Empowering Local Communities through the Tourism Social Enterprise Approach: A Case Study of Entra Indonesia

Naoki FUJIMOTO*1

Abstract:
Transforming tourism into a tool to conserve nature and improve community well-being requires increased community involvement in the development process. This paper focuses on the role of tourism social enterprises (TSEs), which are expected to engage more comprehensively with local communities than traditional commercial companies. Recognizing that few previous studies have examined how TSEs can engage with local communities, this paper explores the case of a small enterprise, Entra Indonesia, which has endeavored to empower the local community by providing them with education, giving them an opportunity to guide tourists, showing them how to treat tourists, disseminating the value of sustainability, and putting aside 20% of its total revenue for local community development and revitalization. Employing a qualitative research methodology in a single in-depth case study presents rich insights into the ways a tourism social enterprise (TSE) can foster community empowerment. The cultivation of an authentic research relationship with the founder of Entra Indonesia made this study’s observations and in-depth interviews possible. The findings provide practical insights into the ways that small and medium-sized enterprises in Indonesian tourism sectors of rural areas might improve their operations by implementing tourism social entrepreneurship elements to empower local communities.

Keywords: tourism social entrepreneurship; tourism social enterprises; community empowerment; Entra Indonesia

1. Introduction

In developing countries, the tourism promotion process is predominately based on interventions by government agencies and large tourism firms, which means external, often foreign capital dominates, and local people are marginalized (Liu and Wall, 2006). Many in the sustainability field, which aims to both conserve nature and bolster the livelihoods of locals, have called for increased local involvement in the development process in hopes of making tourism just one strategy for natural

---

*1 Graduate Student, Graduate School of Policy Science, Ritsumeikan University
Email: lt0697if@ed.ritsumei.ac.jp
Received on 2020/12/17, accepted after peer reviews on 2021/4/23.

©Asia-Japan Research Institute of Ritsumeikan University:
Journal of the Asia-Japan Research Institute of Ritsumeikan University, 2021.
resource-based development (Telfer and Sharpley, 2008; Ashley, 2000; Scheyvens, 2002; Coles, 2006). Even though bottom-up approaches such as community-based tourism should enable tourism to function as a means to develop and rejuvenate communities, several issues including lack of capacity and structural difficulties hinder economic sustainability (Goodwin and Santilli, 2009). Another significant factor is the knowledge and skill gap between local communities and outside agents such as private companies and local elites; to address this, Wearing (2002) suggested establishing a new type of agent to bridge this knowledge gap in the community-based tourism of developing countries. Moreover, local communities do not automatically understand the ethical or sustainable dimensions of tourism’s impacts on the environment.

By utilizing local resources and the environment in a more sustainable manner and improving the well-being of communities in developing countries, social enterprises could help move the traditional system in the direction of sustainable development (Sheldon et al., 2017, Dahles et al., 2020). Social enterprise-based tourism is a method of tourism that serves as an alternative to the private, government, and non-profit sectors. Although the non-profit sector has the community’s interests at heart, it may lack the relevant business expertise to develop commercially viable tourism products; meanwhile, private sector-led initiatives rarely encourage community participation in business ventures (Burns, 1999; Dahles et al., 2020).

This article analyzes a social enterprise in a rural area of Indonesia where the historical context of a transitional government structure from authoritarianism to liberal democracy that is often being criticized for vertical conflicts between elites and local communities in regional society exerts a substantial influence on the environment (Poratono et al., 2019; Tadjoeddin, 2001). Increasing the role of non-state actors, such as non-governmental organizations, local associations, community groups, and volunteer organizations will play a significant role in transforming social relations or empowering local communities (Scheyvens, 2002). However, only a few studies have investigated community empowerment through tourism-related actors in Indonesia and researchers have even implied that tourism-related actors have not yet demonstrated the potential to empower communities in the country (Cole, 2006). Therefore, identifying ways to remove the barriers preventing local communities from achieving sustainable tourism development in Indonesia is critical.

This study investigates how local communities can be empowered through TSE approaches. In so doing, it makes two contributions to the current body of knowledge. First, it contributes to “tourism social entrepreneurship” research by filling the gap in existing literature pointed out by Sheldon and Daniele’s work (2017, p. 27): the lack of analyses of the ways TSEs engage with local communities and, by extension, the lack of detailed and nuanced investigations of the social value created by such ventures. Therefore, this article expands the body of knowledge regarding social entrepreneurship in tourism (Aquino, et al., 2018). Second, in exploring the process of community involvement by TSEs in Indonesia, this study develops an in-depth understanding of community empowerment towards sustainable tourism. Its findings highlight the possibility of guiding Indonesian communities’ direct involvement in sustainable development “utilizing” tourism as a catalyst.

