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Analysis of the Impact of Competitive Intensity and Local Culture on the Entrepreneurial Intention of Indigenous Papuan Gen Z

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Abstract

This study analyses the relationship between competitive intensity, local culture, and entrepreneurial intention among Generation Z Indigenous Papuans (OAP) in Wamena City, Indonesia. An explanatory sequential mixed-methods design was employed. Quantitative data were collected from 100 OAP respondents aged 17–27 through a four-point Likert questionnaire and analysed using correlation and multiple linear regression in SPSS 27; qualitative data from three purposively selected informants were analysed using the Miles, Huberman and Saldaña interactive model and source triangulation. Competitive intensity had a positive and statistically significant partial relationship with entrepreneurial intention ($\beta = 0.238$; $p = 0.047$). Local culture was positively correlated with entrepreneurial intention ($r = 0.209$; $p = 0.037$) but did not make a significant independent contribution when competitive intensity was controlled ($\beta = 0.075$; $p = 0.528$). The model explained only 6.3% of adjusted variance. Qualitative findings indicate that competition is perceived as a challenge that can stimulate intention, although limited capital, networks and management capacity constrain readiness, while family obligations and solidarity shape business considerations without generally suppressing intention. Entrepreneurship programmes should therefore combine access to capital, networks, market access and management skills with sensitivity to local sociocultural obligations.

Keywords: Competitive intensity, entrepreneurial intention, Generation Z, Indigenous Papuans, local culture.

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INTRODUCTION

Entrepreneurship constitutes a fundamental driver of economic development through its contributions to innovation, employment generation, and community welfare (Jenanu & Naim, 2024). Yet entrepreneurial activity is shaped not solely by market opportunities but also by the sociocultural contexts that structure economic behaviour. In Papua, traditional economic practices remain largely intergenerational and have only partially adapted to modern innovation (Sanggenafa, 2020). This reality is reflected in the labour-market structure of Jayawijaya Regency, where 122,505 of 160,446 employed residents (76.3 %) work in agriculture, forestry and fisheries, 34,669 (21.7 %) in services and only 3,272 (2.0 %) in industry (Badan Pusat Statistik Kabupaten Jayawijaya, 2025). Local entrepreneurs continue to confront constrained access to markets, technology and capital (Kambuaya & Kambuaya, 2024), while Indigenous Papuan women noken artisans in the Baliem Valley still require stronger financial-management capacity through financial technology (Syarifah et al., 2025). Unstable internet connectivity further limits digital-service uptake among Jayawijaya residents (Medlama et al., 2026). Within this setting, understanding the entrepreneurial intention of Indigenous Papuan (*Orang Asli Papua* / OAP) Generation Z in Wamena City becomes critical for fostering productive economic participation among the youth.

A preliminary survey of 50 respondents revealed that 47 expressed intention or strong intention in entrepreneurship, yet this intention does not equate to readiness to launch and sustain ventures. Readiness is constrained by limited capital, competitive pressures, market access and managerial capacity (Mayor et al., 2025). Communal solidarity and mutual-aid obligations, while providing social support, can also divert resources away from business investment. These dynamics underscore the necessity of contextualising Indigenous entrepreneurship (Langford & Martin, 2025). Entrepreneurial intention is conceptualised as an individual's behavioural tendency, consistent with Medlama et al. (2026), and among Generation Z is examined through attitudes, subjective norms and perceived behavioural control (Ukil et al., 2025), self-efficacy (Taneja et al., 2025), and emotional and entrepreneurial-orientation mediators (Apriliana et al., 2025).

