



**THE STUDY OF SUSTAINABILITY OF  
FARMERS' MARKET IN KUCHING**

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## **ABSTRACT**

The growth of farmers' markets, or locally known as "Pasar Tani", has tremendously increased in recent years. This can be seen from new "Pasar Tani" sites which have mushroomed in many towns all over Malaysia. Therefore, the farmers' market is the appropriate platform allowing farmers entrepreneurs to get closer to the market to market their product with low cost. The farmers' market becomes the choice of costumer to get the agriculture product such as vegetables, fruits, poultry product and other agriculture based product. However, farmers' market is faced with the challenges and competition from other retail outlet and supermarket. There are so many retail outlets, supermarkets even hypermarkets are offer the same product as the farmers' market. This study is aimed to identify the variables related to the factors of farmers' market survival and the factors that influence the sustainability of farmers' market. Findings of this study will be beneficial to assist the farmers' market operator to plan and develop their strategy for the sustainability of farmers' market.

# CHAPTER 1

## INTRODUCTION

### 1.0 INTRODUCTION

The Federal Agricultural Marketing Authority (FAMA), an agency under the Ministry of Agriculture and an Agro-based Industry of Malaysia, is responsible for the supervision, coordination, regulation and improvement of the marketing of agricultural products (FAMA, 2014). Since its inception in 1965, FAMA has been active in introducing numerous initiatives at the national level. One of the most visible programmes under FAMA is the Farmers' Market, or *Pasar Tani*. *Pasar Tani* was first introduced in 1985 with the objectives of:

- 1) Providing opportunities for rural farmers to sell their products, with emphasis on the concept of added value and convenient service, and
- 2) Expanding the market of the agricultural products and provide training opportunities to entrepreneurs who aim to improve their enterprises.
- 3) Encouraging farmers, especially 'bumiputera' (term refers to natives of Malaysia) to venture into business and increase their income.
- 4) Providing a place to introduce farmers' agricultural and their latest products as well as to decrease farmers' dependence on middle- man.

(Noor Raihan and Nor Khomar, 2011)

Most farmers' entrepreneurs could not afford to promote their products due to high costs involved in marketing. The lack of effective promotions had led to declining product sales and reduced income. On the other hand, consumers, especially who lived in the cities would find it difficult to obtain farms' products as

## **CHAPTER 2**

### **LITERATURE REVIEW**

#### **2.0 INTRODUCTION**

In this section, the literature review and opinion from other authors related to the topic are presented. The aims are to generate awareness, understanding, and interest for this study. The literature has explored a given topic in the past. Literature review includes negotiable price, Farmers' Market management and surrounding business venue that closely related to relevance of Farmer's Market. The literature was collected from various sources such as journals, internet and others.

#### **2.1 NEGOTIABLE PRICE**

It is very unlikely that conventional stores will be able to bridge the pricing advantage and provide convenient and comfortable shopping environment as offered by these outlets. (Amin Mahir, Fatimah and Ismail, 2011). The survey of customer and vendors in each of these market locations also revealed many similarities, with consumers emphasizing the important of being able to purchase lower price of fresh fruit and vegetables. Customers at the regional and rural markets were also concerned about supporting local industry. (Coster and Kennon, 2005).

Farmers who attend several markets had clear opinions about what attributes made a market successful. These included regular communication between the market manager and growers, a multi-pronged approach to promoting