

Enhancing The Resilience of Micro Food and Beverage Businesses in Malaysia: An Evaluation Critical Success Factors Approach

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Abstract

This research examines the influence of critical success factors (CSFs) on micro businesses in the food and beverage (F&B) industry in Kuala Lumpur, with a specific focus on their role in fostering resilience in the aftermath of the pandemic. The study aims to explore how these factors contribute to the sustenance and growth of resilient businesses. The food and beverage business has been profoundly affected by the COVID-19 epidemic, leading to considerable challenges for enterprises in sustaining their operations. These challenges arise from a combination of reduced demand, disruptions in the supply chain, and escalated operating expenses. A quantitative research methodology was employed to collect data from small company owners in the Kuala Lumpur area, utilising a self-administered questionnaire as the data-gathering instrument. The data collection method involved the participation of eighty business proprietors. Correlation and regression studies were performed to ascertain the association between the variables under investigation. The results indicate a significant association between critical indicators of success, such as brand reputation, exceptional customer service, reliable delivery, and product innovation, and the overall performance and adaptability of a company. This study offers a comprehensive analysis of the critical determinants of success in the food sector in Kuala Lumpur. It is a helpful reference for scholars and organisations while providing practical insights for small-scale food enterprises. Moreover, this research provides insights into the significance of these Critical Success Factors (CSFs) as a source of competitive advantage for micro businesses operating in the Food and Beverage (F&B) sector in Kuala Lumpur and similar environments. Specifically, it highlights their

importance in ensuring the sustainability and robustness of business operations. In brief, the study results provide valuable insights for F&B microbusiness owners on how to address obstacles and establish robust operations. The study underscores the significance of these critical success factors (CSFs) in ensuring the long-term sustainability and prosperity of these businesses within the constantly changing business environment.

Keywords:

Critical Success factor (CSF), Resilience, Food and Beverage Micro Businesses, Business Sustainability

1 Introduction

Critical success factors (CSFs) encompass the distinct activities and processes upon which a company relies for its continued existence, viability, and resilience (Sivashanker, 2021). According to Al-Atit et al. (2019), utilising CSF can improve company performance. Janica (2019) suggests a strong correlation exists between business failure and the concert or success of a firm. In a study conducted by Alfoqahaa (2018), success was delineated as the attainment of profit and growth according to conventional benchmarks and the personal pleasure and sense of accomplishment derived from intrinsic elements. Moreover, success may be characterised by an organisation's expansion and financial viability. Alfoqahaa (2018) noted that while numerous studies have been conducted on the subject of the success and failure of micro, small, and medium enterprises (MSMEs), there is a limited body of research specifically focused on identifying the Critical Success Factors (CSFs) for MSMEs.

The study by Anggraeni and Selamat (2021) aims to comprehensively analyse the variables that lead to the failure of Micro, Small, and Medium Enterprises (MSMEs). In addition, the global pandemic caused by the Covid-19 virus has significantly impacted several countries, including Malaysia. In particular, the business climate in Malaysia has been adversely affected, leading to the closure of businesses and a rise in unemployment rates (Hasanat et al., 2020). As a result, the elevated unemployment rates have precipitated an increase in the number of food and beverage micro-enterprises that are operational in the vicinity of Kuala Lumpur (Adam, 2020). Food and beverage small and medium enterprises (SMEs) are ultimately perceived as competitive due to their inherent characteristics, leading to an increased influx of vendors in the market (Chang et al., 2020). Therefore, doing a thorough analysis of the strategies existing vendors employ to sustain and maintain their operations in the market is vital to mitigate the failure rate of newly established enterprises. Food and beverage small and medium enterprises (SMEs) face an ongoing and persistent struggle to retain existing consumers while also attracting new ones (Bakar & Farinda, 2012).

The high failure rate of small and medium enterprises (SMEs) in Malaysia is a cause for concern. Research indicates that 60% of new SMEs fail within five years, highlighting significant problems hindering their market competitiveness (Ahmad & Seet, 2009; Khaliq, 2011). Therefore, this study seeks to provide value not only to business owners by identifying key success criteria for their businesses but also to authorities, ministries, academics, and future researchers by enhancing their understanding of the

subject for future investigations. Additionally, it is anticipated that this research will aid small and medium-sized enterprise (SME) owners in acquiring knowledge on mitigating the likelihood of company failure.

