerge from the current economy (Hatami, 2022). In conditions of competition, it is very dangerous for entrepreneurs, especially culinary traders, because if they only rely on existing products without making any special efforts to develop them. Therefore, every entrepreneur or culinary business trader needs to make efforts to improve and change the results in a better direction, so that it can provide greater efficiency and attractiveness.

According to Veron & Victor, (2022) an entrepreneur is a person with a creative and innovative spirit who is able to establish, build, develop, advance and make his company superior. An entrepreneur must have the soul of someone who is able to look forward. Looking ahead is not imagining but seeing, thinking calculatngly, looking for options from various alternative problems and solutions.

Entrepreneurial behavior is a follow-up action based on a person's mindset. Between thought patterns and behavior there is a very strong correlation, because they are two continuous things. Entrepreneurial behavior is an attitude that can develop potential both

within oneself and in responding to every business opportunity related to uncertain economic development (Gulo, 2022).

According to Wardani & Dewi, (2021) Innovation is the ability to turn opportunities into ideas or ideas that can be sold. With innovation, the desire to achieve success in a business will be increasingly expected. Innovation has an important role in entrepreneurial behavior. Without innovation in the business being run, the business will never last long. Therefore, business is related to entrepreneurial behavior. According to Sani et al., (2022) Dare to take risks means being ready for the choice that will be made, namely doing entrepreneurship, everything must be started to measure the success of something that is done.

Entrepreneurial independence refers to the attitude and conditions of a business with an entrepreneurial spirit to be able to meet needs and rely on one's own abilities (Sukirman, 2017). Independence provides an opportunity for entrepreneurs to be able to determine their own goals and decisions that are right for their business. Therefore, it is important to cultivate this independence in entrepreneurs so that the business they establish can compete competitively and provide results that are as expected.

Based on data sources from the population service, it shows that the population in Jember Regency in 2021 is 123,833 people. With a fairly dense population, it cannot be denied that the number of unemployed will increase, due to inadequate employment opportunities for the existing population. Especially in Wuluhan District, many people decide to become entrepreneurs because it is difficult to find employment opportunities. The role of the Wuluhan District regional government in terms of empowering MSMEs is also to facilitate various conveniences such as productive assistance with business capital, assisting in assistance with business registration numbers and business permits, the government also provides a place for MSME actors to run their businesses, as well as holding training and outreach to MSME actors. However, it cannot be denied that the increasing public interest in entrepreneurship will tighten the level of competition. This greatly affects the income level of traders. Of the many MSMEs in Wuluhan District, one of them is the culinary sector MSMEs which experience quite tight competition. The aim of this research is to determine the influence of entrepreneurial behavior on the business income of MSMEs in the culinary sector in Wuluhan sub-district, Jember district.

II. Review of Literature

2.1 Entrepreneurship

Entrepreneurship is an attitude, spirit and ability to create something new that is very valuable and useful for oneself and others. Entrepreneurship is a mental attitude and spirit that is always active or creative, empowered, creative, creative and modest and tries to increase income in activities business (Hastuti et al., 2020). In simple terms, entrepreneurship means the ability to trade. However, definitively, entrepreneurship is defined as the ability to produce products, sell products, and build one's own market share (Hanafi & Pawitno, 2023).

2.2 Entrepreneurial Behavior

Entrepreneurial behavior is carrying out work that is flexible and imaginative, being able to plan and take risks and make the right decisions in running one's business and of course always taking action to achieve one's goals (Gaho, 2022). According to Sulisty & Wahyuningsih, (2022) Entrepreneurship is the spirit, attitude, behavior and ability of a

person in handling businesses and activities that lead to efforts to find, create, apply new ways of working, technology and production by increasing efficiency in order to provide better services and or gain greater profits. According to Rukmana, (2018) the factors that influence entrepreneurial behavior are: Self-efficacy, tenacity, courage to make decisions, creativity, independence, entrepreneurial education.

