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The 9th International Conference on Marketing and Retailing**SUSTAINABLE BUSINESS PRACTICES AMONG THE
INDIGENOUS COMMUNITY IN ROYAL BELUM**

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Abstract

Research concerning the Indigenous people have been growing for the past few years. Compared to other ethnic in Malaysia, the indigenous community is still far behind in poverty. The community is considered under the Government's poverty eradication policies and programmes. There are nineteen ethnic subgroups comprised of the indigenous peoples in Peninsular Malaysia, and from these 19 ethnic subgroups are the three main ethnic groups. The Malaysian Government perceives the Indigenous people as underdeveloped and in need of support and modernization. The Indigenous people are roughly from 140,000 to 180,000 in population. The Indigenous households in Kedah State have the second highest number of poor Indigenous households, with 8.8 per cent. The Perak State follows this with a 7.3 per cent household poverty rate in Peninsular Malaysia. The other states were reported to fall at around 3 per cent to 5 per cent in the household poverty rate. The community is well known for conducting domestic business activities mainly for survival by selling raw materials such as various types of fish and many agricultural products, done mainly by the adults. This research examines the business activities conducted by the Indigenous community in Kg Sg Tiang Royal Belum to understand the depth of their entrepreneurship. A face-to-face survey was conducted amongst the Royal Belum community to gauge a deeper understanding of their business activities. Data were analyzed using SPSS ver 28, and the profile of the community who conducted business practices for sustainable business income is presented.

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1. Introduction

Various studies have been carried out on the entrepreneurial activities of the Indigenous community in Peninsular Malaysia. One significant characteristic found in past research is their self-sufficiency and reluctance to rely on external parties. Thus, the Indigenous people's main areas of the enterprise are generating cash from products of the forest, either in their natural form or as the main component of a by-product such as weaving handicrafts. They typically participate in agriculture, fishing, hunting, and gathering forest resources; however, they have recently expanded into more lucrative economic pursuits. These alternative activities are mainly the cottage industry of handicraft production. Despite their aversion to reliance on other parties, dabbling in the rattan handicraft business has inevitably exposed them to exploitation by middlemen.

Mohd Rosdi et al. (2018) studied the community's intention towards business start-ups and what forms of support they need. Their study involves focus group interviews with female Orang Asli Semai in Perak. The findings of this study revealed that the Orang Asli have intentions towards business start-ups but lack confidence due to lack of financial and non-financial backing. Bakar et al. (2020) found that only 1 per cent of the Orang Asli communities of Tasik Chini are venturing into entrepreneurship activities, and these activities are mainly in the handicraft manufacturing sector. According to the findings, their success hinges greatly on external support in business knowledge, financial and entrepreneurial training and facilities from the Government. The Orang Asli entrepreneurs rely on ongoing backing from NGOs and higher educational institutions to provide entrepreneurship workshops or training. The Government and the relevant authorities must monitor these ventures to ensure their sustainability and aid the entrepreneurs in overcoming the various obstacles.

To ensure the inclusion of Indigenous communities in the nation's development, the Malaysian Government has implemented a range of initiatives aimed at supporting Orang Asli communities with economic advancement, addressing native land concerns, and enhancing educational opportunities. According to the Minister of Rural and Regional Development, Datuk Seri Ismail Sabri Yaakob, the Government had allocated RM20 million as start-up capital for businesses under the 11th Malaysia Plan. As a result, there were already 534 registered entrepreneurs, with plans to add another 600 more entrepreneurs to various businesses. Encouraging the younger generations of Indigenous communities to pursue entrepreneurship is crucial for elevating their socioeconomic standing and achieving parity with other communities in the country. The Prime Minister's Department Minister, P. Waytha Moorthy, said these entrepreneurship ventures could be the stepping stones to augment their self-esteem. They will also prove that the communities can compete productively in the country's development. All these schemes have increased awareness among the Indigenous communities about the importance of education and income-generating skills. The main incentive is to make them see that the business is a form of earning a livelihood but to ensure the venture's sustainability; they need to be driven and ambitious.

2. Problem Statement

Compared to other ethnic in Malaysia, the Indigenous community is still far behind in poverty. The community is considered under the poverty eradication policies and programmes specified by the Government. According to the Annual Report of the Department of Orang Asli Development (JAKOA) in

2006, out of 147 412 indigenous people living in Pahang and Perak, approximately 76.9 per cent of them still live in poverty.