1.2 Research Objectives and Research Questions

This study has two primary objectives. The first objective is to investigate the impact of critical success factors on the success of food and beverage microbusinesses. It seeks to understand how these factors play a crucial role in shaping the outcomes and sustainability of such businesses. The second objective is to assess the individual contributions of key elements, including brand reputation, customer service excellence, reliable delivery, and product innovation, in determining the success and resilience of these microbusinesses within the current market context.

To address these objectives, the study focuses on several key research questions. First, it explores the extent to which critical success factors influence the success of food and beverage microbusinesses. Second, it delves into the influence of brand reputation, examining its impact on the performance of these microbusinesses. Additionally, the study investigates the effects of customer service excellence, reliable delivery, and product innovation in shaping the success of food and beverage microbusinesses, providing valuable insights into their strategies for thriving in the evolving market environment.

1.3 Theoretical Framework

Figure 1.1 refers to the theoretical framework in this study. The independent variable is the critical success factors which have four determinants which are reputation of the brand, excellence of customer service, reliable delivery, and product innovation. The dependent variable in this study is the success of street vendors. The current framework is adapted from Alfoqahaa, (2018) on critical success factors.

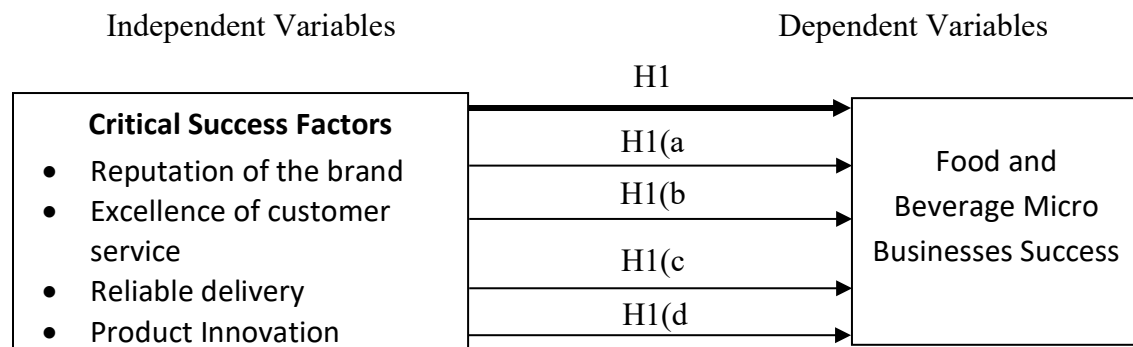


Figure 1: The adapted Theoretical Framework by Alfoqahaa, (2018)

1.4 Study Hypothesis

The hypothesis for the study are as follows:

H1: Critical success factors positively influence food and beverage micro businesses success.

H1(a): Reputation of the brand positively influences food and beverage micro businesses success.

H1(b): Excellence of customer service positively influences food and beverage micro businesses success.

H1(c): Reliable delivery positively influences food and beverage micro businesses success.

H1(d): Product innovation positively influences food and beverage micro businesses success.

