

APPROVAL

I have supervised and examined this report and verify that it meets the program and University's requirements for the Degree in Technopreneurship.

Signature :

Name of Supervisor : MR. KAMARUDIN BIN ABU BAKAR

Date :

Signature :

Name of Panel : ASSOC. PROF DR. MD NOR HAYATI BIN
TAHIR

Date :

CHARACTERISTIC OF AN EFFECTIVE SOCIAL MEDIA TOWARD THE
IMPROVE SALES OF FROZEN FOOD FOR MICRO BUSINESS

NUR AQILAH BINTI MAT JARI

This report is submitted in partial fulfilment of the requirements for the
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Universiti Teknikal Malaysia Melaka

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DECLARATION

I declare that all part of this report is my original work and all references have been cited adequately as required by the University.

Signature:

Full Name: NUR AQILAH BINTI MAT JARI

Date:

DEDICATION

Every challenging work needs self-effort as well as guidance of older especially those who were very close to our heart.

My humble effort i dedicate this thesis to my beloved parents, Mr. Mat Jari bin Ismail and Mdm. Zainab binti Hamidon, whose affection, love, encouragement and prays of day and night make me able get such success and honour.

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ABSTRACT

University Teknikal Malaysia Melaka (UTeM) is a one of an institution that give the opportunities to their students especially for final year students to do the research for their Final Year Project (FYP). The aim of Final Year Project is to uncover the undergraduate students to learn with real project working environment based on the experience that students get during their internship. Final Year Project also allows students to determine their skills to find the new things that can help students to delivery some product in future through their knowledge, creativity and thinking. In this research, the objective of this research is to explore the significant relationship between characteristic of an effective social media (Facebook) on the improve sales of frozen food for micro business and to analyse the significant correlation between characteristic social media and the improve sales of frozen food for micro business. Based on the hypothesis, it is assume that, whether there is a positive relationship or no relationship between variables which characteristic of an effective social media with the sale improvement of frozen food for micro business. Besides that, the method that will be used in these studies is quantitative method research in order to get the data information from respondents by using questionnaire technique. Finally, this study may help in increasing the productivity of micro business in Malaysia.

Keywords: Social Media; Facebook; SME; Micro business; Frozen food

ABSTRAK

Universiti Teknikal Malaysia Melaka (UTeM) merupakan salah satu institusi yang memberi peluang kepada pelajar, terutamanya bagi pelajar tahun akhir untuk melakukan penyelidikan Projek Sarjana Muda (PSM) mereka. Tujuan Projek Tahun Akhir adalah untuk memberi pendedahan kepada pelajar tentang suasana persekitaran kerja yang sebenar berdasarkan pengalaman yang diperolehi sewaktu latihan industri mereka. Projek Sarjana Muda ini juga membolehkan para pelajar menentukan kemahiran mereka dalam mencari perkara-perkara baru yang dapat membantu pelajar dalam menghasilkan beberapa produk pada masa akan datang melalui pengetahuan, kreativiti dan pemikiran mereka. Dalam kajian ini, objektif kajian ini adalah untuk meneroka hubungan yang signifikan antara ciri-ciri media sosial (Facebook) yang berkesan untuk meningkatkan jualan perniagaan makanan beku bagi perniagaan micro dan untuk menganalisis hubungan yang signifikan antara ciri-ciri media sosial (Facebook) yang berkesan terhadap peningkatan jualan perniagaan makanan beku bagi perniagaan micro. Berdasarkan hipotesis yang dibuat, ia mengandaikan bahawa, sama ada terdapat hubungan positif atau tiada hubungan antara pembolehubah iaitu antara ciri media sosial dengan peningkatan jualan makanan beku bagi perniagaan micro. Selain itu, kaedah yang akan digunakan dalam kajian ini adalah kaedah kuantitatif bagi mendapatkan maklumat daripada responden dengan menggunakan teknik soal selidik. Akhirnya, kajian ini dapat membantu meningkatkan produktiviti perniagaan mikro di Malaysia.

