

# **CHAPTER I**

## **INTRODUCTION**

### **1.1 Background of Study**

Indonesia is a developing country where the number of educated people continues to increase, but this is not matched by an increase in the number of jobs available, causing an increase in poverty, and this is a very urgent problem to be resolved. Unemployment is one of the employment problems that is in the spotlight in various countries, including Indonesia. This is due to an imbalance between the number of workers and the available jobs, where the workforce is increasing but on the other hand, the availability of jobs is very small. This has an impact on other problems such as poverty, crime, and other social crimes.

With population growth increasing every year, it can increase the number of workers, so existing employment opportunities must also increase. Based on this phenomenon, citizens should not only be able to expect jobs from other parties, but also be able to create their jobs. This can be done by trying to become an entrepreneur. Becoming an entrepreneur is almost everyone's desire because people who think about becoming entrepreneurs can control their time and not work under full pressure from their superiors. However, this turns out to be inversely proportional to the current situation where people are now afraid of entrepreneurship because they have several obstacles such as lack of self efficacy, low self-motivation, lack of capital, lack of new ideas, or fear of the existing competitive world.

Business success is a business condition that is better than the previous condition and can achieve the desired goals. Business success can be interpreted as the level of business success which can be seen from various aspects such as financial performance and image. The business success of a company where all the activities in it are shown to achieve success (Maryadi, 2021). An entrepreneur needs capital, social relationships, and opportunities to achieve business success, but self-confidence self efficacy, and motivation are also needed in doing his work to achieve business success (Ie and Visantia, 2023).

Self efficacy is one aspect of self-knowledge or self-knowledge that is most influential in everyday human life. This is because self efficacy influences individuals in determining the actions they will take to achieve a goal, including estimates of various events that will be faced, such as achieving success in entrepreneurship (Maryadi, 2021).

Motivation is a result or goal achieved driven by the ability and energy produced. Motivation can be interpreted as encouragement, such as something that is given a driving force that will certainly move. Motivation is applied to encourage someone to be enthusiastic in carrying out their activities. Remembering that work done with enthusiasm can support the realization of success goals (Aini and Widyarfendhi, 2021).

Medan is the capital of North Sumatra which is also the third largest city after DKI Jakarta and Surabaya. The city of Medan itself has various areas that are places for entrepreneurial people, such as one example of this place is Asia Mega Mas. Asia Mega Mas itself has long been widely known among the public by the

nickname China Town, where usually when the Chinese New Year is approaching, Asia Mega Mas is visited by many people to buy their necessities. Not only that, Asia Mega Mas at that time was also very frequently visited on weekdays which made the number of entrepreneurs there increase over time.

However, for the last few moments, Asia Mega Mas has seemed very empty of visitors, which has resulted in the success of small entrepreneurs' businesses because the number of visits from the public has decreased drastically.

**Table 1.1. Comparison of Asian Atmosphere Mega Mas**

Asia Mega Mas Dulu	Asia Mega Mas Sekarang
	
	

Source: Research Observation Results, 2025

The following is a temporary description of the number of entrepreneurs in Asia Mega Mas, which can be seen in the business description below:

**Table 1.2. Temporary Description Of Asia Mega Mas Medan Business Type For The 2024 Period**

1. Dapur mandhafa lontong malam (food)
2. Sate padang triadi (food)
3. RM Cahaya Baru Sesfood (food and drink)
4. Ationg penang (Food and drink)
5. Kwetiau tancap ani (food and drink)
6. Chinese food asiong (food)
7. Sate padang padrita (food)
8. Bakmie abeng (food and drink)
9. Takoyaki Kandai (food)
10. Sate padang ,kerang rebus (food)
11. Mugbang kerang rebus (food)
12. Ling's curry (making)
13. Nasi uduk pecel lele linap (food)
14. Mie rebus anie (food)
15. Healthy juice (minimum)
16. Ayam penyet asia marvin (food and drink)
17. Han's bread and cake (food)
18. F & drink (drink)
19. Ayam penyet endang (food and drink)
20. Lupis&cenil haarsini (food)
21. Pek bok ni peace gum (food)
22. Aneka kue venny (food)
23. Wiru vegetarian (food)
24. Martabak piring saskya (food)
25. Es campur sun (drink)
26. Bakso/miesop ayam cheria (food)
27. Bakmie oppa (food and drink)
28. Samcan goreng&bak kut teh princess (food)
29. Nasi uduk bu lisa (food)
30. Kai xin (food)
31. Ayam geprek mas wil (food)
32. Bakso binjai (food and drink)
33. Mie pangsit pau pau (food and drink)
34. Es tebu aling (drink)
35. Martabak piring murni (food)
36. Jurangan dimsum (food)
37. Penang hor fan (food and drink)
38. Sate padang ajo kito (food)
39. Kwetiau ahong sumatra (mkanan)
40. Bakmie khek mega mas (food)
41. Bak kut teh port klang 8a (food)