2 Literature Review

2.1 Critical Success Factors

Critical success factors have been and continue to be focus of researchers in different areas (Al-Atit et al., 2019). Theory of critical success factors crucial to identify the factors that are critical to success in any field (Ahmad et al., 2018). Besides, Tsiga et al. (2016) stated that critical success factors can be applied in wide projects from different sectors. Thus, some research has been done to identify critical success factors in SMEs (Alfoqahaa, 2018; Al-Atit et al., 2019; Sivashanker, 2021). Besides, Tsiga et al. (2016) conduct a study on critical success factors in the construction industry. There is more research has been done on the topic of critical success factors from different industry such as manufacturing industry (Bhatia et al., Nwaiwu et al., 2020; Pozzi et al., 2021), maritime industry (Zhou et al., 2020), and more. Sivashanker (2021) refers critical success factors as “the specific activities, procedures that a business entity depends on for its existence or survival”. Tsiga et. al (2016) reported that critical success factors are the key areas of activities that have favourable outcomes that are necessary for managers to achieve the goals. Besides, critical success factors imply a 15-causal relationship between perceived value or relative cost and a resource or skill (Alfoqahaa, 2018). Moreover, achievement of critical success factors ensures positive outcomes (Tsiga et al., 2016). Additionally, Alfoqahaa (2018) has determined the four critical success factors that have been tested which are brand reputation, excellence of customer service, reliable delivery, and product innovation. The study has highlighted, the brand reputation, excellence of customer service, and reliable delivery are strongly influence the success of SMEs, meanwhile, product innovation weakly affected the success. Similarly, research by Al-Atit et al. (2019), has identify critical success factors in SMEs in the sustainability perspective in Saudi Arabia. However, the variables determine for critical success factors tested in the study is different which are individual factors, characteristics of the business, management factors, support of business, availability of capital, and environment of business. The result of the findings shows that four factors

significantly influence the success of SMEs which are individual factors, support of business, management factors, and availability of capital.

2.2 Reputation of the Brand

Ying et al. (2021) said that branding is considered as a method of developing and forming a brand in the minds of customers to give value to those goods or services, organizations, and corporations. Besides, brand reputation is the overall performance of the company which is built in its mission and vision statement, and it is significant for a brand to have a good reputation to be profitable and successful (Mahmood et al., 2018). It is noted that brand reputation is one of the key drivers of a business success is building a successful brand in the competitive market (Mokhtar et al., 2018). Khan et al. (2021) stated that for companies, brand equity has emerged as a source competitive advantage. In Malaysia, it is easy to see in the Malaysian food and beverage SMEs with different brand names but providing similar products in Malaysia. The local food or heritage food such as Nasi Kandar, Asam Laksa, and Nasi Lemak and gastronomic experience a consumer expect will activate a destination (Yuen et al., 2021). Fast food generally described as foods that are served on demand and instantly and Malaysian are considered extremely attached to the fast food such as hamburgers, fried chicken, chips, and other (Xiao et al., 2019). Brand such as “Ramly” are known and trusted product brands for their business thus encouraging the purchase intention of the consumers as they already have the knowledge of the brand of the products. Consumers are more likely to show positive behavior towards a brand when they are emotionally attached to the brand (Loureiro et al., 2017). Mokhtar et al. (2018) mentioned that branding has power to influence the consumer behavior to repurchase and revisit in hospitality industry such as hotel and restaurant. Besides, it is also mentioned in the study by Loureiro and Kaufman (2016) that it is not the perceptions of the products, but consumer perceptions of the company and brand reputation that promote their willingness to buy or recommend products.

2.3 Excellence of Customer Service

Singh (2021) stated that food and beverage SMEs are always working to improve and enhance the relationship with the suppliers, consumers, partners, government authorities, other business owners in the area, and colleagues. Customer relationship management (CRM) is defined as the “comprehensive strategy and process of acquiring, retaining, and partnering with selective customers to create superior value for the company and the customer”, thus it is one of the crucial keys for businesses in every field and industries in achieving the ultimate goals of retaining customers and gain better strategic advantages compared to the competitors (Aruna, 2018). Moreover, service quality is considered an added value in culinary business and since there are risks that can cause by unsafe products for consumption, it is necessary to have a supervision by the street vendors on the issue (Manteiro and Maria, 2021). Moreover, starting from the quality of raw materials to food processing and storing and similar steps in process influence the food safety (Ranka, 2020). In addition, Manteiro & Maria (2021) also proposed a standard operating system where it can ensure comfort between the parties

concerned which includes the business process of purchasing raw materials, storage of raw materials, production processes, washing tools and materials, packaging, and delivery of finished goods.

