

The Essentials and Challenges of Online Business Among Bumiputera SME Entrepreneurs in Malaysia

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Abstract

The e-commerce trend has increasingly grown in Malaysia. The revenue for e-commerce platforms in 2019 is USD3.7 billion with more than 20 million users. There were various calls from the ministries for Malaysian to take up e-commerce as it is progressively contributing to the country's GDP. Bumiputera entrepreneurs have been demanded to play active roles in e-commerce, however their participation and performance are in an alarming state. Therefore, this paper aims to identify the challenges faced, examine the awareness of the existing business support and identify support and assistance which can be implemented to address the issues faced by Bumiputera SME online entrepreneurs. The research was done using survey format. Questionnaire was distributed via online survey. The population is the online entrepreneurs from Malaysian Internet Entrepreneurs Association (PUIM). 493 respondents participated in this study. Findings show that the main challenges were the lack of access to financial assistance and lack of knowledge to conduct market study. While the training needed are Facebook Ads and Business Coaching. Research also shows that the higher the level of education, the lesser the constraints experienced and the greater the level of confidence in business success. Finally, several improvements and suggestions have been proposed.

Keywords: online business, E-commerce, SME, Malaysia, Bumiputera

1. Introduction

The way business is being performed has evolved as we move towards a rapid development of information communication technology in the 21st century. The world has embraced the Internet, which in turn has created a rising new medium of doing business, known as the e-commerce. E-commerce is also often defined as an opportunity tool for both large companies and small medium enterprises (SMEs) to penetrate the global market, thus providing the most appealing way to publicly widespread their products and services. It is expected that SME will be able to capture the global market, meet the global consumer's need and gaining opportunities to compete with the big, global player companies by using the e-commerce. International Trade and Industry Deputy Minister, Datuk Ahmad Maslan (NSTP, 2018) mentioned that the e-commerce sector has seen significant growth in terms of contribution to the country's economic growth. He further elaborated that data collected from the Statistics Department showed that E-commerce contribution to Malaysia's gross domestic product (GDP) had increased to 6.1 per cent or RM74.6 billion in 2016 compared to 5.9 per cent or RM68.3 billion in 2015. It was planned that by 2020, the GDP contributed by e-commerce sector will be RM211 billion in total. However, Bumiputera entrepreneurs are repeatedly alleged to be left behind in achieving success in the economic development (Omar & Azmi, 2015). Tan Sri Abdul Rahim Tamby Chik (Bernama, 2017b) mentioned that the failure rate among the Bumiputera entrepreneurs is extremely high. He stressed that only 18% of the Bumiputera entrepreneurs who registered with Companies Commission of Malaysia are able to sustain their business in the last five years. Bumiputera is the largest ethnic group in Malaysia, yet its business performance is upsetting. This dire situation represents an alarming issue to be studied. Therefore, it is crucial for the government and relevant agencies to be able to continuously offering better training to Bumiputera online entrepreneurs that focuses on sustaining the businesses so that the various grants given out to start up entrepreneurs are worthy investments by the government and agencies (Nghah, 2017).

The study aims to achieve the following objectives:

- 1). To describe the e-commerce practices among Bumiputera SME entrepreneurs in Malaysia.
- 2). To identify the challenges faced by Bumiputera SME entrepreneurs in Malaysia engaging in online business.
- 3). To understand the level of awareness towards the existence of support system for online business.
- 4). To identify the training and support needed by the Bumiputera SME entrepreneurs in Malaysia engaging in online business.
- 5). To recommend better practice and policies based on the analysis in order to benefit the Bumiputera SME entrepreneurs in Malaysia engaging in online business.

This paper begins by describing issues and problems about Bumiputera SME online entrepreneurs, followed by the literature review of e-commerce and its relevance towards SMEs, as well as online business scenario in Malaysia. The next section describes the research methodology used. The findings and discussion of the study are presented next.

