



## Creating Entrepreneurship In Local Economic Development Through Homestays In Mangli Magelang Tourism Village: Overview Of Social And Economic Aspects

Ahmad Mansur<sup>1</sup>, Ray Octafian<sup>2</sup>, Nina Mistriani<sup>3</sup>, Pranoto Pranoto<sup>4</sup>

<sup>1-4</sup>STIE Indonesian Tourism, Semarang, Indonesia

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### ABSTRACT

*One of the entrepreneurial benefits of the tourism sector is building the local economy. The aim of this research is to analyze the role of entrepreneurship in developing the local economy through the development of homestays in Mangli Magelang Village. This research uses a qualitative descriptive research method. There are three important research stages carried out in this research, the first stage is exploring the symptoms that appear in the research object, the second is identifying the relationship between the symptoms and the aspects being studied, the third is the analysis and interpretation of the relationship between the symptoms and the aspects being studied in the homestay. This research was conducted in Saung Krincing Msen, Mangli Tourism Village, Magelang Regency. The results and analysis of this research can be concluded that entrepreneurship plays an important role in developing the local economy by exploiting the potential of the destination it has and also the social impact of increasing knowledge about culture and of course social ties and interactions between local communities and tourists.*

### Corresponding Author:

Name of Corresponding Author,

Email: [Chefahmad30@gmail.com](mailto:Chefahmad30@gmail.com)

## INTRODUCTION

Tourism has an important role in local economic development, especially in rural areas which have rich natural and cultural potential. Mangli Tourism Village in Magelang is an example of a location that offers attractive tourism potential based on Natural Resources (SDA) in the form of a plateau on the slopes of Mount Sumbing with a height of 1,570 meters above sea level (meters above sea level) (BPS 2020) with its natural beauty and diversity. its culture. In recent years, tourism development efforts in this village have increased, with homestays becoming one of the business models that is increasingly popular among the local community.

The concept of entrepreneurship is widespread in almost all branches and economic activities. It is this wide distribution that has led to the emergence of a rich theoretical base and the emergence of a large number of different definitions indicating different dimensions of entrepreneurial development. The three aspects most often mentioned as the basis for defining this phenomenon are: economic aspects, personal characteristics aspects, and social identity aspects (Peeverelli & Song, 2012). It is inherent in the nature of entrepreneurship to focus on

future plans, regardless of whether they are plans for an individual, a group, an entire company, or even a region. As an opportunity for success in business, entrepreneurs are aware of changes that occur in the market or are certain that they will occur. The aspiration to achieve competitive advantage in entrepreneurship is achieved by continuously monitoring these changes and designing ways to use them as good business opportunities. . In underdeveloped and developing countries, entrepreneurship can be an instrument for reducing poverty through greater employment, leading to economic development (Agupusi, 2007).

Entrepreneurship as a function of sustainable development must contribute to the realization of the three priority directions through optimal use of available resources, activation of intangible heritage in the function of entrepreneurial activities, creation of new jobs, economic and social empowerment of local communities and provision of human resources (Škrbić et al. 2019), entrepreneurial success in the homestay accommodation sector is not only determined by economic factors alone. Social aspects, such as relations between tourists and local communities, managers, farmers and other community groups also play an important role in the success of this homestay. Therefore, a holistic understanding of the interaction between social and economic aspects is needed in the context of homestay development in the Mangli Tourism Village.

Entrepreneurship has a crucial role in encouraging local economic growth. The concept of entrepreneurship not only includes the creation of new businesses, but also innovation, creativity, and development of local resources to improve community welfare (Audretsch & Thurik, 2001). In the context of local economic development, entrepreneurship functions as a driving force that enables the development of local economic sectors, creates jobs, and increases community income (Shane & Venkataraman, 2000).

This homestay is where rice fields managed by Mangli village residents on a strategic mountain slope are developed into a homestay in the form of a hut that is managed by residents who are trusted by a developer who collaborates with the Mangli tourist village government. This business has become an interesting phenomenon in the tourism industry, especially in the mountainous highlands. Apart from providing an authentic stay experience for tourists with natural and high altitude nuances, providing this service also has the potential to increase the income of local communities by working together to manage, share profits and, with this collaboration, it can strengthen ties between tourists and local communities, as well as supporting economic development. local as a whole.