2.4 Reliable Delivery

Delivery is important since it has power in determining the veracity of information (Ghosh, 2020). Alfoqahaa (2018) explains that logistics can satisfy market needs through distribution processes which include not only the way for products' delivery to stores but also a choice of type of stores, their location, and sales forms. It is also stated in the study that to improve customer satisfaction, the company needs to identify the expectations of the customer in logistics (Chira & Musetescu, 2016). An unhappy customer who receives late delivery can lead to business loss. Therefore, it is necessary for logistics management maintaining the balance between the financial effort of the business and the service offered to the consumers. Besides, people shift to online shopping not only because they can exercise convenience, the comfort of their homes, and their own leisure time, but also people value ease and convenience in the use of online food delivery service as it eliminates the frustration of bad traffic and weather (Saad, 2020). In Malaysian market, the food delivery services have gradually developing (Nayan & Hasan, 2020). For a business to be considered having a reliable delivery, the time management in delivery is crucial as customers concerns on service or food that can be prepared relatively fast and delivery attributes ensure credibility and customer satisfaction through the products and services provided (Ghosh, 2020). Moreover, customer satisfaction is influenced by accurate goods delivering and lack of completeness can lead to dissatisfaction among customers, thus, reliable delivery is a crucial and must be priority for the success of a business (Saad, 2020).

2.5 Product Innovation

Innovation is defined as the application of new ideas of products, processes, or any other aspect of the company's activities. Meanwhile, product innovation is explained in the study as the whole process of introducing a new product or service to the market (Alfoqahaa, 2018). Besides, innovation reflects the openness to the new idea which is the culture of an organization, and it will create something to compete (Tarigan, 2018). Aksoy (2017) defines innovation as a compulsory component of competitiveness that compasses the new or improved product or process, new organizational behavior in business practices, and a new marketing approach. If a business wants to be successful in a tight competition environment, it needs innovation as it constructs the support to business performance (Aksoy, 2017). In addition, innovation should link with the customer's needs, and it is a strong factor behind differences in a company's performance (Alfoqahaa, 2018). Furthermore, Tarigan (2018) stated that innovation is a process of creativity and interaction. Product creativity is one dimension of innovation where it is crucial for new business as it can provide opportunities in terms of growth, expansion to new areas, and gain competitive advantage (Malkawi & Rumman. 2016). Yunus et al. (2018) stated that it is important for firms to respond quickly to competitors'

activities. Meanwhile, innovation capability is the ability of the company to improve available technology and create new technology based on available internal and external resources (Aksoy, 2017). Knowledge capabilities are correlated with innovation and accelerate new products with less cost and higher quality (Malkawi & Rumman, 2016). Companies with innovation will change the process for better products and eventually will increase the performance of the company (Tarigan, 2018). Innovation has a significant impact on firms' performance (Aksoy, 2017). In the context of food and beverage SMEs, some innovations that they use to enhance the performance of the business are by using QR codes, packaging system, and social media marketing. Firstly, Quick Response code (QR code) is a matrix code where it is widely used to encode types of information and it is applied in various field (Son et al., 2019). Within the line Hajazi et al. (2021) added that, mobile ordering system and payment is considered as one of major alternative payments that is used in various application and situations.

2.6 Business Success

Much research has been done on the contributions of success or failure of SMEs (Alfoqahaa, 2018; Deb Nath & Deb Nath, 2019; Lee et al., 2020). Alfoqahaa (2018), stated that success is defined as profit and growth for traditional criteria, and personal satisfaction and sense of achievement for intrinsic factors. Furthermore, growth, and profitability that is categorized as financial success, whereas survival goal, and lifestyle success can be categorized as non-financial success (Steffens & Fitzsimmons, 2012). Meanwhile, Makarenko et al. (2019) proposed some elements of success in business which are in-depth knowledge of the subject area of business, clear goals of the business, innovative ideas, system business that involves transparency, the competence of staff selection, and realism of the business. Besides, Sherman (2019) stated that a business success is measured based on individual, environmental or organizational factors and government support which can be divided into internal and external factors. In addition, the success of a business is not only achieved by people who have economic knowledge of the management, but also by people who have a strong mentality or philosophy of success (Makarenko et al, 2019).