2. Issues and Problems

Bumiputera and SMEs has always been among the main agenda of the Malaysia government as both are the majority in numbers in their respective categories. It cannot be denied that Small and Medium Enterprises (SMEs) are among the major contributors to Malaysia's economic performance. 98.5% of business establishment in Malaysia are SMEs and they account for 37.1 per cent of Malaysia's gross domestic product (GDP) and provide 66 per cent of the country's jobs as in 2017 (SMECorp, 2019). Various Ministries and agencies under the government have continued their commitment in promoting SME development by undertaking a broad range of SME development programs. SME Corporation Malaysia has reported that as at 2018, as many as 158 SME development programs were to be divided among various Ministries and agencies with a financial budget of RM14.3 billion (SMECorp, 2018). It was expected that the beneficiaries will amount close to 600,000, which will benefit SMEs across all sectors. The budget has seen an increase of allocation by the Ministries and agencies for SME for the particular year due to the introduction of new and additional programs with a bulk of it being reported under the SME Integrated Plan of Action (SMEIPA) that compiles the list of SME development programs in a particular year (SMECorp, 2018b). Figure 1 illustrates the percentage of number of programs for SME by focus area. Majority of the programs focused on access to financing (30.4%) and human capital development (26.6%). While the least was legal and regulatory environment (0.6%) (SMECorp, 2018b).

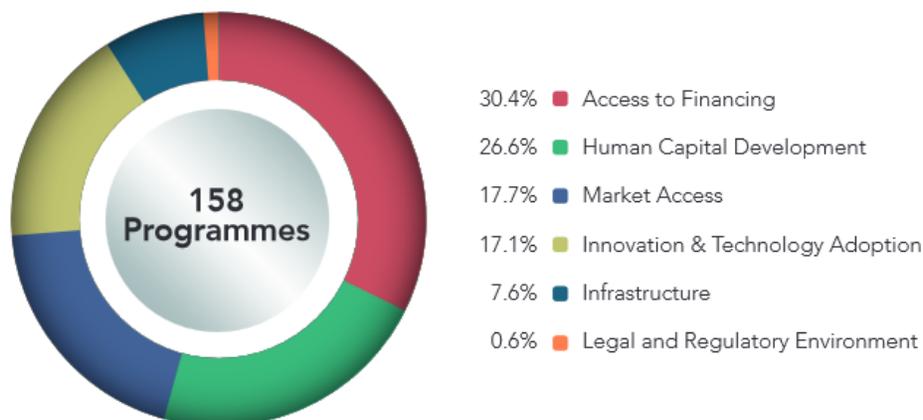


Figure 1. Number of programs for SME by focus area (%)

Figure 2 shows the percentage of financial allocation by focus area (%). A vast majority of the financial allocation goes to access to financing with 94.5% followed by human capital development with 2.1%. While the least was legal and regulatory environment (0%) (SMECorp, 2018b). With so much allocations and efforts being done, however, SME's performance has not yet reached its optimum potential and has not been able to demonstrate its strength in the industry.

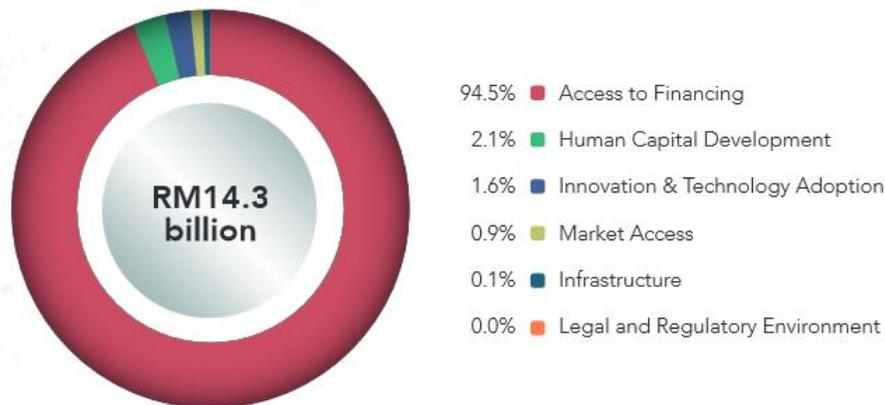


Figure 2. Financial allocation by focus area (%)

