



#### Research Article

# The Role of Islam Capital as a Moderator of the Relationship Between Entrepreneurial Behavior on Individual Career Development in Multilevel Marketing Tupperware Distributors in Bandar Lampung City

Vicky F. Sanjaya\*, M. Iqbal Syaifullah, M. Reihan Adjie Arrafi G, Saddam Aziz, Salsa Nurfitriani

Universitas Islam Negeri (UIN) Raden Intan Lampung, Indonesia

#### ORCID

Vicky F. Sanjaya: https://orcid.org/0000-0002-7273-958X

#### Abstract.

One form of entrepreneurship is as a distributor of Multilevel Marketing (MLM). MLM is a modern form of direct selling that can be combined with *Communication and Information Technology* (CIT) in recruiting members (distributors). Becoming a Tupperware distributor is the choice most in demand by the people of Lampung. In Lampung, the Tupperware distributor has been quite dominant in its spread and also its fluctuating sales. Recently, however, there has been a decline in Tupperware indicating obstacles in developing a distributor's career. This study aims to determine whether *entrepreneurial behavior* influences career development and whether *Islamic capital* moderates the relationship between the two variables. This type of research is quantitative, and the total population of the workforce living in Lampung Province was determined using purposive sampling. The data analysis method uses structural equation modeling (SEM) using partial least square (PLS) and data processing is carried out using Smartpls 3 software. The results show that the higher the entrepreneurial behavior, the higher the *Career* development and *Islamic capital* can strengthen the relationship between these variables.

Keywords: entrepreneurial behavior, Islamic capital, career development

Corresponding Author: Vicky F.
Sanjaya; email:
Vicky@radenintan.ac.id

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# 1. Introduction

Poverty in Lampung is still a complex problem and difficult to overcome completely. It is recorded that 11.57 percent or around 1.2 million Lampung residents still live below the poverty line [1]. Entrepreneurship is a form of implementation to meet the level of welfare, in this case eradicating poverty. Entrepreneurs play a role in creating prosperity, equal distribution of wealth, and employment opportunities which function as engines of a country's economic growth [2]. One of the characteristics of developed

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countries is that 12% of the population or citizens work as entrepreneurs. In Indonesia this figure only reaches around 1.65%. Shows the low interest of the population in entrepreneurship. Entrepreneurs are people who own and manage and run their businesses. Entrepreneurs are defined as people who have ideas (ideas man ) and work people ( man of action ) are often associated with innovative or creative people. Entrepreneurs are people who are responsible for compiling, managing, and measuring risk something business business [3].

One form of entrepreneurship is as a distributor of Multilevel Marketing (MLM). MLM MLM is a modern form of direct selling that can be combined with CIT (Communication and Information Technology) in recruiting members (distributors), product transactions and promotions (offers and advertising). products and marketing systems. The MLM concept is a marketing method by creating a network [4]. Listed in the ranking of the 10 most expensive professions in Indonesia, MLM distributors occupy the first position with the highest income earned by MLM entrepreneurs (distributors) of IDR. 100 million – Rp. 200 million per month per month.

Tupperware is a business that implements tiered marketing or Multilevel Marketing. Tupperware is a manufacturing company that produces modern food and beverage storage containers founded by Earl Silas Tupper in 1946. Currently, it is recorded that Tupperware has experienced a decline in net sales of 18% from last year. In March 2023, the company reported a loss of US\$ 28.4 million for 2022 [5]. Tupperware is threatened with bankruptcy after the COVID – 19 pandemics. The decline in Tupperware sales was allegedly due to only implementing a tiered marketing system that was unable to compete in the modern world [6].

In Lampung, the Tupperware distributor has been quite dominant in its distribution and also fluctuating sales. The decline that occurred in Tupperware shows that there are obstacles in distributor career development. Based on the results of research [7]. it is true that entrepreneurial behavior can enhance the career development of MLM distributors based on the products sold. However, based on research conducted by previous researchers (Elisabet, 2016) it turns out that there is an inconsistency between entrepreneurial behavior and career advancement. With this, researchers are interested in adding Islamic capital as a moderating variable. With the reason that MLM distributors in carrying out multilevel marketing strategies are required to have the foresight to improvise to influence other people to want to join together in running an MLM business. Just like any other way of trading, the MLM strategy must fulfill the pillars of buying and selling and good morals (ethics), besides that the commodities being sold must be halal,



fulfill quality and be useful. MLM may not trade products whose halal status is unclear or use promotional production offers without heed and religious norms decency.

