Conference Paper

How Does Social Entrepreneurship Affect Socio Economic Condition of the Society? An Empirical Study of Kampung Marketer in Karangmoncol

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Abstract

Kampung Marketer is an organization that empowers people in the field of digital marketing such as customer service, advertiser, content writer, and social media admin. The people who have been empowered will be connected to business people to market their product online. This paper attempts to bring forward the idea of exploring the socio-economic impact from Kampung Marketer in Karangmoncol sub-Sub-District, Purbalingga Regency. Research method was used by author is descriptive quantitative percentage. The population of this study were 437 people empowered by Kampung Marketer. Samples were determined using Slovin formula with a significance value of 0.05, so that a sample of 209 was obtained. Data for the study were collected through questionnaire. The results show that, there are positive impact of Kampung Marketer on the socio-economic conditions of the community such as, (1) Kampung Marketer was successful to empower young people aged 20-25 years by 52%. (2) Kampung Marketer also able to reduce the flow of urbanization, with 40.5% of the background working in the factory, and now many young people choose to work in Kampung Marketer. (3) Kampung Marketer has also provided employment opportunities for people who do not continue to high education and disadvantaged communities, it is noted that only about 10% of the empowered community has a background in college. The remaining 77% only go to high school equivalent. (4) The existence of Kampung Marketer make people have a decent income. About 56% of the community has an income of Rp1,000,000 to Rp.2,000,000. (5) Kampung Marketer also has an impact on awareness of education, that around 48% of people have a high education awareness.

Keywords: Kampung Marketer, Social Entrepreneurship, Socio Economic Condition
1. Introduction

Kampung Marketer is an organization that operates in the field of social entrepreneurship by empowering people in the IT field such as content writer, advertiser, customer service, and admin on social media. Communities that have been empowered by Kampung Marketer will be channeled to businesses that have products to market online. Kampung Marketer was founded by Novi Bayu Darmawan that located on Karangmoncol Sub-District, Purbalingga Regency. Kampung Marketer has successfully empowered community more than 437 people and more than 190 business people have collaborated with Kampung Marketer.

Kampung Mareketer has been able to provide a multiplier effect such as increasing the velocity of money from city to village as much as Rp 1,024,236,678 per month and contributing to reducing the rate of underprivileged residents in Karangmoncol Sub-District. According to the Central Bureau of Statistics (BPS, 2016), the underprivileged population in Karangmoncol was 33% in 2015 and decreased to 24% of the number of existing families.

The success that achieved by Kampung Marketer as social entrepreneurship is in line with Sentosa (2007), which states that social entrepreneurship success consists of alleviating poverty, being able to create jobs, assisting in the implementation of innovation and creating business ideas, and being able to help improve the economic sector. Furthermore, success as an organization in achieving goals is inseparable from good organizational management (Handoko, T. Hani, 2011).

Management that carried out by Kampung Marketer is undeniably able to face problems that ultimately lead to failure of the organization’s operations. Dart (2004) revealed that the failure of a social entrepreneurship includes the failure of a social mission (mission drift) and financial failure. The failure of social entrepreneurship according to Kolehmainen, Salla, and Saloma (2017) is also due to the weakness of one element, namely the management of the organization. To prevent the failure of a social entrepreneurship Bonfati, A., Battisti, E. and Pascualino (2016) carry out a risk management by creating socio-economic benefits for society.

Based on the background above, the good management relations are evidenced by the ability of a social entrepreneurship such as Kampung Marketer to achieve the socio-economic goals of the communities around Kampung Marketer. Therefore, researchers want to examine more deeply what the impacts of Kampung Marketer on socio-economic conditions of the society of Karangmoncol Sub-District.
2. Literatur Review

2.1. Kampung Marketer

The history of the establishment of Kampung Marketer originated from the motivation of Nofi Bayu Darmawan who was originally the civil servant (ASN), precisely when Nofi as a student at the Sekolah Tinggi Akuntansi Negara (STAN) in 2011. Nofi had an interest in information and technology (IT) or digital at the time. Then, because of schooling at STAN, Nofi finally worked at the Ministry of Finance. However, Nofi had already built a business team and had grown up for a long time at that time. His business was an additional income apart from the ministry. Nofi has high desire to build his village, finally, Nofi decided to resign and back to his village. Nofi shared his experience with the public about the world of marketing, digital marketing. Furthermore, the forum for sharing knowledge was called Kampung Marketer. Location of Kampung Marketer is on Rarangmoncol Sub-District, Purbalingga regency. There are 15 centers of empowerment points, and one education center. Even though, the location is only in two sub-Sub-Districts, but there are already many that are empowered. Meaning, it is not a problem outside the sub-Sub-District.

