

CHALLENGES AND OPPORTUNITIES TOWARDS THE SUCCESS OF SMALL TOURISM
BUSINESS IN KUDAT, SABAH.

MUHAMAD SAIFUL BIN MOHD HAIRUN

This thesis is submitted in fulfilment of the requirements for the award of the bachelor's
degree of Technology Management, Technopreneurship With Honours (BTEC)



UNIVERSITI TEKNIKAL MALAYSIA MELAKA

Faculty of Technology Management of Technopreneurship

Universiti Teknikal Malaysia Melaka (UTeM)

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DECLARATION OF ORIGINAL WORK

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


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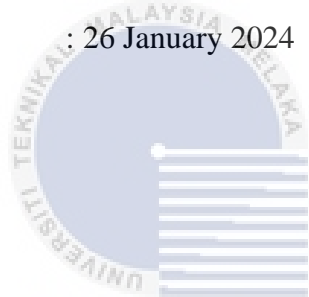
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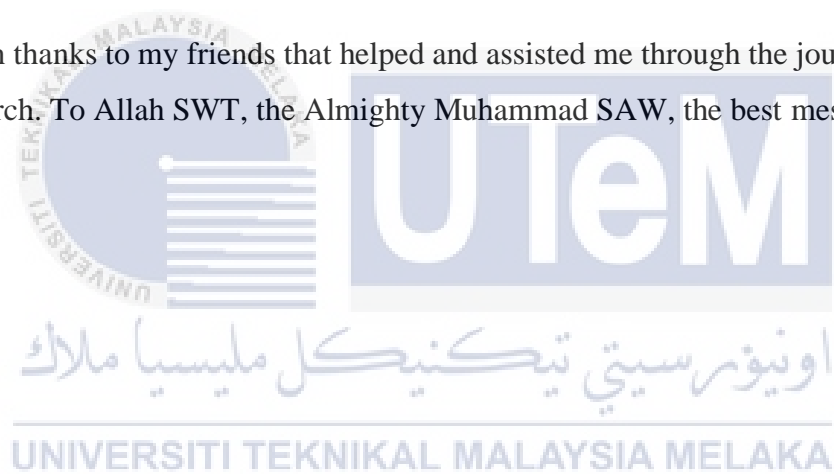
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DEDICATION

I would like to dedicate my appreciation to my beloved family and parents, for the immense support of me spiritually, financially and motivation throughout the whole process.

A special thanks to my supervisor Dr Mohd Amin Bin Mohamad who guided me throughout this research.

Even thanks to my friends that helped and assisted me through the journey of research. To Allah SWT, the Almighty Muhammad SAW, the best messenger.



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ABSTRACT

This abstract provides an overview of the challenges and opportunities faced by small tourism businesses in Kudat, Sabah, and highlights the importance of addressing these issues for their success. Kudat, located in the state of Sabah, Malaysia, possesses immense tourism potential due to its rich cultural heritage, breathtaking natural landscapes, and proximity to popular tourist attractions. However, small tourism businesses in Kudat face numerous challenges that hinder their growth and sustainability. This study identifies and analyzes the key challenges encountered by small tourism businesses in Kudat. Factors such as limited financial resources, inadequate infrastructure, low awareness of marketing strategies, and limited access to technology pose significant obstacles. Nevertheless, amidst these challenges lie significant opportunities for the success of small tourism businesses in Kudat. The region's unique cultural heritage, unspoiled natural beauty, and authentic local experiences can attract niche markets and eco-conscious travelers seeking off-the-beaten-path destinations. Moreover, collaborations with local communities, government initiatives, and strategic partnerships with larger tourism operators can enable small businesses to leverage their strengths and overcome challenges. This abstract emphasizes the importance of addressing these challenges and capitalizing on the available opportunities to enhance the success of small tourism businesses in Kudat. Recommendations for improvement include providing financial support and incentives to small businesses, improving infrastructure and connectivity, offering training programs to enhance marketing and managerial skills, and fostering a supportive ecosystem that encourages collaboration and innovation. By understanding the challenges and opportunities faced by small tourism businesses in Kudat, stakeholders can devise effective strategies and policies to support their growth and contribute to the overall development of the tourism industry in the region. This study serves as a valuable resource for policymakers, local communities, and tourism industry practitioners seeking to promote sustainable tourism and empower small businesses in Kudat, Sabah.

Keyword: Challenges, Opportunities, Success, Small Tourism Business.

ABSTRAK

Abstrak ini memberikan gambaran keseluruhan tentang cabaran dan peluang yang dihadapi oleh perniagaan pelancongan kecil di Kudat, Sabah, dan menekankan kepentingan menangani isu-isu ini untuk kejayaan mereka. Kudat, yang terletak di negeri Sabah, Malaysia, mempunyai potensi pelancongan yang besar kerana warisan budaya yang kaya, landskap semula jadi yang menakjubkan, dan berdekatan dengan tarikan pelancong yang popular. Walau bagaimanapun, perniagaan pelancongan kecil di Kudat menghadapi pelbagai cabaran yang menghalang pertumbuhan dan kemampunan mereka. Kajian ini mengenal pasti dan menganalisis cabaran utama yang dihadapi oleh perniagaan pelancongan kecil di Kudat. Faktor-faktor seperti sumber kewangan yang terhad, infrastruktur yang tidak mencukupi, kesedaran yang rendah tentang strategi pemasaran, dan akses yang terhad kepada teknologi menimbulkan halangan yang ketara. Namun begitu, di sebalik cabaran ini terdapat peluang besar untuk kejayaan perniagaan pelancongan kecil di Kudat. Warisan budaya yang unik di rantau ini, keindahan alam semula jadi yang tidak tercemar dan pengalaman tempatan yang tulen boleh menarik pasaran khusus dan pengembara yang mementingkan alam sekitar yang mencari destinasi yang terpencil. Selain itu, kerjasama dengan komuniti tempatan, inisiatif kerajaan dan perkongsian strategik dengan pengendali pelancongan yang lebih besar boleh membolehkan perniagaan kecil memanfaatkan kekuatan mereka dan mengatasi cabaran. Abstrak ini menekankan kepentingan menangani cabaran ini dan memanfaatkan peluang yang ada untuk meningkatkan kejayaan perniagaan pelancongan kecil di Kudat. Cadangan untuk penambahbaikan termasuk menyediakan sokongan kewangan dan insentif kepada perniagaan kecil, menambah baik infrastruktur dan ketersambungan, menawarkan program latihan untuk meningkatkan kemahiran pemasaran dan pengurusan, dan memupuk ekosistem yang menyokong yang menggalakkan kerjasama dan inovasi. Dengan memahami cabaran dan peluang yang dihadapi oleh perniagaan pelancongan kecil di Kudat, pihak berkepentingan boleh merangka strategi dan dasar yang berkesan untuk menyokong pertumbuhan mereka dan menyumbang kepada pembangunan keseluruhan industri pelancongan di rantau ini. Kajian ini berfungsi sebagai sumber yang berharga untuk penggubal dasar, komuniti tempatan dan pengamal industri pelancongan yang ingin mempromosikan pelancongan mampan dan memperkasakan perniagaan kecil di Kudat, Sabah.

Kata kunci: Cabaran, Peluang, Kejayaan, Perniagaan Pelancongan Kecil

Table of Contents

DECLARATION OF ORIGINAL WORK	ii
SUPERVISOR’S APPROVAL	iii
DEDICATION	iv
ACKNOWLEDGEMENT	v
ABSTRACT.....	vi
ABSTRAK.....	vii
LIST OF TABLES	xii
LIST OF FIGURES	xiii
LIST OF ABBREVIATIONS AND SYMBOL	xiv
LIST OF APPENDIXES	xv
CHAPTER 1	1
INTRODUCTION.....	1
1.1 Introduction.....	1
1.2 Background of Study.....	1
1.3 Problem Statement.....	3
1.4 Research Question.....	6
1.5 Research Objectives	6
1.6 Scope of Study	7
1.7 Limitation of Study	7
1.8 Significant of Research	8
1.9 Structure of Research	8
1.10 Definitions of Term	9
1.11 Chapter Summary	10
CHAPTER 2.....	11
LITERATURE REVIEW.....	11
2.1 Introduction.....	11

2.2 Tourism Business	12
2.2.1 Overview of Tourism Industry.....	12
2.2.2 Potential Target Markets and Tourist Segments	13
2.3 Opportunities of Small Business Tourism.....	13
2.3.1 Natural Attractions and Cultural Resources	13
2.3.2 Collaboration and Networking	14
2.3.3 Technological Advancements	15
2.3.4 Government Support and Policies	16
2.4 Challenges and Constraints of Small Business Tourism	16
2.4.1 Infrastructure Limitations	17
2.4.2 Market Competitiveness	18
2.4.3 Lack Skills and Training.....	18
2.4.4 Lack of Environmental Sustainability	19
2.5 Strategies for Success Small Business Tourism	20
2.5.1 Improving Infrastructure and Accessibility	20
2.5.2 Enhancing Marketing and Promotion Efforts Through Collaboration	20
2.5.3 Investing in Human Resource Development and Training.....	21
2.5.4 Promoting Sustainable Tourism Practices and Community Engagement	22
2.6 Theoretical Framework.....	23
2.7 Conceptual Framework	24
2.8 Summary	24
CHAPTER 3.....	25
RESEARCH METHODOLOGY	25
3.1 Introduction	25
3.2 Research Design.....	25
3.2.1 Explanatory Research.....	27
3.3 Methodology Choices	27

3.4 Data Source	28
3.4.1 Primary Data.....	28
3.4.2 Secondary Data.....	29
3.5 Research Strategy	29
3.6 Location of Research.....	31
3.6 Research sampling.....	32
3.7 Time Horizon.....	34
3.8 Summary	34
CHAPTER 4.....	35
RESULT AND DISCUSSION	35
4.1 Introduction	35
4.2 Background of the case study.....	35
4.2.1 Respondent details.....	35
4.2.2 Case study 1: Tanjung Simpang Mengayau.....	37
4.2.3 Case study 2 : Bak-Bak Beach	37
4.2.4 Case study 3 : Esplanade Kudat	38
4.2.5 Case study 4 : Gombizau kampung madu	38
4.3 To identify the most significant challenges for tourism businesses and recommendations that can assist to achieve success in doing business in the tourist spots of Kudat, Sabah.	39
4.4 To determine the opportunities available for small tourism businesses, contribute to the success of small tourism businesses in Kudat, Sabah	48
4.5 To determine digital marketing and technology to address challenges and tap into new opportunities for small tourism businesses Kudat, Sabah.....	56
4.6 Summary	61
CHAPTER 5.....	62
CONCLUSION AND RECOMMENDATIONS	62
5.1 Introduction	62

5.2 Discussion	62
5.2.1 Research question 1: What are the key challenges faced by small tourism businesses and how to overcome the challenges by determining effective strategies to enhance their success?	63
5.2.2 Research question 2: How effective is this tourist business opportunity in increasing the business performance at, Kudat Sabah tourism areas?	64
5.2.3 Research question 3: How can small tourism businesses in Kudat leverage digital marketing and technology to address challenges and tap into new opportunities?	66
5.3 Conclusion.....	67
5.4 Limitations of research.....	68
5.5 Recommendations for further studies	68
Reference.....	70
Appendix	76



LIST OF TABLES

TABLE	TITLE	PAGE
1.1	Structure of Research	8
3.1	Research Strategies Based on Inductive Approach	29
3.2	Research Strategies Based on Inductive Approach	29
3.3	Research Strategy Based on Mixed Approach (Deductive and Inductive Approach)	30
4.1	Respondent Details	36
4.3	The Summary of Case Study (To Identify the Most Significant Challenges for Tourism Businesses and Recommendations That Can Assist to Achieve Success in Doing Business in The Tourist Spots of Kudat, Sabah)	39-40
4.4	The Summary of Case Study (To Determine the Opportunities Available for Small Tourism Businesses, Contribute to The Success of Small Tourism Businesses in Kudat, Sabah)	49-50
4.5	The Summary of Case Study (To Determine Digital Marketing and Technology to Address Challenges and Tap Into New Opportunities For Small Tourism Businesses Kudat, Sabah)	56-58

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LIST OF FIGURES

FIGURE	TITLE	PAGE
2.1	Theoretical Framework	22
2.2	Conceptual Framework	23
2.3	Flow Chart of Research Process	25



LIST OF ABBREVIATIONS AND SYMBOL

ABBREVIATIONS

UNWTO

SME

RT

MEANING

World Tourism Organization

Small and Medium Enterprises

Responsible Tourism



LIST OF APPENDIXES

APPENDIX	TITLE	PAGE
Appendix	Interview Protocol and Gantt Chart for PSM	76-89



CHAPTER 1

INTRODUCTION

1.1 Introduction

This chapter explores the reasons behind the study of effective this tourist business opportunity in increasing the business performance of Kudat, Sabah's tourism areas. The main problem statement is introduced and the objectives and hypotheses of the study are proposed. Research questions that have been developed based on the problem statement are also presented. Key terms that will be used throughout the study are defined, and the significance and limitations of the research are discussed. A simplified summary concludes the chapter, providing a clear and concise overview of the topics covered.

1.2 Background of Study

A small tourism business refers to a company or enterprise that operates within the tourism industry on a smaller scale, typically catering to a limited number of customers or serving a specific niche market (UNWTO 2020). This can include businesses such as hotels, restaurants, transportation companies, tour operators, travel agencies, and attractions. In the tourism industry, businesses are focused on providing experiences to travelers, whether it's through accommodations, dining, transportation, or activities. The success of a tourism business often depends on its ability to attract visitors and provide high-quality services that meet their needs and expectations. Some key factors that can impact the success of a tourism business include location, pricing, marketing, customer service, and the overall experience provided to visitors. It's important for tourism businesses to stay up-to-date with industry trends and to continually innovate and improve their offerings in order to remain competitive in the marketplace. Nonetheless, the financially beneficial aspect of tourism creates a number of social and environmental issues. Changes in land covering and the extinction of biological species are two examples of environmental issues (Gössling, Scott & Hall 2021).

Kudat, located in the state of Sabah, Malaysia, is a region with significant potential for tourism. The area boasts stunning natural beauty, including pristine beaches, lush rainforests, and rich cultural heritage. Small tourism businesses play a vital role in the

development and growth of the local tourism industry. However, these businesses face numerous challenges that hinder their success and impact their ability to contribute to the overall economic development of Kudat. Therefore, it is essential to identify and understand the opportunities and challenges faced by small tourism businesses in Kudat in order to formulate effective strategies for their success.

Challenges are difficulties, hurdles, or problems that one may face when attempting to achieve a specific goal or target. Challenges can manifest themselves in a variety of ways and in various sectors of life, including the personal, professional, intellectual, and social realms. Competition, insufficient financial resources, seasonality of tourism, poor infrastructure, changing consumer tastes, environmental sustainability concerns, human resource management, and legal limits may be among these problems. When local destination management organisations are lacking, SMEs play a critical role in the growth of rural tourism in Malaysia. The promotion and diversification of the tourism offering is greatly aided by the local operators (Ngai Weng Chan, Ong Ke Shin, & Sharifah, 2020).

