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THE OPPORTUNITIES FOR SMALL AND MEDIUM-SIZED ENTREPRENEURS IN UTILIZING THE DEVELOPMENT OF GLOBAL TOURISM IN BALI

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Abstract

Globalization and free trade will serve as new opportunities as well as challenges for the competitiveness of local small and medium-sized enterprises. Therefore, it is necessary to increase the competitiveness of small and medium-sized entrepreneurs especially in the context of the development of network/market access. This research is urgently conducted primarily to face the global competition especially in the ASEAN Economic Community (AEC). This study aims to (1) identify business and investment opportunities that can be utilized by small and medium-sized entrepreneurs from global tourism expansion in Bali (2) identify the economic, social, cultural, and information technology potential of small and medium-sized entrepreneurs in running service business tourism, (3) examines the ability of small and medium-sized entrepreneurs to utilize their economic, social, cultural and technological resources in running their business to take the role and benefit of global tourism expansion especially in facing ASEAN Economic Community (AEC). This research is beneficial in (1) generating database of business profile and investment in tourism, (2) generating database of profile of small and medium-sized entrepreneurs of tourism in Bali and knowing the components of the resources in economic, social, culture, and information technology owned by entrepreneurs in Bali, (3) producing a map of the entrepreneurs' ability to manage the resources in economic, social, cultural, and information technology to run the business. The research was conducted in two districts of Bulling and Gainer. The respondents were small and medium-sized entrepreneurs in the field of tourism who were still actively running a tourism business. Data collection was done by nonparticipant observation, structured interview, and in-depth interview. The analytical method used was descriptive analysis and descriptive statistics. This study shows that the characteristics of SME business actors in the domination of the productive age group, the distribution of the business locations around the tourist object, social, culture, and information technology resources play a role in supporting business activities of SMEs. Business opportunities that can be utilized by SMEs from the development of global tourism in Bali are found in various business sectors such as agriculture, plantation, fishery, tourism, transportation and other services.

Keywords: Business Opportunities, Small and medium-sized Enterprises, Global Tourism

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BACKGROUND

The expansion of international tourism as part of the process of the globalization of capitalism is influential in developing countries. In Indonesia, the effect of the international tourism expansion is clearly felt in the massive context of conventional tourism systems. The expansion of international tourism into rural areas that have not been touched by modernization in any way has clearly affected the physical, economic, social and cultural environment of local communities.

For economic actors, globalization and free trade give new opportunities and challenges for the competitiveness of local small and medium-sized enterprises. Therefore, efforts to prepare local capability and competitiveness both in terms of infrastructure, technology, and human resources become a very urgent agenda in all sectors of the economy including the tourism sector. This needs to be done so that the local economic sector, especially small and medium-sized enterprises as the most business sector can compete with the outside economic actors, especially in the tourism sector as a leading sector of Bali's economic development.

Small and medium-sized business sector is in a critical position to face the impact of the change. Some studies have found that in terms of the character of business activities, marketing techniques, capital and capacity in planning, small and medium-sized enterprises tend not to be ready to engage directly in global competition. Therefore, it is necessary to increase the competitiveness of small and medium-sized entrepreneurs especially in the context of the broader development of network/market access.

Based on this, the study of the role of small and medium-sized entrepreneurs in relation to the overall structure of the tourism industry and to the national economic transformation is very important to study. In the context of Bali, this study is needed to be carried out in light of the following considerations: (1) some studies at the macro level, showing that tourism has bigger economic benefits than small and medium-sized entrepreneurs in tourism, (2)) small-scale manufacturing industries, despite only getting minimal government facilities, but have a much larger share of exports than large-scale business entrepreneurs, and (3) the number of small and medium-sized entrepreneurs. Thus, these small and medium-sized entrepreneurs have proven to play a major role in strengthening and empowering the local economy of Bali.

Based on this background, this study will focus on the following questions: (1) what are the forms of business and investment opportunities that small and medium-sized entrepreneurs can exploit from global tourism expansion in Bali, (2) how is the potential of the economic, social, culture, and information technology resources owned by small and medium-sized entrepreneurs in tourism sector in Bali, and (3) how is the ability of small and medium-sized entrepreneurs in the field of tourism in utilizing the economic, social, cultural and information technology resources to run their business and participate in global tourism exports.