Homestay is a business model that offers an authentic staying experience for tourists by providing accommodation in local residents' homes. This business model has become a popular choice among tourists looking for unique local experiences and interaction with local communities (Kim & Jogaratnam, 2016). Homestays also provide opportunities for local people to earn additional income and participate in the tourism industry. Homestay development can have a significant impact on the local economy. Through homestays, additional income can be obtained by local communities, which will then have an impact on increasing purchasing power and overall local economic growth (Gursoy et al., 2017). Apart from that, homestays can also trigger the development of supporting sectors, such as local crafts and culinary delights, which also contribute to the local economy.

Apart from the economic impact, homestays also have an important social impact on local communities. Interaction between tourists and local communities in a homestay context can strengthen social ties, increase mutual understanding between cultures, and expand local communities' insight and knowledge about the outside world (Brown et al., 2018). However, there are also challenges that need to be overcome, such as conflicts between the interests of tourists and local communities, as well as potential negative impacts on culture and the environment. The success of a homestay is influenced by various factors, including service quality, competitive prices, effective promotions, and active community participation in homestay management (Kasim & Hussain, 2016). Knowledge of these factors is important for homestay owners and related stakeholders to develop effective strategies in strengthening homestays as a sustainable business model.

In this context, this research aims to comprehensively explore the role of entrepreneurship in local economic development through homestays in the Mangli Magelang Tourism Village, taking into account both social and economic aspects. Thus, it is hoped that this research can provide valuable insight for stakeholders, including the government, business people and local communities, in developing homestays sustainably as a strategy to strengthen the local economy and improve the welfare of the people of Mangli Tourism Village and surrounding areas. Local-based management is also said to be able to increase community empowerment in rural areas, which aims to increase the dignity of layers of society so they can escape the trap of poverty and underdevelopment (Cunha et al., 2020). With local-based management in the development of tourist villages, it is hoped that it can encourage community independence from economic, cultural, social and environmental aspects.

The Mangli tourist village is one of the tourist villages in Kaliangkrik District, Magelang Regency with the title of being assisted by the Ministry of Tourism and Creative Economy of the Republic of Indonesia at the 2021 Indonesian Tourism Village Award. Apart from being judged by its existence, the title of independent tourist village is also based on three other aspects. First, community-based management which has been fully implemented. This means that the local community has fully managed the tourist village without any interference from the government or other outside parties. Second, there are regular visits by tourists to tourist villages. Third, the readiness of tourist villages to welcome tourist arrivals. The second and third aspects above are closely related to whether or not there are tourism activities organized by the tourist village manager. The advantages of Mangli Tourism Village are Natural Resources (SDA), Agriculture, Culture and the uniqueness of the region.

Based on the background above, this research formulates 1) What is the role of entrepreneurship in developing the local economy through the Saung Kerincing Msen homestay in the Mangli Tourism Village, 2) What is the social and economic impact of developing Saung Kerincing Msen homestay entrepreneurship as a business model in the Mangli Tourism Village 3) How analysis of factors that influence entrepreneurial success in developing the Saung Kerincing Msen homestay in the Mangli Tourism Village

## **RESEARCH METHOD**

This research uses a qualitative descriptive research method. In this research, there are three important research stages carried out in this research, the first is the stage of exploring the symptoms that appear in the research object, the second is identifying the relationship between the symptoms and the aspects being studied, the third is the analysis and interpretation of the relationship between the symptoms and the aspects being studied at the Saung homestay. Msen Crackers in the Mangli Tourism Village, Magelang Regency.

Data collection techniques include observation, in-depth interviews and documentation (triangulation) then the data collected is analyzed by arranging the data, reducing the data according to the needs, then coding or grouping themes, identifying the main themes and patterns that emerge from the data according to the research questions that have been reconstructed. Next, synthesis, power analysis is carried out inductively to enable new findings and then conclusions, suggestions and recommendations for research results.

## **RESULTS AND DISCUSSIONS**

Mangli Tourism Village has a tourism awareness group which is an institution as a forum for managing and developing Tourism Villages. Before becoming a tourist village, this area already had the advantage of its geographical location, being one of the highest villages in Magelang Regency, which of course has natural resources (SDA) in the form of excellent views, land culture and rice fields which cannot be found in the lowlands or coast.

On average, the community will be 1,305 farmers in 2023 out of 2,245 total residents with an area of 2.33 km<sup>2</sup> in Mangli Village which is located at the top of Mount Sumbing, located on the edge of the forest and/or around the forest with still having rice fields (BPS, Kalingkrik 2023 ). Currently, the people of the Mangli Tourism Village, apart from continuing to work as farmers, also have a side job serving tourists, both as managers of tourist destinations and tourism support groups in the Mangli Tourism Village, such as motorbike taxis, photographers, guiding.

