THE EFFECT OF INCREASING THE EXPENSES ON BUSINESS PERFORMANCE AMONG MICROENTERPRISES HAWKER IN KELANTAN

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DEGREE OF BACHELOR OF ENTREPRENEURSHIP (COMMERCE)
WITH HONORS

2024

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The Effect of Increasing the Expenses on Business Performance Among Microenterprises Hawker in Kelantan

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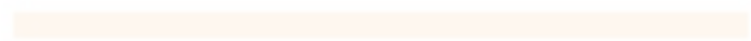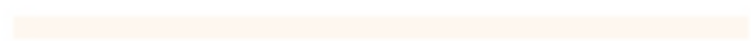**Muhamad Asri Bin Yaakub, Shamalah A/P P. Vijayan, Norfarani Binti Syaharudin, Nurul Najwa Binti Mohd Rizal**

A thesis submitted in fulfillment of the requirements for the degree of
Bachelor Of Entrepreneurship (Commerce) With Honors 2024

Faculty of Entrepreneurship and Business
UNIVERSITI MALAYSIA KELANTAN

2024

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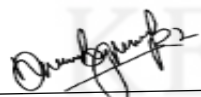NAME: Muhamad Asri Bin Yaakub

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ACKNOWLEDGEMENT

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ABSTRAK

Tujuan kajian ini dijalankan adalah untuk mengkaji kesan peningkatan perbelanjaan terhadap prestasi perniagaan dalam kalangan penjaja perusahaan mikro di Kelantan. Kini, rakyat Malaysia sedang hangat membincangkan isu-isu kenaikan harga barang yang mendadak terutama kenaikan harga barangan asas seperti tepung, gula, minyak masak dan beras. Keadaan ini menyebabkan kebanyakan perusahaan mikro mengalami kesukaran dalam menjalankan perniagaan mereka terutama dalam sektor pekhidmatan seperti menjual makanan. Oleh itu, kajian ini akan mengkaji hubungan antara peningkatan perbelanjaan terhadap prestasi perniagaan dengan empat faktor perilaku yang merangkumi harga barang, permintaan pelanggan, keadaan pasaran dan ciri-ciri perniagaan. Penyelidikan secara kuantitatif telah digunakan dan dijalankan kepada 384 orang responden iaitu golongan penjaja di sekitar Kota Bharu, Kelantan. Berdasarkan data yang diperoleh melalui analisis SPSS versi 26, pembolehubah bebas iaitu faktor harga barang, permintaan pelanggan, keadaan pasaran dan ciri-ciri perniagaan mempunyai hubungan signifikan yang kuat terhadap prestasi perniagaan penjaja perusahaan mikro di Kota Bahru. Semua nilai min dalam kajian ini adalah diantara 3.6836 hingga 3.8921. Ini bermaksud bahawa kesemua nilai min bagi pembolehubah adalah dalam kedudukan yang dipersetujui atau baik. Keputusan kajian menunjukkan bahawa faktor ciri perniagaan mempunyai pengaruh paling signifikan terhadap kesan peningkatan perbelanjaan terhadap prestasi perniagaan dalam kalangan penjaja perusahaan mikro di Kelantan. Kajian ini turut menyertakan had dan cadangan bagi membantu penyelidikan yang akan datang untuk lebih memahami mengenai kesan kenaikan harga barang terhadap prestasi perniagaan terutama dalam kalangan penjaja perusahaan mikro.

ABSTRACT

The purpose of this study was to examine the effect of increased expenses on business performance among microenterprise hawkers in Kelantan. Now, Malaysians are hotly discussing the issues of the sudden increase in the price of goods, especially the increase in the price of basic goods such as flour, sugar, cooking oil and rice. This situation causing most microenterprises to experience difficulties in running their business, especially in the service sector such as selling food. Therefore, this research will examine the relationship between increased expenses on business performance with four behavioral factors that include the price of goods, customer demand, market conditions and business characteristics. Quantitative research was used and conducted on 384 respondents who are hawkers around Kota Bharu, Kelantan. Based on the data obtained through SPSS version 26 analysis, the independent variables which are price factors, customer demand, market conditions and business characteristics have a strong significant relationship with the business performance of microenterprise hawkers in Kota Bahru. All mean values in this research are between 3.6836 to 3.8921. This means that all the mean values of the variables are in an agreed or good position. The study's results indicate that the business characteristics factor has the most significant influence on the impact of increased expenses on the business performance among microenterprise hawkers in Kelantan. This research also includes limitations and recommendations to help future research to better understand the impact of rising commodity prices on business performance, especially among microenterprise hawkers.

CHAPTER 1

INTRODUCTION

Chapter one represents an introduction to this research and comprises eight main sections that introduce the background of the study, the problem statement, the research question, and the research objectives. This is followed by a separate section that describes the scope and significance of this study and the definition of the term used in this research. Last, this research will describe the organization of the proposal.

1.1   Background of the Study

The increase in the price of goods nowadays is a very influential issue for traders, especially for microenterprises. Microenterprises often have slimmer profit margins than large enterprises. The typical startup financing for a microenterprise comes from a small bank or other organization, and the number of employees is less than ten. (Microenterprise: Definition, Types, Example, 2023). Therefore, an increase in the price of raw materials or production components can cause a significant increase in costs. This can cause significant pressure on the ability of microenterprises to maintain competitive selling prices and may result in reduced profits or the loss of customers. The issue of rising prices of goods is not a new thing that is often discussed, it is a situation that can be predicted and expected based on current economic factors. This is proven through an article in Sinar Harian, 2022 July 7 which tells that the wave of price increases until 2023 is based on the expected decline in Gross Domestic Product (GDP) and the development of the global economy.

The purpose of this research is to identify the factors and effects of increasing the expenses on business performance among microenterprises hawker in Kelantan. Expenses, in their most basic sense, imply cost. In accounting, an expense is any money that must be spent in order for a company to make money. A monetary exchange occurs when one party pays

another for an item or service. The total of all activities that typically generate profit is another way to express expenses (The, 2023). Among the factors that increase expenses is when there is an increase in the price of goods. An increase in the price of goods can occur due to higher production costs by manufacturers or suppliers. Among the factors that can lead to an increase in the price of goods is an increase in the cost of raw materials, labor wages and transportation costs. For example, recently the country of Malaysia was surprised by the high price increase of vegetables causing people to complain. This can be referred to through the official portal of the Ministry of Domestic Trade and Cost of Living (KPDN) (2023).

Factors that drive the increase in expenses of a microenterprise are also caused by consumer demand for goods or services. In commercial, demand is a desire to have something, the capacity to pay for it and the willingness to pay. The term demand indicates the capacity or willingness to buy a commodity at a certain time according to Wikipedia 2023, October 24. Trends and changes in consumer tastes can also influence the increase in production costs. For example, if there is a sudden increase in popularity or demand for an outcome or service, the manufacturer may raise the price of the item due to the increase in production costs when there is an increase in demand. This situation causes increased expenses for small businesses. This can be proven through a journal written by Nurhazwani Mohd Ali, Mustafar Mansur and Hazrul Izuan Shahiri, May 1, 2022, which explains the impact of production input costs on changes in palm cooking oil prices in Malaysia.

The increase in the price of goods that persists to increase and suddenly will indirectly affect the business performance of a product or service, especially in the microenterprise sector. Business performance means the company must operate during operational efficiency and employee performance. It involves the overall assessment of business performance and excellence from various aspects such as finance, marketing operations, human resource management and others, Encyclopedia (2018). Business performance is also a measure of an

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organization's success in achieving its business goals and targets and reflects stable profits and rapid growth. This also clearly proves that increased expenses are also able to affect business performance, especially in financial terms.

Among the effects of increased expenses on the business performance of microenterprises is a decrease in profits. An increase in the price of goods such as raw materials or key components in the production process can increase the operating costs of microenterprises. This results in a decrease in their profit margin and indirectly reduces the net profit of the microenterprise itself. This decrease in profits can put great financial pressure on microenterprises as they are forced to curtail production or increase sales of their products or services. The effect of the issue of rising prices of goods has also been discussed in a previous study by the Asian People Journal, (2020).

The impact of increased expenses on the business performance of microenterprises also results in reduced ability to compete in the market. They may have to increase the selling price of their products or services to cover the cost increase which can make them less competitive in the market. This situation will make microenterprises lose customers due to competitors offering lower prices and indirectly cause their business performance to decline. This is proven in the My Metro article, Sri Ayu Kartini Amri. (2023, September 25), which explains that the increase in the price of goods will have a negative impact on small traders. This article explains that according to the Senior Lecturer of the Faculty of Economics and Business, University Sains Islam Malaysia (USIM) Dr Mohd Faisol Ibrahim, the increase in the price of basic food items is seen to have a negative impact on small traders in the medium and long term.

The increase in expenses also causes the growth of microenterprise business performance to decrease. This situation will cause microenterprises to be prevented from planning growth and investment in the future. They may have to reorganize their plans and

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focus resources on current cost reductions to offset price increases. When an increase in the price of goods occurs, this situation can also reduce their ability to launch new products, expand markets or increase production capacity and cause a reduction in the growth of microenterprises in the long term. The effect of the increased expenses is further strengthened by reference to previous studies on factors that affect the performance of small and microenterprise (SME) traders in urban garden hawker markets in Nairobi district, Kenya. Nabintu (2013).

In conclusion, the researcher will analyze in more depth the factors that cause the increased expenses and their effect on business performance. In this study, the researcher also wants to know whether the increased expenses have a significant effect or not on business performance, especially in the microenterprise sector. Poor business performance will make it difficult for microenterprises to plan their business growth and maintain stability and success in the long term.

1.2   Problem Statement

Nowadays, the issue of rising prices of goods such as basic goods is hotly discussed by all the people in Malaysia. The continuous increase in the price of goods has caused many groups of people and business sectors to be affected due to the very sudden increase in the price of goods. Utusan Malaysia article, 2023, July 8 related to the price of goods expected to rise by 20% starting in August. According to this article, the price of consumer goods will be expected to increase by up to 20% this year driven by two factors, namely import inflation and the increase in business operating costs in Malaysia. Starting January to July this year, the fall of the Malaysian Ringgit (RM) started at a rate of RM4.20 against the US dollar and is now RM4.60 against the dollar. The 10% increase comes against the decline of the Malaysian Ringgit against the US dollar. The purpose of this research is to examine the effect of increasing the expenses on business performance among microenterprises hawker in Kota Bharu, Kelantan.

Microenterprises that work on food products can be categorized as one of the most affected business sectors when there is an increase in the price of goods, especially an increase in the price of basic goods such as rice, flour, cooking oil and sugar. According to Utusan Malaysia, Kamaliza Kamaruddin (2023, July 11), the prices of necessities are rising, and consumers have no choice. Necessities such as rice, eggs, chicken, fish, and vegetables are among the food items that are predicted to be affected by the price increase starting August 2023. This situation brings microenterprises that work on food products such as selling on the roadside to have difficulties in their business. This is because when the price of goods goes up, they also must raise the price of food to cover business capital expenses. The effect of this increase in food prices also affects the buyers who buy their food products and allows them to lose customers if the prices offered do not meet the needs of consumers.

Next, the statement of the problem in this research is the implication of increasing expenses microenterprises on consumer demand. As the price of goods and services increases, microenterprises are forced to navigate a delicate balance to remain competitive while avoiding potential declines in consumer patronage. Affordability becomes a critical factor, with consumers potentially changing their purchasing behavior in response to perceived product value versus their increased cost. The statement of this problem is also referred to base on previous research, which is the effect of the increase in electricity prices on consumer demand (Lange, 2010). Therefore, this research seeks to unravel the complex dynamics that govern the relationship between price volatility and consumer demand in microenterprises. This is one of the challenges that microenterprises will face in maintaining market share and financial viability in changing economic conditions. According to the Berita Harian article (2023, May 27), the people play a role in dealing with the increase in the price of goods because the cost of goods and food is predicted to increase by more than 10 percent following the expected increase and the inflation rate to reach six to seven percent.