Prior research on OAP entrepreneurship has investigated Papuan students' entrepreneurial intention (Bharanti, 2016), competitive advantages of OAP small firms (Agustinus & Ariadi, 2024), and the role of local culture in OAP MSME capabilities (Ratang et al., 2025). The Theory of Planned Behavior identifies attitudes, subjective norms and perceived behavioural control as antecedents of intention (Lihua, 2022). Competitive intensity can be analysed via the threat of new entrants and rivalry among existing firms within Porter's Five Forces (Baird et al., 2024; Juhari et al., 2023), while culture-based entrepreneurship perspectives illuminate the interplay of social values and economic decisions. Additional studies have examined attitudinal and contextual factors among Indigenous Papuan women in Manokwari (Wambrauw et al., 2019) and, among youth more broadly, entrepreneurship education, passion, self-efficacy and learning support (Christina et al., 2026; Reffandi et al., 2026; Soelaiman et al., 2026), as well as perceived behavioural control and commitment (Indriyarti et al., 2025). Despite these contributions, research that simultaneously links competitive intensity and local culture to the entrepreneurial intention of Gen Z OAPs in Wamena City remains scarce.

This gap is particularly consequential under Papua's Special Autonomy regime and the demographic dividend, both of which demand greater youth engagement in productive economic activity (Alamanda et al., 2019). Without insight into how Gen Z OAPs evaluate opportunities amid competition and sociocultural obligations, entrepreneurship programmes risk misalignment with local realities. In the Papua Pegunungan context, local culture has been shown to shape behavioural outcomes, including tourists' intention and visitation decisions (Adi et al., 2023); its influence on Gen Z OAPs' entrepreneurial intention, however, has received far less attention. The novelty of the present study therefore resides in the concurrent examination of competitive intensity (threat of new entrants and inter-firm rivalry) and local culture (social values and communal practices) as determinants of entrepreneurial intention among Gen Z OAPs in Wamena City, without presupposing that competition is invariably obstructive or that culture is solely facilitative or constraining.

The central research challenge is to elucidate the relationship between these two contextual forces and entrepreneurial intention while remaining sensitive to the lived socioeconomic conditions of the respondents. Family environment has been identified as a formative influence on entrepreneurial interest and intention (Arfandi et al., 2025; Sari et al., 2026; Rostina & Aransyah, 2023), although findings regarding entrepreneurial family background are mixed (Suhermin et al., 2023). An explanatory sequential mixed-methods design is consequently adopted to test quantitative relationships and subsequently deepen interpretation through qualitative exploration of respondents' experiences and sociocultural settings.

The study aims to analyse the relationship between competitive intensity, local culture and the entrepreneurial intention of Gen Z OAPs in Wamena City. Academically, it advances entrepreneurship scholarship by integrating competition and culture within a single analytical framework applied to the Indigenous Papuan youth cohort. Practically, the findings are expected to inform the design of entrepreneurship programmes that are responsive to local economic conditions and the sociocultural environment of young people in Wamena City.

METHOD

This study employed a mixed-methods approach with an explanatory sequential design, in which quantitative analysis was followed by a qualitative phase to interpret the quantitative results (Creswell & Plano Clark, 2018). The study took place over two months in Wamena, involving 100 OAP respondents aged 17–27 who were selected through purposive sampling, with no restrictions on occupation or education; recruitment was conducted without a population sampling frame, so statistical representativeness could not be guaranteed. The sample size was calculated using Green's formula (Naiseh et al., 2025), $N \geq 50 + 8m$, resulting in a minimum of 66 respondents for two independent variables. Data were collected via a four-point Likert scale questionnaire and analyzed using correlation and multiple linear regression with SPSS 27; intensity of competition (X1) includes the threat of new entrants and inter-firm competition according to Porter's Five Forces, local culture (X2) includes the system of ideas (values and norms) and the system of actions (patterns of social behavior) while entrepreneurial intention (Y) was measured through feelings of enjoyment, intention, attention, and engagement based on Safari (Khudzaifah et al., 2024). The use of purposive sampling is consistent with research on

entrepreneurial interest and intent among high school and college students, which also employs sampling based on specific criteria (Hasan et al., 2021; Suhermin et al., 2023). The age range of 17–27 years was used to ensure that respondents belonged to the Generation Z OAP group, while including respondents with various business statuses was intended to capture the variety of experiences in the development of intentions.

Qualitative data were obtained through interviews with three informants who were purposively selected based on their entrepreneurial experience, whether they had previously engaged in entrepreneurship or not. The data were analyzed using the interactive model developed by Miles, Huberman, and Saldaña through data condensation, data presentation, and the drawing and verification of conclusions. Data validity was examined through source triangulation. The two approaches were integrated during the interpretation stage by linking statistical results and interview findings to deepen the understanding of the relationship between the intensity of competition and local culture and the entrepreneurial intention of Gen Z OAPs in Wamena City.