## 2. Literature Review

Entrepreneurial Behavior or business behavior is entrepreneurial behavior to identify and exploit opportunities by creating or developing new businesses from existing opportunities [8]. The embodiment of the character, nature and character of entrepreneurship appears in the form of entrepreneurial behavior with the following characteristics: 1) diligent in trying, 2) responsive to opportunities, 3) innovative, 4) daring to take risks, 5) independent.

Islamic capital is built on and gives some specificity to religious and ethnic capital as a collection of convertible resources derived from Islam and used in the transmission of values between generations [9]. The concept of Islamic capital refers to Bourdieu's discussion of three related constructs: first, cultural capital (eg kinship ties), as content that is passed on from parents to their children [9]; second, religious capital (eg Islam), as the production, reproduction, and distribution of religious goods [10]; and thirdly, the family (eg family structure), which has a decisive role in maintaining and reproducing a particular social order through the accumulation and transmission among its members of various forms of capital [11]. The definition of career is interpreted variously by experts according to their disciplines. According to Simamora (2001: 505) a career is "a sequence of activities related to work and behaviors, values, and aspirations somebody during range that person's life". Career development is a condition that indicates an increase in a person's level or status in his work. Based on this explanation, the following is the conceptual framework in this study:

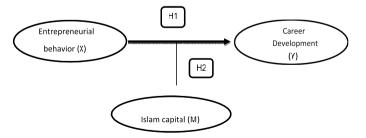


Figure 1: Influence entrepreneurial behavior against development career.

Businessman is business create mark plus with road combine source source through method method new and different For win competition. Mark plus the can created with method develop technology new, find knowledge new find method new For produce



goods And more new services efficient, fix product And existing services there is, and find method new Forgive satisfaction to consumers [2]. According to [12], a businessman must capable person \_ see to front. See to front think with full calculation, search choice from various alternative problem.

According to research that There is influence businessman to development career. And [4] that believe self, orientation task And result, take risk influential significant in a manner simultaneous to development career individual. Whereas according to research (Siti Patchouli, 2010) shows that behavior entrepreneurship brave No influential significant to enhancement individual, and [4]. damn taking risk No influential to development career individual. And [13] that attitude innovative No influential to development career distributor. But next by influential personal characteristics positive And significant to soul entrepreneurship, namely Soul entrepreneurship And motivation influential simultaneous to development distribution career.

Based on a number of research on showing that with Entrepreneurial behavior or behavior own entrepreneurship \_ by entrepreneur in matter This is an MLM distributor. So can increase development his career through several indicators, namely: 1) treatment fair in career , 2) concern para superior direct para employees , 3) information about various opportunity promotion , 4) existence interest For promoted , 5) level satisfaction. Based on some of the data above so can take hypothesis form:

H 1: Entrepreneurial behavior influences positive significant to development career Islam Capital has an important role in determining what kind of attitude is good for improving employee performance. As the largest Muslim country in the world, of course Islamic principles can be used as a basis for making rules or making the right decisions so that no one will be harmed in the future. There are several theories that prove the link between Islamic Capital and Entrepreneurial Behavior, such as the theory of social justice and economic justice. The theory of social justice in Islamic capital requires entrepreneurs to pay attention to the welfare of society and not only pay attention to business profits, entrepreneurs can provide fair employment opportunities, provide positive social and environmental contributions and so on. Meanwhile, the theory of economic justice in Islamic capital requires entrepreneurs to avoid practices that harm consumers and customers, such as monopoly and unfair pricing practices.

In research conducted by [13], Religious Behavior turns out to be able to moderate Service Quality well on Customer Decisions use product BNI Syariah savings in a manner significant. Study the aligned with research conducted by [13], where Religious Behavior as a moderator variable is able to strengthen the relationship between quality Service And quality product to decision customer. However, it turns out results research



conducted by [14], it turns out that religiosity does not moderate the relationship between promotion, marketing sharia characteristics, and trust to interest saving in Islamic banks. No like research conducted by [15], the results his research on religiosity behavior can moderate the relationship between village fund management and improving the welfare of rural communities in Padangsidimpuan City. Based on research conducted by (Budhi. 2019), religiosity can moderate the influence of service quality, image House sick, and satisfaction patient to loyalty patient [16].

Based on the results of this study, it can be concluded that Islamic Capital has a role in strengthening the relationship between variable X and variable Y, so the researchers decided to use Islamic Capital in moderating the relationship between Entrepreneurial Behavior on Career Development, so that the following hypothesis can be formulated:

H **2** : *Islamic capital* moderates the relationship between *Entrepreneurial Behavior* and Career Development.