2.3 Innovation

According to Tanjung, (2018) Innovation is the ability to develop creativity in order to solve problems and find opportunities and is the main function in the entrepreneurial process. Product innovation is a set of processes that influence each other to create and develop a product that is different from what has previously existed and improves the shortcomings of previous findings based on current developments and market needs (Fillayata & Mukaram, 2020).

2.4 Dare to Take Risks

According to (Oktavia DS & Trimeiningrum, 2018) explains that entrepreneurs are more inclined to take risks in specific domains of their business ventures where they are more expert and have some level of control. According to (Hastuti et al., 2020) Risk taking is the ability to take action or decisions to move forward, even before knowing the outcome.

2.5 MSMEs

In accordance with the essence of the entrepreneurial spirit, namely the ability to create something new and different through creative thinking and innovative actions to create opportunities in facing life's challenges, an entrepreneur must have creative abilities in developing his ideas and thoughts, especially in create business opportunities within himself, he can independently run the business he is involved in without having to depend on other people, an entrepreneur must be required to always create new things by combining the resources around him, developing new technology, discovering new knowledge, discovering new ways to produce new goods and services more efficiently, improve existing products and services, and find new ways (Hastuti et al., 2020)

2.6 Income

In economics, income is a result in the form of money or other material things achieved from the use of wealth or free human services. In general, income is the total income (money or non-money) of a person or household during a certain period (Yuniarti, 2019). According to Tanjung, (2018) Income can be described as the total receipts received by workers, laborers, or households, both physical and non-physical while they are doing work in an agency business or income while they are working or doing business.

III. Research Methods

The design of this research is quantitative descriptive, because the data obtained will be expressed in the form of numbers and analyzed based on statistics. A quantitative approach is used to research certain populations or samples, with the sampling technique carried out by purposive sampling. The type of research used is causal relationships, namely studying cause and effect relationships, namely the extent to which variations in one variable are the cause and other variables are the effect. In this research, the sample used was 81 MSME traders in the culinary sector in Wuluhan District. The sample criteria

set to fulfill this research include: a. Entrepreneur in the culinary sector with a business running for more than 2 years. b. Businesses in the MSME (Micro, Small and Medium Enterprises) classification in Wuluhan District.

IV. Result and Discussion

4.1 Results

The results of the hypothesis test are presented in Table 1 below.

Table 1. Hypothesis Test Results

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	3.240	1.449		2.236	.028
Inovation	-.263	.076	-.244	-3.472	.001
Dare to take risks	.292	.058	.466	5.071	.000
Independent	.414	.100	.386	4.155	.000

4.2 Discussion

a. The Influence of Innovation on MSME Income

The results of this hypothesis testing research show that the innovation variable shows a negative and significant influence on entrepreneurial behavior on the business income of MSMEs in the culinary sector in Wuluhan sub-district, Jember district. This can be proven from the results of the regression test showing that the innovation variable has a coefficient value of -0.263 with a significance value of 0.001 which is smaller than 0.05 so H1 is accepted. Innovation is one of the variables that influences the business income of MSMEs in the culinary sector in Wuluhan sub-district, Jember district. Product innovation arises because of competition between traders and following the current trend of more and more types of culinary products being sold. However, with product innovation, of course the need for materials to make innovative products increases and results in high production costs, this causes product prices to rise compared to before. Apart from that, many traders innovate their products but do not adjust their target market because most consumers choose products that are more affordable. So the resulting product innovation is less accepted by consumers because the price is expensive. So if product innovation is continuously improved without looking at consumer demand, it can reduce the business income of MSMEs in the culinary sector in Wuluhan sub-district, Jember district. However, in a certain period, product innovation is increased, the business income of MSMEs in the culinary sector in Wuluhan sub-district, Jember district will increase. The results of this research are in line with research conducted by Abdjul et al., (2018) Product innovation has a significant effect on purchasing decisions for Nissan Grand Livina cars at PT. Wahana Wirawan Manado, Product Innovation is a way to increase value as a key component of the success of a business operation that can bring a company a competitive advantage, so superior products are needed. Tanjung, (2018) stated that innovation has a significant effect on the income of the Palano Jaya Medan Helvetia Photocopy business.