2. Tourism Social Enterprise and Community Empowerment

Social entrepreneurship is simply described as a business activity with a central social purpose (Austin et al., 2006). This activity is led by social enterprises and social entrepreneurs, organizations
Empowering Local Communities through the Tourism Social Enterprise Approach (FUJIMOTO)

and individuals who are advocated as society's ‘agents of change’ viewing social problems as opportunities (Dees, 1998). Based on the argument of social entrepreneurship, tourism social entrepreneurship is defined as:

a process that uses tourism to create innovative solutions to immediate social, environmental, and economic problems in destinations by mobilizing the ideas, capacities, resources, and social agreements from within or outside the destination, required for its sustainable social transformation. (Sheldon et al., 2017, p. 7)

Tourism social entrepreneurs are defined as “the change agents in a destination’s social entrepreneurship system; the people who bring their vision, characteristics and ideas to solve the social problems and bring about the transformation of the tourist destination” (Sheldon et al., 2017, p. 7). Tourism social enterprises (TSEs) are “organizations created by the entrepreneurs as private, semi-private organizations or foundations dedicated to solving the social problems in the destination” (Sheldon et al., 2017, p. 7).

A community that is sufficiently empowered at the preliminary stage is very important in developing countries because an inequality of power exists that prevents community empowerment (Coria 2012; Scheyvens, 1999). There are an increasing number of researches emphasizing alternative ways to transform a community through the tourism social entrepreneurship processes. However previous researches so far have not focused on the preliminary stages of local participation. For example, Altinay et al. (2016) perceive community empowerment as an important strategy for TSEs’ resource mobilization in the process of social value creation. They explain local community empowerment was found to be one of the appropriate strategies for ensuring effective network development for social value-creating (p. 415). Moreover, they consider that the social enterprises are required to demonstrate long-term commitment, as this will lead to collective responsibility and increase loyalty towards the social and economic goals, making it possible to access natural and financial capital for the common good. From this point of view, Dahles et al. (2020) identify that the approach to community involvement of an “inclusive business mode” adopts development strategies including local communities. In this model, TSEs involve local communities as participants, co-creators, partners, entrepreneurs or business owners beyond being the recipients of benefits. Higgins-Desbiolles (2020), in the process of relationship development with stakeholders and community involvement through the TSEs approach, found the importance of tourism social entrepreneurs having an ethical mindset, such as the value of a feminist ethic of care.

Previous researches so far suggest that the characteristics of TSEs potentially bring about the empowerment of the local community especially with regard to the situation in developing countries, and some researches have already found detailed and nuanced ways of involving local communities (Altinay et al., 2016; Aquino, Luck, and Schanzel, 2018; Dahles et al., 2020; Higgins-Desbiolles, 2020), however, as yet, little is known on how TSEs can establish innovative ways to foster community participation and especially ways of empowering local communities at the preliminary stage.

3. Research Method

(1) Research Design

This study is derived from a research project designed to develop an exploratory case study analysis of the TSE as an agent that can play a part in community empowerment in the context of rural
areas in Indonesia. In this unique emerging area of study, a single case study approach was used. This was crucial to gain deep insight and context-rich knowledge regarding tourism for empowering the local community as a part of the sustainable tourism development.

The author has built authentic research relationships based on collaborative principles and shared values. The author established a relationship with Mr. Wendy Pandawa, the founder of Entra Indonesia, by co-developing a study tour in the West Sumatra province of Indonesia. Our collaboration was brought about by our shared passion for promoting tourism as a possible solution for positively transforming society. This long-term commitment has allowed me to gain deep insights and understanding of the Entra Indonesia model and its impacts that would have otherwise been impossible.

Two research methods were adopted. The first was based on participant observation and the second method used was semi-structured interviews. Data was gathered from September 2 - 19, 2019, before the COVID-19 outbreak. Interviews were conducted with Entra Indonesia in West Sumatra and other stakeholders such as residents, local tour guides, the family, relatives, English schoolteachers, and farmers. All interviewees were selected based on the recommendation of Wendy Pandawa, and then interviewed and he translated into English mainly from Minangkabau language. Each interviewee could offer needed insights due to a long-term relationship with Entra Indonesia.

Questions developed for this research were designed to gain detailed information on the dimensions previously outlined. Thus, participant observation and interviews focused on how Entra Indonesia, represented by Wendy Pandawa, viewed its work in the context of community empowerment. I audio-recorded these interviews and had them transcribed and took field notes during the participant observation. The transcripts and the field notes were then analyzed for emerging themes. Interpretation of the data was also shared with Wendy to ensure participant triangulation and to avoid misinterpretation. The data was sorted as a single case study of an enterprise that tries to involve communities comprehensively.

(2) Research Framework

This study developed the research framework by employing the community empowerment for tourism (Scheyvens, 1999; 2002) and three important elements of tourism social entrepreneurship (Sheldon et al., 2017; Aquino et al., 2018). This research framework enables us to analyze how the process of tourism social entrepreneurship is effective in terms of its impacts on local communities in developing countries. The framework can find innovative models of community empowerment through tourism. Previously, Aquino et al. (2018) proposed a conceptual framework of tourism social entrepreneurship for sustainable community development, however, it does not particularly focus on community empowerment. I recognize the case taken from Indonesia should be analyzed with regard to the North-South divide in the world. Community empowerment framework developed by Scheyvens (1999) is employed because it is the most commonly used framework to measure the empowerment outcome in the Global South’s tourism development process.

