

Developing Tourism Social Entrepreneurship: Evidences from Madura Island, Indonesia

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Abstract—This paper examines the implementation of social entrepreneurship in Madura Island. It also discusses the difficulties of developing tourism social entrepreneurship in the Madurese community. Drawing on in-depth interviews held with 37 residents, this study finds that the social entrepreneurship is mostly developed initiatively by the participants and lack of support of the government in developing social entrepreneurship is reported by the participants as one of challenges they face in developing social entrepreneurship. The findings of this study are inconsistent with the view that local community participation in tourism is paramount in tourism development. Therefore, these findings are supposed to be a reminder for the Indonesian government to more pay attention to incorporating the local community in tourism development process, particularly in allowing the locals to develop their social entrepreneur spirits as well as providing adequate support for their social entrepreneurship business to develop

Keywords— *Social entrepreneurship, local community, participation, tourism*

I. INTRODUCTION

Tourism in Indonesia is a fast growing industry. According to the Indonesian Statistical Bureau, the total number of international visitor arrivals had increased by 11.95 per cent in February 2015. Overall, in 2014, the Indonesian travel and tourism economy generated IDR856 billion. It contributed around 8.8 per cent of Indonesia's 2014 GDP, with 2.9 per cent of the entire Indonesian work force engaged in tourist employment (World Travel and Tourism Council 2015).

Tourism in East Java has also shown a significant increase. In 2014, 217,193 tourists from overseas visited East Java Province. Although this number has shown a decrease compare to last year (217,761 people in 2013), due to Kelud Mountain explosion, but tourism in East Java has still been promising. In East Java, recent tourism developments have taken place making it an ideal context for studying tourism and local residents' participation in tourism. Specifically, this study analyses implementation of social entrepreneurship and its challenges.

Several scholars argue that tourism has the potential to be a means for improving regional economies, especially through its ability to generate employment, export earnings and revenue for both the government and individuals (Sharma, Dyer, Carter & Gursoy 2008). Even though the Indonesian Government ranks tourism as a priority of its development sector, this approach has not been applied consistently to all regions. In

Madura, only a meagre number of tourism establishments existed (Dinas Pariwisata Propinsi Jawa Timur 2007). The number of accommodation offerings in Bangkalan and Sampang remained the same between 2005 and 2007. A slight increase was found in Pamekasan where offerings increased from 10 to 11 and in Sumenep where they increased from 5 to 7 (Dinas Pariwisata Propinsi Jawa Timur 2007). The number of recreational amenities that had potential to be developed as tourist attraction was also small (48 total in the four regions) (Dinas Pariwisata Propinsi Jawa Timur 2007). In light of this, it is not surprising that Madura Island is considered the least popular destination in East Java both for overseas and domestic tourists (East Java Tourism Board 2009). Compared to other regions in East Java, international arrivals in Madura have always been very low. In 2007, Bangkalan, Sampang and Sumenep attracted only 164, 116, and 51 overseas tourists, respectively, while no one visited Pamekasan (Dinas Pariwisata Propinsi Jawa Timur 2007).

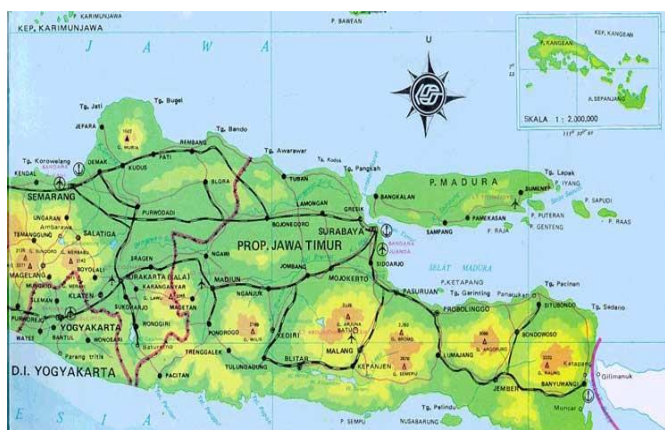
A. Madura Island as a Research Context

Administratively, Madura Island is part of East Java Province. It consists of four regions: Bangkalan, Sampang, Pamekasan, and Sumenep. Plate 1 shows the location of Madura Island off the north eastern coast of Java.

