



**MARA UNIVERSITY OF TECHNOLOGY
MALACCA CAMPUS**

RESEARCH REPORT

**THE PREDISPOSITION OF
SMALL MEDIUM ENTERPRISES (SMEs) IN MALAYSIA
IN PENETRATING INTERNATIONAL MARKETS:
(AGRO BASED SECTOR)**

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APRIL 2009

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DECLARATION OF ORIGINAL WORK

I, ROSNILAWATI BINTI RUSDI, 860817295158, hereby declare that:

- This work has not previously been accepted in substance for any degree, locally or overseas, and is not being concurrently submitted for this degree or any degrees.
- This project is the result of my independent work investigation, except where otherwise stated.
- All verbatim extracts have been distinguished by quotation marks and source of information has been specifically acknowledged.

Signature:

Date:

LETTER OF SUBMISSION

17th April 2009

Head of International Business Programme
Faculty of Business Management
Universiti Teknologi MARA
110 Off Jalan Hang Tuah,
Bandaraya Melaka

Dear Madam,

SUBMISSION OF PROJECT PAPER

Enclose herewith is my thesis entitles “The Predisposition of SMEs to Penetrate International Markets” to fulfill the requirement of the course IBM 660 and achieve the desired objective of the study.

Thank you

Yours sincerely,

Rosnilawati Bt Rusdi

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Bachelor of Business Administration (Honors) International Business

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ABSTRACT

The study was done between December 2008 and April 2009 to identify the predisposition of SME in penetrating international market by focusing in the manufacturing agro based sector. Fifty small and medium enterprises comprising in Kelantan was selected for the study using the method of simple random sampling. The small businesses that were studied were in the manufacturing/production, trade and services sub-sectors but focusing more on foods and beverages products. The problem statement for this research is about to find the predisposition of SMEs to penetrate international markets. This study was mentioned with three objectives stated to examine the predisposition of SMEs in penetrating international markets, to study the most influence factors that will influence SMEs to penetrate international markets and to determine whether there is a relationship of predisposition by SMEs to export with Independent Variables.

In addition, a correlation model was used to analyze the relationship between dependent variable and independent variable. The results of the correlation analyze showed that the entire five variable are significant with the dependent variable. This study also includes some recommendations emanating from the study to make SMEs more effective in future.