Kata Kunci: Media Sosial; Facebook; SME; Perniagaan Micro; Makanan Sejuk Beku

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LIST OF ABBREVIATIONS

| | |
|-----------|---|
| UTEM | University Teknikal Malaysia Melaka |
| SMEs | Small Medium Enterprises |
| GDP | Gross Domestic Product |
| SMIDEC | Small and Medium Industries Development Corporation |
| MITI | Ministry of International Trade and Industry |
| SME Corp. | Small Medium Enterprise Corporation |
| SPSS | Statistical Package for Social Science |
| ANOVA | Analysis of variance |
| IV | Independent Variable |
| DV | Dependent variables |
| FYP | Final Year Project |
| PSM | Projek Sarjana Muda |

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CHAPTER 1

INTRODUCTION

1.1 BACKGROUND OF STUDY

Marketing are vital strategies for companies to ensure that the business could become lucrative and successful. The success of a business depends on a well-organized marketing strategy in order to fulfil the customer needs and wants. Today's economy is market-driven. According to star online news (2017) state that in Malaysia, majority of Malaysian are worried about the rising cost of living and businesses are not spared. As a result, entrepreneurs faced difficulties to do marketing activities due to the higher prices, and reliable ringgit depreciated and the outflow of capital. Therefore, they must find a convenient and reliable media to market their products effectively.

In today's business environment, social media has played a significant part in the entrepreneur business development. According to Sinar Harian (2016) Malaysia recorded more than 18 million active social media users in 2015 with 77.3 per cent comprising of households who accessed internet services. This shows that social media is an important platform to help entrepreneurs to market their product and reach millions of people daily through the social media such as Instagram, Wechat, Facebook and etc. Facebook could be the most subscribed apps where people used to connect with each other. In this sense, Ahmad et, al., (2016) pointed out that, the number of social media users among SME business was encourage. Hence, it would also be crucial for micro business to start their marketing activities using Facebook due to the technology achievement in Malaysia.

The arrival of SME is important for all developing countries in contribution economic growth, improve income, productivity, efficiency and economic structure during the economic depression (Abdullah & Manan, 2011). The GDP for SME contribution has increased from 29.4 per cent in 2005 to 32.7 per cent around 2006 until 2011. (Tehseen, Shehnaz., & Ramayah, 2015). According to the Shabbir et, al., (2017) total SMEs businesses were operating in Malaysia which represents 97.3% and for Micro Business are represented 77.0% of total business establishments. This is proven that, SME is the one of businesses platform that inspires people to do the business to generate income and creation wealth for their life and at the same time to encourage people contribution in economies countries.

1.2 THE CRITICAL ROLE OF SMALL MEDIUM ENTERPRISES (SMES)

Small and medium enterprises (SMEs) played important role in Malaysian economy and has been back spine of our industrial development. According to SMIDEC (2002), SMEs invested about 93.8 per cent in the manufacturing sector. However, based on statistics, the Malaysian SMEs export market share is lower by 20 per cent compare with other countries such as Philippine, Hong Kong, Taiwan and the US. The SMEs dominant sectors including textile and apparel, food and beverage, metals and wood products. (SMIDEC, 2002).

According to the Saleh & Ndubisi (2017) the deputy Ministry of International Trade and Industry (MITI) said that the government will provide of more benefits for SMEs business under budget 2018 in the forms of grants and easy loan programs under SME Corp. It included RM82 million for the halal industry and that should cater well for the micro businesses.

In this case, these studies try to focus on the micro business of frozen food that has not yet applied Facebook as their marketing tool and their customer are love to buy or eat frozen food product. The purpose of the case study is to analyse how far Facebook is effective to improve the product sales in the district of Kota Tinggi of

state. This research will also determine the suitable characteristic of effective social media toward the improve sales of Frozen Food Micro business

1.3 THE EMERGENCE OF FROZEN FOOD

Frozen food is the one of biggest sectors in the food industry. Frozen or freezing food is the foods are needed a long-term period to preservation and take a short time to serve. Normally, freezing food has superior sensory and nutritional qualities to foods preserved. This quality depends on how they control the freezing process and temperature used to storage the food. According Handbook of Frozen Food Processing and Packaging, Second Edition by Wen Sun pointed out the quality of freezing is important in ensuring product care throughout along the cold chain will be commercial and legal legislation. Besides, to get the high quality of frozen food should have a high quality of raw materials, use the suitable processing and storage must be carefully controlled.

