

FACTORS INFLUENCING THE INCOME OF AYAM TALIWANG CULINARY BUSINESSES IN TALIWANG, MATARAM CITY

Miftahul Ulum¹, Akhdiyati Mukti Ardiansyah², Mimi Cahyani³

^{1,2,3} Al-Azhar Islamic University of Mataram, Indonesia

E-mail: ¹ ulum160202@gmail.com, ² akhdiyatiukti@gmail.com, ³ mimigazali09@gmail.com

Abstract

This study explores the factors influencing income among Ayam Taliwang culinary businesses in Taliwang, Cakranegara, Mataram City. Using an associative research design and census approach, it examines the effects of capital, workforce size, experience, education level, and working hours on business income among 100 entrepreneurs. Data were collected through structured questionnaires and analyzed with multiple linear regression. The study highlights the significant influence of these variables and identifies experience as the most dominant factor. By addressing a culturally specific context, this research contributes to understanding income determinants in the culinary sector and offers insights for enhancing business practices. The findings support targeted strategies for entrepreneurs and policymakers to foster economic growth in local culinary industries.

Keywords: ← capital; labor; experience; education; working hours

INTRODUCTION

The growth of micro-enterprises has become increasingly prominent, particularly for policymakers and economic stakeholders. Micro-businesses contribute to job creation and societal income growth, often with minimal capital requirements. Culinary tourism, which integrates local wisdom and culture, has emerged as a vital subset of the tourism industry. Among the cultural culinary icons of the Sasak people in Lombok, Ayam Taliwang stands out as a heritage dish, symbolizing the community's rich gastronomic traditions.

Ayam Taliwang's culinary industry is deeply rooted in the Karang Taliwang community of Cakranegara. This industry is flourishing due to daily production and a significant number of producers. Many individuals venture into this sector to boost family income and generate employment opportunities. Critical factors influencing the success of Ayam Taliwang businesses include capital investment, workforce size, education, working hours, and prior experience. This study aims to explore how these variables affect the income of Ayam Taliwang entrepreneurs in Taliwang, Cakranegara

Capital is a foundational resource for any business. Defined as financial or material resources used for operational activities, sufficient capital ensures smooth production and sustainable growth (Gross-Golacka et al., 2020).

Workforce refers to the active labor force engaged in production activities. The availability of skilled workers is pivotal for achieving business objectives and enhancing productivity (Sarwar et al., 2021).

Experience influences decision-making, efficiency, and innovation in business. Accumulated experience enhances entrepreneurs' ability to address challenges and optimize operations (Saroso et al., 2020).

Education equips individuals with the skills and knowledge required to manage businesses

effectively. According to Becker's human capital theory, higher education levels correlate with improved productivity and income (Prada & Cimpoeru, 2019).

Previous studies have explored factors affecting business income in various contexts. For instance, (Siagian et al., 2023) examined income determinants in Tebing Tinggi's culinary sector, while (Mustapa et al., 2019) investigated micro-enterprise growth in Malaysia. This study extends the discourse by focusing on Ayam Taliwang culinary businesses in Lombok, emphasizing local cultural and economic dynamics.

The exploration of factors influencing business income, particularly within the culinary sector, has garnered significant academic attention. This discourse can be further enriched by examining various determinants that affect income levels in different contexts, such as socio-demographic characteristics, sales turnover, and the impact of digital marketing.

Firstly, socio-demographic factors play a crucial role in shaping entrepreneurial intentions and, consequently, business income. (Abdullah Khamis Al-amri et al., 2022) highlight that higher income levels and access to loans can motivate individuals to start new businesses, suggesting a direct correlation between socio-economic status and entrepreneurial activity. This is echoed in the culinary sector, where the socio-economic background of entrepreneurs can influence their business decisions and income potential. Furthermore, education is identified as a significant factor that enhances entrepreneurial competence, which is essential for navigating the complexities of the culinary business environment (Fachrozi et al., 2024; Handayani et al., 2023).

