# Cultural Events: Local Sustainable Tourism Development and Entrepreneurship

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**Abstract.** Cultural events, which are typically owned by a region, are among the world's tourist attractions, including Indonesia. The event's positive impact is the increased number of tourists, which will increase local community business income. However, the negative impact of cultural events can cause environmental damage due to irresponsible visitors. Local community must organize cultural events by encouraging environmental sustainability. The purpose of this study is to examine the factors that influence green entrepreneurial intention, including green entrepreneurial self-efficacy, ecological values, and green entrepreneurial motivation. This study used a quantitative explanatory approach, and the data was processed using PLS-SEM software. Purposive random sampling was used to select 152 participants. The Osing Traditional Tourism Village Indonesia was chosen as the research site.. According to the study, green entrepreneurs' self-efficacy had no direct or indirect effect on green entrepreneur motivation or green entrepreneurial intentions. Ecological value has no direct impact on green core intentions. However, ecological value has no direct impact on green environmental intentions via green entrepreneurial motivation. Motivation for green entrepreneurship influences green entrepreneurship intentions. To summarize, cultural events have a wide-ranging impact on many tourist destinations. The impact of cultural events on destinations is linked to residents' proclivity to conduct business related to cultural events.

## 1 Introduction

Cultural arts events are an important moment in tourism development [1]. Cultural arts events have become a tourist attraction. Of course, cultural arts events at one of the tourist destinations can increase considerable opportunities to develop tourism itself and its impact on the local economic development of the local community [2,3]. In fact, there has been a significant increase in the economy from the implementation of cultural arts events, one of which is the emergence of new entrepreneurs [4] to meet visitor demands. In addition, socially, of course, it has an impact on the preservation of the local local culture. However,

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each cultural event has a negative or positive impact on the behaviour and attitudes of the local population as well as the acceptance of cultural events for each resident is different.

Globally and widely research on the acceptability of sustainable tourism development has been widely studied. However, in the micro context, similar research has not been widely studied. We therefore conducted this study with a small context. This research was conducted in the Kemiren Traditional Village. Kemiren Traditional Village is one of the leading tourist villages in Banyuwangi Regency, East Java Province, Indonesia. This village presents various tourism performances, one of which is the ten ewu coffee festival. This event is one way to attract visitors to come to this place, on the other hand by holding this event as a means to promote local culture in the form of the culture of drinking typical Kemiren coffee together. This event certainly has a positive and negative impact on residents.

Green entrepreneurial is a form of entrepreneurship activity but without compromising environmental aspects in order to realize sustainable development. These green entrepreneurs play a role in the social and economic aspects of the community. Therefore, the tourism community in the Osing Traditional Tourism Village plays a vital role in maintaining the environment but still getting economic benefits from cultural events. This study aims to analyse the factors that influence the green entrepreneurial intention of the residents of the Osing Traditional Tourism Village. The variables tested were green entrepreneurial self-efficacy, ecological values, and green entrepreneurial motivation. Self-efficacy is one of the important factors that influence someone to have entrepreneurial intentions. Entrepreneurial self-efficacy assesses a person's confidence in his or her own ability to carry out the necessary steps to launch a business [5]. Entrepreneurial intention reflects a person's willingness, desire, and readiness to pursue entrepreneurship as a career option and participate in entrepreneurial activities. But on the other hand the results of research from Wang [6] mentions that self-efficacy has no effect on entrepreneurial intention. On the other hand, the next variable is Ecological Values, which is one of the factors that support someone doing a green business [6]. Green entrepreneurial motivation is one of the internal and subjective factors of individuals to develop a green business. Research states that motivation has a significant influence on entrepreneurial intentions [7] but another opinion states that motivation has no effect on entrepreneurial intentions [8]. Based on this conflict, it is important to do this research to examine the variables that affect the green entrepreneurship intention in the tourism community.

## 2 Hypothesis

Based on the theory of planned behavior [9] states that entrepreneurial intention is the most important factor in influencing someone to become an entrepreneur. Chu with his research supports that the higher a person's entrepreneurial self-efficacy level, the higher his entrepreneurial intention [10]. However, when compared to entrepreneurship that is commonly encountered, green entrepreneurship has a greater challenge in investment and innovation. Alvarez et al argue that if an entrepreneur has a high level of self-confidence and capability in green entrepreneurship, they will have a very strong green entrepreneurial intention as well [11]. In addition, self-efficacy has an influence on a person's motivation in entrepreneurship. Self-efficacy entrepreneurship and entrepreneurial motivation are significantly positive on business success [12]. In other words, the higher a person's level of self-efficacy, the higher the motivation for green entrepreneurship [6]. According to Gielnik, the motivational process will provide energy for someone to take entrepreneurial action [13]. Furthermore, a positive attitude towards entrepreneurship related to sustainability has an impact on the entrepreneurial intention of sustainability [14]. One of the positive attitudes that can encourage green entrepreneurship is ecological values. If

someone has a good assessment of ecology, they tend to take action to support ecological values. Action in this case is the intention for green entrepreneurship. Environmental values, intrinsic and extrinsic rewards, and future consequences all have an indirect influence on sustainable entrepreneurial intentions [15]. The hypothesis in this study are:

