

BUILDING THE SPIRIT OF MILLENNIAL GENERATION IN ENTREPRENEURSHIP BASED ON LOCAL CULTURE IN THE DIGITAL ERA

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Abstract. Millennials are those born in 1980 to 2000, that generation is very close to technology and uses technology in every activity. In the next 5-10 years, millennials are expected to be the foundation of Indonesia's economy, where this generation is entering a productive age but this generation's interest in entrepreneurship based on local culture is still low. The purposes of this study are to build millennial awareness and enthusiasm in entrepreneurship without forgetting culture and to analyze what factors cause the lack of entrepreneurial enthusiasm in this generation. The research method used is literature study where researchers collect data from various books, notes, and various literature related to the topic being researched. The result of this research is to provide entrepreneurial education and motivation to the millennial generation in order to foster an entrepreneurial spirit in this digital era. It can be concluded that program for the building of young entrepreneurs based on culture is needed through several activities including increasing the added value of products, understanding the importance of using technology in product development and increasing the accessibility of capital and market sources.

Keywords: Millennial Generation, Entrepreneurship, Digital Era

I. INTRODUCTION

The more rapid the development of a country, the more rapid the development that is carried out to support operations and equitable distribution of welfare in that country. Not only infrastructure development being intensively carried out to support the programs and activities that will run, but also the development of Human Resources (HR) is being carried out intensively. In 2020-2045, Indonesia is predicted to have a population of productive age up to 70%, while 30% are people of unproductive age. This can have an impact on two possibilities, namely the demographic bonus or the demographic curse. A demographic bonus can occur if the existing human resources are of high quality so that it will have an impact on the country's economic growth. On the other hand, the demographic curse will occur if the number of people at this productive age is not of good quality, resulting in mass unemployment and a burden on the state.

Therefore, one of the efforts to develop human resources is to develop entrepreneurial interest, especially in the millennial generation. Millennial Generation or often referred to as Generation Y is an age group with enormous entrepreneurial potential and market potential. No wonder the millennial generation is the fastest to learn and adapt to all forms of digital technology innovation. The millennial generation has an important role in realizing national development. The way of thinking of the broad millennial generation and the very rapid development of digital technology can make them make a change through the existence of creative ideas which in turn create trends and can benefit society. The creation of entrepreneurs in the millennial generation can be a solution to various problems that occur in society such as poverty and social inequality.

An entrepreneurial spirit is not only limited to academic intelligence and product-producing skills but also a dynamic

spirit in capturing challenges and risks then turning them into opportunities and potential for. In addition, an entrepreneur has a share in economic development through the creation of innovation, employment and welfare. The creation of a business world will encourage the development of productive sectors and the greater the number of entrepreneurs in a country, the higher the country's economic growth.

But unfortunately, currently the number of entrepreneurs in Indonesia is still less than 2%. As we know that a country can develop if the number of entrepreneurs that is there is 2% of its population. When compared to other Asian countries, Indonesia is still far behind Japan by 10% and Singapore by 7%. There is still a millennial mindset to become employees and fear of taking risks, encouraging the low desire to be entrepreneurial.

Even though the opportunities are wide open and the abundance of culture in Indonesia has not been utilized optimally and attracts the attention of the millennial generation to start culture-based entrepreneurship. Often times this happens because they think that culture is closely related to something ancient. The emergence of this thought is because it is easier for foreign cultures to enter and influence the millennial generation. This causes the love for local culture to slowly diminish. Of course, the influence of foreign culture does not always have a negative influence, this requires the role of the government and self-awareness that the presence of foreign cultural influences can provide a number of positive inspirations that can be combined with local culture to finally create a new business based on culture. local but can be accepted by the millennial generation.

