

THE DEVELOPMENT OF MALACCA RIVER PLATE AND ITS IMPACT ON
ENTREPRENEURIAL INTENTION TOWARDS THE LOCAL COMMUNITY

RAIHAYU BINTI MUSTAFA

UNIVERSITI TEKNIKAL MALAYSIA MELAKA

„I/ We, hereby declared that I/We had read through this thesis and
in my/our opinion that this thesis is adequate in terms of scope and quality which
fulfill the requirements for the award of Bachelor of Technology Management
(High Technology Marketing)

SIGNATURE :
NAME OF SUPERVISOR : IR BUDIONO HARDJONO
DATE :

SIGNATURE :
NAME OF PANEL : DR. NORAIN ISMAIL
DATE :

THE DEVELOPMENT OF MALACCA RIVER PLATE AND ITS IMPACT ON
ENTREPRENEURIAL INTENTION TOWARDS THE LOCAL COMMUNITY

RAIHAYU BINTI MUSTAFA

The thesis is submitted in partial fulfillment of the requirements for the award of
Bachelor of Technology Management (High Technology Marketing)

Faculty of Technology Management (High Technology Marketing)
Universiti Teknikal Malaysia Melaka

JUNE 2016

DECLARATION

“I admit that this report is the result of my own, except certain explanations and passages where every of it is cited with sources clearly.”

SIGNATURE :
NAME : RAIHAYU BINTI MUSTAFA
DATE :

DEDICATION

This research is dedicated to my parents for their endless love, support and encouragement.

ACKNOWLEDGEMENT

It gives me a great pleasure to express my greatest appreciation to all those people who had helped me along the project until writing this report. First of all, I was very grateful because always having a good health during this research study.

Secondly, I would like to thank to my family for all their support, love and prayers. Next, I also like to special thank goes to my helpful supervisor, Ir. Budiono Hardjono. His supervision and support that his gave truly help the progression and smoothness of the research report. The co-operation is much indeed appreciated.

Great deals appreciated go to the contribution of my faculty, Faculty of Technology Management and Technopreneurship (FPTT). I am also will like to thankful for all the staff in the FPTT office and all my coursemate who helping me to complete this project.

ABSTRACT

As Malacca is one of the favourite places for tourism many changes occurred and one of it improved the river plate. This research aims to investigate the development of Malacca river plate and its impact on entrepreneurial intention towards the local community. The questionnaire method is used as the main instrument to collect data in this study. Next data obtained were analysed using frequencies, percentages and so on mean analysis. This study focused on local community that lives along the river side in Malacca. A total of 100 students were selected as respondents. Purposive sampling was used for sample selection.

ABSTRAK

Melaka adalah salah satu tempat kegemaran untuk pelancongan dan banyak perubahan berlaku dan salah satu daripadanya membaik pulih plat sungai. Kajian ini bertujuan untuk mengkaji pembangunan plat sungai dan kesannya ke atas kecenderungan keusahawanan ke arah masyarakat setempat. Kaedah soal selidik digunakan sebagai instrumen utama untuk mengumpul data dalam kajian ini. data berikut diperolehi dianalisis dengan menggunakan kekerapan, peratusan dan sebagainya bermakna analisis. Kajian ini memberi tumpuan kepada masyarakat setempat yang tinggal di sebelah sungai di Melaka. Seramai 100 orang pelajar telah dipilih sebagai responden. persampelan bertujuan digunakan untuk pemilihan sampel.

TABLE OF CONTENT

CHAPTER	CONTENT	PAGE
CHAPTER 1	INTRODUCTION	
	1.1 Introduction	1
	1.2 Background	2-3
	1.3 Problem Statement	4
	1.4 Research Question	4
	1.5 Research Objective	5
	1.6 Scope	5
	1.7 Key Assumption	6
	1.8 Significant Of Study	6
	1.9 Limitation	6
CHAPTER 2	LITERATURE REVIEW	
	2.1 Background	7
	2.2 Theoretical Framework	8
	2.3 Hypothesis Review	
	2.3.1 Tourism Facilities	9-10
	2.3.2 Infrastructure	10-11
	2.3.3 Surrounding Environment	11
	2.4 Hypothesis Development	12
	2.5 Summary	12