On the other hand, many efforts have been carried out in order to increase the Bumiputera SME performance. In 2018, the Ministry of Entrepreneur Development was re-established, which among the main objectives are to coordinate the development of SMEs as well as Bumiputera in the strategic industries as well as to manage the implementation of Bumiputera equity ownership policy (SMECorp, 2018b). Numerous specific programs for Bumiputera SME were carried out such as Bumiputera Workshop Transformation Programme, Super Bumi, Showcase Usahawan Bumiputera Sarawak and Pembangunan Kilang Siap Bina Industri Kecil dan Sederhana untuk Bumiputera di Kawasan Perindustrian Pasir Gudang (SMECorp, 2018b). However, the growth in Bumiputera entrepreneurial activity has not been in line with the nation's overall development rate. It is even more worrying that as Bumiputeras is the largest ethnic group in Malaysia, yet they are underperforming. Statistic shows that though Bumiputera represents almost 70% of the total population in Malaysia (Dewi Izzwi et al., 2018), only 40% of the total business that are registered with Companies Commission of Malaysia are owned by the Bumiputera (Utusan, 2019).

Furthermore, in the 21st century Malaysia has entered a new era of globalization. Among other things, Malaysia faces new challenges especially in the use of the internet as a business medium. Chew (2018) reported that the e-commerce sector is among the fastest growing industries in Malaysia. E-commerce platforms have garnered revenue as much as USD3.7 billion in 2019 with more than 20 million users (Statista, 2019). Moreover, the industry is expected to increase to earn as much as USD5.7 billion by year 2023 (Statista, 2019). This goes to show how much potential e-commerce is in the country.

Therefore, there are various calls for Bumiputera entrepreneurs to increase participation and competitiveness in the online business sector due to the fact that the Bumiputeras are still considered left behind in terms of economic capabilities. The Prime Minister of Malaysia, Tun Dr Mahathir Mohamad stressed that the Malays (largest race in Malaysia and part of Bumiputera) should realize that the only way for them to be successful is by doing business (Palansamy, 2019). He added that he was ashamed over the achievement of the Malays which he considered to be far behind compared to other races (Raja Zaid, 2018). It is more unfortunate to note that it is quite embarrassing when the Malays are poor in their home country while in comparison with other races that came to this country and successfully dominated the economy in various fields (Raja Zaid, 2018).

This problem should not be taken lightly and must be studied to understand the challenges faced that makes them unable to progress as desired. Though various interventions and effort has been done but the progress was not as expected thus this creates a question whether the targeted recipients are not aware of the efforts and supports or there other factors involved? In addition to that, study focusing on Bumiputera online entrepreneur is lacking and difficult to find (Dewi Izzwi et al., 2018). Therefore, this paper aims to fill the literature gap and study on the challenges and issues that are faced by the Bumiputera SME online entrepreneurs in Malaysia.

3. Literature Review

3.1 E-commerce and Its Relevance Towards SME

The emergence of e-commerce has taken the world by storm and revolutionizes the way that business is conducted. Many researches have been done and defined e-commerce in many different perspectives as there is no universal

accepted definition of e-commerce. Among the definitions of e-commerce are using electronic connection to conduct economic activities (Wigand, 1997) and the use of computer networks and the internet infrastructure as a way to perform business transactions (Turban, Lee, King & Chung, 2000). It is also known as a way of doing business activities using electronic data transmission technologies used in the Internet and the World Wide Web to perform and improve business processes (Schneider, 2002). For this study, the definition by Laudon and Traver (2002) is used. They defined e-commerce as digitally enabled commercial transactions between and among organizations and individuals.

The history of e-commerce was created when it started for the first time in 1994 (Chua, Khatibi and Ismail, 2006). Since then, the usage of internet is not limited to networking, value was added to it by enabling marketing and online transaction for the people around the world. Since then, e-commerce or also known as online business has become the trend in the business arena globally. The adoption of e-commerce is well accepted as nowadays it can be implemented with ease as Internet access is cheaper than ever as well as almost all of the banks provide the features of internet banking or electronic banking that enables the payment process in e-commerce.

Technology advancement has also contributed to the e-commerce, as more applications were built to support e-commerce. Some are even free to use that enables retailers to build e-commerce sites (Kidane & Sharma, 2006). In line with this, shopping over the internet, or more commonly known as online shopping, has become a favourite alternative for consumers. With e-commerce, customers are being lavished with multiple benefits, especially the ability to shop at their leisure anywhere and at any time. The preference of e-commerce among customers has caused businesses globally to adopt e-commerce or risk to be left behind. This applies not exclusively for large and multi-national organizations alone but also for SMEs.