## 3. Methods

The research methodology used in this research is quantitative research with data processing analysis using Smart PLS. The data collection method uses a survey method, which is used by distributing questionnaires to respondents in the form of a list of questions arranged in writing on the Google Form media and distributed online by means of purposive sampling. The population in this study is the Workforce who are domiciled in Lampung, which is around 4,595.9 thousand in August 2022 reported based on data from the Lampung Central Statistics Agency (Bps. 2022). The sample technique used was purposive sampling which conducted research on a group of subjects with certain characteristics or who were deemed to be closely related to previously known population characteristics. The respondents in this study were 61 people who had experienced or were currently MLM distributors taking into account the development their career.

## 3.1. Operational definitions of variables

The operational definition is the determination of the construct or trait to be studied so that it becomes a measurable variable.

No. Variable Operational definition Research indicators According to You Tang & Mesfin Entrepreneurial Behav- Diligent trying, ior or business behavior is responsive to entrepreneurial behavior to opportunities, Entrepreneurial behavior identify and exploit opportuni- innovative, willing ties by creating or developing to take risks. new businesses from existing independent. opportunities. Fair treatment ir career. concern According to Affandi career for superiors development is a process of Career information about 2. increasing the individual's willdevelopment various promotion ingness to work in order to opportunities, interest achieve the desired career. to be promoted, level of satisfaction. Islamic capital or Islamic capital is an Islamic value that can be used as a basis when starting a business or job. According to Franceschelli Beliefs, Religious and O'Brien Islamic capital Knowledge, Religious 3. Islamic capital builds on and gives some Practices, Experience specificity to religious and and Consequences. ethnic capital as a collection of convertible resources originating from Islam and used

TABLE 1: Variable Operational Definition.

# 4. Result and Discussion

Validity test needs to be done during the data analysis process to find out whether the measuring instruments used in the research are appropriate in measuring the indicators used in the research. Validity test can be measured by looking at the outer loading of indicator items value of  $\boxtimes 0.70$ .

in the transmission of values between generations.

From the results Table 2. So it can be seen that the majority of the indicators in the study have fulfilled the requirements in the validity test and are ready to carry out the next test, namely the reliability test. Reliability test To determine the characteristics of measurement results related to consistency, accuracy and accuracy, a reliability test is needed. The reliability test consists of composite reliability with a standard measurement value of  $\boxtimes$  0.7 and Cronbach alpha with a standard measurement value of  $\boxtimes$  0.7 and average variance extracted (AVE) value of  $\boxtimes$  0.5.

Based on the data in table 3, it shows that each variable in the study has fulfilled the requirements for the composite reliability test, cronbach's alpha, average variance extracted (AVE)

TABLE 2: Outer Loading's.

Indicator	Entrepreneural Behavior	Development Career	Islamic Capital	Information
EB1	0.759			Valid
EB2	0.700			Valid
EB4	0.774			Valid
EB5	0.778			Valid
EB6	0.653			Valid
EB7	0.826			Valid
EB8	0.708			Valid
EB9	0.810			Valid
DC1		0.758		Valid
DC2		0.772		Valid
DC3		0.775		Valid
DC4		0.775		Valid
DC5		0.649		Valid
DC8		0.810		Valid
DC9		0.715		Valid
DC10		0.791		Valid
IC1			0.762	Valid
IC2			0.801	Valid
IC3			0.813	Valid
IC5			0.621	Valid
IC7			0.763	Valid
IC8			0.755	Valid

TABLE 3: Composite reliability, Cronbach's Alpha and AVE.

Variable	Composite reliability	Cronbach's Alpha
Entrepreneurial Behavior	0879	0897
Development Career	0.915	0.906
Islamic Capital	0891	0.872

(Source : Secondary Data , processed 2023)



# 4.1. Hypothesis testing

The criteria for rejecting and accepting the hypothesis in this study are by assessing the T-statistic value or P-value. The t-statistic value (t-count) is compared with the t-table value. The hypothesis is supported if the t-statistic value is greater than the t-table value. Criteria Testing the moderating effect is carried out in three stages where according to [17], testing the moderating effect is carried out by examining the effect of the independent variable on the dependent variable which must have a significant value, then proceed to test the effect of the moderating variable on the dependent variable which must have a significant value, and Finally, testing the interaction and moderator variables, if the value is significant, the main model effect is not significant, when the t-statistic value is > t-table value with a significance level of 0.05 or p-value <0.05, then the moderation is acceptable.