CHAPTER	CONTENT	PAGE
CHAPTER 3	METHODOLOGY	
	3.1 Introduction	13
	3.2 Research Design	14
	3.3 Methodology Choice	15
	3.4 Data Collection	15
	3.4.1 Primary Data Sources	15
	3.4.2 Secondary Data Sources	16
	3.5 Data Analysis	16-17
	3.5.1 Descriptive Statistic Analysis	17
	3.5.2 Pearson Correlation	17
	3.5.3 Multiple Linear Regression	18
	3.6 Location of Research	18
	3.7 Research Strategy	19
	3.8 Time Horizon	19
	3.8.1 Cross-sectional Study	19
	3.8.2 Longitudinal Study	20
	3.8.3 Population And Sampling	20
	3.9 Reliability and Validity	20
	3.9.1 Reliability	21
	3.9.2 Validity	21
	3.10 Pilot Test	21
	3.11 Summary	22
CHAPTER 4	DATA ANALYSIS	
	4.1 Introduction	23
	4.2 Demographic And Frequency Analysis	24
	4.2.1 The Gender	24

	4.2.2 The Age		25
	4.2.3 The Education		26
	4.2.4 The Occupation		27
	4.2.5 The Sector Involved		28
	4.2.6 The Living Duration		29
	4.2.7 Gender VS Occupation		30
	4.2.8 Occupation VS Sector Involved		31
	4.2.9 Occupation VS Living Duration		32
	4.3 Histogram For Independent Variable		
	4.3.1 Range Of Likert Scale		33
	4.3.2 Histogram Of Tourism Facilities		34
	4.3.3 Histogram Of Infrastructure		35
	4.3.4 Histogram Of Surrounding Environment		36
	4.4 Result Of Measurement		37
	4.4.1 Correlation		37-38
	4.4.2 Reliability Test		38-39
	4.5 Hypothesis Testing		40
	4.5.1 Multiple Linear Regression		41
	4.5.2 Anova		42
	4.5.3 Coefficients		43
	4.5.4 Hypothesis Testing		43-45
	4.6 Summary		46
CHAPTER 5	DISCUSSION, CONCLUSION AND RECOMMENDATION		
	5.1 Introduction		47
	5.2 Summary Of Descriptive Analysis		48
	5.3 Scale Of Measurement		

	5.3.1	Validity	49
	5.3.2	Reliability	49
	5.4	Discussion Of Correlation, Regression, Hypothesis	
	5.4.1	Correlation	50
	5.4.2	Regression	51
	5.4.2	Hypothesis	51-52
	5.5	Significant Study	53
	5.6	Limitation Of Research	53
	5.7	Recommendation For Future Research	
	5.7.1	Malaysia Government	54
	5.7.2	Tourism Malaysia	54
	5.7.3	Malacca State Authority	55
	5.7.4	Malacca Local Community	56
	5.7.5	Future Researcher	56
	5.8	Conclusion	57-58
		REFERENCE	59-60
		APPENDIX	56-

LIST OF TABLES

TABLE NO.	TITLE	PAGE
4.3.1	Range of Likert Scale	33
4.4.1	Correlation	37
4.4.2	Reliability Statistics	39
4.5.1	Multiple Linear Regression	41
4.5.2	ANOVA	42
4.5.3	Coefficients ^a	43
4.5.4	T-test Analysis	43

LIST OF FIGURES

TABLE NO.	TITLE	PAGE
2.2	Theoretical Framework	8
4.2.1	The Gender	24
4.2.2	The Age	25
4.2.3	The Education	26
4.2.4	The Occupation	27
4.2.5	Sector Involved	28
4.2.6	Living Duration	29
4.2.7	Gender Vs Occupation	30
4.2.4	Occupation Vs Sector Involved	31
4.2.5	Occupation Vs Living	32
4.3.2	Histogram Tourism Facilities	34
4.3.3	Histogram Infrastructure	35
4.3.4	Histogram Surrounding Environment	36

LIST OF APPENDICES

APPENDIX	TITLE
APPENDIX 1	Official Letter of Permission to Conduct a Survey
APPENDIX 2	Questionnaire
APPENDIX 3	t - Table

CHAPTER 1

INTRODUCTION

1.1 Introduction

Malacca was honored as one of World Heritage Site by UNESCO in 2008, and as a result of this, tourism industry expanding from year to year. Malacca is the third smallest state. It is flanked by the ocean west, known as the Straits of Malacca. Generally, Malacca was established by Parameswara while resting under a tree known as the tree of Malacca close to the river (Malacca express Government's Official Web Portal). History said that he saw the puppy pursuing a deer but yet the deer kicked it and fell into the river. Thus, Parameswara use it by naming the state as a Malacca, and it stays until today. Since Malacca situated in a vital area, he has taken Malacca State the chance to create as a universal port. Accessibility Malacca Strait is a beginning stage for interfacing China and India specifically exchanging boats that cruised from the east and west. This circumstance gives a chance to brokers to lead their exchange Malacca.