Opportunities are favourable situations or circumstances that present the prospect of reaching a desired goal. These may include factors such as increasing tourist demand, government support, infrastructure development, unique natural and cultural attractions, emerging markets, and technological advancements (McCabe, 2018). As artificial intelligence, sophisticated robotics, and cyber-physical systems take the digital revolution to the next level, technological transformation will reshape growth even more. It is critical to recognise and seize chances as they present themselves, since they can lead to personal and professional development and, eventually, assist realise one's objectives and desires. Overcoming obstacles frequently necessitates tenacity, ingenuity, resilience, and a willingness to adapt and learn from mistakes (Zia Qureshi, 2020).

Little research has been done on the extent to which this tourist business opportunity is effective in improving the business performance of Kudat, Sabah's tourism area. This study aims to bridge this gap by identifying the opportunities that exist for small tourism businesses in the current market used by local brand product businesses, assessing their impact on company performance, as well as examining the challenges faced by small tourism businesses and the impact on their success and exploring the role of technology in the growth and success of small tourism businesses.

This qualitative research study aims to identify the most significant challenges and how to overcome the challenges by determining effective strategies for their success. The study also study what are opportunities available for small tourism businesses and How effective is this tourist business opportunity in increasing the business performance at kudat. By doing so, the study will give an overview of every challenge and opportunity in business that can provide success for a business in the tourism area to improve the business performance of local brand products and services in Kudat, Sabah.

Findings from this study will contribute to the understanding of how to turn opportunities and challenges towards a successful tourism business in tourism areas in improving the business performance of local brand products in Kudat, Sabah.

1.3 Problem Statement

Kudat, Sabah, Malaysia, is a location with high tourism potential due to its natural beauty, cultural legacy, and numerous attractions. Small tourism firms play an important role in promoting and supporting the Kudat tourism industry. However, these companies confront a variety of possibilities and obstacles that might have an impact on their success. Understanding these characteristics is critical for developing strategies for overcoming challenges and encouraging the growth of small tourism enterprises in the region.

Situations or conditions that cause concern, every business needs to know the matter and identify the problem and turn it into an interest, in terms of challenges there are many challenges for businesses that do business in tourism areas that prevent them from achieving their success, but these challenges can bring good opportunities to increase efforts to achieve success.

Limited Resources and Infrastructure

Small tourism businesses in Kudat often face limitations in terms of financial resources, access to technology and basic infrastructure such as transport, communication, and accommodation. This limitation can hinder their ability to provide quality services and compete with larger establishments. Therefore, the goal to be achieved is to build capacity and training for businesses located in tourism areas.

Market Competitiveness

Kudat faces competition from other popular tourist destinations in Sabah and neighboring countries. Small businesses must differentiate themselves through unique offerings, personalized experiences, and effective marketing strategies to attract tourists.

Skills and Training

Small business owners and employees may lack the necessary skills and training to provide quality services to tourists. Training programs and skill development opportunities are often limited, impacting the overall visitor experience, and including marketing and promotion small tourism businesses often face challenges in effectively marketing and promoting their offerings.

Sustainability and Environmental

Concerning Kudat natural beauty is a primary attraction for tourists, making sustainable practices essential. Small businesses need to adopt environmentally responsible measures to preserve the region's ecosystem and cultural heritage while meeting tourists' expectations.

Existing situations or conditions that cause concern or need attention, every business needs to be aware of these matters in terms of opportunities, there are many opportunities for businesses that do business in tourism areas, but the

opportunities that are available are not that much to take advantage of and understand those opportunities.

Lack of Cooperation and Sharing

Small businesses do not have the skills to collaborate with any government agency or non-government agency to gain exposure and support and other benefits and collaborate with each other to achieve their respective missions and visions. Whereas by making other parties cooperate and share can further improve business performance. With this to achieve the goal by solving the problem the trader should cooperate and network with certain parties.

Digital Marketing and Online Presence

Most businesses in tourism areas especially in kudat are less establishing a strong online presence through websites, social media platforms and online travel portals can significantly expand the reach of small tourism businesses thus traders can use digital marketing strategies such as search engine optimization (SEO), social media advertising and influencer collaboration can attract a wider audience.

Natural Attractions

Kudat is well-known for its outstanding natural attractions, which include lovely beaches, islands, and the renowned Tip of Borneo. These attractions can represent a huge opportunity for small tourist firms to attract visitors looking for unique and pristine natural landscapes.

Community Involvement and Cultural Preservation.

Small businesses are less likely to engage with local communities to develop cultural tourism initiatives that showcase traditional arts, crafts, and performances. This involvement can create a sense of authenticity and uniqueness, attracting tourists who are interested in learning more about the culture.

1.4 Research Question

- i. What are the key challenges faced by small tourism businesses and how to overcome the challenges by determining effective strategies to enhance their success?
- ii. How effective is this tourist business opportunity in increasing the business performance at Sabah, Kudat tourism areas?
- iii. How can small tourism businesses in Kudat leverage digital marketing and technology to address challenges and tap into new opportunities?

These research objectives aim to provide a comprehensive understanding of the opportunities and challenges faced by small tourism businesses and the strategies adopted for their success. The research will help to identify best practices and recommendations for small tourism businesses to achieve sustainable success in the current market.

1.5 Research Objectives

- i. To identify the most significant challenges for tourism businesses and recommendations that can assist to achieve success in doing business in the tourist spots of Kudat, Sabah.
- ii. To determine the opportunities available for small tourism businesses, contribute to the success of small tourism businesses in Kudat, Sabah.
- iii. To determine digital marketing and technology to address challenges and tap into new opportunities for small tourism businesses Kudat, Sabah.

Small tourism businesses face several challenges, but they also have unique opportunities to provide personalized experiences and cater to niche markets.

1.6 Scope of Study

The purpose of this study is to identify the most significant challenges and how to overcome them by determining effective strategies for their success. The study also studies what are opportunities available for small tourism businesses and how effective is this tourist business opportunity in increasing the business performance at sabah, kudat tourism areas. It is essential to identify the opportunities and challenges for the success of small tourism businesses in Kudat, Sabah it is essential to employ appropriate techniques. The necessary data will be collected and analyzed using qualitative methods such as interviews and random sampling.

1.7 Limitation of Study

This study has several limitations. First off, because this study focused specifically on business tourism and companies that operate in Kudat, Sabah, its findings might not be very generalizable. The distinct market dynamics, consumer behaviors, and cultural aspects of this region may be different from those of other parts of Sabah or Malaysia, limiting the study's findings' potential for wider application. The size of the sample and the degree to which the businesses included in the study are representative may also affect how generally applicable the results are. Additionally, depending on self-reported data from businesses could skew or impair the data that is gathered. The depth and accuracy of the data gathered may be constrained if the researchers are unable to locate suitable respondents who are knowledgeable about strategies or implementation.

1.8 Significant of Research

Tourism is essential to the economic development of several locations, including Kudat in Sabah. Small tourism businesses in Kudat can boost the local economy, generate jobs, and foster cultural interchange. However, these companies face a variety of challenges and opportunities that must be understood and addressed for them to succeed. For various reasons, conducting research on the opportunities and obstacles for small tourism firms in Kudat is important. Researchers study about to identify the most significant challenges and how to overcome the challenges by determining effective strategies for their success. The study also studies what are opportunities available for small tourism businesses and how effective is this tourist business opportunity in increasing the business performance at sabah, kudat tourism areas. The advancement of economic development, employment creation, sustainable practises, competitiveness, collaboration, and effective policy-making all benefit from study on opportunities and challenges to the success of small tourism firms in Kudat, Sabah. Stakeholders may cooperate to establish an environment that is supportive of small tourism enterprises by addressing these issues, which will contribute to Kudat's overall growth and prosperity.

1.9 Structure of Research

Chapter	Description
Chapter 1	This chapter discussed the research issue, which included the background of the study, the problem statement, the research objectives and research questions, the scope and limitations, and the importance of the study
Chapter 2	This chapter focused on identifying the dependent and independent variables with the goal of explaining and achieving the study objectives.
Chapter 3	This chapter stated the method that researcher applied in the research
Chapter 4	The data will be evaluated in this chapter to meet the study objectives set forth in Chapter 2.
Chapter 5	The findings of this research will be summarized in this chapter.

Table: 1.1 Structure of Research**1.10 Definitions of Term****Small Tourism Business**

Refers to tourism-related businesses that operate on a small scale, often with a small number of employees and a relatively low yearly turnover. Accommodations (hotels, guesthouses, bed, and breakfasts), tour operators, travel agencies, restaurants, souvenir shops, and other tourism-related activities are examples of these enterprises.

Opportunities

Favourable conditions, events, or situations that can be used to produce success or expansion in a small tourism business. Market trends, government regulations, infrastructural development, technical advancements, collaborations, or emergent tourism segments can all create opportunity.

Challenges

Obstacles or obstacles that can limit a small tourism business's success or expansion. Competition, limited resources (financial, human, and infrastructure), seasonality, changing consumer tastes, regulatory compliance, economic swings, environmental consequences, and political instability are all examples of obstacles.

Success

In a small tourism firm, the achievement of targeted outcomes or objectives. Profitability, customer happiness, market share, brand recognition, sustainability, innovation, and long-term viability are all indicators of success.

1.11 Chapter Summary

This chapter covers the problem statement, research questions, research objectives, and research background. The scope and constraints of the research, as well as its relevance and the format of the proposal, were all described in this chapter. The research's goal was to identify the most significant challenges and how to overcome the challenges by determining effective strategies for their success and studies what are opportunities available for small tourism businesses and how effective is this tourist business opportunity in increasing the business performance at sabah, kudat tourism areas.



CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

This literature review chapter presents a descriptive analysis of independent variables and dependent variables. It includes the theoretical basis of the dependent variable, that is, strategies to overcome the challenges faced by the business and the independent variable, which includes the challenges and opportunities for the tourism business to achieve success. This literature review examines the challenges faced by small tourism businesses in Kudat, Sabah, with a focus on their impact on business success. Kudat is a popular tourist destination in Sabah, known for its natural beauty, cultural heritage, and vibrant local communities. Small tourism businesses play a crucial role in the local economy, but they face several challenges that can hinder their success. This review aims to identify and analyze these challenges based on existing literature and propose potential strategies to overcome them.

This literature review aims to identify and explore the various opportunities that contribute to the success of small tourism businesses in Kudat, Sabah. Kudat, located in Sabah, Malaysia, is a region known for its natural beauty, cultural heritage, and diverse marine life. Small tourism businesses play a crucial role in the local economy, and understanding the opportunities available to them can help enhance their competitiveness and sustainability. The review examines relevant literature from various sources to identify key factors that contribute to the success of small tourism businesses in Kudat, Sabah. The findings provide insights into potential strategies and areas of focus for entrepreneurs and policymakers to support the growth and prosperity of small tourism businesses in the region.

2.2 Tourism Business

Individuals become tourists when they voluntarily leave their normal surroundings, where they reside, to visit another environment (Mark Anthony, 2017). Without a consistent flow of tourism dollars, many nations may suffer serious economic harm. (Neufeld, 2020). Kudat, located in Sabah, Malaysia, is known for its potential in rural tourism and has been dubbed the "Bali of Borneo" due to its similarities in tourism activities and attractions. Kudat is a district that has retained much of its original charm and traditions. It was the first capital of Borneo and served as a bustling trading post in the 19th century.

According to current trends, online processing is by far the most often employed sort of commercial information gathering. A common way to provide information is through photos. Online picture bloggers often come from younger generations, have higher salaries, and are more educated (Wenjie Cai, Shahper, & Brad, 2019). The tourism industry in Kudat has been developing over the years, attracting both domestic and international visitors. It offers a more laid-back and slow-paced environment compared to other tourist destinations, allowing tourists to immerse themselves in the local culture and natural beauty, and access to the Tun Mustapha Marine Park.

2.2.1 Overview of Tourism Industry

The district's marvellous beaches are a major attraction for both domestic and international tourists, reflecting the calmness of the area and offering stretches of blue ocean waters that resonate with the city's clean atmosphere. Kudat is also part of the Tun Mustapha Marine Park, which covers a significant area across Kudat, Kota Marudu, and Pitas districts, making it an appealing destination for nature lovers and marine enthusiasts.

2.2.2 Potential Target Markets and Tourist Segments

Every traveller is unique. Every traveller is drawn to different tourist places, enjoys doing different things while on vacation, uses various entertainment venues, and has varied complaints about various elements of their trip. While every traveller is unique, some share more characteristics than others. Many individuals love cultural tourism, and many travellers need kid-friendly entertainment options when travelling. The premise for market segmentation is the recognition that each traveller is unique and that the tourism business cannot reasonably cater to each person independently (Mark Anthony, 2017).

The tourism industry in Kudat has seen positive developments in recent years. The state government has allocated special funds to assist tourism operators affected by the COVID-19 pandemic, which has benefited Kudat's tourism sector. Opportunities for small tourism businesses in Kudat.

2.3 Opportunities of Small Business Tourism

Small business tourism holds immense potential for local entrepreneurs and communities, offering a range of opportunities for economic growth, cultural enrichment, and sustainable development. In recent years, scholars and industry experts have recognized the significance of small businesses in the tourism sector, highlighting their unique advantages and contributions to the overall travel experience.

2.3.1 Natural Attractions and Cultural Resources

Natural attractions have emerged as significant opportunities for small tourism businesses, offering unique experiences and attracting travelers seeking immersion in pristine environments. This literature review explores the potential of natural attractions as opportunities for small tourism enterprises, with references to support the discussion.

Natural attractions hold immense potential for small tourism businesses to thrive (Cooper & Hall 2019) highlight that these businesses can leverage the inherent beauty and ecological diversity of natural sites to provide personalized and immersive experiences. Examples include guided hiking tours, wildlife safaris, and eco-lodges, which cater to the growing demand for nature-based and sustainable tourism experiences.

According to (Kim 2020), natural attractions provide economic benefits to small tourist firms. Local towns around natural areas can create tourism-related businesses such as lodging, restaurants, souvenir shops, and transportation services. This not only creates job possibilities, but also encourages the creation of auxiliary enterprises, which contributes to the region's general economic development.

Natural attractions are consistent with sustainable tourism concepts (Buckley 2021) emphasise the possibilities for small tourism firms working in natural locations to implement ecologically sustainable practises such as trash management, responsible wildlife watching, and community participation. These enterprises may attract eco-conscious travellers and help to the preservation of natural features by implementing sustainable tourism practises.

2.3.2 Collaboration and Networking

In the dynamic landscape of the tourism industry, collaboration and networking play a vital role in creating opportunities for small tourism businesses. This literature review examines the significance of collaboration and networking for small enterprises, highlighting the benefits and providing relevant references to support the discussion. Collaboration among small tourist enterprises, local communities, and other stakeholders is becoming increasingly important. According to (Gursoy, 2021), cooperation allows small businesses to pool resources, exchange information, and sell

their services jointly. Businesses may improve their competitiveness, produce new tourism goods, and attract a broader client base by working together.

Networking helps small tourism enterprises to connect with other industry participants such as tour operators, lodging providers, and travel agents. Partnerships and networking, according to (Morrison 2019), give potential for cross-promotion, collaborative ventures, and distribution channels. Collaborations like this can result in improved awareness, access to new markets, and the opportunity to provide packaged goods or experiences (Nguyen, Young, Johnson, & Wearing, 2019).

