



Awareness of The Internet and Social Media Platform for Business Among Micro Entrepreneur of Amanah Ikhtiar Malaysia Mukah Branch, Sarawak

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Abstract

The study was designed to investigate the level of awareness of the internet & social media platform for business among micro entrepreneur of Amanah Ikhtiar Malaysia Mukah branch. The study that has been conducted involves micro-entrepreneurs of Amanah Ikhtiar Malaysia Mukah branch who run small businesses around Mukah, Igan, Dalat, Oya and Balingian in year 2021 during Covid 19-pandemic. A total of 339 respondents from 2691 micro-entrepreneur population were identified through a distributed questionnaire. All these micro-entrepreneurs are participants or Sahabat Ikhtiar Amanah Ikhtiar Malaysia (AIM) Mukah branch. The participants is referring to borrowers who obtain microcredit or financing from Amanah Ikhtiar Malaysia. The data obtained were analyzed in terms of percentage, frequency, descriptive analysis and correlation between variables. The results of the study found that the awareness of entrepreneurs on the use of online applications is at a moderate level. The study also found that information and communication technology facilities as well as individual attitudes have a high significant relationship on the awareness of entrepreneurs on the use of internet and social media. The findings of this study can help micro-entrepreneurs who mostly have a moderate income level can be improved by mastering the needs of information technology in business. The effectiveness of this study also indirectly helps stakeholders as support in increasing the income of micro entrepreneurs better in terms of exploring business-marketing techniques in a more creative and innovative way especially during this Covid-19 pandemic which has affected income especially to micro entrepreneurs.

Keywords: - Micro-entrepreneur, online business, Amanah Ikhtiar Malaysia

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1. Introduction

Online businesses are gaining popularity in Malaysia these days, owing to the country's development and economic progress. Entrepreneurs can save business time, promote, or advertise products and reduce operating costs as well as expand strategic alliances faster and more efficiently through online business. In 2019, 29 million people were accessing the internet in Malaysia compared to figure for the past five years which was 21 million This

figure is expected to rise to 33.5 million by 2025 (Prime Minister's Department, 2022). Compared with sellers, buyers are the most internet users in Malaysia. A total of RM5 billion in the size of the online business market in Malaysia in 2014 compared to 2010 which was RM 1.8 billion. The rising number of internet users and online shoppers is representing the tremendous market potential of online businesses. However, the Laporan Tinjauan Ekonomi (2019) states that online presence for most small and medium entrepreneur is still lacking despite having an internet connection. This situation causes small and

medium entrepreneurs to have limited access to customers as well as less effective marketing and services. This includes the micro entrepreneurs or also known as participants in Amanah Ikhtiar Malaysia. This is due to the difficulty of accessing the internet in rural areas especially in Sarawak. According to the Chief Minister of Sarawak through an article in Sarawak Voice dated 22 November 2020, the Sarawak state government is committed to tackling Sarawak's rural problems including the internet because it is undeniable that there is still a large part of rural Sarawak that still do not have internet network.

Amanah Ikhtiar Malaysia is a micro credit institution where all participants or borrowers from AIM are 100% women. The repayment record of Amanah Ikhtiar Malaysia participants recorded almost 100% in 2019 and years before (Amanah Ikhtiar Malaysia, 2019). However, in time of pandemic Covid-19, Managing Director of Amanah Ikhtiar Malaysia, Mohamed Shamir (2020), Amanah Ikhtiar Malaysia (AIM) has approved a deferral of repayment to 373,815 AIM participants and has allowed the withdrawal of compulsory savings in AIM, amounting to RM 112.5 million as of 7 June 2020 and the amount is expected to continue to increase in time of pandemic Covid-19. Meanwhile in AIM Mukah Sarawak, Dato Sri Fatimah in Unit Komunikasi Awam Sarawak (UKAS) has recently received a letter from AIM's Participant from his constituency (Dalat) which has 1,043 members to apply for the postponement due to no income that makes them difficult to repay. This is a sign that AIM participants are depressed with the Movement Control Order (MCO) implemented by the government causing them to not be able to conduct business as usual which is conventional business or conducting business transaction face to face with customers. They lose income and are forced to withdraw compulsory savings (*simpanan wajib*) where normally compulsory savings are only withdrawn when they withdraw from being an AIM participant. This study is conducted to identify the level of awareness of micro-entrepreneur on the use of internet and social media platform as well as to study the extent of information and communication technology facilities influence the micro-entrepreneur.

