

The Role of Social Environment In Shaping Students' Decisions To Do FnB Business

¹Nizar Alam Hamdani, ²Shabina Meisya Andriani Safari, ³Alni Dahlena, ⁴Galih Abdul Fatah Maulani, ⁵Adi Adiansyah, ⁶Isnawati

^{1,2,4,5,6} Faculty of Entrepreneurship, Garut University

³ Institut Pendidikan Indonesia Garut

24081121001@fkwu.uniga.ac.id, alnidahlena25@gmail.com

Abstract—The crucial role of the environment in determining business opportunities, especially in the context of micro, small, and medium enterprises (MSMEs). Business development in this modern era does not only depend on internal strength, but also on the ability to adapt and innovate with the environment. The purpose of this study is to identify how perceptions of security in the surrounding environment influence community engagement and social cohesion. The research method used is a case study in qualitative research, data collection techniques using observation, interviews and documentation studies through data triangulation, data analysis techniques using reduction, data presentation, verification and conclusions. The research results identified that a positive social environment can encourage students to take the risks necessary to start and develop their businesses. Therefore, the role of the social environment in forming the FnB business is greatly influenced by the potential and opportunities in the environment, this can encourage the formation of students' abilities in seeing opportunities in the environment.

Keywords: social environment, shaping students decisions, FnB Business.

I. INTRODUCTION

The environment plays a crucial role in determining business opportunities, especially in the context of micro, small and medium enterprises (MSMEs). From the perspective of internal and external environment, mastery of these two aspects can improve the adaptability and competitiveness of MSMEs. Business owners must have a strong understanding of the internal environment to build a strong foundation and master the external environment to create sustainable development opportunities [1]. Without such mastery, the business development process can be hampered.

In a broader framework, strategic planning and environmental analysis are essential to address the complexities faced by businesses. [2] shows that strategic planning can be an effective mediator in dealing with the influence of environmental complexity on business performance. On the other hand, the implementation of strategic management and proper business environment analysis has a positive influence on MSME performance, showing the importance of structured planning and environmental monitoring in achieving business goals [3].

External factors such as environmental dynamics are also determining factors in the performance of MSMEs. Research by Sukirman and Afifi noted that understanding entrepreneurship and training can help individuals to increase business

productivity, emphasizing the need for innovation in response to the needs of a changing environment [4]. Another study by Basuki et al. showed how training and creativity can help individuals, including those from orphanage backgrounds, to open up independent business opportunities [5]. This reflects that creativity and innovation emerge in response to the limitations faced by individuals in their environment.

Other factors such as accessibility, infrastructure, and marketing strategies are also important. The significant influence of the business environment on the marketing strategy of the retail sector indicates that the evolution of the business environment requires an innovative marketing approach to remain competitive in the market [6]. In addition, innovation is one of the keys to business success amidst increasingly tight competition [7]. This shows that business development in this modern era does not only depend on internal strength, but also on the ability to adapt and innovate with the environment.

Overall, it can be concluded that the environment, both internal and external, has a significant impact on business opportunities. A solid strategy and understanding of the environment can increase the potential for business success, especially in the context of MSMEs.



Table 1. Data on Business Fields of FKWU UNIGA Students

Student Business Fields	Amount
Food and Beverage	124
Services	67

Source : [8]

Based on the data above, it can be seen that from several business fields run by students, especially students at the UNIGA Faculty of Entrepreneurship. From these data, it can be seen that businesses in the FnB (food and beverage) sector are the most widely run business fields by students, followed by the service sector. This illustrates how the phenomenon of Fkwu Uniga students tends to choose to become entrepreneurs in the FnB sector. This makes research on this phenomenon necessary to be carried out to find out the causes of why this phenomenon occurs.

II. LITERATURE REVIEW

2.1 Social Environment

The social environment can be understood from several perspectives that explain the importance of social interaction in the context of community life. First, the social environment includes factors such as infrastructure, economy, culture, social, and politics that contribute to entrepreneurial activities. This is supported by research showing that the social environment can facilitate entrepreneurial activities in society [9]. Furthermore, research shows that the quality of the campus environment influences students' social awareness, indicating that the type and condition of the social environment can shape individual social behavior within the educational community [10]. In addition, the concept of social inclusion from an Islamic perspective shows the importance of solidarity and justice in building a healthy social environment, where these values contribute to improving the welfare of society holistically, as expressed in research exploring Islamic concepts that support social inclusion [11].