2.3.3 Technological Advancements

Technological advancements have significantly impacted the tourism industry, providing opportunities for small businesses to enhance their operations and competitiveness. Small tourist firms may now engage with clients in new and dynamic ways thanks to technological improvements. Digital platforms, social media, and mobile applications, according to (Buhalis & Foerste 2021), enable businesses to engage directly with customers, provide information about their offers, and collect feedback. These solutions improve consumer interaction, establish connections, and provide personalised experiences, resulting in increased customer loyalty and favourable word-of-mouth.

Small tourist enterprises' booking and distribution operations have been transformed by technological improvements. According to (Mark Anthony Camilleri, 2017), online booking platforms and worldwide distribution networks provide small businesses a wider reach and exposure to a global consumer base. Businesses may use these channels to streamline operations, boost visibility, and gain reservations from a variety of markets, resulting in higher revenue and occupancy rates.

2.3.4 Government Support and Policies

Government support and policies play a crucial role in creating opportunities for small tourism businesses. Financial help and Incentives government help and incentives can give small tourist firms with prospects for growth and development. According to (Alfonsus Budi Susanto 2019), grants, loans, and tax breaks assist small businesses to obtain cash for infrastructure improvements, marketing campaigns, and innovation activities. These financial resources can assist firms in expanding their operations, increasing their competitiveness, and capitalising on new market possibilities.

Government policies and frameworks that support sustainable tourist practises give opportunity for small enterprises. Environmental conservation, cultural preservation, and community participation policies, according to (Becken, 2021), provide a supporting framework for small businesses to implement sustainable practises. Businesses that adhere to these standards can attract ecologically and socially concerned travellers, differentiate themselves in the market, and contribute to the tourist industry's long-term viability (Joseph, & Alan Lew, 2017).

2.4 Challenges and Constraints of Small Business Tourism

Several challenges and barriers that small tourist firms face might impede their expansion and viability. The difficulties that affect the operations and performance of small and medium-sized companies (SMEs) in the tourist sector can be divided into internal and external causes.

2.4.1 Infrastructure Limitations

Despite the numerous opportunities, small tourism businesses face several challenges in capitalizing on natural attractions. Limited access to financing, lack of infrastructure, and inadequate marketing strategies are common barriers identified by (Murphy 2020). Government agencies (whether at the federal, state, or municipal levels) only build public infrastructure in specific locations and in certain amounts occasionally, this is insufficient to fulfil demand. This happens when infrastructure development is done on an ad-hoc basis or without taking into account the present market. Lack of appropriate market research might result in inadequate infrastructure construction (Heqing Zhang, Javaid Iqbal, Abdelhamid Jebbouri, Zahid Imran, 2022)

Small tourism businesses, infrastructure issues, particularly in the transportation sector, present serious difficulties. Tourists' mobility may be hampered and their ability to go to distant or less accessible locations may be limited if they have insufficient access to dependable and efficient transportation services. Potential customers may be put off by this, which may also reduce the market reach of small tourist businesses (Smith, 2022).

In today's digital age, reliable telecommunication and internet connectivity are essential for small tourism businesses to compete effectively. However, infrastructure limitations in remote or rural areas may result in poor or unreliable connectivity, hindering online bookings, marketing efforts, and customer communication (Martinez, & Nguyen, 2021). This can lead to missed opportunities and reduced visibility in the digital marketplace. Addressing these infrastructure gaps in tourism and remote areas is critical to fostering sustainable growth and competitiveness for small tourism businesses in the future.

2.4.2 Market Competitiveness

Small tourism businesses frequently face constraints in terms of marketing and promotional budgets. Limited financial resources can restrict their ability to invest in effective marketing campaigns, online advertising, and targeted promotional activities. This limitation puts them at a disadvantage in reaching a broader audience and competing with businesses that can allocate more substantial resources to marketing (Nawal, Kabanda, Maryam, 2021).

Effective marketing requires businesses to leverage multiple channels such as digital marketing, social media, print media, and collaborations with other businesses. However, small tourism businesses with limited budgets often lack the resources to explore these diverse channels fully. They may have to rely solely on inexpensive or free marketing options, which may have limited reach and impact. Lack of technological knowledge and capacity impedes SMEs' ability to take full advantage of using social media (Matikiti et al., 2018; Mhizha et al., 2015).

Small tourism businesses also sometimes find it difficult to compete with larger travel companies that have more financial resources, well-established brands, and robust marketing skills. Because these organisations may provide aggressive pricing, wide-ranging distribution systems, and access to exclusive alliances, it is difficult for small enterprises to draw in clients and gain market dominance.

2.4.3 Lack Skills and Training

While collaboration and networking offer significant opportunities, small tourism businesses face challenges in implementing effective strategies. Insufficient resources, lack of trust, and limited networking skills are common barriers identified by (Waddock & Abram 2019).

Small tourist businesses frequently struggle with marketing and promotion because they lack the necessary expertise and training (Martinez, & Thompson, 2021). Their capacity to reach a larger audience and compete in the online economy may be constrained by inadequate knowledge of digital marketing methods, social media platforms, and search engine optimisation. This may result in less visibility, fewer reservations, and lower earnings.

Effective financial management is essential to the sustainability and growth of small tourism businesses. However, lack of skills and training in financial planning, budgeting and forecasting can pose significant challenges. Poor financial management practices can result in cash flow issues, difficulty obtaining loans or investments, and ultimately, business failure (Hande, 2016). The lack of skill and training presents significant challenges for small tourism businesses.

2.4.4 Lack of Environmental Sustainability

Small tourist enterprises could have trouble getting access to sustainable infrastructure and technology. Sustainable alternatives, including effective waste management systems or renewable energy sources, may not be as readily available in distant or less developed places. The capacity of small firms to adopt and put into practise environmentally friendly practises is hampered by a lack of infrastructural assistance and access to sustainable technology (Hakan, & Deniz, 2023). Look at the difficulties small tourist enterprises have in gaining access to infrastructure and sustainable technology.

Small tourism businesses must strike a delicate balance between preserving the natural environment and providing a positive visitor experience. Technological, organisational, and social innovation factors such as the use of renewable resources, flexible working, and ethical trade assist organisations in bridging the design-implementation gap of sustainable business model innovation by capturing value from various actors such as shareholders or investors, employees, customers, suppliers, partners, society,

environment, government, and environment, as well as creating cascaded value for them (Cinzia, Maria, Lucia, & Nadia, 2018).

2.5 Strategies for Success Small Business Tourism

Small tourism businesses play a crucial role in the tourism industry, contributing to local economies and providing unique experiences for tourists. However, these businesses often face numerous challenges that hinder their growth and competitiveness.

2.5.1 Improving Infrastructure and Accessibility

Investing in transportation infrastructure brings numerous benefits for small tourism businesses. Firstly, it improves accessibility by enhancing connectivity between different destinations and providing efficient transportation options for tourists. This enables visitors to reach attractions more easily and encourages them to explore multiple locations within a region. Improved accessibility leads to increased visitor numbers and longer stays, positively impacting the revenue and growth potential of small businesses. This could include improving roads, highways, and public transportation systems to make it easier for tourists to get to and around your destination. For example, the government of Vietnam invested heavily in transportation infrastructure in the lead-up to the 2018 Southeast Asian Games, which helped to boost tourism in the country according (Nguyen, 2020).

2.5.2 Enhancing Marketing and Promotion Efforts Through Collaboration

Collaborating with local stakeholders such as other businesses, community organizations, and tourism boards, small businesses can pool their resources and share marketing costs. This allows them to access more significant marketing budgets, enabling them to implement more comprehensive and impactful campaigns that they

would not have been able to afford individually. Most experts believe that the use of online channels will increase and the personalization of services to travellers will grow in importance after the pandemic (Theor, Appl, Electron, Commer, & Res 2021).

Secondly collaborating with destination marketing organizations (DMOs) can provide small tourism businesses with valuable marketing support. DMOs have expertise in destination branding, marketing research, and digital marketing strategies. In fact, destination marketing is one of the functions within the broader framework of destination management. By partnering with DMOs, small businesses can benefit from their knowledge, guidance, and access to promotional platforms (Archer, 2020). This collaboration enhances the visibility and credibility of small businesses and increases their chances of attracting visitors.

2.5.3 Investing in Human Resource Development and Training

Investing in human resource development and training offers numerous benefits for small tourism businesses. Firstly, it enhances the skills and knowledge of the workforce, enabling employees to deliver high-quality services to customers. Well-trained staff are more efficient, effective, and capable of handling customer inquiries, resolving issues, and providing personalized experiences. Increasing job knowledge and abilities or changing organisational members' attitudes and social behaviour to conform to organisational objectives and job needs are both examples of actions planned on behalf of an organisation called training according (Kraiger, 2017). The development portion of training refers to employees' personal growth seen in newly learned abilities and skills that can translate into their. This results in improved customer satisfaction and increased chances of repeat visits and positive word-of-mouth recommendations.

2.5.4 Promoting Sustainable Tourism Practices and Community Engagement

Promoting sustainable tourism practices and community engagement offers multiple benefits for small tourism businesses. Adopting sustainable practices reduces the environmental impact of tourism activities, preserves natural resources, Responsible tourism (RT) and protects local ecosystems. Responsible tourism (RT) is defined as "tourism that promotes environmental responsibility through sustainable use responsibility to involve local communities in the tourism industry responsibility for visitor safety and security and responsible government, employees, employers, unions, and local communities." (Mathiew, 2017).

The concept of RT has been widely recognised as strategy for sustainable destination management and as a sustainable marketing strategy. It offers implications for the successful management of tourism businesses as well as the community sustainability and their well-being (Jennifer, Kamarul, & Tini, 2021). This resonates with environmentally conscious travelers who actively seek out businesses that align with their values.

2.6 Theoretical Framework

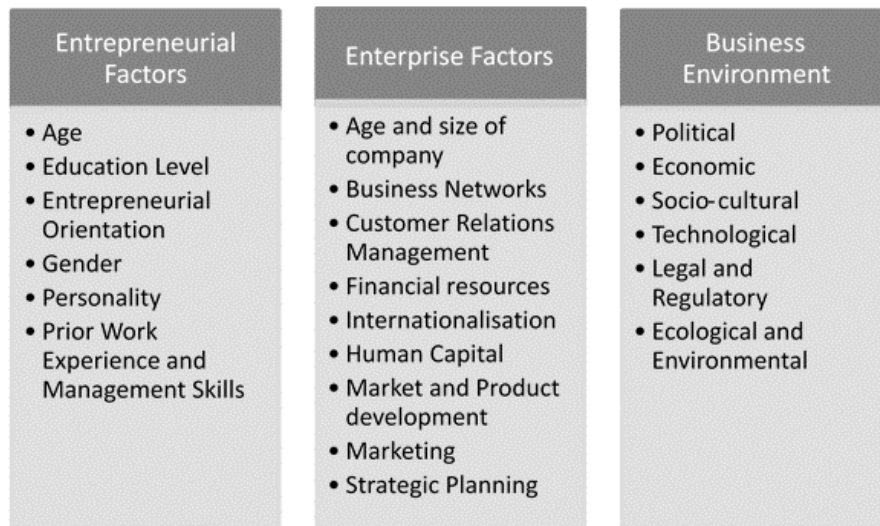


Figure 2.1: Conceptual framework for SMEs Success

The suggested paradigm combines elements contributing to all aspects of small company success (growth and non-growth) and failure, rather than only SME-specific studies. This study was founded on a number of prominent research and established models in the fields of SMEs and entrepreneurship, which were then expanded into a multitude of studies undertaken in many sectors and locations (Helena Vieira, 2017).

2.7 Conceptual Framework

Independent Variable (IV)

Dependent Variable (DV)

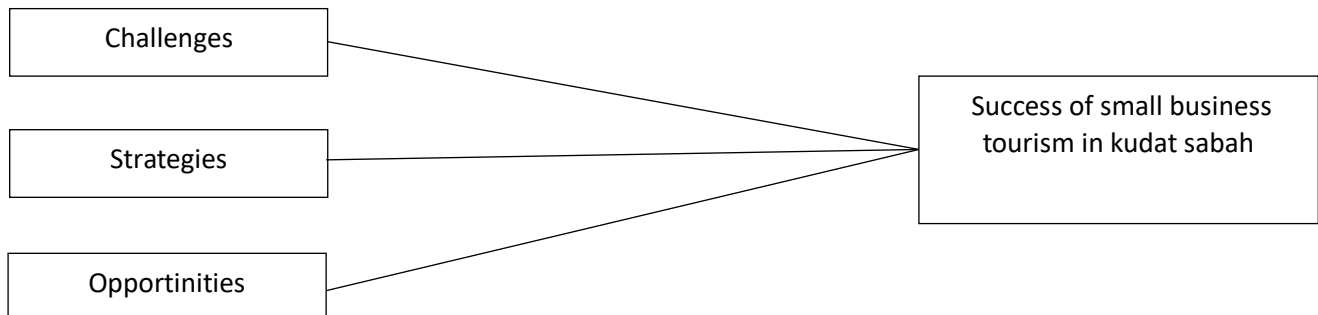


Figure 2: Conceptual framework

This research uses this approach for a conceptual framework to examine challenges and identify and explore various opportunities that contribute to the success of small tourism businesses in Kudat, Sabah. This is to examine potential strategies to overcome all kinds of challenges faced by small tourism businesses. This research is also to examine the extent to which this tourist business opportunity is effective in improving the performance of the tourism business in the tourism area. Finally, this research is to show every challenge and opportunity that can bring success to every trader in maintaining business in the long term. benefit businesses, communities, the economy and the environment.

2.8 Summary

This chapter covers previous research studies and information published from secondary data related to, challenges and opportunities, small tourism businesses, as well as strategies to overcome challenges. Details of the research methodology will be discussed in chapter 3.

CHAPTER 3

RESEARCH METHODOLOGY

3.1 Introduction

In this chapter, the researcher's research strategy that was employed to conduct the study and gather the necessary data is provided. Every research effort requires the careful selection, collection, and analysis of material pertinent to the subject being studied. That research methodology explains the logical flow of the steps necessary to build the theoretical framework in which the investigation is conducted (Mohajan, 2017). The theoretical fusion of several methods and techniques that are tailored to a certain setting makes up the research methodology. Determining the study design, methodology, data sources, research strategy, data analysis tools, and time horizon is therefore heavily emphasised in this chapter's methodological portion. The proper research approach must be used in order to reach the research's objectives. (Hannah Snyder 2019).

3.2 Research Design

The study framework demonstrated a clear relationship between the dependent and independent variables. Since it specifies the data type, data collecting methods, sample methods, timeframe, and budget, a proper study design is crucial. The general strategy or blueprint outlining the framework and structure of a research study is known as the research design. In order to answer the research questions or goals, it acts as a guide for researchers as they choose the processes and techniques that will be used to gather and evaluate data (Thakur, 2021). The reliability, validity, and generalizability of a study's conclusions are all dependent on its design. Application of mathematical and statistical techniques is used to gather data, analyse it, and then generalise the findings to the research population. These techniques can be either experimental or non-experimental, as well as using a number of techniques that are appropriate for the researcher's study, including survey research, sampling, experimentation (Kassu Jilcha, 2019).