II. BASIC THEORY

A. Definition of Entrepreneur

The word of entrepreneur comes from French, namely *entreprendre* which means to do (to under take), the meaning of doing what is meant the activity of organizing and

regulating something according to Antohni. Meanwhile, literally entrepreneurship means entrepreneur, which means main, brave, noble, brave, role model or fighter, while business means activities that are carried out continuously in managing resources to produce goods or services to be sold for profit. So, entrepreneurship is a creative and innovative ability that is used as a basis, tips, and resources to find opportunities for success

Entrepreneurship is the result of a discipline, a systematic process of applying creativity and innovation in fullfil needs and opportunities in the market. In another definition entrepreneur is the process of creating something different with value by devoting the necessary time and effort, assuming the accompanying financial, psychic, and social risks, and receiving the resulting rewards of monetary and personal satisfaction and independence.

An entrepreneur has a role to look for new combinations which are a combination of five things, namely:

1. Introduction of items and services
2. The method of source production
3. Sources of new raw materials
4. New markets
5. New industrial organizations

Opportunities will be easily exploited by an entrepreneur to create new businesses with large profit potential. Not only is the opportunity in a good condition, but also in a bad condition. Entrepreneurs can easily analyze the demand for items or services which is needed by society, even in bad conditions such as disasters and scarcity. The type of business that an entrepreneur is engaged in can be the creation of a new business or buying a long-established business.

Based on the explanation above, it can be concluded that entrepreneur is someone who starts a business that takes advantage of opportunities by using time accompanied by capital and risk and receiving remuneration.

B. The Characteristics of Entrepreneur

An entrepreneur must be someone who is able to look ahead and think calculatively, looking for options from various alternative problems and solutions. Therefore, an entrepreneur must have the following characteristics :

Traits	Characteristics
Confidence	Trust (firmness), not dependent, steady personality, optimism
Task and result oriented	Need or thirst for achievement, profit or result oriented, diligent and steadfast, full of initiative, energetic, full of initiative
Taking risks	Able to take risks, likes challenges
Leadership	Able to lead, can get along with other people , respond to suggestions and criticism
Originality	Innovative (reformer), creative, flexible, many sources, versatile, knowing a lot

Oriented to the future	Outlook, perceptive
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Source : Geoffrey G. Meredith et al, 2002

According to Scarborough and Zimmerer,eight characteristics of entrepreneurship include:

1. Desire for responsibility, namely having a sense of responsibility for the efforts they do. A person who has a sense of responsibility will always be introspective.
2. Preference for moderate risk, namely preferring moderate risk, meaning that he always avoids low risk and avoids high risk.
3. Confidence in their ability to success, namely believing in his ability to succeed.
4. Desire for immediate feedback, which is always wanting immediate feedback.
5. High level of energy, which is having enthusiasm and hard work to make things happen for a better future.
6. Future orientation, which is future-oriented, perspective, and forward-looking.
7. Skill at organizing, which is having skills in organizing resources to create added value.
8. Value of achievement over money, which is always assessing performance with money.

C. Millennial Generation and Digital Era

Millennials have self-confidence, a greater level of optimism, are expressive, free and challenge. Creating millennials has an open mind to new things and always wants to be different from others. They really use their creativity to create something new. This generation is in a relaxed working atmosphere and is able to do several things simultaneously (multi-tasking). They include caring about style (style) and quickly adapting to technology.

In this digital era, humans generally have a new lifestyle that cannot be separated from electronic devices, technology is a tool that can help most human needs because technology is considered capable of making all work feel easier and faster to complete. The important role of technology is what brings humans into the digital era.

Digital Economy phrases according to Don Tapscott:

- a. Knowledge: becomes an important element of the product
- b. Digitization: products and converted into one and number formats.
- c. Virtualization: physical things can be virtual
- d. Molecule: replacement of mass media into molecular molecules
- e. Internetworking: network economy with deep interconnection and economic entities
- f. Disintermediation: elimination of intermediaries and each standing between producers and consumers
- g. Convergence: convergence of computing, communication, and content
- h. Innovation: innovation is the main driver of trust in business
- i. Presumption: the gap between consumers and producers obscures producers in several ways
- j. Immediacy: this is a real-time economy that occurs at the speed of light

- k. Globalization: knowledge knows no boundaries, only the world economy
- l. Strife: the emergence of a huge social contradiction.

