



The Effect of Business Ethics and Social Responsibility Relationships on Consumer Satisfaction of BumDes Agrotourism Petik Melon

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Received : December 7, 2024

Revised : December 27, 2024

Published: December 30, 2024

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ABSTRACT

BumDes Agrotourism Petik Melon faces significant challenges, including intense competition with similar businesses and increasing consumer demands for high-quality tourism experiences. This study aims to analyze the impact of business ethics and social responsibility on consumer satisfaction at BumDes Agrowisata Petik Melon in Balongwono, Trowulan Mojokerto. Using a quantitative approach, the study explores the significance of the relationships between the variables. Data were collected through questionnaires with purposive sampling. The results show that business ethics and social responsibility positively and significantly affect consumer satisfaction. Simultaneous analysis indicates that these variables have a significant collective effect, with an F-value of 28.765 and a significance level of 0.000 (below 0.05), suggesting that the tested factors significantly contribute to the dependent variable. The coefficient of determination reveals that the regression model explains a substantial portion of the data variability, with an R Square value of 0.672, meaning that the independent variables explain 67.2% of the variability in the dependent variable. This research highlights the significant impact of business ethics and social responsibility on consumer satisfaction, suggesting that consumers value ethical business practices and social responsibility, which in turn enhance their satisfaction with services. The novelty of this study lies in its focus on the role of ethics and social responsibility in agrotourism, providing new insights into rural business strategies. Future research could broaden the scope by exploring additional variables like environmental sustainability, expanding the sample size, and comparing multiple agrotourism locations for generalizability.

Keywords: Ethics, Social Responsibility, Agritourism, Consumer Satisfaction

INTRODUCTION

Village-owned enterprises (BumDes) function as business institutions managed by village communities, which aim to improve the local economy and village independence. In the context of village economic development, BumDes plays a vital role in optimizing local potential through various businesses that can improve community welfare. One of the innovative BumDes models developing in Indonesia is agritourism, which combines the agriculture and tourism sectors to increase village income while introducing natural potential to visitors (Putra & Wijaya, 2022). The Petik Melon Agrotourism BumDes located in Balongwono Village, Trowulan Subdistrict, Mojokerto, is an example of a BumDes business that successfully integrates melon farming with the tourism sector, providing economic benefits while supporting nature conservation and empowering village communities (Hidayat & Suryani, 2023).

However, the success of a BumDes business depends not only on the economic aspect but also on the implementation of sound business ethics and high social responsibility. Business ethics applied in BumDes are essential to create consumer trust and ensure business sustainability. Good business ethics practices include price transparency, honest service, and fair treatment of consumers (Sugiyanto, 2020). In addition, corporate social

responsibility (CSR) in the context of BumDes includes contributions to social development, empowerment of village communities, and protection of a sustainable environment (Prasetyo & Yulianto, 2021).

BumDes Agrotourism Petik Melon faces several key challenges, such as intense competition with similar businesses and consumers' increasing demands for quality tourism experiences. In addition, the need to maintain business continuity through sustainable business practices is becoming increasingly urgent. Active engagement in business ethics and social responsibility will significantly influence consumer satisfaction and can improve the competitiveness of BumDes' businesses in the long run (Putra & Wijaya, 2022). This study aims to explore the relationship between business ethics and social responsibility on customer satisfaction at BumDes Agrotourism Petik Melon, and its impact on business sustainability and village economic development.

This research offers novelty by analyzing the influence of business ethics and social responsibility in the management of BumDes, especially in the agritourism sector, which is relatively new in village economic research. The focus on the interaction between these two aspects in the context of BumDes businesses based on agriculture and tourism has not been studied in depth. Therefore, the results of this study are expected to provide new insights into the village economic development literature and provide practical guidance for BumDes managers in facing challenges and improving the sustainability of their businesses (Hidayat & Suryani, 2023). In addition, this study contributes to developing a theoretical framework regarding social responsibility in the context of the village economy, which has not been widely discussed in previous literature.