2.2. Social Entrepreneurship

Social entrepreneurship is a business that not only profit oriented, but also has a broader main goal, namely the existence of social changes that can be produced. This form of entrepreneurship must be able to balance economic activities with social activities to create social conditions that have broad economic activities (Sofia, 2015). Sentosa (2007) revealed that the social changes that can be made by social entrepreneurship are as follows, (1) alleviating poverty, (2) helping to create jobs, (3) helping to implement innovation and creating business ideas, and (4) helping sectors economic growth. Success and failure of social entrepreneurship. Business continuity will create the ability of businesses to achieve planned (social) goals.

Social entrepreneurs are like the catalysts for society just in the same way as entrepreneurs change the face of business. Social entrepreneurship consists of improvising systems, devising new approaches, grasping opportunities others miss and generating solutions to change society for the better. Several parameters differentiate social entrepreneurship from the present ways of traditional business ventures. Gandhi, Tanvi., and Raina, Rishav (2018) created the types of values and balances between the social and the managerial logic. The objectives of this type is to know how the
product or service bridges the gap in ensuring that these needs satisfy the desired social objectives (Figure 1).

![Diagram](chart.png)

**Figure 1:** Types of ventures and balance between the social and the managerial logic (Source: Gandhi, Tanvi., and Raina, Rishav (2018)).

1. **Strategy** - In social entrepreneurship, strategy followed is cooperative rather than competitive owing to the social mission of entrepreneurs, poor working capital and market orientation.

2. **Financing** - Funding for business enterprises is accomplished through issuance of ownership shares - stocks or incurrence of long term debts - bonds or short term debt - loans. These sources can be used by for-profit SE ventures to raise funds and the not-for-profit SE ventures can also borrow funds or accept donations by charging admission, sales or rental. Thus, the difference in funding between for profit and not-for-profit social organizations lies in the peculiarity between investors and donors.

3. **Market** - Business entrepreneurs function in a marketing environment where the supply and demand indirectly influence the price and quantity of the product sold or service rendered. On the other hand, a social entrepreneur marketing environment usually implies that the costs are not fully covered by the revenue.
4. Governance- Business entrepreneurship is administered by a Board of Directors accountable to the owners and the stakeholders. Non-profit social entrepreneurship ventures have the possibility of a different governance structure. They can form a subsidiary organization managed by a business enterprise board if they want to run a part of their enterprise for profit.

5. Market failure- One theory articulated behind the existence of social purpose organizations is that they emerge when there is a social-market failure, i.e., the commercial market forces do not fulfil a social need, such as in the case of public goods or in contract failure. This can be due to the incapability of those needing the services to pay for them. A problem for the commercial entrepreneur is an opportunity for the social entrepreneur.

6. Mission- The essential purpose of social entrepreneurship is creating social value for the greater public good whereas commercial entrepreneurship targets at creating profitable operations resulting in private gain. This contrast is fairly overstated. Commercial entrepreneurship does benefit society in the form of new and valuable goods, services, and jobs and can have transformative social impacts. Nevertheless, the basic differences in purpose and reward can still be useful for comparative analysis.

7. Resource mobilization- The non-distributive restriction on surpluses generated by non-profit organizations and the embedded social purpose of for-profit or hybrid forms of social enterprises confines social entrepreneurs from entering into the same capital markets as commercial entrepreneurs. Also, the finances of a social entrepreneurial venture often make it challenging to recompense staff as competitively as in commercial markets.

8. Performance measurement- The social aim of the social entrepreneur endures greater challenges for measuring performance than the traditional entrepreneur who can count on relatively tangible and quantifiable measures of performance such as financial indicators, market share, customer satisfaction, and quality.