Scheyvens (2002) recognizes that empowerment includes economic, social, psychological, and political aspects in the context of tourism. According to her work, the framework can define how tourism social entrepreneurship can improve the effectiveness of community access to productive resources within the region, through ensuring access to these resources (economic empowerment). It

1 The difference in prosperity between the rich countries of the world in the North and the poor countries in the South.
also confirmed how tourism social entrepreneurship activities impacted on creating a sense of solidarity and cohesiveness and whether the money earned is being used for social development projects such as improving infrastructure facilities, clinics, and drilling wells to provide water (social empowerment). Thirdly, the framework can find out if the community attributes to itself the ability to participate fairly and effectively in tourism planning, development and management (psychological empowerment). Lastly, the framework can define the political aspect. For example, how the residents of the community have political power, so that the opinions of the residents are listened to during the process of tourism development, or so that they can take the lead (political empowerment).

The research framework of tourism social entrepreneurship is also required to analyze the mechanism for empowering communities through the “TSE approach”. Social enterprise in tourism can be characterized as following three aspects according to Aquino et al. (2018): (1) social value creation; (2) social innovation; and (3) sustainable social transformation. First, the aspects of “social value creation” can be appraised based on a value chain of social enterprises. Social enterprises aim to distribute social and economic wealth more evenly among the individuals involved in their processes and the wider community (Shaw and Carter, 2007). Second, the aspect of “social innovation” can be assessed based on inclusivity and creativity in dealing with societal problems. The aspect of social innovation tries to capture the process of adoption of creative ideas that have the potential to positively impact people's quality of life (Pol and Ville, 2009) and consideration of the population's adaptive capacity (Zeyen et al., 2013). Third, the aspect of “sustainable societal transformation” of tourism social entrepreneurship evaluates the process of social innovation from the point of achieving ‘total wealth’, which is the economic and social benefits delivered by social enterprises to enhance society's wellbeing (Zahra et al., 2009). This characteristic of tourism social entrepreneurship can foster societal transformation that can be economic, political or cultural in nature (Alvord et al., 2004).

The research framework is summarized in Table 1. In the analysis, a model of empowering local communities through the TSE approach is developed based on the conceptualization of approaches of Entra that impacted Scheyvens’s work (1999; 2002) of community empowerment, and those approaches that were identified according to the tourism social entrepreneurship framework (Aquino et al., 2018).

Table 1. Framework for assessing the extent of empowerment of communities involved in tourism

<table>
<thead>
<tr>
<th>Elements of Tourism Social Entrepreneurship</th>
<th>Examples of Signs of Empowerment</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Social value creation</td>
<td>Economic Empowerment: Community access to economic opportunities and benefits resulting from tourism development that is equitably distributed in the community.</td>
</tr>
<tr>
<td>(2) Social innovation</td>
<td>Psychological Empowerment: Increase in residents’ pride and self-esteem from the feelings associated with visitors traveling to one’s community to experience the unique natural and cultural features the community has to offer”.</td>
</tr>
<tr>
<td>(3) Sustainable society transformation</td>
<td>Social Empowerment: Heightened community interactions and/or collaboration and, by extension, community cohesion, well-being, resilience, social capital, and solidarity. Infrastructure building.</td>
</tr>
<tr>
<td></td>
<td>Political Empowerment: Control of the direction, type, and level of tourism development in their area.</td>
</tr>
</tbody>
</table>

Source: Scheyvens (1999; 2002); Aquino et al. (2018)
4. Case Description

(1) Research Site

Figure 1. Map of West Sumatra Province
Source: Made by the author based on Google Map

Figure 2. Map of Sarilamak
Administratively, the Indonesian Republic is divided into provinces (provinsi), which are further subdivided first into regencies (kabupaten), then into districts (kecamatan), and further into villages (desa). Entra Indonesia is based in Sarilamak in Lima Puluh Kota Regency in the West Sumatra province (see Figures 1 and 2), where Wendy Pandawa, a founder of Entra Indonesia, was born and most of his family and relatives live. For the purposes of this article, the term “local community” refers to the villagers of Wendy’s mother’s land located in Sarilamak, and where most of his cultural family lives.

The village in Sarilamak is not a tourist site. Lima Puluh Kota Regency, however, has many tourism spots, and one of them is Harau Valley which is the most accessible tourist area from Sarilamak. The number of visitors to the Harau Valley has increased every year, from 204,639 people in 2017 to 358,827 in 2018 (BPS, 2019). In 2018 tourism was dominated by 353,639 domestic tourists while 5,188 foreign tourists also visited (BPS, 2019). Tourism is a potential asset for the region to obtain foreign exchange from the non-oil sector because Lima Puluh Kota Regency offers unique aspects of nature, including rock climbing. However, the number of tourists from Western countries has gradually decreased after the Bali bombing terror incident, whereas the number of domestic tourists has been increasing due to the establishment of the European Mini-Park2 with a photo booth (Figure 3). The European Mini-Park is viewed critically by the local people from the perspective of sustainability. For example, Wendy pointed out that “domestic tourists come to the place and just take photos and go back to their own place. Only rubbish is thrown away” (Wendy, September 4, 2019). However, the locals see Western tourists very positively, for example, Eri Nandaro asked why “Western tourists behave so well towards the environment.” So, since 80% of tourists visiting Entra Lodge were from foreign countries, it can be seen as an outstanding spot attracting inbound tourists in the area.

