



THE ROLE OF ENVIRONMENTAL KNOWLEDGE AND GREEN ECONOMY PERCEPTIONS ON GREEN ENTREPRENEURSHIP INTERESTS IN ENTREPRENEURS IN THE FOOD AND BEVERAGE (F&B) SECTOR IN BALI

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ABSTRACT

This research background is based on increasing public awareness of the importance of protecting the environment and moving towards a green economy. This happens because environmental problems are increasingly complex and have an impact on human survival on earth. One way to overcome this problem is by developing green entrepreneurship or environmentally oriented entrepreneurship. Green entrepreneurship can help to build a sustainable economy and minimize negative impacts on the environment. However, the success of developing green entrepreneurship does not only depend on the entrepreneur's ability, but is also influenced by the entrepreneur's environmental knowledge and perception on green economy. This research aims to identify the factors that influence the interest in green entrepreneurship among entrepreneurs in Bali, especially environmental knowledge and perceptions of the green economy in the food and beverage (F&B) industry sector. Where the use of plastic materials in serving food and drinks is still very difficult to avoid. The analysis technique used in this research is Structural Equation Modelling (SEM) with a Partial Least Square (PLS) method approach. From the test results it can be analysed that the existence of environmental knowledge and perceptions of the green economy influence the interest in green entrepreneurship among entrepreneurs operating in the F&B sector in Bali, this is due to an increase of environmental problems in public awareness, making the environment an important factor in making business decisions.

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1. INTRODUCTION

Rapid economic growth and ongoing technological developments have had a major impact on the environment. This condition has triggered the emergence of various environmental issues such as climate change, decreased air and water quality, and ecosystem damage which is increasingly worrying. Sarkar et al (2020) stated that in this case, green entrepreneurship is a more sustainable solution that can be implemented to meet human needs without destroying the environment and maintaining its sustainability. Green entrepreneurship is a business concept that aims to produce products and services that are ecologically and socially sustainable, thereby creating added value for the environment, society and the company itself (Muo and Azeez, 2019). Apart from that, Soomro et al (2020) believe that in the modern industrial era, green entrepreneurship is very important because it maintains a balance between economic growth and the environment. D'amato and Korhonen (2021) also define green entrepreneurship as a business that aims to create added value for the environment through sustainable and environmentally friendly business activities. The development of green entrepreneurship has attracted the attention of many groups, especially entrepreneurs who want to make a positive contribution to the environment through the businesses they run.

The importance of developing green entrepreneurship is recognized by many countries, including Indonesia. In this case, the government is also actively involved in environmental issues caused by business and industrial activities through policies made regarding the importance of preserving the environment and implementing

green business, namely Republic of Indonesia Law No. 03 of 2014 concerning Industry which regulates Green Industry and Regulation of the Minister of Environment of the Republic of Indonesia No. 03 of 2014 concerning the Company Performance Rating Assessment Program in Managing the Environment (Asih, 2022). In this context, environmental knowledge and perceptions of the green economy are considered important factors that can influence entrepreneurs' interest in green entrepreneurship. According to Purwandani and Michaud (2021) environmental knowledge includes an understanding of the environment, the problems faced, and ways to overcome these problems. Meanwhile, Mukonza and Swarts (2020) believe that the perception of a green economy refers to views and attitudes towards sustainable business that pay attention to the environment and social issues. Understanding environmental knowledge and perceptions of the green economy can influence a person's interest in becoming a green entrepreneur. Entrepreneurs who understand the environment and have a positive perception of the green economy tend to be more interested in doing business sustainably. Thus, environmental knowledge and perceptions of the green economy can be key factors that influence entrepreneurs' interest in green entrepreneurship.

In this context, environmental knowledge and perceptions of the green economy are factors driving entrepreneurs' interest in entering the world of green entrepreneurship. Environmental knowledge will broaden entrepreneurs' insight and understanding of environmental issues and their impact on the businesses they run. Meanwhile, the perception of a green economy will influence the attitudes and values that entrepreneurs have towards the environment and the business they run (Zulfikar et al, 2019). Therefore, it is very important to carry out this research so that it can provide a clear picture of how much influence environmental knowledge and perceptions of the green economy have on entrepreneurs' interest in entering the world of green entrepreneurship. According to Tien et al (2020) environmental knowledge can be understood as a person's ability to understand environmental issues and their impact on human life and the ecosystem. Meanwhile, the perception of a green economy can be understood as a person's view of a business that is environmentally friendly and sustainable (Khairani et al, 2022).