2.3. Economic Sociology

Economic sociology is the study of how people fulfill their life needs for goods and services that use sociology (Damzar 2002: 7). Socio-economic is a population condition which includes education level, income level, health level, consumption level, housing,
and community environment (Kusnadi 1993: 6). The definition of socio-economic conditions is the order of material and spiritual social life which includes a sense of harmony, conformity, peace of mind and inner life that allows for every citizen to make efforts to fulfill other social needs as well as possible for themselves, families and communities by upholding high human rights and human obligations with Pancasila (Adi, 1996: 20). The existence of a social entrepreneurship that has a goal of socio-economic change will bring changes in the livelihoods of the local community.

3. Methods

3.1. Research Design

This study used ex post facto research types. The design of this study used a descriptive method with a quantitative approach to determine the socio-economic level of the community empowered by Kampung Marketer, so that a comprehensive study was produced. The data used in this study are primary data, taken through questionnaires and deep interview.

3.2. Population and Sample

The population in this study were all communities empowered by Kampung Marketer as many as 437 people and management employees as many as 27 people. The sample size of empowered communities is determined by the Slovin formula with a significance level of 0.05 or 95% as follows.

\[ n = \frac{N}{1 + N \times \alpha^2} \]

\[ n = \frac{437}{1 + 437 \times 0.05^2} \]

\[ n = \frac{437}{2.0925} = 208.84 \text{ rounded off 209} \]

Based on the calculations above, obtained a sample size of the community empowered by Kampung Marketer as many as 209 people. Then the sampling technique uses a simple random sampling technique. While the sampling technique for management members uses purposive random sampling with the criteria of serving as head of division and head of Kampung Marketer, so that a sample of 4 people is obtained.

3.3. Types and Data Collection Technique

The data collection techniques used are:
1. Documentation Study, namely the technique of collecting data that does not directly address the subject of research, can be in the form of newspapers, transcripts, theses, dissertations, reports, case notes, and other documents.

2. Field Observation, namely making direct observations of the actual conditions at the research site

3. Interview. The researchers conducted a guided interview using the interview guide to two parties, the first party was a member of Kampung Marketer management to obtain information on Kampung Marketer management and the second party was an empowered community. Kampung Marketer Management was represented by Novi Bayu Darmawan as the owner of Kampung Marketer, Eko as the public relation from Kampung Marketer and to the community empowerment field. Furthermore, the empowered community was represented by 4 people.

4. Distribution of questionnaires, researchers use primary data through questionnaires given directly to empowered communities about the level of socio-economic conditions.

3.4. Analyze Data Method

The data analysis technique used in this study is percentage descriptive statistic analysis to determine the condition of the community’s economic siaia in Karangmoncol Sub-District.

4. Result and Discussion

4.1. Result

4.1.1. Kampung Marketer is Able to Empower Youth in the Karangmoncol Sub-District Area

More than 400 villagers are empowered, Kampung Marketer is not only able to absorb young people, but also 26% to 30 years old is 10% and citizens who are competent in IT with more than 30 years of age are 2%.

The majority of empowered rural people are women, precisely 85% of the population is educated and empowered considering that the needs of partners want competent and more flexible human resources in online communication. Kampung Marketer also
succeeds in empowering young housewife, considering that 30% of empowered human resources were married.

### 4.1.2. Reducing Urbanization Flow

Background of Human Resources that empowered by Kampung Marketer, it was noted that 40.5% had a background in employment in the PT / Factory, in this case Kampung Marketer was able to reduce the rate of urbanization because many young people chose to work under the auspices of Kampung Marketer rather than the Factory / PT.

*Figure 3: Background Distribution of Village Community Empowered by Kampung Marketers.*
4.1.3. Kampung Marketer Provides Employment for Communities Who Can Not Continue to Higher Education and Underprivileged Communities

Based on the result, about 5% of the community had studied undergraduate degree, and 2% of the people who had completed Diploma education from the community were empowered by Kampung Marketer, only 77% that reached the high school level, even many people who were empowered only graduated from junior high school, around 16%. This condition proves that Kampung Marketer has a contribution to help provide additional income opportunities for the poor.

![Distribution of Community Education Levels Empowered by Kampung Marketers.](image)

4.1.4. Kampung Marketer Increases Community Income

Income earned by the community depend on effort and educated HR skills. If they can give a good performance and can create may transaction online, they will get income higher from the partner (that collaborate with Kampung Marketer). The distribution of income indicates that more than 50% have earned revenues of Rp1,000,000 to Rp.2,000,000. Even more than 10% have earned more than IDR 3,000,000 in revenue.