D. Positive and Negative Impacts of Digital Age

The digital era has brought various positive changes to the lifestyle of humans today, but at the same time it cannot be denied that the digital era also brings many negative impacts,



so that it becomes a new challenge in human life in this digital era. Challenges in the digital era

have also entered into various fields such as politics, economy, socio-culture, defense, security, and information technology itself. The following are the positive and negative effects of the development of the digital era:

- a. The emergence of e-businesses such as online stores that provide various necessities and make it easy to get them.
- b. The growth of innovation in various fields that are oriented towards digital technology that facilitates the process of marketing products.
- c. Improve the quality of human resources through the development and utilization of information and communication technology.
- d. The information needed can be faster and easier to access.

There are negative impacts of the digital era that must be anticipated and solutions sought to avoid harm or danger, including:

- a. Threat of violating Intellectual Property Rights (IPR) due to easy data access and causing plagiarism to commit fraud on a product.
- b. The threat of illegal transactions is getting bigger.
- c. Creating very tight market competition that threatens traditional traders.

E. Culture Based Entrepreneurship

The word "culture" comes from the Sanskrit "Buddhaya", which is the plural form of "Budhi" (reason). So, culture is everything that is concerned with reason. In addition, the word culture also means "mind and power" or power from the mind. So culture is all the power of the mind, namely creativity, taste and intention. Culture is a way of life that is developed and shared by a group and is passed down from generation to generation. Culture is made up of many complex elements, including religious and political systems, customs, language, tools, clothing, buildings and works of art.

Culture is a comprehensive, complex, abstract and broad lifestyle that is polarized in a distinctive image, which means that every product of a culture-based creative industry will have unique and distinct characteristics.

When someone decides to make a business based on culture means, that person thinks and acts to develop a unique and different creativity from others so that it can be more profitable. For example, by developing products that are characteristic of an area, both handicrafts and other products.

The diversity of cultures that exist in Indonesia can be very beneficial for an entrepreneur in developing a business based on local culture, because with this diversity the entrepreneur can explore the existing cultural wealth so as to create a different product from competitor products.

III. Method

The research method used by researchers this time is literature study in which researchers study, study and study various books, journals, and various literature related to the topic being researched and can be used as a theoretical basis.

IV. Discussion

A. Millennial Generation as Entrepreneurs in Economic Growth

The population of the millennial generation reaches 50.36 percent of the population of productive age, therefore the millennial generation will have control over economic development and community welfare. Millennial generation will be the main factor driving economic growth because along with the increasing personal consumption of the middle class and strong purchasing power, millennials are also known to be creative and innovative in using their ideas and knowledge. In addition, digitalization will help them achieve their goals in economic growth.

Through the use of technology, millennials will be able to automate various business operational processes and increase productivity to free up other more valuable resources and focus on development. Based on data disclosed by the Indonesian Internet Service Providers Association (APJII), out of 171.17 million internet users, minelials are the largest user group with a penetration of 88.5%.

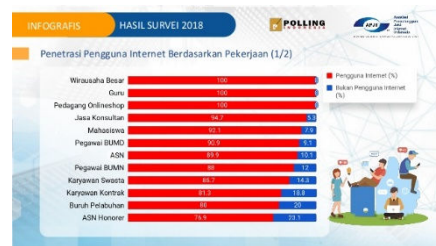


Figure 1: Internet Usage Penetration

Source: <https://apjii.or.id/survei>

Indonesian internet user data of 171.17 million and 88.5% penetration are millennial users, this means that the opportunity to create business for millennials is more wide open. The use of the internet is also a potential market for business actors in Indonesia, especially millennials in this Digital Age. This condition can be a very potential business opportunity for both existing entrepreneurs and for novice entrepreneurs.