According to Auger and Gallagher (1997), SMEs have a greater flexibility to react to changes in the business compared to large businesses. This is due to the fact that smaller firms are able to respond to any uncertainties better as they are able to respond and adjust in a shorter time period. Furthermore, with limited fund and resources, it is inevitable for them to find a way to minimize the cost of conducting business transactions (O'Keefe, O'Connor & Kung, 1998). In the wake of globalization, it is important for businesses to reach out for business opportunities without boundaries and by using e-commerce, SMEs are able to reach the similar target market as larger companies, consecutively making them able to survive and compete with larger companies.

Prior to e-commerce, only large firms are able to sell globally due to the multiple levels of intermediaries in distribution channels that contribute to high cost and the need for financial strength. However, with e-commerce, SMEs are able to come into picture as e-commerce significantly lower purchase transaction costs by eliminating intermediary in the distribution channel. In some instances, firms are able to decrease the financial cost of distribution to zero in terms of information services and digital products (Jones, 1995; Hoffman et al., 1995). The widespread of e-commerce adoption is due to the low cost and ease of use (Timmers, 1999) high degree of interconnectivity between multiple parties (Shapiro & Varian, 1999) and the richness of information that can be exchanged between parties (Evans & Wurster, 1999).

E-commerce has a broad definition and applications, however in terms of usage; the most used aspect of e-commerce is the use of the internet as medium of communication or messaging (Sulaiman & Jaafar, 2003). This could be due to the fact that the usage for communication and messaging requires minimal or no additional cost to be implemented, which mostly due to the use of e-mail and social media. As cost plays a huge role in doing business, majority of SMEs in Malaysia chose to adopt e-commerce by using cost effective and ready to download applications of e-commerce, such as social media and e-marketplace applications. In Malaysia, the business practice is commonly known as online business.

3.2 Online Business in Malaysia

Online business in Malaysia is blooming as the internet and development of information communication technologies have consequently increase the online shopping behaviors among the Malaysians. The Director of e-commerce enablement in Malaysia Digital Economy Corporation (MDEC) reported that Malaysian consumer is considered as online shopaholic as 7 per cent of them making an online purchase on daily basis, 26 per cent at least once a week, 54 per cent making online purchase at least once a month and the rest (13%) making at least one purchase in a year (Ee, 2017). She added that Malaysia has the highest penetration of online shoppers with 67%, followed by Thailand (57%) and Singapore (52%).

The trend of online shopping in Malaysia has opened up opportunities for individuals to create wealth by starting an online business and becoming an online entrepreneur. The prospect of starting an online business is even more

encouraging as the government has tirelessly put lots of effort in improving the internet infrastructure and usage. The government also offered numerous entrepreneurship programs to support entrepreneurs (AT Kearney, n.d).

The positive development of online business is also contributed by the emergence of social media. Facebook, Instagram, Twitter, to name a few, are among the top social media applications that have been introduced and totally changed our life, especially in Malaysia. In terms of social media penetration, Malaysia was ranked as the number one in Southeast Asia and top five in the world as reported by Hootsuite and We Are Social in their latest Digital 2019 report (Bernama, 2019). Furthermore, the report revealed that internet penetration in Malaysia is at a healthy 80 percent with its users spending 8 hours and 5 minutes online on daily average. It means that Malaysian spend quarter of the day by staying online, in which 2 hours and 58 minutes is attributed to social media consumption. Malaysia stood at number four globally in mobile social penetration that makes Malaysia the lead in Southeast Asia, while Singapore is in sixth place, followed by Thailand at eighth and the Philippines at the tenth place. In addition, the report mentioned that Malaysia presented a unique opportunity for businesses, due to the fact that 75 per cent of the internet users spent their money via e-commerce while 58 per cent spent their money on mobile commerce platforms.

A recent survey performed by Adobe revealed that 70 per cent of Malaysians opt for social media platforms in order to find out more about the products that they are interested, before making a purchase (Contributor, 2015). Therefore it is not surprising that based on the SME Annual Report 2016/2017, majority of the SMEs (85.4%) used social media platforms such as Facebook and Instagram to sell their products online (SMEE Corp, n.d.). Hence, it shows that the SMEs prefers social media as the platform to perform their online business. Social media has proven to be essentially relevant to SMEs as it offers lots of benefits such as ease of use, relatively quick and low-cost method to connect with customers.