Malacca with an area territory of just 1,638 sq. meters hones a two dimensional advancement by means of industrialization and tourism. By end of 1997, the state had enrolled an aggregate speculation of over RM16 billion prompting more than 80,000 openings for work. There are presently 23 mechanical bequests with almost 500 production lines originating from the United States, Germany, Japan, Taiwan, furthermore Singapore.

1.2 Background

River Engineering Division JPS Malacca, Central Malacca District DID and DID Alor Gajah now manage, operate and maintain for the purpose of collecting, analyzing and disseminating data and information to users ranging from governments and target groups, and make plans towards the maintenance and care of the environment in accordance with the objectives and targets set.

Malacca River is 40.0km long starting from Straits of Malacca to Kg. Gadek (crossing obstacles. Stick with Saki Sg. Batang Malacca). There are several major tributaries that enter the Malacca River, Sg. Putat, Sg. Cheng, Sg. Durian Tunggal and Sg. Alor Gajah. There are 5 sluice gates along the Malacca River. The first structure at km 1.0 is a barrage of water control works with a certain depth for the river cruise and flood control. The above structure is under control PPSP (River and Coastal Development Corporation).

The second structure is at km 10.0, which serves as the control of municipal barrage tidal and water supply for agriculture, especially irrigation area in Bachang. A third structure at km 18.0 is the water gate / weir acts as a regulator of the flood diversion pass by Sg. Malacca to Sg. Malim. The fourth structure at km 28.0 is the dam serves as a water reservoir for Malacca Water Company (SAM) as well as flood control.

The fifth structure of the km 34.0 is the door to the use of irrigation water which is not used anymore. All four structures need to use electricity to run its operations, while at km 34.0 there is a pump house which serves to irrigate irrigation scheme Carambola Beach.

For the purpose of controlling the rubbish into the river, the Department has set traps litter in three locations, namely in Panglima Awang Bridge, Bridge Community Garden and Bridge happy Peringggit Beach. Apart from the debris, installation of GPT also been implemented in the wholesale market Akure, drain out the TEAC Industrial Area, Mercado Central Malacca and Kg. Base.

In this 21st century, River and Coastal Development Corporation Malacca (PPSPM) on behalf of the Malacca State Government has established Melaka River Cruise on 11 November 2005. The establishment of the Malacca River Cruise and the idea is the brainchild of former Chief Minister of the ninth, Tan Sri Hj. Mohd Ali Bin Mohd Rustam, Sungai Malacca to see developed on par with the River St Antonio in Texas and on a par with River Venice in Italy. They make Malacca River Cruise, where vacationer could watch the perspective of Mortan Village either day or night view. At the night the city loaded with lights and it pleasant to have a stroll around the waterway plate zone. Traveler will very nearly have the sensing that they in the city of water, Venice.

Basically entrepreneurship is a one key factor for economic development. Public, private and non-governmental organizations are taking various measures to promote entrepreneurship in different countries. Entrepreneurial behavior of any society is determined by different factors. These are social, personality and environmental factors (Guroland Atsan, 2006).

1.3 Problem Statement

In this thesis, the researcher will conduct research on development of Malacca river plates and its impact on the entrepreneurial intention towards the local communities. The river already been there for a long time ago but never been commercialized before. In this thesis, the researcher will identify the impact on the entrepreneurial intention when the Malacca river plate being upgraded and become beautiful and more attractive than before. Therefore, this research is to investigate either the impact to local citizen is positive or negative impact.

1.4 Research Question

1. What is the impact of development of tourism facilities along Malacca river plate towards entrepreneurial intention of local business community?
2. What is the impact infrastructure development of Malacca river plate toward entrepreneurial intention of local community?
3. What is the impact of Malacca river surrounding environment towards the entrepreneurial intention of local community?

1.5 Research Objective

- To observe the impact of development of tourism facilities along Malacca river plate towards entrepreneurial intention of local business community.
- To identify the impact infrastructure development of Malacca river plate toward entrepreneurial intention of local community.
- To identify the impact of Malacca water surrounding environment towards the entrepreneurial intention of local community.

1.6 Scope

This study focuses on the entrepreneurial intention impacts that contribute to the Malacca local community that lives along the river side or gives any positives impact to the government side. The entrepreneurial intention impact would be tourism facilities, infrastructure development, and surrounding environment. The tourism facilities will be the Malacca river cruise, hotel, café and restaurant and surrounding environment are about the river physically such as the river cleanliness, the river festival and controlling the river flood

1.7 Key Assumption Of Study

This study shows that there are several impacts on the entrepreneurial intention toward the local community. Through this survey shows respondents are being honest while answering the questionnaire. In this research, the researcher will collect data and analyze the data to get the statistic needed.