Madura Island comprises an area of approximately 5,422 square kilometres, with a population of 3,570 million according to 2010 census (Statistics East Java n.d.). The island is quite isolated because it is separated from Java Island by Madura Strait. A public ferry was once the only way to access the island. As a consequence, Madura Island has been confronted with a significant number of obstacles to development, such as high levels of poverty and unemployment. In comparison to other regions in East Java, all regions in Madura have the highest percentage of people living under the poverty line. In 2010, in Bangkalan Region, 28.12 per cent of the total population were living in poverty, while in Pamekasan and Sumenep, percentages were little different, 22.47 per cent, and 24.61 per cent, respectively (TNP2K 2011). Even worse, in Sampang, 32.47 per cent of people were living in poverty. These high percentages have positioned Sampang as the poorest region in East Java, while Bangkalan, Pamekasan and Sumenep are not far behind (TNP2K 2011). A significant contributing factor to the poverty is the level of unemployment which, in 2010, was high in all four regions of Madura Island, with Bangkalan having the highest percentage of unemployment (5.79 per cent), followed by Pamekasan (3.53

per cent), Sumenep (1.89 per cent) and Sampang (1.77 per cent) (TNP2K 2011).

Plate 1. Map of East Java and Madura Island



Source: East Java

Economically, Madura has always depended on agriculture. However, due to relatively poor soils and dry climate, Madura's agriculture has very low productivity (Rachbini 1995). This, along with other problems such as limited economic activities, rapid migration and an isolated location, has contributed to Madura's status as a marginal and largely forgotten island (Rachbini 1995).

A significant rise in arrivals to Madura Island, especially to the bridge area, has possibly been triggered by curiosity to see what the bridge looks like, the attraction of crossing the bridge and the ease of access the bridge provides (Kurniawan 2010). Considering that the bridge is the most significant project completed by the Indonesian Government in recent times ("Suramadu" 2009), it is not surprising that the Bridge has become a magnet for visitors. News articles with headlines such as: 'Better to be fined than not take pictures at Suramadu Bridge', also clearly describes the excitement the bridge has generated ("Ditilang" 2009).

Plate 2. Suramadu Bridge



Source: <http://google.co.id>

The government's strong belief and expectation that the bridge, and the tourism it will herald, will make a difference to the island by boosting the island's economy. As was maintained by the Indonesian President, Susilo Bambang Yudoyono, 'The Suramadu Bridge should be able to strengthen the economy of Madura' (Kurniawan 2010). However, there are several significant challenges associated with tourism development in Madura: first, there has been an enduring local stereotype associated with Madura residents, that is, they are believed to be temperamental and have other negative characteristics (Jonge 1995), which has discouraged tourists from visiting Madura (Hannigan 2007); second, there has been little positive support from the local residents (Musyawir 2007). What is clear is that the participation of local residents in tourism emerges inconsistently and largely anecdotally and an empirical examination of such participation, especially in the form of social entrepreneurship, has yet to be conducted.

II. EASE OF USE

Telfer and Sharpley (2008) have proposed there are several reasons for developing countries adopting tourism as their means of development. Firstly, tourism is seen as an industry which is growing rapidly as well as a safe development option; secondly, through tourist expenditure, international investment in tourism infrastructure, and promotion, tourism is considered a tool for transferring wealth; thirdly, tourism potentially offers more opportunities for backward linkages throughout the local economy; fourthly, tourism can be developed via 'free' infrastructure, such as existing natural or man-made attractions, beaches or heritage sites; and finally, there are no barriers for international tourism, for example, there are no limitations in terms of places to visit and how much money to spend in a destination (Telfer & Sharpley 2008).

Even though tourism has increasingly been seen as a fast track to development in developing countries (Telfer & Sharpley 2008), the tourism development process does not always work well. A tourism development dilemma, as noted by Telfer and Sharpley (2008), is often unavoidable. On one side, tourism has the potential to stimulate economic and social development, but on the other, tourism may only serve local elite, privileged residents or multinational corporations and may have a very high social and economic cost.

In developing countries, tourism is typically implemented through a top-down planning approach (Liu & Wall 2006), and decision making is mostly based on the interventions of government agencies and large multinational tourism firms (Liu & Wall 2006). As a result, the dominance of external, often foreign capital and the marginalisation of local people is common (Liu & Wall 2006).

Local communities in developing countries often gain only small advantages from tourism (Mowforth & Munt 2009). This has been attributed to local people being exploited and having little power to control the tourism development process. They have few opportunities to match the financial resources available to external investors and have views which are hardly ever heard (Mowforth & Munt 2009). In fact, local communities in developing countries are frequently excluded

from tourism development, particularly in decision making and the management of tourism projects (Teye et al. 2002).