2.7 Relationship Between Critical Success Factors and Business Success

Critical success factors can ensure the sustainability of the business. Besides, it is found that critical success factors can enhance the success of the business. As explained in the study, to adopt a proper strategy by businesses and organizations to enhance the success of the projects, the critical success factors are crucial and helpful (Al-Atit et al., 2019). Sivashanker (2021) stated in the study that for a business to prevent short-term failure, critical success factors are significant. In addition, the study further explains that it is not only the critical success factors variable that can forecast expected outcomes for a business but also play an important role in the sustainability of the small business. The sustainability of a business is one of the pieces of evidence that an entrepreneur efficiently uses critical success factors to retain the business for a long time (Sivashanker, 2021). Based on previous studies on critical success factors, the findings show that the

critical success factor for the business (Alfoqahaa, 2018; Al-Atit et al., 2019; Sivashanker, 2021). Alfoqahaa (2018) conducted a study to determine the impact of critical success factors of SMEs in Palestine. From the findings, it is found that brand reputation excellence of customer service, and reliable delivery strongly influence the success of SMEs, meanwhile, innovation is weakly associated.

3 Methodology

3.1 Research Design

This study employed a descriptive research design using a quantitative approach with a structured questionnaire as the research instrument through a cross-sectional study (Creswell, 2014). Sekaran and Bougie (2010) describe descriptive research design as undertaken to ascertain and able to shows the characteristics of the variables of interest in a situation. It is causal in nature whereby it is to determine the cause and effect of variables that influence each other (Sekaran & Bougie, 2010). In addition, a cross-sectional study is undertaken in which data are gathered to answer the research questions and the data is obtained either just once, perhaps over a period of days or weeks, or months (Kabir, 2016).

3.2 Population and Samples

The population in this study was the licensed food and beverage micro businesses in the Kuala Lumpur area. Kuala Lumpur will be chosen as the area of study due to its urban development with high concentration of food and beverage micro businesses. The population of the operators in the Kuala Lumpur area is kept in the system of Kuala Lumpur City Hall (DBKL). The appropriate sample size will be measured using the G Power calculation to get the minimum number of respondents needed for the study. Chaokromthong and Sintao (2021) stated that G-Power is suitable and calculate a smaller number of respondents needed compared to other methods and formula. Respondents' criteria for this study will be the owner of a food and beverage micro business, must be at least 18 years old, and is registered and licensed from the Kuala Lumpur City Hall. Therefore, with the sample criteria set up is to avoid inaccuracy and credibility in the data collection. Several authors supported the use of G-Power to calculate the sample size (Faul, Erdfelder, Lang & Buncher, 2007; Lim et al., 2017). Thus, G-Power software highlighted that the suitable minimum sample size for this study with the probability of 0.05 and confidence interval of 95% is 74. The sampling technique used in this study is a convenient non-probability. Etikan et al. (2016) said that a non-probability study is cheaper and can be implemented quicker compared to probability sampling.

3.3 Reliability Results

Pilot test is to test whether the question is reliable and understandable to the respondent (Bujar, McAuslane, Walker & Salek, 2019). Connell et al. (2018), highlighted that it is important to construct an instrumentation to measure content validity and face

validity. In addition, it is also stated that content validity is the key component of the measure development. Reliability Coefficient for Each of Variables achieve more than 0.8 hence it is accepted.

Table 1: The Cronbach’s Alpha results.

Questionnaires	No. of Items	No. of Cases	Cronbach’s Alpha (α)
Section B: Critical Success Factors	5	80	0.833
Reputation of the Brand	6		0.848
Excellence of Customer Service	4		0.818
Reliable Delivery	5		0.825
Product Innovation			
Section C	5	80	0.854
Food and beverage micro businesses success			

3.4 Data Collection Process

In collecting the data, the researcher visited the street vendors personally and pass printout questionnaire that has been constructed using the google form online used for the vendors to answer on the spot. The criteria observed for the data collection is that the stall sell food products, the stall set at the side of street, the respondent is the owner of the business, and the owner must be at least 18 years old. Before collecting the data, the researcher observed and studied the areas that have higher population of street vendors in Kuala Lumpur area such as Bazaria Pantai Dalam, Bandar Sri Permaisuri, Danau Kota, and more where there are lines of street vendors in that area. For the numbers of respondents, it is not limited to any number as long the respondents are the owner of the business and willing to participate in the survey. Each respondent took approximately 10-15 minutes to answer the survey, but there is no specific time limit given to the respondents except they are answering all the questions on the spot. In total 80 respondents was successfully collected for the study.