1.8 Significant Of Study

The result from this research might be used for any other researchers who want to conduct the future research in this area. Besides that, this result can be used by government authority in future where to do some improvement for the purpose increasing the number of tourist in Malacca. While for the local community, the researcher could get the respondent point of view either this research is giving out positive result or negative result.

1.9 Limitation

This research is about development of Malacca river plate and its impact of entrepreneurial intention towards the local community so the research will be focus at Malacca state and the respondent for the questionnaire are the community that lives nearby or along the Malacca river side. This research limitation is will only be carried out inside the state of Malacca Bandaraya Bersejarah. Besides that, it will be difficult to get respondent to spend their time answering the questionnaire.

CHAPTER 2

LITERATURE REVIEW

2.1 Background of Study

At present, Malacca is one of the favourite states for tourist to go in Malaysia. The number of tourist is increasing from year to year. Growth in Malaysia shows that Malaysia's economy as been facing market growth through the tourism industries. Tourism industries has maintained steady growth where as we know the tourism industry increasing in Malaysia and have many benefits to the country. Since Malacca is one of favourite states for holidays researcher would like to study the development of Malacca river plate and its impact on entrepreneurial intention toward the local communities.

2.2 Theoretical Framework

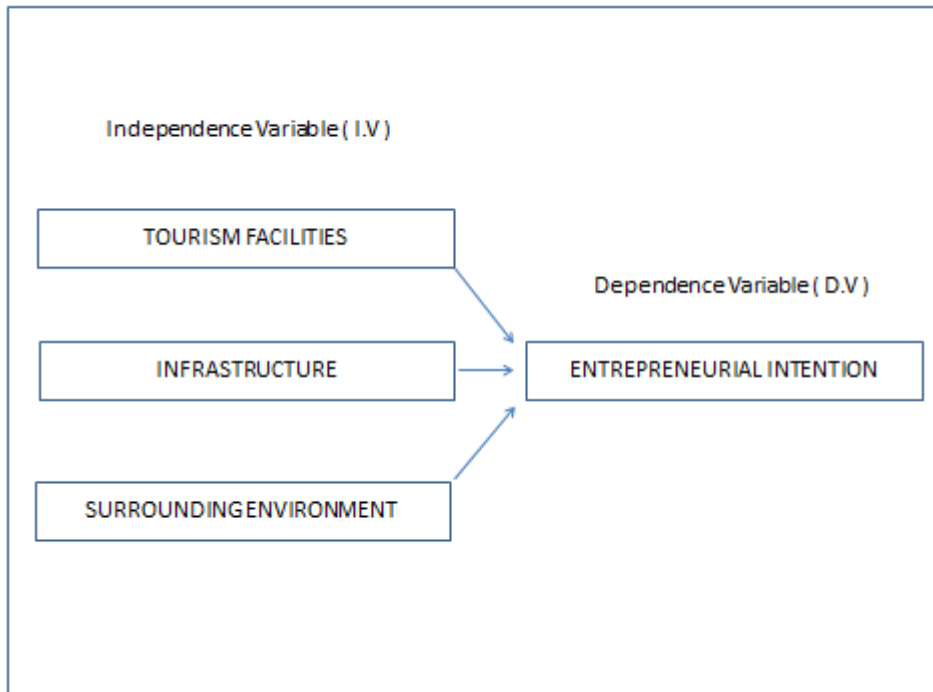


Figure 2.2 the theoretical framework for this research

2.3 Hypothesis Review

2.3.1 Tourism Facilities

Coupled with the growth in tourism industry, the booming interest in the cultural tourism helps tourism agency and tour operators to develop more products in order to promote the cultural tourism among the tourists. Currently, cultural tourism has emerged as a significant form of alternative tourism among both international tourists as well as local tourists. Cultural tourism in Malaysia has generated great publicities among cultural tourists with the result of increasing in the number of incoming tourists annually. Malacca has marvellous cultural tourism resources that are readily available to be explored such as the existence of multi-cultural ethnics, historical buildings, colourful 94 lifestyles and friendly atmosphere. These cultural tourism resources should be utilized as attraction tool to draw more cultural tourists to Malacca (Ding Kay Lee, 2002).

According to the findings from this research conducted, infrastructure plays an important role in ensuring the effectiveness in mobilizing the heritage elements. Without infrastructure provision, it would be relatively harder for an area to continuously develop and attract tourists to constantly arrive and explore the heritage site. According to Aksu et. al. (2010), tourists have their own personal expectations regarding tourist destination chosen, according to the source and attraction pull of an area.

A certain expectation could be high or otherwise according to the publicity and marketing conducted in developing a particular tourism destination. Expectation and satisfaction level aspects that are known are fairly hard to predict, because every tourist has their own personal opinion which differs from one tourist to another. In general, there is no clear list on infrastructure that is needed