RESULTS AND DISCUSSION

Resdondent and Informant Descriptive Analysis

Table 1. Characteristics of Respondents

Characteristics	Category	Total	Percentage (%)
Age (Years)	17–20	43	43%
	21–24	50	50%
	25–27	7	7%
Gender	Male	40	40%
	Female	60	60%
Business Status	Never	68	68%
	Have Tried	22	22%
	Currently Running	10	10%
Total		100	100%

As presented in Table 1, the demographic distribution of the respondents indicates that the majority of participants are concentrated in the 21–24 age bracket (50%), followed by the 17–20 age group (43%), while the 25–27 age group accounts for only 7%. In terms of gender distribution, female respondents comprise the majority at 60%, compared to male respondents at 40%. Furthermore, regarding business status, the vast majority of respondents (68%) have never engaged in entrepreneurship, whereas 22% have previously tried running a business, and only 10% are currently active business owners.

Table 2. Characteristics of Informants

Informant	Age (Years)	Occupation	Business Status
I1	18	College Student	Has never been an entrepreneur
I2	19	College Student	Have been entrepreneurs
I3	21	College Student	Has never been an entrepreneur

Table 2 shows that all three informants were aged 18–21 years and were college students, meaning that all of them represent Generation Z at the transition stage toward productive economic roles. Their business status varied: I1 (18 years) and I3 (21 years) had never been entrepreneurs, whereas I2 (19 years) had entrepreneurial experience. This variation is important in qualitative research because it allows the researcher to explore the perspectives of individuals without business experience alongside those who have directly encountered the dynamics of entrepreneurship, enabling a more balanced and contextual interpretation of competitive intensity, local culture, and entrepreneurial intention. Accordingly, these informant characteristics support the study's aim of deepening understanding of how Gen Z OAPs in Wamena City make sense of entrepreneurial opportunities and challenges within their sociocultural context.

Table 3. Informants' Identity

Identity	Informant 1	Informant 2	Informant 3
Name	Teisya Yanengga (I1)	Andrika Karoba (I2)	Alim Lani (I3)
Age	18 years old	19 years old	21 years old
Address	Wouma	Wesaput	Jagara
Occupation	College Student	College Student	College Student
Business Status	Never engaged in entrepreneurship	Has entrepreneurial experience	Never engaged in entrepreneurship

As shown in Table 3, the qualitative phase of this study involved three key informants aged 18 to 21 years old, all of whom are college students residing across different areas in Wamena (Wouma, Wesaput, and Jagara). In terms of entrepreneurial background, Informant 1 (Teisya Yanengga) and Informant 3 (Alim Lani) have never engaged in entrepreneurship, whereas Informant 2 (Andrika Karoba) has prior experience running a business. The inclusion of informants with diverse business backgrounds ensures a balanced qualitative perspective to deepen the interpretation of the quantitative findings.

Results of instrument testing and statistical assumptions

The validity test results show that all items have a calculated r value greater than the table r value (0.195). Thus, the entire research instrument is deemed valid and suitable for data collection, as presented in Table 4 below:

Table 4. Validity Test

Variable	Number of Items	Calculated r Range	Table r	Description
Competitive Intensity (X1)	8	0,464–0,673	0,195	Valid
Local Culture (X2)	8	0,455–0,651	0,195	Valid
Entrepreneurial Intention (Y)	8	0,515–0,682	0,195	Valid

Source: Primary Data Analysis, 2026

The Cronbach's Alpha values for all variables are above 0.70, so the research instrument is considered to have good reliability, as presented in Table 5 bellow:

Table 5. Reliability Test

No.	Variable	*Cronbach Alpha*	Description
1.	Competitive Intensity (X1)	0,709	Reliable
2.	Local Culture (X2)	0,719	Reliable
3.	Entrepreneurial Intention (Y)	0,748	Reliable