There are three expected objectives in this research: (1) mapping the business and investment opportunities that small and medium-sized entrepreneurs can exploit from global tourism expansion in Bali, (2) identifying economic, social, cultural, and information technology resources owned by small and medium-sized entrepreneurs in tourism sector in Bali, and (3) studying the ability of the small and medium-sized entrepreneurs in the field of tourism in

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managing the economic, social, cultural, and information technology resources to support their business activities.

LITERATURE REVIEW

The Paradox of International Tourism

Tourism, in addition to being a source of foreign exchange, can also transform the economies of one country from a traditional farming society into a more modern industrial society. International tourism is considered to be able to encourage national development because its small-scale labour-intensive technology that local entrepreneurs can own, and it does not require much importation of raw materials, so that can lessen the use of foreign exchange and the local communities can benefit from employment available, so as to provide additional income for local communities. International tourism can be regarded as a process of transactions involving outside forces, namely the demands of world markets and multinational corporations, as well as the local strengths of the local people, groups, and entrepreneurs. In this context, local entrepreneurs, especially small and medium-sized entrepreneurs, can participate and benefit from global tourism expansion.

The era of globalization with all its consequences is a necessity that must be faced by all parties, including by small and medium-sized entrepreneurs of tourism services business in Bali. To be able to survive in the tourism sector at this time of age, small and medium-sized entrepreneurs do not just rely on economic resources (like money, land, technology), human resources (soft skill and hard skill), natural resources, and cultural resources, but also require social resources in the form of social interaction (participation, trust, norms, and values). This integration of these resources is believed to be able to make an entity able to live sustainably in the global era which is full of a very tight competition and risk and uncertainty (Takwin, 2012). Therefore, it means that for the small and medium-sized entrepreneurs to be able to face the global market, especially in this AEC, in the field of tourism in Bali, they must form a community and cooperate for the sake of mutual interest to survive at this time of age.

Local Cultural Resources and Social Resources Potential

The local culture of Bali holds a number of potential values governing institutional societies, norms, and customary law. The values of democracy, peaceful living, tolerance, with the spirit of brotherhood (*menyama-braya*). The values of democracy in the concept of *menyama-braya* are believed to be the social and cultural-religious resources which are very useful if applied in the field of business management.

Local wisdom traced through the potential of Balinese culture with the symbol of *menyama-braya* is contained in the spirit of togetherness as described by Zuhro (2009). In the dynamics of global life, global market competition has an impact on Balinese social change, which can strengthen the resilience of local wisdom, and vice versa, can weaken the resilience of local culture. The local wisdom of Balinese culture embodied in the spirit of *menyama-braya* such as respect for individual rights, cooperative spirit, and tolerance in dissenting opinion are the basic resources that can be applied to the foundation of social resources as formulated by Putnam

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(1995). The social change of society that occurs as a result of the influence of the global market is a dynamic process that impacts the opportunities, challenges, and successes of social change to strengthen the local values and the social structure.

Menyama-braya Democracy in the globalization of social change, ie market and capitalist transformation can be in the form of respect for individual rights, caring for karma, cooperative spirit, equality and respect for citizens' rights, tolerance of dissenting opinion, transparency and accountability of stakeholders, and participation of the society in public policy.

The development of social capital potential as an alternative in the development of competitive business has been pioneered by DiMaggio and Powell (2001) by applying social capital as a new force in managing the competitiveness of a business enterprise. Balinese culture with local wisdom as presented in the concept of *menyama-braya*, has the same direction as the concept of social capital as pioneered by Putnam and Di Maggie and Powell. In developing business activities always require means of communicating with each other. Entrepreneurs as individuals will strive to develop the ability to adapt themselves to work together within an organization. Organized patterns of cooperation based on specific goals that are interconnected with one another are determined by the depth of the social relationship pattern (Corroding, 2000).

Trust is one aspect of social resources that forms the basic foundation for the interconnection of communities in togetherness; all people belonging to the community get a share of the benefits of business activities so that it can be a trigger and impact the welfare of the community. The social resources approach is to implement human resource development through networking potential including bonding, bridging, and linkage.

One form of community activities that can be developed as a social resource to encourage production and added value is the norm of mutual cooperation organization. Thus, the perspective of entrepreneurs about the norm of mutual cooperation as the social power can be realized in the production and investment activities, so the potential of mutual cooperation can become a real force as the resource for the development of the organization.

RESEARCH METHODS

This research used survey method that is research that takes the sample from the population and uses questioner as data collecting tool. The approach used in this research was a quantitative approach. In addition, this study also used a qualitative approach in order to obtain information widely through observations and in-depth interviews. An in-depth interview is a process of obtaining information in depth by means of question and answer face to face between the interviewers with the interviewee using interview guidelines.