The theoretical implication of this research is to enrich the literature on business ethics and social responsibility in the context of BumDes, with an emphasis on fair, transparent, and sustainable practices. In addition, this research also contributes to the development of a broader social responsibility framework, which can help BumDes contribute to community welfare and create an inclusive village economic model. Practically, the results of this study are expected to provide guidelines for BumDes managers in formulating more effective strategies to improve service quality and village economic empowerment, which in turn can strengthen the local economy and create sustainable business opportunities. Based on the problem description, this study aims to analyze the effect of business ethics and social responsibility on customer satisfaction with BumDes Agrotourism Petik Melon.

RESEARCH METHODS

Research Approach

This research uses a quantitative approach with explanatory research methods. The research location was at BumDes Agrotourism Petik Melon, Balongwono Village, Trowulan District, Mojokerto Regency. This research uses a quantitative approach with the type of explanatory research, which aims to explain the causal relationship between research variables:

Location and Time of Research

Research Location

This research was conducted at BumDes Agrotourism Petik Melon, located in Balongwono Village, Trowulan District, Mojokerto Regency, East Java Province. The selection of this location was based on several important considerations that support the relevance and contribution of the research to the development of the BumDes model in Indonesia.

Location Selection Considerations

1. Representative of Innovative BumDes Model

BumDes Agrotourism Petik Melon was chosen because it represents a BumDes that applies innovative concepts in developing village potential. As a village-owned enterprise, this BumDes integrates the concept of agritourism with melon-picking activities that not only support the village economy but also create business opportunities and employment for the surrounding community. This model is considered a good example for other villages that want to develop similar businesses.

2. Unique Agritourism Concept

The agro-tourism offered at BumDes Agrotourism Petik Melon has its charm: the experience of picking melons directly from the garden. This concept combines education, entertainment, and interaction with nature, providing an experience that is different from other agro-tourism. The uniqueness of this concept makes it an appropriate choice for research that focuses on the sustainability of agritourism as a village-based economic sector.

3. Potential for Village Economic Development

This location was also chosen because it has excellent potential for village economic development. With the existence of BumDes Agrotourism Petik Melon, Balongwono Village has opened up new opportunities for the local community to obtain additional income, both through the tourism and agribusiness sectors. This potential makes agritourism a major driver in improving the community's economic welfare, which is the main focus of this research.

Population and Sample

The study population was all BumDes Agrotourism Petik Melon consumers who had specific criteria, namely those who had visited the agrotourism, participated in melon picking activities, and lived in Mojokerto and surrounding areas. This consumer profile shows that this agritourism attracts residents and visitors from the surrounding area interested in the melon picking tourism experience.

The sampling technique used in this study was purposive sampling, with the following sample criteria: consumers who have visited BumDes Agrotourism Petik Melon at least once in the last six months, are at least 17 years old and can provide an objective assessment of the services received. The selection of samples based on these criteria aims to ensure that respondents have relevant experience and can provide accurate and valuable information in this study.

Sample Calculation

The sample size uses the Slovin formula, and the mathematical operationalization formula is as follows:

$$n = 1 + \frac{N}{N \cdot e^2}$$

Description:

- n = number of samples required
- N = total population
- e = error rate (error margin), in this case 5% or 0.05

Research Variables

The variables of this study include various aspects relevant to evaluating the performance of BumDes Agrotourism Petik Melon. The main variables include customer satisfaction, service quality, and socioeconomic impact on the surrounding community. In addition, factors such as tourism experience, facilities provided, and consumer perceptions of agritourism management were also analyzed to get a comprehensive picture of the factors that influence the success and sustainability of this business.

