Path analysis of entrepreneurial motivations in tourism based on local resources and creative economy in nagari salayo of west sumatra

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Abstract. The purpose of this study is to analyze the entrepreneurial motivations in tourism based on local resources and creative economy in Nagari Salayo of West Sumatra in developing this area into a cultural and creative based tourist destination. The sixty beginner entrepreneurs are involved in this research in community services, where their entrepreneurial motivations are measured by an entrepreneurial motivation scale of the questionnaire and analyzed by using path analysis in determining the relationship between personality characteristic motivation cores. The statistical path model showed significantly affecting of working motive and social motive to capability of entrepreneurial as a direct effect, in contrast only working motive influenced of intention of entrepreneur, and the capability of entrepreneurial as mediation variable for indirect effects of entrepreneurial motive to intention entrepreneurial. This analysis suggests the model that entrepreneurial motivations have effect to capacity and intention of beginner entrepreneurs to develop business on tourism based on local resources and the creative economy.

1. Introduction

The current increasing of the role of tourism sector in the development of the economy is indicated by the increase in the number of tourist visits and the increase in foreign exchange income for each year, this encourages tourist destinations to improve for better amenities, accessibility and regional arrangement. Solok Regency is one of the tourist destinations in the Province of West Sumatra in Indonesia that seeks to encourage increased tourist visits to this area, for this reason the regional government has formulated a priority policy for tourism development, including a cultural or traditional village development program at the rural area of Nagari Salayo.

In developing tourism businesses and increasing tourist attraction, the factor of creativity is the main capital in facing global challenges and competition today. For this reason, creative behaviour in the economy should be carried out simultaneously in tourism development. There are some evidences on developing the area into the entrepreneurial community by survey research on tourism motivation [1] entrepreneurial motivation [2], value and travel motivation [3], the performance of SME’s [4] and also the investigation on the effect of motivation on entrepreneurial intention [5].

The development of a creative economy in accordance with local potential is a comprehensive approach to the development of sustainable tourism villages. To achieve these objectives, it is necessary to map the potential of local entrepreneurs by paying attention to their motivation, capacity and intensity in the behaviour of the creative economy. There are specific factor affecting the intention of
entrepreneurial, it is solved by using a structural equation model [6] and robustness of the theory of planned behavior in predicting entrepreneurial intentions and actions [7]. Besides, cultural and creative entrepreneurs in economy as the role of entrepreneurial identity [8]. Furthermore, sector-based entrepreneurial capability [9,10] has to concern on business incubation by giving attention on local resources by improving indigenous local language opportunities in community-based tourism [11]. This capability of entrepreneuri shes has a chance to empower the local resources and creative economy into embeddedness in entrepreneurship research [12] and creative reconstruction of place for business [13].

This study attempts to explain the path relationships between motivational variables and their capacity and intensity for developing creative economy, where the results can be taken into consideration in the development of a creative economy and local resources to support the sustainability of the tourism village program.

2. Research Methods
In this study the data that used to came from the questionnaire that was distributed to sixty beginner entrepreneurs in Nagari Salayo of West Sumatra involved in the program of community services of university at rural area of Indonesia. The questionnaire measures for motivation adopted from [14] and the capability and intention of entrepreneurship measurement are extracted from [15]. The summary of the variables that used in this study consists variables of entrepreneurial motivation, capability and intention. The endogenous variables are capability (X₁) and intention (X₂) of entrepreneurial. While the motivation of entrepreneurship as exogenous variables are entrepreneurship motivation in the term of entrepreneurial motive (X₃), working motive (X₄), social motive (X₅), individual motive (X₆) and economy motive (X₇).

The data analysis in this study is performed to modeling the relationship between the variables of motivations, simultaneously with capability and intention by using path analysis. In addition, to describe characteristic of respondent, it is developed descriptive statistics, whereas inferential statistics is used to test the model of path analysis and its hypothesis.

3. Results and Discussion
This study will perform path analysis by using endogenous variables of motivation and exogenous variable of capability and intention in entrepreneurial activities. The used data were sixty beginner of entrepreneurs involved by using questionnaires. The characteristics of these beginner entrepreneurs in the tourism sector from Nagari Salayo of West Sumatra can be known through descriptive statistics as its profiles. This description is used to find the first simple picture of the respondent profile from gender, age, education level and their current occupation.