A preliminary interview with the indigenous people in Royal Belum Perak was undertaken on 22-23 June 2019, revealing that one of the primary sources of income activities in the community is doing business with the tourists and outside people who come to the jetty. They mainly conduct their business activities by selling raw materials such as various types of fish and many agricultural products, mostly done by adults. Aware that entrepreneurial activity has been taking place amongst the community in Royal Belum Perak, the concern is to understand the extent of entrepreneurial orientation in the community. Further, the means for the indigenous people to sustain their income warrants deeper exploration. Hence, this research aims to understand the entrepreneurial orientation among the indigenous community and recommend ways for them to sustain their source of income. The research also aims to help the community by embedding a business mindset in the young through knowledge enhancement on entrepreneurship.

3. Review of Past Studies

3.1. Individual Entrepreneurship Orientation

The term entrepreneurial orientation (EO) was first proposed by Miller and Friesen in 1982, and in the past four decades, EO has become a central concept in the entrepreneurship domain (Mohammadi, 2021; Okeyo et al., 2016; Sahoo & Yadav, 2017). From the previous entrepreneurship literature, entrepreneurial orientation has been positively associated with five key characteristics of entrepreneurs: innovativeness, risk-taking, proactiveness, competitive aggressiveness, and autonomy (Huang & Wang, 2011; Wathanakom et al., 2020). Entrepreneurial orientation acts as an organization's behaviors and beliefs, emphasizing proactively acquiring entrepreneurial opportunities and creating innovation (Yusnita & Yusop, 2021). In addition, EO refers to a specific entrepreneurial attribute highlighted by three major dimensions: risk-taking, innovativeness and proactiveness (Huang & Wang, 2011; Kamal, Yunus, Abidin, et al., 2018; Kamal, Yunus, Zainal, et al., 2018). However, (Kamal, Yunus, Zainal, et al., 2018) mention that inclusive evidence of entrepreneurial orientation has not been thoroughly conducted in the Malaysian context.

This research has used EO to anticipate the entrepreneurial propensity among individuals within firms, which is considered as individual entrepreneurial orientation (IEO). IEO has been identified as a major capability for an individual which affects his or her disposition to become an entrepreneur (Mohammadi, 2021). IEO enhances the ability of individuals to identify opportunities and propose entrepreneurial behaviour (Huang & Wang, 2011; Rynaldo & Engriani, 2021), or in the case of managing a business, they can increase the performance of their businesses (Cho & Lee, 2018).

The theory of planned behaviour considers both the social and individual characteristics of entrepreneurs. This means that attitudes, characteristics, and social backgrounds influence an intention which will develop into a behaviour (Rynaldo & Engriani, 2021; Sajilan & Tehseen, 2019; Wathanakom et al., 2020). Mohammadi (2021) stated that practically used multidimensional modified constructs of EO would not be expected to appear simultaneously for an individual.

3.2. Entrepreneurship Innovativeness

Innovative, proactive and risk-taking entrepreneurs will eagerly carry out entrepreneurial activities and achieve high business performances. Firms with entrepreneurial orientation pursue innovation in products and markets and take necessary risks instead of avoiding and proactively reacting to opportunities and changes in environments (Cho & Lee, 2018). Innovation theory, which is also referred to as the "creative destruction theory" of entrepreneurship (Tunku et al., 2018), states that innovation is the act of radical replacement of outdated products with new ones as well as persistent improvement of product and process mechanisms (Lake & Ratna, 2019). Firms with innovation orientations usually use value-creation strategies such as developing new products or services and improving existing on (Sahoo & Yadav, 2017).

Innovativeness is a firm's overall innovative capability in order to introduce new products to the market or develop new markets through the combination of strategic orientation and innovative processes or behaviour (Huang & Wang, 2011). Entrepreneurs with entrepreneurial orientation can identify new opportunities, create tangible and intangible resources for innovation and launch innovative products frequently. Thus, they can sell more products and obtain high profits because of innovativeness and competitiveness (Lewandowska et al., 2021; Tehseen et al., 2023; Tunku et al., 2018). Viewed entrepreneurial innovativeness (EI) refers to the ability of entrepreneurs to support and engage in developing new ideas and translating them into important business opportunities (Sajilan & Tehseen, 2019). Creativity or innovativeness is related to entrepreneurship as it is regarded as one of the most important key success factors for entrepreneurs and plays a critical role in the entrepreneurial process (Mohammadi, 2021). Entrepreneurs must use innovativeness to identify solutions, tackle daily problems, and generate new products or services (Lake & Ratna, 2019).

