Determinant factors of entrepreneurship intention to Robusta coffee business around students

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Abstract. The entrepreneurial intention of students is the main factor that will be used as output in carrying out a job in addition to the ability of students. Behind the superiority of the Robusta coffee commodity, it turns out that the downstream sector of Robusta coffee still has problems in developing this commodity, namely the limited innovation in processed coffee products to be used as entrepreneurial products. So that this study aims to analyze the determinants of the entrepreneurial intention of processing Robusta coffee in Bengkulu university students. The research was conducted on students who intend to do entrepreneurship at Bengkulu University. The selection of the respondent group was done purposively because processed coffee is the product that is most in demand by young people in Bengkulu Province. The number of respondents needed is 100 student respondents. The data that has been collected is then analyzed quantitatively. Analysis is conducted using a different test model approach and Partial Least Square as well as descriptive analysis. Based on the results of the analysis, it was found that attitude had a significant effect on intention with a significance value of 0.015. Meanwhile subjective norms and behavioral control have no significant effect with significance values of 0.573 and 0.482. Attitude Toward the Behavior refers to the extent to which individuals judge something that is favorable and unfavorable. This factor is a crucial factor for an entrepreneur.

1 Introduction

Entrepreneurship is one solution in overcoming the problem of unemployment in Indonesia, especially for undergraduate graduates. Entrepreneurship is a solution to reduce unemployment and create jobs. Youth as undergraduate graduates are a future full of enthusiasm and can generate creative ideas to create jobs and the creative economy. Entrepreneurship is important in regulating one's economy. Because this activity frees someone to do an innovation to increase the selling price of a service or goods, which is done with our own desires [1]. Masikome et al. [2] stated that students' entrepreneurial intentions

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were still weak. This shows that the desire of students to conduct entrepreneurial activities is considered low.

The study of this theory, namely the theory of planned behavior, can be used as a basis for analyzing entrepreneurial intentions. The theory of planned behavior can be used to analyze entrepreneurial intentions and their impact on behavior that has been carried out by an entrepreneur. This theory states that there are three factors that cause intentions, namely attitudes, behavioral norms, and behavioral control [3]. According to the Theory Planned of Behavior [4] three important factors are behavioral beliefs (behavior of belief), normative beliefs (normative beliefs), and the third is control beliefs. Attitude toward behavior is a variable that greatly influences the emergence of an intention. Attitude toward behavior is the strongest factor influencing entrepreneurial intentions, especially in the agricultural sector which is growing day by day [3, 5, 6]. This factor has several indicators that can explain it, namely: appreciation, creative, risk taking, tolerance, independent, innovative, proactive, focused and confident, respecting time, hard work, honesty, not giving up easily, independent, leadership, spiritual, knowledge, achieving goals, mental resilience, future-oriented, flexibility, autonomy/authority, economic challenges, self-realization, perceived trust, security, workload, avoiding responsibility, social career, more towards socio-economic factors, namely experience, education, motivation [7, 8].

The next factor is the subjective norm or subjective norm. Subjective factors are certain norms that have a significant influence on entrepreneurial intentions. The openness and support of the closest people are part of the subjective norm [9, 10]. The closest support and openness explain how subjective norms are formed [4, 10]. Another indicator that explains the subjective norm is the expectation to obey the counselor, teammates [11–13]. Perceived behavioral control is the third factor in the TPB proposed by Ajzen [14].

Perceived behavioral control describes the conditions of ease or states the difficulty formed from past experiences to predict the future. Especially in doing entrepreneurship. Perceived behavioral control proves many things related to behavioral control of a person or entrepreneur. Confidence in the ease or difficulty of doing so, including confidence in fulfilling agreements/negotiations with other parties, ease of access to financial institutions, complexity of business/business and fatigue in entrepreneurship. To increase the intention, these three factors become the main key.

Entrepreneurial attitude, subjective norms and entrepreneurship education have a simultaneous effect on entrepreneurial intentions. While partially entrepreneurship education has no effect on students' entrepreneurial intentions. Bengkulu University students who should have received entrepreneurship education in their lectures. This does not guarantee that the student has the intention to become an entrepreneur. There are differences from each individual related to character, motivation to try, achievement and achievement of something. The existence of these differences is also owned by students. The growing desire of students towards entrepreneurship can be used as an example by the community to be used as prospects for success in entrepreneurship. However, currently the entrepreneurial intention is low, especially among Bengkulu University students. Participation as entrepreneurs in their respective faculties still seems lacking to develop self-employment.

Many independent businesses in Bengkulu province are coffee processing businesses. Processed coffee in packaging is a very large product and is most often cultivated in Bengkulu Province. The large market potential is also one of the motivations for conducting processed coffee business activities. The processed coffee business is also supported by the productivity of the Robusta coffee commodity in Bengkulu province. Robusta coffee reaches 99,704.00 hectares with a productivity of 58,257.7 tons of Robusta coffee and 3,164 tons of Arabica coffee. Robusta coffee is a superior commodity or product in Bengkulu Province. This commodity plays an important role in increasing the income of coffee farmers, increasing labor activity, and increasing employment. Behind the superiority of the Robusta
coffee commodity, it turns out that the downstream sector of Robusta coffee still has problems in developing this commodity, namely the limited innovation in processed coffee products to be used as entrepreneurial products. So that the purpose of this research is to analyze the determinant factors of the entrepreneurial intention of processing Robusta coffee in Bengkulu university students.