Thus, the social environment is not only limited to physical location, but also reflects the interactions, policies, and values that exist in society. Social environmental indicators were identified through several recent studies that provide insights into methods and metrics for assessing sustainability in a social context. First, indicators related to social networks, which include elements such as community capability and social support, are crucial for evaluating mental health and well-being in communities [12]. Second, the aspect of

environmental safety as an important indicator of social sustainability, shows that perceptions of safety in the surrounding environment influence community engagement and social cohesion [13]. Third, the link between economic status and community health, which can be assessed through indicators such as unemployment ratio and per capita income, has a significant impact on social structure as well as the mental health of individuals in a community [14]. Finally, the presence of green spaces and access to public areas contribute to positive social interactions and ultimately improve the quality of life of residents [15]. All these indicators show the importance of a multidimensional approach in assessing and managing the social environment to achieve sustainability.

2.2 Business Decisions

Business decisions can be understood through several perspectives drawn from recent literature. First, business decisions are strategic processes that involve the application of management information systems (MIS) to support corporate actions and operations, where MIS assists in decision-making by providing relevant data and in-depth analysis [16]. Second, business decisions can be strengthened through strategic mapping that directs concrete steps in responding to market dynamics and creating competitive advantages, showing how a strategic approach can be an important foundation in decision-making [17]. Third, the use of business intelligence capable of analyzing big data is key in decision-making, especially in identifying and understanding market patterns and trends that can help management in planning effective actions to achieve business goals [18].

Thus, business decisions involve the integration of information systems, measurable strategies, and intelligent data analysis to achieve desired results in a competitive and dynamic context. In the context of effective business decision making, several key indicators have been identified in recent academic literature. First, financial performance is an important indicator, which can be seen through metrics such as return on assets (ROA) which shows the company's ability to utilize assets to generate profits [19]. Second, entrepreneurial orientation shows how a company can identify and explore new opportunities and deal with risks, which contributes to competitive advantage [20]. Third, the existence of innovative marketing strategies is essential in building market share and improving overall business performance [21]. Finally, information and data management, as



demonstrated by the application of technology in decision analysis, can improve the quality of decision making as well as the operational effectiveness of the company [22]. These indicators are interrelated and can explain how companies can optimize their performance in a competitive business environment.

2.3 FnB Business

Food and beverage (FnB) businesses can be defined through three main complementary perspectives. First, FnB businesses encompass the culinary industry that focuses on serving food and beverages to consumers, with the importance of adapting operational strategies to survive during a crisis period such as the COVID-19 pandemic, which demands innovation in marketing and service management [23] [24]. Second, in the context of supplier relationships, FnB businesses emphasize the importance of commitment and loyalty among supply partners, which increases customer value and satisfaction, and provides sustainable competitive advantage [25] [26]. Third, there is an increasing use of technology such as social media to build trust and credibility among consumers, indicating that effective interactions can create mutually beneficial relationships with customers [27].

The combination of these three aspects, the FnB industry strives to not only survive but also thrive in a dynamic and complex business environment. In the food and beverage (FnB) industry, there are several important indicators that can be used to evaluate business performance and success. First, service quality is a very important indicator, where dimensions such as empathy, assurance, accuracy, and quality of results can affect business commitment and customer satisfaction [28]. In addition, financial performance, including profitability ratios such as net profit margin, is crucial, as it is directly related to company value and growth potential [29]. In addition, the adoption of technology and sustainability initiatives are increasingly important indicators, where companies that implement technological efficiency and sustainable business practices show better performance in the market [30] [31]. Finally, understanding and implementing hygiene and sanitation standards are vital components to maintaining product quality and food safety, which are important indicators for consumers in choosing FnB products [32].

III. RESEARCH METHODS

The case study research method is an approach that is widely used to investigate social phenomena in real-life contexts. In this context, case studies allow researchers to conduct in-depth and comprehensive analysis of specific situations, so that they can produce richer and more contextual insights [33], [34]. In case studies, one of the important stages is selecting the right and relevant case to be studied. The selection of cases must be based on certain criteria that can provide in-depth information about the phenomenon to be studied. For example, in the context of education, selecting students or groups of students with different social backgrounds can provide a better understanding of differences in behavior and decision making in the context of entrepreneurship [35], [36].