The characteristics of beginner entrepreneurs in the tourism sector from Nagari Salayo of West Sumatra are presented by Table 1. The proportion of female respondents is dominated more than half of beginner entrepreneurs. The age of respondent is fairly spread to all of level of ages. Meanwhile, beginner entrepreneurs with graduated their senior high school have the highest percentage with 48.33%, and it is followed by the beginner entrepreneurs graduated from higher education by 33.33%. This education level is to confirm that the beginner entrepreneurs from this rural area has sufficiently level to developing into potential entrepreneur. In contrast, respondent with other current occupation has 43.33% and it is followed by balancing percentage of enterprise and farmer, in contrast of small proportion of employee and college. The current occupation of this beginner entrepreneurs is dominated by another that is from female that used their leisure time as housewife by produce local culinary product or handicraft.

The first step to modeling path analysis entrepreneurial motivations in tourism based on local resources and creative economy in Nagari Salayo of West Sumatra, it is developing the characteristic of relationships among variables in this research, next it will be determined the path analysis. Furthermore, by incorporating path hypothesis, we propose the model with the following initial conjecture as shown in Figure 1.
Table 1. Profile of beginner entrepreneurs in tourism sector from *Nagari Salayo* of West Sumatra.

| Variable              | Percentage |
|-----------------------|------------|
| Gender                |            |
| Male                  | 40.00%     |
| Female                | 60.00%     |
| Age                   |            |
| 20-30 Years           | 13.33%     |
| 30-40 Years           | 23.33%     |
| 40-50 Years           | 21.67%     |
| 50-60 Years           | 23.33%     |
| >60 Years             | 18.33%     |
| Education Level       |            |
| Elementary School     | 3.33%      |
| Junior High School    | 15.00%     |
| Senior High School    | 48.33%     |
| Higher Education      | 33.33%     |
| Current Occupation    |            |
| Employee              | 5.00%      |
| Enterpriser           | 25.00%     |
| Farmer                | 23.33%     |
| Colleger              | 3.33%      |
| Another               | 43.33%     |

Figure 1. Initial Model

Figure 1 presents a set of hypotheses about the relations between variables. The endogenous variables are capability \((X_1)\) and intention \((X_2)\) of entrepreneurial. While the exogenous variables are entrepreneurship motivation in the term of entrepreneurial motive \((X_3)\), working motive \((X_4)\), social motive \((X_5)\), individual motive \((X_6)\) and economy motive \((X_7)\). The proposed model is expected that motivation variables influenced the capability and intention variables, beside the position of capability variable as mediation.

Table 2. Correlation coefficients between variables

|       | \(X_1\) | \(X_2\) | \(X_3\) | \(X_4\) | \(X_5\) | \(X_6\) | \(X_7\) |
|-------|---------|---------|---------|---------|---------|---------|---------|
| \(X_1\) | 1       | 0.680   | 0.665   | 0.544   | 0.726   | 0.422   | 0.556   |
| \(X_2\) | 0.680   | 1       | 0.646   | 0.685   | 0.561   | 0.403   | 0.444   |
| \(X_3\) | 0.646   | 0.665   | 1       | 0.770   | 0.599   | 0.512   | 0.574   |
| \(X_4\) | 0.685   | 0.544   | 0.770   | 1       | 0.569   | 0.447   | 0.548   |
| \(X_5\) | 0.561   | 0.726   | 0.599   | 0.569   | 1       | 0.541   | 0.621   |
| \(X_6\) | 0.403   | 0.422   | 0.512   | 0.447   | 0.541   | 1       | 0.802   |
| \(X_7\) | 0.444   | 0.556   | 0.574   | 0.548   | 0.621   | 0.802   | 1       |
Table 2 presents the Pearson’s product-moment correlation coefficients between the endogenous variables and exogenous variables. Every couple variables are significantly correlated. Now, it is calculated the path coefficients of entrepreneurship motivation towards the capability of entrepreneurial. The result of this analysis by using SPSS is presented by Table 3. The significance value of path model is less than 0.05, then $H_0$ is rejected. This means that there is a joint influence on the entrepreneurship motivation on the capability of entrepreneurial. The Test is recommended by calculating the path coefficients for each entrepreneurship motivation. Based on the results of the path analysis coefficients by using SPSS, we obtain as in Table 4.