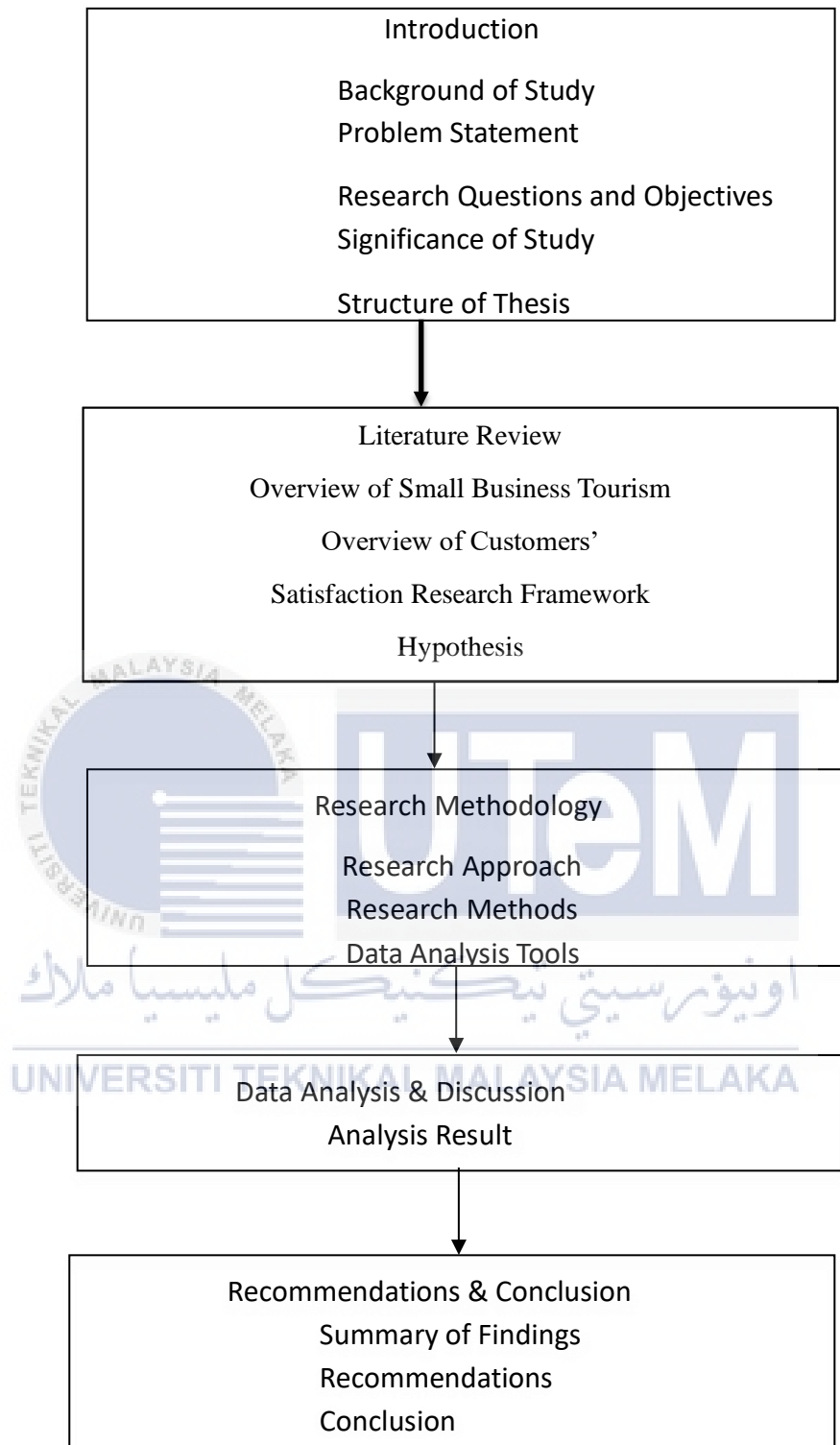


Figure 3: Flow Chart of Research Process

3.2.1 Explanatory Research

A change in the dependent variable is caused by some external circumstances, which is a more true definition of causality. Theory-based explanatory research is another sort of investigation in which the philosophy is developed to answer the manner and motive of the inquiry. Explanatory studies go beyond representation and attempt to provide light on the causes of occurrences that are only visible in a descriptive study. In an explanatory study, the researcher uses ideas or hypotheses to illustrate the causes of a certain event. Explanatory research is used in this study to investigate underlying causes and effects in order to discover and comprehend the interactions between variables (Abbasi, 2022).

3.3 Methodology Choices

The qualitative approach and the quantitative approach are the two methods that make up the methodology. The goal of the qualitative method is to comprehend human conduct from the perspective of the informant, and it makes the assumption that reality is flexible and adjustable. It is a methodological approach in which participant observation and interviews are used to gather data. Themes from the descriptions provided by the informants are used to examine the data from the qualitative method (Thakur, 2021). However, the objective of the quantitative method, which assumes that reality is permanent and quantifiable, is to ascertain facts about social processes. Regarding methodology, information is gathered by measurement, and it is examined using numerical contrasts and statistical conclusions.

Research approaches provide an assessment of fundamental research methodology in courses in psychology, sociology, communications and business, education, social work, consulting, criminal justice, and even in closely related fields that might profit from a social science study (Patten & Newhart, 2018). Research methodology is the methodical approach to addressing the research problem. Qualitative and quantitative research approaches are the two basic categories.

Nevertheless, there are total of three methods in research methodology:

- a) Quantitative Research
- b) Quantitative Research
- c) Mixed Methods Research

This research uses qualitative approach to study challenges and opportunities towards the success of small tourism business in kudat sabah. As for qualitative methodology, this research collects primary data from respective respondents through observation, interview session, and a case study. the data collected from the respondents of the selected case study through the interview session will be analysed using thematic analysis (Jilcha, 2019). The analysis will be based on the research objectives.

3.4 Data Source

The key component of every study design, according to (Showkat & Parveen 2017), is the data collecting. The practise of meticulously assembling pertinent information with the smallest feasible margin for mistake in order to deliver responses that are trustworthy and make sense is known as data assembly. The two basic categories of data acquired are primary data and secondary data.

3.4.1 Primary Data

Primary data is material that has been obtained directly by a researcher or a research team for a specific study topic or purpose. It is obtained directly from the source or by using methods for gathering data such surveys, interviews, observations, and experiments (Ajayi, 2017). To learn about something fresh that can be determined by others and to do so while letting go of one's own prejudices is the ultimate purpose of obtaining primary data.

3.4.2 Secondary Data

As previously stated, "secondary data" refers to information gathered for reasons other than the present job. Secondary data can come from within an organisation, but it is more likely to come from somewhere outside. Secondary data, in essence, relates to the core data of one organisation, provided that makes sense (Hillier, 2021). It is also a hands-on activity that includes planning and evaluating procedures. Secondary material can be obtained from a variety of sources, including encyclopaedias, textbooks, the internet, journals, articles, and newspapers. Secondary data includes government reports, demographic statistics, departmental records, and so on. According to (Showkat and Parveen 2017), utilising secondary data to do research is more efficient and cost-effective than using primary data.

3.5 Research Strategy

The research technique is defined as "the theory of methods" or "the way a researcher makes sense of the object of inquiry." study strategy is defined as the "general plan of how the researcher will go about answering the research questions" in research methodology. Experiments, surveys, case studies, ethnography, grounded theory, action research, and archive research are the seven categories of research strategy (Dudkowski, 2021).

Inductive method, deductive approach, and mixed approach (combination of inductive and deductive approach) are three categories for the seven different types of research technique. According to their methodology, the seven different types of research strategy are arranged and characterised (Datt, & Chetty, 2022).

Research Strategy	Explanation
Action Research	It is designed to help develop solutions to real organisational problem. It is based on four themes which are: <ol style="list-style-type: none"> 1. Purpose of research 2. Role of researcher within the research study 3. Process of diagnosing, planning, and acting 4. Action research should have implications beyond the immediate research
Ethnography	This approach's purpose is to describe and explain study subjects in the same manner that it would describe the people themselves. Studying a group's culture or social environment entails may be divided into three categories: critical ethnography, interpretative ethnography, and realism ethnography.
Archival Research	It draws its data from administrative records and papers, which may be recent, historical, or both. Analysis of data acquired for various reasons is done to ascertain the consequences of the data.

Table 3.1: Research strategies based on inductive approach.

Research Strategy	Explanation
Experiment	Applied to natural sciences with a purpose to study casual links. In other words, to examine whether the change in independent variable induces change in dependent variable. The number of independent variables can be different. In a classic experiment, two or more groups are established with each group denoted as experimental group.
Survey	Survey enables the researcher to collect huge amount of data from a sizeable target population. The data can be analysed using descriptive and inferential analysis tools

Table 3.2: Research strategies based on inductive approach.

Research Strategy	Explanation
Case Study	Utilising a variety of evidence sources, empirical inquiry is used to analyse contemporary phenomena. The experimental strategy, which is context-free, contrasts with the case study. When gaining a thorough understanding of the study setting, it is most appropriate.
Grounded Theory	It is the best illustration of a hybrid approach where theory development is the focus. This tactic is used to forecast and justify a conduct. In this approach, the creation of a theoretical framework serves as the starting point for the investigation. On the basis of the theoretical framework, new theories are constructed.

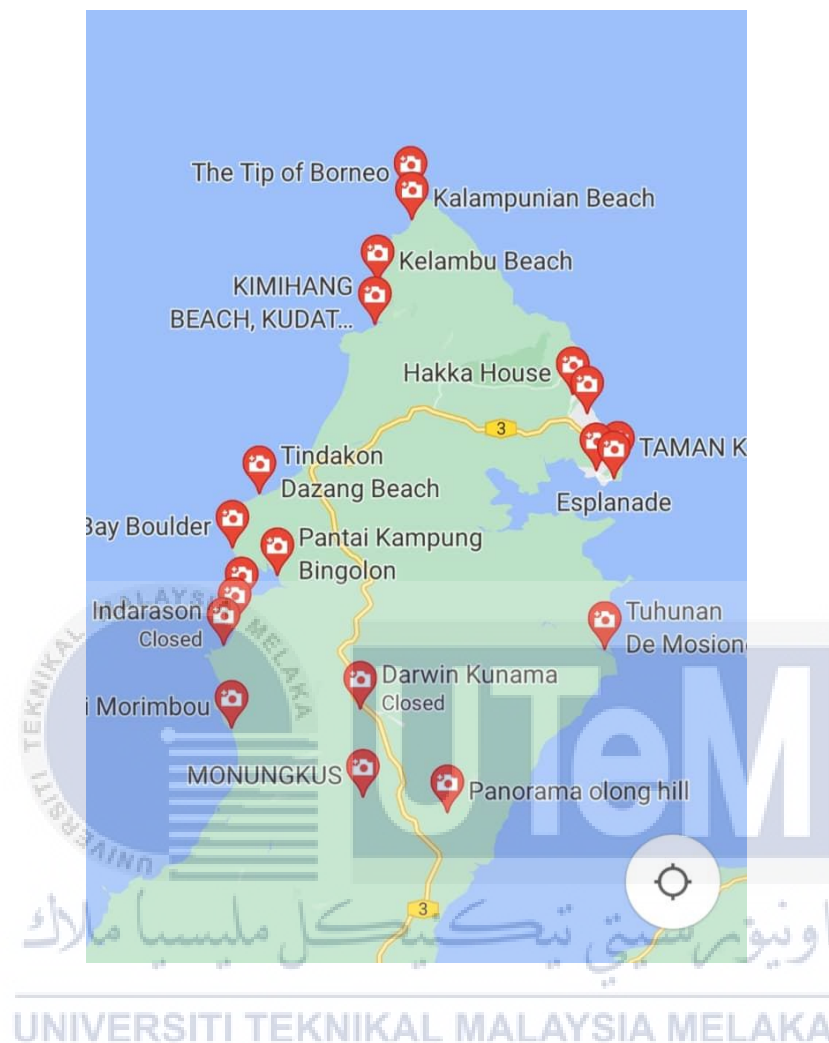
Table 3.3: Research strategy based on mixed approach (deductive and inductive approach)

The research strategy used in this study is action research, and case studies. It focuses on an in-depth investigation of one case or a small number of cases and in the research challenges and opportunities towards the success of small tourism business in kudat sabah. In case study research in general, information is sought from different sources and through the use of various types of data such as observations, surveys, and interviews.

3.6 Location of Research

Research will be conducted in Kudat, Sabah, focusing on tourism businesses operating in tourism areas. Kudat was chosen as the research location because of its importance as a local business hub and its unique socio-economic characteristics. By focusing on local businesses in Kudat, this study aims to provide insight into the specific challenges and opportunities faced by these tourism businesses, their business performance, and the success they can achieve. This is due to the perception that the

presence of tourism activities has a greater influence on the neighbourhood communities from an economic, social, or cultural perspective (Jessica & Rosazman 2022).



Map and Tourism Spot in Kudat Sabah

3.6 Research sampling

The majority of the tourist businesses in Sabah are small businesses. They greet tourists in the area and offer them services relating to tourism. Over the past few decades, their operations and development have been regarded to be stable and successful

In 2018 alone not included at present, 125 registered tourist operators in Sabah, which are spread over the state's five largest cities, Kota Kinabalu, Kudat, Sandakan, Semporna, and

Labuan. The capital of Sabah is Kota Kinabalu. It is a coastal city on Borneo Island that is situated at the bottom of the South China Sea. The town of Kudat is located on Borneo Island's northernmost tip. It is roughly three hours' drive from Kota Kinabalu and is situated 190 km to the north of that city. The laid-back way of life, endearing culture, and fresh seafood of the locals all help the tourism sector here. (Nomahaza, Farzana, & Zou, 2018).

Define the population

Start by defining the population of small tourism businesses in Kudat, Sabah. This may include hotels, guesthouses, tour operators, restaurants, homestays, travel agencies, and other relevant businesses involved in tourism activities.

Random sampling

Randomly choose a subset of small tourism businesses from the population. This can be done by using a random number generator or selecting names from a comprehensive list of businesses in Kudat, Sabah. Random sampling can help reduce selection bias and increase the representativeness of the sample.

Data collection

Determine the most suitable data collection methods for your research objectives, such as surveys, interviews, or a combination of both. Consider the feasibility of data collection methods within the context of small tourism businesses in Kudat, Sabah.

3.7 Time Horizon

The word "time horizon" refers to the length of time that a study is conducted. Time frames are classified into two types longitudinal and cross-sectional. Longitudinal research involves measuring constructs at numerous points in time, whereas cross-sectional research involves taking a picture at a single moment in time and collecting data at only one time in order to answer a research question.

The time horizon will span a specific period, such as six months or one year. The chosen time frame allows for the examination of trends, changes, and relationships between variables over a reasonable duration.

3.8 Summary

The research's methodology is presented in this chapter. This chapter provided an overview of the explanatory study research design that was employed in this investigation. The qualitative approach, which was chosen as the methodology, was also covered in this chapter. The research methodology or data gathering techniques employed in this study include observation, interviewing, case studies, and other.

CHAPTER 4

RESULT AND DISCUSSION

4.1 Introduction

The results from the case study will be discussed in this chapter. The data was collected through an interview session with the small tourism business about challenges and opportunities towards the success of small tourism business in Kudat, Sabah. The results acquired will be representing the three research objectives that were highlighted in Chapter One and will also include the discussion of the framework proposed in Chapter Two. The data were collected through qualitative method which is an interview session involving the respondents from small business tourism in Kudat.

4.2 Background of the case study

The case study was conducted using a qualitative method, which is an interview involving 15 respondents who work as traders. The respondents are made up of employees of traders who are in the tourism area of Kudat district. Kudat's small tourism businesses stand at the crossroads of environmental conservation and economic growth. This case study aims to unravel the intricate interplay between challenges and opportunities, providing insights that can guide stakeholders towards sustainable and successful practices in this unique and picturesque region of Sabah.

