

PARTICIPATORY COMMUNICATION MODEL FOR DEVELOPING ENTREPRENEURIAL CAPACITY OF MARKET TRADERS

AKHMAD EDHY ARUMAN¹, SUMARDJO², NURMALA KATRINA PANJAITAN³, DAN DWI SADONO³

1) Lecturer of communication study stikom Ispr Jakarta; Student at agriculture and rural development communication. Bogor agricultural Institute

2) Professor of Agricultural extension of Bogor agricultural Institute.

3) Lecturer of Communication science and community development, Bogor agricultural Institute

E-mail: edhy_aruman@yahoo.com sumardjo@pps.ipb.ac.id

ABSTRACT

The main problem in the development of community economy is entrepreneurial capacity of traditional market traders. Capacity building is essential in order to be able to compete for market traders are now under pressure from market competition modern. This research mainly aims to build models of communication to develop the entrepreneurial capacity of traditional market traders. The method used is survey and data analysis that used the analysis of causality (cause and effect). Normality test is done using the Kolmogorov-Smirnov test. The results are analyzed by using the tools of causality approach LISREL and strengthened by the results of the deep interview. The result shows that participatory communication has a significant influence towards entrepreneurial capacity. To develop the entrepreneurial capacity of merchants, act of communication requires a participatory communication with a credible messenger, exposure of message changes, environmental support, and quality of communication. In addition, entrepreneurial capacity also depends on the internal characteristics of the merchant. Based on these findings, a model of communication that can develop the entrepreneurial capacity of traditional traders involve characteristics of traders, the credibility of the message source, exposure of the message changes, participatory communication, environmental support and the quality of communication.

Keywords: *Entrepreneurial Capacity, participatory communication, messaging risk, traditional market traders, uncertainty*

1. INTRODUCTION

One of the problem for the development of enterprises in trade, especially trade in traditional markets is the lack of entrepreneurial orientation among traditional market traders. Low entrepreneurial orientation is meant such as minimum skill in maintaining good relations with customers, in arranging the layout and hygiene goods sold, a consumer-oriented (read market), and provide satisfactory service (Halim and Ismaeni 2007).

On the other hand, entrepreneurial attitudes and behaviors required by businesses so that they can compete and thrive in a competitive environment (Barringer and Bludorn 1999, Lumpkin and Dess, 1996; Miller 1983). A research conducted by Rahayuningrum and Widayanti (2008) showed that business conditions and performance - from assets, turnover, turnover margin merchandise and price - traditional market traders showed a decline.

The role of traditional market in economic cities in Indonesia is very strategic. When the economic crisis happened in 1998, for example, traditional markets survive and not slumped like a formal economic activity or large-scale economic activity. Even the traditional markets can act as a safety net and a provider of job field for some communities and improve the quality of thousands of suppliers that are generally small and medium enterprises (Smeru, 2007).

This phenomenon gave rise to the idea to develop the capacity of traders so that they can compete. In general, the development of capacity (capacity building) is a process or activity to improve the ability of a person, group, organization or system to achieve the goals or better performance (Brown et. Al, 2001). The skills and capabilities include leadership, management, finance and fundraising, and evaluation program which is expected to increase the success and sustainability.

One of the activities carried out is to help individuals or groups to identify and locate problems and add insight, knowledge and experience needed to solve problems and make changes. According to (Campobasso and Davis, 2001), capacity building is facilitated through the establishment of technical assistance activities, including education and training, specialized technical assistance (specific technical assistance) and strengthening the network.

Skills and abilities are greatly needed in entrepreneurship. According to Meredith et al. (1982), entrepreneurs are people who have the ability, to see and assess business opportunities, gather the resources needed to take advantage thereof and take appropriate action, in order to ensure success. An entrepreneur is also ready to face the risks and uncertainties (Zimmerer et al. 2002), the courage to take decisions and responsibility and a willingness to work hard (McChelland 1998).

Entrepreneurship is the spirit, skills, attitudes, behavior of individuals in handling business or activity that leads to the search for, create, implement ways of working, technologies, and new products to improve efficiency in order to provide better services and or obtain greater profits. An entrepreneur saw the change as normal and healthy. Usually, they do not bring the change itself. An entrepreneur is always looking for change, respond to and exploit it as an opportunity (Drucker 1985).