Market conditions play an important role in shaping the operating landscape for microenterprises and when challenges such as rising prices of basic goods occur, this adds a layer of complexity to their strategic decision-making. This will also cause their expenses to increase as well. When faced with rising costs of production, microenterprises find themselves navigating a dynamic market environment that demands adept responses to maintain competitiveness. This issue is compounded by factors such as market saturation, evolving consumer preferences, and the potential for intensified competition from larger enterprises. The statement of this problem can also be further strengthened through the reference of a previous study where the researcher studied the issue of rising gasoline prices causing an increase in inflation (Shobana Rajandaran, 2020).

There are three primary classifications within the realm of business, namely service, manufacturing, and business sectors. To qualify as a business entity, an organization must demonstrate specific business traits and engage in designated activities. These defining characteristics encompass economic transactions, the exchange of goods and services, ongoing operational processes, profit-driven objectives, the acceptance of risks and uncertainties, adaptability and innovation, prioritization of customer satisfaction, involvement in social initiatives, and compliance with government regulations (Business 2023). Limited financial resources may constrain their ability to absorb rising costs, potentially impacting product quality or pricing structure. Although they cater to a certain customer base, niche markets could microenterprises more susceptible to market shocks. The difficulty also lies in how these microenterprises might innovate and modify their business plans to remain competitive in the face of increased pricing pressure. This statement is also supported by My Metro, Sri Ayu Kartika Amri's article (2023) about the cost of living being the challenge of 2023. The ongoing challenge of 2023 will persist as the prices of goods and the overall cost of living continue to rise, impacting both urban and rural areas.

1.3   Research Question

1) What is the relationship between the price of goods and business performance among microenterprise hawker in Kelantan?

2) What is the relationship between consumer demand and business performance among microenterprise hawker in Kelantan?

3) What is the relationship between market conditions and business performance among microenterprise hawker in Kelantan?

4) What is the relationship between business characteristics and business performance among microenterprises hawker in Kelantan?

5) What are the factors that most influence the effect of the increase in the expenses on business performance among hawker of microenterprises in Kelantan?

1.4   Research Objectives

1) To find the relationship between the price of goods and business performance among microenterprises hawker in Kelantan.

2) To find the relationship between consumer demand and business performance among microenterprise hawker in Kelantan.

3) To find the relationship between market conditions and business performance among microenterprises hawker in Kelantan.

4) To find the relationship between business characteristics and business performance among microenterprises hawker in Kelantan.

5) To identify the factors that most influence the effect of increasing the expenses on business performance among microenterprises hawker in Kelantan.

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1.5   Scope of the Study

The study focuses on the effect of the expenses and business performance on microenterprises hawkers in Kelantan. It focuses on microenterprises hawker in Kelantan, namely in Kota Bharu as the place where our research is carried out. The respondents are hawker in Kota Bharu who are impressed while carrying out various business activities. The research target microenterprises hawker because their presence is to some extent helpful in the country's economic growth. According to (Bai et al., 2021; Blankson & Nukpezah, 2019) microenterprise many informal, vulnerable, and disadvantaged populations rely on them to keep employment rates and income stable. This study consists of the independent variable which is the effect of increasing expenses, and the four variables others are price of goods, consumer demand, market conditions, and business characteristics, while the dependent variable is business performance in Kelantan.

1.6   Significance of Study

This study aimed to investigate various factors, including the correlation between the price of goods and business performance, the connection between consumer demand and business performance, the relationship between market conditions and business performance, and the association between business characteristics and business performance. Specifically, the researcher examined how expenses could influence the activities of hawkers in Kota Bharu. The outcomes of this study are expected to have significant implications for understanding the impact of increased expenses on hawkers in Kelantan Kota Bharu, as well as proposing potential solutions to address these challenges.

Furthermore, microenterprises exhibit smaller capital reserves, limited inventory, and lower efficiency compared to larger enterprises. They often engage in one-to-one transactions, rendering them more susceptible to crises (Liu & Cheng, 2018). This study explores how microenterprise hawkers adapt and adjust their expenses in relation to the selling prices they

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charge. Through this investigation, insights will be gained into how hawkers address the challenges posed by rising expenses in their business operations.

1.7 Definition of Term

1.7.1 Price of Goods

The term "price of goods" pertains to the monetary amount that consumers or businesses must exchange for a product or service. This concept holds significant importance in economics, playing a pivotal role in influencing supply and demand, market equilibrium, and resource allocation within an economy. As stated by Mankiw, N. G., & Taylor, M. P. (2017), the price of goods signifies the financial value assigned to a product or service, representing the agreed-upon cost that buyers are willing to pay and sellers are willing to accept in a market transaction. Various factors, including supply and demand dynamics, production costs, competition, and consumer preferences, contribute to the determination of prices. This definition emphasizes the factors that influence the pricing of goods, including the interplay between supply and demand, production costs, and market conditions. Prices are central to understanding how markets function and how resources are allocated in an economy.

1.7.2 Business Performance

Business performance encompasses the assessment and evaluation of a company or organization's success in realizing its strategic goals and objectives. This evaluation entails the scrutiny of key performance indicators (KPIs) and metrics to gauge the efficiency, effectiveness, and overall triumph of the business across various domains, including financial performance, operational efficiency, customer satisfaction, and market share. As defined by Wheelen, T. L., Hunger, J. D., Hoffman, A. N., & Bamford, C. E. (2017), business performance is the evaluation of a company's capability to attain its objectives and provide value to its stakeholders. It encompasses

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financial indicators like revenue, profit, and return on investment, as well as non-financial aspects such as customer satisfaction, employee engagement, and operational efficiency. Evaluating business performance is essential for making informed decisions and continuous improvement.

1.7.3 Consumer Demand

Consumer demand, also known as market or consumer demand, pertains to the inclination or readiness of consumers to acquire a specific quantity of goods or services at various price points within each period. This foundational concept in economics aids in the analysis and anticipation of how consumer preferences and choices impact the production and pricing of goods and services. As outlined by Hubbard, R., & O'Brien, A. (2018), consumer demand signifies the volume of a good or service that consumers are prepared to purchase at different price levels during a specific period. It reflects the preferences, tastes, and budget constraints of consumers and plays a pivotal role in determining the equilibrium price and quantity of goods and services in a market (Kim et al., 2002).

1.7.4 Market Conditions

Market conditions encompass the diverse economic, social, and environmental elements that impact the supply and demand for goods and services within a specific market. These factors comprise aspects like pricing, competition, consumer preferences, government regulations, and economic trends. The term is employed to characterize the overall status of a market and its potential for expansion or contraction. As described by Hitt, M. A., Ireland, R. D., & Hoskisson, R. E. (2016), market conditions encapsulate the broader economic, competitive, and regulatory milieu that shapes the transactions involving the buy and sell of goods and services within a

designated market. These conditions can fluctuate over time, impacting the opportunities and challenges faced by businesses operating in that market.

1.7.5   Business Characteristics

Business characteristics refer to the distinguishing features and attributes that define a particular business or type of business. These characteristics can include factors such as industry sector, size, ownership structure, location, business model, and the products or services offered. Understanding these characteristics is crucial for analyzing and categorizing businesses for various purposes. According to Hitt, M. A., Ireland, R. D., & Hoskisson, R. E. (2017) business characteristics encompass the key attributes that differentiate one business from another. These attributes may include the sector or industry in which the business operates, its size in terms of employees and revenue, its ownership structure (e.g., sole proprietorship, partnership, corporation), geographic, location, and its unique products or services. These characteristics play a significant role in shaping a business's strategy and performance.

1.8   Organization of the Thesis

The initial section of this paper addresses the introduction, delving into the background of studies employed to date. It encompasses the problem statement, research questions, research objectives, scope of the study, significance of the study, and the organization of the proposal.

The subsequent chapter conducts a thorough literature review, covering the introduction, foundational theory, previous studies, hypothesis statements, conceptual framework, and a concluding summary. The framework visually illustrates the connections between variables.

Chapter three delves into the research methodology, providing an in-depth exploration of the tools and techniques utilized to compile findings. This section offers a succinct overview of the research strategy, data collection methods, study population, sample size, sampling techniques, instrument development, variable measurement, data analysis, and conclusions.

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

In the second chapter of this study, the focus will be on examining the relationship between the dependent and independent variables, elucidating their definitions and concepts. The analysis will commence with an exploration of the dependent variable, which is the business performance of microenterprises in Kelantan. Subsequently, the researcher will delve into the analysis of independent variables, namely, the price of goods, consumer demand, market conditions, and business characteristics. Additionally, chapter two will consolidate the hypothesis and conceptual framework, drawing upon and refining relevant theoretical models derived from earlier research papers. The discussion will conclude with a comprehensive summary.

2.2 Underpinning Theory

As per the Wikipedia website on January 2, 2012, a theory is defined as a system of ideas that seeks to explain something, particularly relying on general concepts that are independent of the specific things being elucidated. Additionally, Forsyth (2021) posits that a theory clarifies the significance of factors, their interrelationships, and the reasons certain outcomes occur under specific circumstances. While articles may vary in their explicit presentation of these theories or conceptual framings, all of them incorporate these elements. The foundational theory under discussion is the Market-Based View (MBV), and each model within this theory introduces its unique set of variables.

2.2.1 The Market-Based View (MBV)

Drawing from "Competitive Advantage: A Theoretical Approach" (July 27, 2017), the market-based view underscores external elements like industry trends and market orientations as pivotal determinants of a company's performance. Accordingly, the perspective suggests that a company should strategically position itself in the market to secure competitive advantages. According to the article "Leadership Styles and Labor Market Conditions (2020), leadership styles are not solely based on the leaders' inherent traits or personalities but are significantly shaped by the broader labor market conditions and economic incentives. The presence of a binding wage floor serves as a critical factor influencing the choice between praise-based and punishment-based leadership approaches.

According to Coccia (2016), the connection between market price setting and asymmetries in systems of goods measurement revolves around the influence of diverse measurement systems in different countries on market prices. In the context of an ever-globalizing world, countries have evolved distinct measurement systems based on their historical trajectories. This study investigates the ways in which these measurement asymmetries impact market prices. This research highlights the impact of cognitive processes, satisfying behavior, and bounded rationality in price setting within markets. Decision-makers in these markets may use a simplified way of reasoning when determining prices, which is influenced by the official basic units of measurement. However, the market-based view has offered frameworks, including Bain's Structure-Conduct-Performance paradigm and Porter's Five Forces model, which prove valuable in elucidating potential sources of competitive advantage.

In this study, this model theory will measure the ability of microenterprises on their business performance in the market to compete with other medium traders. The significance of microenterprise business performance will be seen based on four elements namely price of goods, consumer demand, market conditions and business characteristics.

2.3   Previous Studies

Research on the effect of increasing the expenses on business performance among microenterprises, particularly hawkers, in Kelantan, has garnered notable attention from scholars. These studies shed light on the challenges faced by these small-scale entrepreneurs in the wake of escalating costs.

A seminal study conducted by Hassan and Ismail (2018) delved into this issue, specifically within the context of Kelantan. Through a combination of surveys, interviews, and financial data analysis, the researchers aimed to understand how the rising prices of goods were impacting the financial health and operational capabilities of microenterprise hawkers in the region. The findings indicated a discernible negative impact on profit margins, leading to financial strain and operational challenges. This study provides a vital reference point for comprehending the direct economic consequences faced by hawker enterprises in Kelantan due to increasing input costs.

Moreover, the research by Yusof and Bakar (2020) explored the adaptive strategies adopted by hawker businesses in response to price hikes in Kelantan. Through qualitative interviews and observations, they identified various measures employed by hawkers to mitigate the impact of increased costs. These strategies included sourcing alternative suppliers, adjusting pricing strategies, and diversifying product offerings. This study sheds light on the

resourcefulness and resilience exhibited by hawker entrepreneurs in navigating economic challenges specific to Kelantan.