4.2.1 Respondent details

The respondents are made up of workers or business in the tourism area who are directly involved in their business and how they face all the opportunities and challenges to achieve success in business along with a few suggestions from the researcher to solve problems and situations. Respondents for this case study have been selected based on all types of businesses that are in the tourist area. The respondents' details are shown in Table 4.1.

Respondents	Tourism Spots
Retail	Tanjung Simpang Mengayau
Retail	Tanjung Simpang Mengayau
Restaurant	Tanjung Simpang Mengayau
Cafe	Tanjung Simpang Mengayau
Small business	Tanjung Simpang Mengayau
Restaurant	Tanjung Simpang Mengayau
Small business	Bak-Bak Beach
Small business	Bak-Bak Beach
Small business	Bak-Bak Beach
Small business	Esplanade Kudat
Small business	Esplanade Kudat
Restaurant	Esplanade Kudat
Tours for visitors	Gombizau kampung madu
Small business	Gombizau kampung madu
Small business	Gombizau kampung madu

Table 4.1: Respondent details

4.2.2 Case Study 1: Tanjung Simpang Mengayau

Tanjung Simpang Mengayau, commonly known as the Borneo Tip, is a popular tourist site in Kudat, Sabah, Malaysia. The area is known for its stunning vistas where the South China Sea meets the Sulu Sea, making it a gorgeous and appealing tourist destination. Tanjung Simpang Mengayau, sometimes known as the "Tip of Borneo," is a popular tourist site in Kudat, Sabah, Malaysia. The location has a long history and is culturally significant to the indigenous Rungus people who have lived there for millennia. It also has British and Dutch colonial influences.

Activity tourism in the Tanjung Simpang Mengayau region has a significant positive influence on the surrounding community. The income of community members has increased as a result of income from outside visitors, which allows them to sell crops, fishing products, weaving products, and help the community around them to be confident in running a small grocery store selling basic needs to the local community and visitors, as well as other businesses such as homestay or accommodation, restaurants, retail small business, shops and so on, as well as community members from nearby villages.

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4.2.3 Case Study 2 : Bak-Bak Beach

Bak Bak Beach in Kudat, Sabah, is historically significant and a popular destination for both residents and visitors. It is, nevertheless, described as the primary beach for the town of Kudat, which is located around 11 kilometres north of the town. The beach is regarded as sandy and lovely, drawing people due to its natural beauty. Bak Bak Beach is also mentioned in a number of tourist publications as a must-see attraction in Kudat.

According to the researcher's observations, the business activity at the bak-bak beach tourism place is increasing every day even though the small businesses due to the beach has a natural attraction that makes the local people think that the beach has the potential and opportunity to become a tourist attraction but the matter there are many challenges. so far what the

researcher has found is that there are three main types of businesses which are resorts, homestays and also small businesses on the side of the road and also the reaction park or playground area where the beach is the main view and the area where you take pictures, bathe by the sea, healing place, playing sports and others.

4.2.4 Case Study 3 : Esplanade Kudat

The Esplanade is a seaside area in Kudat, Sabah, that opened in April 2002. It is used as a landing spot for fishing boats. The esplanade is an important component of Kudat's environment, serving as a venue for a variety of activities and events such as dragon boat competition, fishing competition singing event, lamp night, running, bicycle event and fun fair. It has become a popular place for both locals and visitors to relax and enjoy the tranquil surroundings. The esplanade adds to Kudat's beauty by providing a calm location for relaxation and leisure activities. Based on the researcher's observation that the main businesses found in Esplanade Kudat are restaurants, eateries, small businesses in the area and also resort, cafe, shops, and others. The restaurant is well-known in the tourism industry since the location where fisherman stop to dine is well-known for its seafood. The Esplanade is an important part of the local community and has likely seen the town grow throughout time.

4.2.5 Case Study 4 : Gombizau Kampung Madu

Gombizau Honey Bee Farm kudat sabah, also called Gombizau Kampung Madu, is a fascinating place to visit. A popular tourist site, Gombizau Kampung Madu is especially well-known for its flourishing honey bee farm. The town, which is roughly 40 km south of Kudat in Matunggong, has grown a thriving tourism industry on beekeeping and honey production. Observing the upkeep of honey bees and the processing of honey offers visitors to Gombizau a comprehensive understanding of the beekeeping industry in Sabah. The Gombizau honey bee farm has grown to be a well-liked tourist destination, providing guided tours where guests may learn about beekeeping techniques and buy honey made nearby. The village plays a crucial role in honey production, showcasing the significance of beekeeping in the rural economy of Sabah.

4.3 To Identify The Most Significant Challenges for Tourism Businesses and Recommendations That Can Assist to Achieve Success in Doing Business in The Tourist Spots of Kudat, Sabah.

The first objective of this study is to identify the most significant challenges for tourism businesses and recommendations that can assist to achieve success in doing business in the tourist spots of Kudat, Sabah.. Throughout this section the researcher will evaluate the challenges and how to overcome them and give the best recommendations based on the case studies chosen by the researcher.

Kudat's popularity as a tourist destination brings with it a unique set of challenges that businesses have to overcome. Infrastructure gaps may hinder smooth operations, environmental concerns create a delicate balance between development and conservation, and preserving local cultural authenticity is paramount in the face of mass tourism. By understanding and addressing these challenges comprehensively, the researcher aims to provide the best recommendations for businesses not only to overcome obstacles but also to thrive in a responsible and sustainable manner.

Table 4.3: The summary of case study (To identify the most significant challenges for tourism businesses and recommendations that can assist to achieve success in doing business in the tourist spots of Kudat, Sabah)

Research objective	Interview data from respondents						
	Retail	Retail	Restaurant	Restaurant	Restaurant	Small business	Small business
The most significant challenges for tourism businesses							
Challenges Faced by Small Tourism Businesses	/	/	/	/	/	/	/
regulatory or legal							/

challenges							
Strategies for Overcoming Challenges	/	/	/	/	/	/	/
marketing and promotional strategies			/				/

Summarize by the researcher (2023)

Table 4.3: The summary of case study (To identify the most significant challenges for tourism businesses and recommendations that can assist to achieve success in doing business in the tourist spots of Kudat, Sabah)

Research objective	Interview data from respondents							
	Small business	Small business	Small business	Small business	Small business	Small business	Tours for visitors	Cafe
The most significant challenges for tourism business								
Challenges Faced by Small Tourism Businesses	/	/	/	/	/	/	/	/
regulatory or legal challenges								
Strategies for Overcoming Challenges	/	/	/	/	/	/	/	/
marketing and promotional strategies		/	/		/	/	/	

Summarize by the researcher (2023)

Among the case studies chosen by the researcher is Simpang mengayau among the popular tourist areas. The business chosen by the researcher in this place is the grocery store business nearby. The main challenge faced by the business is the challenge in managing the stock of sales items. When there is little left of the goods sold, the business also deals with the

supplier to increase the stock of goods in addition to the area being inland which makes the supplier take a long time to arrive. This may cause the retail business to lose customers and compete with other retail businesses. The researcher also suggested that store managers need to make observations and research, what are the items that sell well and sell quickly that meet the needs of consumers.

“The main challenge I face is managing the stock of sale items which is difficult for me”

(Retail store in Simpang Mengayau kudat)

The researcher's choice is a grocery store owned by Pak Ali which is located near Tanjung Simpang mengayau. The main challenge faced by this business is Ignoring the Market. Many business owners can sometimes turn a blind eye to the market, which can ultimately damage their business and reduce their income. Business owners make this mistake by selling what they want to sell instead of what consumers want. The way to overcome this problem is to keep up with new and growing trends and know what is selling and what is not. The marketing strategy used is to inform family, friends, and customers that they have business around here and establish good relationships.

“Because this retail store is a legacy from uncle's parents, uncle don't understand a little about the market that consumers want so much that uncle sells the goods he wants to sell”.

(Retail store in Simpang Mengayau kudat)

The researcher's next choice of seafood restaurant is located close to the tourist area of Tanjung Simpang mengayau. the results of the interview found that the main challenge faced by this business is the lack of Technology Use. Adopting and integrating technology, such as point of sale systems, online reservations, and reservation platforms, can be a challenge for some local restaurants, especially those with limited technical expertise.

They say that because their area is a deep area, it is a little difficult to make an online reservation because the internet is less stable and less in terms of knowledge and technical skills. Some of the best ways to solve this challenge are to get help from a technology consultant or consider hiring part-time IT support. Many technology providers offer user-

friendly interfaces and customer support to guide businesses through the adoption process. The marketing strategy used by this business uses facebook, instagram and tiktok.

“This restaurant has just opened in 2022, there are definitely many challenges, but you asked the main challenge we face is in using technology like in other business cities there are grab and food panda services, so it is difficult to adjust additional things in the inner area”.

(Restaurant in area Simpang Mengayau kudat)

The next restaurant chosen by the researcher is located near The Tip of Borneo Northern tip with a dramatic sea view in the Simpang mengayau area. the results of the interview worker restaurant merrimas that the main challenge faced by this business is Rising Costs. The costs associated with running a restaurant, including utilities, ingredients, and labor, can be substantial. Fluctuations in food and fuel prices can add to financial stress. establish relationships with suppliers and diversify.

“Because of the cost of items is growing today, the expense of running a restaurant, such as utilities, food, and labour, is the major problem encountered. Food and gasoline price fluctuations might contribute to employees' financial stress.”

(Restaurant in area Simpang Mengayau kudat)

The business chosen by the researcher in this place is a restaurant business that does business near the beach, which is the esplanade kudat. the researcher interviewing seafood restaurant workers found that one of the main challenges of doing business in the area is fierce competition because there are too many small businesses selling food and drinks and other restaurants. Therefore, the solution to this challenge is to Identify and promote a unique selling point, such as a particular cuisine, special dish, or distinctive atmosphere. Offer something different from competitors to attract and retain customers and emphasize the restaurant's story and values.

“In my opinion the main challenge I face is the fierce competition with other businesses, sometimes our salary can be reduced because there are not many customers”.

(Restaurant in area Esplanede kudat)

Next is a small business on the Bak-Bak Kudat beach as a case study chosen by the researcher. The businesses chosen by the researcher in this place are small businesses that do business near the beach. The business focuses on selling locally produced food and selling food and soft drinks.

The main challenge faced by this small business macik leha is the security of sales and business items because before the owner had the experience of his items being stolen when they were not in the store. Because the distance between the shop and the house is quite far, the owner sometimes worries that the shop's goods will be stolen. Thieves are not necessarily only humans, sometimes even animals can be thieves, for example monkeys, cats, rats and so on. If you are doing business in the village area, it is not impossible to face a situation like this. moreover, the shop does not have cctv. A good way to overcome this challenge is to improve the store's security system by adding cctv, fences and locks to the store.

“So far, the other challenges are not difficult for me, but there have been cases of theft of goods in the store, and the matter is detrimental and affects my income”.

(Small business in Bak-Bak Beach kudat)

The next choice of the researcher is a small business that sells shells and local handicrafts by Pak Zaf located near the beach of Tanjung Simpang. The biggest challenge that this business has ever faced is Covid-19 which is that he does not carry out the operation of selling goods and that thing does not get results or does not get income. In addition, the sale of these shells has many laws and even regulations set by the government, making it difficult for the owner to sell shells. For example, selling shells must have a special license and certain shells or only allowed to be sold.

“The legal challenges I face in this shells business must have a license first before selling, otherwise I will be fined and also arrested by authorities such as the World Wildlife Fund (WWF) or parties from the Ministry of Tourism”.

(Small business in area Simpang Mengayau kudat)

Next is the small business in esplanade kudat as a case study chosen by the researcher who is the fourth respondent. The business chosen by the researcher in this place is a small business that does business near the beach. This business focuses on selling locally produced food and selling food and drinks. The main challenge faced by this small business is the high competition. Due to the tourism area of the esplanade kudat in the city area and many activities and events are held in the area such as dragon boat competition, fishing competition singing event, light night, running, bicycle event, fun fair and others are certainly many other businesses that make competition high. This can cause these small businesses to lose customers and compete with other businesses making less sales and may be affected in terms of income.

Recommendation from researcher is strategy that can be used is the Unique Value Proposition (UVP) which is clearly define what makes the small business product unique and better than competitors as a unique locally made example that shows the difference. The marketing that is used is just events and activities that are held and to recognize their products which is called "Tamu" where small businessmen gather in a place to do business on certain days such as Wednesdays and Sundays.

“The biggest challenge I face is that the competition is quite high which can sometimes affect auntie's income”.

اوننور ستي تیکنیکل ملیسيا ملاک
(Small business in Esplanade kudat)

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Next is the small business on the Bak-Bak Kudat beach as a case study chosen by the researcher. The business chosen by the researcher in this place is a small business that does business near the beach, which is the area of the playground or the area where you can see the scenery. The business focuses on selling locally produced food and beverages as well as others. as a result of the interview from Cik Hasna, one of the main challenges she and her husband face is limited resources. Small businesses often have limited financial resources, making it challenging to invest in marketing, technology, and other key areas. According to his experience, the way to overcome economic challenges is to establish a good relationship with suppliers and according to him, a good marketing strategy is to introduce products on social media such as Facebook and Instagram.

“The current trend marketing strategy is more online, which is to introduce your product on social media such as Facebook or Instagram”.

(Small business in Bak-Bak Beach kudat)

Next is a small business on the Bak-Bak Kudat beach as a case study chosen by the researcher. The business chosen by the researcher in this place is a small business that does business near the beach which is the playground area. This business focuses on the sale of locally produced food and beverages as well as others.

Capital Resource Challenges A shortage of money has prevented many entrepreneurs, like Cik Mazna, from growing their businesses due to the increasingly difficult economic climate. Growing expenses for management and raw material prices frequently prevent businesses from expanding further. We are fortunate in Malaysia that the government frequently helps with company continuity. It is evident that this assistance cannot provide a 100% coverage. The dealer needs to work on himself for the remainder. The more problematic a country's economy is, the harder it is for enterprises to survive. Lastly, a lot of traders accumulate debt, which forces investors and banks to set tight guidelines and charge exorbitant interest rates for loans.

“The main challenge I face is the source of capital, specifically in terms of finance, The increasing expenses for management and the price of raw materials often prevent me from continuing to grow and this puts me in debt to grow my business”.

(Small business in Bak-Bak Beach kudat)

Next is a small business in Esplanade Kudat as a case study chosen by the researcher. The businesses chosen by the researcher in this place are small businesses that do business near the beach. The business focuses on selling locally produced food and selling snacks and drinks. cik abu's main challenge is Acceptance of Technology, cik abu's business may find it difficult to keep up with the latest technological developments due to budget limitations, knowledge, and lack of IT expertise, which can affect efficiency and additional competitiveness and cik abu is getting older, so it is difficult to understand and accept new things or current trends,

“Uncle is getting older, so he doesn't understand the new technology, trends and so on so he does business the old way by waiting for customers to come and be interested around the esplanade”.