Table 1. Lattice of research variables

No	Variables	Indicators
Dependent		
1	Consumer Satisfaction (Y)	Product quality Service quality Experience value Repeat visit interest
Independent		
2	Business Ethics (X1)	Transparency Honesty Fairness Integrity
3	Social Responsibility (X2)	Economic empowerment Environmental preservation Community contribution Local human resource development
	Variables Dependent	

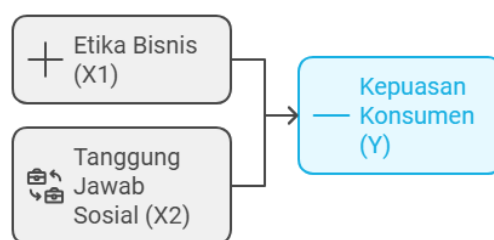


Figure 1. Research Variables Scheme

Data Collection Instruments

1. Questionnaire

This study uses a structured list of questions to collect respondents' data systematically. Each question was answered using a 1-5 Likert scale, which allowed respondents to provide a rating based on their level of agreement or disagreement. The questionnaire was completed directly by the respondents, ensuring that the data collected was accurate and reliable for further analysis.

2. In-depth Interviews

Key informants in this research include BumDes managers, community leaders, and representative consumers. BumDes managers provided insights related to agritourism management and development strategies, while community leaders played an important role in providing perspectives on the resulting social and economic impacts. On the other hand, representative consumers provided input related to their experiences, which helped illustrate service quality and visitor satisfaction. The combination of perspectives from these three groups provides a comprehensive picture of the dynamics and success of the Petik Melon Agrotourism Village.

3. Field Observation

Field observations were conducted through direct observation of various activities at BumDes Agrotourism Petik Melon. This process includes detailed documentation of the business flow, interactions between managers and consumers, and daily operations. In addition, objective conditions at the location were recorded to record all factors affecting agritourism's performance and sustainability, such as facilities, services, and consumer responses. This observation method provides an in-depth understanding of the practices in the field, which is helpful for further analysis.

Data Analysis Technique

This study used the latest version of SPSS software, Microsoft Excel, and other supporting statistical applications to process and analyze data. The research activities consisted of several phases, starting with 1 month of preparation, which included planning and organizing resources. Data collection was conducted over a 2-month period, followed by 1 month of data processing to ensure the accuracy and completeness of the information collected. The final stage, analysis, and reporting, lasted 1 month to compile the research results and implementable recommendations.

In this study, the statistical analysis methods used to measure the effect of BumDes Agrotourism Petik Melon on village economic development and customer satisfaction include:

1. Validity Test

To test the validity of the research instrument, Product Moment Correlation is used between the score of each item and the total score. The item is considered valid if the significance value is smaller than 0.05.

2. Reliability Test

Reliability is measured using Cronbach's Alpha. The instrument is considered reliable if the Cronbach's Alpha value is more than 0.6.

3. Multiple Linear Regression Analysis

To analyze the relationship between independent variables (such as service quality, facilities, and customer experience) and dependent variables (such as customer satisfaction and contribution to the village economy), multiple linear regression was used with the equation:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \epsilon$$

Where,

Y = dependent variable (customer satisfaction),

X1, X2, X3 = selected independent variables.

ϵ = error

4. Hypothesis Test

The t-test (partial) is used to test the effect of each independent variable. In contrast, the F-test (simultaneous) tests the effect of all independent variables simultaneously on the dependent variable. A significance value (p-value) smaller than 0.05 indicates that the tested relationship is significant.

5. Coefficient of Determination (R²)

The coefficient of determination measures the extent to which the independent variables can explain variability in the dependent variable. A higher R² value indicates that the regression model is better at explaining the relationship between variables.

By using these methods, this study aims to provide a comprehensive picture of the impact of BumDes Agrotourism Petik Melon on the village economy and customer satisfaction and to evaluate the sustainability of this BumDes model as a business that can be applied in other villages.

RESULTS AND DISCUSSION

Characteristics of Respondents

The demographic profile of respondents in this study provides a comprehensive picture of the characteristics of visitors to BumDes Agrotourism Petik Melon.