In addition to socio-demographic influences, sales turnover emerges as a critical determinant of income for Micro, Small, and Medium Enterprises (MSMEs) in the culinary sector. Dewayanti (Dewayanti et al., 2024; Hidayat et al., 2024) emphasizes that sales turnover is positively correlated with income levels, indicating that effective sales strategies are vital for enhancing profitability. This finding aligns with the broader literature on MSMEs, where sales performance is often linked to overall business success. Moreover, the length of time a business has been operational can also significantly impact income, as established businesses typically have a more extensive customer base and brand recognition.

Digital marketing and technological investment are increasingly recognized as pivotal factors in enhancing business income. Research by (Hutabarat & Suasih, 2023) suggests that businesses leveraging e-commerce and digital marketing strategies can experience substantial increases in income. This is particularly relevant for culinary businesses in Lombok, where local cultural dynamics can be effectively promoted through digital platforms, thus attracting a broader customer base and enhancing sales.

Moreover, the role of government policies, such as permit relaxation, has been identified as a factor that can positively influence the income of micro and small businesses. (Syafri & Djamaluddin, 2023) discusses how regulatory support can alleviate operational burdens, thereby allowing businesses to focus on growth and income generation. This aspect is particularly pertinent in the context of the COVID-19 pandemic, where many businesses faced unprecedented challenges.

It is hypothesized that capital, workforce size, experience, education level, and working hours significantly influence the income of Ayam Taliwang businesses. Among these, experience is expected to have the most substantial impact.

METHODS

The research employed an associative design to examine relationships between variables. A census approach was adopted, encompassing all 100 culinary entrepreneurs in the target area as respondents. Data collection relied primarily on structured questionnaires, supplemented by interviews and direct

observations to ensure comprehensive insights. The data analysis followed a robust methodology, including validity and reliability tests to confirm the soundness of the instruments. Additionally, classical assumption tests, such as normality and multicollinearity checks, were conducted to validate the regression model. Multiple linear regression analysis was employed to assess the influence of independent variables on the dependent variable. Significance levels were evaluated using F-tests and t-tests with a 5% error margin, enabling precise identification of the most impactful factors driving income variations.

RESULTS AND DISCUSSION

To evaluate the factors influencing the income levels of Ayam Taliwang businesses, data from the survey were meticulously analyzed to provide answers to the proposed hypotheses. The validity test results indicated that all questionnaire items were valid, as demonstrated by their correlation coefficients exceeding the critical threshold of 0.3. These results affirm that the instruments used were capable of accurately measuring the intended variables.

Moreover, reliability testing revealed high internal consistency, as evidenced by Cronbach's Alpha values surpassing 0.6 for all variables. This level of reliability underscores the dependability of the data collection tools, paving the way for their application in subsequent analytical stages without concern for inconsistency.

The histogram analysis confirmed that the data distribution followed a normal curve. Additionally, the Normal P-P Plot further validated normality, as the data points were closely aligned along the diagonal line, indicating that no significant deviations were present.

Multicollinearity was assessed by examining the Variance Inflation Factor (VIF) and tolerance values. None of the independent variables exhibited VIF values exceeding 5 or tolerance values below 0.1. This demonstrates that multicollinearity was not a concern, ensuring that the independent variables were not excessively interrelated.

Heteroscedasticity was evaluated by analyzing the scatterplot of residuals. The absence of any discernible pattern or trend in the scatterplot indicated that the residuals were evenly distributed around zero. Consequently, it can be concluded that heteroscedasticity was not present in the data, confirming the consistency of variance across observations.

The regression model developed to evaluate the effects of capital, workforce size, experience, education level, and working hours on income can be expressed as follows:

$$Y = 0,574 + 0,430X1 + 0,210X2 + 0,539X3 + 0,256X4 + 0,339X5 + e$$

The regression coefficients for the variables, including capital, workforce size, experience, education level, and working hours, indicate a positive relationship with the income of Ayam Taliwang culinary businesses in the Karang Taliwang area of Cakranegara.