4.1.5. Awareness to have a high education

The result of this study shows that around 48% of the people who have been empowered by Kampung Marketer have the desire to continue their education to a higher level, and have the desire that their descendants to have higher education. While as many as 31% have a very high desire to continue their education to a higher level. This shows that the existence of a Kampung Marketer makes someone have income that can be invested in education in the future.
4.1.6. Ability to Set aside Income

People who have been empowered by Kampung Marketer already have a decent income, so that people are interested that the income is sufficiently set aside for other urgent needs. As many as 76% of the public expressed being able to set aside income.

| Explanation      | Amount | %  |
|------------------|--------|----|
| Very Capable     | 23     | 11,00% |
| Capable          | 159    | 76,08% |
| Less Capable     | 24     | 11,48% |
| Incapable        | 3      | 1,44% |
| Very Incapable   | 0      | 0,00% |

TABLE 1: Perception of Community Ability Empowered to Set aside Income.
4.2. Discussion

The existence of a Kampung Marketer can lead to changes in the socio-economic conditions of the community around Kampung Marketer. Changes in economic conditions are possible more positively even though economic improvement has not spread evenly, and has not had a significant increase in economy, so that it can cause social impacts that will be caused.

4.2.1. Kampung Marketer is Able to Empower Youth in the Karangmoncol Sub-District Area

More than 400 villagers are empowered, Kampung Marketer has succeeded in absorbing youth, although 36% have ages less than 20 years, ages 26 to 30 years are 10% and citizens who are competent in IT with more than 30 years of age are 2%. The age variation of the community empowered by Kampung Marketer shows that Kampung Marketer accepts all people. There is no tendency to choose workers who are high school graduates equal or only 30 years old. Because Kampung Marketer in its implementation will do education and empowerment in marketing for the community. The main requirement that must be empowered by prospective people is that they are serious about learning and consistent. Kampung Marketer also allows people aged 26 years to more than 30 years to join, for example a housewife must stay at home to look after her child and it is not possible to work in Kampung Marketer branch.

4.2.2. Reducing Urbanization Flow

One of the reason why Nofi (founder of Kampung Marketer) created Kampung Marketer is so that village youth do not flock to the city to get earn (urbanization). The result of the interview with Nofi stated that, the reason the people of Karangmoncol Sub-District went to the city was because the income in the village was small, not as much as in the city. For this reason, Kampung Marketer come to answer the challenge. According to Kampung Marketer financial report, the amount of circulation of money obtained by the community is Rp. 1,024,236,678 per month and contributes to reducing the rate of underprivileged population in Karangmoncol Sub-District. more than 1 billion in money is only in the village. And this proves that Kampung Marketer is able to make 1 billion in money that should circulate in the city back into the village. The high circulation of money is what makes many youths and the people of Karangmoncol Sub-District continue to work in the village rather than in the city.
4.2.3. Kampung Marketer Provides Employment for Communities Who Can Not Continue to Higher Education and Underprivileged Communities

The presence of Kampung Marketer in Karangmoncol SubSub-District was marked by the establishment of a system of kinship between individuals and groups between local villages and other villages. The existing labor problems in Indonesia have become the issue of subscriptions and obstacles to the pace of economic growth. The ever-increasing number of work forces is offset by the increasing number of unemployed people. The results showed that 56% of the people who were empowered in Kampung Marketer were not working, and 39% were self-employed. This shows that many people are less able to fulfill their basic needs. Kampung Marketer has a positive influence on employment absorption in Karangmoncol Sub-District, because it is able to improve the welfare of the community by recruiting workers from around the area where the Marketer operates, even from outside Kampung Marketer sub-Sub-District. Information that researchers get from experience as much as 77% of the workforce in Kampung Marketer are high school graduates equivalent. The reason they chose Kampung Marketer was because there were no other jobs, and they wanted to master the digital marketing field. The existence of a Kampung Marketer that has 9 branch offices, makes the surrounding community move more advanced to overcome the social problems that surround them. Some food stalls, catering, lodging, and laundry services in the vicinity of Kampung Marketer branch began to appear.