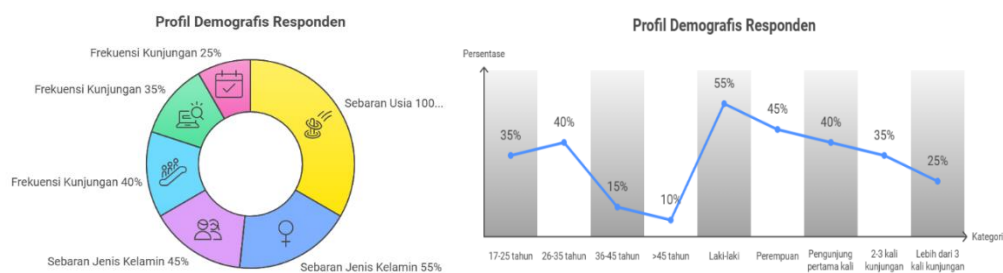


Figure 2. Demographic Profile of Respondents

Respondents came from various age groups, ranging from 17 to more than 45 years old, with a reasonably even proportion in each age range. Respondents' gender was also equally distributed between men and women, reflecting the diversity of participation in agritourism activities. The frequency of visitor visits also varied, ranging from those who came for the first time to those who had visited more than three times. This demographic profile provides important insights for understanding visitation patterns and visitor preferences, which can help design marketing strategies and improve visitor experience in the future.

Table 2. Characteristics of respondents

Characteristics	Category	Total	Percentage
Age	17-25 y.o	42	35%
	26-35 y.o	48	40%
	36-45 y.o	18	15%
	>45 y.o	12	10%
Gender	Male	66	55%
	Female	54	45%
Frequency of visit	First time	48	40%
	2-3 times	42	35%
	<3 times	30	25%
Total Respondents		120	100%

The distribution of respondents in this study covered a wide range of age groups, with a range of 17 to over 45 years. Most respondents were in the age group of 17-25 years, followed by the age groups of 26-35 years,

36-45 years, and over 45 years. In terms of gender, participation consisted of both males and females, providing a balanced picture of the visitors. The frequency of visits by respondents varied, with some being first-time visitors, while others visited the agritourism 2-3 times, and a small number more than three times. These variations in age, gender, and frequency of visits provide valuable insights into understanding the demographic characteristics of visitors to BumDes Agrotourism Petik Melon.

1. The Effect of Business Ethics on Consumer Satisfaction

The results showed that business ethics significantly influences customer satisfaction at BumDes Agrotourism Petik Melon. Good business ethics, such as transparency in business practices, honesty in communication, and fair treatment of consumers, create high trust. Consumers feel more satisfied when they believe that the products and services they receive come from ethical business practices, as shown in the diagram below:



Figure 3. Cycle of Consumer Trust and Loyalty

a. Consumer Trust

Consumer trust is one of the key factors in building long-term relationships. In Petik Melon Agrotourism, consumers who feel that the business operates with integrity will likely provide positive feedback and recommend it to others.

b. Customer Loyalty

Good business ethics also contribute to customer loyalty. Consumers who are satisfied with their experience will likely return and become loyal customers, increasing revenue and business sustainability.

2. The Effect of Social Responsibility on Consumer Satisfaction

Corporate social responsibility (CSR) has also been proven to impact customer satisfaction positively. BumDes Agrotourism Petik Melon implements various CSR programs, such as environmental preservation and support for local communities, which improve the company's image in the eyes of consumers.

Strategi CSR mana yang harus diprioritaskan BumDes untuk meningkatkan keterlibatan konsumen?



Figure 4. CSR strategy for BumDes

a. Environmental Awareness

Consumers are increasingly concerned about environmental and social issues. By implementing sustainable agricultural practices and supporting local communities, BumDes fulfills its social responsibility and attracts the attention of consumers who care about sustainability.

b. Emotional Connection

CSR programs create an emotional connection between consumers and brands. When consumers know they support a business that cares about the community and the environment, they feel more emotionally connected, increasing their satisfaction.