The F-test was conducted to determine the simultaneous significance of capital, workforce size, experience, education level, and working hours on the income of Ayam Taliwang culinary businesses in the Karang Taliwang area of Cakranegara. The results of the F-test calculation are presented below.

Table 1. F test result

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	31.443	5	6.289	56.639	.000 ^b
	Residual	10.437	94	.111		

Total	41.880	99		
-------	--------	----	--	--

According to Table 1, the calculated F-value is 56.639 with a significance level of 0.000. When compared to the F-table value, which is determined at a 5% significance level with degrees of freedom $df1 = (k-1) = 5$ and $df2 = (n-k) = 94$, the F-table value is found to be 2.310. Since the calculated F-value (56.639) exceeds the F-table value (2.310), the null hypothesis (H_0) is rejected, and the alternative hypothesis (H_a) is accepted.

t-test is utilized to assess and determine the significance level or degree of confidence between variables being studied individually or partially

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Correlations
	B	Std. Error	Beta			
(Constant)	.574	.439		2.569	.420	
X1	.430	.078	.232	2.665	.030	.652
X2	.210	.093	.215	2.190	.009	.614
X3	.539	.064	.630	8.490	.000	.829
X4	.256	.093	.271	2.599	.021	.647
X5	.339	.103	.276	3.293	.001	.687

In this t-test, the degrees of freedom are calculated as $(n-k-1)$, which equals $(100-5-1)=94$. Consequently, the critical t-value (t-table) obtained is 1.984. The computed t-values for the variables of capital, number of workers, experience, education, and working hours are all greater than the critical t-value. Therefore, it can be concluded that these four variables individually have a significant impact on the income of Ayam Taliwang culinary businesses in Taliwang Village, Cakranegara District, Mataram City.

The coefficient of determination indicates the percentage of variation in the independent variables used in the model that can explain the variation in the dependent variable.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.866 ^a	.751	.738	.33321	2.143

The coefficient of determination (R^2) value of 0.738 indicates that the variables, including capital, number of workers, experience, education, and working hours, contribute 73.80% to explaining the income of Ayam Taliwang culinary businesses in Taliwang Village, Cakranegara District, Mataram City. This means that 73.80% of the variability in income is directly influenced by these factors, while the remaining 26.20% is determined by other factors outside the scope of this study.

The Effect of Capital on the Income of Ayam Taliwang Culinary Businesses in Taliwang Village, Mataram City

Capital, often referred to as investment, is a crucial component in any business or industry. It can be defined as the expenditure a company incurs to acquire capital goods and production equipment to enhance its capacity to produce goods and services. An increase in capital goods enables a company to produce more goods and services in the future (Dalimunthe & Patrisia, 2019).

Based on regression analysis, the capital variable (X1) shows a positive but insignificant effect on the income of Ayam Taliwang culinary businesses in Taliwang Village, Cakranegara District, Mataram City. This indicates that an increase in capital does not necessarily lead to higher income. Several factors, such as the number of competitors and marketing strategies, may influence this outcome,

preventing income from consistently rising alongside increased capital.

A study by (Habibah & Astuti, 2019) also highlights three variables that significantly impact income: capital, business duration, and labor. Meanwhile, education and location were found to have no significant effect. The F-test results indicate that all five variables—capital, business duration, labor, education, and location—jointly influence income. However, based on the Standardized Coefficients Beta, business duration was identified as the most dominant factor among the five variables.

Capital remains a vital factor in culinary businesses. It serves as a tool for production activities, including paying wages and covering other costs. Without sufficient capital, the production processes in culinary businesses cannot run smoothly.

The Effect of Labor on the Income of Ayam Taliwang Culinary Businesses in Taliwang Village, Mataram City

According to (ALOSHYNA & Kozenkov, 2022), labor refers to the total population within a country capable of producing goods and services, provided there is a demand for their labor and they are willing to participate in such activities. Typically, this encompasses individuals aged 15-65 years, although in Indonesia, it includes all individuals aged 10 years and above.