Source: Primary Data Analysis, 2026

A tolerance value of 0.679 and a VIF of 1.473 indicate that the regression model satisfies the multicollinearity assumption. Meanwhile, the validity of the qualitative data was verified through source triangulation by comparing information from several informants, as presented in Table 6 bellow:

Table 6. Multicollinearity Test

Independent Variable	*Tolerance*	VIF
Competitive Intensity (X1)	0,679	1,473
Local Culture (X2)	0,679	1,473

Source: Primary Data Analysis, 2026

Research Findings

Quantitative Analysis Results

Quantitative analysis was conducted to identify the relationship and influence of competition intensity and local culture on the entrepreneurial interest of Generation Z indigenous Papuans in Wamena City. The analysis included correlation tests, multiple linear regression, simultaneous tests, and the coefficient of determination.

Table 7. Correlation Test Results

Variable	Correlation (r)	Sig. (2-tailed)	Conclusion
Intensity of Competition (X1) – Local Culture (X2)	0,566	0,000	Signicant
Intensity of Competition (X1) – Intention in Entrepreneurship (Y)	0,280	0,005	Signicant
Local Culture (X2) – Intention in Entrepreneurship (Y)	0,209	0,037	Signicant

Source: Primary Data Analysis, 2026

The correlation test results as presented in table 7 show that Competition Intensity and local culture have a positive relationship with a moderate correlation coefficient ($r = 0.566$; $p < 0.001$). Meanwhile, the relationship between Competition Intensity and entrepreneurial intention ($r = 0.280$; $p = 0.005$) and that between local culture and entrepreneurial intention ($r = 0.209$; $p = 0.037$) are classified as weak, although statistically significant. These findings indicate a relationship between these two variables and entrepreneurial intention, but the strength of the relationship is relatively limited. These correlation results cannot yet be used to conclude the influence of each variable when both are considered simultaneously.

Table 8. Results of Multiple Linear Regression and T-Tests (Partial)

Variable	B	Std. Error	Beta	t	Sig.
(constant)	20,904	2,132	-	9,803	0,000
Competitive Intensity	0,200	0,100	0,238	2,012	0,047
Local Culture	0,060	0,095	0,075	0,634	0,528

Source: Primary Data Analysis, 2026

The regression results as presented in table 8 indicate that the intensity of competition has a positive and statistically significant partial effect on entrepreneurial intention (B = 0.200; β = 0.238; p = 0.047). These findings suggest that the intensity of competition makes a positive contribution to entrepreneurial intention after local culture is accounted for in the model. Conversely, local culture has a positive regression coefficient but does not show a significant partial effect on entrepreneurial intention (B = 0.060; β = 0.075; p = 0.528). Thus, the positive relationship between local culture and entrepreneurial intention found in the correlation analysis is not sufficient to demonstrate a significant partial effect after competition intensity is accounted for in the model.

Table 9. Results of the F-Test (Simultaneous)

Model	f	Sig.
Regression	4,340	0,016

Source: Primary Data Analysis, 2026

The F-test results as presented in table 9 indicate that the regression model is statistically significant (F = 4.340; p = 0.016). This means that Competition Intensity and local culture together have a significant relationship with entrepreneurial intention in the tested model. However, simultaneous significance does not imply that both variables have a significant partial effect or that the model explains most of the variation in entrepreneurial intention.

Table 10. Coefficient of Determination Test Results

Model	R	R Square	Adjusted R Square
1	0,287	0,082	0,063

Source: Primary Data Analysis, 2026

An R^2 value of 0.082 indicates as presented in table 10 that competition intensity and local culture together explain 8.2% of the variation in entrepreneurial intention in the study sample. After adjusting for the number of predictors and sample size, the Adjusted R^2 value of 0.063 indicates that the model's explanatory power remains limited. Thus, most of the variation in entrepreneurial intention cannot yet be explained by these two variables. Other factors, such as access to capital, business experience, management skills, and socioeconomic conditions, may be considered for future research but have not been tested in this model. Therefore, the regression results should be interpreted proportionally, taking into account the limitations of the variables' scope and the measurement of the constructs used.