3. Interaction between Business Ethics and Social Responsibility

This study also found an interaction between business ethics and social responsibility in influencing consumer satisfaction. When these two aspects are applied together, the impact is much more significant than when only one is applied.

a. Positive Synergy

Strong business ethics strengthen CSR initiatives, and conversely, effective CSR programs enhance the reputation of a company's business ethics. This creates a positive synergy that can improve the overall consumer experience.

b. Improved Corporate Image

The combination of business ethics and social responsibility creates a positive corporate image in the eyes of the public. This positive image not only attracts more consumers but also creates long-term loyalty.

Descriptive Analysis of Research Variables

Business Ethics (X1)

Good business ethics practices in BumDes Agrotourism Petik Melon include three main aspects, namely transparency, honesty, and fairness.

Table 3. Business Ethics Assessment Indicators (X1)

Indicators	Sub-Indicators	Average score	Category
Transparency	Clarity of price information	4.2	Very Good
	Product disclosure	4.1	Good
	Service communication	4.3	Very Good
Honesty	Promise fulfillment	4.0	Very good
	Error acknowledgment	3.9	Good
	Accurate information	4.2	Good
Fairness	Consumer treatment	4.4	Very good
	Queuing system	4.3	Very good
	Consumer rights	4.2	Very good
Total average		4.2	Very good

Source: Research data after processing.

Transparency is reflected in the clarity of price information and the openness of the products offered, as well as clear service communication to consumers. Honesty is applied through conformity between promises made and services provided, as well as recognition of errors that may occur, accompanied by the provision of accurate information. Meanwhile, the principle of justice is realized in the fair treatment of all consumers, the implementation of an efficient queuing system, and respect for consumer rights, thus creating a satisfying experience and building sustainable trust.

Social Responsibility (X2)

BumDes Agrotourism Petik Melon significantly contributes to village economic empowerment by increasing village income, training the community, and providing local employment opportunities. In addition, aspects of environmental preservation also receive attention, such as implementing sustainable agricultural practices, wise land management, and environmental education for the surrounding community.

Table 4. Social Responsibility Assessment Indicators (X2)

Indicators	Sub-Indicators	Average score	Category
Economic	- Village income contribution	4.1	Good
Empowerment	- Community training	3.9	Good
	- Local employment opportunities	4.2	Very good
Environmental Preservation	- Sustainable agricultural practices	4.3	Very good
	- Land management	4.2	Very good
	- Environmental education	4.0	Very good
Community Contribution	- Social program	3.8	Good
	- Citizen engagement	4.1	Good
	- Infrastructure development	4.0	Good
Total average		4.1	Good

Source: Research data after processing.

On the other hand, the contribution to the community is also reflected in the various social programs implemented, the active involvement of residents in business management, and the development of infrastructure that supports community welfare. Overall, this BumDes is focused on economic success and seeks to create a positive impact on society and the environment, thereby supporting sustainable development at the local level.

Consumer Satisfaction (Y)

Product quality, service, and tourism experience influence customer satisfaction at BumDes Agrotourism Petik Melon.

Table 5. Indicator of Consumer Satisfaction Assessment (Y)

Indicators	Sub-Indicators	Average score	Category
Product Quality	- Freshness of melon	4.5	Very good
	- Product variety	4.2	Very good
	- Cleanliness	4.4	Very good
Service Quality	- Friendliness of officers	4.3	Very good
	- Speed of service	4.1	Good
	- Ease of information	4.2	Very good
Travel Experience	- Melon picking concept	4.6	Very good
	- Supporting facilities	4.3	Very good
	- Agritourism atmosphere	4.4	Very good
Total average		4.3	Very good

Source: Research data after processing.

Product quality is reflected in the freshness of melons picked directly from the garden, the variety of products offered, and the well-maintained hygiene level. On the other hand, service quality is determined by the friendliness of the staff who welcome visitors, efficient service speed, and ease of obtaining information related to products and services. The tourism experience is also greatly influenced by the unique and interactive concept of melon picking, adequate supporting facilities for visitor comfort, and the natural and pleasant atmosphere of agritourism, all of which contribute to the creation of a satisfying tourism experience.