4.2.4. Kampung Marketer Increases Community Monthly Income

The establishment of Kampung Marketer is expected to be able to advance the region and is expected to advance the community. This is also expected by the people of Karangmoncol Sub-District, Purbalingga Regency, one of which is a high level of community income. On average the people who work in Kampung Marketer have high income. The income obtained by the community is empowered in Kampung Marketer as much as 56% has revenues of around Rp1,000,000 to Rp2,000,000. 12% have revenues of more than IDR 3,000,000. The income range used in this study has not explained the specific income that has been obtained by the workforce. The payroll system that is obtained by workers is not a fixed salary. However, based on the performance of each individual. The more work done, then the workforce will get a lot of income plus direct bonuses sent by partners (business people who collaborate with Kampung Marketer) to empowered labor or community accounts. As for the results of observations that the
researchers made to the community, there were people who had income of more than Rp. 10,000,000 a month, and were able to buy houses and land. This proves that the existence of Kampung Marketer has a positive impact on the community. The income that each community has creates, the economy of the citizens clearly experience a dramatic increase if we compared to unemployment, or farmers. This condition is in line with the research that carried out by Murti, Chatarina Candra., And Rofi, Abdur (2017) about increasing the assessment of the people around Cavinton Hotels and Tentrem Hotels that come from food stalls and shops due to the existence of the two hotels. Murti, Chatarina Candra., And Rofi, Abdur (2017) stated that the increase in income could improve the welfare of the community, because considerable employment opportunities would reduce the unemployment rate of the surrounding community.

Based on the income theory that proposed by Soeratno (2003: 21), said that family income is each family member who works at work age for the welfare of his family. Family members such as wives and children are contributors in various activities both in housework and earning a living. Based on the result of the study, the income of the family of the community empowered by Kampung Marketer was obtained from the husband or wife who worked in Kampung Marketer and also obtained income from other businesses.

### 4.2.5. Education Awareness

Education is part of the socio-economic conditions, according to Idris (2011: 220) which states that in terms of social and economic change, education is part of the influential ones as a part that influences social and economic changes in society. The existence of a Kampung Marketer besides being able to increase the income of the village community, it will also support the improvement of human resources through the development of education for each individual. The opinion of the respondents who are empowered by Kampung Marketer on education awareness for themselves, or their offspring is a change in mindset after Kampung Marketer, namely they are able to set aside income generated from Kmapung Marketer to study. In addition, they revealed that their descendants would later have to go to higher education than their parents, given the background of the community empowered by Kampung Marketer as many as 77% were equivalent high school graduates.
4.2.6. Ability to Set aside Income

Based on the result of the research that the researchers did, 76.08% of the community were able to set aside income earned while being empowered by Kampung Marketer. The result of the observation indicate that the condition of the residence or house of the people empowered by Kampung Marketer in Karangmoncol Sub-District is mostly permanent. Most of the people have been able to fulfill their needs such as electronic devices, communication facilities, cellphones and motorcycles. So it can be concluded that the socio-economic conditions of the Karangmoncol Sub-District community are good. Because with the community income due to empowerment in Kampung Marketer, they are able to meet their needs. This is in line with the research conducted by Sakti, Muhammad Bima., Jamil, Achmad Maulana Malik,. And Meviana, Ika (2019) which revealed that the existence of a marble mining is able to influence the economic conditions, especially the ability of the community to fulfill their needs through income earned while working in marble mining in Besole Village, Basuki SubSub-District, Temanggung Regency.

5. Conclusion

Kampung Marketer has a positive impact on the socio-economic conditions of the Karangmoncol Sub-District’s community. The socio-economic impacts studied in the study consisted of six things, which included (1) Kampung Marketer was successful to empower young people aged 20-25 years by 52%. (2) Kampung Marketer also able to reduce the flow of urbanization, with 40.5% of the background working in the factory, and now many young people choose to work in Kampung Marketer. (3) Kampung Marketer has also provided employment opportunities for people who do not continue to high education and disadvantaged communities, it is noted that only about 10% of the empowered community has a background in college. The remaining 77% only go to high school equivalent. (4) The existence of Kampung Marketer make people have a decent income. About 56% of the community has an income of Rp1,000,000 to Rp2,000,000. (5) Kampung Marketer also has an impact on awareness of education, that around 48% of people have a high education awareness. (6) People who have been empowered by Kampung Marketer are able to set aside their income to fulfill their needs.
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