Considering the collective benefits as well as the government's contribution, it is forecasted that there will a rise of online entrepreneurs in Malaysia. As of May 2017, Companies Commission of Malaysia (SSM) has reported that there were 50,882 online entrepreneurs that had registered their online business (Bernama, 2017a).

4. Methodology

4.1 Population and Sample Size

After extensive study and exploration, it was found that there is no formal data source on the complete Bumiputera online entrepreneurs in Malaysia. Therefore, the study has selected the the online entrepreneurs from Malaysian Internet Entrepreneurs Association (PUIM) as the population. PUIM has more than 21,000 members, which 93% of them are Bumiputera. After selecting the Bumiputera online entrepreneurs only from the PUIM's database, a sample size of at least 377 was determined for this study as suggested by Krejcie and Morgan (1970).

4.2 Sampling Technique

Tremendous deliberation has been made in selecting the right sampling technique for this study, whether to employ non probability or probability sampling. Though the probability sampling technique is favoured, as it will provide an equal chance for each of the population to be chosen, however in this situation, it is found unsuitable due to the fact that the online entrepreneurs mostly are unresponsive as majority of them are busy with their business. Due to the limitation mentioned, convenient sampling technique was chosen for this study as it is more achievable to provide enough samples for the analysis.

4.3 Instrumentation

As the study is focused and unique towards Bumiputera SME online entrepreneurs, major considerations have been made in coming out with the proper and suitable instruments to measure what is needed for this study. The questionnaire was developed by organizing a focus group comprising of SME Bumiputera entrepreneurs, representatives from policy makers and support agencies. This was done to obtain preliminary information for improving questionnaire questions and data validation. Content analysis and themes are conducted on the interview transcripts to ensure relevant questionnaires and data are authentic and reliable. The interview was conducted in a special place and the audio was recorded with the respondent's consent and each statement was copied continuously into an interview transcript for analysis. The questionnaire is divided into 4 sections which are section A (Profile of Respondents), section B (Profile of Business), section C (Types of Constraints / Challenges), section D (Awareness of the Existence of a Support System) and Section E (Training and Support Needed). The questions employ the 5-point Likert scale to obtain the required information.

4.4 Data Collection

Pilot study was conducted where 31 questionnaires were distributed to respondents comprising online entrepreneurs attending the Online Entrepreneur Convention at Putra World Trade Center (PWTC). It was conducted using face-to-face interview by research enumerator. Findings from the pilot study have been used to improve the questionnaire to ensure that the information obtained is more relevant and does not neglect the important issues that need to be made through the study. Then the formal study was conducted by disseminating questionnaire through online survey among the members of PUIM's Bumiputera online entrepreneurs and a total of 493 respondents were obtained for the study.

4.5 Analysis

The study provides descriptive analysis of the survey which includes distribution information and cross-tabulation data of selected variables to ascertain the essentials and difficulties of the respondents in doing online business. The analysis was done using IBM SPSS version 21.

5. Results and Discussion

Table 1 shows the frequency of respondents' backgrounds such as age, gender, higher education level, doing the online business fulltime or part time and participation of entrepreneurial courses. A total of 493 respondents have been selected for this study.

Table 1. Profile of respondents

Title	Description	N	%
Age	18 and below	5	1.0
	19 - 25	80	16.2
	25 - 30	143	29.0
	31 - 35	124	25.1
	35 - 40	90	18.2
	41 - 45	45	9.1
	46 - 50	20	4.0
	50 and above	18	3.6
	Total	493	100
Gender	Male	297	60.2
	Female	196	39.8
	Total	493	100
Education	High School	89	18.1
	Diploma	132	26.8
	Degree/Master/PhD	272	55.2
	Total	493	100
Business Full / Part Time	Full Time	197	40.4
	Part Time	292	59.6
	Total	493	100
Participation In Entrepreneurship Courses	Yes	349	70.8
	No	144	29.2
	Total	493	100

Most of the respondents' businesses are sole proprietorship as shown in Table 2. Majority of them are in service sector with the yearly sales of below RM300,000. Most of them prefer to use Facebook as their marketing and selling platform while the least favourite platform is website.