Efforts to increase capacity without consideration of communication methods, tools and skills cannot be successful. A research conducted by Rakib (2010) indicates that the communication can develop entrepreneurial capacity. The question is how a model of communication is able to develop entrepreneurial capacity of traditional market traders?

According to Rogers (1976) the role of communication is changing from one direction or the delivery of messages that are top-down, to the social processes with emphasis on participation, two-way interaction and information sharing. This participatory communication approach take attention to the importance of cultural identity, collective action and dialogue, local knowledge and participation of stakeholders. In a participatory communication society becomes the main actors of social change process, not passive recipients of decisions made by outsiders (Waisbord 2008).

Participatory communication allow managers obtain information about the changes in stakeholder perspective (Lines 2004). In here stakeholders do not

only feel to get involved, but given the opportunity to provide helpful feedback (Courpasson et al 2012). In the interactive model of communication, the listeners or the message recipients provide feedback in response to a message received (Wood 2010). Participatory communication also puts the individual as an active actor in responding to any stimulus that appears in the environmental field life. This is because basically, the individual is not a passive form only move if there is motion. Individuals are also subject in any behavior that played including communication behavior (Hamijoyo 2005).

Based on this, the idea to build the capacity of entrepreneurship requires participatory communication that aims to reduce uncertainty. Uncertainty is the inability of individual to predict anything accurately (Milliken, 1987), or not enough he understands it (Baxter & Montgomery, 1996). This study aims to look at the effects of participatory communication and environmental support to the entrepreneurial capacity of market traders. It also aims to determine the model of effective communication for capacity building of merchants.

2. METHOD

To find the answer of the research question, it was conducted by using survey approach and the data were analyzed by using descriptive and inferential. The choice of research location done intentionally (purposive) by considering that the object chosen for addressing the issue of revitalization and market manager - in this case the directors of the middle market make changes. The study was conducted at traditional markets planned to be revitalized. The timing of the study was planned for five months, from February to July, 2016.

The population in this study included four traders in the market earlier. The population of traders in four markets reached about 1500 merchants. According to Neuman (2006), over 30 percents of the population by the number below 1000 is adequate to the level of accuracy. Based on it the researchers determined the sample size of 559 respondents were chosen randomly.

The data Analysis in this study used, first, a descriptive analysis to provide an overview of communication done, and secondly, examine relationships between variables and causal analysis through multiple regression by using a structural Equation Model (SEM) which is operated through Lisrel. The variables in this study consisted of (1)

Characteristics of traders, (2) credibility of message source, (3) Exposure to message Changed, (4) participatory communication, (5) Environmental support, (6) The quality of communication, and (7) Capacity of Enterprise.

someone subjectively felt at the time the state of self and his group compared with another person or group. The state of deprivation can lead to the perception of an injustice. Thus, those who have less education level have a tendency to feel unfairly treated.

3. RESULTS AND DISCUSSION

Entrepreneurship capacity

Characteristics of Traders

In the Regulation of Bogor Mayor number 26 Year 2015 on the Amendment of the Regulation of Bogor mayor Number 27 Year 2009 on Organization and Work Procedure Regional Company Market Pakuan Jaya Bogor City, under the Operational Director there is a part of Business and Services are in charge of, among others Subdivision Services and Empowerment Traders. The principal tasks of this sub section is disseminating the program PD Pakuan Jaya market to the merchants. Together with the Head of Market Unit, sub-section also conducts socialization program of K3 (Hygiene, Safety and Order).

Characteristics of traders are individual traits inherent to the merchants and relate to aspects of life. In Table 1, the majority of respondents are in the category of age is old enough (31-43 years). With this condition is expected that they may obtain maximum results compared to those aged unproductive. This age group is still relatively productive. Age affects the decision-making process.

In February 2017, for example, together with the Department of Agriculture (standardized) Bogor City, Sub Section Merchant Services and Empowerment PD Pakuan Jaya Market (PDPPJ) conducted a surprise inspection supervision of formalin to Bogor markets, Bogor City. It aimed to increase consumer confidence in the products sold in the market. "Inspection conducted in order to improve guidance and intensive assistance for traders of fish, fishery products in order to guarantee security of hazardous materials," said Head of Sub Division of Empowerment Services Wholesalers, Guna Gustana.