2. Literature Review

The use of the Internet has had a significant impact on people's lives in recent years. According to Leung (2010), technology serves as a portal via which people can engage in order to get information, and the findings indicate that information literacy and the Internet network have a substantial association with the overall quality of life in a given community. The goal of expanding women's participation in entrepreneurship has been to bring about social change, and efforts have been made to encourage female entrepreneurs to use online apps to administer their enterprises. Female labor force participation is estimated to be 50% of the population in most nations, according to with 50% of the female population serving as

a potential labor force (Smith-Hunter and Leone, 2010). In Malaysia, 15.7 million Malaysians are women out of 32.5 million in 2019. Most women in Malaysia have become heads of households and also earn a living (Prime Minister's Department, 2022). Hence, women will continue to be a significant resource in terms of developing future generations while also making a significant contribution to the economic development of the country.

In Malaysia, rural populations, particularly women, are sometimes linked with hardship or an ascetic standard of living. This is owing to the fact that they have a low level of education, a lack of skills in the workplace, and because of genetic factors (Prime Minister's Department, 2022). Taking note of this, the government has implemented a number of measures aimed at alleviating the living conditions of rural populations. The use of information and communication technology (ICT) in rural communities is considered to be the most effective platform (Prime Minister's Department, 2022). This is due to the fact that information and communications technology (ICT) can have a significant economic influence on rural people if they take full advantage of the appropriate use of technology to expand their businesses.

3. Methodology

The study that has been conducted involves micro-entrepreneurs of Amanah Ikhtiar Malaysia Mukah branch who run small businesses around Mukah, Igan, Dalat, Oya and Balingian. The study conducted in year 2021, within Covid-19 pandemic. A total of 339 respondents from 2691 micro-entrepreneur population were identified through a distributed questionnaire. According to Krejcie and Morgan (1970), 335 respondents will be needed for the population size 2600. The respondent for this study is 339, which means it is sufficient for this study. The response rate for this study also achieved more than 80% whereby Fincham (2008) said that response rate of a survey must at least achieved 80% as the standard evaluation for a study. All these micro-entrepreneurs are participants or Sahabat Ikhtiar Amanah Ikhtiar Malaysia (AIM) Mukah branch. The participant is referring to borrowers who obtain microcredit or financing from Amanah Ikhtiar Malaysia. The data obtained were analyzed in terms of percentage, frequency, descriptive analysis, and correlation between variables. The Spearman Rho correlation analysis results used to determine the relationship between independent variables of awareness, ICT facilities and attitudes.

4. Result and Discussion

The result of the study showed a positive reaction and in line with the objectives that have been stated and the findings of previous researchers related to the level of awareness of micro-entrepreneurs on the use of online business applications for micro entrepreneur under

Amanah Ikhtiar Malaysia, Mukah. The findings of the study show that the level of awareness of the use of online business applications among entrepreneurs is moderate. It is also found that the item which is “I often log in on social media such as Facebook, Instagram, Website and Blog for at least once a day” is the highest mean on the construct individual attitude towards business online application which is 4.5251. However, the analysis on the Information and Communication Technology Facilities construct is moderate. This finding showed that with limited ICT facilities, the respondents still able to log in in any social media platform but as for entertainment purposes. It is because as in the same construct, the item which state “I have given detailed information about the products” and “I often give or answer questions from customers about products sell online is the lowest in the same construct with moderate level. Omar and Sallehuddin (2011) supported the finding, where they tend to use the internet for entertainment and communication purposes with family and friends.