![Figure 3. The European Mini Park](source: Taken by the author on September 7, 2019)

Entra Indonesia, in the local context at the village level, is not just recognized as an economic agent. At the village (desa) level, village-tourism or desa-wisata is actively promoted by the local

---

2 The European Mini Park is a privately owned park that lined up miniature versions of European buildings for tourists who want to take pictures with the European buildings. The local government represented the European Mini Park to promote the spot.
government. However, the local government’s problem-solving system does not function well; consequently, the local people expect the importance of the role of social enterprises to become more transparent, including equal and flexible opportunities for the local communities. Uchop is one of the local people in Sarilamak. He points out that the personalities of the chiefs and senators who are involved in the decision-making process as part of the government system create a sense of government distrust. The senator is a kind of governor but is directly elected by the local people. The senator arranges the budget, makes local rules, and controls the chief. There are two senators and chiefs for each district. Uchop says that “their personality is that even if they make a promise, they will only act based on their personal interests, making a profit from the budgeting. They are not transparent in terms of the flow of the budget. That’s why there are still a lot of remote areas in Indonesia. Therefore, you can imagine that there are many potential conflicts that occur between the government and the locals” (Interview with Uchop on September 4, 2019). This is the reason why the local people recognize the necessity of NGOs or having social entrepreneurs to solve the local problems.

In the culture of the Minangkabau, which accounts for 88% of the ethnic groups in West Sumatra, customs and Islamic beliefs are two important components that complement each other. Wendy also acknowledges that the Minangkabau culture and its Islamic beliefs strongly connect with each other. Wendy explained the concept of “alam takambang jadi guru” in terms of its close relationship with sustainable development and Eco-tourism. In Minangkabau culture, a woman traditionally passes down property and its title to her daughter’s line, and thus, the land of the research site is owned by Wendy’s mother and his mother’s sisters. This kind of kinship line is called Matrilineality, and West Sumatra is regarded as one of the largest matrilineal societies in the world. Therefore, from Wendy’s perspective, it is critical to find a way to involve women in the sustainable tourism movement.

(2) Overview of Entra Indonesia

Wendy Pandawa, a founder of Entra Indonesia, started his business when he was at the University of Indonesia in 2014. At that time, he got a prize from the Ministry of Education in Indonesia. The prize was about 30 million rupiahs, and he spent it on building up the community’s capacity for tourism development. Since then, he has endeavored to improve the capacity of the local community by providing them with education, giving them an opportunity to guide tourists, showing them how to treat visitors, spreading the concept of sustainability, and so on. Entra Indonesia is a small enterprise that is not legally registered with the Indonesian government. However, it operates its business as an independent entity while utilizing 20% of its total revenue for the local community.

---
3 Eco-tourism is defined as “responsible travel to natural areas that conserves the environment, sustains the well-being of the local people, and involves interpretation and education” (TIES, 2015). Education is meant to be inclusive of both staff and guests. (Source: TIES (n.d.) What is Ecotourism? https://ecotourism.org/what-is-ecotourism/ accessed on January 8)

4 The global community experienced the COVID-19 pandemic as this article was being prepared. During the crisis, Wendy started preparing to register Entra Indonesia as a legal entity and officially registered it in August 2020. He promoted the concept of “green tourism” all over Indonesia using a 4-pillared approach - “save culture, save nature, develop conservation, and empower and bring benefit to the local community” - by employing a digital customer-to-customer application service. The application service helps both domestic and international tourists set up and plan their trips by enabling them to choose local experiences and connect directly to local providers of experiences, accommodations, and transportation. See more on Entra Indonesia, 2020. Tentang Entra (About Entra). https://entra.co.id/ (accessed on January 13, 2021).
Entra has three main business operations. First, Minangkabau Trip, which started in 2014, comprises a variety of tour programs based on the local culture of Minangkabau, where Wendy is rooted (Figure 4). The program is designed based on four objectives: protecting culture, protecting nature, empowering and benefiting the local people, and encouraging a form of tourism grounded in conservation. Second, Community Study Week, which started in 2017, is a kind of study tour program for both international and domestic students (Figure 5). Third, the Homestay Program began in August 2018 and established two Entra Lodges (Figure 6). Entra Indonesia fund money, a total of 16,094
(USD) or 227,921,618 (IDR), from Wendy’s family members. Entra treats guests as if they are part of the local community. Accordingly, the Homestay Program also allows guests to experience the local culture and nature and provides an opportunity to interact with locals. These activities have made profits 32,761 (USD) or 463,958,005 (IDR) in 6 years until 2019 from 2014 (Table 2)\(^5\).