Data in case study research is usually obtained from various sources, including interviews, observations, and documents. The use of triangulation methods is highly recommended to ensure the validity and reliability of the data collected. [37]. Data processing and analysis is the next important step in this research. Qualitative approaches are often used to identify key themes from the data that has been collected. The social and cultural context surrounding the data, as these factors can greatly influence the results of the study. [38].

IV. RESULT AND DISCUSSION

The results and discussion of the case study research method are crucial aspects in understanding how certain phenomena manifest in real contexts. In this study, several relevant studies have shown how case studies are used to evaluate certain programs or interventions, as well as the results obtained. It is important to explore how the social environment influences students' decisions in entering the world of food and beverage (FNB) business. The results of the case study analysis from interviews that have been conducted on informants through 6 questions given to student representatives. According to (PR, 2025) *"the supporting factor for starting a business in the Food and Beverage (FnB) sector is because of the level of ease in selling its products"*. In line with the statement from (DY, 2025) *"supporting factors for starting a business include the basic knowledge and support from the family for FnB-based businesses"*.

Understanding of these aspects can be obtained through analysis of various factors in the social environment, where support from family, peers, and community experience is very influential [39]. The



social environment has a significant influence on students' interest in entrepreneurship, with a supportive social environment that can increase students' interest in entering the world of entrepreneurship. This result is in line with the view of (NS, 2025) *"the driving factor of FnB business is social support in business decision making"*. In addition, it is also identified from the statement (SA, 2025) *"the main factors that support the F&B business, external factors also influence market understanding and research, provide valuable input, and important social support for"*.

The social environment, consisting of factors such as family, peers, and social media, influences an individual's intention and decision to start a business. Research shows that there is a significant relationship between social support and business decisions taken by individuals, including students, in the context of the FnB industry. In line with the statement from (MF, 2025) *"the main factors that influence FnB businesses are in demand by students today, as a form of effort to gain experience in the business field, before doing business in a universal aspect"*.

Innovation in product services has a significant impact on the sustainability of small businesses in the food and beverage sector [40]. Students involved in this business need to consider social environmental factors such as support from friends and family, which can increase their competitiveness in the market. According to (RH, 2025) *"the main factor that influences the FnB business in the surrounding area is because it is seen from the opportunity factor and also to start an FnB business that is more widely available and in demand by consumers"*. A positive social environment can encourage students to take the risks necessary to start and grow their businesses. In line with the statement from (AG, 2025) *"the factor of high interest in FnB business is because of the broad and potential market as the main element that supports business success"*.

Community needs can also influence students' decisions to do business in the FNB sector. Corporate Social Responsibility (CSR) is an important element that must be considered by business actors in this sector, where many consumers currently prefer products from companies that demonstrate high social responsibility [41]. In line with the statement from (IP, 2025) *"the main factor that influences the FnB business, because with the support of many friends around them, it makes them brave enough to start a business"*. Given this context, students considering entering the FNB sector need to

understand the existing social dynamics and leverage social media to build a positive image and target more socially conscious consumers. Furthermore, according to (AF, 2025), *"the main factors that influence the running of a business in the FnB sector are identified from the large opportunities and potential in the business and looking at the broad market"*. The importance of understanding the various factors that can influence success in the FnB industry.

This study identified several factors that contribute to decision making, including social pressure from peers, family influence, and the use of social media. Based on this context, pressure to comply with group norms can influence individuals in making decisions that are in line with what is considered acceptable or expected by their social environment.

Thus, from the results of the analysis of informant interview data, the social environment plays a role in supporting the FnB business. In addition, internal and external factors in viewing the market and the breadth of opportunities and potential that exist, of course, can support the running of the FnB business that is in demand by every element of students or the general public.

V. CONCLUSION AND SUGGESTION

Based on the results of the research that has been carried out by identifying various informants, it was found that the role of the social environment on the FnB business. In addition to environmental factors in internal and external aspects can influence interests, opportunities and wider potential in the FnB business. Given the era of a consumer society that emphasizes more on the aspect of primary needs that are consumptive, this requires every element of society to be more oriented towards the FnB business. As for suggestions for further researchers, the role of the social environment can be identified very broadly from various factors that can support each other from the sustainability of a very broad business in the surrounding environment, with supporting elements of the rapidly growing FnB business.

VI. REFERENCE

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