Such a picture of tourism development in developing countries paints a stark contrast to the participatory tourism planning approaches to tourism that have been championed primarily in the Global North. Participatory tourism planning promotes goodwill through cooperation with local communities and is seen as an essential and central focus of tourism development (Choi & Sirakaya 2006). The involvement and participation of the residents in the area is fundamental to successful tourism planning (Hall 2008). Murphy (1985) was one of the first scholars to promote the importance of the involvement of community in tourism initiatives. The main idea of the participatory tourism approach espoused by Murphy (1985) is that each host community is supposed to determine the goals of the community so as to ensure that tourism satisfies local needs and interests. This approach recognises that social, cultural, and environmental considerations need to be included in planning and that tourism should serve both tourists and local residents. Thus, local residents should also derive benefits from tourism planning (Tosun 2005).

A lack of community support has also become one of the major problems of tourism planning in developing countries. This is in contrast to the sustainable tourism principle that entails a long-term perspective and broad-based participation in tourism, particularly in policy formulation, decision making and implementation at all levels (United Nations 2002).

Community participation in tourism development process has been widely recognised as essential (Grybovych, Hafermann & Mazzoni 2011). It is believed that participation of locals in tourism planning results in better support and attitudes towards tourism and subsequently, this creates a successful industry (Grybovych et al. 2011). Yet, if the aspirations of locals are ignored or not included in tourism planning, resentments and hostilities may happen and these may have the potential to damage the industry (Haywood 1988; Murphy 1985; Zhang, Inbakaran & Jackson 2006).

The term 'community participation' has been interpreted by scholars in varying ways and agreement on a common definition of community participation has been hard to achieve (Lamberti et al. 2011). Community participation can refer to collaboration (Jamal & Stronza 2009), involvement of the community in the decision making process (Aref & Ma'rof 2008), or a multi-stakeholder approach in decision making, all of which are referred to as participatory tourism planning (Timothy 1999) or cooperative tourism planning (Timothy 1998). Participation should place an emphasis the resources, needs and decisions of the community, whereby opportunities are provided for local communities to mobilise their own resources, define their own needs, and make their own decisions in order to meet their own needs (Tosun 2005).

Timothy (1999) suggests that community participation may happen in two stages: in the decision-making process and in gaining the benefits of tourism development. Participation in the decision making process refers to the empowerment of local residents to define their own goals for development, as well as consultation with them so their hopes and concerns

with regard to tourism are addressed. Participation also encompasses the involvement of other stakeholders in the decision making and development process. The benefits of tourism refer to increased income and opportunities for employment and education for the locals and are the most evident way of involving local community members in the benefits of tourism development (Timothy 1999).

III. RESEARCH METHOD

The focus of this study is to investigate the implementation of social entrepreneurship and any challenges faced. Participants in this study were selected purposively, that is aimed at those who have a business around a tourist attraction. Social entrepreneurs selected from entrepreneurs who are not only oriented to profit-oriented or merely economic, but rather on an individual who has an attempt to change the economy in surrounding communities. The list of questions were made in semi-open or open-ended question or semi-structured interviews and conducted in-depth. In total, the researcher conducted 37 interviews. The aim was to interview until a reasonable level of saturation was reached. Since there were no fixed rules for the sample size in this qualitative approach, the interviews for this study stopped at the point of 'redundancy' (Lincoln & Guba 1985, p. 202). The similar responses from the interviewees indicate the point of redundancy had been reached.

IV. FINDINGS AND ANALYSIS

The study found that there are some people who are actively involved in entrepreneurial activities as shown in Plate 3,4. The images show that particular spirit arising in communities. They pinned their hopes on tourism because they believe tourism will lift the economy of their families. Those who had been working outside the tourism sector and then change course to be actively involved in the tourism sector with entrepreneurship, i.e. by selling and making souvenirs, opening a shop/restaurant around tourist destination.

Plate 3. Stall around Suramadu Bridge, Bangkalan



Plate 4. Seller around Camplong Beach, Pamekasan



Some participants said that the initial motive in entrepreneurship is economic, particularly in lifting the economic family. Then once they feel the benefits, they then invite relatives to participate in the selling. This was shown in an interview with one of the sellers around Suramadu Bridge.

I was the first trade in here [in Suramadu Bridge], then I invite neighbours and relatives to sell here too. (Lestari, 29, a souvenir seller).

As it is said that the idea of social entrepreneurship is not just the economy alone but rather on social oriented. This is seen in Lestari. She even likens himself as a leader of entrepreneurs in the region, because she thinks others will be joining in with what she does.