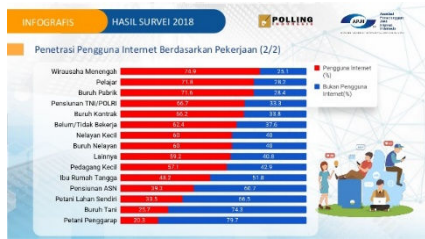
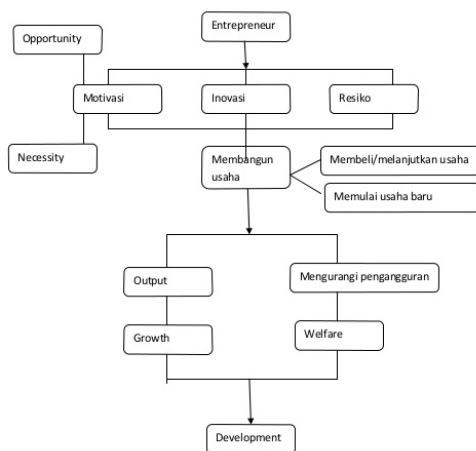


Figure 2: Internet User Titration by Occupation (1/2)

Source: <https://apjii.or.id/survei>

Based on the picture above, we can see that the business world is in the top rank in the use of technology to run its business, it has even become a crucial need. Through entrepreneurship, millennials can create small business units to large businesses that are initiated through the entrepreneurial spirit of the community. Business development carried out by millennials can slowly generate output growth and expand transactions of goods and services in an area.



Scheme of the Role of Entrepreneurship in Development

Source: Alma, B. (2013). Kewirausahaan. Bandung: Alfabeta.

Based on the table above, we can see that an entrepreneur can be a solution to economic development problems. Increasing the number of businesses developed by an entrepreneur means increasing the demand for labor. In other words, the millennial generation can be the driving force of the economy and play an active role in the country's economic development by becoming an entrepreneur.

B. Entrepreneurship Development Based on Local Culture

In several previous studies, it was explained that there is a relationship between culture and entrepreneurship. According to Saffu conducted research on the role of culture on entrepreneurship; where culture has a very important role in shaping entrepreneurship, both local culture and national culture.

Doing business while preserving culture is the right way to protect local culture from becoming extinct and forgotten. Moreover, the culture in Indonesia is very diverse, this can help business people to create and innovate so that they can create new ideas that have great opportunities but still uphold the values of the local culture. Great opportunities from the idea of upholding this culture can be used to open new businesses so that they can open new jobs.

C. Barriers that Millennials Meet in Culture-Based Entrepreneurship

Not all millennials realize that in this digital era the challenges faced are getting heavier, competition is no longer between traders in a local scope, but between countries, so the wider the market from all over the world is opening, making market competition more difficult.

In entrepreneurship based on local culture, the entrepreneur should be able to make an innovation that might later become a market trend without losing the taste/touch and the characteristics of local culture. If there is no innovation from the culture that is presented, the entrepreneur is considered to have failed in calculating the culture and has not kept up with the times.

However, it is also necessary to pay attention to how an entrepreneur takes care, manages, maintains and preserves the existing cultural wealth. So that the original cultural identity will not be lost.

V. Conclusion

The interest in entrepreneurship in the millennial generation is still low, sharing reasons that trigger this to happen, one of which is the fear of failure. Therefore, the government's role is needed in empowering the millennial generation because the existence of the millennial generation in entrepreneurship based on local culture in the digital era is certainly a big potential for the country. Entrepreneurship development based on local culture can be one of the creative ideas that millennials can develop in their business. In addition to preserving, maintaining, and introducing local culture to various countries in this way can also be an attraction for businesses owned by millennials.

It is undeniable that the world of entrepreneurship has played many important roles in the rate of economic growth in every country because economy and entrepreneurship are two inseparable fields, they work together to create prosperity. It is proven by the number of entrepreneurs owned by a country, the economic level in that country will experience good growth. Therefore, with the presence of a creative and innovative millennial generation who can take advantage of digital technology, this generation is expected to participate in building the country's economy and have a great opportunity to be successful. To make it happen, an active role of the government is needed to provide support, mentoring training and development so that the goals expected of this millennial generation can be achieved.

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