(Small business in area Esplanede kudat)

Next is a small business in Gombizau honey village as a case study chosen by the researcher. The businesses chosen by the researcher in this place are small businesses that do business in the village environment. This business focuses on selling snacks and drinks and the priority is selling local honey and selling handicrafts of the villagers. Based on the interviews made by the researcher found that the main challenge for them is the Climate and Environmental Impact. Factors such as climate change, lack of flowering flora, and environmental issues can impact honey production and affect supply and quality. this can affect the income of traders. Then for them to solve the problem not only raise bees to produce honey but they grow certain plants for bees. Their marketing strategy introduces their products on social media such as Facebook.

“As far as the social media we use is facebook to introduce our products and also our tourist spots in this village there are indeed many challenges, but this is an opportunity for us to improve and expand our business”.

(Small business in area Gombizau honey village)

Next is the small business in Gombizau honey village as a case study chosen by the researcher. The business chosen by the researcher in this place is a small business that does business in the village environment, and this is the second business that does the same business as the first. This business is focused on the sale of snacks and drinks and the priority is to sell local honey and sell handicrafts of the villagers. Based on the interviews made by the researcher found that the main challenge for them is Marketing and Distribution. Marketing honey outside the village and getting shelf space, especially in markets dominated by big brands, can be a challenge. Efficient distribution is also important to reach a wider

customer because it is possible to distribute only in kampong and kudat. like business partners in the same village, market techniques are used online on facebook and others.

“We village people lack knowledge in distributing our products outside of our area as long as other people buy from us and then sell outside the area, we are beginning to understand that little by little in marketing”,

(Small business in area Gombizau honey village)

Next is the Tour business for visitors kelulut bee stingless bee in Gombizau honey village as a case study chosen by the researcher. The business chosen by the researcher in this place is a Tourist Attraction which offers guided tours for tourists who want to understand beekeeping practices and types of bees and enable the purchase of local honey. This aspect not only promotes tourism but also contributes to the local economy through the sale of honey-related products. The main challenge for this business is the weather factor, bee farm owners say that if continuous rain will reduce the activity of bees to produce honey, this is sometimes detrimental because it may be damaged, and honey will not be produced. This will affect the employee's income. But the opposite has a positive impact on the local economy by providing job opportunities and supporting businesses involved in processing and selling honey. the owner also said how they promote for people to know by using social media like facebook.

“The most difficult challenge ever faced is the weather factor when continuous heavy rain will result in bees not coming out of the hive to produce honey, even heavy rain can damage beehives which is detrimental and affects income”.

(Business tours for tourists in area Gombizau honey village)

Next, a business called a Santai cafe chosen by the researcher is located near The Tip of Borneo Northern tip with a dramatic sea view in the Simpang mengayau area. the results of the interview found that the main challenge faced by this business is the Tourism Season i.e. Depending on tourism, the cafe may face a busy season and a low season. Stock management and employment may need to be adjusted according to changes in tourism rates.

“Our sustenance here is always there, even if it is not much, because it is the tourist season here, sometimes there are many people, sometimes not only the residents, if there are many people, there is a lot of income and profit.”

(Business café in Simpang Mengayau kudat)

4.4 To determine the opportunities available for small tourism businesses, contribute to the success of small tourism businesses in Kudat, Sabah

The second objective of the study is to determine the opportunities available for small tourism businesses, contribute to the success of small tourism businesses in Kudat, Sabah. Located at the northern tip of Malaysia's captivating state of Sabah, Kudat stands as a hidden gem waiting to be explored. As the tourism industry continues to grow, unique business opportunities are emerging in this beautiful area, promising not only to attract visitors but also to significantly improve the economic landscape. This analysis aims to evaluate the potential effectiveness of these tourist business efforts in improving business performance in the enchanting environment of the Kudat Sabah tourism area. The pristine beaches, lush landscape, and rich cultural heritage, Kudat has untapped potential as a sought-after destination for tourists seeking an authentic experience. The success of this venture depends on its ability to seamlessly integrate with the local ecosystem, meet the diverse needs of tourists, and contribute to the sustainable development of the region.

In this effort, objective is to identify key avenues for small tourism businesses to grow, considering factors such as local demand, emerging trends, and sustainable practices. In doing so, aim to design a course that not only opens growth opportunities for entrepreneurs but also aligns with the broader goals of responsible tourism and community development.

Table 4.4: The summary of case study (To determine the opportunities available for small tourism businesses, contribute to the success of small tourism businesses in Kudat, Sabah)

Research objective	Interview data from respondents						
	Retail	Retail	Restaurant	Restaurant	Restaurant	Small business	Small business
Effectiveness of Tourism Business Opportunities	/	/	/	/	/	/	/
Economic and Community Impact	/	/	/	/	/	/	/
Sustainability and Environmental Considerations	/						/
Local and Government Support	/	/				/	/
Future Outlook	/	/	/	/	/	/	/

Summarize by the researcher (2023)

Table 4.4: The summary of case study (To determine the opportunities available for small tourism businesses, contribute to the success of small tourism businesses in Kudat, Sabah)

Research objective	Interview data from respondents							
	Small business	Small business	Small business	Small business	Small business	Small business	Tours for visitors	cafe
Effectiveness of Tourism Business Opportunities	/	/	/	/	/	/	/	/
Economic and Community Impact	/	/	/	/	/	/	/	/
Sustainability and Environmental Considerations		/			/	/	/	

Local and Government Support	/				/	/	/	
Future Outlook	/	/	/	/	/	/	/	/

Summarize by the researcher (2023)

The grocery store in Simpang Mengayau kudat which was chosen by this researcher obtained from this interview session that the effectiveness of tourism business opportunities will bring a positive effect on lifestyle or survival, because Tanjung Simpang Mengayau is more advanced in employment opportunities, can improve the standard of living of the local community and local economy. The future envisioned by the respondents is that advanced technology will enter this place for convenience since this place has become an attractive destination.

"The use of technology here is getting more and more. I hope that one day more and more technology will come in to make trading and users easier".

(Retail store in Simpang Mengayau Kudat)

The researcher's choice is the Pak Ali grocery store located near Tanjung Simpang mengayau. The results of the researcher's interview found that the opportunities of this tourist spot are very wide and make it a priority for the local community and tourists. and pak ali thinks this opportunity brings good economic effects to the community's life because residents will do business in this area to earn a better life. according to pak ali he has seen initiative practices that preserve the beauty of nature but pak ali how sure is the party from and pak ali imagines this place will continue to grow.

"This opportunity brings a good economic impact to the life of the community because the local people will do business in this area to earn a better life".

(Retail store store in Simpang Mengayau Kudat)

The next seafood restaurant chosen by the researcher is located close to the tourist area of Tanjung Simpang mengayau. Based on the interview obtained from the employees that one of

them contributes to the community's life and improves the standard of living because of the establishment of new businesses, then there are opportunities for employees. Looking from the future, tourism at Tanjung Simpang Mengayau will continue to expand, therefore the government and other parties need to work together to develop the tourism sector.

"I see the future of tourism in Tanjung simpang mengayau will continue to expand, therefore the government and other parties need to work together to develop the tourism sector in order to contribute to the national economy".

(Restaurant in area Simpang Mengayau kudat)

The next restaurant chosen by the researcher is located near The Tip of Borneo Northern tip with a dramatic sea view in the Simpang mengayau area. High opportunities due to the view and beauty of nature and affect our business with the arrival of tourists and local people to rest and eat. Businesses may take a collaborative approach with other stakeholders such as tour operators, local authorities, and local businesses to provide a tourism experience that is comprehensive and cohesive.

"I imagine the future of tourism business opportunities will have a collaboration from various parties with local businesses."

(Restaurant in area Simpang Mengayau kudat)

The business chosen by the researcher in this place is a restaurant business that does business near the beach, which is Kudat Esplanade. The interview results of the respondents said that the tourism opportunities at Kudat Esplanade greatly contribute to the life of the community in terms of customer experience. An exceptional customer experience is a priority, including the use of technology to facilitate service, an efficient booking system.

"An exceptional customer experience is a priority, more so in the use of technology to facilitate service, an efficient booking system".

(Restaurant in area Esplanede kudat)

Next is the small business on the Bak-Bak Kudat beach as a case study chosen by the researcher. The businesses chosen by the researcher in this place are small businesses that do business near the beach. The business focuses on selling locally produced food and selling food and soft drinks. This opportunity to do business in a tourist place gives my business a place to stop looking at a new place in developing a tourism business. Building strong relationships with customers. Recognizing repeat customers and providing services that meet their needs and wants can build customer loyalty.

"Time review for my business is definitely Recognizing repeat customers and providing services that meet their needs and wants can build customer loyalty to improve work performance".

(Small business in area Bak-Bak Beach kudat)

The researcher's next choice is a small business that sells shells and local handicrafts by Pak Zaf located near Tanjung Simpang beach. Mr. Zaf believes that the increase in tourism is often linked to the development of infrastructure such as public toilets, road facilities, toilets, and other public facilities. This can bring benefits to local residents by improving accessibility and quality of life. I imagine online marketing like facebook and so on here will increase.

"I imagine the future of online marketing like facebook and so on here will increase."

(Small business in area Simpang Mengayau kudat)

Next is a small business in the esplanade kudat as a case study chosen by the researcher. The businesses chosen by the researcher in this place are small businesses that do business near the beach. This business focuses on selling locally produced food and selling food and drinks. The tourism activities that exist in the tourism center have also had a positive impact on the nearby community in terms of social network, With the interaction that occurs between the community in the area of tourism activities and visitors from inside and outside the country, communities can share information with each other, history of life and also knowledge about various things.

"Many people from the village here...many have friends who are tourists come and go here. So, with that introduction, the villager who less exposed... less traveling outside of this area can be done here's the info".

(Small business in Esplanade kudat)

The researcher's choice of a tiny company on Bak-Bak Kudat beach serves as the next case study. The small business that the researcher selected for this location is one that operates close to the beach, which is the playground or the area where one may take in the landscape. This company sells food and drinks that are made locally in addition to other things. Ms. Hasna's interview results say the economic impact on the community. get Jobs and Income Businesses that grow in the tourism sector often create local job opportunities. This includes employment in the food and beverage sector, accommodation, tourism services, and other related businesses. Residents can earn a stable income through this job. a practice that aims to preserve the beauty of nature that has been seen so far by the public works department that does the cleaning work in this area.

"A practice that aims to preserve the beauty of nature that my aunt has seen so far in the public works department that is doing the cleaning and restoration work in this area".

(Small business in Esplanade kudat)

Next is the small business on the Bak-Bak Kudat beach as a case study chosen by the researcher. The business chosen by the researcher in this place is a small business that does business near the beach which is the playground area. This business focuses on the sale of locally produced food and beverages and others. Flexibility of Operating Hours. Think about the flexibility of the store's operating hours. on the beach there are lots of tourists who prefer to shop after the evening and on weekends. By adjusting the operating hours can help attract more customers not only foreign tourists but also internal customers. This can contribute to the life of the community by increasing income.

"I can imagine that in the future the tourism sector, especially the business on this bak-bak beach, will increase and become more attractive".

(Small business in Esplanade kudat)

Next is a small business in Esplanade Kudat as a case study chosen by the researcher. The businesses chosen by the researcher in this place are small businesses that do business near the beach. The business focuses on selling locally produced food and selling snacks and drinks. pacik abu envisions the future of business opportunities in this area will expand with the increasing digital presence in tourism travel, businesses need to prepare to take advantage of digital platforms. Online marketing, travel apps, and virtual experiences may be part of a strategy to attract and interact with tourists.

"In the use of technology nowadays, there are many benefits, my uncle's children always use it, so my uncle thinks that this technology will develop the market here."

(Small business in area Esplanede kudat)

This business is focused on the sale of snacks and drinks and the priority is to sell local honey and sell handicrafts of the villagers. Based on the interviews made by the researcher found opportunities to increase Income and Local Economy. Local businesses get the opportunity to increase income through the sale of goods, souvenir products to tourists. respondents imagine the future of business will begin product innovation. The development of honey products starting from Gombizau can attract new customers. Innovation in packaging and variety of honey products can increase the appeal.

"Local businesses get the opportunity to increase income and raise the standard of living through the sale of goods, souvenir products to tourists."

(Small business in Gombizau honey village area)

Next small business in Gombizau honey village as a case study chosen by the researcher. The economic impact of the tourism sector opportunities in this area is that the tourism business creates local job opportunities, reduces the unemployment rate, and improves the standard of living of the local population. emphasis on local honey products and unique experiences in honey villages, the number of tourists can increase, providing opportunities for future business growth from future survey results.

"Emphasis on local honey products and unique experiences in honey villages, the number of tourists can increase, providing opportunities for business growth".

(Small business in Gombizau honey village area)

Next is the Tour business for visitors kelulut bee stingless bee in Gombizau honey village as a case study chosen by the researcher. The business chosen by the researcher in this place is Tourist Attraction which offers guided tours for tourists who want to understand beekeeping practices and types of bees as well as enable the purchase of local honey. Respondents imagine and expect Local Community Involvement has happened a long time ago until today there are more and more Involvement residents in honey management and business development can strengthen relationships with the community. An increase in skills training and local job opportunities can increase community support.

"Increasing involvement of local residents in honey management and business development"

(Business tours for tourists in area Gombizau honey village)

Next, the Santai Cafe business chosen by the researcher is located near The Tip of Borneo Northern tip with a dramatic sea view in the Simpang mengayau area. the results of the interview found that a few elderly people are still not fluent in Malay. Therefore, the existence of this area of tourism activity has been many helping the community to learn to understand and master foreign languages such as English, Mandarin, Spanish and Tagalog. There are a handful of community members at tourist areas are now fluent in English and Mandarin. This is because of the second this language is widely used by visitors involved in tourism activities in this area.

"This opportunity can improve the communication skills of some people this can improve knowledge of foreign languages and make it easier to do business in the future".

(Business café in Simpang Mengayau kudat)

4.5 To determine digital marketing and technology to address challenges and tap into new opportunities for small tourism businesses Kudat, Sabah.

In the beautiful province of Kudat, where natural beauty meets cultural richness, small tourism businesses stand at the crossroads of challenges and opportunities. Located at the northern tip of Borneo, Kudat has great potential as a tourist destination, but the path to sustainable growth is not without obstacles. In this dynamic landscape, the integration of digital marketing and technology emerges as an important solution, offering a gateway for small businesses to overcome challenges and open new horizons.

As we move into the digital age, the traditional paradigm of tourism promotion is evolving. Small businesses in Kudat can no longer rely solely on conventional methods to reach their audience. The advent of digital marketing opens up a realm of possibilities, allowing businesses to strengthen their presence on a global scale. From social media campaigns showcasing the region's unique attractions to targeted online advertising, the digital realm is becoming a powerful tool to engage and captivate potential tourists.

Additionally, technology serves as a catalyst for efficiency and innovation. Small travel businesses can harness the potential of data analytics to understand customer preferences, tailor experiences and refine their offerings. Online booking systems and mobile applications not only streamline operations but also improve the overall visitor experience. By embracing technology, businesses in Kudat can create seamless and memorable trips for tourists, fostering repeat visits and positive word-of-mouth marketing.