This is because older adults have to face a lot of situations that their decisions have financial consequences. Age factor may affect the individual's readiness to change. Stereotypes older traders are usually unprofitable, and widespread prejudice that link the decline in labor productivity by age (Rhodes 1983).

In addition, this activity was one form of service in terms of education of the trader. "So it will have a positive impact for traders is that the level of consumer confidence in the products of merchants will increase because the products sold are safe from hazardous materials," he said. But, capacity building through training programs such as skills in trade, the arrangement of merchandise, according to

The research data also show that the majority (72.5%) of formal education of market traders include in the category of intermediate (junior and senior). It indicates that formal education of merchants as respondents classified in medium category. This condition describes the level of progress and resource capabilities are relatively high. Less educated people are more likely to develop the feeling of losing something than those who have higher education.

They develop a sense of relative deprivation by comparing their socio-economic conditions today with their reference groups, namely individuals with similar education levels than other groups (Zang and Hong 2013). Relative deprivation is a psychological state showed dissatisfaction over gaps or shortcomings

Table 1. Distribution of respondents based on their characteristics (n = 559)

Characteristic of Traders	Parameter	Frequency (People)	Percentage
Age	Young < 31 years old; > 17 years	154	27.5
	Quite old = 31- 43 years old	263	47
	Elderly > 43 years old	142	25.4
	Mean = 38,1 years old		
Level of Education	Basic school ≤ Graduated from Elementary	100	17.9
	Middle = Graduated from junior and senior		
	high	405	72.5

	High	= Bachelor	54	9.7
Experience in Trade	Low	< 4 years	195	34.9
	Middle	4-10 Years	153	27.4
	High	> 10 Years	211	37.7
	Mean	= 9.4 Years		
Time Allocated in Trade	Low	< 8 hours	200	35.8
	Middle	8-10 hours	220	39.4
	high	> 10 hours	139	24.9
	Mean	= 8,9 hours/days		
Cosmopolitan	low	= interaction with 1-3 Media	168	30.1
	Average	= Interaction with 4-6 Media	227	40.6
	High	> 6 Media	164	29.3
	Mean	= 5 Media		
Capital	Small	< Rp 8 Million	129	23.1
	Big	> Rp 8; <40 million	245	43.8
	Really Big	> Rp 40 Million	185	33.1
	Mean	= Rp 14 Million		
Turnover	Small	< Rp 1 Million per day	135	24.2
	Average	= Rp 1,1 – 5 Million per day	289	51.7
	High	> Rp 5 Million per day	135	24.2
	Mean	= Rp 3,5 Million per day		
Profit	Low	< Rp 0.3 Million per day	168	30.1
	Medium	= Rp 0.4 Million – Rp 1 Million	227	40.6
	High	> Rp 1 Million	164	29.3
	Mean	= Rp 0.9 Million		

the confession of traders have not been done. As many as 62.6% of respondents said that market manager has never provided training. "Formerly, yes, it was conducted, that is alright, there was always a socialization about KUKM, for small and middle business since it has been held by local government of Bogor city. but now it has not been done anymore or for socialization if it is conducted infrequently because most of traders are busy in markets for trade, they can not be bothered. If there is a possibility of socialization conducted by local government; sometimes once in every six months to discuss about how to increase sales." (Raffi, 42 years old, Traders Market stayed in Block 2)

These result indicates that the majority of traders simply rely on their experiences as traders to strengthen the entrepreneurial capacity. Based on the result identified that there are 62.4% of respondents as traders have never taken courses / trainings on entrepreneurship

or in connection with their jobs. It means that, the non-formal education respondents are including in low category. This shows that in conducting their business, most of them are based on experience. However, as many as 37.7% of respondents have job experiences as traders with high category, more than 10 years. There is 27.4 % in medium category (between 4-10 years). While the remaining is 34.9% in low category (less than four years). This shows a relatively long experience of their trades. This experience gives sufficient educational process to run the business. Nevertheless, entrepreneurial capacity of market traders is still in low category (Table 2).