Additionally, the work of Mohd Azam, Mohd Isa, and Rosli (2021) extended the examination to encompass the broader economic ramifications of price surges on the hawker industry in Kelantan. Through a comprehensive analysis integrating qualitative and quantitative methods, they explored the cascading effects on employment, consumer behavior, and the overarching economic ecosystem surrounding these businesses. The study underscored the intricate interplay between the hawker industry and the wider economy in Kelantan, emphasizing the need for targeted policies to support its sustainability.

In summary, previous studies have provided invaluable insights into the multifaceted effects of price increases on microenterprise hawker businesses in Kelantan. Hassan and Ismail's research highlights the immediate financial challenges faced by these businesses, while Yusof and Bakar's study illuminates their adaptive strategies within the Kelantan context. Mohd Azam, Mohd Isa, and Rosli's work provides a broader perspective, considering the far-reaching economic implications specific to Kelantan. Together, these studies contribute to a comprehensive understanding of the challenges and opportunities encountered by hawker enterprises in Kelantan in the face of escalating costs.

2.4   Hypotheses Statement

H1: The price of goods of increasing the expenses will affect the business performance among microenterprises hawker in Kelantan.

H2: The consumer demand of increasing the expenses will affect the business performance among microenterprises hawker in Kelantan.

H3: The market conditions of increasing the expenses will affect the business performance among microenterprises hawker in Kelantan.

H4: The business characteristics of increasing the expenses will affect the business performance among microenterprises hawker in Kelantan.

H5: The factors that most influence the effect of increasing the expenses on business performance among microenterprises hawker in Kelantan.

2.5   Conceptual Framework
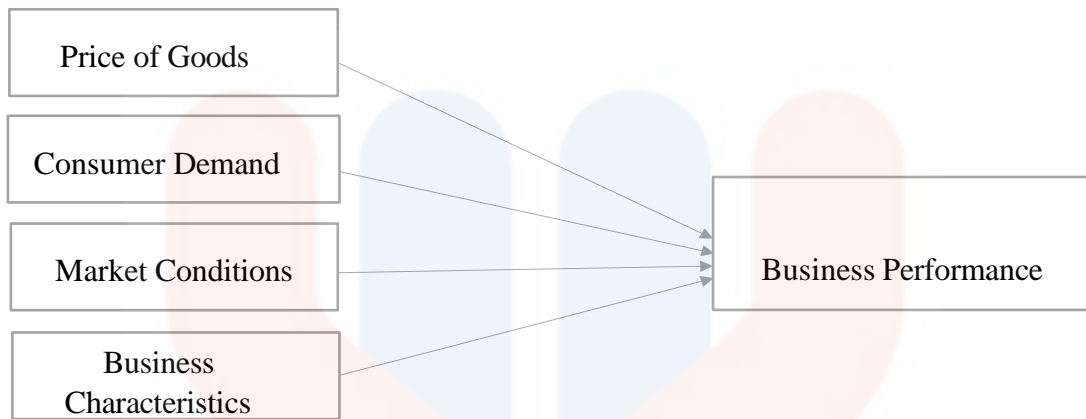
Source: Ping Shi (2022), Hui Feng (2016), Richard Blundell, Victoria Wolf (2021)

Figure 2.1: Research Framework

As shown in Figure 2.5 this study developed a conceptual framework to evaluate the effect of increasing the price of goods on business performance among microenterprises hawkers in Kelantan. As shown in the figure, four independent variables from different articles and one dependent variable are related. The first independent variable is related to the price of goods that we got from the article titled modelling and analysis of a sustainable supply chain with fairness concerns and green-sensitive consumer demand. Price influences expectations, but not perceptions of quality and liking. The next independent variable is consumer demand which we obtained from the article titled What Do We Learn About Consumer Demand Patterns from Micro Data. The third independent variable is market conditions, which we obtained from the article firm capabilities and growth: the moderating role of market conditions. The last independent variable is business characteristics, also obtained from a different article entitled an exemplary approach to measure an innovation strategy with a questionnaire-based business survey in microenterprises hawker in Kelantan. Business performance which is a dependent variable is also obtained from a specific article selected by the researcher according to the suitability of the title.

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2.6   Summary

In summary, the literature review for each variable in this research has been thoroughly examined. Each study has been detailed within the various sections, including introduction, underpinning theory, previous studies on the variables, hypothesis statement, and conceptual statement. This chapter encompasses all the tools utilized in the study. For the researcher, this study is crucial for understanding how the rise in expenses can impact the business performance of hawkers in Kota Bharu.

The primary accomplishment of this study lies in identifying the effects, consequences, and potential solutions to the increased expenses faced by hawkers in Kota Bharu. The findings will unveil the key elements influencing the factors associated with rising expenses among hawkers in Kota Bharu.

CHAPTER 3

RESEARCH METHODS

3.1   Introduction

This chapter defines the methodology employed in the research, offering the reader an opportunity to comprehensively understand the approach adopted. The discussion will encompass the research design, data collection methods, study population, sample size, sampling technique, research instruments, variable measurement, data analysis, and the way the goals and research questions were achieved.

3.2   Research Design

A research design serves as a comprehensive strategy or plan devised to address the research topic and handle variability. Another dimension of research design involves organizing criteria for data collection and analysis, aiming to maximize relevance to the study's purpose. As per Wikipedia Contributors (2023), research design encompasses the overarching strategy employed to conduct research, outlining a concise and logical plan for addressing established research questions through the collection, interpretation, analysis, and discussion of data.

Research design involves the distinction in estimation between quantitative and qualitative analysis methodologies. Consequently, the researcher in this study adopts a quantitative technique as the research method. As per Bhandari (2020), quantitative research is defined as a process of gathering and analyzing numerical data, often employed to make extrapolations to larger populations. The term "quantitative" pertains to precisely stated discrete numbers. In this study, quantitative techniques will be utilized for formal and objective research, employing statistical procedures. The characteristics of quantitative research in this

context encompass the use of large samples, measurement standards, deductive methodology, and structured interview instruments to collect data for hypothesis testing.

For this study, the researcher has crafted questionnaires using the Google Form platform to facilitate the survey process. The study's sample comprises hawkers in the vicinity of Kota Bharu, Kelantan. These questionnaires serve as research tools for both quantitative and descriptive methodological research. The primary objective of these questionnaires is to systematically gather all data pertinent to the study's goals.

3.3   Data Collection Methods

Data collection involves the systematic gathering and measurement of information based on targeted variables within an existing system, enabling the addressing of relevant questions and the assessment of potential outcomes, as per Wikipedia on October 19, 2018. This process encompasses the collection of facts, objects, figures, classification, categorization, historical information, and other pertinent details gathered by the researcher from various sources. Multiple methods, including surveys, interviews, questionnaires, and direct observation, may be employed for data collection. In this study, the researcher utilized both primary and secondary data techniques to gather the necessary information. Primary data, being firsthand, was collected directly, such as the outcomes from a questionnaire administered to hawkers in Kota Bharu, Kelantan. On the other hand, secondary data refers to information collected by the researcher from newspapers, magazines, journals, and readings from other sources.

For this study, the researcher has opted to distribute the questionnaire through an online survey using Google Form as the platform. The Google Form will be disseminated through various media channels, including WhatsApp, Instagram, Facebook, and Telegram, to gather responses. This approach is employed to facilitate the systematic storage of the collected data

for the researcher. Therefore, the target population of respondents chosen by the researcher is hawkers around Kota Bharu, Kelantan. However, because the information is confidential, the researcher did not obtain the actual population of hawkers around Kota Bharu, Kelantan. In this study, the researcher determined the sample size using Krejcie and Morgan's method, a widely employed technique for estimating the suitable sample size in research. This method is particularly useful when the entire statistical population of interest is not accessible, and the researcher must make decisions based on a representative sample (Rehman, 2021). Accordingly, the researcher aims to identify a total of 384 respondents, as indicated by the Krejcie and Morgan table concept.

3.4   Study Population

Researcher Buddenbaum and Novak stressed that a population is "the set of people from whom a study draws its conclusions" (2001). They propose that all people for whom data is required constitute the population, and that all related things, including documents, institutions, and other pertinent features, constitute the universe. The term "population" has a wide range of uses in scientific research; it may refer to anything from a collection of products and services to an event, an organization, or even an entire nation.

The focus of this research is on microenterprise hawkers in Kelantan who will effects of increasing expenses. The scope of people is 384 people from microenterprise hawker was chosen for this study.

3.5   Sample Size

The study's sample size is the proportion of the target population under investigation. It represents the total number of participants involved in the study, often categorized by demographic factors such as age, gender, and location to ensure the sample's representativeness of the target population. Selecting an appropriate sample is a critical aspect of any statistical study, with the sample being conceptualized as a subset of the entire population. For this study, we will utilize the diagram and technique proposed by Krejcie and Morgan in 1970. The study aims to include a sample size of 384 individuals from microenterprise hawkers. This choice is informed by the existence of both registered and non-registered hawkers within the study population. To determine the sample size, we refer to Krejcie and Morgan's table, ensuring a methodical approach to achieve a representative subset for the study.

Table for Determining Sample Size of a Known Population									
N	S	N	S	N	S	N	S	N	S
10	10	100	80	280	162	800	260	2800	338
15	14	110	86	290	165	850	265	3000	341
20	19	120	92	300	169	900	269	3500	346
25	24	130	97	320	175	950	274	4000	351
30	28	140	103	340	181	1000	278	4500	354
35	32	150	108	360	186	1100	285	5000	357
40	36	160	113	380	191	1200	291	6000	361
45	40	170	118	400	196	1300	297	7000	364
50	44	180	123	420	201	1400	302	8000	367
55	48	190	127	440	205	1500	306	9000	368
60	52	200	132	460	210	1600	310	10000	370
65	56	210	136	480	214	1700	313	15000	375
70	59	220	140	500	217	1800	317	20000	377
75	63	230	144	550	226	1900	320	30000	379
80	66	240	148	600	234	2000	322	40000	380
85	70	250	152	650	242	2200	327	50000	381
90	73	260	155	700	248	2400	331	75000	382
95	76	270	159	750	254	2600	335	1000000	384
Note: N is Population Size; S is Sample Size						Source: Krejcie & Morgan, 1970			

Source: Sample Size Determination using Krejcie & Morgan, 1970

Figure 3.1: Krejcie & Morgan, 1970

3.6   Sampling Techniques

Sampling, as defined by Taherdoost (2016), refers to the process of randomly selecting individuals from a larger population or a predetermined sample frame. In Northern research, reducing the number of respondents can result in cost and time savings, potentially facilitating the collection of higher-quality data. However, this efficiency must be counterbalanced by the necessity for a sufficiently large sample size and ample statistical power to discern genuine connections. Instead of examining everyone, researchers can focus on a subset of the population and generalize findings from there (Shantikumar, 2018). The choice of sampling procedure essentially dictates this approach.

Pace (2021) categorizes sampling methods into two main types: probability sampling and non-probability sampling. In probability sampling, also known as "random sampling," according to Etikan and Bala (2017), every individual has an equal chance of being included in the sample. To enhance the applicability of results to the target group, probability sampling methods such as cluster sampling, stratified sampling, systematic sampling, and simple random sampling are commonly employed. On the other hand, non-probability sampling makes the selection of study subjects less predictable, posing challenges in determining the likelihood of an individual's inclusion (Acharya et al., 2013). Non-probability sampling methods, including snowball sampling, judgmental or purposive sampling, simple sampling, quota sampling, and others, are occasionally chosen to save time or circumvent complex calculations. In these methods, the probability of selecting each survey responder from the broader population is unknown (Tee, 2018).

