



## FACTORS CONTRIBUTING TO THE SUCCESSFUL BUSINESS OF STREET MARKET FOOD VENDORS

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## Abstract

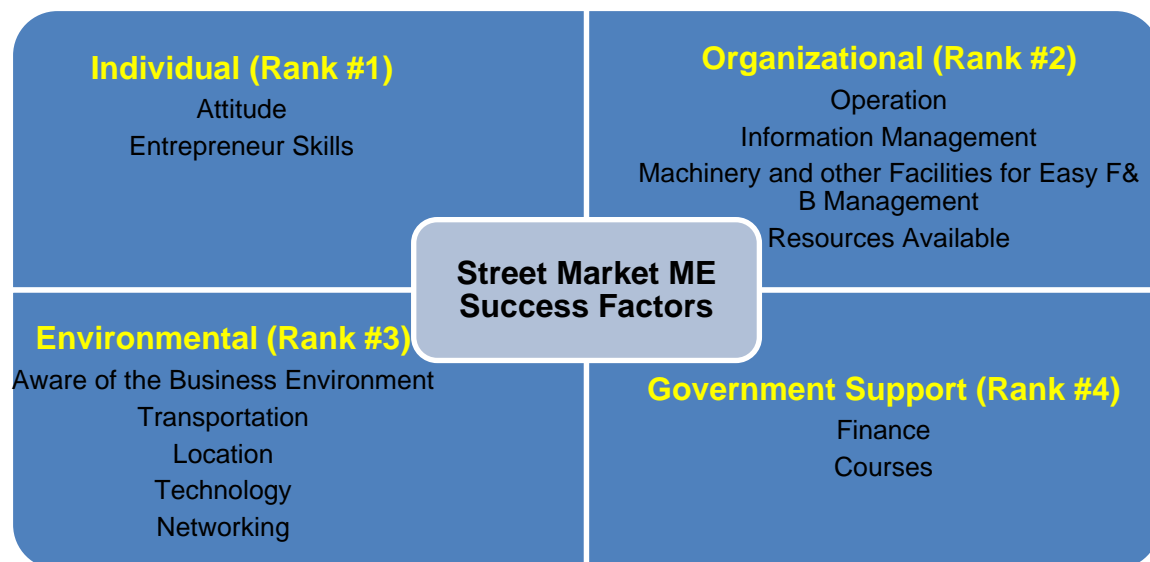
Micro-entrepreneurship (ME) plays an important role in the country's economic development in generating urban informal economy. Street market business can be classified as micro-entrepreneurship which in most cases the business has no employees besides the owner (Jayachandran, 2020). High levels of unemployment and economic crisis led to the increasing number of street market vendors as a means of survival and its ability to provide basic needs at affordable prices to the surrounding communities. This paper presents an analysis of the success factors contributing to the street market food vendors in selected street markets in Malaysia. We highlight and identify some key factors that positively affect their sales revenue. A qualitative approach using focus group discussion method has been used to gain an in-depth understanding of success factors. A mini focus group discussion and exploration of issues were conducted. According to Sherman (2019), business success was measured based on individual, environmental or organizational factors and government support which can be divided into internal and external factors. We group those factors into controllable and uncontrollable factors. The results indicate that individual factors, specifically business experience, is an important success factor that positively affects sales revenue. The paper also comes to the conclusion that individual, environmental and organizational factors were found positively and significantly related to the success of street market food business.

## Research Highlights

1. Street markets which are influenced by informal work and dominantly represented by the bottom group of the social economy population exist because of the urban landscape and metropolitan architecture, accessibility and serve as a cultural revival.
2. People's changing lifestyle and the Internet as the disruptive technology have created challenges to street market vendors, which majority of them are micro-entrepreneurs.
3. Individual, environmental and organizational factors are related to the success of street market food business with business experience as an important determinant of sales revenue.



## Graphical Abstract



## Research Objectives

The research aims at assessing the motivations and success factors of selected food street market vendors in Malaysia. This research is exploratory in nature as its aim is to explore the individual, organisational and environmental elements that ascertain the food street market vendor's business success. Identifying the factors and understanding their success would help to build a resilience business within the fast changing consumer demand and lifestyle.

## Methodology

A mini focus group study was conducted using the K-J Method that allows for screening and organizing numerous ideas into groups, grounded on their meaning and helping resolve problems efficiently (Anonymous, 2020). The questions focused on the motivation behind entering into the venture (perceived) success factors and challenges being faced by them. Initially, several open-ended questions were utilized to define the responses from the participants. A set of criteria was established to guide the researchers during the selection process to ensure that those involved in the mini focus group study can represent the population. The criteria include (1) successful with more than one-year experience; (2) represent food vendors of a street market in the local area; and (3) have received assistance and support to run the business. During the focus group meeting, the participants were asked to think and list down the business success factors contributing to their business, discuss these



factors in groups to reach mutual agreement on the grouping elements. Further discussion was on identifying the placement of the factors into the four quadrants of important versus not important and within the control versus beyond control.

## Results

### Street Market Micro-entrepreneurs Success Factors

Within Control		Beyond Control	
Important	Not Important	Important	Not Important
<b>Individual (Rank #1)</b>	<b>Individual</b>	<b>Individual</b>	<b>Individual</b>
1. Attitude	1. Online business encouragement	1. Learn from mistakes	1. Awards
2. Entrepreneur skills	2. Lifelong learning	2. Learn from experience	2. Age
<b>Organizational (Rank #2)</b>	<b>Environmental</b>	3. Family conditions	<b>Environmental</b>
1. Operation	1. Product improvement (innovation)	4. Technology advancement (online business)	1. License issuance
2. Information management	2. Product quality	5. Health condition	2. Motivation
3. Machinery and other facilities for easy F&B management	<b>Organizational</b>	<b>Environmental</b>	3. Support from peers and neighbors
4. Resources available	1. Business partner sharing	1. Accounting systems	<b>Organizational</b>
<b>Environmental (Rank #3)</b>	<b>Government Support</b>	2. Taxation	1. Audit and classification
1. Aware of the business environment	1. Compound	3. Provision of courses and seminars (training and development)	<b>Government Support</b>
2. Transportation	2. Price control	4. Competition	1. Government subsidies
3. Location		5. Weather	2. Political changes
4. Technology		6. Family support	3. Government support
5. Networking		<b>Organizational</b>	4. License issuance by Local Municipal
<b>Government Support (Rank #4)</b>		1. Sales	
1. Finance		2. Profit	
2. Courses		3. Capital	
		4. Resources supplies	
		<b>Government Support</b>	
		1. Business guidelines/ regulation (government policy)	
		2. Financial assistance	
		3. Training assistance & facilities	

## Findings

The findings discovered that individual factors are the most important factor followed by organizational factors as the second and government supports and environment factor respectively. For individual factors, attitude (hardworking, smile, deep interest, survival instinct, focus and mentality) and skills (communication and marketing) ranked as the most





important factor. Operations such as running business daily, joint event, early preparation and enough workforces ranked as the second success factor. Aware of the business environment, transportation, location, technology and networking ranked as the third important and government support and courses provided ranked as the fourth factor contributing to the business success.

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