Table 2. Financial sheet of Entra Indonesia (Beginning - September 2019)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Build 2 Homestay (fund from Wendy’s family)</td>
<td>16094</td>
<td>16094</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minangkabau Trip</td>
<td>1428</td>
<td>6249</td>
<td>8355</td>
<td>357</td>
<td>1521</td>
<td>24852</td>
<td></td>
</tr>
<tr>
<td>CSW (Community Study Week)</td>
<td></td>
<td></td>
<td></td>
<td>9641</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Homestay Program</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2999</td>
<td>2999</td>
<td></td>
</tr>
<tr>
<td>TOTAL CASH RECEIPTS</td>
<td>1428</td>
<td>6249</td>
<td>8355</td>
<td>9641</td>
<td>31662</td>
<td>2999</td>
<td>60334 (USD)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CASH PAID OUT (USD)</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Accommodation</td>
<td>35</td>
<td>178</td>
<td>228</td>
<td>1606</td>
<td>3006</td>
<td>35</td>
<td>5088</td>
</tr>
<tr>
<td>Operational Cash Out</td>
<td>583</td>
<td>802</td>
<td>802</td>
<td>2365</td>
<td>4637</td>
<td>626</td>
<td>9815</td>
</tr>
<tr>
<td>Build 2 Homestay</td>
<td>12640</td>
<td></td>
<td>12640</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL CASH PAID OUT</td>
<td>618</td>
<td>980</td>
<td>1030</td>
<td>3971</td>
<td>20283</td>
<td>661</td>
<td>27543 (USD)</td>
</tr>
</tbody>
</table>

| Cash on hand                               |      |      |      |      |      |      | 32761 (USD) |

Source: Made by the author based on the company’s internal documents

When Wendy introduced sustainable tourism practices, no one understood what he was doing. However, he believed that tourism could change people and enable them to earn money by doing something for sustainability. His proposal includes reasons why tourism is necessary to improve the livelihood and well-being of the local community, including his family. Wendy’s initial endeavors in tourism development were finally realized by establishing the Entra Lodge in his family village. He eventually convinced his family, relatives, and other members of the local community to cooperate continually by allowing them to act as participants, co-creators, investors, partners, and entrepreneurs. Some people have started offering to be tour guides, promoting the destination by creating videos and petitioning the local government to get money to invest in sustainable tourism. Remarkably, Wendy’s mother established a local network association for composting. This is a good example of how social behavior changed because of tourist interactions or encounters and the area’s involvement in sustainable tourism practices.

The idea of the TSE came from Wendy’s childhood. He grew up in Sarilamak in Lima Puluh Kota Regency, which is a potential destination for caving, hiking, and camping. Subsequently, he started to recognize the issue of geographical and power division. Wendy claims that the government did not know the area’s potential and did not want to put it on the list of destinations.

Simultaneously, Wendy got an insight into sustainable tourism from his experience with the Atuak family who had been managing the jungle in the area. He had the opportunity to receive a guided tour of the jungle from them. He was impressed by their rich knowledge of the environment and by their passion for protecting nature. Even though the Atuak family has been running their tour guide business since 1970, their living standards are still very low. They only get a little money for each tour because their customers are sent from a guest house (a so-called “homestay”). The guest house gets a margin of about 65% of the selling price.

---

\(^5\) The breakdown of 20% of its total revenue for the local community was used in developing the Entra Lodge as a space for gathering locals, the road around the lodge, and an irrigation system for paddies around these places in 2018. It cost 12,640 (USD), approximately 20% of its total revenue of 60,334 (USD).
Consequently, Wendy proposed a solution: establishing local organizations that can send tourists directly to the supplier, such as the tour guide, by setting up a sort of tourist information center or DMO (Destination Marketing/Management Organization)\(^6\). However, he has failed twice to get a signature of approval from the government to establish the Pokdarwis (Tourism awareness group),\(^1\) even though the development of tourism villages cannot be separated from the presence of Pokdarwis.

Accordingly, although the TSE received support from internal and external stakeholders, Entra still faced the challenge of establishing strong links with the institutions in power or in control of the resources, such as the government, donors, other DMOs, banks, and ministries. Entra also failed to partner with a successful local guest house.

Wendy learned a lot about the concept of sustainable tourism from the pioneers in west Sumatra after working for a year in the Green Tourism Institute, a non-profit organization founded by Ridwan Tulus. Ridwan is the pioneer of tourism social entrepreneurs in west Sumatra. He started his first company, in 1997, based on his long experience in the tourism industry. His work has been based on the concept of “green and social tourism” since that time. He believes that tourists’ and hosts’ encounters can make transformative changes to individuals and also to the community, and in turn, to the world. The concept of green and social tourism is based on the four conditions of protecting culture, protecting nature, empowering and bringing benefit to local people, and a form of tourism grounded in conservation. Wendy learned how to design tourism consisting of these pillars. This articulated his vision and goals towards tourism development in terms of how to explain what he was trying to do and how to express his vision.

5. Analysis

(1) Empowering Local Communities Through the TSE Approach

1) Social Value Creation and Community Empowerment

Wendy started the tourism social entrepreneurship activities mainly through building a community capacity\(^7\) at the beginning, for example, establishing the Nature School (Skolah Alam) working with a polytechnic student from Payakumbuh city. In this informal school, they conduct all their activities in English. They gather once a week and have activities such as hiking to the jungle and picking up rubbish that is left by tourists, while also learning the philosophy of the local culture and Islamic thought.