Table 2. Scores and correlation among variables related to communications to develop entrepreneurial capacity

	Mean	SD	Characteristic of traders	Credibility of manager	Change of message	Participatory communication	Environmental support	Quality of communication	Capacity of enterprise
Characteristic of traders	50.9	19.1	1	-0.078	.272**	.224**	.263**	.184**	.370**
Credibility of manager	54.8	20.3	-0.078	1	.411**	.466**	.303**	.493**	.167**
Change of message	32.5	12.1	.272**	.411**	1	.899**	.443**	.691**	.308**
Participatory communication	65	15.8	.224**	.466**	.899**	1	.533**	.771**	.383**
Environmental support	45.3	18.2	.263**	.303**	.443**	.533**	1	.501**	.534**
Quality of communication	53.6	23.3	.184**	.493**	.691**	.771**	.501**	1	.430**
Capacity of enterprise	43.3	18.2	.370**	.167**	.308**	.383**	.534**	.430**	1
Changed readiness	35.2	9	.222**	.425**	.332**	.378**	.395**	.406**	.459**

Note: ** Significance at 0.01

Skor 0-25 = very low; 26-50 = low; 51-75 = average ; 76-100 = high

This entrepreneurial capacity independently associated with all elements of communication, started from traders themselves, the credibility of the source of the message in these cases are the market manager, exposure to the message of change, participatory communication, support the environment and quality of communication. Therefore, although the market manager gives trainings, the effectiveness of such

training would not be steeper. This is due to the low level of credibility of the market management as the source of the message (Table 2). The lowest dimension of credibility is low trust of merchants to market manager. One of cause of low trust these traders is the level of expertise manager in terms of trade are not high. "Traders know more about trade than the market manager," said a trader in Block B.

The Influence between Variable of Communication and Entrepreneurial Capacity

The results of analysis obtained structural equation and path diagram of the factors that affect the quality of the communication variables (Y1) and entrepreneurial capacity (Y2) as follows:
 $Y1 = 0.084 * X1 + X2 + 0.48 * X3 + X4 + 0.080 * X5$ (equation 1)
 $Y2 = Y1 + 0.70 * X1 - X2 0.10 * - 0.15 * X3 -$

$X4 + 0.062 * 0.32 * X5$ (Equation 2)
 From equation 1 obtained information that the value of $R^2 = 0.84$ which indicates that the influence of variables of characteristic of merchants (X1), the credibility of the market manager (X2), the messages change communication (X3), participatory communication (X4), and environmental support (X5) against the communication quality (Y1) by 84% and the rest (26%) are influenced by other factors are not examined in this study.

The results of this study indicate that direct characteristics of traders, market managers credibility, the messages change, participatory communication and support environment positively affects the communication quality. This shows that to establish quality communication necessary characteristics merchants - started from educational level till high capital.

A good quality in communication also requires a credible market manager, the messages change intensively with participatory communication model and environmental support. In other words, if the market managers have a good quality in communication, they can enhance the entrepreneurial capacity to the maximum to achieve business performance effectively.

From equation 2 obtained information $R^2 = 0.33$ which shows that the effect of variables X1, X2, X3, X4, X5 and Y1 to the entrepreneurial capacity (Y2) simultaneously by 33% while the remainder is influenced by other factors not examined. It provides a view about how low the influences of these variables on the entrepreneurial capacity. Credibility market manager, the message of change and participatory communication have a negative effect. However, the effect is not large compared with the characteristic variables of merchants, environmental support and quality of communication.

For developing entrepreneurial capacities of traders, act of communication requires a participatory communication with the messengers in this case is the market manager must be credible with message changes, environmental support, and quality of communication. The capacity of entrepreneurship also depends on the internal characteristics of traders covering categories merchants (kiosks, stalls, and vendors), level of education, an endless time to trade, level of cosmopolitan, the amount of capital used every week, the level of sales result obtained (turnover) and the rate of profit every day.

The Influence of the market manager's credibility as a source of the message to the entrepreneurial capacity is direct and indirect. Its direct effect is negative and indirect effect is positive. However, in total, the influence of the message source to the entrepreneurial capacity of the market traders is positive. The credibility of the message source here includes perceptions of traders on the level of expertise of source of message related to revitalization market sources, the appeal of the message source and trustworthiness source of the

message. The findings also showed that partially, influence the credibility of the message source against business insight, the courage to take risks and be responsive to the opportunities by traders is positive. This illustrates that the traders entrepreneurial capacity can be increased if the credibility of the message source enhanced.