42. Offle (food)
43. Bakmie khek amin (food)
44. Nasi sayur afung (food)
45. Sushi run (food)
46. Bihun ikan pasti oke (food)
47. Pisang borneo (food)
48. Chicken holic (food)
49. Jamur goreng (food)
50. Sukiyaki (food)
51. Cemilan dekfa (food)
52. Piscok meler 76 (food)
53. Mocktail & bubble drink (minimum)
54. Aneka food (food)
55. Thai ma cha (drink)
56. Boba milk tea & coffee (drink)
57. Ayam penyet AMS (food)
58. Miie pangsit ahwa (food)
59. Bubur manado (food)
60. Bakso cilok guli guli (food)
61. Top fried chicken (making)
62. Saksang goreng apau 59 (food)
63. Nasi ayam hainam (food)
64. Au chinese food (food)
65. Mega mas grill (food)
66. Sate padang andesra (food)
67. Dapoer mbak fifi (foodn)
68. Pisang A-Ciang (food)
69. Sien sien vege (food)
70. Martabak jai (food)
71. Ayam pecak 'Yummy' (food)
72. Acai hokkien mie (food)
73. Yenny cin cong fan (food)
74. Liong tahu kodok goreng (food)
75. Bihun ikan hongkong (food)
76. Bihun bebek Chen-Chen (food)
77. Achun heci (food)
78. Acong pikbak (food)
79. Istana bbq duck (food)
80. Bubur xiao yung (food)
81. Mie balap happy (food)
82. Ayam penyet im 3 (food)
83. Sate padang pasar rame (food)
84. Iwan ikan bakar (food)

85. Ayam kremes sriwijaya (food)
86. Tahu mendes (food)
87. SSFC (food and drink)
88. Manja pokpia (food)
89. Martabak Anita (food)
90. Martsbak Paten (food)
91. dr. Lontong,Sp.PL (food)

Source: Observation Results, 2025

The following is based on the results of observations by conducting a pre-survey on 30 respondents:

**Table 1.2 Pre-Survey of Research Phenomena**

No	Statement	Agree		Disagree		Total	
		Entrepreneurs	%	Entrepreneurs	%	Entrepreneurs	%
1	Entrepreneurs feel confident with the business entrepreneur currently running.	13	43,33	17	56,67	30	100
2	Entrepreneurs are always confident when running a business.	14	46,6	16	53,4	30	100
3	An entrepreneur is always passionate about growing their business.	15	50	15	50	30	100
4	Entrepreneurs always motivate themselves to keep going.	12	40	18	60	30	100
5	Entrepreneurs have a clear vision and mission for the business currently running.	15	50	15	50	30	100

Source: Pre Survey Research, 2025

The low success of these businesses is known. Entrepreneurs lack self-confidence in starting new things or selling new products that can attract



consumers' interest in visiting because most entrepreneurs in Asia Mega Mas Medan sell the same products following others such as food, clothes, toys, and so on. Apart from that, some entrepreneurs also appear to lack high motivation in entrepreneurship because for these entrepreneurs it is only a sideline in increasing their income and they do not have the motivation to grow their business. Based on the research conducted by Aini and Widyarfendhi (2021) entitled “The Influence of Efficacy And Motivation On Business Success.” The results of the study show that self efficacy and motivation have a significant influence on the business success of SME owners and managers in Gadabung Village, Central Kalimantan.

Based on the background study above, the writer is interested in conducting research with the title: **“The Effect of Self efficacy and Entrepreneurial Motivation toward Business Success (Study Case in Asia Mega Mas Medan).”**

## **1.2 Problem Limitation**

For the problem limitation, the writer will focus on three variables which is self efficacy (independent variable) with indicators consisting of magnitude, strength, and generality (Fattah et al. 2020). Entrepreneurial motivation (independent variable) with indicators consisting of motive, hope, and incentives (Amiruddin, 2021). Business success (dependent variable) with indicators consisting of adaptability, productivity, job satisfaction, and ability to gain profit with the search for resources (Adrianto, 2021). This *Skripsi* aims to investigate how self efficacy and entrepreneurial motivation can affect business success. This research will focus on every entrepreneur of Asia Mega Mas Medan in 2025. The

characteristics of respondents who will be used in this study are Asia Mega Mas entrepreneurs who have been running their business for more than 3 years.

### **1.3 Problem Formulation**

Based on the description of the background of the problem above, there are identification problems in this study can be identified:

1. Does Self efficacy partially effect Business Success at Asia Mega Mas Medan?
2. Does Entrepreneurial Motivation partially effect Business success at Asia Mega Mas Medan?
3. Do Self Efficacy and Entrepreneurial Motivation simultaneously effects Business success at Asia Mega Mas Medan?

### **1.4 Objective of the Research**

The objective of the research is as follows:

1. To analyze whether Self efficacy partially effect on Business Success at Asia Mega Mas Medan.
2. To analyze whether Entrepreneurial Motivation partially effect on Business Success at Asia Mega Mas Medan.
3. To analyze whether Self efficacy and Entrepreneurial Motivation simultaneously effects on Business success at Asia Mega Mas Medan.



### **1.5 Benefit of the Research**

The benefits of the research are as follows:

#### **1. Theoretical Benefit**

##### **a. For Readers**

The result of this study can be proof for readers to know that self efficacy and entrepreneurial motivation can affect business success at Asia Mega Mas Medan.

##### **b. For Writer**

The result from this study provides insight and experience as well as observations in a real-life situation which is very useful for the writer in the future.

##### **c. For Other Researches**

The result from this study can be used for reference for those who are interested in studying the same problem in the future.

#### **2. Practical Benefit**

##### **a. For Asia Mega Mas Entrepreneur**

The researcher expects the result from this study could benefit the business to evaluate and take the result as a suggestion to know the effect of self-efficacy and entrepreneurial motivation toward business success.

##### **b. For Writer**

The result of this study makes the writer gain new experience and more knowledge about the importance of self efficacy and entrepreneurial motivation toward business success.

c. For Future Research

The researcher expects the result from this study could become a comparison for future researchers who are interested in studying the same topic which is the effect of self efficacy and entrepreneurial motivation toward business success.