This study was conducted in two districts of Bulling and Gainer. The choice of these two regions was because the existence of the plurality of economic, social, cultural, and information characteristics of the small and medium-sized entrepreneurs is closely related to geographical aspects. Therefore, the locations of Bulling and Gainer were estimated to represent the plurality.

The population in this study was the small and medium-sized business actors in the tourism sector who are still actively running the business of tourism services and interacting with tourists, both domestic and foreign. They are located in the District of Bulling and Gainer, Bali Province. The number of SMEs Business Tourism services amounted to 428 units spread 112

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units in Bulling district and 316 units in Gainer district. Based on calculations using Solving, the sample size of 206 samples was obtained with details as follows, 54 samples from Bulling and 152 samples from Gainer. A random way was used to determine the sample members.

Methods of data analysis used in this study (1) Descriptive analysis, this analysis were used to interpret information obtained through in-depth interviews. The purpose of this analysis is to strengthen the data obtained from the survey, and (2) Descriptive statistics, this method was used to see the distribution of research variables. The statistics used were mean and percentage distribution.

RESULTS AND DISCUSSION

Social, Economic, and Demographic Characteristics of Small and Medium-sized Enterprises in Bali

In this research, the minimum age limit of respondents was 20 years with consideration, that with that age, the respondents are able to answer questions. Of all samples (n = 206) about 97.57 percent of prime-age with a range of ages 26 to 62 years. This age range is very productive and still energetic in conducting economic activity. Physical and psychological abilities of a person in this age range are excellent because as an entrepreneur not only requires adequate physical condition but also psychic ability since an entrepreneur also requires a rational consideration in making business decisions and the courage to take business risks even in uncertainty. In addition, creative, innovative attitude, the initiative to seek information for business progress, as well as the attitude of independence is usually more stable as the entrepreneur becomes more mature.

The reality of the field shows that there are entrepreneurs who were <25 years old. This condition occurs because they took over the business from their parents at a very young age, making them in the position of "learning by doing" in running the business. There was 19.91 percent of entrepreneurs aged over 55 years. Some respondents said being an entrepreneur is a staple job. Characteristics of Socio-economic Respondents of SME actors are presented in Table 1.

Table 1. Characteristics of Socio-Economic Actors SME in Bulling and Gainer Regency, Year 2017

No	Characteristics of Respondents	Bulling	Bulling		Gainer		
		Regency	Regency		Regency		
		n	%	n	%	n	%
1	Age						
	< 24	2	3.70	6	3.95	8	3.88
	25-34	10	52.00	32	21.05	42	20.39
	35-44	16	29.63	47	30.92	63	30.58
	45-54	15	27.78	37	24.34	52	25.24
	55-64	9	67.00	27	17.76	36	17.48
	>65	2	3.70	3	1.98	5	2.43

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2	Education						
	Elementary School	6	11.11	12	7.89	18	8.74
	Junior High School	12	22.22	33	21.71	45	21.84
	High School	26	48.15	67	44.08	93	45.14
	Diploma	5	9,26	20	13.16	25	12.14
	Bachelor	5	9.26	20	13.16	25	12.14
3	Gender						
	Man	28	51.85	77	50.65	105	50.97
	Women	26	48.15	75	49.34	101	49.03
4	Income						
	< 999	6	11.11	6	3.95	12	5.83
	1.000-1.999	19	35.18	40	26.32	59	28.64
	2.000-2.999	20	37.04	52	34.21	72	34.95
	3.000-3.999	6	11.11	33	21.71	39	18.93
	> 4.000	3	5.56	21	13.81	24	11.65
5	Length of stay						
	5-10						
	11-19	14	25.93	33	21.71	47	22.82
	>20	17	31.438	49	32.24	66	32.04
		23	42.59	70	46.05	93	45.14
Tota	1	54	100	152	100	206	100

Source: Primary Data, Year 2017

From the distribution of respondents by sex, that there is about 51 percent of male entrepreneurs and 49 percent of women entrepreneurs. Viewed by region, there is no difference in gender patterns. In both areas, the number of small and medium-sized entrepreneurs is dominated by male. The dominant value in Indonesian culture including Bali says that men are basically the head of the household, while women are taking care of the household. However, this time the value has shifted with the emancipation movement and better education of women.