The case demonstrates ‘social value creation’ such as community capacity buildings for ‘training and informal education’ at Skola Alam. Young people who are teaching and being taught at Skola Alam develop self-reliance and demonstrate pride in their traditions and culture (psychological empowerment). This is happening at Harau district by involving outsiders from the village, so it is maintaining the group’s sense of self-esteem beyond the traditional boundaries (psychological and

\(^6\) The Destination “Management” Organization’s role should be to lead and coordinate activities under a coherent strategy in pursuit of this common goal of the destination. The Destination “Marketing” Organization is an organization which promotes a location as an attractive travel destination. The Indonesian government has a policy scheme to support such an organization at Village level, called Pokdarwis (=Tourism Awareness Group).

\(^7\) It refers to the ability and skills of the community to set their own agenda and work positively, and it also refers to collective intelligence and ability. It includes problem-solving ability, critical analytical ability, leadership, entrepreneurship, technical and management skills, cohesiveness of network community, partnership with external organizations, resources and infrastructure, motivation and confidence, and so on (Moscardo, 2008).
social empowerment). It resulted in decreasing from 40 to 12 the number of people who were not able to continue formal school around Harau district (Interview with Wendy). They will later become able to be participants, co-creators, partners, and entrepreneurs. So far, four unemployed people have got jobs working at Entra Lodge, and 12 people are actively establishing creative businesses for tourism such as a traditional music class, guiding, promoting the destination by creating videos, petitioning the local government to get money to invest in sustainable tourism and a gastro-tourism trip company (Interview with Wendy and participant observation on September 2019).

2) Social Innovation and Community Empowerment

The second element of tourism social entrepreneurship is providing social innovation by “mobilizing the ideas, capacities, resources, and social agreements from within or outside the destination” (Sheldon et al., 2017, p.7). Viewing the case as a process of creating social value by combining resources in new ways (Okpara et al., 2011), it can be seen in the approaches such as “creating a community space” (e.g., Entra Lodge) and “bringing information from outside” to make an agreement for establishing Entra Lodge.

The founder of Entra Indonesia emphasizes the significance of the space where tourists and the host community can meet at Entra Lodge; this has led to continuing activities, such as Wendy’s mother’s initiative derived from the interaction. She has started to organize the compost associations. In another example, local people make initiatives to find out community assets for making tours (Eri Nanda, 2021). The Entra Lodge is not only open for tourists. “They sometimes host a graduation ceremony party for a family at the lodge and invite their relatives, friends, and also tourists who are staying at that time, irrespective of which countries they are from” (Wendy’s interview, September 6). During the season of rice planting, tourists who expect to experience the authentic Minangkabau culture are willing to help, and Entra managers invite them to join in by working alongside farmers (Wendy’s interview, September 6).

In such a way, the community space allows natural interactions with outsiders and has resulted in raising attention and interest in other cultures and the value of sustainability (social and psychological empowerment). The fact that one of the villagers in the research site established a local network association for composting is a positive sign of empowering communities socially. People are also sharing their own opinions or voices through tourism development regularly, and this regular communication makes it possible to include communities in the decision-making process (political empowerment). For example, the local community shares in the decision-making of where to spend 20 - 40 % of the profit revenue.

Secondly, Wendy explains that to spread information to the locals, it is necessary to employ a more familiar type of communication. He describes how local people get their information mainly from the people around them, not from media like the internet. Therefore, he realizes that it is important to provide appropriate ways to inform local communities, such as through oral communication, being an exemplar or providing visible examples. For example, he learned a lot about the concept of sustainable tourism from the pioneers in west Sumatra after working for a year in the Green Tourism Institute, a non-profit organization founded by Ridwan Tulus.

When implementing creative ways to solve complex problems by establishing Entra Lodge with limited financial resources and capacity as the TSE, the information that covers the new ideas contributes to having a common understanding of where to go and what to do (social and economic empowerment). This implementing process has an impact on the traditional mindset and leads to new
Empowering Local Communities through the Tourism Social Enterprise Approach (FUJIMOTO)

behavior as well (psychological and social empowerment). It has finally resulted in promoting the connection and collaboration between related parties with encouraging the tourism social entrepreneurship process (social empowerment).

3) Sustainable Society Transformation and Community Empowerment

Entra encourages locals to make tours using at least three of Ridwan’s four concepts described in Section 4. For example, Entra invites tourists to work in the paddies that surround their lodges and teaches them about the ecosystem of the fields, and tourists are often interested in gaining harvesting experiences. Simultaneously, the tour guide tells tourists about modernization’s more recent impacts on the environment compared with how it is used to be. The interactions between locals and tourists help locals realize that they can do more to conserve nature by maintaining the traditional agriculture method (interview with Wendy). Mulyandri (Malala Tour Indonesia and Green tourism Institute) explained why it is possible to inspire local people through tourist activities: “It is because of colonialism. Europeans come, and Japanese come. So, colonialism makes people stupider and stupider every day. They don't want us to be clever. So, because of our stupidity, our people consider how foreigners are clever and have a good economy that they should copy. It is an influencer for them. That is Indonesians.” Moreover, he adds that another important factor that changes people’s behavior is economic profits. Therefore, tourism activities can be considered as a unique way to make people more independent with higher social and environmental awareness.