Table 4.5: The summary of case study (To determine digital marketing and technology to address challenges and tap into new opportunities for small tourism businesses Kudat, Sabah)

Research objective	Interview data from respondents
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Digital marketing and technology to address challenges and tap into new opportunities	Retail	Retail	Restaurant	Restaurant	Restaurant	Small business	Small business
Current Digital Marketing and Technology Landscape	/	/	/	/	/	/	/
Challenges Addressed through Digital Marketing and Technology			/	/	/	/	/
digital marketing and technology trends			/	/	/	/	/
Technology Adoption			/	/	/	/	/

Summarize by the researcher (2023)

Table 4.5: The summary of case study (To determine digital marketing and technology to address challenges and tap into new opportunities for small tourism businesses Kudat, Sabah)

Research objective	Interview data from respondents
--------------------	---------------------------------

Digital marketing and technology to address challenges and tap into new opportunities	Small business	Small business	Small business	Small business	Small business	Small business	Tours for visitors	cafe
Current Digital Marketing and Technology Landscape		/				/	/	/
Challenges Addressed through Digital Marketing and Technology						/	/	/
digital marketing and technology trends		/				/	/	/
Technology Adoption		/				/	/	/

Summarize by the researcher (2023)

The third objective part for the second choice retail store business of the researcher in Tanjung Simpang mengayau or the tips of borneo found that the use of digital marketing platforms is relatively less in digital marketing users. the results of the researcher's observation found Using Google to help businesses to appear in Google Maps search and provide accurate information about location, hours of operation, and customer reviews. More Some areas may face challenges in providing efficient technological infrastructure such as fast Internet access. This can prevent businesses from fully adopting digital technology.

(Retail store in Simpang Mengayau Kudat)

The third objective part for the researcher's second choice retail store business in Tanjung Simpang Mengayau or the tips of Borneo discovered that it is almost the same as the researcher's first choice retail store, which is that the use of digital marketing platforms is slightly lower among digital marketing users. The researcher's observations revealed that companies may use Google to appear in Google Maps searches and give accurate information about their location, hours of operation, and customer reviews. More Some places may experience difficulties in establishing efficient technology infrastructure, such as quick Internet connectivity. This may prohibit organisations from completely adopting digital technologies.

(Retail store in Simpang Mengayau Kudat)

The next seafood restaurant chosen by the researcher is located near the tourist area of Tanjung Simpang mengayau which is questionable related to the third objective. Based on interviews obtained from employees that the marketing platforms used by this business are facebook, instagram and tiktok. Active in social media can Build a strong presence on social media platforms and Share pictures, videos, and interesting stories related to local destinations or activities.

"We use social media to introduce our business so that local people and tourists know about our business."

(Restaurant in Simpang Mengayau kudat area)

The next seafood restaurant which is the second choice by the researcher is located near the tourist area of Tanjung Simpang mengayau which was interviewed in relation to the third objective. Based on the observation of the business researcher only using google to introduce their business such as location on google map, pictures, videos, user reviews and as so far there has been no use of social media. just hoping for the arrival of customers to this restaurant

(Restaurant in area Simpang Mengayau kudat)

The researcher's next choice is a small business that sells shells and local handicrafts by Pak Zaf located near Tanjung Simpang beach. As a result of the interviews conducted, the researcher found that Pak Zaf's shell and handicraft business uses WhatsApp business with users if the user wants to order handicrafts such as shells and also handicrafts for yachts, boats and so on. Society's Awareness and Acceptance of the new technology that comes in. Some communities may not understand or accept technological changes, which can complicate efforts to introduce digital innovations.

"Uncle only uses whatsapp to communicate with customers about his order including whatsapp call"

(Small business in area Simpang Mengayau kudat)

The business is focused on selling snacks and drinks and the priority is selling local honey and selling handicrafts of the villagers. The digital marketing used is Facebook and Instagram. Small businesses often use Facebook and Instagram to build an online community, share interesting photos and stories, and promote their travel packages or services.

"As far as the social media we use is Facebook and also google to introduce our products and also our tourist spots in this village there are indeed many challenges, but this is an opportunity for us to improve and expand our business".

(Small business in area Gombizau honey village)

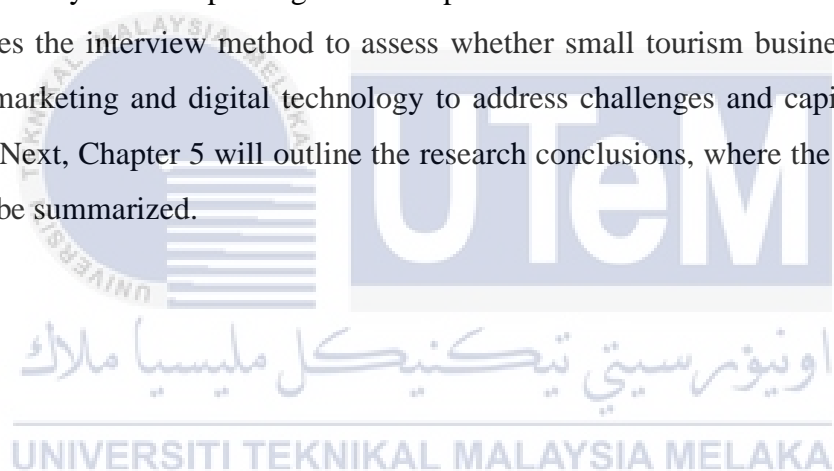
Next is the Tour business for visitors in Gombizau honey village as a case study chosen by the researcher. The business chosen by the researchers in this place is Tourist Attraction which offers guided tours for tourists who want to understand beekeeping practices and types of bees and enables the purchase of local honey. Strategies that can be used in tourist areas are Reviews and Positive Ratings. Encourage customers to leave positive reviews on websites, review platforms such as social media. Respond positively to customer reviews and feedback.

(Business for visitors in area Gombizau honey village)

4.6 Summary

In this chapter, the researcher has discussed and analyzed the data from the case study. Through interview data and secondary data obtained from selected case studies, each respondent has their own challenges and opportunities that can lead to the success of small businesses in tourism areas. In summary, the objective of study 1 uses interview methods, and observation, from selected case studies to evaluate and also find out what are the main challenges faced by small tourism businesses as well as how to overcome the challenges by determining effective strategies to increase their success.

Objectives of the study 2 using the interview method to assess how effective this tourist business opportunity is in improving business performance in the tourism area. Research objective 3 uses the interview method to assess whether small tourism businesses in Kudat can leverage marketing and digital technology to address challenges and capitalize on new opportunities. Next, Chapter 5 will outline the research conclusions, where the findings from the study will be summarized.



CHAPTER 5

CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

In this chapter, the study aims to present findings, research evaluation and conclusions obtained from the entire research process. This chapter will also discuss about research limitations and recommendations for the study of Challenges and Opportunities Towards the Success of Small Tourism Businesses in Kudat, Sabah. Therefore, the conclusion of each research objectives are highlighted and discussed accordingly with the findings from Chapter 4. Initially, the objectives of this study were:

- i. To identify the most significant challenges for tourism businesses and recommendations that can assist to achieve success in doing business in the tourist spots of Kudat, Sabah.
- ii. To determine the opportunities available for small tourism businesses, contribute to the success of small tourism businesses in Kudat, Sabah.
- iii. To determine digital marketing and technology to address challenges and tap into new opportunities for small tourism businesses Kudat, Sabah.

The objectives of this study are discussed accordingly and the findings are concluded in this chapter.

5.2 Discussion

The tourism industry plays an important role in the economic development of the region, and small tourism businesses contribute significantly to this sector. This study focuses on the challenges and opportunities faced by small tourism businesses in Kudat, Sabah, with the aim of identifying effective strategies for their success.

The first objective aims to delve into the intricacies of the challenges faced by the tourism business in Kudat. From limited infrastructure to the seasonal nature of tourism, understanding these barriers is essential to formulating recommendations and strategies that

can pave the way for success. By continually addressing these challenges, businesses can strengthen themselves against adversity, ensuring sustainable growth and resilience.

The second objective begins the exploration of opportunities found in the vibrant tapestry of Kudat's tourism landscape. From cultural events that showcase the richness of local traditions to the potential of ecotourism that aligns with the region's natural wonders, identifying and capitalizing on these opportunities can contribute significantly to the success of small tourism businesses. Collaboration and innovation will be at the forefront as businesses strive to unlock the full potential of their offerings.

In an era defined by technological advances, the third objective recognizes the important role that digital marketing and technology play in addressing challenges and opening up new opportunities. From establishing a robust online presence to implementing a smart booking system and embracing sustainability technology, aspects of this study aim to guide small tourism businesses in Kudat towards a tech-savvy future. The integration of digital strategy is not only a response to challenges but a proactive approach to harnessing the great potential of the digital realm.

This is researcher hope that the findings of this study will not only shed light on the ins and outs of the Kudat tourism industry but also provide actionable insights that empower small businesses to overcome challenges, seize opportunities, and thrive in the ever-evolving global tourism landscape.

5.2.1 Research Question 1: What Are The Key Challenges Faced by Small Tourism Businesses and How to Overcome The Challenges by Determining Effective Strategies to Enhance Their Success?

The first research question examines the core challenges faced by small tourism businesses in Kudat. From limited resources to regulatory hurdles and fluctuating tourist patterns, this study aims to identify barriers that may hinder success. Furthermore, it aims to devise effective strategies that can empower these businesses to overcome challenges, foster resilience and growth in a dynamic tourism landscape.

From the analysis discussed in this study, it is evident that all identified from the 15 respondents each face different challenges therefore the researcher also gives any best suggestions for small businesses in tourist areas to solve the problems of the respondents and things that can further increase their success in do business. There are many challenges faced by respondents, including challenges in terms of competition, stock management, product safety, weather, marketing, law and so on.

5.2.2 Research Question 2: How Effective is This Tourist Business Opportunity in Increasing The Business Performance at, Kudat Sabah Tourism Areas?

The second research question examines the effectiveness of existing tourism business opportunities in Kudat, assessing their impact on overall business performance. By understanding the relationship between local attractions, cultural events and business success, this study aims to unravel potential channels for growth and development in Sabah's tourism area, Kudat.

The opportunities are wide open, the only difference is whether the local community benefits from the business opportunities available in the tourism area. In addition, the economic impact is very meaningful and contributes to the local community to be more willing to become consumers or sellers. For the future outlook, each respondent's view is positive.

Effectiveness of Tourism Business Opportunities

Investment in infrastructure has a significant impact on the effectiveness of tourism business opportunities. A well-developed transport network, accommodation options and essential amenities enhance accessibility and the overall experience for tourists. Smooth infrastructure not only attracts more visitors but also facilitates smooth business operations in the tourism sector.

In an era of global connectivity, effective marketing strategies and a strong digital presence play an important role in attracting a diverse audience. The use of online platforms, social media, and targeted marketing campaigns increase visibility, reaching potential travelers worldwide. Therefore, the effectiveness of tourism business opportunities is closely related to the ability to leverage digital tools for promotion and engagement.

The dynamism of the tourism industry requires businesses in Kudat to continue to adapt to the evolving market trends. Whether embracing sustainable tourism practices, incorporating technology for an enhanced experience, or diversifying offerings to meet changing preferences, adaptability ensures the relevance and competitiveness of tourism business opportunities. In conclusion, the effectiveness of tourism business opportunities in Kudat, Sabah, goes beyond mere financial metrics. It embodies a holistic approach that includes community engagement, environmental stewardship, and delivering exceptional experiences. By carefully balancing economic growth with cultural preservation and environmental conservation, Kudat can position itself as a model for sustainable and thriving tourism in the region.

Economic and Community Impact

One of the key metrics for evaluating the effectiveness of tourism business opportunities in Kudat is its economic impact. The tourism industry should be a catalyst for local economic growth, generating jobs, income and business opportunities. The creation of a robust tourism ecosystem, including accommodation, transport and support services, contributes not only to the livelihoods of those directly involved but also to the wider economic landscape of the region.

Effectiveness goes beyond mere economic metrics, it includes the active involvement and empowerment of local communities. Sustainable tourism practices involve communities in the decision-making process, ensuring that the benefits of tourism are shared equitably. When local residents actively participate and benefit from tourism-related activities, it increases the effectiveness and overall acceptance of business opportunities.

In conclusion, the effectiveness of tourism business opportunities in Kudat, Sabah, goes beyond mere financial metrics. It embraces a holistic approach that includes community engagement, environmental stewardship and delivering exceptional experiences. By carefully balancing economic growth with cultural preservation and environmental conservation, Kudat can position itself as a model for sustainable and thriving tourism in the region. The results of interviews made to obtain each case study selected by the researcher give the impression that each individual is good for business if the opportunity is used as best as possible.

Local and Government Support

this discussion, we explore the important role of local and government support in shaping and sustaining tourism business opportunities in Kudat. From community engagement to policy frameworks, collaboration between grassroots initiatives and official bodies plays an important role in determining the trajectory of the region's tourism industry. based on the researcher's observation, it is true that some respondents received help from certain parties in developing their business but some respondents did not receive help due to the difficult process and neglect.

In conclusion, the synergy between local and government support is the basis for the success of tourism business opportunities in Kudat. By fostering community involvement, preserving cultural heritage, implementing supportive policies and investing in infrastructure, Kudat can position itself as a model for sustainable tourism development where economic growth is harmoniously aligned with cultural preservation and environmental care.

5.2.3 Research Question 3: How Can Small Tourism Businesses in Kudat Leverage Digital Marketing and Technology to Address Challenges and Tap Into New Opportunities?

In the beautiful landscape of Kudat, Sabah, a small tourism business stands at the crossroads of tradition and modernity, facing both unique challenges and unprecedented opportunities. As the global landscape evolves, the integration of digital marketing and technology has become increasingly important for businesses to thrive. This research aims to explore how small tourism businesses in Kudat can strategically leverage digital marketing and technology to address challenges and capitalize on new opportunities. By examining the current landscape, potential barriers and transformative power of digital tools, we aim to provide insights that empower these businesses to effectively navigate the dynamic travel industry.

Based on observations and interviews with the researcher and respondents found that the presence of Digital in most tourist areas in Kudat has just started to grow even though a few businesses still do not use this digital. Creating a strong digital presence is the foundation of

modern marketing. Small tourism businesses in Kudat can use digital platforms to showcase their unique offerings, tell compelling stories and build a distinct brand identity. Through visually appealing websites, social media platforms such as Facebook, Instagram and TikTok, businesses can capture the attention of a global audience, fostering brand recognition and loyalty.

In essence, the integration of digital marketing and technology offers a transformative path for small tourism businesses in Kudat. By strategically navigating this landscape, businesses can overcome challenges, increase visibility and capitalize on new opportunities, positioning Kudat as a sought-after destination in the digital age.

5.3 Conclusion

In conclusion, the challenges and opportunities that shape the success of small tourism businesses in Kudat, Sabah, are intricately woven into the fabric of this dynamic industry. Through the exploration of key challenges, the study has sought to provide actionable insights and effective strategies, offering a road map for businesses to overcome obstacles and emerge resilient.

An assessment of tourism business opportunities in the region has highlighted the importance of coordination with local attractions and cultural events. By doing so, small businesses can not only increase their visibility but also contribute to the vibrant tapestry of Sabah's tourism sector.

Additionally, discussions on leveraging digital marketing and technology emphasize the transformative potential of these tools. In a landscape where online presence is paramount, embracing technological innovation becomes a strategic imperative for businesses that aspire to capitalize on new opportunities and address contemporary challenges.

As Kudat continues to grow as a sought-after destination, the success of its small tourism businesses remains intertwined with their ability to adapt, innovate and embrace the various strategies outlined in this study. By overcoming challenges and seizing opportunities, this enterprise can not only thrive but also contribute significantly to the sustainable growth and development of the tourism sector in Kudat, Sabah.