2. LITERATURE REVIEW

Green entrepreneurship is a concept related to businesses that have a focus on the environment and sustainability (Trapp and Kanbach, 2021). Businesses like this usually look for creative and innovative solutions to reduce negative impacts on the environment and improve people's quality of life. Green entrepreneurship aims to create financial profits while considering environmental balance. According to Makhoulfi et al (2022) this concept is very important because it helps to reduce the use of fossil fuels and limited natural resources and reduces waste produced by human activities. Green entrepreneurship also includes businesses that focus on environmentally friendly products and services, such as renewable energy, waste processing, environmentally friendly building materials, and organic farming. Green entrepreneurs look for business opportunities by considering the positive impact on the environment (Trapp and Kanbach, 2021). This means they must understand environmental problems well and think of ways to overcome these problems through the business they build. Green entrepreneurship has several basic principles. First, businesses must pay attention to the environmental impact of every activity they carry out. Second, businesses must build environmentally friendly products and services. Third, businesses must consider social and environmental values in making business decisions. Fourth, businesses must innovate to create better solutions to environmental problems (Cullen and De Angelis, 2021).

Malihah (2022) stated that in maintaining environmental sustainability, humans must carry out various efforts such as reducing greenhouse gas emissions, implementing good waste management, and carrying out forest planting activities. Apart from that, humans must also increase awareness of the importance of protecting the environment and improve their behavior towards the environment. One of environmental knowledge is knowing how to manage environmental phenomena well through waste management. The concept that can be used to minimize and manage waste is 3R (Prayoga, 2021), where this concept has the core, namely Reuse (Reusing waste that can still be used or has other functions), Reduce (Reducing everything that causes or gives rise to waste), Recycle (Reprocessing waste or recycling into a product or item that can be useful). Meanwhile, a green economy is an economic system that focuses on sustainable and environmentally friendly economic growth. According to Firmansyah (2022), the green economy concept emphasizes the importance of maintaining a balance between economic, environmental and social growth. In a green economy, natural resources are used wisely and efficiently, by reducing waste and carbon emissions and encouraging the use of renewable energy and environmentally friendly technology. Green economy also pays attention to the importance of social development, including increasing access to education, health and gender equality. Green economy is a solution to overcome global environmental challenges such as climate change, biodiversity loss and the water crisis. In a green economy, economic growth is not carried out by destroying the environment, but by using it wisely and sustainably (Adnyana and Primasari, 2020).

3. RESEARCH METHODS

This research was conducted on entrepreneurs or entrepreneurs operating in Bali. In order not to expand this research, it is necessary to limit the focus of the research. This research focuses on entrepreneurs in the F&B (Food and Beverage) industry sector. The sampling technique uses Probability sample selection using the Cluster

Random Sampling method, where the sample used is 100 restaurants or eateries which are then processed using the Warp Partial Least Square program as a data analysis technique. .Population and sample data are presented as follows:

Table 1. Population and Sample Size

Kabupaten/ Kota	Jumlah Populasi	Jumlah Sampel
Denpasar	604	16
Buleleng	548	14
Karangasem	269	7
Bangli	14	1
Klungkung	375	10
Gianyar	1053	27
Badung	728	18
Tabanan	119	3
Jembrana	158	4
Total	3.868	100

Source: Data processed (2023)

Specific criteria for restaurants or eateries that focus on environmental and green economy aspects can be described as follows: Sustainable Raw Material Source: prioritize the use of raw materials sourced from local producers, environmentally friendly, and have sustainability certification such as organic, pesticide-free products, or sustainable agricultural products; Sustainable Agricultural Practices: applies sustainable agricultural practices such as crop rotation, use of natural fertilizers and environmentally friendly pest control; Carbon Footprint Reduction: commit to reducing the carbon footprint by adopting energy efficiency practices, using energy-efficient equipment and implementing resource-saving policies; Recycling and Waste Reduction: active in recycling and waste reduction practices, such as the use of environmentally friendly packaging, material recycling, and organic waste composition; Use of Renewable Energy: using renewable energy, such as solar panels or solar water heating systems, to reduce dependence on fossil energy sources; Sustainable Menu: offers a menu that supports a sustainable lifestyle, with plant-based food options (vegan or vegetarian) that support ecosystem balance and reduced meat consumption; Environmental Education and Awareness: serves as an educational agent for customers and the community, holding events or campaigns to raise awareness about environmental issues; Water and Wastewater Use: manage water use efficiently and have a wastewater treatment system that complies with environmental standards; Environmentally Friendly Building Design: The building concept uses environmentally friendly materials, a design that maximizes natural light and energy efficiency; Partnerships with Environmental Organizations: partnership with environmental organizations or charities that focus on environmental issues, support or donate to nature conservation initiatives.