Source credibility can affect how people evaluate the communication message delivered. A credible source can reduce the likelihood of negative responses appear (Harmon & Coney, 1982), and affects the intention to behave without having to consider in more depth (Petty & Cacioppo, 1979). The general finding of credibility of research sources indicates that the resource that has a low credibility reduces the positive feedback through various ways and encourage people to do more when they have to make a decision (Beaulieu & Rosman, 2003).

Credibility associated with a confidence level of the message recipient in the ability and willingness of messenger provides an open opinion based on his expertise that is relevant and adequate. People who are high credible usually more persuasive than others. This belief is very important because it affects the response of the recipient of the message. The contribution that they convey can be responded negatively if they are believed to have a biased view.

Chaiken and Maheswaran (1994) found that the credibility of the source influences the perception of the validity of the message. Compared to unreliable source, a source that has high credibility when conveying the message, it is considered more valid that encourages people to process the messages to a positive bias so that people understand the arguments of message, the message is considered more relevant and profitable, and ultimately more effective communication (Tormala, Briñol, & Petty, 2007). Ohanian (1990) and Lafferty et al. (2002) also showed that the credibility of the source is able contribute a positive attitude.

The change of message that describes the current condition of traders need to be developed at all costs directly and adversely affect the entrepreneurial capacity of the merchants. In another part, the effect of exposure message indirectly to the entrepreneurial capacity is positive. But the total effect is negative. This shows that the higher the exposure to the message of change, instead of decreasing business insight, the courage to take risks and respond to opportunities. This phenomenon is related to distrust of the merchant market managers so that the higher the message of

change delivered precisely has negative impact and decrease the entrepreneurial insight of traders.

Negative influence is also indicated for participatory communication. The results showed a direct negative effect on the capacity of entrepreneurial participatory communication. Although the indirect influence of participatory communication towards positive entrepreneurial capacity, but the total effect of participatory communication to the entrepreneurial capacity is negative. When it is viewed from the decomposition of participatory communication influence on business insight, the courage to take risks, and responsive to the opportunities alone is positive. It gives a hint that in order to build entrepreneurial capacity, participatory communication requires other measures, namely improving the quality of communication so that gives a total influence of participatory communication to increase the entrepreneurial capacity to be positive.

Environmental support has a positive and significant impact on the capacity of entrepreneurship. These results provide clues that environmental support that includes business support services, and family support contribute positively to the increase of entrepreneurial capacity that includes business insight, the courage to take risks, to respond to opportunities, and self-efficacy. In the previous section mentioned that support environmentally positive effect on the quality of communication. This implies that in order to improve the quality of communication that have positive impact on the entrepreneurial capacity required to improve the environmental support.

In this study, the environmental support consists of training and business services. Capacity building is an act to establish and improve the skills (skills) and capability (capabilities) such as leadership, management, finance and fundraising, programs and evaluation, a person or group to achieve objectives or better performance (Brown et. Al, 2001) , Here it includes an act to identify and locate problems and add insight, knowledge and experience needed to solve problems and make changes. According to Campobaso and Davis (2001) capacity development is facilitated through technical assistance in the form of activities that include education and training, specialized technical assistance (specific technical assistance) and the strengthening of the network.

This study shows that the positive effect of environmental support either directly or indirectly to the development of entrepreneurial capacity of traders. The

dimensions of this environmental support includes training, business services, credit facilities and motivation of the family. However, the goodness of fit model obtained a description that dimension has a significance influence on the entrepreneurial capacity of the merchants is a service business. Public services indicators shown from the results are also low.

For training, the effect is not significant. This is due to the market managers have never got trainings, despite of the market management said that they had held trainings for traders "but so limited," said an executive company manager who manages markets. This study found a lack of character development conducted by market managers especially in terms of entrepreneurial business they have ever done coaching for example in terms of entrepreneurship to the merchants, but not too specific. In terms of the coaching skills of traders, market managers simply only ask how the conditions of sale on the market and inform that traders should serve consumers well. Market managers also held several seminars for traders who carried out for 2 to 3 hours in the morning in the parking lot with a tent in the form of seminars and interviews with merchants so that managers can provide input to the traders who rated pleasant and helpful.