In this study, the researcher chose to employ a purposive sampling strategy, a non-probability approach. To address research inquiries effectively, a purposeful sampling strategy is employed, relying on factors such as proximity to the study site, availability, or expert opinion, rather than random chance (Kassiani Nikolopoulou, 2022). When population

parameters are unknown or challenging to specify individually, non-probability sampling becomes a suitable choice. The researcher selected this approach for its specific attributes, one of which involves narrowing the focus to interviewing only hawkers. Given the renowned entrepreneurial spirit of the people in Kelantan, it comes as no surprise that Kota Bharu Kelantan was chosen as the study site. This decision facilitated data collection due to the abundance of hawker groups in the area. Therefore, the researcher opted for a purposive sampling strategy to streamline the study and concentrate on the unique characteristics of the selected location.

3.7 Research Instrument Development

The primary objective of this research instrument is to pinpoint potential data sources. Esteemed experts in the field have consistently asserted that research instruments serve as tools through which researchers collect, analyze, and derive conclusions from the data gathered during their investigations. Additionally, the instrument plays a crucial role in assessing the validity of research data, gauging the instrument's complexity, reliability, and potential interference during its preparation with validity being a central concept. Instrument validation becomes instrumental in ensuring the accurate measurement of phonemes. Researchers employ a diverse array of tools in their endeavors, encompassing methodologies such as interviews, surveys, focus groups, and straightforward observation. These methods collectively contribute to the comprehensive exploration and understanding of the subject matter under investigation.

Questionnaires stand as the benchmark for collecting information from study participants, designed to elicit the opinions of a population or a specific group on issues relevant to the ongoing study. In the pursuit of gathering insights from respondents, this questionnaire employs a set of open-ended questions, as outlined by Ndawa et al. in 2021. The online questionnaire presented to participants as a component of the research tool covers a

spectrum of inquiries, encompassing aspects such as company performance, product pricing, customer demand, market conditions, and company attributes.

This questionnaire is divided into three parts, Part A, Part B, and Part C. Part A contains the respondent's demographic profile including the respondent's gender, age, ethnicity, and income. This level of income was established to find out whether the income they earn every month has a direct impact on the increase in expenses nowadays. In this study, the focus of the researcher is the effect of increasing the expenses on business performance among microenterprise hawkers in Kelantan. In part B, there is information related to the dependent variable which is business performance. Finally, is part C which is independent variables including price of goods, consumer demand, market conditions and business characteristics.

This study's questionnaire was administered using a Google Form, an online platform. The researcher also used a physical questionnaire technique by distributing question papers to microenterprises hawker in the Kota Baru, Kelantan. The researcher's focus is microenterprises in the Kota Bharu area of Kelantan since the chosen topic is related to the effect of increasing the expenses on business performance among microenterprise hawker in Kelantan. It is an easy way for researchers to collect respondents and collect data. For hawkers who are comfortable with technology, like social media, the internet platform will make it easier for them to respond to queries via mobile phones. Therefore, this research instrument will make it easier for researchers to collect data and obtain quality data.

3.8   Measurement of The Variables

Measurement involves assigning numbers to objects or observations. Rashid (2019) explains that the level of measurement depends on the guidelines governing the assignment of numbers. To achieve meaningful measurements, researchers must conduct comprehensive studies to establish the relationship between independent and dependent variables. According

to Podani et al. (2022), nominal variables provide a simple example where character states are analyzed for equality or inequality. The survey included poll questions in both Malay and English to ensure universal comprehension. Comprising three parts, the survey encompasses 29 questions covering various topics such as demographics, company performance, product pricing, consumer demand, current market conditions, and company traits.

3.8.1 Likert Scale

Likert scale requires the respondent to determine agree or disagree with the statement or question from the questionnaire. Each question has five variations of response ranging from "strongly disagree" to "strongly agree". For this research questionnaire consist of three sections were going to use. Each section needs to fill up. Below are details of each section.

Section A

This section for a demographic profile that has four frequently asked questions about respondent information. The question will consist of gender, age, race, and income level.

Section B

In this section, Likert scale was used. The questionnaire was about the dependent variable 'business performance.' There will be five questions in this section.

Section C

In this section, Likert scale was used. The questionnaire was about the effect of increasing the expenses. There are four parts in this section which are price of goods, consumer demand, market conditions, and business characteristics. Each part consists of five questions and will bring a total of 20 questions.

3.8.2   Measuring Scale

This study uses ordinal measuring scale for section B and C. In this part, five-point Likert item will be used. Respondents should mark out any relevant answer options for each question or statement based on the choice of answers from disagree to agree. Five – point Likert scale as shown in table 3.1.

Table 3.1: A Five-Point Likert Categoric

1	2	3	4	5
Strongly Disagree	Disagree	Moderate	Agree	Strongly Agree

Sources: Wikipedia Contributors. (2023, August 18). Likert scale. Wikipedia; Wikimedia Foundation.

3.9   Procedure for Data Analysis

Data analysis involves the exploration of patterns, trends, correlations, and other meaningful information to draw conclusions and enhance decision-making. Madugula et al. (2023) emphasizes a series of steps leading to intentional discoveries applicable in the real world for the benefit of society. In the data analysis process, the researcher employed SPSS version 26, following the completion of the data gathering procedure, to generate data for the subsequent phase. For those embarking on a career in statistics, Imankhan (2023) suggests that SPSS is an excellent tool due to its user-friendly interface and its capacity to analyze data. SPSS serves as software for data description, comparison, and association discovery. Researchers utilize various forms of analysis, including descriptive analysis, reliability analysis, regression analysis, and Pearson's correlation coefficient.

3.9.1   Pilot Test

Researchers begin by conducting a pilot test in a smaller, more targeted region to ensure a tolerable level of variability over the full research. Researchers delivered these questions to hawkers in the Kota Bharu area to gauge the level of comprehension of the study questions. While the optimal sample size is up to 10% of the population, the researchers in this study utilized an unknown sampling method, citing Krejcie and Morgan (1970) as a reference. The study's pilot participants were 30 street vendors in Kota Bharu, Kelantan.

3.9.2   Descriptive Analysis

This descriptive technique was employed to quantify the impact of rising costs on company performance. Research is classified into three levels: low, medium, and high. We shall utilize frequency analysis of data based on means score.

Table 3.2: The Range of Means Score

Level	Score mean
Low	$1.00 - 2.33$
Medium	$2.34 - 3.66$
High	$3.67 - 5.00$

Sources: Table 3: Level of Mean Score Range. (2014). ResearchGate.

3.9.3   Pearson's Correlation Coefficient

(Hui Liu et al., 2020) states that Pearson's correlation coefficient is often used for normally distributed variables, pairwise independent variables, and linearly continuous linked variables. To determine the strength of a relationship, this approach examines the connection between the dependent variable and the independent variables. Pearson correlation strength measurement seen based on "Guilford Rule of Thumb" as shown in Table 3.4. To test hypothesis, significant level of alpha = 0.05 is being used

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to determine significant levels. It means that accepted or not accepted of hypothesis was based on 95% of confidence level.

Table 3.3: Guilford Rule of Thumb

CORRELATION SIZE	INTERPRETATION
0.0 – 0.20	Very Weak
0.21 – 0.40	Weak
0.41 – 0.70	Moderate
0.71 – 0.90	Strong
0.91 – 1.00	Very Strong

Sources: Table 4. The strength of the relationship. (2018). ResearchGate; ResearchGate.

3.9.4 Multiple Regression Analysis

The purpose of multiple regression analysis is to find out how the dependent variable is related to the independent variables. This method may help you objectively evaluate the strength and nature of the correlations between the variables.

Table 3.4: Shows the Formula of Multiple Regression Equations.

$$y = a + b_1x_1 + b_2x_2 + b_3x_3 + b_4x_4$$

Y= the value of business performance (dependent variable)

a= constant or intercept

b= slope for X

X1= lifestyle (independent variable)

X2= condition market (independent variable)

X3= consumer demand (independent variable)

X4= characteristics business (independent variable)

Sources: Smith, G. (2015). Multiple Regression. Elsevier EBooks.

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Table 3.5: Research Questions and Analysis Method

Research Question	Analysis
What is the relationship between the price of goods and business performance?	Correlation Analysis
What is the relationship between consumer demand and business performance?	Correlation Analysis
What is the relationship between market conditions and business performance?	Correlation Analysis
What is the relationship between business characteristics and business performance?	Correlation Analysis
What is the most important on the effect increasing of expenses on business performance in Kelantan?	Multiple Regression Analysis

3.10   Summary

This chapter outlines the procedures implemented in the study, including details about the study's population, sample size, sampling strategies, research instruments, variables under consideration, instruments used for data collection, and the processes employed for data analysis. To enhance the authenticity and trustworthiness of the gathered information, the research has incorporated multiple tests and assessments throughout the approach. It is crucial to adhere to these procedures before progressing to the subsequent phases, wherein the questionnaire collected will be applied in chapters 4 and 5 of the SPSS manual.

CHAPTER 4

DATA ANALYSIS AND FINDINGS

4.1   Introduction

In this chapter explained about the research results that collected by the survey by distributing questionnaires to the respondent. The preliminary analysis also will be carried out to test the reliability of the questions. The number of respondents required by the researcher is as many as 384 people but because of the findings from the questionnaire that has been distributed, the researcher obtained as many as 450 respondents. Therefore, from the 450 respondents who have been obtained, the researcher has analyzed the data obtained and the results found that only 354 respondents have valid data to be analyzed in this research. This chapter also covers descriptive analysis, reliability testing, Pearson's Correlation analysis and hypothesis testing. The researcher used IBM SPSS Statistics version 26 for analysis of the data.

4.2   Preliminary Analysis

In this questionnaire research, a pilot test is performed to test the question procedure with a small group of participants. In this research, data from 30 respondents were collected and used to carry out the pilot test. The researcher utilized a reliability test to determine the validity of the correlation between the independent variables and dependent variables. A reliability test is required to determine the dependability of the observed variables concerning the article's variables, these included price of goods, consumer demand, market conditions and business characteristics as independent variables and business performance as the dependent variable. The reliability of the variables is measured by Cronbach's Alpha. All independent have sufficient reliability because the value of the measurement is over 0.7 to 1.00 which means the value of Cronbach Alpha is acceptable and good according to Lee Cronbach in 1951.

Table 4.1: Reliability Test for 30 Respondent

Variables	Reliability	No. of Item
Business Performance	0.78	5
Price of Goods	0.77	5
Market Condition	0.92	5
Consumer Demand	0.88	5
Business Characteristics	0.89	5
All Variables	**0.919**	**25**

4.3 Demographic Profile of Respondents

4.3.1 Gender

Table 4.2: Statistics on Gender Distribution

Gender				
	Percent	Frequency	Valid Percent	Cumulative Percent
Male	41.2	146	41.2	41.2
Female	58.8	208	58.8	100.0
Total	**100.0**	**354**	**100.0**	
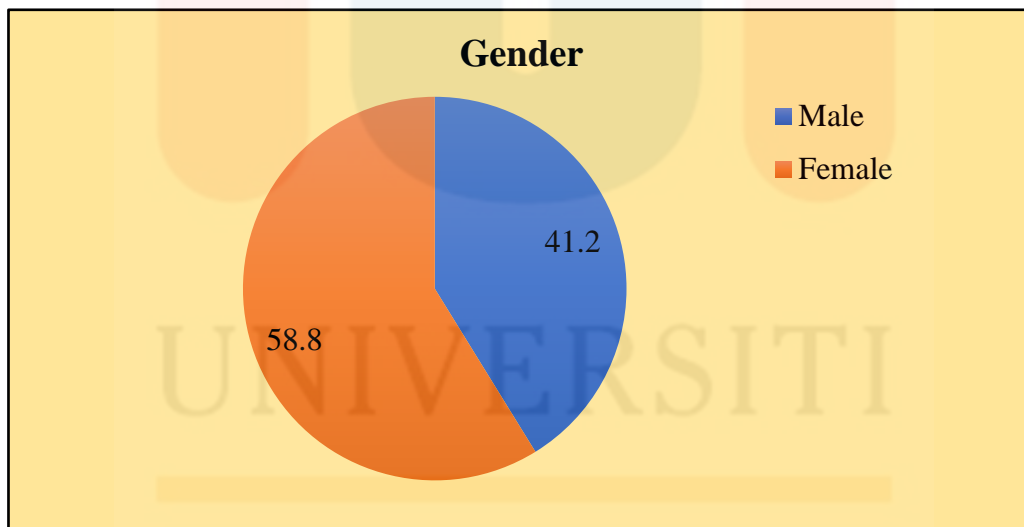
Figure 4.1: Gender Pie Chart

It could be seen from the table 4.2 above there were 146 male respondents, which comprised 41.2 percent of the total number of populations, and 208 female respondents that comprised 58.8 percent, which has the frequency of 354 respondents or 100 precent.