b. The Influence of the Variable Dare to Take Risks on MSME Income

The results of this hypothesis testing research show that the variable dare to take risks has a positive and significant influence on entrepreneurial behavior on the business income of MSMEs in the culinary sector in Wuluhan sub-district, Jember Regency. This can be proven from the results of the regression test showing that the variable dare to take risks has a coefficient value of 0.292 with The significance value is 0.000 which is smaller than 0.05 so H2 is accepted. In all business activities there will definitely be risks, so every business actor must be able to control the risks that will arise in their business. So risk control is very necessary in order to minimize uncertainty about the occurrence of risks that will arise. The risks faced by business actors, especially MSMEs in the culinary sector in Wuluhan sub-district, are that the level of competition is quite tight and income is uncertain, but this is not an obstacle to the business they run. It can be proven that many respondents agree with the statement "I like challenges that can be conquered well to achieve business success." The small and medium SMEs in Wuluhan sub-district are ready to face the challenges that will arise, such as the increasing number of new businesses that are established with different business concepts. more variety to increase business income, in facing future challenges MSME players maintain different product characteristics and improve the quality of their products to increase the business income they run. The results of this research are in line with research conducted by Gaho, (2022) which states that the risk-taking variable has a positive and significant influence on entrepreneurial behavior on business income.

c. The Influence of Independent Variables on MSME Income

The research results of testing this hypothesis show that the Independent variable has a positive and significant influence on entrepreneurial behavior on the business income of MSMEs in the culinary sector in Wuluhan sub-district, Jember district. This can be proven from the results of the regression test showing that the independent variable has a coefficient value of 0.414 with a significance value of 0.000 which is smaller than 0.05 so H3 is accepted. In entrepreneurship, a business actor must have an attitude of independence as a form that he has the ability to stand alone and develop something that already exists by reprocessing it into something new that can generate profits. Most MSME actors in the culinary sector in Wuluhan sub-district already have an independent attitude and initiative in taking a business opportunity and all the risks they will face by using their skills and looking for market opportunities that have the potential to support business actors in running their business. If business actors already have an independent attitude, there is a chance of success for business actors, because by having a high independent attitude, it will be easier for business actors to do work in the field of entrepreneurship. The results of this research are in line with research conducted by (Sulistyo & Wahyuningsih, 2022) which shows that the variable being independent has a positive and significant influence on entrepreneurial behavior on business income.

V. Conclusion

Based on the results of the data analysis and discussion that have been described, the following conclusions can be drawn: The innovation variable has a negative and significant effect on the income of MSMEs in the culinary sector in Wuluhan District, Jember Regency. These results state that the higher the innovation can reduce the business income of MSMEs in the culinary sector in Wuluhan District. The variable daring to take risks has a positive and significant effect on the income of MSMEs in the culinary sector in

Wuluhan District, Jember Regency. These results indicate that business actors are increasingly willing to take risks and can increase the business income of MSMEs in the culinary sector in Wuluhan District. The independent variable has a positive and significant effect on MSME businesses in the culinary sector in Wuluhan District, Jember Regency. These results indicate that business actors who are increasingly independent or not dependent on other people can increase the income of MSME businesses in the culinary sector in Wuluhan District.

Based on the conclusions above, the advice that can be given to MSME actors in the culinary sector in the Jember City campus area from this research is: Innovation entrepreneurial behavior has a negative and significant effect on business income, so the author's suggestion is that MSME actors before carrying out product innovation must look at demand. society what they want so that the product they innovate can be accepted by consumers/society. Entrepreneurial behavior of daring to take risks has a positive and significant effect on business income, so the author's advice is that MSME actors must be confident in facing any situation that affects their business and business actors must be better prepared to face intense competition. Independent entrepreneurial behavior has a positive and significant effect on business income, so the author's suggestion is that business actors should be able to be independent in all things so that they can create their own jobs from their independent attitude to help the region reduce unemployment and poverty levels, especially in the Wuluhan sub-district.

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