4 Findings

4.1 Demographics Profile

The respondent profiles were 55% (n=44) of 80 respondents were male and 45% (n=36) were female. 36.3% of responders (n=29) are 31–40 years old. The 18–20-year-old age group had the fewest participants (n=4). Twenty people (25.0%) were 21–30 years old. 12 people—15% of the model—were 41–50. 15 people (18.8%) were 51 or older. Most respondents have formal education (56.3%, n=45) finished primary or secondary school, 25.0% (n=20) of participants had a Diploma or equivalent, whereas 17.5% (n=14) had a Bachelor's Degree. Majority of the operators have employee, with 81.3% (n=65) of respondents claimed their companies employ less than five people. 15.0% of respondents (n=12) indicated their firms employ 5–10 people. 3.0% of respondents (n=3) reported having more than 10 workers. Most responders (36.3%,

n=29) had worked for 6–10 years. 28.7% (n=23) of respondents reported working less than five years. 18.8% (n=15) reported more than 20 years of job experience. The fewest (16.3%, n=13) had 11–20 years of job experience. Finally, in business experience, most operator of 37.5% of respondents (n=30) claimed their organization has been in business for 1 to 5 years. 15.0% of participants (n=12) said their firm has been running for 6-10 years. 30.0% (n=24) of the sample claimed their firm was over a decade old. 17.5% (n=14) had less than one year of firm experience.

4.2 Hypothesis Testing

In testing the hypothesis, the multiple regression analysis was used and the result of ($\beta =0.605$, $p<.001$) shows that the significant value is less than 0.05, thus the hypothesis (1) is accepted for the study. Evidently other test results were accepted as the reputation of the brand shows the value of ($\beta =0.513$, $p<.001$) with significant value less than 0.05, so the hypothesis is accepted. In addition, the excellence of customer service ($\beta =0.554$, $p<.001$), reliable delivery ($\beta =0.472$, $p<.001$), and product innovation ($\beta =0.557$, $p<.001$) also shows the significant value of less than 0.05, thus the hypothesis is accepted. The summary of the results is presented in table 2 below.

Table 2: Summary of Hypotheses Testing

Hypothesis	Result and Score
H1	Critical success factors positively influence food and beverage micro businesses success. Accepted ($\beta =0.605$, $p<.001$)
H1(a)	Reputation of the brand positively influences food and beverage micro businesses success. Accepted ($\beta =0.513$, $p<.001$)
H1(b)	Excellence of customer service positively influences food and beverage micro businesses success. Accepted ($\beta =0.554$, $p<.001$)
H1(c)	Reliable delivery positively influences food and beverage micro businesses success. Accepted ($\beta =0.472$, $p<.001$)
H1(d)	Product innovation positively influences food and beverage micro businesses success. Accepted ($\beta =0.557$, $p<.001$)

The research shows a positive association between key success characteristics and street vendor success. This means that an organization should use all of the important success characteristics as a unified set rather than just some to increase its chances of success. Several aspects must be considered while developing corporate performance strategy. This study confirms Alfoqahaa (2018)'s conclusions that critical success factors positively affect SMEs' success. This study supports Al-Atit (2019)'s claim that key success factors boost success. Businesses need critical success characteristics to survive (Sivashanker, 2021). Important success elements may be applied to various disciplines of study, not just one industry. Alqahtani and Rajkhan (2020) investigate the COVID-19 pandemic's most important E-learning system acceptability factors. Zaied, Grida, and

Hussein (2018) examined business intelligence system success factors. De Oliveira Dias et al. (2018) examined business process management's important success criteria and practises. Thus, the critical success factor applies to various enterprises and conceptual frameworks. Critical success indicators correlate positively with project success in most studies. To improve performance, essential success factors should be investigated and prioritized.