People here do not have an idea to develop their business, to expand their business. No one has an idea as me. While I have a dream to open a gift shop which is more permanent, they do not. (Lestari, 29, a souvenir seller)

The statement "... no one has an idea as I" implies some important points. This is a pride to be a leader in her community. It also shows that she has an ambitious attitude, as she wants to increase its business in the future to have a gift shop that is much better than her current stall. A more permanent souvenir shop can be interpreted as a symbol of her desire to have a more stable business in the future, which represents a more secure source of income. Furthermore, the statement also shows the strong entrepreneurial spirit of Lestari. By comparing themselves with others, she looks herself in different positions; she is the only person that can see a business opportunity. Thus, it can be interpreted that she believes in running her business and, on the whole, confident about future changes.

Meanwhile in the area of Camplong Beach, Pamekasan, governments facilitate and encourage local communities to participate actively in selling on the beach. However, it is sustained by an assortment of old merchant. Souvenir market development in Camplong beach managed by the central

government (in this case in cooperation with Surabaya Inn, the company that manages the beach) will provide the seller with permanent stalls that they have to pay a rental fee. According to the hotel manager, goods for sale must be high quality or the leading product. This creates a dilemma in self-traders. There is a fruit merchant who complained about this.

Shops that rent is very expensive. I'm not able. Then if not many tourists buy my fruit, then how do I pay rent? (Retno, 50, a fruit seller)

In addition to costs, Retno also worried about the goods she would sell. Because she only sells fruit, she was not sure whether the fruit will be allocated in the new kiosk at the souvenir market. Concerns and confusions he faces clearly visible in the answer 'I do not know', when she was asked about the business and its future development stalls. Indeed, the government's plans for new markets rather confusing and has created uncertainty among sellers, indicating a lack of consultation and communication with residents.

The above data shows the great dilemma for those involved in tourism. Tourism is considered as a way to increase revenue and business opportunities, changes will be seen as a threat. Government's plans to some extent create some threats to the entrepreneurial community. There are differences in the objectives of government and entrepreneurs. This difference is dualistic in the sense that the government thinks stalls will solve the problem of beach but, on the other hand, local sellers think that the new stalls would not be the best solution for them. This miscommunication will create confusion or even block the interaction. In this case, block the interaction between residents and government can create the possibility of conflict, namely on the one hand, tourism is regarded as a positive means for development, while on the other hand, tourism can have a negative impact on the local residents.

Clearly, on the one hand promoted tourism by government officials and industry as something positive, on the other hand it turns out tourism also creates ambiguity in the form of competition and the criteria for selling in the new location. The government's plan to relocate the seller at a specific location has actually created confusion among them. Costs, items sold and the capacity to occupy a stall is some concern that occurs between sellers. In the context of the social challenges of tourism entrepreneurs, the actions of others (in this case, the government), has been interpreted by the seller as daunting. At the beginning of the development of tourism, government encourages and fully supports the people involved in tourism, and then without warning, the government is actively weaken as some sellers say, "only those who have money can pay kiosk". Thus, in this case, there are inconsistencies in government actions have created confusion for local residents.

Moreover, many participants expressed a lack of government interest in encouraging and helping entrepreneurs. As presented by the following participants:

There is no government support. Government is good as long as they don't bother us (Asih, 45, seller)

Never. While other people are given 'rombong'/wagon, I never got it (Bambang, 49, a fruit seller)

The first response from participants is quite ironic. She firmly said that she is fine with no government support, and she stated that government is good as long as it does not bother her trade. It is a bit strange because of the function of government should motivate and facilitate people to entrepreneurship, but people actually see differently. So according to this respondent, as long as the government does not 'bother', then it means that the government supports her.

Some findings above show that being a social entrepreneur shows the active participation of the tourism community towards tourism. Therefore, the government's less concerned showed the irony that on the one hand the government should be 'demanding' the active involvement of the community in the planning and development of tourism. However, government indifference shows the indifference of the government to engage the community in the development of tourism. This is consistent with the theory that top-down planning approach adopted by many developing countries in general and Indonesia in particular, that the development plan 'determined' from above. This of course lead to a loss in tourism development itself, where development does not reflect what the community desires. As a result, public support for tourism is far from expectations.

V. CONCLUSION

Studies on the implementation of social entrepreneurship related to local community participation in tourism; That as a form of participation of local communities to tourism, people open businesses around tourism. Not only oriented to the economy, but a social entrepreneur is more concerned with poverty alleviation surrounding communities. In terms of participation of local communities and the implementation of social entrepreneurship, there are several obstacles, including the lack of government support. So if on the one hand the government is trying to improve entrepreneurship and entrepreneurial spirit, in fact, on the other hand it also lessen the spirit of entrepreneurship as well. So, this is one of challenges that need to become attention of the government in the future.

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