**Table 3. Path simultaneously model of entrepreneurship motivation towards the capability of entrepreneurial**

| Model          | Sum of Squares | df | Mean Square | F | Sig. |
|----------------|----------------|----|-------------|---|------|
| Regression     | 1066.605       | 5  | 213.321     | 17.990 | .000b |
| Residual       | 640.328        | 54 | 11.858      |     |      |
| Total          | 1706.933       | 59 |             |     |      |

a. Dependent Variable: Capability
b. Predictors: (Constant), entrepreneurial, working, social, individual and economy motive

**Table 4. Path coefficients for each entrepreneurship motivation towards the capability of entrepreneurial**

| Model         | Unstandardized Coefficients | Standardized Coefficients | t      | Sig. |
|---------------|----------------------------|---------------------------|--------|------|
|               | B                          | Std. Error                | Beta   |      |
| (Constant)    | -4.815                     | 3.802                     | -1.266 | .211 |
| Entrepreneur  | 0.831                      | .287                      | .406   | 2.895 | .005 |
| Working       | -.097                      | .156                      | -.084  | -.623 | .536 |
| Social        | .705                       | .163                      | .503   | 4.323 | .000 |
| Individual    | -.318                      | .244                      | -.184  | -1.304 | .198 |
| Economy       | .301                       | .228                      | .204   | 1.317 | .193 |

a. Dependent Variable: Capability

Table 4 concluded that there are two motives with significance values less than 0.05, which is the entrepreneurial and social motives which resulted in the rejection of $H_0$, which means the entrepreneurial and social motives have a significant effect on the capability of entrepreneurship. While the working, individual and economy motives do not have a significant effect on entrepreneurial capacity because the significance value of each motive is greater than 0.05. Because there are insignificant variables, the trimming process is carried out, then a recalculation of the path coefficients is carried out. Based on the results of the remodeling of path analysis by using SPSS, we obtain as in Table 5.

**Table 5. Path simultaneously model of entrepreneurial and social motives towards the capability of entrepreneurial**

| Model         | Sum of Squares | df | Mean Square | F      | Sig. |
|---------------|----------------|----|-------------|--------|------|
| Regression    | 1040.024       | 2  | 520.012     | 44.445 | .000b |
| Residual      | 666.910        | 57 | 11.700      |        |      |
| Total         | 1706.933       | 59 |             |        |      |

a. Dependent Variable: Capability
b. Predictors: (Constant), Entrepreneurial, Social
The significance value of path model is less than 0.05, and then \( H_0 \) is rejected. This means that there is a joint influence on entrepreneurial and social motives for the capability of entrepreneurship. The test is recommended by calculating the path coefficients for each entrepreneurial motive and social motive. Based on the results of the analysis by using SPSS, we obtain path coefficients as in Table 6.

From the Table 6, it can be concluded that entrepreneurial and social motives have a significant influence on entrepreneurial capacity because the significance value of each motive is less than 0.05, with path coefficients 0.360 and 0.510 consecutively. The next step is to calculate path coefficients of entrepreneurship motivation and the capability of entrepreneurial toward the intensity of entrepreneurial. The result of analysis by using SPSS has shown by Table 7.

### Table 6. Path coefficients for entrepreneurial motive and social motive towards the capability of entrepreneurial

| Model          | Unstandardized Coefficients | Standardized Coefficients | t     | Sig.  |
|----------------|-----------------------------|---------------------------|-------|-------|
|                | B       | Std. Error | Beta   |       |       |
| 1 (Constant)   | -3.108  | 3.497      | -.889  | .378  |
| Entrepreneurial| .737    | .212       | .360   | 3.477 | .001  |
| Social         | .715    | .145       | .510   | 4.932 | .000  |

a. Dependent Variable: Capability

The significance value of path model is less than 0.05, then \( H_0 \) is rejected. This means there is a joint influence on entrepreneurial motivation and the capability of entrepreneurial on the intensity of entrepreneurial. Testing is recommended by calculating the path coefficients for each entrepreneurial motivation and the capability of entrepreneurial. Based on the results of the analysis by using SPSS, we obtain path coefficients as in Table 8.

### Table 7. Path simultaneously model of entrepreneurship motivation and the capability of entrepreneurial toward the intensity of entrepreneurial

| Model   | Sum of Squares | Df | Mean Square | F     | Sig.  |
|---------|----------------|----|-------------|-------|-------|
| Regression | 4721,910       | 6  | 786,985  | 14,137 | .000  |
| Residual  | 2950,490       | 53 | 55,670    |       |       |
| Total    | 7672,400       | 59 |           |       |       |

a. Dependent Variable: Intention

b. Predictors: (Constant), Capability, Entrepreneurial, Working, Social, Individual and Economy