Qualitative Analysis Results

A qualitative analysis was conducted to deepen the quantitative findings through interviews with three informants selected based on their business status. The interview results were summarized based on the themes of business competition, local culture, and entrepreneurial intention.

Table 1. Interview Results

Variable	Summary of Interview Results
Competitive Intensity (X1)	The level of business competition in Wamena City is relatively high and is viewed as a challenge that drives improvements in entrepreneurial skills and motivation, although limitations still exist in terms of capital, business networks, and business management capabilities.
Local Culture (X2)	The values of kinship, solidarity, and participation in traditional activities remain strong and influence business activities; however, they can become an obstacle when family intentions are prioritized over business activities.
Intention in Entrepreneurship (Y)	Informants demonstrated a high level of intention in entrepreneurship, driven by a desire to increase income, achieve economic independence, and take advantage of available business opportunities.

Source: Primary Data Analysis, 2026

The interview results as presented in table 11 show that business competition is perceived as a challenge with various obstacles. I1 highlighted the large number of business operators and the dominance of non-local operators in strategic locations; I2 emphasized limited access; while I3 highlighted capital and business management capabilities. These findings indicate that competitive challenges are not only related to the presence of other business operators but also to market access and the ability to manage resources. Nevertheless, competition does not always deter entrepreneurial intention; I1 remains interested despite viewing it as an obstacle, I2 highlights limited experience, and I3 emphasizes the importance of self-confidence.

In terms of local culture, values such as family ties, solidarity, a sense of modesty, and customary obligations can influence business decisions and activities. I1 highlights family priorities and the allocation of time, effort, and resources to customary activities, I2 reveals the influence of the obligation to help family members; while I3 highlights the conflict between family intentions and business needs. These conditions indicate a need to balance social responsibilities with business development, but they do not prove that local culture generally hinders entrepreneurship. All three informants remain interested in entrepreneurship to increase their income and take advantage of available opportunities or resources. However, this intention does not necessarily indicate a readiness to run a business, as its realization also depends on access to resources, management capabilities, and a balance between social responsibilities and business needs.

Integration of Quantitative and Qualitative results

1. Competitive Intensity (X1)

The regression results show that the intensity of competition has a positive and significant effect on Gen Z OAPs' intention in entrepreneurship in Wamena City (B = 0.200; β = 0.238; p = 0.047). The interview findings clarify these results: competition is viewed as a challenge, but limitations

in capital, business networks, experience, management skills, and access to strategic locations can make it difficult for prospective entrepreneurs to enter the market. Differences in responses among informants also indicate that competition does not always diminish intention, as some individuals still view entrepreneurship as an opportunity to increase income and achieve economic independence.

From the perspective of Porter's Five Forces, the threat of new entrants and rivalry among existing firms create competitive pressures in the market (Pangarkar & Prabhudesai, 2024). In Wamena, these pressures are not only related to the presence of similar businesses but also to access to resources and strategic locations. (Hamdi et al., 2026) also highlight the relevance of market access to the performance of MSMEs in the face of competition. Meanwhile, (Agustinus & Ariadi, 2024) emphasize the importance of culture and business capabilities for the competitive advantage of small OAP businesses in Jayapura City. Both studies align with interview findings indicating that limitations in capital, networks, experience, and management skills pose challenges for aspiring entrepreneurs in Wamena. In the context of entrepreneurial interest, (Bharanti, 2016) identified the relationship between personal characteristics and sociocultural factors and the entrepreneurial intention of Papuan students, while (Liu & Ip, 2026) demonstrated that individual competitiveness is linked to social entrepreneurial intent through entrepreneurial attitudes and subjective norms. Although they focus on different aspects, these two studies complement our understanding of the factors related to entrepreneurial intentions.

The findings from these interviews are also consistent with research on OAP entrepreneurs, which shows that contextual factors surrounding prospective entrepreneurs are also taken into account in the development of an intention in entrepreneurship (Husni et al., 2020), as well as studies on the younger generation that identify competitiveness as one of the antecedents of entrepreneurial intention and behavior (Firman et al., 2022). The need to strengthen business management skills among OAP entrepreneurs in Jayawijaya—particularly financial management using financial technology among noken craftswomen in the Baliem Valley (Syarifah et al., 2025)—is also consistent with the limitations in business management described by the informants.