H1: Green entrepreneurial self-efficacy has an effect on green entrepreneurial motivation

H2: Green entrepreneurial self-efficacy has a direct effect on green entrepreneurial intention

H3: Ecological values affect green entrepreneurial motivation

H4: Ecological values have a direct effect on green entrepreneurial intention

H5: Green entrepreneurial motivation has an effect on green entrepreneurial intention

H6: Green entrepreneurial self-efficacy has an effect on green entrepreneurial intention through green entrepreneurial motivation

H7: Ecological values affect green entrepreneurial intention through green entrepreneurial motivation
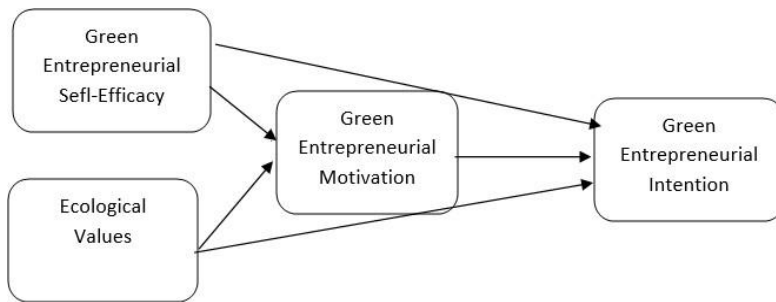


**Fig. 1.** Conceptual Framework

## 3 Method

This study uses a quantitative approach using the explanatory method. The quantitative approach was chosen to systematically find out the factors that influence green entrepreneurial motivation and its impact on green entrepreneurial intentions. The population in this study were residents of Kemiren Village, Glagah District, Banyuwangi Regency, Indonesia. The research was conducted for 3 months, from July to September 2021.

Data was collected by distributing questionnaires to respondents using the Purposive Sampling Technique in taking the sample, where the researcher determined certain criteria for the respondents. Questionnaires were distributed to respondents directly from house to house. The questionnaire contains questions with predetermined indicators and criteria. In preparing the questionnaire using a 5-point Likert scale between 1 (strongly disagree) to 5 (strongly agree) on the variables of green entrepreneurial self-efficacy, ecological values, green entrepreneurial motivation, and green entrepreneurial intention. Variables and sub-variables in this study adopted from [5,6,16].

In this study, researchers used a Structural Equation Model (SEM) approach based on Partial Least Square (PLS) using SmartPLS software. The SEM PLS data analysis technique was chosen because the analysis technique is in accordance with the research objectives to be achieved, namely to test and validate measurement models and structural pathways that involve latent construction (green entrepreneurial motivation) with indicator variables (green entrepreneurial self-efficacy and ecological values) and measuring the

relationship between the constructs of green entrepreneurial motivation and green entrepreneurial intention). The data obtained were processed in two stages, namely, the outer model and the inner model of the Structural Equation Model (SEM) based on Partial Least Square (PLS). At the outer model stage, validity and reliability tests will be carried out, while in the inner model stage path coefficients, model fit, $R^2$, $f^2$, and $Q^2$ will be carried out [17].

**Table 1.** Variables

| Variables | Symbol | Observed Variables |
|---|---|---|
| Green Entrepreneurial Self Efficacy (GESE) | GESE1 | I believe that if I do it from the heart, I will be able to help the environment. |
| | GESE2 | I can find a way to contribute to the solution of environmental issues. |
| | GESE3 | Solving environmental issues is something that all of us can do. |
| | GESE4 | I possess the skills required to be an entrepreneur. |
| | GESE5 | I have a strong mentality to face challenges in the field of green business. |
| | GESE6 | I am confident in myself when starting a green business. |
| Ecological Values (EV) | EV1 | I am willing to donate a portion of my earnings if I believe the funds will be used to prevent and control pollution. |
| | EV2 | Tourism has a negative impact on the environment |
| | EV3 | I believe that the current ecological and environmental problems are serious. |
| Green Entrepreneurial Motivation (GEM) | GEM1 | I want to start a green business to reduce unemployment in my community. |
| | GEM2 | I want to start a profitable green business. |
| | GEM3 | I want to start a green business in order to preserve our indigenous culture. |
| | GEM4 | I'd like to start a green business in order to promote green tourism. |
| | GEM5 | I want to start a green business to help the environment's development. |
| | GEM6 | I also want to start a green business to gain public recognition. |
| Green Entrepreneurial Intention (GEI) | GEI1 | My preferred career path is as a green entrepreneur. |
| | GEI2 | My professional goal is to become a green entrepreneur. |
| | GEI3 | I am dedicated to starting and running my own green business. |
| | GEI4 | I am determined to start a green business in the future. |
| | GEI5 | I have given serious thought to green entrepreneurship. |
| | GEI6 | I will do everything I can to start my own green business. |