Meanwhile, El Ebrashi (2013) found that the best way for a social entrepreneur to create social impact is to cause a sustainable movement. This case also tried to transform the community by setting up a sustainable tourism business and teaching them how to design a sustainable tour or program, and its processes lead to empowering the local community in the following ways. First, through creating sustainable local tours and programs, it is empowering communities by stressing the importance of utilizing regional resources and realizing the potential for creating economic value (economic and social empowerment), and the active utilization and conservation of local resources leads the community to participate in business (economic empowerment). Also, the initiatives that respect and show interest in aspects of traditional culture can be psychologically empowering. At the same time, making tours and programs from the perspective of sustainability on a global scale can raise the awareness of the community about sustainability (social empowerment).

The TSE, Entra Indonesia, uses 20% of its total revenue for local community development and revitalization. It is not a pure CSR concept, but there is mutually beneficial value as a tourism destination. The tourism industry, for example, cannot be completed without investing in infrastructure. Therefore, the TSE has been investing in developing facilities (e.g., the Entra Lodge as a space for gathering locals), the road around the lodge, and an irrigation system for paddies around these places. Another example, although still in the early stages of planning, is promoting the destination as a future strategy to provide money for the local community because tourists visit the place based on the images of the destination - meaning it is necessary to promote it at the destination level. This is usually the job of the government, but this is not functioning well due to the vulnerable government regime. Wendy said that all the small entities in this area are promoted separately and ineffectively (also confirmed based on participant observation).

Wendy also saw the tourism industry’s potential for hiring people who are engaged in the construction or agriculture industries in the area, and it has already happened. Some people have started to work as tour guides in their spare time besides working in construction or seasonal
agricultural projects after acquiring English and tour guide skills. The tourists who are accommodated in the Entra Lodge will be their customers. Therefore, Entra benefits locals economically by preparing them to work in the tourism industry.

Table 3. Model for empowering local communities through the tourism social enterprise approach

<table>
<thead>
<tr>
<th>Elements of tourism social entrepreneurship</th>
<th>Approaches and impacts to community empowerment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Value Creation</td>
<td>❖ Citizenship education (psychological empowerment)</td>
</tr>
<tr>
<td></td>
<td>❖ Creating organizations for informal education in cooperation (psychological and social empowerment)</td>
</tr>
<tr>
<td>Social Innovation</td>
<td>❖ Naturally interacting with outsiders (psychological and social empowerment)</td>
</tr>
<tr>
<td></td>
<td>❖ Regular communicating in an open space (political empowerment)</td>
</tr>
<tr>
<td></td>
<td>❖ Implementing an innovative idea (psychological and social empowerment)</td>
</tr>
<tr>
<td></td>
<td>❖ Bringing appropriate information for common understanding of the new ideas (economic and social empowerment)</td>
</tr>
<tr>
<td>Sustainable Society Transformation</td>
<td>❖ Creating sustainable local tours and programs by active utilization and conservation of local resources (economic, social and psychological empowerment)</td>
</tr>
<tr>
<td></td>
<td>❖ Vision to create sustainable society transformation (social empowerment)</td>
</tr>
<tr>
<td></td>
<td>❖ Equal distribution to the community (psychological empowerment)</td>
</tr>
<tr>
<td></td>
<td>❖ Investment in infrastructure development (social empowerment)</td>
</tr>
<tr>
<td></td>
<td>❖ Decisions through dialogue with the local community (political empowerment)</td>
</tr>
</tbody>
</table>

Source: Author

In such a way, the goal of the TSE, Entra Indonesia, is the equal distribution of social and economic wealth to individuals and the wider community. This brings the developing infrastructure and hiring local people and providing them with an income (social and economic empowerment). Unlike commercial companies where profit sharing is most important to shareholders, the attitude of equal distribution encourages the active participation of local communities (psychological empowerment). In addition, investment in infrastructure development can be seen as a way of returning profits to the community (social empowerment). Overall, the use of market principles as a tool for solving social issues by the TSE, rather than the principles of the global economy, guides decisions through dialogue with the local community. For example, how to use the profits of Entra for the local communities was discussed. Simultaneously it is developing tourism social entrepreneurship of those stakeholders. This particularly brings political empowerment.