TABLE 4: Table of total effects.

hypot s	h Influence	Original sam- ple (O)	Sample mean (M)	Standard deviation (STDEV)	T-statistics	P-values
H1	Entrepreneurial behavior => development career	0.522	0.520	0.108	4,845	0.000
H2	Islamic capital => career development	0.480	0.482	0.106	4,544	0.000
	Islamic capital moderates the relationship of entrepreneurial behavior => development career	0.002	0.001	0.015	0.131	0896

(Source: Secondary Data, processed in 2023)

Testing Hypothesis 1: The hypothesis in this study tests whether Entrepreneurial Behavior has a significant positive effect on Career Development. The results of the Entrepreneurial Behavior test show that the original sample value is 0.522. From these results it can be concluded that Entrepreneurial Behavior positively influences Career Development. The T-statistic value is 4,845 ⋈ 1.96 and the P-value is 0.000 ⋈ 0.05. This proves that Entrepreneurial Behavior has a significant effect on Career Development. The results of the study prove that Entrepreneurial Behavior has a positive and significant effect on Career Development.



Testing hypothesis 2: The second hypothesis in this study is to test Islamic Capital in moderating the relationship between Entrepreneurial Behavior and Career Development. The moderation test shows that the original sample value is 0.002, thus promotion has a positive effect in moderating or strengthening the relationship between Entrepreneurial Behavior and Career Development. T-statistic value 0.131 <1.96 and p-value 0.896 > 0.05 indicates that Islamic Capital has no significant effect when it moderates the relationship between Entrepreneurial Behavior and Development Career

#### 4.2. Discussion

# **4.2.1.** Entrepreneurial Behavior has a Significant Positive Effect on Career Development

The results of the study show that Entrepreneurial Behavior has a significant positive effect on career development. With an original sample value of 0.522 which means it has a positive influence, and a T-statistic value of 4.845 > 1.96 and P values 0.000 < 0.05 which means that Entrepreneurial Behavior has a significant relationship to Career Development. According to existing calculations, it shows that the first hypothesis of Entrepreneurial Behavior has a positive and significant effect on Development Career supported.

Entrepreneurial Behavior or behavior business is entrepreneurial behavior to identify and exploit opportunities by creating or developing new businesses from existing opportunities [8]. Entrepreneurial behavior is needed so that an entrepreneur can develop and be full of calculation [12]. In the process of forming entrepreneurs, it requires the development of human resources, including how people carry out entrepreneurial activities, in this case MLM distributors, entrepreneurial goals, the decision-making process to enter MLM. The choice to become an entrepreneur through MLM requires creative, innovative courage to take risks, encouraging changes in career development. The results of this study are in line with research [12].

# **4.2.2.** Islam Capital Moderates Entrepreneurial Beavior Relations Against Career Development

In this research, a series of research processes have been carried out, so that it can be known with certainty that the relationship between entrepreneurial behavior and career development is not significantly influenced by Islamic capital. Everyone can certainly develop a career by instilling an entrepreneurial spirit in him. As people who live in



a Muslim country, they are certainly no stranger to Islamic values that can be applied in everyday life. However, applying Islamic capital in business relations does not really affect business success. There are many factors that can influence the success of a business, such as having a passion for work, being diligent, and being able to work hard. By properly implementing entrepreneurial behavior, one can enhance the career development of a person. individual.

The results of the hypothesis test show that Islamic capital has a positive but not significant effect in moderating the relationship between entrepreneurial behavior on career development. This research is in line with research entitled "Can Religiosity Moderate Promotion, Characteristics of Sharia Marketing and Trust Against People's Interest in Saving in Islamic Banks?" who found that religiosity did not affect the relationship between promotions, marketing sharia characteristics, and belief in the intention to save at Islamic banks [12]. The research results in this study support this research.

## 5. Conclusion

Entrepreneurial Behavior has been proven to be able to support the career development of a Multilevel Marketing distributor by utilizing a diligent, independent and risk-taking attitude. This happened to the Tupperware Multilevel Marketing Distributor in the Lampung area. Even though Tupperware experienced a decline in sales after the pandemic and even a drastic decline in share prices, Tupperware Indonesia denied this as quoted "Tupperware is in good condition, continues to operate as usual, and continues to provide services to consumers and their members in Indonesia. Product supply, lifetime warranty services, and the latest product innovations are still going according to plan to further pamper consumers in Indonesia," said Frangky Purnomo Angelo Marketing Director at Tupperware Indonesia to CNBC Indonesia, (CNBC, 2023). Furthermore, Islamic Capital or Islamic capital does not significantly influence career development through its relationship with Entrepreneurial Behavior This is because Islamic Capital itself does not significantly influence the application of Entrepreneurial Behavior, although Islamic Capital has a significant relationship to the career development of Multilevel Marketing distributors, especially in the Lampung Region.

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