Hypothesis Testing

Table 6. Multiple Linear Regression Analysis

Variable	Coefficient	T-count	Significant	Conclusion
Business Ethics (X1)	0,256	3,642	0,000	Significant
Social Responsibility (X2)	0,342	4,213	0,000	Significant
F Test (Simultaneous)	F-count: 28,756	Significance: 0,000	Significant Influence	
Coefficient of Determination (R2)	0,672	67,2%	Variable Contribution	

Source: Research data after processing.

Coefficient Interpretation

The analysis results show that business ethics (X1) and social responsibility (X2) contribute significantly to the dependent variable. Business ethics (X1) contributed 25.6%, which indicates the important role of good ethical practices in influencing the observed results. Meanwhile, social responsibility (X2) made a more significant contribution of 34.2%, indicating that efforts in implementing social responsibility significantly impact customer success and satisfaction. These two factors, although having different contributions, complement each other in creating added value for the business and increasing customer satisfaction.

T-test (Partial)

1. Business Ethics

Based on the statistical analysis results, business ethics proved to have a significant influence on the variables studied. The t-count value obtained is 3.642, with a significance level of 0.000, indicating that the significance value is smaller than 0.05. This indicates that business ethics significantly contributes to the results observed in this study. Thus, applying sound business ethics is important in influencing customer satisfaction and business success and supporting business sustainability and competitiveness.

2. Social Responsibility

The analysis results show that social responsibility significantly influences the variables studied. With a t-count value of 4.213 and a significance level of 0.000 which is smaller than 0.05, it can be concluded that social responsibility contributes significantly to the results obtained. This indicates that BumDes' efforts in implementing social responsibility programs, such as community empowerment and environmental conservation, significantly impact customer satisfaction and overall business success. Therefore, social responsibility is important in improving competitiveness and business sustainability.

F Test (Simultaneous)

The results of the simultaneous analysis show that the variables studied have a significant influence together. With an F-count value of 28,765 and a significance level of 0.000, which is smaller than 0.05, it can be concluded that the factors tested contribute significantly to the dependent variable. This finding indicates that business ethics and social responsibility simultaneously significantly impact customer satisfaction and business sustainability. Therefore, both aspects must be considered and applied holistically to increase effectiveness and success in business management.

Coefficient of Determination (R²)

The coefficient of determination analysis results indicate that the regression model used can explain most of the variability in the data. The R Square value is 0.672, which means that about 67.2% of the variability in the dependent variable can be explained by the independent variables tested in this model. Meanwhile, the Adjusted R Square value of 0.658 indicates that despite adjustments for the number of variables, the model still fits well with the data. Thus, the Regression Equation Model is as follows:

$$Y = 0.256X_1 + 0.342X_2 + \varepsilon$$

This finding indicates that the factors studied significantly contribute to the dependent variable by a considerable proportion.

CONCLUSION

Based on the study's results, business ethics significantly influences customer satisfaction, while social responsibility also contributes positively to the level of customer satisfaction. This suggests that consumers value ethical business practices and are more concerned for social responsibility, which, in turn, increases their satisfaction with the services provided. As a suggestion, for BumDes Agrotourism Petik Melon, it is important to continue improving business ethics and social responsibility to strengthen relationships with consumers and ensure business sustainability. Future research can expand the scope of the variables studied or use different locations to deepen understanding of the factors influencing agritourism customer satisfaction.

Important recommendations to improve the performance and sustainability of BumDes Agrotourism Petik Melon. First, there is a need to improve business ethics practices to be more consistent and transparent in order to build consumer trust. Second, developing a more structured social responsibility program can strengthen

relationships with the community and increase positive social impact. Third, innovation in sustainable business models is necessary to maintain competitiveness and ensure long-term business sustainability. Finally, continuous education for BumDes managers is essential to improve managerial capacity and knowledge in running effective and efficient operations.

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