Based on regression analysis, the labor variable (X2) has a positive and significant effect on the income of Ayam Taliwang culinary businesses in Taliwang Village, Cakranegara District, Mataram City. This indicates that an increase in the number of workers leads to higher production levels, which subsequently results in an increase in income.

A study conducted by (Do & Minamoto, 2021; Faying, 2020; Zhou & Li, 2023) further supports this finding, showing that eight variables—capital (X1), labor (X2), education level (X3), business duration (X4), participation in associations (D1), training (D2), access to financial institutions (D3), and the presence or absence of artisans (D4)—simultaneously have a significant impact on income in the leathercraft industry. Labor, in particular, positively influences income, meaning that an increase in the workforce enhances production activities, ultimately boosting the income of Ayam Taliwang culinary businesses in Taliwang Village, Cakranegara District, Mataram City.

The Effect of Experience on the Income of Ayam Taliwang Culinary Businesses in Taliwang Village, Mataram City

Business duration is a key determinant of income, particularly in the informal sector. It reflects the time entrepreneurs have spent managing their businesses, which translates into experience. According to (Gielnik et al., 2018), greater experience leads to better business quality. The experience variable is measured in years, where longer operational periods provide entrepreneurs with more knowledge and skills, making experience a significant factor in increasing income. However, shorter business experience does not necessarily result in lower income compared to those with longer experience.

Regression analysis reveals that the experience variable (X3) has a positive and significant effect on the income of Ayam Taliwang culinary businesses in Taliwang Village, Cakranegara District, Mataram City. The coefficient indicates that for every additional year of experience, income increases proportionally. These findings align with (Huang, 2023) research, which identified capital, experience, and labor as significant factors influencing income, while education and location were not statistically significant.

The data also indicate that only a few entrepreneurs in the area have been running their businesses for an extended period. The length of time an entrepreneur or worker has been active in the business directly impacts income. Longer work experience generally equates to higher income due to the accumulation of skills and expertise. Experience facilitates more efficient operations, ultimately yielding

greater results and higher income levels.

The Effect of Education Level on the Income of Ayam Taliwang Culinary Businesses in Taliwang Village, Mataram City

The education level does not have a significant impact on the success of Ayam Taliwang culinary businesses in Taliwang Village, Cakranegara District, Mataram City. While it is assumed that higher education levels could lead to higher net profits under the assumption of other variables being constant (*ceteris paribus*), the study finds no substantial difference in net earnings between sellers with higher education levels and those with lower education levels.

The Ayam Taliwang culinary business operates in a perfectly competitive market. This type of business is accessible to anyone due to its low capital requirements, minimal need for specialized skills, and no strict educational qualifications. Although sellers with higher education levels may achieve slightly higher net profits, there is no significant difference in earnings among sellers with educational backgrounds ranging from elementary to high school.

This finding aligns with the study conducted by (Wahyuni et al., 2019), which supports the conclusion that education level does not determine business success. Even individuals with lower educational attainment can achieve high levels of success. In other words, the success of small businesses is not dependent on the education level of the entrepreneur.

The Effect of Working Hours on the Income of Ayam Taliwang Culinary Businesses in Taliwang Village, Mataram City

The number of working hours significantly influences the success of Ayam Taliwang culinary businesses. Longer working hours lead to higher net income for sellers, assuming other variables remain constant (*ceteris paribus*). An increase in working hours directly contributes to a significant rise in net profit.

Observations and interviews with sellers reveal that customers often use Ayam Taliwang stalls not only as dining places but also as venues for relaxation, discussions, or staying awake late into the night. To increase their sales, sellers typically operate their stalls until late at night or early morning.

Sellers generally have specific working hours, such as from 5:00 PM to 2:00 AM. However, these hours are flexible and depend on the sales performance. If the food sells out before 2:00 AM, sellers may close earlier. Conversely, if there is leftover stock, they may extend their operating hours until dawn (4:00 AM). This adaptability allows sellers to maximize income by aligning their working hours with customer demand.