From the perspective of the Theory of Planned Behavior (TPB), these findings can be understood through the concept of perceived behavioral control that is, an individual's perception of their ability to perform a specific action (Lihua, 2022). The limitations in capital, networks, and management skills that emerged in the interviews can pose challenges to the realization of entrepreneurial intentions. However, these aspects were not measured separately as TPB constructs in this study, therefore, this explanation constitutes an interpretation rather than a direct test of the theory. Furthermore, a β value of 0.238 indicates that the contribution of competition intensity to the model is relatively limited. Consequently, its statistical significance does not imply that competition is the sole or strongest factor explaining entrepreneurial intention. In practical terms, efforts to foster entrepreneurship among Gen Z OAPs should focus on access to capital, networks, business location, and improved management skills so that their entrepreneurial intention is more likely to be realized. This TPB-based explanation is consistent with research on Generation Z, which shows that personal attitudes and perceived behavioral control influence entrepreneurial intentions, while subjective norms exert an effect through the

mediation of these two factors (Hasmidyani et al., 2022), as well as a study that incorporates the perception of behavioral control as a determinant of students' intentions (Indriyarti et al., 2025). In addition, entrepreneurship education, passion, and self-efficacy have been reported to be associated with entrepreneurial intent (Reffandi et al., 2026; Soelaiman et al., 2026); these factors have not been examined in this study.

2. Local Culture (X2)

The correlation results show that local culture is positively and significantly associated with entrepreneurial intention ($r = 0.209$; $p = 0.037$). However, in multiple regression, local culture did not show a significant partial contribution ($\beta = 0.075$; $p = 0.528$). This discrepancy suggests that the relationship between local culture and entrepreneurial intention observed in the correlation analysis is insufficient to prove an independent contribution once the intensity of competition is accounted for in the model. Thus, the research findings do not yet provide sufficient statistical evidence that local culture contributes partially to entrepreneurial intention.

The interview findings provide social context for these results. Informants revealed that family values, solidarity, a sense of deference toward relatives, and customary obligations can influence business decisions and management, especially when family needs must be balanced against economic intentions (Tjahyadi et al., 2019). these conditions can be understood through a system of ideas comprising values and norms as well as a system of activities reflected in the community's social practices. In line with this, (Dauletova et al., 2024) emphasize the importance of considering local cultural values in entrepreneurship development. (Barrero et al., 2024) also demonstrate that the role of social norms in shaping entrepreneurial intentions can vary depending on the cultural context. Both studies underscore the importance of understanding culture within the specific social context of a community. In this study, local culture is present in the daily considerations of prospective entrepreneurs but does not always determine their intention in starting a business. All three informants still expressed an intention in entrepreneurship because they saw opportunities to increase their income and achieve economic independence.

The role of the social and cultural environment in shaping an entrepreneurial spirit has also been examined within the family context for example, through family educational practices aimed at fostering an entrepreneurial spirit among the Chinese ethnic group in Surakarta (Abdurrahman et al., 2025) and the role of the family environment in shaping college students' intention in entrepreneurship (Rostina & Aransyah, 2023). However, the influence of family background is not always consistent, as Suhermin et al. (2023) found no difference in entrepreneurial intentions between students with and without an entrepreneurial family background. This supports the need for caution in interpreting the lack of significance of local culture's partial contribution, as the influence of sociocultural factors may depend on the context and the method of measurement. Solidarity and social networks, as described by the informants, can also be understood through the concept of social capital, whose impact on MSME performance has been studied (Muazza et al., 2025), and thus can serve as both a source of support and a social expectation.