4.3.2 Age

Table 4.3: Demographic Statistics on Age Distribution

Age				
	Percent	**Frequency**	**Valid Percent**	**Cumulative Percent**
Below 19 Years Old	0.6	2	0.6	0.6
20-29 Years Old	15.0	53	15.0	15.5
30-39 Years Old	54.8	194	54.8	70.3
40-49 Years Old	26.3	93	26.3	96.6
50 Years and Above	3.4	12	3.4	100.0
Total	**100.0**	**354**	**100.0**	
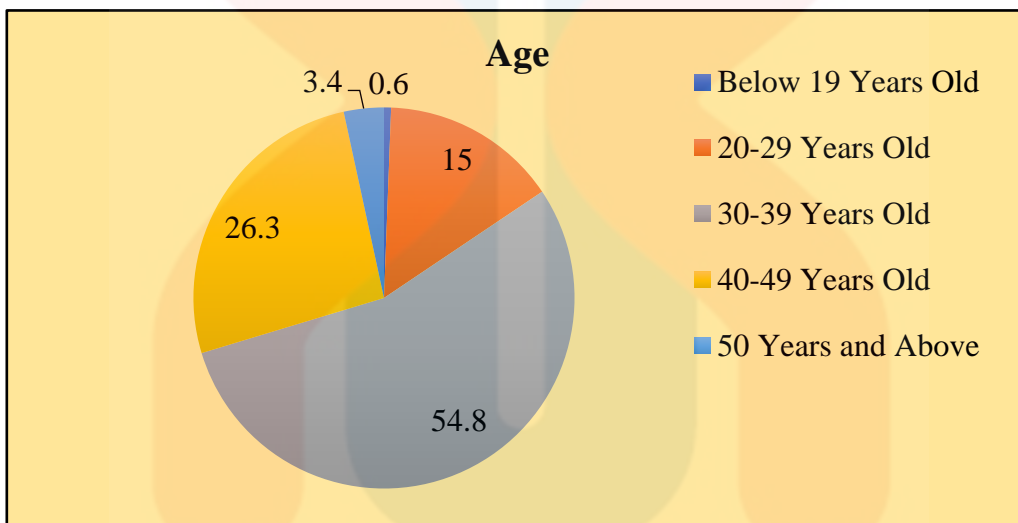
Figure 4.2: Age Pie Chart

Table 4.3 shows that two respondents are the age of below 19 years old, 53 respondents are between age 20-29 years old, 93 respondents are between 40-49 years old and above 50 years and above have 12 respondents. Figure 4.2 above shows the highest percentage of fill up the survey is 54.8% from the age of 30-39 years old. Meanwhile, 15% respondents are from the age 20-29 years old. Respondents from age below 19 years old and above 50 years old have the lower percentage with 0.6% and 3.4%. In conclusion, the respondents age between 30-39 years old are more familiar with Microenterprise business.

4.3.3 Race

Table 4.4: Statistics on Race Distribution

Race				
	Percent	**Frequency**	**Valid Percent**	**Cumulative Percent**
Malay	98.6	349	98.6	98.6
Chinese	0.6	2	0.6	99.2
Indian	0.6	2	0.6	99.7
Others	0.3	1	0.3	100.0
Total	**100.0**	**354**	**100.0**	
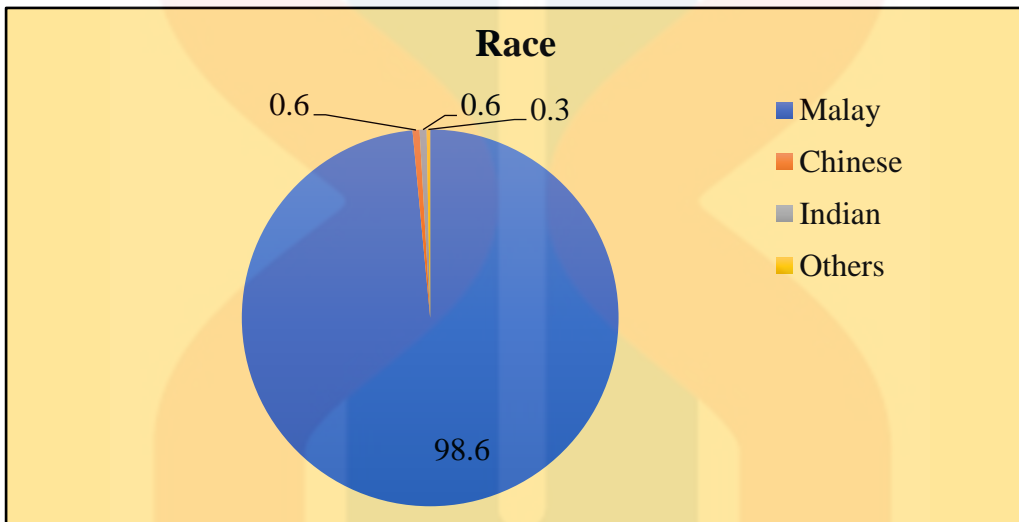
Figure 4.3: Race Pie Chart.

Table 4.4 and figure 4.3 show race dispenses among the participants. The highest number of race group who were involved in this study were Malay with 98.6% (N=349) respondents, followed by Indian with 0.6 percent (N=2) respondents. There were also Chinese represented 0.6% which is two of total respondents. There were also others races namely Iban, Khadazan and Dusun with 0.3% (N=1).

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4.3.4   Income Level

Table 4.5: Statistics on Income Level Distribution.

Income Level				
	Percent	Frequency	Valid Percent	Cumulative Percent
Below RM1499	16.4	58	16.4	16.4
RM1500-2000	31.9	113	31.9	48.3
RM2001-2500	32.5	115	32.5	80.8
RM2501-3000	19.2	68	19.2	100.0
Total	**100.0**	**354**	**100.0**	
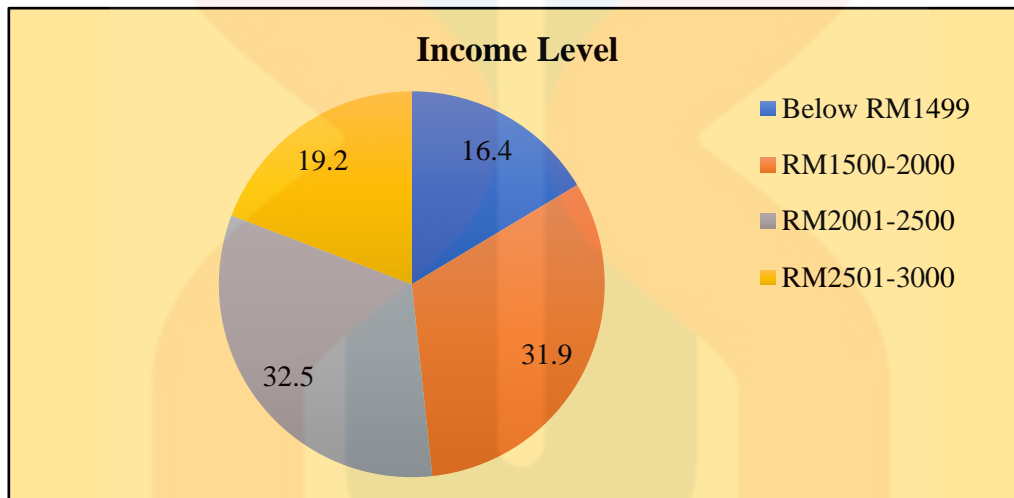
Figure 4.4: Income Level Pie Chart.

Table 4.5 presents the income level distribution of a total of 354 respondents collected from the data collection. Based on table 4.5 and figure 4.4, there were a total of five income level categories. The result indicates that many respondents were from below RM1499 income level which consists of 16.4 % (N=58) out of total 354 respondents. Followed by the RM1500-RM 2000 income level which consists of 31.9% of respondents. While there were 32.5% (N=115) for RM2001-RM2500 income level. There was also RM2501-RM3000 income level representing 19.2% which is 68 of respondents.

4.4 Descriptive Analysis

Descriptive analysis is a statistical technique that involves the exploration, summarization, and presentation of data to provide a comprehensive understanding of its main features. The primary goal of descriptive analysis is to organize and describe the main characteristics of a dataset, without making inferences or drawing conclusions about a larger population. This method is often used in the initial stages of data analysis to gain insights into the patterns, trends, and distributions within the data. The researcher can then determine how many people strongly agreed or disagreed with the responder. Likert scale answers range from 1 (strongly disagree) to 5 (strongly agree), with 1 representing strong disagreement and 2 (disagree) through 4 (neutral) representing agreement.

This survey received responses from 354 active Kota Bharu microenterprise. The results show the mean value and standard deviation as a function of each question's factors. The researcher conducted this descriptive analysis to determine the mean for each component of the independent variable and the dependent variable.

4.4.1 Business Performance

Table 4.6: Descriptive Statistic for Bus Business Performance.

	Statements	Mean	Std. Deviation
BP1	Business performance will increase the sales growth of microenterprises.	4.46	.573
BP2	Business performance is important to ensure microenterprises loyalty.	4.52	.539
BP3	Poor business performance will affect the financial liquidity of microenterprises.	4.44	.705
BP4	Sustainable business performance of microenterprises can benefit market share.	4.38	.659
BP5	Good business performance of microenterprises will have an impact on public image.	4.48	.603

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Table 4.6 shown the descriptive statistics for business performance. The analysis of the effect of increasing expenses on business performance among microenterprises, particularly hawkers in Kelantan, reveals significant insights based on five question dependent variables. Firstly, there is a positive correlation between business performance and sales growth, supported by a mean score of 4.46. Secondly, microenterprises consider business performance crucial for ensuring customer loyalty, as indicated by a mean score of 4.52.

Thirdly, a noteworthy finding is the potential impact of poor business performance on the financial liquidity of microenterprises, with a mean score of 4.44. Additionally, sustainable business performance is associated with an increased market share, as reflected by a mean score of 4.38. Lastly, good business performance is linked to a positive public image, illustrated by a mean score of 4.48. These findings collectively highlight the multifaceted nature of the relationship between expenses, business performance, and various crucial aspects of microenterprises in the context of the Kelantan hawker industry.

4.4.2 Rising Prices of Good

Table 4.7: Descriptive Statistic for Rising Prices of Good.

	Statements	Mean	Std. Deviation
RPOG1	Does politics affect the increase in prices of goods.	4.44	.571
RPOG2	Does a disease outbreak affect the price of goods, such as the covid-19 outbreak?	4.40	.590
RPOG3	Is the weather the main reason for the increase in the price of goods, such as the monsoon season?	4.39	.695
RPOG4	Does the war factor abroad have an effect on the increase in the price of goods?	4.28	.685
RPOG5	Is the fluctuation in the price of goods at an international level an effect on the increase in the price of goods in Malaysia?	4.37	.630

The descriptive analysis of the impact of increasing expenses on business performance among microenterprises in the hawker industry in Kelantan delves into five pertinent questions regarding the independent variable of rising prices of goods. Firstly, the findings suggest that political factors significantly influence the increase in prices of goods, as indicated by a mean score of 4.44 and a relatively low standard deviation of 0.571. Secondly, the study reveals that disease outbreaks, exemplified by the Covid-19 pandemic, contribute to the escalation of prices, with a mean score of 4.40.