From the distribution of respondents by education level, it turns out the majority are at the level of high school education level. The education level of respondents in Gainer is higher than the respondents' education level in Bulling. The level of education is a very important dimension in the context of the business world because the level of education also affects the sustainability of a business.

Seen from the length of stay, the results show that the majority of respondents in the two research areas have been living for more than 20 years. The length of time a person lives in a certain environment and his experience of interacting with the environment can affect the performance of the business undertaken.

Economic Resources Potential

Economic resources play a major role in seizing business opportunities from the development of global tourism. The results show that most entrepreneurs (67.96 percent) claimed that the amount

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of business capital was around 50 million Rupiahs or more, only 32.04 percent stated that the capital investment was less than 50 million rupiahs. The average capital investment in Gainer is higher than that of business in Bulling.

Viewed from the form of business, most small and medium-sized enterprises which are in the form of private companies for about 54 percent, 38 percent of them is in the form of trading businesses, and the rest is in the form of the company. In terms of duration of business, about 65 percent aged 5-10 years. The rest have been in business for more than 15 years.

In terms of the labors employed, most of the small and medium-sized entrepreneurs (68 percent) employ fewer than 20 employees, in this case, they are categorized as small businesses, and the rest employ more than 40 workers, in this case, they are categorized as medium-sized enterprises. Regarding the status of capital ownership, indicates that 44 percent of entrepreneurs use loan capital, the rest is using their own capital. In terms of ownership of the place of business, almost 48 percent have their own place of business, the rest still rent a place of business, a few of the places of business is the profit-sharing system with the owner of the place of business. The economic resources potential owned by the small and medium-sized entrepreneurs in Bulling and Gainer Regency can be seen in Table 2.

No	Component	Bulling Regency		Gainer Regency		Total	
		n	%	n	%	n	%
1	Total Business Capital						
	(Million rupiah)						
	< 25	15	27.78	15	9.87	30	14.56
	25 - 49	11	20.37	25	16.45	36	17.48
	50 - 74	11	20.37	42	26.32	51	24.76
	75 - 99	10	18.52	43	28,29	53	25.73
	>100	7	12.96	29	19.07	36	17.47
2	Status of Ownership of Business						
	Capital						
	Loan Capital	22	40.74	69	45.39	91	44.17
	Owner's equity	20	37.04	56	36.85	76	36.89
	Joint Venture Capital	12	22.22	27	17.76	39	18.94
3	Business Ownership Status						
	Hire	15	28.85	55	36.18	75	36.41
	Own place of business	29	55.77	70	46.05	99	48.05
	Profit sharing with the Owner of	8	15.38	27	17.77	32	15.54
	the place of business						
4	Long Running business						
	< 5 years	11	21.15	17	11.04	28	13.59
	5– 10 years	23	44.23	112	72.73	135	65.53

Table 2. Potential Economic Capital of SME In Bulling and Gainer Regency, Year 2017

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	>10 years	18	34.62	25	16.23	43	20.88
4	Total of manpower						
	< 5 people	25	46.30	40	26.32	65	31.55
	5-20 people	19	35.19	60	39.47	79	38.35
	>20 people	10	18,52	52	34.21	62	30.10
Tota	վ	54	100	152	100	206	100

Source: Primary Data, Year 2017

Social Resources Potential

To be able to balance the development of tourism today, small and medium-sized entrepreneurs are required to be able to increase their creativity and ability to establish social relationships with various circles of the community coming from different social classes. In this case, social resources mean the ability of the entrepreneur to establish social relationships with other social groups, involvement in members of certain professional associations and some forms of cooperation that have been made with similar entrepreneurs or other businesses.

The results showed that in Bulling as much as 56 percent of the entrepreneurs, and in Gainer as much as 88 percent of the entrepreneurs know there are similar businesses around their respective areas. It can be said that there is the homogeneity of the tourism business spread and conducted by the population in accordance with the characteristics and capabilities. The ability to utilize social resources in Gainer is better than the ability of the small and medium-sized entrepreneurs in Bulling Regency.

The involvement of SMEs in Bulling District in the associations or communities is not very encouraging. There is only 15 percent involved in groups such as HIPMI, Souvenir Merchants Union, and other groups. While in Gainer District, almost 65 percent of them are involved in association groups, such as PHRI, HIPMI, Karin, Souvenir Associations, and others.

Some considerations are given by the entrepreneurs when answering the motivation to enter the associations (1) adding network/relations, (2) obtaining information, (3) training, (4) for unity, (5) obligation. The fact shows that the involvement in the association is expected to establish unity among SME tourism actors who give each other information and add insight to each other.