Although local culture remains a factor in the social considerations of aspiring entrepreneurs, its relationship to entrepreneurial intention must be distinguished from its role in developing business skills. (Ratang et al., 2025) found that local culture has a positive and significant effect on the entrepreneurial capabilities of OAP MSMEs in Jayapura City, both directly and through community empowerment. Meanwhile, in this study, local culture is positively correlated with an intention in entrepreneurship but does not show a significant partial contribution after the intensity of competition is taken into account. This discrepancy can be understood in terms of the study's constructs and context: the entrepreneurial capabilities of MSME actors differ from the younger generation's intention in starting a business, whereas the community empowerment examined by (Ratang et al., 2025) are was not included in this study's model. Thus, while the results of this study do not yet demonstrate a partial contribution of local culture to entrepreneurial intention, they do not necessarily negate the role of culture in the development of entrepreneurial capabilities and practices. Comparisons can also be drawn with studies conducted in the same region. Adi et al. (2023) reported that local culture has a significant influence on tourists' intention in and decision to visit the Papua Highlands. Differences from the findings of this study can be understood because the objects and constructs are different: in tourism, culture serves as an attraction valued by tourists, whereas in this study, culture is measured through the social values and practices inherent in prospective OAP entrepreneurs, which can function as both social support and social demands. Thus, the significant role of culture in intention in visiting does not automatically apply to intention in entrepreneurship. Furthermore, Syamsuri et al. (2026) found that social norms have a positive effect on entrepreneurial intent and mediate the influence of entrepreneurship education and digital culture on high school students in West Kalimantan; thus, the pathway through which culture and social norms influence intention may be indirect a factor that has not yet been tested in this research model.

From the perspective of the Theory of Planned Behavior (Lihua, 2022), values and social demands can be discussed in relation to subjective norms, while perceived barriers to starting a business may be related to perceptions of behavioral control. However, these two constructs were not measured separately in this study; therefore, this relationship serves only as a framework for interpretation. In practical terms, these findings highlight the importance of understanding the sociocultural context in the development of Gen Z OAP entrepreneurship, without framing family values and customs solely as barriers. The lack of significance in the partial contribution of local culture should also be interpreted in light of the limitations of the indicators used, which may not fully capture the community's overall values and social practices.

Table 2. Integration of Quantitative and Qualitative Results

Aspect	Quantitative Results	Qualitative Results	Integrative Conclusion
Competitive intensity (X1)	Has a positive and statistically significant partial effect ($\beta = 0.238$; $p = 0.047$).	Competition poses a challenge amid limitations in capital, networks, strategic location, and business	Competition is positively associated with an intention in entrepreneurship, but this intention does not necessarily indicate

		management capabilities	readiness to start or sustain a business.
Local culture (X2)	Positively and significantly correlated with intention (r = 0.209; p = 0.037), but not significant in a partial analysis (β = 0.075; p = 0.528).	Family obligations, solidarity, a sense of deference toward relatives, and customary obligations can influence business priorities and activities.	Local culture is associated with intention in the correlation analysis, but its partial contribution is not significant. The interviews reveal a social context that may influence business operations, rather than evidence that culture generally hinders intention.
Model explanatory power	Adjusted R^2 = 0.063; the model explains 6.3% of the variation in entrepreneurial intention after adjustment.	Informants identified limited resources and social demands as barriers to business.	The model's explanatory power is limited. Qualitative findings enrich our understanding of the context, while other factors that emerged have not yet been tested as quantitative predictors.

Source: Primary Data Analysis, 2026

Table 12 shows that the quantitative and qualitative findings complement each other in explaining the entrepreneurial intention of Gen Z OAPs in Wamena City. The intensity of competition has a positive and significant partial relationship with entrepreneurial intention, while the interviews revealed that limited resources can make it difficult to translate that intention into business activities. Conversely, local culture is positively correlated with intention but does not show a significant partial contribution after the intensity of competition is taken into account. The qualitative findings help explain how family and customary responsibilities can influence business management, without indicating that local culture generally reduces intention. The Adjusted R^2 value of 0.063 also indicates that these two variables are still limited in explaining the variation in entrepreneurial intention. Thus, these integrated results confirm that entrepreneurial intention needs to be distinguished from readiness to run a business, while other factors that have not yet been tested still require further investigation.