Thirdly, the analysis identifies weather conditions, particularly during the monsoon season, as a substantial reason for the surge in the prices of goods, with a mean score of 4.39. Furthermore, the impact of international conflicts, measured by the war factor abroad, is acknowledged, with a mean score of 4.28. Lastly, the fluctuation in international prices is found to affect the cost of goods in Malaysia, supported by a mean score of 4.37 and an accompanying standard deviation. These insights illuminate the multifaceted factors surrounding the increasing expenses and their intricate relationship with business performance in microenterprises within the specific context of the Kelantan hawker industry.

4.4.3 Consumer Demand

Table 4.8: Descriptive Statistic for Consumer Demand.

	Statements	Mean	Std. Deviation
CD1	Price increases for goods have a noticeable impact on consumer demand for products or services provided by microenterprises.	4.44	.624
CD2	Microenterprises need to be mindful of how price changes might influence consumer behaviour and purchasing decisions.	4.39	.598
CD3	Communicating the value and unique selling points of products or services can help justify price increases to consumers.	4.42	.635
CD4	Microenterprises must carefully assess their competitive position in the market before implementing significant price increases.	4.43	.599
CD5	Maintaining open lines of communication with consumers can help microenterprises adapt to changing demand patterns in response to price adjustments.	4.41	.615

The descriptive analysis of the impact of increasing the expenses on business performance among microenterprises in the hawker industry in Kelantan sheds light on the pivotal role of consumer demand as an independent variable. The research underscores that price increases for goods exert a noticeable influence on consumer demand for products or services offered by microenterprises, evident from a mean score of 4.44. Moreover, microenterprises are advised to be vigilant about how price changes may sway consumer behavior and purchasing decisions, with a mean score of 4.39 and a relatively low standard deviation of 0.624. Effectively communicating the value and unique selling points of products or services emerges as a crucial strategy, supported by a mean score of 4.42.

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Additionally, microenterprises are cautioned to judiciously evaluate their competitive position in the market before implementing significant price increases, as reflected by a mean score of 4.43 and a standard deviation of 0.599. The study also emphasizes the importance of maintaining open lines of communication with consumers to adapt to changing demand patterns in response to price adjustments, with a mean score of 4.41. These insights collectively illuminate the intricate dynamics between increasing expenses, consumer demand, and the strategic considerations imperative for the sustained success of microenterprises in the unique context of the Kelantan hawker industry.

4.4.4 Market Conditions

Table 4.9: Descriptive Statistic for Market Conditions.

	Statements	Mean	Std. Deviation
MC1	Microenterprises need to monitor changes in market trends related to the industry.	4.42	.608
MC2	Microenterprises need to regularly analyse the competitive landscape in their industry.	4.44	.614
MC3	Microenterprises need to collect and analyse data about customer purchasing behaviour.	4.42	.603
MC4	Microenterprises need to adapt their marketing strategies based on changes in customer purchasing behaviour.	4.44	.590
MC5	Economic conditions such as inflation and interest rates on the market have a negative impact on microenterprises hawker.	4.36	.651

The descriptive statistic of the impact of increasing expenses on business performance among microenterprises in the hawker industry in Kelantan underscores the critical role of market conditions as an independent variable. The research reveals that microenterprises must actively monitor changes in market trends related to their industry, as reflected in a mean score of 4.42. Additionally, maintaining a vigilant stance on the competitive landscape is emphasized, with a mean score of 4.44 and a

standard deviation of 0.614, indicating the need for a nuanced understanding of industry dynamics. Furthermore, microenterprises are advised to collect and analyses data about customer purchasing behavior (mean score: 4.42) and adapt their marketing strategies accordingly (mean score: 4.44, standard deviation: 0.590). Notably, economic conditions, including inflation and interest rates, are identified as potential challenges, having a negative impact on microenterprises in the hawker industry, with a mean score of 4.36. These findings collectively highlight the nuanced interplay between increasing expenses, market conditions, and the strategic imperatives necessary for the sustained success of microenterprises in the distinctive context of the Kelantan hawker industry.

4.4.5 Business Characteristics

Table 4.10: Descriptive Statistic for Business Characteristics.

	Statements	Mean	Std. Deviation
BC1	The increase in the price of goods has negatively affected to microenterprises financially.	4.47	.583
BC2	Increased prices have resulted in decreased customer demand for microenterprise products or services.	4.52	.554
BC3	The increase in the price of goods has affected microenterprises competitive position in the market.	4.47	.588
BC4	Microenterprises profit margin has decreased due to the rise in the price of goods.	4.47	.588
BC5	Microenterprises should educate their customers about the reasons behind price increases and the value they provide.	4.45	.592

The descriptive analysis of the impact of increasing the expenses on business performance among microenterprises in the hawker industry in Kelantan sheds light on the pivotal role of business characteristics as an independent variable. The research reveals a consistent theme of the negative financial implications of price increases on microenterprises, reflected in multiple aspects. Notably, the rise in the price of goods is associated with adverse effects on the financial standing of microenterprises, evident from a mean score of 4.47. This increase has also led to a decrease in customer demand

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for microenterprise products or services, with a mean score of 4.52, underscoring the nuanced relationship between pricing and consumer behavior.

Additionally, the heightened prices have impacted microenterprises' competitive position in the market (mean score: 4.47). Moreover, a decrease in profit margins is identified because of the rising prices, as indicated by a mean score of 4.47 and a standard deviation of 0.588. The study concludes by emphasizing the importance of microenterprises educating their customers about the reasons behind price increases and the value they provide, with a mean score of 4.45 and a standard deviation of 0.592. These findings collectively illuminate the intricate dynamics between increasing expenses, business characteristics, and the strategic considerations imperative for the sustained success of microenterprises in the unique context of the Kelantan hawker industry.

4.5   Validity and Reliability Test

Finding out how related the questionnaire items were the primary goal of the reliability analysis. Other goals included identifying problematic items that should remain on the scale and providing an overall index of the scale's repeatability or internal consistency. A reliability analysis using Cronbach's alpha was conducted in the study. An alpha value of 0.6 or higher was considered acceptable. The rules for interpreting Cronbach's alpha values are shown in Table 3.3.

Table 4.11: The result of Reliability Cronbach's Alpha

Variable	No. of Items	Coefficient Alpha	Strength of Association
Business Performance	5	0.893	Good
Price of Goods	5	0.938	Good
Consumer Demand	5	0.929	Good
Market Condition	5	0.931	Good
Business Characteristics	5	0.937	Good
Overall	**25**	**0.981**	**Very Good**

A total of 354 people filled out the survey for this research. Participants in the study were recruited from the Kelantan region. The measuring instrument's variables and their Cronbach's alpha values are displayed in Table 4.11. The first variable, which is the price of items, is measured using a 5-point Likert scale and is comprised of five questions. Reliability of the item coefficient for the price of items is assured by Alpha Cronbach's decision for this independent variable of 0.938, indicating a satisfactory association strength.

Similarly, to consumer demand, there are five questions used to compute user demand, Alpha Cronbach's decision for this independent variable is 0.929. The strength of the connection between the items is good. Therefore, the item coefficient for user requests is reliable. For market conditions variables, it also uses five questions to measure market

conditions with Alpha Cronbach's results for these variables being 0.931. This proves that the items' connections are strong, which in turn means that the ITM coefficient is accurate. The last one independent variable is business performance with Alpha Cronbach's result for this variable being 0.893.

To measure business features in business performance, five questions have also been used. For this dependent variable, the Alpha Cronbach's alpha is 0.893. This dependent variable has a trustworthy degree of correlation with the items retrieved.

4.6   Normality Test

Table 4.12: Shows the Normality Test

	Kolmogorov-Smirnov[a]			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
BP	.200	354	.000	.885	354	.000
RPOG	.260	354	.000	.840	354	.000
CD	.234	354	.000	.841	354	.000
MC	.218	354	.000	.862	354	.000
BC	.273	354	.000	.821	354	.000

a. Lilliefors Significance Correction

According to table 4.12 of the Normality test, two types of tests are used: the Kolmogorov-Smirnova and the Shapiro-Wilk tests. The Kolmogorov-Smirnova and Shapiro-Wilk tests both found statistically significant results, indicating that all variables have normal tidal data (p-0.000, less than 0.05). The null hypothesis states that each of these variables follows a normal distribution.

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4.7   Hypothesis Test

Using correlation analysis, the study determined the nature of the connection between the study's independent and dependent variables. The independent variable for this study is the effect of increased spending consisting of good prices, consumer demand, market conditions, and business characteristics. Moreover, for dependent variables is business performance.

4.7.1   Hypothesis 1

H1: There is a significant relationship between the price of goods and business performance.

Table 4.13: Correlation between Price of Goods and Business Performance.

		Price of Goods	**Business Performance**
Price of goods	Pearson correlation	1	.828[**]
	Sig. (2-tailed)		.000
Business	Pearson correlation	.828[**]	1
performance	Sig. (2-tailed)	.000	

Table 4.13 represents the relationship between the price of goods and business performance among Kelantan hawkers. Pearson correlation testing was used to reject the null hypothesis. It signifies that this study accepted the hypothesis (H1). The significant value $p < 0.01$ indicates that the hypothesis has a positive correlation between the price of goods and business performance among Kelantan hawkers. According to table 3.3 "The Guildford Rule," the relationship between the price of goods and business performance is strong, with a positive Pearson correlation of 0.828.

4.7.2 Hypothesis 2

H2: There is a significant relationship between consumer demand and business performance.

Table 4.14: Correlation between Consumer Demand and Business Performance.

		Consumer Demand	Business Performance
Consumer demand	Pearson correlation	1	.809**
	Sig. (2-tailed)		.000
Business performance	Pearson correlation	.809**	1
	Sig. (2-tailed)	.000	

Table 4.14 shows the relationship between consumer demand and business performance among hawkers in Kelantan. Null hypothesis has been rejected after Pearson correlation testing was conducted. It means the hypothesis (H2) was accepted by this study. From the result of the significant value $p < 0.01$, this means that the hypothesis has a positive relationship between the consumer demand and business performance among hawkers in Kelantan. The positive value of the Pearson correlation of 0.809, based on table 3.3 "The Guildford Rule" the relationship between the consumer demand and business performance is strong.

4.7.3 Hypothesis 3

H3: There is a significant relationship between market condition and business performance.

Table 4.15: Correlation between Market Condition and Business Performance.

		Market Condition	Business Performance
Market condition	Pearson correlation	1	.804**
	Sig. (2-tailed)		.000
Business performance	Pearson correlation	.804**	1
	Sig. (2-tailed)	.000	

Table 4.15 shows the relationship between market condition and business performance among hawkers in Kelantan. Null hypothesis has rejected after Pearson correlation testing was conducted. It means the hypothesis (H3) was accepted by this study. From the result of the significant value $p < 0.01$, this means that the hypothesis has a positive relationship between the market condition and business performance among hawkers in Kelantan. The positive value of the Pearson correlation of 0.804, based on table 3.3 "The Guildford Rule" the relationship between the market condition and business performance is strong.

4.7.4 Hypothesis 4

H4: There is a significant relationship between business characteristics and business performance.

Table 4.16: Correlation between Business Characteristics and Business Performance.

		Business Characteristics	Business Performance
Business characteristics	Pearson correlation	1	.842[**]
	Sig. (2-tailed)		.000
Business performance	Pearson correlation	.842[**]	1
	Sig. (2-tailed)	.000	

Table 4.16 shows the relationship between business characteristics and business performance among hawkers in Kelantan. Null hypothesis has rejected after Pearson correlation testing was conducted. It means the hypothesis (H4) was accepted by this study. From the result of the significant value $p < 0.01$, this means that the hypothesis has a positive relationship between the business characteristics and business performance among hawkers in Kelantan. The positive value of the Pearson correlation of 0.842, based on table 3.3 "The Guildford Rule" the relationship between the business characteristics and business performance is strong.

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Table 4.17: Summary of Hypothesis Testing.