## 4 Result and discussion

Data were obtained from 152 respondents and processed using SmartPLS 3.2.9 software in order to obtain the objectives of the study. Table 2 shows that the respondents are dominated by the female gender (57%), but when viewed from the age and economic class the percentage does not really dominate one category. This can be seen from the respondents aged 41-50 years (47%), coming from the middle economic class (46%)

**Table 2.** Description of Respondents

| Demography | Category | Frequency | Percentage |
|---|---|---|---|
| Gender | Male | 65 | 43% |
| | Female | 87 | 57% |
| Age | 20 – 30 | 21 | 14% |
| | 31 – 40 | 60 | 39% |
| | 41-50 | 71 | 47% |
| Class of Economy | High Income | 32 | 21% |
| | Middle Income | 70 | 46% |
| | Lower Income | 49 | 32% |

Before conducting a hypothetical test, the first step is to evaluate the measurement model (outer model) to ensure that each indicator and latent variable can be tested properly, which is carried out through validity tests, reliability tests and multicollinearity tests. Validity was measured using convergent validity test and discriminant validity test. Named based on the convergence validity test, the variable is said to be valid if it has an Average Variance Extracted (AVE) value above 0.5[17] and to test the validity of the discriminant variables using the Fornell-Larcker criterion. As for the reliability of each variable is said to be reliable if it has a composite reliability score (CR) above 0,7 [17].

**Table 3.** CR and AVE Values

| Variables | Cronbach's Alpha | Composite Reliability | Average Variance Extracted (AVE) |
|---|---|---|---|
| Ecological values | 0.964 | 0.976 | 0.932 |
| Green Entrepreneurial Intention | 0.993 | 0.995 | 0.973 |
| Green Entrepreneurial Motivation | 0.996 | 0.997 | 0.983 |
| Green Entrepreneurial Self-Efficacy | 0.976 | 0.980 | 0.893 |

Tabel 3 shows that the validity is measured using convergent validity test and discriminant validity test. Cronbach's Alpha and AVE values are more than 0.5 so that the outer model is said to be valid. Cronbach's Alpha value is 0.964 for the Ecological Values variable, 0.993 for the green Entrepreneurial Intention variable, 0.996 for the Green Entrepreneurial Motivation variable, and 0.976 for the Green Entrepreneurial Self-Efficacy variable. While the CR value used to see the reliability based on Table 3 is declared reliable because the CR values are all above 0.7. This means that each variable has met the convergent validity test and good reliability test.

**Table 4.** R Square and Adjusted R Square

| Variables | R Square | R Square Adjusted |
|---|---|---|
| Green Entrepreneurial Intention | 0.982 | 0.982 |
| Green Entrepreneurial Motivation | 0.903 | 0.902 |

The value of $R^2$ is used to determine how much influence the exogenous variables have on endogenous variables simultaneously [17]. The value of $R^2$ is used to determine how much influence the exogenous variables have on endogenous variables simultaneously. Based on Table 4, it is known that the R-Square value of the effect of the indicator variable on Green Entrepreneurial Intention is 0.982 (strong), the influence of the indicator variable on Green Entrepreneurial Motivation is 0.982 (strong), 0,903 (strong).

**Table 5.** F Square

| Variables | Ecological Values | Green Entrepreneurial Intention | Green Entrepreneurial Motivation | Green Entrepreneurial Self-Efficacy |
|---|---|---|---|---|
| Ecological Values | | 0.059 | 0.797 | |
| Green Entrepreneurial Intention | | | | |
| Green Entrepreneurial Motivation | | 3.781 | | |
| Green Entrepreneurial Self-Efficacy | | 0.000 | 0.009 | |

The value of $F^2$ is used to determine how much influence the exogenous variable has on the endogenous variable partially. The F2 values are categorized into 0.02 (small), 0.15 (medium), and 0.35 (large)[18]. For the results of the F2 value, it shows that the effect of GESE on GEI is 0.000 and the effect of GESE on GEM is 0.009 which is categorized as small. The effect of the EV variable on GEI is 0.059 (large) while the effect of EV on GEM is also in the large category because its value is 0.797. GEM influences GEI of 3,781 so that it is in the large category.