Some of the opportunities that can be viewed as the ability of entrepreneurs to improve or sustain their business are to establish relationships with officials or with the important people at the district and provincial levels. By having an acquaintance with officials or important people is believed to be able to support the smoothness of their business. The potential of the Social resources owned by SMEs in Bulling and Gainer districts are presented in Table 3.

No	Component	Bulling Regency		Gainer Regency		Total	
		n	%	n	%	n	%
1	Participation In Organizations						
	Not involved	24	44.44	36	23.68	60	29.13
	Get involved in 1 person	22	40.74	52	34.21	74	35.92

Table 3. Potential of Social Capital of SME In Bulling and Gainer Regency, Year 2017

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	Get involved in> 2 people	8	14.82	64	42.11	72	34.95
2	Intensity Communication						
2	between entrepreneurs (in the						
	past month)						
	Never	24	44.44	28	18.42	52	25.24
	1- 2 times a month	20	37.04	72	47.37	92	44.66
	> 2 times a month	10	18.52	52	34.21	62	30.10
3	Relationshipswith	10	10.52	52	34.21	02	30.10
5	-						
	village	24	4 4 4 4	100	00.02	1 477	71.26
	There is	24	44.44	123	80.92	147	71.36
	There is no	30	55.56	29	19.08	59	28.64
4	Number of business partners						
	There is no	24	44.44	20	13.16	44	21.36
	1-5 people	20	37.04	83	54.61	103	50.00
	> 5 people	10	18,52	49	32.23	59	28.64
5	Motivation to enter the						
	association						
	Must	10	18.52	28	18.42	38	18.45
	Unity	8	14.81	22	14.47	30	14.56
	Add a network	15	27.78	36	23.68	51	24.76
	Obtain information	19	35.19	51	33.55	70	33.98
	Others	2	3.70	15	9.88	17	8.25
	Total	54	100	152	100	206	100

Source: Primary Data, Year 2017

Cultural Resources Potential

In order to improve the business performance of SMEs actors, it needs to be balanced with the ability to cultivate the existing cultural resources. The cultural resources, in this case, concerns with the entrepreneur understand of the aspects of local culture that can be used for their business. Some of the aspects included in the cultural resources are the ability to appreciate local art, traditions, and history, traditional food and drink, as well as the use of local architecture and crafts. The results showed that the ability of SMEs to local arts and literature is quite good. Another ability that is seen as cultural resources use is the ability to make some traditional food and drink. In both areas of research, they have been able to make their own regional traditional food and drink. The awareness and understanding of values and customs is the cultural resources that SMEs need to have in order to support their business

By being able to optimize the existence of social and cultural resources is expected that the small and medium-sized entrepreneurs are able to take part in the development of global tourism today. The potential of Cultural Resources owned by SMEs in Bulling and Gainer is as shown in Table 4.

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No	Component	Bulling		Gainer		Total	
	-	Regency	/	Regenc	² y		
		n	%	n	%	n	%
1	Understanding of local values						
	Understand	34	62.96	82	53.95	116	56.31
	Do not understand	20	37.04	70	46.05	90	43.69
2	Use of local Ornaments in						
	Building architecture						
	Yes	18	33.33	110	72.37	128	62.14
	No	36	66.67	42	27.63	78	37.86
3	Ability to appreciate local arts						
	Very good	29	53.70	62	40.79	91	44.17
	Pretty good	15	27.78	50	32.89	65	31.55
	Not good	10	18.52	40	26.32	50	24.28
4	Understanding of food / drink						6
	typical of the region						
	Understand	28	51.85	103	67.76	131	3.59
	Do not understand	26	48.15	49	32.24	75	36.41

Table 4. Potential of Cultural Capital Owned by SME in Bulling and Gainer Regency, Year 2017

Source: Primary Data, Year 2017

Information Technology Resources Potential

Technology plays an important role in an industry. Technological developments undertaken by an industry greatly affect the amount of production and employment. In this research, the type of technology used by respondents is divided into the simple and modern technology. A total of 72 percent of entrepreneurs use modern technology in their business both during the production process and the company's operations. The rest still use simple technology. The use of modern technology is not only limited to the production process alone but on the whole process of the business that runs including promotion and marketing. The potential of the information technology resources owned by SMEs as shown in Table 5.