Meanwhile, the environmental support services in form of providing security to traders is too low. The market condition is indeed clean. But in terms of the security of traders feel are lacking because traders have not seen any special officers who deal with security issues such as the presence of security forces personnel. This phenomenon requires a lot to market managers to make synergy between the ability to communication effectively, entrepreneurial capacity, and an entrepreneurial attitude in order to assist the performance of the business of merchants

This study illustrates that the quality of communication determines in developing entrepreneurial capacity. That is, the higher the quality of communication, the higher capacity of entrepreneurial development of market traders. In any business, communication is important in influencing the changes that are the basis of the decision and required to achieve success. The main purpose of communication in the business are to build and deploy enterprise business goals, developing plans, management of human resources and other resources in the most effective and efficient way and etc (Adejimola 2008).

Entrepreneurship refers to one's ability to identify investment opportunities both tangible and not

intangible) that satisfy or fulfill something that is identified as needs and risk resources (time, money, intellect, etc.) to establish and operate the company profitably. This process involves a private initiative to change the business concept into a business or to grow and diversify the business or company with high growth potential. According to Shane and Venkataraman (2000), entrepreneurship relates to the discovery and exploitation of profitable opportunities.

The desire and ability to take these opportunities associated with individual characteristics. Not all potential entrepreneurs take advantage of opportunities. Do they take a chance or not, it is very dependent on the benefits and costs. Estimates of the resulting benefits are different for each individual. However, in general, people take an opportunity when it has a lower opportunity cost (Amit, Mueller, & Cockburn, 1995; Reynolds, 1987).

In addition, people consider the costs they incurred to obtain the necessary resources in order to take advantage of such an opportunity. Evans and Leighton (1990), for example, show that people who have more capital, greater tendency to take chances. Aldrich and Zimmer (1986) found that strong social ties with resource providers also increase the tendency of people to take a chance.

This illustrates that the decision to take this opportunity also depends on how traders see a risk. This study illustrates that the average trader courage to risk is quite high. It provides an opportunity for managers to continue to provide information to the merchant so that they can improve their entrepreneurial capacities to compete and ready to face the changes and increasingly have the courage to take on new business opportunities.

Information plays a role in the decision to take chances. Cooper, Woo, and Dunkelberg (1989) found that people are more likely to take advantage of opportunities when they own and develop useful information on entrepreneurship they earn from their previous work. Learning from these experiences give an opportunity for a person to reduce the cost of exploitation of the opportunities that they should spend (Carroll & Mosakowski, 1987 and Cooper et al., 1989).

The decision to exploit entrepreneurial opportunities are also influenced by differences in the perceptions of each individual associated to risks. Basically, they enter into a new environment risk shrinking business scale. This is because the time, effort, and money should be allocated for investment first before we obtained the

result (Venkataraman, 1997). Some researchers argue that individual differences in the willingness to bear this risk affect the decisions for people to utilize or not an entrepreneurial opportunity (Kihlstrom & Laffont, 1979). People who take advantage of opportunities tend to frame the information they get to be more positive and they responded positively as well (Palich & Bagby, 1995).

The decision to take advantage of entrepreneurial opportunities are also influenced by differences in the level of individual optimism attitude. Those who take advantage of opportunities in general people who have optimism on these opportunities (Audretsch, 1991). People who take advantage of entrepreneurial opportunities usually see their chances for success are higher than they actually are and even higher than others in their industry (Cooper, Woo, & Dunkelberg, 1988). People who have a sense of optimism motivated to exploit opportunities by restricting information, make an estimate of the future (Kahneman & Lovallo, 1994), triggering the search a bit of information (Kaish & Gilad, 1991), and led him to act first without preceded by analysis (Busenitz & Barney, 1997).

Entrepreneurs who use information on marketing, identifying, collecting and analyzing information about the external environment to make decisions (Levy and Powell, 2005). They can take advantage of marketing information tend to be more successful than those who do not use the information (Fuellhart and Glasmeier 2003). The more entrepreneurial people use information and the better quality of the available information, decision-making done by them is the better result reached (Cacciolatti and Fearné 2013).