(2) Challenges towards Community Empowerment

As many studies have evaluated issues of power and processes of empowerment in the context of community-based tourism (Blackstock, 2005), this case also faces some difficulties from the power of individuals and groups who are obstacles to tourism social entrepreneurship. For example, Abdi homestay is a successful homestay in the Harou valley district. The tourism social entrepreneur, Wendy, tries to collaborate with them, but they have refused his offers. As another example, the tourism social entrepreneur has also applied twice to the local government for an allowance to build the Destination Marketing / Management Organization (DMO) to establish a customer supply chain.
for local tour guides or enterprises who are being exploited by local elites, but these applications were refused. Wendy and some other local people explain the main problem is corruption among civil authorities (interview with Wendy on September 4, 2019). Wendy studied at the University of Indonesia, and he learned critical thinking skills. This is related to the reason for refusal, he says, “there is a lot of corruption in the system of local associations, and the benefit of establishing the local association is that it can get donations about 15,000,000 rupiahs (1,100USD) per year, per group” (interview with Wendy on September 4, 2019). Wendy observed that it is not distributed to local associations properly (interview with Wendy). He explains the second problem is seniority. For example, his experience of failing to get a signature of approval from the local government was because they only see the chief of the locals of Sarilamak, and they consider that “I am too young to do this job” (interview with Wendy).

In this way, the tourism social entrepreneur could not change the situation that most of the profit goes to local elites. Both examples are analyzed as disempowerment, due to failing to share equitably in its benefits. Also, as a result, rather than forming a partnership with stakeholders who perceive the benefits of tourism, resentment is becoming common. Further critical analysis will be required to research to what extent a tourism social entrepreneurship is the appropriate framework for empowering a local community from the community development perspective.

6. Conclusion

Examining the case of a TSE in West Sumatra, Indonesia, from the perspective of community empowerment, this study asked how members of local communities can get interested and participate in social enterprise-based tourism, start sustainable businesses, and acquire the power to control tourism development to promote sustainable societal transformation. Hopes for comprehensive local community engagement have been considered idealistic, but this case demonstrated in detail a way of achieving it through a social entrepreneurship framework.

This study applied three critical elements of tourism social entrepreneurship - (1) social value creation, (2) social innovation, and (3) sustainable society transformation - as components of a model designed to empower a community and promote comprehensive engagement in sustainable tourism development. Its findings indicate that TSEs need to develop these elements to foster direct involvement and empower communities to engage in sustainable tourism development. In this case study, Entra Indonesia’s attempt to build the community’s capacity and share knowledge through informal education and training exemplified social value creation. In addition, the fact that social innovation based on creativity and inclusivity was the key characteristic of this case made it clear that new ideas from outside can be implemented by localizing them and adapting them to the local capacity and context. Altinay et al. (2016) argued that value chain creation through the TSE approach requires innovative resource mobilization that includes the local community. In this case, starting the lodge business made this easier by creating a community space. For example, the natural interaction that occurred in this community space raised awareness about and interest in tourists and even fueled tourism development within the local community. As a result, the community was able to make sound decisions together and involve local people in the tourism supply chain while preserving their authentic lifestyle. Demonstrating social innovation by bringing people from outside such as tourists, researchers and students who are interested in environmental and cultural sustainability builds social agreement. Regarding sustainable societal transformation, the TSE tried to foster awareness of
sustainability among locals and tourists by creating sustainable tours and programs. It was only able to conduct these activities by gaining acceptance at the local community level and utilizing local resources, and this area of study perceives the TSE as its necessary mechanism for community development including social, and economic development, instead of the government infrastructure.

Moreover, while this case highlights the potential positive impacts of tourism social enterprises, I also identified challenges in the enterprise’s partnership with the local government. This leads to a recommendation for policymaking. First of all, the local government needs to recognize more about tourism social enterprises’ potential as an intermediary between community-led groups such as Pokrawis (tourism awareness group) and the HPI (Tourist Guide Association)

8. In the Indonesian village tourism context, the Pokdarwis is especially important to increasing local community participation in tourism development, and it should be initiated internally and independently by local communities (Hidayatullah et al., 2017). However, as previous research has confirmed, local communities often lack sufficient skills, power, and knowledge (Goodwin et al., 2009; Wearing, 2002; Saarinen, 2006). Thus, tourism social enterprises such as Entra Indonesia are well-positioned to be internal capacity and awareness builders in local communities and, in turn, to be good partners with local governments that play bridging roles.

This paper examined how local communities can be empowered through TSE approaches as well as several research directions for further testing, refinement, and expansion. The findings also provide practical insights into the ways that small and medium-sized enterprises in Indonesian tourism sectors of rural areas can improve their operations by implementing the tourism social entrepreneurship elements identified above to empower local communities. I hope that this study will promote the creation of more enterprises that can benefit local communities in rural areas.

Acknowledgments

This research achievement was financially supported by the research fund “International Research Activities,” a support system for enhancing the research quality of young researchers of the Institute of Ars Vivendi in the academic year 2019.

References

(1) Books and Articles


8 HPI (Himpunan Pramuwisata Indonesia) is a non-profit and non-political association that groups together licensed individual tourist guides around Indonesia. The HPI’s main purpose is to group and promote tourist guides and to ensure that they are recognized as the ambassadors of their country (Source: HPI homepage https://hpijakarta.wordpress.com/about-himpunan-pramuwisata-indonesia/ last accessed on January 14, 2021).
Empowering Local Communities through the Tourism Social Enterprise Approach (FUJIMOTO)


(2) Statistics, Reports and Websites


(3) Other Sources