### Table 8. Path coefficients for entrepreneurship motivation and the capability of entrepreneurial towards the intensity of entrepreneurial

| Model          | Unstandardized Coefficients | Standardized Coefficients | t     | Sig.  |
|----------------|-----------------------------|---------------------------|-------|-------|
|                | B       | Std. Error | Beta   |       |       |
| 1 (Constant)   | 30.740  | 8.359      |        | 3.677 | .001  |
| Capability     | 1.000   | .295       | .472   | 3.392 | .001  |
| Entrepreneurial| .103    | .669       | .024   | .154  | .878  |
| Working        | 1.121   | .339       | .459   | 3.310 | .002  |
| Social         | -.057   | .410       | -.019  | -.138 | .891  |
| Individual     | .563    | .537       | .154   | 1.049 | .299  |
| Economy        | -.609   | .503       | -.195  | -1.212| .231  |

a. Dependent Variable: Intention
From the Tables 8, it can be concluded that there is one motive that significantly influences entrepreneurial intention, namely the motive of working and there is a significant influence of entrepreneurial capability on entrepreneurial intention. Because there are insignificant variables, the trimming process is carried out, and then a recalculation of the path coefficients is done. Based on the results of the analysis by using SPSS, we obtain path coefficients as in Table 8. The significance value of path model is less than 0.05, then H0 is rejected. This means that there is joint influence on the working motive and the capability of entrepreneurial on entrepreneurial intentions. Testing is recommended by calculating the path coefficients for each work motive and entrepreneurial capacity. Based on the results of the analysis using SPSS, we obtain path coefficients as in Table 9.

**Table 9.** Path simultaneously model of working motive and the capability of entrepreneurial toward the intensity of entrepreneurial

| Model  | Sum of Squares | Df | Mean Square | F      | Sig.   |
|--------|----------------|----|-------------|--------|--------|
| Regression | 4629.944   | 2  | 2314.972    | 43.371 | .000b  |
| Residual   | 3042.456   | 57 | 53.376      |        |        |
| Total      | 7672.400   | 59 |             |        |        |

a. Dependent Variable: Intention
b. Predictors: (Constant), Capability Working

**Table 10.** Path coefficients for working motive and the capability of entrepreneurial toward the intensity of entrepreneurial

| Model     | Unstandardized Coefficients | Standardized Coefficients | t     | Sig.   |
|-----------|-----------------------------|---------------------------|-------|--------|
|           | B                           | Std. Error                | Beta  |        |
| 1 (Constant) | 27.835                     | 6.100                     | 4.563 | .000   |
| Capability | .925                        | .211                      | .436  | .000   |
| Working    | 1.093                       | .243                      | .448  | .000   |

a. Dependent Variable: Intention

From Table 10, it can be concluded that capability of entrepreneurial and working motive have a significant effect on entrepreneurial intention because the significance value of each is smaller than 0.05 with path coefficients 0.436 and 0.448 consecutively.

The next step is to test model feasibility. This test aims to determine which model is better between the overall model and the trimming model. The result is obtained that the value of $W = 3.846 < \chi^2 (0.05; 7) = 14.1$, then H0 is accepted. This means that the trimmed model is better (an over-identified model is adequate).

Then we determine the direct and indirect influences of endogenous variables toward the exogenous variables. The direct influences of entrepreneurial and social motives towards the capability of entrepreneurial are shown by Table 5. The entrepreneurial motive gives direct influences as 0.360 to the capability of entrepreneurial. While social motive as 0.510. The direct influences of capability of entrepreneurial and working motive towards the intention of entrepreneurial are shown by Table 9. The capability of entrepreneurial give direct influences as 0.438 while working motive as 0.448 towards the intention of entrepreneurial. The direct influences of entrepreneurial and social motives towards the intention of entrepreneurial are obtained 0.158 and 0.223 consecutively.
Figure 2. Final Model

The final model as in Figure 1 describes the capability of entrepreneurial is influenced by working motive and social motive in direct effect. The intention of entrepreneurial has direct effect from working motive, but the capability of entrepreneurial as mediation variable for indirect effect of entrepreneurial motive and social motive to intention entrepreneurial. This model describes the character of beginner entrepreneurs at Nagari Salayo of West Sumatra for developing cultural or traditional rural area based on their local resources and the creative economy.

4. Conclusion

This study gives the exploration of development cultural or traditional rural area tourist destination based on local resources and creative economy in Nagari Salayo of West Sumatra. The new entrepreneurs involved in this research as community services, where their entrepreneurial motivations are measured by entrepreneurial motivation, capability and intention of entrepreneurial. The statistical path model showed significantly the strong affecting of working motive and social motive to capability of entrepreneurial as direct effect, the intention of entrepreneurial has direct effect from working motive. The capability of entrepreneurial as mediation variable for indirect effect of entrepreneurial motive and social motive to intention entrepreneurial. This analysis describes the model that entrepreneurial motivations have effect to capacity and intention of beginner entrepreneurs in developing business of tourism based on local resources and creative economy in Nagari Salayo of West Sumatra.

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