**Table 6.** Path Coefficient

| | T Statistics | P Values | Decision |
|---|---|---|---|
| EV -> GEI | 1.103 | 0.271 | Rejected |
| EV -> GEM | 2.301 | 0.022 | Accepted |
| GEM -> GEI | 5.624 | 0.000 | Accepted |
| GESE -> GEI | 0.078 | 0.938 | Rejected |
| GESE -> GEM | 0.243 | 0.808 | Rejected |

Table 6 presents the results of hypothesis testing which were analysed using path coefficients, path coefficients were measured using values from T-Statistics and P-Value. The hypothesis is accepted if it has a T-Statistic value> 1.96 and the value of P-Value <0.05[18]. Based on table 6, the Green Entrepreneurial Self Efficacy variable has no direct and significant effect on the Green Entrepreneurial Motivation variable because the T-statistic value <1.96 is 0.243 and the P-value is 0.808 and shows > 0.05. With the result that the first hypothesis is rejected. While the second hypothesis is also rejected because the T-statistic value is 0.078 < 1.96 and the P-value is 0.938 > 0.05 so that the Green Entrepreneurial Self Efficacy variable does not have a significant effect on the

Entrepreneurial Intention variable. The Ecological Values variable has an influence on the Green Entrepreneurial Motivation variable because the T-statistic value is 2.301 > 1.96 and the P-values are 0.022 < 0.005 so that the third hypothesis is accepted. Ecological Values variable has no direct and significant effect on Green Entrepreneurial Intention because the T-statistic value is 1.103 < 1.96 and the P-values 0.271 > 0.05 so that the fourth hypothesis is rejected. Meanwhile, Green Entrepreneurial Motivation has a significant influence on Green Entrepreneurial Intention. The t-statistic value is 5.624 > 1.96 and 0.000 < 0.05 with the result that the hypothesis is accepted.

**Table 7.** Specific Indirect Effects

|  | Specific Indirect Effects |
|---|---|
| **EV -> GEM -> GEI** | 0,890 |
| **GESE -> GEM -> GEI** | -0,097 |

Green Entrepreneurial Self Efficacy has no effect on Green Entrepreneurial Motivation and also has no significant effect on Green Entrepreneurial Intention either directly or through Green Entrepreneurial Motivation. In other words, the existence of cultural events that are held regularly every year does not encourage someone to have green business intentions either directly or indirectly through Green Entrepreneurial Motivation. Green Entrepreneurial Self Efficacy refers to a person's self-confidence to do green business to protect their nature but this confidence does not support and encourage someone to be motivated by green business and does not encourage the intention to realize a green business in Osing Traditional Village, Kemiren Village. This is in line with the research conducted by Wang [6] which states that Green Entrepreneurial Self Efficacy does not have a significant effect on Green Entrepreneurial Motivation.

Ecological Values have a direct and significant effect on Green Entrepreneurial Motivation and have an effect on Green Entrepreneurial Intention through Green Entrepreneurial Motivation. This is based on the questionnaires that we have distributed to residents who found that they believe that the bad impact of global warming and tourism that brings many tourists to their place will have a serious impact on the sustainability of the ecosystem in the Osing Kemiren Traditional Tourism Village. Moreover, it is supported by the number of irresponsible visitors, for example throwing plastic waste in the wrong place and the shrinking of available public facilities. This certainly gives residents motivation and intention to develop green businesses that reduce the greenhouse effect and protect their natural sustainability. So this research is in line with Wang's research [6].

## 5 Conclusion

Green entrepreneurial self-efficacy has no effect on green entrepreneurial motivation. If self-efficacy is high, the motivation to take green entrepreneurial actions is low. Furthermore, green entrepreneurial self-efficacy also has no effect on green entrepreneurial intentions. It can be said that if green entrepreneurial self-efficacy is high, it does not affect someone to intend to build green entrepreneurs. The ecological value variable has a significant effect on green entrepreneurial motivation, but the ecological value variable has no effect on green entrepreneurial intention. So even though a person's ecological value is high, it does not have an impact on someone's intention to become a green entrepreneur. The higher the ecological value, the higher one's motivation for green entrepreneurship. One's motivation for green entrepreneurship has a significant influence on one's intention to green entrepreneurship. In other words, the higher a person's motivation in green entrepreneurship, the higher the intention for green entrepreneurship. Green entrepreneurial self-efficacy does not have an indirect effect on green entrepreneurial intention through the

green entrepreneurial motivation variable. Although a high level of green self-efficacy does not affect a person to intend green entrepreneurship through green entrepreneurial motivation. Ecological value influences green entrepreneurial intention indirectly through green entrepreneurial motivation. With the result that the higher a person's ecological value, the higher the green entrepreneurial intention but must go through a high green entrepreneurial motivation as well.

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