CONCLUSIONS

This study concludes that the variables of capital, workforce size, experience, education level, and working hours all have a significant positive influence on the income of Ayam Taliwang culinary businesses in Taliwang, Mataram. Individually, the t-test results demonstrated that capital ($t = 2.665$, $p = 0.030$), workforce size ($t = 2.190$, $p = 0.009$), experience ($t = 8.490$, $p < 0.000$), education level ($t = 2.599$, $p = 0.021$), and working hours ($t = 3.293$, $p = 0.001$) each contribute meaningfully to income, as their t-values exceed the critical value of 1.984 and their significance levels are below 0.05.

Simultaneously, the F-test results revealed a strong collective impact of these variables on income, with an F-value of 56.639, surpassing the F-table value of 2.310 at a 5% significance level. This confirms that the model as a whole is statistically significant. Among these variables, experience emerged as the most influential, with the highest t-value of 8.490, emphasizing its critical role in building consumer trust, operational efficiency, and business sustainability.

These findings advance the understanding of income determinants for culinary businesses, offering practical implications for entrepreneurs and policymakers. Entrepreneurs should focus on accumulating relevant experience and enhancing their operational practices to maximize income. Stakeholders can facilitate this by providing training programs and resources to improve business competencies. Future studies could explore additional factors, such as digital marketing strategies or market competition, to further enrich this field of research.

REFERENCES

- Abdullah Khamis Al-amri ... Essia Ries Ahmed. (2022). The Influence of Socio-Demographic Characteristic on Entrepreneurial Intention: An Empirical Study in Sultanate of Oman. *Journal of Governance and Integrity*. <https://doi.org/10.15282/jgi.5.2.2022.7313>
- ALOSHYNA, T., & Kozenkov, D. (2022). Analysis of supply and demand in the labor market of Ukraine: regional aspect. *Access Journal - Access to Science, Business, Innovation in the Digital Economy*. [https://doi.org/10.46656/access.2022.3.2\(7\)](https://doi.org/10.46656/access.2022.3.2(7))
- Dalimunthe, B., & Patrisia, D. (2019). *The Effect of Financial Characteristics, Misstatement and Audit Quality toward the Financial Performance in West Sumatera*. <https://doi.org/10.2991/piceeba-19.2019.61>
- Dewayanti, F. ... Perdana, A. (2024). Does Covid 19 Affect the Income of Muslim Entrepreneurs? Case Study of Culinary MSMEs in Surakarta. *Review of Islamic Social Finance and Entrepreneurship*, 67–76. <https://doi.org/10.20885/risfe.vol3.iss1.art5>
- Do, N. K., & Minamoto, Y. (2021). The impacts of social capital on rural household's income: empirical evidence from rural Vietnam. *Journal of International Economics and Management*. <https://doi.org/10.38203/jiem.021.2.0027>
- Fachrozi, F. ... Tondoyekti, K. (2024). Ekonomi Hijau dan Bisnis Syariah: Mempromosikan Bisnis yang Berkelanjutan dan Bertanggung Jawab. *Jurnal Ekonomi Bisnis, Manajemen Dan Akuntansi (JEBMA)*. Retrieved from <https://api.semanticscholar.org/CorpusID:271467482>
- Faying, Y. (2020). *Heterogeneity Analysis of the Influence of Capital Going to the Countryside on Rural Household Income*. <https://doi.org/10.2991/assehr.k.200826.021>
- Gielnik, M. M. ... Wang, M. (2018). Age in the entrepreneurial process: The role of future time perspective and prior entrepreneurial experience. *Journal of Applied Psychology*. <https://doi.org/10.1037/apl0000322>
- Gross-Gołacka, E. ... Jefmanski, B. (2020). Can elements of intellectual capital improve business sustainability?-The perspective of managers of smes in poland. *Sustainability (Switzerland)*. <https://doi.org/10.3390/su12041545>
- Habibah, S., & Astuti, S. (2019). Pengaruh Modal Dan Lama Usaha Terhadap Pendapatan

Pedagang Dalam Perspektif Bisnis Syariah (Studi Pada Pedagang Pasar Sentral Watampone).