Hypothesis	Statement	Result
1	There is significant relationship between price of goods and business performance.	Accepted
2	There is significant relationship between consumer demand and business performance.	Accepted
3	There is significant relationship between market condition and business performance.	Accepted
4	There is significant relationship between business characteristics and business performance.	Accepted

4.8 Multiple Regression Analysis

To test for the effect of increasing the expenses on business performance, the multiple regression analysis was carried out. The multiple regression analysis was below.

Table 4.18: Model Summary

Model Summary[b]				
Model	**R**	**R Square**	**Adjusted R Square**	**Std. Error of the Estimate**
1	.856a	.732	.729	.54071

a. Predictors: (Constant), BC, MC, CD, RPOG

b. Dependent Variable: BP

Based on table 4.18, the value of R Square of Multiple Linear Regression results shown that 73.2% business performance are effect by the increasing of expenses among Kelantan hawkers. This indicated that the independent variable comprised of rising price of goods, consumer demand, market condition and business characteristics explained 73.2% of the variation in the effect of increasing the expenses on business performance among microenterprises hawker in Kelantan. The remaining 26.8% cannot be explained. It means that there were other factors that can be used to influence the effect of increasing the expenses on business performance among microenterprises hawker in Kelantan.

Table 4.19: Anova

ANOVA[a]

	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	278.529	4	69.632	238.167	.000[b]
	Residual	102.036	349	.292		
	Total	380.565	353			

a. Dependent Variable: BP

b. Predictors: (Constant), BC, MC, CD, RPOG

For Anova table, F-value needs to be analyzed F-value is equal to 238.17 at four (4) degree of freedom with P value significance at 0.000 (0.000<0.05). This means four independent variables which were rising price of goods, consumer demand, market condition and business characteristics together predict the percentage of microenterprises expenses on business performance.

Table 4.20: Coefficients

Coefficients[a]

	Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.196	.118		1.659	.098
	RPOG	.218	.088	.216	2.486	.013
	CD	.071	.082	.069	.856	.392
	MC	.181	.070	.177	2.581	.010
	BC	.432	.086	.421	5.012	.000

a. Dependent Variable: BP

From table 4.20, the results showed that the standardized beta value for business characteristics was 0.421, $p < 0.05$ which was the largest among the four independent variables. Thus, 42% of business characteristics the most dominant factor that influence the effect of

increasing the expenses on business performance among microenterprises hawker in Kelantan. Rising price of goods, consumer demand and market condition were also significant predictors that influence the effect of increasing the expenses on business performance among microenterprises hawker in Kelantan with standardized beta values of 0.216, 0.069 and 0.177 respectively. It showed that 22% of rising price of goods, 7% of consumer demand and 18% of market condition contribute to increasing the expenses on business performance among microenterprises hawker in Kelantan.

Based on table above, equation can be formed out to identify the relationship between independent variables and dependent variable. Therefore, the equation of regression can be measured by formula below.

Equation;

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4$$

Business Performance = 0.2 + 0.22 (Rising price of goods) + 0.7 (Consumer demand) + 0.18 (Market condition) + 0.42 (Business characteristics)

4.9 Summary of Study

The purpose of this chapter is to identify the relationship between independent variables and dependent variables, either positive or negative. All analyses were shown in statistical form to make it easier for the researchers to assess whether this study was accepted. However, the results of this study show positive value and the hypothesis is not being rejected and all hypothesis has a strong significant. Further description will be discussed in chapter 5.

CHAPTER 5

DISCUSSION AND CONCLUSION

5.1 Introduction

In this chapter, the outcomes of the preceding section will be succinctly summarized, accompanied by recommendations and suggestions for enhancing the research. Additionally, the chapter will discuss the implications and limitations of the research.

5.2 Key Findings

This section will conduct a thorough evaluation of the overall findings of the completed study. A thorough explanation and breakdown will be provided by the researcher based on the study's findings. Finding out how microenterprise hawkers in Kota Bharu, Kelantan, respond to increased costs is the main motivation for this research. A total of 384 people were intended to get the questionnaire that was designed to gather data needed for the study. However, following careful examination, only 354 respondents (out of 450 total) supplied usable data.

The researcher must first ascertain if the questionnaire answers the researcher's objective and the relationships between all variables after distribution and analysis via SPSS Statistics. First, we wanted to see if there was a correlation between product pricing and sales success for microenterprises in Kelantan, and we got a favorable response. The results of this study are presented in Chapter 4, where a strong correlation value of 0.828 is found. There is a statistically significant correlation between the two variables since the p-value is smaller than 0.01. Also, this shows that goal one is positively related to how well microenterprises in Kelantan do financially.

After that, there are excellent outcomes from the connection between the two goals, and it provides ideal solutions to the aims. Finding the connection between customer demand and company performance among microenterprise hawkers in Kelantan is the second purpose of this research. Chapter 4's findings—a correlation of 0.809 and a p-value lower than 0.01) provide the basis for the positive association. This points to the importance of satisfying consumer demand and the close correlation between the two in terms of company success. This investigation proves that variables related to client demand might impact company performance.

The third aim of this research is to determine how microenterprise hawkers in Kelantan are affected by market circumstances and how their businesses fare. The p-value is less than 0.01, and the correlation value is 0.804, according to the data from Chapter 4. The results demonstrate that microenterprise hawkers in Kelantan are very responsive to changes in the market. The study's overarching goal is to learn how microenterprise hawkers in Kelantan fare in respect to certain business metrics. Chapter 4 displays the obtained correlation value of 0.842, which is supported by a p-value of less than 0.01. The findings reveal that among Kelantanese microenterprise hawkers, there is a favorable correlation between company traits and company success.

Finally, there are positive outcomes and strong linkages for all of the goals outlined in this section. It is because the results obtained from the questionnaire have been carefully analyzed in IBM SPSS Statistic version 26 and the data released is a reliable source. It can be concluded that all independent variables with business performance show a good, acceptable, and strong relationship.

5.3   Discussion

5.3.1   Price of Goods

H1- The price of goods has a positive effect on business performance among microenterprise vendors in Kelantan.

Based on the study, the objective of the first study is to examine the relationship between the price of goods and business performance among microenterprise vendors in Kelantan. According to the Results in Chapter 4, there is a fair significance amount of (0.938), and the p-value is less than 0.01. The results have revealed that there is a positive relationship between the price of goods and business performance among microenterprise vendors in Kelantan. The price of goods clearly shows that there is a significant effect on the performance of the business among the microenterprise's hawkers in Kelantan. The increase in the price of goods is a familiar issue. Most goods, especially daily necessities, have experienced an increase in the price of goods (Nur Jannah Bukhari 2018).

5.3.2   Customer Demand

H2- Consumer demand clearly has an impact on business performance among microenterprise hawkers in Kelantan.

The second objective is to identify the relationship between consumer demand and business performance among microenterprise vendors in Kelantan. Drawing from the findings presented in Chapter 4, the correlation stands at 0.929, indicating an average strength, and the p-value is less than 0.01. This unequivocally demonstrates a positive association between consumer demand and business performance among microenterprise vendors in Kelantan. It has been shown that consumer demand and business performance have an impact on microenterprise vendors in Kelantan. The

uncertainty of user requests will make it difficult for a company to identify their needs (Zhou et al., 2018).

5.3.3   Market Condition

H3- Market conditions clearly have an impact on business performance among microenterprise hawkers in Kelantan.

The next objective is to study the relationship between market conditions and business performance among microenterprise vendors in Kelantan. The correlation value is (0.931), and the p value is less than 0.01 based on the data in Chapter 4. It shows a positive relationship between market conditions and business performance among microenterprise vendors in Kelantan. It shows a positive correlation between market conditions and business performance. When prices return to underlying fundamentals over the long term, securities issued during periods of elevated sentiment tend to experience more pronounced negative returns (Rajan and Servaes 2019).

5.3.4   Business Characteristics

H4- Business characteristics clearly have a positive effect on business performance among microenterprise vendors in Kelantan.

The final objective is to study the relationship between business characteristics and business performance among microenterprise vendors in Kelantan. The correlation value is (0.937) and the p value is less than 0.01. Based on the research in Chapter 4, it shows a positive relationship between business characteristics and business performance in microenterprise vendors in Kelantan. Business characteristics play an important role in ensuring business success in microenterprises ((Ahmed, M.U., 2019).

5.4   Implication of the Study

The study on the effect of increasing expenses on business performance among microenterprises, specifically hawker businesses in Kelantan, holds significant implications for both academics and practitioners. Firstly, the findings of this research can contribute valuable insights to the academic discourse on microenterprise management and performance. By investigating the impact of rising expenses on business outcomes, scholars can gain a deeper understanding of the challenges faced by hawker businesses in Kelantan, potentially paving the way for further research on effective strategies and interventions.

Secondly, the study's results can have practical implications for microentrepreneurs, policymakers, and business support organizations. Understanding how increasing expenses affect business performance can inform microenterprise owners in Kelantan about the key factors influencing their success. This knowledge may empower them to make informed decisions about cost management, pricing strategies, and resource allocation. Policymakers can also utilize these findings to tailor support programs that address the specific needs of hawker businesses, fostering a conducive environment for sustainable growth.

Lastly, the study could contribute to the economic development of Kelantan by shedding light on the challenges faced by microenterprises. As these businesses often play a crucial role in local economies, addressing the issues related to increased expenses can enhance overall economic resilience. Local authorities and business associations may use the study's insights to implement targeted initiatives that support the growth and stability of hawker businesses, ultimately contributing to the socioeconomic well-being of the community. In conclusion, this study has the potential to bridge the gap between theory and practice, offering practical solutions to enhance the performance and sustainability of microenterprises in Kelantan.

In conclusion, the study on the effect of increasing expenses on business performance among microenterprises, particularly hawkers in Kelantan, has the potential to provide valuable insights with implications for various stakeholders, including entrepreneurs, policymakers, and the local community.

5.5   Limitation of the Study

There are some limitations when researchers run this research study. For one thing, researchers have difficulty getting respondents because our target is microenterprises in Kota Bharu only. So, researchers need to find hawkers on the side of the road or at the night market to answer every question asked. This is distressing because some hawkers refuse and do not accept to help answer the study questions, and some hawkers do not serve the questionnaires that the researchers provide.

In addition, every question posed to the respondent is difficult due to the term of business performance, consumer demand, market conditions, and business characteristics. The researcher needs to explain and repeat it before the respondent wants to answer the survey question.

Lastly, this study is carried out during the monsoon season and usually in Kelantan will be affected by flooding and around the study site also receives floods and rains that last up to a week. So, the researchers were unable to find the respondents and spread the study questions due to the uncertain whether difficulties.

5.6   Recommendations/Suggestions for Future Research

The researcher offers recommendations for further studies. For future studies, researchers recommend picking a big area and boosting the sample size of the population. Reliable data for future studies cannot be collected without the population. For this microenterprise, which focused on hawkers in Kota Bahru, Kelantan, the researcher selected a sample size of 354. Experts also suggest focusing on the southern and northern parts of Kelantan or picking specific places within the island. Consequently, a big sample can help researchers understand how microenterprises hawkers' company performance changes as they face higher expenses.

Beyond that, future iterations of the study may make use of a variety of research methodologies. The reason being, data for this study was collected solely by questionnaire, and participants may have made mistakes in the dataset due to rounding answers rather than reading the questionnaire carefully. After that, the new researcher can use innovative approaches in subsequent studies, such as visiting respondents in person, contacting them by phone, or even physically distributing questionnaires. We can expect a plethora of information and useful data for the study from this approach.

Furthermore, upper management may allot a sizable portion of their time to study. Reason being, the researcher has a good chance of amassing a wealth of knowledge and data from the respondents over an extended period, which can only benefit subsequent studies. Management can, for instance, give researchers a six-month term to complete the study, or split it into two halves, such semesters 6 and 7. Therefore, professors may have more time to focus on research.