Table 5. Potential of Information Technology Capital of SME In Bulling and Gainer Regency,

	Year 2017							
No	Component	Bulling		Gainer		Total		
		Regency		Regency				
		n	%	n	%	n	%	
1	Use of technology in the production							
	process							
	Traditional	32	59.26	64	42.11	96	46.60	
	Modern	22	40.74	88	57.89	110	53.40	

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2	Utilization of the Internet in obtaining information		20.00	72	40.02	0.4	15.62
	Yes	21	38.89	15	48.03	94	45.63
	no	33	61.11	79	51.97	112	54.37
		Total		54		1	

Source: Primary Data, Year 2017

Business Opportunities of SMEs in Buleleng and Gainer District

Tourism growing in Bulling and Gainer regency is marked by the increasing number of both domestic and foreign tourists visiting. This situation can provide big opportunities for small and medium-sized entrepreneurs. Opportunities that can be utilized not only in the tourism sector but other sectors can also contribute to meet the needs of these tourists. Business opportunities that can be utilized by small and medium-sized entrepreneurs can be seen in Table 6 and Table 7.

Table 6. Business Opportunities of SMEs in Buleleng District

No	Sector	Business opportunities
1	Agriculture	 Production and packaging of thetraditional Bulling coffee products for local markets, tourists and export markets Virginia tobacco production Cultivation of vanilla Development of cashew products in packaging for local or export markets Development of agro-plantation such as coffee, vanilla, cashew nut, cocoa, and tobacco
2	Fishery	 Sea Fishing Cultivation of groper/milk fish Cultivation of Seaweed Cultivation of Windu Shrimp Milk fish Hatchery Cultivation of Giant Prawns Cultivation of Ornamental fish Ccultivation of pearls Processing and packaging of fisheries
3	Tourism	 Provision of small-scale tourist accommodation Development of artificial tourist attraction in both land and sea areas Development of nature-based tourism activities Development of cultural tourism attractions Development of marine based events, agriculture, or even culture-based events Old city-based tourism development

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Industrial	- Development of Buleleng songket craft
	- Development of handicraft industry sales centre
	- Development of bamboo craft industry
	- Development of silver craftsmanship
	- Development of the industry
Farms	- Development of small and medium-scale cattle farms
	- The butchery and packing of beef to meet the needs of tourists or inter
	island market
	- Cattle feed business

Source: Primary Data, 2017

Table 7. Business Opportunities of SMEs in Gainer District

No	Sector	Business opportunities
1	Processing industry	Household industry of art craft
2	Building Sector	Construction activities for residential and non residential buildings
3	Finance, Leasing and Corporate Services Sector	Financial services such as cooperative microfinance institutions, BPRs, equipment rental, rental of buildings, land, houses, shops and buildings, and insurance services
4	Trade, Hotel and Restaurant Sectors	Tourist lodge, small scale hotel, villa, restaurant, etc.
5	Services Sector	Health services, such as clinic hospitals and pharmacies, tourist services such as spas, recreational services, personal services such as barber salons, entertainment services, and more.
6	Mining and Quarrying Sector	Rock rocks, and other dig c's
7	Transportation and Communications Sectors	Transportation of goods and transportation for tourism
8	Agriculture, Livestock, Forestry, and Fisheries Sector	Food crops, plantations, and horticulture, cattle, pigs, and fisheries.

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Water Sector business and electricity provider	9	Electricity, C	Gas a	nd	LPG gas distributor, bottled water, and electric installation
		Water Sector			business and electricity provider

CONCLUSION

From the discussion that has been described, the following conclusions are obtained: (1) small and medium-sized entrepreneurs dominate] the working age group, the business run is the main job of the entrepreneurs and they have responsibilities to the family in large numbers, (2) the distribution of business locations are generally located in strategic places, such as around tourist objects that are often visited by many tourists, (3) social resources owned by small and mediumsized entrepreneurs, especially in the involvement with business associations, play a big role in supporting business activities, (4) understanding the values and customs is a cultural resource that must be owned (5) the utilization of information technology is very helpful for the development of SMEs in Bali, (6) the existence of social and cultural resources was able to play a role in the development of tourism in the future, and (7) business opportunities that can be utilized by small and medium-sized entrepreneurs in global tourism development in Bali are found in various business sectors such as agriculture, plantation, fishery, tourism, transportation and other services.

In order to be able to keep up with the current development of tourism, small and mediumsized entrepreneurs are required to be able to increase their creativity and ability to establish social relationships with various groups from different social classes.

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