Table 2. Profile of business

Title	Description	N	%
Type of Business	Sole Proprietorship	333	67.5
	Partnership	66	13.4
	Limited Liability Partnership	6	1.8
	Private Limited Company	40	8.1
	Others	45	9.1
	Total	493	100
Business Sector	Service	302	61.3
	Manufacturing	66	13.4
	Trading	125	25.4
	Total	493	100
Sales	< RM300,000	473	95.9
	RM 300, 000 – RM15,000,000	19	3.9
	> RM15,000,000	1	0.2
	Total	493	100
Types of Platforms Used (Respondents May Answer More Than One)	Mobile Application	250	50.7
	Facebook	467	94.7
	Instagram	369	74.8
	E-Marketplace (lazada, Shopee, etc) Own Website	214 169	44.4 34.3

Table 3 shows the types and levels of constraints faced by respondents in conducting online business. Respondents assessed their constraints using a scale of 1 to 5 (1 = strongly disagree, 5 = strongly agree). The most significant constraints faced by the respondents were the lack of access to financial assistance ($\mu = 3.92$), shortage of business capital ($\mu = 3.88$) and lack of knowledge to carry out market study ($\mu = 3.82$). Overall, the level of constraints in doing online business encountered by respondents was quite high ($\mu = 6.69$; scale 1-10), however, they have very high confidence that their business will last more than 5 years ($\mu = 8.14$; scale 1-10).

Table 3. Types of constraints / challenges

Description	Mean
Lack of access to financial assistance	3.92
Shortage of business capital	3.88
Lack of knowledge in market study	3.82
Lack of expertise in long term planning	3.80
High level of competition	3.79
Lack of mentorship guidance	3.77
Lack of technical expertise for online business (eg: google ads, facebook ads, SEO)	3.76
Lack of financial management expertise	3.68
Oblivious of agencies that offers assistance	3.66
Lack of knowledge in performing online business	3.63
Difficulties in getting suitable agents	3.58
Difficulties in finding product differentiation or uniqueness	3.47
Difficulties in getting suitable vendors	3.45
Lack of experience in online business	3.36
Overall, on a scale of 1 - 10 what is the level of constraints that you face in doing online business?	6.69
Overall, on a scale of 1 - 10, what is the level of confidence that your business life expectancy will exceed 5 years?	8.14

Based on Table 4, the majority of respondents are aware of the existence of support system in the form of training and business advisory services (n = 325, 65.9%; n = 320, 65.9%) but the least-aware support system amongst respondents are the incubator centre and financial assistance for online business (n= 182, 36.9%; n = 213, 43.2%). Overall, the satisfaction level of existing online business support systems is moderate (min = 5.59; scale 1-10).

Table 4. Awareness of the existence of a support system

Description	Yes/No	N	%
Support system in the form of training	Yes	325	65.9
	No	168	34.1
Business advisory service	Yes	320	65.0
	No	171	35.0
Financial assistance for online business	Yes	213	43.2
	No	280	56.8
Incubator centre (eg: Magic Incubator / Technology Park Malaysia)	Yes	182	36.9
	No	311	63.1
Promotion and marketing assistance	Yes	292	59.2
	No	201	40.8
Technical assistance (software, application, system, etc)	Yes	244	49.5
	No	249	50.5
Business coaching	Yes	299	60.6
	No	193	39.4
Overall, on a scale of 1 - 10, what is the level of satisfaction of existing support systems ?			5.59

Table 5 depicts the training and support needed by the respondents. The most needed training and support are Facebook Ads, business coaching programs and customer relationship management ($\mu = 4.55$), followed by Search Engine Optimization (SEO) and website development ($\mu = 4.52$). While the least needed are matching program to facilitate getting agents ($\mu = 4.41$) and vendor ($\mu = 4.39$).

Table 5. Training and support needed

Description	Mean
Facebook Ads	4.55
Business coaching programs	4.55
Customer relationship management	4.55
Search Engine Optimization (SEO)	4.52
Website development	4.52
Seed funding to start an online business	4.51
Google Ads	4.50
Subsidy for initial infrastructure costs in starting an online business	4.50
Email marketing	4.49
Matching program to facilitate getting agents	4.41
Matching program to facilitate getting vendors	4.39

Through the cross-tabulation analysis shown in Table 6, it shows that men face higher challenges in doing online business compared to women. Consequently, women are more confident that their online business will last more than

5 years and they are also more satisfied with the existing support system for Bumiputera online entrepreneurs. Bumiputera online entrepreneurs are facing higher challenges in line with their annual sales.