4. Research Methods

This is an exploratory quantitative research design in a non-contrived setting. This study aims to examine the sustainable business practices conducted by the indigenous community in Royal Belum; therefore, a site visit to the village is most appropriate for the research. The population for this study is all the entrepreneurs among the Indigenous community at Kg Sungai Jahai Royal Belum. The research proceeded with a convenience sampling technique with a total sample of 36 respondents. Data was collected using distributed questionnaires to the respondents. During the survey, a brief interview was conducted with the respondents to gauge more insights into their entrepreneurial activities. A group of researchers went into the Royal Belum and met with the respondents for the data collection procedure for one whole week. The respondents are entrepreneurs in the indigenous community regardless of their years in entrepreneurship activities. Data collected were then analyzed using SPSS software, which conducted frequency and reliability analysis.

5. Findings

Table 1 below shows the profile of respondents who are entrepreneurs in Kg Sg Tiang Royal Belum. As can be seen, most of them are neither Malay nor Chinese religion and are amongst the Orang Asli ethnicity. More than half of them is male (58.3%), as male are majority entrepreneurs, while the remaining 41.7 per cent are female respondents. A majority of the respondents (33.3%) were aged between 26-35, followed by 15-25 years (27.8%) and 36-45 years (25%). Most are married (88%), while the remaining 11 per cent are single. Most of them are educated at the primary level (55.6%), followed by 30.6 per cent of them who received education up to secondary school, while the remaining 13.9 per cent of them did not receive any formal education.

Table 1. Profile of Respondents

No	Items	Frequency	Percentage
1	Race		
	Malay	1	2.8
	Chinese	1	2.8
	Others	34	94.4
2	Ethnic		
	Native	34	94.4
	Mixed	2	5.6
3	Gender		
	Male	21	58.3
	Female	15	41.7
4	Age		
	15-25 years	10	27.8
	26-35 years	12	33.3
	36-45 years	9	25
	46-55 years	2	5.6
	More than 56 years	3	8.3
5	Status		
	Married	32	88.9
	Single	4	11.1
6	Education level		
	Primary school	20	55.6
	Secondary school	11	30.6
	Others	5	13.9

5.1. Business Involvement among the indigenous community

A description of the business background and activities conducted by the indigenous community in Royal Belum is presented in Table 2 below. Most entrepreneurs among the indigenous people in Royal Belum owned their businesses rather than sharing them with fellow village members. They are primarily involved in the trading business (55.6%), followed by 33.3 per cent in production or manufacturing, while the others are in processing and other business categories. They are also involved in arts and crafts, of which the raw materials are taken from the forest. The arts and crafts products are sold to tourists and villagers. A few entrepreneurs do have formal entrepreneurship education via trainings provided by JAKOA; however, many developed their own entrepreneurial skills from their grandparents and

ancestors. Most entrepreneurs earn about RM2000 annually; according to them, their income is more for family survival. In supporting their families, the entrepreneurs mostly owned one business; however, 33.3 per cent of the respondents did 2-3 businesses at the same time.

Table 2. Business background

Business background	Frequency	Percentage
Type of business		
Sole Ownership	35	97.2
Sharing	1	2.8
Categories of business		
Production/manufacturing	12	33.3
Processing	1	2.8
Trade	20	55.6
Others	3	8.3
Business Industry		
Fisheries	15	41.7
Agricultural	1	2.8
Arts and craft	12	33.3
Food and drinks	6	16.7
Tourism	1	2.8
Others	1	2.8
Starting business		
Less than a year	4	11.1
1-2 year	4	11.1
2-3 year	4	11.1
4-5 year	4	11.1
More than 5 year	20	55.6
Business income per year		
Less than RM500	1	2.8
RM501-RM1000	1	2.8
RM1001 - RM1500	12	33.3
RM1501 - RM2000	5	13.9
More than RM2000	16	44.4
Number of business owned		
1 business only	21	58.3
2-3 business	12	33.3
More than 3 business	3	8.3
Reason doing business		
Interest	15	41.7
Family income	21	58.3
Training on business		
Yes	26	72.2
No	10	27.8

6. Conclusion

This research explores sustainable business practices among the community in Royal Belum. Findings show that the community practice sustainable business practices as their source of income. This study conforms to the entrepreneurial behaviour showed other indigenous communities in previous research. It can be concluded that while the indigenous people do more rural and village activities, they reflect knowledge and entrepreneurship awareness. They are able to earn significant income for their families. Future research could look into the need for specific entrepreneurship modules to enhance their knowledge and skills and bring them far into specific industries.

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