The result of the reputation of the brand in this study supports the statement by Mokhtar et al. (2018) that a successful brand is one of the keys to business success in a competitive market. From the prior studies, the brand reputation is correlated with brand equity, brand loyalty, brand awareness, and brand signature, and contributes to consumer behavior, purchase intention, and intention of revisit (Khan et al., 2021; Mokhtar et al., 2018; Loureiro & Kaufman, 2017). As the result shows in this study that reputation of the brand is the highest contributors to the street vendors success, it is significant for the vendors to take note and enhance their brand reputation to be successful in the business. Developing positive attitude in the brand is expected from the marketer as it can promote sales and revenues of the business (Ilyas and Nayan, 2020). In addition, the vendors should take opportunity by observing and applying the brand elements which is fit the business the most.

From the previous study, excellence of customer service considered as the highest contributor to the success of SMEs (Alfoqahaa, 2018). As the findings shows that excellence of customer service influences the street vendor's success, the vendors can improve the customer service by using customer relationship management. Besides, some improvement in the service such as food quality and safety, and online purchase and delivery can boost the performance of the business as it eventually increases the trust and loyalty of the customers. Therefore, it is crucial for the vendors to gain knowledge on the customer service to avoid the risk of dissatisfaction of consumer.

In term of reliable delivery, this study has found that there is a positive relationship between reliable delivery and street vendor success. From the result of the findings, the researcher agreed with the statement by Dossou (2018) that supply chain must be optimized to ensure customer satisfaction and eventually leads to the higher success rate of a business. According to Farooq et al. (2019), the most important logistics form in the electronic commerce is the express delivery. To improve customer satisfaction, business needs to identify the logistics expectation of the customer (Chira & Musetescu, 2016). Hence, the time and delivery are the key factors in ensuring customer's satisfaction (Ghosh, 2020).

For the product innovation, the result of the previous study shows that there is no contribution of product innovation towards the success of SMEs (Alfoqahaa, 2018). This is due to that people are more involve in the customer-focused activities instead of product innovation activities in contributing to success of business. Some examples of innovation that can be applied in the street vendors are the use of QR code for payments and information, packaging system and material, and marketing using the social media. These initiatives can help the vendors in reducing the work lift, time consumed, and risks

of unhygienic products. The use of QR code for payments is used in various situations and conditions (Hajazi et al., 2021). Especially in the current situation of Covid-19 pandemic, the cashless options can reduce the risk of infections. Besides, QR code is easy to use as the penetration of smartphones use has increase gradually (Hajazi et al. 2018). Therefore, with the emergence of smartphones use, social media is a good innovation to be tackle by the vendors to promote their business. The use of social media for marketing is important to improve business success (Yusuf & Nilowardono, 2019). Furthermore, the packaging system and material is crucial to ensure the quality and safety of the products which might increase the customer satisfaction (Han et al., 2018). Eventually, based on the findings of this study, product innovation also contributes to the street vendor success. Therefore, it is significant for the vendors to keep update with the technology and innovation in the industry and take the opportunities to improve the business success rate.

5 Conclusion

The primary objective of this study is to investigate the impact of critical success factors on the success of food and beverage microbusinesses in Kuala Lumpur and to provide insights to help these businesses maintain their presence in the market, thereby enhancing their resilience. To address the research questions, a central hypothesis with four sub-hypotheses has been formulated. Even though these microbusinesses are relatively small, their success holds significant importance in the food and beverage industry. The findings of this study reveal a moderately positive relationship between all critical success factors (brand reputation, excellence in customer service, reliable delivery, and product innovation) and the success of microbusinesses. Furthermore, the hypotheses have been rigorously tested through regression analysis, with all hypotheses being supported by the results. Consequently, it can be concluded that the critical success factors positively influence the success of microbusinesses in the food and beverage sector. In summary, the success of food and beverage microbusinesses in Kuala Lumpur is significantly influenced by key variables encompassing critical success factors, namely reliable delivery, product innovation, excellence in customer service, and brand reputation. Future researchers are encouraged to delve deeper into the study of critical success factors with larger and more diverse samples, facilitating a more comprehensive understanding of these variables in the context of microbusiness resilience and success. This will contribute to a richer body of knowledge for future decision-making and strategic planning.

6 About the author

Author 1 is one of the educators in the faculty of hotel and tourism management UiTM , He holds a master degree in Hospitality Management and currently completing PhD degree focusing on Hotel Revenue Management. Main research interests may include hospitality management, restaurant, business strategy and consumer behaviors.

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