Today's, dumping of various frozen foods has become a popular choice because it is easy to serve. Based on Crission PR newswire (2017-2022) pointed that freezing is the best method for preserving high quality in foods. However, frozen foods are the products that have a lot of competitor from other sector. On other hand, from research global frozen food market growth trend and forecast 2017-2022 (2017), global frozen food market have three key factors are segmented such as ready-to-eat, ready-to-cook and ready-to-drink. This product segmentation include of fruits & vegetables, meat, fish, ready meals, beverages, snacks and etc.

1.4 PROBLEM STATEMENT

Today's marketing activities change very fast. Social media is one of the marketing tools used by entrepreneurs to market their product particularly using Facebook application. Facebook is the best platform to generate the income especially for small business Enterprises (SMEs). SMEs businesses choose Facebook as a marketing platform because they need to cut operation cost and do not need to hire more labour which could save cost on the salary. Besides, nowadays with the presence of advance technology on mobile phones with android and ios, social media made it easy for entrepreneurs to build better relationship with the consumers followers on the products they sell. This way can help micro business of frozen food to increase its sales, orders, profit and revenue.

However, some of micro business of frozen food might encounter some problem to run the online business. Firstly, the entrepreneur does not have the skills to control or handle the Facebook for market their products that has been done manually through the word of mouth among friends to promote the products. Secondly, lack of knowledge about the benefits of Facebook because majority of micro business are only focusing Facebook for social life compare with business. Lastly, less skilful of technology because difficulties for the entrepreneur to operate smartphones with the android and ios application.

Therefore, micro business of frozen food requires the effective strategy to ensure all problems above can be resolved. In order to do that, this study will try focus on characteristic of an effective social media toward the improve sales of micro business of frozen food. Besides, this study is to investigate the connection of social media characteristic and sales improvement for frozen food business.

1.5 RESEARCH QUESTIONS

Based on the topic research, the researcher found the some related question. The questions are:

1. Is there a significance relationship between characteristic of effective social media on the improve sales of frozen food business?
2. Is there a significance correlation between characteristic social media and the improve sales of frozen food business?

1.6 RESEARCH OBJECTIVES

Based on this research, there have a several research objective have related with research question. The objectives of this research are:

1. To explore the significant relationship between characteristic of effective social media on the improve sales of frozen food business.
2. To analyse the significant correlation between characteristic social media and the improve sales of frozen food business

1.7 SCOPE OF STUDY

The scope of this study is focuses on the characteristic of social media which is Facebook can help the improvement sales of frozen food of micro business. The target of respondents in this research is micro business of frozen food and their customers. This micro business of frozen food is located at Kota Tinggi, Johor. Kota Tinggi, Johor will be the state for researcher to gather the information for this case study research.

1.8 LIMITATION OF STUDY

In order to ensure that the research is answered the question, there are several limitation by the researcher to come out complete this research:

Time limitation for compelling the project – The project should complete for one semester and the period for complete of this project about half of years.

Limitation respondents of this study – The respondent are limit for micro business of frozen food. Therefore, difficult to find the respondents because of the business is a small business scale and the people did not familiar with the brand of the frozen food product.

Limitation of size sample - it is only due to time constraints that the sample taken for study was limited follow with the guided from another micro business of frozen food

1.9 SIGNIFICANT OF STUDY

The significant of this study in this research to gain some knowledge about the marketing field, pros and cons social media, the issues about frozen food by using previous and latest news and to help micro business build the business using social media platform. The significant entities of this study:

First significant for micro business of frozen food – It will help micro frozen food business to improve their sales and encourage them to be the successful micro entrepreneur in frozen food industry.

Second significant for the researcher – it will help researcher make references for the next research especially researcher want to investigate about the frozen food studies.

Third significant for Perbadanan Perusahaan Kecil dan Sederhana Malaysia (SME Corp.) – SME Corp can produce many entrepreneurs who are proficient in online business and can help them by holding training programs, so they can succeed in line with the technological advances in our country.

1.10 SUMMARY

The summaries of this chapter in this research are include background of studies, problem statement, research questions, research objectives, scope, limitation and significant. Besides that, this studies are focusing on characteristics of effective social media which is Facebook application towards the improve sales of frozen food for micro business. The purpose of this research is to determine the social media characteristic and to analyse effective of social media toward improve sales frozen food for Micro business.