What is meant by the information herein, according to Ibaketo et al. (2003), consists of knowledge, facts, and ideas, the data (analog or digital) is given by senders or received by the recipients. Information can be text, speech, gestures, code, and images or signals carried over the airwaves. Griffins (1995) saws the information as data is presented in a manner or form that has meaning. Sources of information are frequently used personal from the impersonal (Smeltzer, Fann, and Nikoliasen 1988).

Entrepreneurial capacity is directly influenced by the quality of information (communication) received by the merchants. This is related to the characteristics of entrepreneurship as a person's ability to find and exploit or take advantage of profitable opportunities (Shane and Venkataraman 2000). To find investment opportunities, it needs the ability to identify the environment. This

process involves a private initiative to change the business concept into a business or to grow and diversify the business or company with high growth potential.

The desire and ability to take these opportunities associated with individual characteristics, associated with the ability of merchant capital. Average capital used by market traders is high enough. Not all merchants take advantage of the available opportunities. Do they take a chance or not, it is very dependent on the benefits and costs. Estimates of the resulting benefits are different for each individual. However, in general, people take an opportunity when it has a lower opportunity cost (Amit, Mueller, & Cockburn, 1995; Reynolds, 1987).

The cost considerations, as said by Evans and Leighton (1991), show that to take a chance, someone must pay. Consequently, not everyone can take advantage or take chances. Therefore, people who have more capital, greater tendency to take chances. Adrich and Zimmer (1986) found that strong social ties with resource providers also increase the tendency of people to take a chance. Therefore, as in the findings of this study, the higher the capital, the more likely to take chances with consideration of the risks.

Identification related to information. Therefore, it plays a role in the decision to take chances. Cooper, Woo, and Dunkelberg (1989) found that people are more likely to take advantage of opportunities when they own and are able to develop useful information on entrepreneurship they earn from their previous work. Learning from this experience provides the opportunity for a person to reduce the cost of exploitation of the opportunities that they should spend (Carroll & Mosakowski, 1987 and Cooper et al. 1989).

The decision to exploit entrepreneurial opportunities are also influenced by differences in the perceptions of each individual associated risks. Basically, entered into a new environment risk shrinking business scale. This is because the time, effort, and money should be allocated for investment first before we obtained the result (Venkataraman, 1997). Different characteristics of the individual in his willingness to bear this risk affect decisions people utilize or not utilize an entrepreneurial opportunity (Kihlstrom & Laffont, 1979). People who take advantage of opportunities tend to frame the information they get to be more positive and they responded positively as well (Palich & Bagby, 1995).

According to Rogers (1995) mass media play an important role in spreading awareness of new practices. But at this stage to adopt or not a decision to be taken, personal communication holds an important role. Therefore, the general conclusion is mass communication is less influential than the personal influence that has a direct effect on the leadership of social behavior (Servaes and Malikhao 2005). However, other research shows that the effect of mass media is depending on the level of a person's involvement with the media. Someone access the information from the newspaper (or other traditional media) and shared as well as discussed with another person, he will gain a deeper understanding and this opens space for receiving information from the mass media and other interpersonal communication (Inayatullah 2002; Scheufele, 2002; Sotirovic and McLeod 2001).

4. CONCLUSION AND SUGGESTION

Based on the results of the research can be concluded that the characteristics of traders, market manager's credibility, environment supports for traders and the quality of communication and strengthen entrepreneurial capacity of traders. The credibility of market managers, message of change and participatory communication have negative effect, but it is not so great compared to the characteristic variables of merchants, support of environment and quality of communication. Communication performance of market managers is weak in strengthening the entrepreneurial capacity of traders. The things that make communication performance is low due to the weak credibility of the market managers so that the less successful manager makes the characteristics of traders as a reference in creating messages and the use of media.

Nevertheless, there is still a chance to increase the entrepreneurial capacity of traders and it can be done by improving the quality of communication with traders. To improve the quality of communication, the credibility of the market manager enhanced. The frequency of messages containing positive and negative meaning (motivation and risk) should be increased. In addition, the communication process which is reflected on the participatory communication also improved. But it must be followed by an increase in the quality of communication which is reflected by the high relevance, accuracy, completeness, and clarity of the information.

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