2 Research methods

The research was conducted on students at Bengkulu University. The selection of the respondent group was carried out purposively because processed coffee was the product that was most in demand by young people in Bengkulu Province. The number of respondents needed is 100 student respondents. The number of respondents is adjusted to the analytical method used, namely Partial Least Square (PLS). In the PLS method, the number of samples required is at least 5 times the number of indicator variables [15]. The data that has been collected is then analyzed by quantitative analysis using a partial least squares (PLS) approach and descriptive analysis (Fig. 1).

![Partial least square model](image)

**Fig. 1.** Partial least square model.
3 Results and discussion

Fig. 2. Measurement result model.

Construct validity was assessed based on Average Variance Extracted (AVE). In this study, the AVE value of each construct is above 0.5. Therefore, there is no convergent validity problem in the model being tested (Fig. 2.). The whole model is declared valid. Construct reliability was assessed based on Composite reliability to measure internal consistency and the value should be above 0.6. Based on Table 1, the overall composite reliability measurement results are above the value of 0.6 or reliable. This means that the data is consistent and able to explain the model. Evaluation of the inner model can be done by calculating the GoF (Goodness of fit) value. The GoF value obtained is 0.25 and is included in the medium category, which means that the model is fit and feasible to use.

Table 1. Average variance extracted and composite reliability.

<table>
<thead>
<tr>
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<th>Average Variance Extracted (AVE)</th>
<th>Category</th>
<th>Composite reliability</th>
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<tbody>
<tr>
<td>ATB</td>
<td>0.612</td>
<td>Valid</td>
<td>0.752</td>
<td>Reliable</td>
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<tr>
<td>PBC</td>
<td>1.000</td>
<td>Valid</td>
<td>1.000</td>
<td>Reliable</td>
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<tr>
<td>SN</td>
<td>0.561</td>
<td>Valid</td>
<td>0.709</td>
<td>Reliable</td>
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Based on the results of the analysis, it was found that attitude had a significant effect on intention with a significance value of 0.015. Meanwhile subjective norms and behavioral control have no significant effect with significance values of 0.573 and 0.482 (Table 2).
Table 2. Testing results.

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<tr>
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<tr>
<td>ATB -&gt; IN</td>
<td>0.612</td>
<td>Valid</td>
<td>0.752</td>
<td>Significant</td>
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<tr>
<td>PBC -&gt; IN</td>
<td>1.000</td>
<td>Valid</td>
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<td>Not Significant</td>
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<td>SN -&gt; IN</td>
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<td>Not Significant</td>
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Attitude Toward the Behavior refers to the extent to which individuals judge something that is favorable and unfavorable. This factor is an important factor for an entrepreneur. Respondents stated that this factor can be explained by interest in entrepreneurship and the degree to which a person's satisfaction with doing so. The results of this study are in line with research conducted by [3,16], where the attitude factor is a determinant in the entrepreneurial intention of the younger generation. Meanwhile, Azwar [7] states that attitudes with indicators of autonomy, economic challenges, self-realization, perceived trust, security, workload, avoiding responsibility, and social careers have no effect on entrepreneurial intentions in students.

The interest of students in carrying out coffee entrepreneurship activities plays a big role in striving to become entrepreneurs. Robusta coffee is the most widely produced coffee in Bengkulu Province, besides the processing is not so difficult, students can easily find raw materials for production. Bengkulu Province is one of the provinces in Sumatra which is a center for coffee production. So, it is no wonder this commodity is easy to find.

The high interest in processed coffee products and various success stories of coffee entrepreneurs can increase student entrepreneurship intentions. There is a desire to change Robusta coffee into many product variations. This condition is reinforced by research from Dionco-Adetayo [8] which states that the attitude toward the behavior wants a job that is challenging and has high economic value (economic opportunity). However, the biggest obstacles that can reduce respondents' interest are lack of capital, lack of skills, lack of support, lack of market opportunities and risk as the main barriers to entrepreneurial intentions [17]. In line with previous studies [7,18–20] which states that the biggest difficulty in entrepreneurship is capital. This condition is a big factor that influences entrepreneurial behavior later.

Someone will give a positive response to something if it is useful for him, and conversely someone will give a negative response to something that is only harmful or not useful [2,4,21,22]. Interest in running a business in the coffee industry is currently mushrooming among young people. Various coffee shops have sprung up in various regions in Indonesia. A coffee business can be a successful opportunity for anyone who wants to try. Some of the reasons why the coffee business is a very successful opportunity, because the price tends to be cheap, almost everyone likes to drink coffee. In addition, drinking coffee while hanging out with friends and uploading it on social media is also a trend for millennials. In fact, now the coffee shop is a place that is considered 'modern' for them. For young entrepreneurs, of course, they have dreams of opening their own coffee shop.

4 Conclusion and suggestion

Based on the results of the analysis, it was found that attitude had a significant effect on intention with a significance value of 0.015. Meanwhile subjective norms and behavioral control have no significant effect with significance values of 0.573 and 0.482. Attitude Toward the Behavior refers to the extent to which individuals judge something that is favorable and unfavorable. This factor is a very important factor for an entrepreneur.
Based on the tendency of the cause of the high entrepreneurial intention in the agricultural sector. The main target of growing entrepreneurial intentions is external factors from the younger generation. So, the role of the business team, family, parents, friends and business consultants will determine the intention. Therefore, coffee business actors must pay attention to the advantages of this factor. So that there are strengthening of external factor facilities to increase the entrepreneurial intention of youth in the agricultural sector, especially processed coffee.

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References
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