4. RESULTS AND DISCUSSION

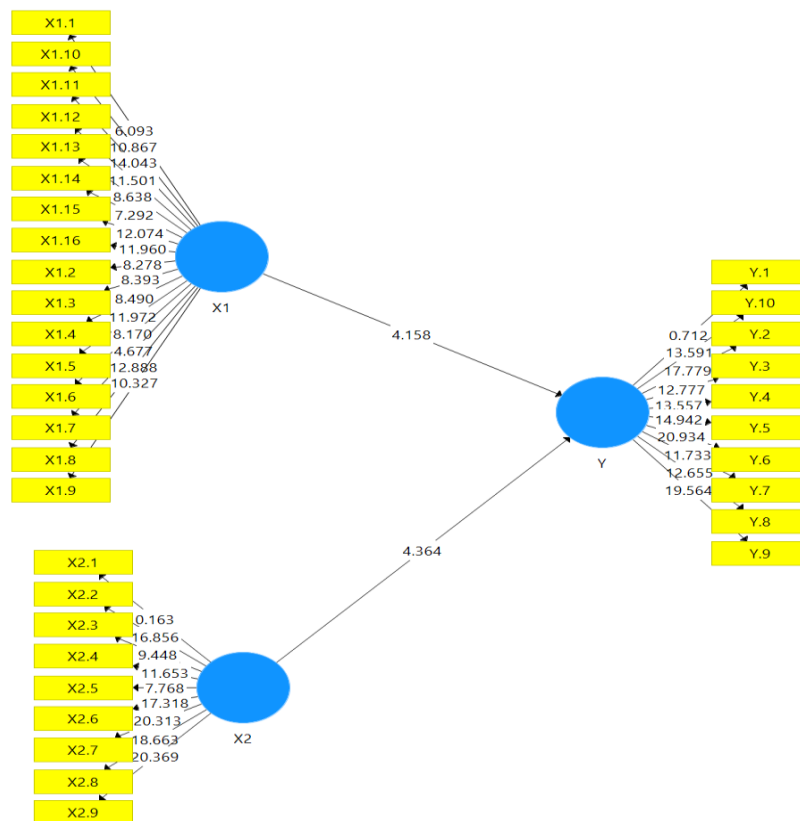
Hypothesis testing is carried out using the p test (p - value) on each path of influence between variables. The results of data processing are presented in table 5.2, so the P value of several variable relationships can be concluded to have a positive and significant effect, where the variables environmental knowledge (X1) and green economic perception (X2) P values < 0.05, which means Environmental Knowledge and Green Perception Economy has a positive influence on Green Entrepreneurship Interest.

Table 2. Test Results with the PLS model

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Interaction (X1>Y) -> Environmental knowledge on entrepreneurship interest (Y)	0.399	0.419	0.096	4.158	0.0000
Interaction (X2>Y) -> Perception of green economy on entrepreneurship interest (Y)	0.493	0.479	0.113	0.364	0.0000

Source: Data processed (2023)

To clarify the influence of the variables tested, the research model design is presented in Figure 1



Picture 1. Model Testing Drawings Pls

From the test results, it can be analyzed that the existence of environmental knowledge and perceptions of the green economy influence the interest in green entrepreneurship among entrepreneurs operating in the F&B sector in Bali. This is due to an increase in public awareness of environmental problems, making the environment an important factor in making business decisions, especially for Balinese entrepreneurs with high infrastructure and technology so that they reach knowledge and awareness of environmental preservation through preventing and dealing with waste generated from production waste. It can be seen that the direction of the relationship between environmental knowledge and perceptions of the green economy on interest in green entrepreneurship has a significant influence, where apart from entrepreneurs' confidence in preserving the environment, this also has a big impact on future business prospects in the form of financial benefits following trends in customer demand for eco-friendly processes and materials by creating more efficient and environmentally friendly solutions.

5. CONCLUSION

Based on the results of the discussion, several conclusions can be drawn, that entrepreneurs or business people who are usually called entrepreneurs really believe that the current environment greatly influences environmental sustainability in the future, but not much can be done due to the lack of support from the government and other sectors. other. Meanwhile, many entrepreneurs are aware of the importance of protecting the environment by reducing dangerous chemicals such as plastic and Styrofoam so that their use is replaced with eco-friendly substitutes or more environmentally friendly. From the results obtained, not many of them took part in socialization or learned things related to sorting and processing waste as well as carrying out good waste management programs such as collaborating with waste banks or other waste management organizations in producing zero waste due to the high operation of restaurants or eateries as they are prioritizing financial gain. Meanwhile, the government's lack of role in carrying out activities in the form of empowering nature and waste management support triggers entrepreneurs to be less active in applying waste management to zero waste. In fact, the results of the research show that entrepreneurs really want to have a broader insight into the green economy by participating in socialization, individual development or joining environmentally friendly chemical communities that can poison the land and rivers around them. However, they have tried to apply the concept of green entrepreneurship by reducing the use of non-recyclable materials such as plastic and styrofoam, but the implementation towards zero waste or no waste at all is still very difficult to realize without the support of governments and other parties.

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