This research shows that homestays have a significant contribution to local economic income in the Mangli Tourism Village, with groups receiving additional income from the homestay from the manager, farmers in the homestay area, motorbike taxi drivers and the village because they receive definite donations from the owner of the Saung Kerincing homestay. Msen in Mangli Tourism Village. This income becomes a basic addition because every day, every week, every month tourists always come to the Mangli Tourism Village so that they can improve their standard of living and investment by buying support or leverage in serving customers or guests who come in the form of buying new motorbikes, new cellphones for media serving customers and professional documentation can earn an average of 3 million-5 million per month from motorbike taxi drivers and photo services, for homestays they can get 30 million per month with 7 rooms available at the time of research. Apart from having received a rental contract for their rice fields which are rented to build a homestay, rice field owners can still sell their agricultural harvests which are packaged to customers using a self-picking sales model or which have been prepared by the farmer.

Apart from its economic contribution to the community, Mangli Tourism Village can also have a significant impact on local communities from a social perspective, where of course there is interaction between tourists and local communities by exchanging mutual understanding between cultures and strengthening social ties within the village.

There are several important factors that influence the success of tourism village managers in developing their villages, namely mapping village areas that can be used as a source of income that can be managed in collaboration with investors. The success of managing

the Saung Kerincing Msen homestay is by prioritizing service quality, facilities, competitive prices, effective, strategic promotions, active collaboration with the community, there are additional large public facilities (fish ponds) to increase tourist interest. Homestay manager

**Table 1.** Entrepreneurial solutions in local economic development in the Mangli Tourism Village, Magelang Regency

No	Solution offered	Explanation
1	The first solution	Entrepreneurship can develop if it is packaged well and professionally, but sometimes it can run because of unintentional pressure. If there is still land that can be developed to develop a homestay, it can be packaged to add rooms or huts to increase tourist capacity.
2	Second solution	The costs, which according to observations, are quite expensive for the construction of a homestay with the saung concept are an obstacle for investors to develop it, therefore communication is being tried to find development and development solutions so that it is affordable in the construction of adding saung saung rooms to the homestay but still prioritizing the environment and rice fields. awake.
3	Third solution	The initiator of the tourist village or pioneer who is responsible for inviting investors and all managers to design strategies so that this homestay business becomes a prime entrepreneurship in the tourist village, where training is needed from experts in hospitality, hotel and professional owners so that they can gain experience in exchanging knowledge in accommodation business
4	Fourth solution	When talking about the homestay or accommodation business, of course it is not far from services offering food, drinks or local activities which are an alternative for tourists so that tourists can really feel the atmosphere in the mountains. This tourism alternative needs to be packaged and packaged so that it can increase income for the management and income of the Mangli Tourism Village community

Sustainable tourism development is a paradigm that emphasizes the sustainability of tourism development in an area for an unlimited period of time without reducing or changing the physical and human environment (Randelli & Martellozzo, 2019). Sustainable tourism development has three important principles established by UNWTO (2013). The first is the optimal use of natural resources, which is an important element in tourism development, maintenance of ecological processes and preservation of natural heritage and biodiversity. Second, respecting the socio-cultural authenticity of local communities, preserving cultural heritage, building life values and contributing to intercultural tolerance. Third, ensuring long-term economic activities, providing socio-economic benefits to all stakeholders that are distributed fairly, including stable employment opportunities and income-generating opportunities, social services for local communities and contributing to poverty alleviation.

## **CONCLUSION**

This research, which prioritizes the big theme of entrepreneurship in this research, has an important role in developing the local economy through the Saung Kerincing Msen homestay in the Mangli Tourism Village, Magelang Regency. An important factor in entrepreneurship is that the local residents of Mangli Village can take advantage of the advantages of their natural resources which can be managed and developed into profitable business opportunities by establishing a homestay using a cooperative land rental system and still being able to manage rice fields which can be productive in tandem with the homestay business. Thus generating assistance income for local communities and providing a positive impetus for overall economic growth. The social impacts that occur are related to the local community of the Tourism Village, resulting in interaction and insight into knowledge, experience, culture, language, and thus strengthening social ties within the village. generating feelings of diversity, togetherness and tolerance, of course this is an important part of the entrepreneurial identity related to the life of the Mangli Tourism Village. There are several policy implications and recommendations that can be developed in further research, namely developing policies that support the development of homestays as a strategy to drive the local economy with a nature-oriented homestay concept by providing entrepreneurship training, intensive promotion and increased investment in infrastructure.

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