Jurnal Ilmiah Al-Tsarwah. <https://doi.org/10.30863/al-tsarwah.v1i1.255>

Handayani, A. ... Vilantika, E. (2023). Determinant of SMEs Income using Structural Equation Model (SEM). *Almana : Jurnal Manajemen Dan Bisnis*.

<https://doi.org/10.36555/almana.v7i1.1971>

Hidayat, A. R. ... Istiharah. (2024). Manajemen Strategis Baznas Dalam pengentasan Kemiskinan (Studi Pada BAZNAS Provinsi Nusa Tenggara Barat): Strategic Management of Baznas in Poverty Alleviation (Study on BAZNAS of West Nusa Tenggara Province). *QULUBANA: Jurnal Manajemen Dakwah*, 5(2 SE-), 474–487. <https://doi.org/10.54396/qlb.v5i2.1558>

Huang, J. (2023). *Statistical Analysis of Factors Influencing the Per Capita Disposable Income of Urban Residents in Anhui Province*. https://doi.org/10.2991/978-94-6463-198-2_77

Hutabarat, W. B., & Suasih, N. N. R. (2023). The Influence of The Number of Buyers, Length of Business, Type of Merchandise and The Use of E-Commerce on The Income of Kreneng Folk Market Traders in Denpasar. *Jurnal Simki Economic*. <https://doi.org/10.29407/jse.v6i2.376>

Mustapa, W. N. B. W. ... Ibrahim, M. D. (2019). Evaluating the effectiveness of development initiatives on enterprise income, growth and assets in Peninsular Malaysia. *Economics and Sociology*. <https://doi.org/10.14254/2071-789X.2019/12-1/2>

Prada, E.-M., & Cimpoeru, S. (2019). The impact of human capital on economic growth in EU-28: a Panel Data perspective. *Proceedings of the International Conference on Applied Statistics*. <https://doi.org/10.2478/icas-2019-0034>

Saroso, H. ... Parwanto. (2020). MICRO AND SMALL BUSINESS DEVELOPMENT THROUGH INNOVATION AND BUSINESS RISK ADJUSTMENT TOWARD DIGITAL BUSINESS WITH ICT ADOPTION. In *The International Conference on ASEAN 2019*. <https://doi.org/10.1515/9783110678666-041>

Sarwar, G. ... Rabnawaz, I. (2021). Factors Affecting Labor Productivity: An Empirical Evidence from Pakistan. *Journal of Economic Impact*. <https://doi.org/10.52223/jei3032112>

Siagian, I. ... Yuliaty, T. (2023). Analysis of Factors Affecting the Income of Micro, Small and Medium Enterprises (MSMEs) in the Culinary Sector in Tebing Tinggi City. *International Journal of Research and Review*. <https://doi.org/10.52403/ijrr.20230767>

Syafrizal, S., & Djamaluddin, S. (2023). The role of permit relaxation policy in boosting micro-small business income during the COVID-19. *Journal of Enterprise and Development*. <https://doi.org/10.20414/jed.v5i3.7239>

Wahyuni, D. ... Indrawati, H. (2019). Analysis of Education Levels of Business Owners and

ShariaBiz International Journal of Economics & Business

<https://syariahbiz.unizar.ac.id/index.php/jurnal>

Vol. 2 (1) 2024 PP. 20-28

Factors Affecting Business Success in Sago-Based UMKM in Kepulauan Meranti Regency.

Journal of Educational Sciences. <https://doi.org/10.31258/jes.3.2.p.216-226>

Zhou, J., & Li, R. (2023). The Accumulation of Rural Human Capital Impacts on the Growth of Farmers' Income—On the Intermediary Role of Rural Labor Force Marketization.

Modern Economy. <https://doi.org/10.4236/me.2023.141001>