The level of confidence shows that small companies have the highest confidence, followed by medium and micro enterprises. However, micro enterprises have the highest level of satisfaction of existing support systems followed by medium and small companies. An analysis of the level of education shows that it is better to have higher education level in this context, as the higher the education level, the lower the level of challenges faced and they are more confident that their business will sustain more than 5 years.

Furthermore, the findings show that the university graduates are more satisfied with the existing support system compared to those high-school graduates. While analysis done on online businesses conducted between part time and full-time shows that part-time facing higher constraints than full-time, but those who are part-time businesses have higher confidence in the business life and higher satisfaction levels of the support system available for Bumiputera online entrepreneurs.

Table 6. Cross-tabulation findings

Question	Gender	Annual Sales	Level of Education	Part/Full time
Level of challenges faced	Higher for men	The higher the sales, the higher the challenges faced	The higher the education level, the lower the challenges faced	Higher for part time
Level of confidence that your business life expectancy will exceed 5 years	Higher for women	<ol style="list-style-type: none"> Small: RM300,000 – RM15million Medium: >RM15million Micro: Less than RM300,000 	The higher the education level, the higher the confidence level	Higher for part time
Level of satisfaction of existing support systems	Higher for women	<ol style="list-style-type: none"> Micro: Less than RM300,000 Medium: >RM15million Small: RM300,000 – RM15million 	<ol style="list-style-type: none"> University graduates High school graduates 	Higher for part time

The study comprehends the essentials and challenges faced by the Bumiputera online entrepreneurs. The government had relentlessly issued statements desiring the Bumiputera to turn into online business as the online business is the next big thing that should be taken up seriously. However, many of the Bumiputeras are still doing it in small scale and part-time. The way forward is firstly, to understand the situation and problems then, proper and suitable actions need to be taken.

The study has shown that the main challenge faced by Bumiputera online entrepreneurs is lack of financial assistance. However, the irony is that among the top least-aware of support system provided is financial assistance. On this particular matter, both parties; the Bumiputera online entrepreneurs as well as the agencies that provide financial assistance should buck up and increase their initiatives in finding information as well as disseminating them respectively. This may be a mere problem of connecting the dots. Agencies which are providing the support system should be more eccentric in promoting their service assistance, they may consider adopting the conducts of private companies promoting their products and services. On the other hand, the Bumiputera online entrepreneurs should never expect to be spoon-fed, instead be more proactive in acquiring information.

The second and third major problems are shortage of business capital and lack of knowledge in the market study. Therefore, trainings and advisory support should be focused on enhancing these particular skills. One may argue that trainings and advisory support has sufficiently been carried out on these particular matter, but based on this study, the level of satisfaction on the existing support system is mediocre.

6. Conclusion

It is apparent that in the midst of people's excitement about internet technology and online business, Bumiputera online entrepreneurs, which majority of them are micro entrepreneurs, are striving hard to improve their online presence so as to increase their online sales revenue. The challenges mentioned in the previous section and the proposed solutions put forward in this study should be seriously looked into by the policy makers and relevant agencies that are responsible of overseeing the development and growth of Bumiputera entrepreneurs particularly those who are involved in e-commerce and online businesses. Intervention programs which include training and advisory services should be designed in such a way that it suits the needs of the users. Generic programs that focus merely on awareness and a bit of skill enhancement value should be replaced with new programs that are focused to specific skills, targeted to different needs of users and should be able to cater to different level of entrepreneurial life cycle. Training providers, trainers and coaches should be made responsible for improvement of their trainees, perhaps to a certain extent; their fee will only be reimbursed if the trainees have shown some degree of improvement. Future research is needed to investigate the relationships between the delay of reimbursement of training fee to training providers, trainers and coaches and the improvement of the trainees' needed skills. In addition, it will also be beneficial to the training providers to assess the effectiveness of the training modules as well as the competencies of the trainers and coaches.

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