Implications and Limitations of the Study

The research findings indicate that the intensity of competition has a positive and significant partial contribution to entrepreneurial intention, although the magnitude is relatively limited. In contrast, local culture does not show a significant partial contribution, although it is positively correlated with entrepreneurial intention and emerged in the interviews as a social context that

influences entrepreneurial activity. Theoretically, these findings highlight the importance of distinguishing between statistical relationships among variables and their partial contributions, as well as understanding entrepreneurial intention within the context of competition and social life. The Theory of Planned Behavior (TPB) can be used to interpret these findings; however, the constructs of attitude, subjective norms, and perceived behavioral control have not yet been tested separately. Practically, the development of Gen Z OAP entrepreneurship needs to be accompanied by support for access to capital and business networks, improved management skills, and expanded market access. This approach also needs to take into account family values and customs so that entrepreneurial support aligns with the local sociocultural context. These implications are also consistent with findings in Wamena that the public's positive perception of an economic innovation still needs to be supported by improvements in connectivity and digital literacy in order to enhance user convenience (Medlama et al., 2026). Support for entrepreneurship programs targeting Gen Z OAPs must therefore take into account infrastructure readiness and financial literacy, in addition to access to capital, networks, and business management skills.

This study has several limitations. The adjusted R^2 value of 0.063 indicates that the model explains only a small portion of the variation in entrepreneurial intention, while other factors have not been tested. The use of purposive sampling limits the generalizability of the findings, and since 68% of respondents had never engaged in entrepreneurship, the results reflect intention rather than experience or readiness to run a business. Furthermore, the local cultural indicators do not yet encompass the full diversity of the community's values and social practices, and three qualitative informants are insufficient to capture the breadth of Gen Z OAP's experiences. The use of a questionnaire from a single source, as well as the possibility that responses were influenced by a desire to provide socially desirable answers, also warrants consideration, although these two potential sources of bias have not been specifically tested. Future research should involve a more diverse sample and informants, develop more context-specific local cultural indicators, and examine other factors such as access to capital, entrepreneurial experience, and perceptions of entrepreneurial ability. Direct measurements of the TPB construct and actual entrepreneurial behavior could also help clarify the relationship between intention and business realization.

CONCLUSION

The study concludes that, among Generation Z Indigenous Papuans in Wamena City, competitive intensity has a positive and statistically significant partial relationship with entrepreneurial intention ($\beta = 0.238$; $p = 0.047$), whereas local culture is positively correlated with entrepreneurial intention ($r = 0.209$; $p = 0.037$) but does not make a significant independent contribution once competitive intensity is accounted for ($\beta = 0.075$; $p = 0.528$). The integrated quantitative and qualitative findings indicate that competition is perceived less as a deterrent than as a challenge that can stimulate intention, although limited capital, business networks, strategic location, and management capacity constrain the translation of that intention into business readiness. Local culture, expressed through family obligations, solidarity, and customary responsibilities, forms a social context that shapes business considerations without generally suppressing entrepreneurial intention. Theoretically, the findings underline the importance of distinguishing correlation from

partial contribution and of interpreting entrepreneurial intention within the interplay of market competition and sociocultural context; the Theory of Planned Behavior offers an interpretive lens, although its constructs were not tested separately. Practically, entrepreneurship programs for Gen Z OAPs should combine access to capital, business networks, market access, and management skills with attention to family values and customary obligations, while also strengthening digital connectivity and financial literacy so that high intention can develop into actual business readiness.

This study has several limitations that qualify its conclusions. The adjusted R^2 of 0.063 indicates that competitive intensity and local culture explain only a small portion of the variation in entrepreneurial intention, purposive sampling limits generalizability, and the predominance of respondents who had never engaged in entrepreneurship means that the findings reflect intention rather than experience or readiness. The local cultural indicators do not capture the full diversity of community values and practices, three qualitative informants cannot represent the breadth of Gen Z OAP experiences, and the single-source questionnaire carries a possible social desirability bias that was not specifically tested. Future research should therefore use more diverse samples and informants, develop context-specific local cultural indicators, and examine additional factors such as access to capital, entrepreneurial experience, and perceived entrepreneurial ability. Direct measurement of TPB constructs and actual entrepreneurial behavior would also help clarify the transition from intention to business realization, and longitudinal or comparative designs across different Papua contexts would strengthen the explanatory power of the model.

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