5.4 Limitations of Research

Several limitations have been identified in this study, which actually constitute basis for some further studies. Limitations are related to the study methodology. The following discussion will clarify these limitations and steps taken to reduce the impact this may have on the results and findings the study. Data collection methods, Reliance on surveys, interviews, or secondary data may introduce biases or limitations in capturing the nuanced challenges and opportunities facing small tourism businesses. Accuracy of self-reported data may also be a concern. Reliance on surveys, interviews, or secondary data may introduce biases or limitations in capturing the nuanced challenges and opportunities facing small tourism businesses. Accuracy of self-reported data may also be a concern.

5.5 Recommendations for Further Studies

The current study can be a starting point for many future studies about Challenges and Opportunities Towards the Success of Small Tourism Business Kudat, Sabah. Based on literature review, current research results, limitations and strengths of the study, in this proposal the researcher emphasizes 3 things that should be a focus for future research because for the researcher the matter is very important and needs to be taken into account because there is a lack of focus to advance the tourism sector in Kudat Sabah there are recommendations for future research, including:

Analysis of the Impact of Technology Use:

Explore the impact of using advanced technologies, such as artificial intelligence, augmented reality or blockchain, on the success of small tourism businesses in Kudat. Evaluate how this technology can improve customer experience and operational efficiency.

Sustainability and Environmental Impact Studies:

Deepen the understanding of sustainability practices in the tourism industry in Kudat. Investigate the environmental impact of tourism activities and identify sustainable practices that small businesses can adopt to contribute positively to the region's ecology.

Policy and Regulatory Studies:

Investigate the effectiveness of existing policies and regulations affecting small tourism businesses in Kudat. Analyze how these policies either facilitate or hinder business growth, and provide recommendations for policy improvements to support the sector.

This proposal aims to further increase the knowledge base of the challenges and opportunities faced by small tourism businesses in Kudat, Sabah. Each of the proposed studies can contribute valuable insights that, when integrated, provide a holistic understanding of the factors that influence the success of the tourism sector in the region.



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APPENDIX

APPENDIX: INTERVIEW PROTOCOL

1. In-depth Interviews (IDIs) Information Profile

INFORMATION PROFILE

In-depth Interviews

Introduction

Muhamad Saiful Bin Mohd Hairun, am conducting a degree-level research study to examine "Challenges and Opportunities Towards the Success of Small Tourism Business in Kudat, Sabah. I am interested explores the As for qualitative methodology, this research collects primary data from respective respondents through observation, interview session, and a case study, It focuses on an in-depth investigation of one case or a small number of cases and in the research challenges and opportunities towards the success of small tourism business in kudat sabah. Reasons behind the study of effective this tourist business opportunity in increasing the business performance.

UNIVERSITI TEKNIKAL MALAYSIA MELAKA

What is the purpose of this study?

I would like to study challenges and opportunities towards the success of small tourism business in kudat sabah and reasons behind the study of effective this tourist business opportunity in increasing the business performance.

How long is the duration of this research interview?

The interview will last about less than 60 minutes.

Can I ceased being part of the research interview?

You can opt to stop participating at any time. Just inform the researcher right away if you wish to stop the interview.

What risks can I expect from being in the research interview?

Participation in any research study may involve personal views and opinions. Information you provide about your experiences and opinions will be recorded. The information obtained from these interviews will only be used by the researcher for academic purposes. However, researchers typically take measures to ensure confidentiality and anonymity, such as using pseudonyms or removing personally identifiable information from the data. Participating in a research interview requires an investment of your time and effort. Interviews may take anywhere less than an hour, depending on the depth and scope of the study. It's essential to consider whether you have the availability and willingness to commit to the interview process before agreeing to participate.

Are there benefits to taking part in the study?

There will be no direct benefit to you from participating in this study. However, you will have the opportunity to contribute to the understanding of student entrepreneurship in higher education, helping to advance knowledge in this area. By sharing your experiences and perspectives, you can help researchers about Challenges and Opportunities Towards the Success of Small Tourism Business in Kudat, Sabah. Additionally, participating in the study may enable you to reflect on your own entrepreneurial journey and gain insights from the research findings, potentially enhancing your own entrepreneurial skills and strategies based on every challenge and opportunity existing. Lastly, your involvement can contribute to the economic growth and employment, small tourism businesses are significant contributors to the local economy. Understanding their challenges and opportunities can lead to the creation of more jobs and income-generating opportunities for the local population. This can reduce unemployment rates and boost the overall economic well-being of the community.

What other choices do I have if I do not take part in this study?

You are free to choose not to participate in the study. If you decide not to take part in this study, I respectfully accept your decision without prejudice.

What are the costs of taking part in this study?

There are no costs to you for taking part in this study.

What are my rights if I take part in this interview?

You should be aware of your rights if you decide to take part in the research interview. These rights often include the ability to provide informed consent, which is the right to be aware of the nature, scope, potential dangers, and advantages of the study before deciding whether to participate. You also have the right to confidentiality, meaning your personal information and responses will be kept private and anonymized whenever possible. Additionally, you have the right to withdraw from the study at any time without penalty or consequences. Lastly, you have the right to ask questions, seek clarification, and receive feedback regarding the study process and outcomes. These rights are designed to protect your interests and ensure your voluntary participation in the research interview.

Who can answer my questions about the study?

I will personally be delighted to answer all your inquiries, concerns, and questions. You may contact me at (b062010203@student.utm.edu.my) for any other further inquiries.

Giving consent to participate in the study.

Participation in the interview is voluntary, and you have the right to decline or withdraw from the study without penalty. You can keep this information sheet for reference. If you choose to participate, inform the researcher either now or at the scheduled interview time. If you do not

wish for your quotes or results to be included in any reports, even anonymously, please inform the researcher.

2. Personal Interview Consent Form

CONSENT FORM

Study Title: Challenges and Opportunities Towards the Success of Small Tourism Business in Kudat, Sabah

Researcher: Muhamad Saiful Bin Mohd Hairun (B062010203) Universiti Teknikal Malaysia Melaka

- The study has been explained to me in a language that I comprehend. All the questions I had about the study have been answered. I understand what will happen during the interview and what is expected of me.
- I have been informed that it is my right to refuse to take part in the interview today and that if I choose to refuse, I do not have to give a reason, and that it will not prejudice the care that I can expect to receive now, or in the future.
- I have been informed that anything I say during the interview today will remain completely confidential: my name will not be used nor any other information that could be used to identify me.
- It has been explained that sometimes the researchers find it helpful to use my own words when writing up the findings of this research. I understand that any use of my words would be completely anonymous (without my name). I have been told that I can decide whether I permit my words to be used in this way.

Circle Response:

I agree to take part in this study.	Yes	No
I agree that my own words may be used anonymously in this report.	Yes	No

Signature of Participant:

NAME (In capital letters)	SIGNATURE	DATE OF SIGNATURE (In DD/MM/YYYY)

Signature of Researcher Documenting Consent:

he/she I have discussed the study with the respondent named above, in a language can comprehend. I believe he/she has understood my explanation and agrees to take part in the interview.

NAME (In capital letters)	SIGNATURE	DATE OF SIGNATURE (In DD/MM/YYYY)

3. Participant/Informant Interview Questions (Face to Face Interview)

Interview Questions

Interview Focus: Examining the explore the internal and external factors that influence the intentions to be student entrepreneurs as well as the key success factors of student entrepreneurs in higher education.

Participant ID NO: Gender: Male/Female Researcher Initials:

Case Location: Date:

Introduction

I am

from

- General purpose of the study.
- Aims of the interview and expected duration.
- Who is involved in the process (other participants).
- Why the participant's cooperation is important.
- What will happen with the collected information and how the participant target group will benefit.
- Any questions?
- Consent.

Background Information

1. Can you please introduce yourself and provide some background information about yourself?
2. How old are you, and what is your gender?
3. Explain that the interview is focused on understanding the challenges and opportunities faced by small tourism businesses in Kudat, Sabah.
4. Assure participants of the confidentiality and anonymity of their responses.

5. Request their consent to record the interview, if applicable.

Now I am going to ask you some questions about your knowledge and experience regarding Challenges and Opportunities Towards the Success of Small Tourism Business in Kudat, Sabah, in addition, the key determining effective strategies to enhance their success (you) in higher education.

Due to its natural beauty, rich cultural history, and wealth of attractions, Kudat, Sabah, Malaysia, has a significant potential as a tourist destination. The Kudat tourist sector benefits greatly from the assistance and promotion provided by small tourism businesses. Understanding these traits is essential for formulating plans for overcoming obstacles and promoting the expansion of small tourist businesses in the area. There are many obstacles that prevent businesses operating in tourist areas from succeeding, but these obstacles can also present excellent chances to step up efforts to do so. Every business needs to understand the issue at hand, identify the issue, and turn it into an interest.

Section A: To identify the most significant challenges for tourism businesses and recommendations that can assist to achieve success in doing business in the tourist spots of Kudat, Sabah

Introduction:

1. Begin by introducing yourself and the purpose of the interview, emphasizing that you are interested in understanding the challenges faced by small tourism businesses in Kudat, Sabah, and strategies to overcome them for enhanced success.
2. Explain that the interview will consist of questions related to challenges and potential solutions.
3. Ensure the interviewee's consent for recording, if applicable.
4. Assure the interviewee of confidentiality and anonymity if necessary.

Challenges Faced by Small Tourism Businesses:

1. 1. What are the main challenges faced by your business or other tourism businesses in Kudat, Sabah?

2. Are there regulatory or legal challenges that hinder the growth and operation of small tourism businesses?

Strategies for Overcoming Challenges and Enhancing Success:

1. In your experience, what strategies have been effective in overcoming economic challenges for small tourism businesses in Kudat, Sabah?
2. What marketing and promotional strategies have worked well for your business or others in the area?

Section B: To determine the opportunities available for small tourism businesses, contribute to the success of small tourism businesses in Kudat, Sabah

Introduction:

1. Explain that the interview will focus on evaluating how tourism business opportunities contribute to the performance of businesses in the Kudat tourism sector.
2. Ensure the interviewee's consent for recording, if applicable.
3. Assure the interviewee of confidentiality and anonymity if necessary.
4. Assure the interviewee of confidentiality and anonymity if necessary.

Effectiveness of Tourism Business Opportunities:

Can you quantify or provide specific examples of how these opportunities have positively influenced your business?

Economic and Community Impact:

How do these opportunities contribute to the livelihoods of local communities and residents?

Sustainability and Environmental Considerations:

Have you observed any practices or initiatives aimed at preserving the natural beauty and resources of the region while pursuing tourism opportunities?

Local and Government Support:

What kind of support, if any, have you received from local authorities or government bodies in relation to tourism business opportunities?

Future Outlook:

How do you envision the future of tourism business opportunities in Kudat, Sabah?

Section C: To determine digital marketing and technology to address challenges and tap into new opportunities for small tourism businesses Kudat, Sabah

Introduction

1. Explain that the interview will focus on strategies related to digital marketing and technology adoption.
2. Ensure the interviewee's consent for recording, if applicable.
3. Assure the interviewee of confidentiality and anonymity if necessary.

Current Digital Marketing and Technology Landscape:

What digital marketing tools or platforms used in your businesses in this area?

Are there any notable technology trends that have impacted the tourism sector in Kudat, Sabah?

Challenges Addressed through Digital Marketing and Technology:

Can you provide examples of how businesses have successfully used digital marketing?

Opportunities and Strategies:

What strategies can businesses employ to enhance their online presence and visibility in the competitive tourism industry?

Technology Adoption:

Are there any challenges or barriers to technology adoption that businesses should be aware of, and how can they be overcome?

Closing

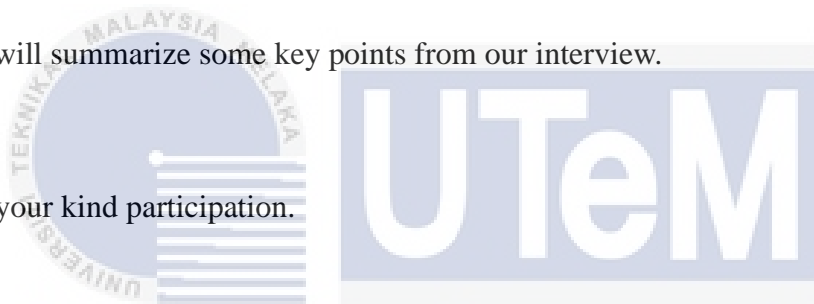
Is there anything else you think is important in understanding the Challenges and Opportunities Towards the Success of Small Tourism Business in Kudat, Sabah in higher education?

Summarise - I will summarize some key points from our interview.

Thank you for your kind participation.

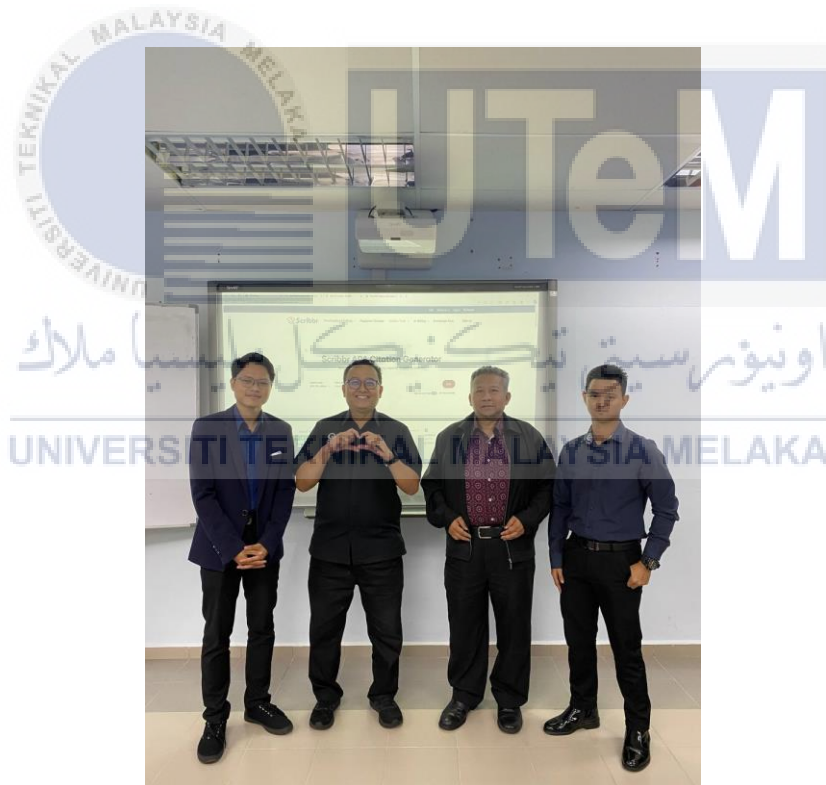
I'll be happy to provide any extra and relevant information and contacts to you.

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Interview Session and Presentation Fyp





Gantt Chart for PSM 2

Procedure for PSM 2	Week														
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Activities															
PSM Briefing session	■														
Meeting with PSM supervisor		■													
Interview questions development			■	■	■	■	■								
Meeting with PSM supervisor							■								
Modify interview questions							■	■							
Data collection									■	■	■	■			
Completion of chapter 4													■	■	■
Completion of chapter 5													■	■	■
Presentation of PSM 2															■
Final correction for thesis															
Submission of PSM 2															■

اونيور سیتی تکنیکل ملیسیا ملاک

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