Extend the scope of your research to assess the long-term impact of increased expenses on the sustainability of microenterprises. Investigate whether there are certain types of expenses that have a more enduring effect on business performance. This could involve analyzing trends over several years and exploring strategies adopted by successful microenterprises in Kelantan to mitigate the challenges associated with rising expenses while maintaining or enhancing their performance.

5.7   Overall Conclusion of the Study

The purpose of this research was to regulate how microenterprises hawkers in Kelantan fared when faced with rising costs. The first of the four stated goals of this research is to determine how product pricing affects company success. Secondly, we need to figure out how customer demand affects company profitability. Third, to determine how market conditions affect company performance. The last step is to establish a connection between the many aspects of a company and its overall success.

In Chapter 4.7, this study conducted calculations to address its objectives through a hypothesis test. The data underwent a reliability test to assess the reliability of items, and Pearson correlation was employed to examine the relationships between independent variables (price of goods, consumer demand, market conditions, and business characteristics) and the dependent variable (business performance). The hypothesis tests for the study's objectives consistently yielded positive results, indicating acceptance. These results were instrumental in determining the strength of the relationship between independent and dependent variables— whether it was weak, moderate, or strong. Notably, the hypothesis analysis revealed a robust and significant relationship for all objectives of the study. Consequently, all study objectives were successfully achieved.

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QUESTIONNAIRES

UNIVERSITI MALAYSIA KELANTAN

FACULTY OF ENTREPRENEURSHIP AND BUSINESS

BACHELOR OF ENTREPRENEURSHIP (COMMERCE) WITH HONOURS

THE EFFECT OF INCREASING THE EXPENSES ON BUSINESS PERFORMANCE AMONG MICROENTERPRISES HAWKER IN KELANTAN

Dear Participants,

We are students Bachelor of Entrepreneurship (Commerce) with honor from Faculty Entrepreneurship and Business, Universiti Malaysia Kelantan (UMK), Pengkalan Chepa, Kota Bahru, Kelantan. We are currently conducting the topic above study as a part of our research survey for our Final Year Project (FYP). We really hope you all can answer and help us. We are very pleased and really appreciate the time you have taken to fill out this google form. This form is only a request for us to complete this assignment only. Thank you for all your cooperation.

Prepared by;

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Thank you for your cooperation and feedback.

Peserta yang dihormati,

Kami merupakan pelajar Ijazah Sarjana Muda Keusahawanan (Perdagangan) dengan kepujian dari Fakulti Keusahawanan dan Perniagaan, Universiti Malaysia Kelantan (UMK), Pengkalan Chepa, Kota Bahru, Kelantan. Kami sedang menjalankan topik kajian di atas sebagai sebahagian daripada tinjauan penyelidikan kami untuk Projek Tahun Akhir (FYP). Kami amat berharap anda semua dapat menjawab dan membantu kami. Kami amat berbesar hati dan amat menghargai masa yang anda luangkan untuk mengisi borang google ini. Borang ini hanyalah permintaan untuk kami menyiapkan tugasan ini sahaja. Terima kasih atas kerjasama anda semua.

Disediakan oleh;

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Terima kasih atas kerjasama dan maklum balas anda.

SECTION A: DEMOGRAPHIC INFORMATION

BAHAGIAN A: MAKLUMAT DEMOGRAFI

Gender / *Jantina*

☐ Male / *Lelaki*

☐ Female / *Perempuan*

Age / *Umur*

☐ Below 19 Years Old / *Bawah 19 Tahun*

☐ 20-29 Years Old / *20-29 Tahun*

☐ 30-39 Years Old / *30-39 Tahun*

☐ 40-49 Years Old / *40-49 Tahun*

☐ 50 Years and Above / *50 Tahun dan Keatas*

Race / *Bangsa*

☐ Malay / *Melayu*

☐ Chinese / *Cina*

☐ Indian / *India*

☐ Others / *Lain-lain*

Income Level / *Tahap Pendapatan*

☐ Below RM1499 / *Bawah RM1499*

☐ RM1500-2000 / *RM1500-2000*

☐ RM2001-2500 / *RM2001-2500*

☐ RM2501-3000 / *RM2501-3000*

☐ RM3001 and above / *RM3001 dan Keatas*

SECTION B: DEPENDENT VARIABLES AND INDEPENDENT VARIABLES

BAHAGIAN B: PEMBOLEHUBAH BERSANDAR DAN PEMBOLEHUBAH BEBAS

This section contains the dependent variables that started in this study. Choose only one answer for each of the following statement according to scale provided.

Bahagian ini mengandungi pembolehubah bersandar yang dimulakan dalam kajian ini. Pilih satu jawapan sahaja bagi setiap pernyataan berikut mengikut skala yang disediakan.

The scale uses a five-point Likert scale from "strongly disagree" pointed as 1 until "strongly agree" pointed as 5.

Skala yang digunakan ialah skala Likert lima mata daripada "sangat tidak setuju" yang ditunjukkan sebagai 1 hingga "sangat setuju" ditunjukkan sebagai 5.

1. Strongly Disagree / *Sangat Tidak Setuju*

2. Disagree / *Tidak Setuju*

3. Neutral / *Natural*

4. Agree / *Setuju*

5. Strongly Agree / *Sangat Setuju*

SECTION B: DEPENDENT VARIABLE / *PEMBOLEHUBAH BERSANDAR*

NO	BUSINESS PERFORMANCE	1	2	3	4	5
1	Business performance will increase the sales growth of microenterprises. / *Prestasi perniagaan akan meningkatkan pertumbuhan jualan perusahaan mikro.*					
2	Business performance is important to ensure microenterprises loyalty. / *Prestasi perniagaan penting untuk memastikan kesetiaan perniagaan mikro.*					
3	Poor business performance will affect the financial liquidity of microenterprises. / *Prestasi peniagaan yang kurang baik akan mempengaruhi kecairan kewangan perusahaan mikro.*					
4	Sustainable business performance of microenterprises can benefit market share. / *Prestasi perniagaan mampan perusahaan mikro boleh memanfaatkan bahagian pasaran*					
5	Good business performance of microenterprises will have an impact on public image. / *Prestasi perniagaan perusahaan mikro yang baik akan memberi kesan kepada imej awam.*					

SECTION C: INDEPENDENT VARIABLES / *PEMBOLEHUBAH BEBAS*

1. RISING PRICES OF GOOD / *KENAIKAN HARGA BARANG*

NO	RISING PRICES OF GOOD	1	2	3	4	5
1	Does politics affect the increase in prices of goods. / *Adakah politik mempengaruhi peningkatan harga barang*					
2	Does a disease outbreak affect the price of goods, such as the covid-19 outbreak / *Adakah wabak penyakit memberi kesan kepada peningkatan harga barang, seperti wabak covid-19*					
3	The weather the main reason for the increase in the price of goods, such as the monsoon season / *Adakah cuaca menjadi punca utama dalam kenaikkan harga barang, seperti musim tengkujuh*					
4	Does the war factor abroad influence the increase in the price of goods / *Adakah faktor peperangan di luar negara memberikan kesan kepada peningkatan harga barang*					
5	The fluctuation in the price of goods at an international level an effect on the increase in the price of goods in Malaysia / *Adakah turun naik harga barang di peringkat antarabangsa menjadi kesan kepada peningkatan harga barang di Malaysia*					

2. CONSUMER DEMAND / *PERMINTAAN PENGGUNA*

NO	CONSUMER DEMAND	1	2	3	4	5
1	Price increases for goods have a noticeable impact on consumer demand for products or services provided by microenterprises / *Kenaikan harga barangan mempunyai kesan ketara terhadap permintaan pengguna terhadap produk atau perkhidmatan yang disediakan oleh perusahaan mikro.*					
2	Microenterprises need to be mindful of how price changes might influence consumer behavior and purchasing decisions / *Perusahaan mikro perlu mengambil kira bagaimana perubahan harga boleh mempengaruhi tingkah laku pengguna dan keputusan pembelian.*					
3	Communicating the value and unique selling points of products or services can help justify price increases to consumers / *Mengkomunikasikan nilai dan titik jualan unik produk atau perkhidmatan boleh membantu mewajarkan kenaikan harga kepada pengguna.*					
4	Microenterprises must carefully assess their competitive position in the market before implementing significant price increases / *Perusahaan mikro mesti menilai dengan teliti kedudukan daya saing mereka dalam pasaran sebelum melaksanakan kenaikan harga yang ketara.*					
5	Maintaining open lines of communication with consumers can help microenterprises adapt to changing demand patterns in response to price adjustments / *Mengekalkan talian komunikasi terbuka dengan pengguna boleh membantu perusahaan mikro menyesuaikan diri dengan perubahan pola permintaan sebagai tindak balas kepada pelarasan harga.*					

3. MARKET CONDITIONS / *KEADAAN PASARAN*

NO	MARKET CONDITIONS	1	2	3	4	5
1	Microenterprises need to monitor changes in market trends related to the industry / *Perusahaan mikro perlu memantau perubahan dalam aliran pasaran yang berkaitan dengan industri*					
2	Microenterprises need to regularly analyze the competitive landscape in their industry / *Perusahaan mikro perlu kerap menganalisis landskap persaingan dalam industri mereka*					
3	Microenterprises need to collect and analyze data about customer purchasing behavior / *Perusahaan mikro perlu mengumpul dan menganalisis data tentang tingkah laku pembelian pelanggan*					
4	Microenterprises need to adapt their marketing strategies based on changes in customer purchasing behavior / *Perusahaan mikro perlu menyesuaikan strategi pemasaran mereka berdasarkan perubahan dalam tingkah laku pembelian pelanggan*					
5	Economic conditions such as inflation and interest rates on the market have a negative impact on microenterprises hawker. / *Keadaan ekonomi seperti inflasi dan kadar faedah ke atas pasaran memberikan kesan negatif kepada peniaga perusahaan mikro.*					

4. BUSINESS CHARACTERISTICS / *CIRI-CIRI PERNIAGAAN*

NO	BUSINESS CHARACTERISTICS	1	2	3	4	5
1	The increase in the price of goods has negatively affected to microenterprises financially / *Kenaikan harga barang telah memberi kesan negatif kepada perusahaan mikro dari segi kewangan.*					
2	Increased prices have resulted in decreased customer demand for microenterprise products or services. / *Kenaikan harga telah menyebabkan permintaan pelanggan menurun untuk produk atau perkhidmatan perusahaan mikro*					
3	The increase in the price of goods has affected microenterprises competitive position in the market / *Kenaikan harga barang telah menjejaskan kedudukan kompetitif perusahaan mikro dalam pasaran.*					
4	Microenterprises profit margin has decreased due to the rise in the price of goods. / *Margin keuntungan perusahaan mikro telah menurun disebabkan oleh kenaikan harga barang.*					
5	Microenterprises should educate their customers about the reasons behind price increases and the value they provide. / *Perusahaan mikro harus mendidik pelanggan mereka tentang sebab di sebalik kenaikan harga dan nilai yang mereka berikan.*					

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TASK \ WEEK	OCT WEEK 3	OCT WEEK 4	NOV WEEK 1	NOV WEEK 2	NOV WEEK 3	NOV WEEK 4	DEC WEEK 1	DEC WEEK 2	DEC WEEK 3	DEC WEEK 4	JAN WEEK 1	JAN WEEK 2	JAN WEEK 3	JAN WEEK 4
Topic Choosing and Chapter 1	■													
Searching for Journal and Do Matric Table		■												
Chapter 1 Editing and Checking			■											
Chapter 2 Editing and Checking				■										
Chapter 3					■									
Chapter 3 Editing and Checking					■									
Formatting Questionnaire and References					■									
Submission for PPTA 1						■								
Preparation for Presentation PPTA 1						■								
Meeting for PPTA 2							■							
Created Google Form and Collecting Data for SPSS								■						
Created SPSS									■					
Chapter 4 and 5 in Progress										■				
Checking Chapter 4 and 5 and Doing Correction											■			
Submission for E- poster, Research Report and Video Presentation												■		
Submission for Final Report													■	