Table 1. Results of correlation analysis

	Item	Significant	Correlation Coefficient
Awareness	ICT Facilities	0.000	0.816
	Attitudes	0.000	0.812
ICT Facilities	Attitudes	0.000	0.784

** Correlation is significant at the 0.01 level (2-tailed).

As shown in Table 1, the p-value for this coefficient is 0.000 ($P < 0.05$), indicating that the association between micro entrepreneur awareness and use of the internet and social media platforms is statistically significant at the 1% level. Between awareness and the use of the internet and social media platforms, the Spearman correlation coefficient is 0.816. This demonstrates that these two variables have a positive linear connection. Additionally, the spearman correlation coefficient exceeds 0.7. Thus, according to Hinkle et al. (2003), the relationship between respondents' awareness and the use of internet and social media platform is significance. From this result, it was found that the level of awareness of the use of online business applications has a high positive correlation with information and communication technology facilities and individual attitudes. The findings of the study show that the convenience of information and communication technology also influences the level of awareness of the use of online business applications. The summary of Hypothesis Testing are shown in Table 2 whereby coefficient has a p-value of 0.000 ($P < 0.05$) and is significant at the 1% level. This demonstrates that the variables have a positive linear connection. As a result, H1, H2 and H3 are supported.

Table 2. Summary of hypothesis testing

Items	Hypothesis Statements	Results
H1	There is a significant relationship between level of awareness of AIM participants to the use of internet and social media platform.	Supported
H2	There is a positive relationship between the extent of information and communication technology facilities with influence of AIM entrepreneurs.	Supported
H3	There is a positive relationship between the extent of individual attitudes and the use of internet and social media platform.	Supported

A comparison was also made between the areas as shown in Table 3, where there are still operating areas of Amanah Ikhtiar Malaysia Mukah Branch still do not have a good internet line, namely the respondents who are in the Oya and Dalat areas. In this regard, ICT facilities are very important and can influence the attitude of micro entrepreneurs with the use of online business applications as the main tool to expand business.

Table 3. Comparison between area and level of individual awareness and ICT facilities toward business online application

	Mukah	Oya	Dalat	Igan	Balingian
Awareness	4.7190	3.0190	4.1964	4.9580	3.5663
ICT Facilities	4.1756	2.3293	3.0233	4.2162	3.2312

ICT Facilities are very important for micro - entrepreneurs who are in rural areas to encourage them to venture into online business. In a news published by TVS on September 7, 2021, the Sarawak government will ensure that 90 percent of areas in Sarawak enjoy high-speed internet facilities by 2022. The decision to upgrade the internet system will provide many benefits, especially for small businesses as an opportunity to grow their business especially those who settled around Mukah and Dalat (Ismail, 2021).

Not only that, facilities in terms of laptops, modems and telephone lines should also be emphasized to help entrepreneurs in rural areas. The results of the study also found that individual attitudes influence the level of awareness of the use of online business applications. Entrepreneurs who have a positive attitude towards online business will remain with such an attitude even if there are constraints or changes in the field of business ventured. This finding was supported by Omar and Rahim (2015) which revealed that motivation, interest, an entrepreneurial network, and innovation are among the elements that contribute to the success of entrepreneurs. Entrepreneurs need to have a positive attitude in venturing into online business and confidence to succeed. From the analysis of the study, it was also found that individual attitudes have a high positive correlation

relationship influencing the level of awareness of the use of online business applications.

4. Conclusion

The study was designed to investigate the level of awareness of the internet and social media platform for business among micro entrepreneurs of Amanah Ikhtiar Malaysia Mukah branch. The study been successful in determining the level of awareness of micro-entrepreneurs regarding the internet and social media, but it has also been successful in identifying the operating zone of AIM Mukah branch that requires attention in order to assist micro-entrepreneurs located in the rural area where internet lines are scarce and awareness is low. The relevance of the internet and online business application is also aligned with micro-entrepreneurs in rural regions, which can help improve household income, which is the primary goal of Amanah Ikhtiar Malaysia, which was established to reduce national poverty.

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