UNIVERSITI PUTRA MALAYSIA

INTERRELATIONSHIPS BETWEEN COSTING, PACKAGING, BRANDING AND BUSINESS SUPPORT OF MALA YSIAN SME PRODUCT VALUE

DIANA ROSE BINTI FAIZAL

FEP 2017 2

INTERRELATIONSHIPS BETWEEN COSTING, PACKAGING, BRANDING AND BUSINESS SUPPORT OF MALAYSIAN SME PRODUCT VALUE

By

DIANA ROSE BINTI FAIZAL

Thesis Submitted to the School of Graduate Studies, Universiti Putra Malaysia, in Fulfillment of the Requirements for the Degree of Master of Science

April 2017

DEDICATION

A special thanks to my family for supporting me throughout the process. I also dedicate this thesis to my supervisor who patiently assisting me her words of assurance and advice.

Abstract of thesis presented to the Senate of Universiti Putra Malaysia in fulfilment of the requirement for the degree of Master of Science

INTERRELATIONSHIPS BETWEEN COSTING, PACKAGING, BRANDING AND BUSINESS SUPPORT OF MALAYSIAN SME PRODUCT VALUE

By

DIANA ROSE BINTI FAIZAL

April 2017

Chair: Zariyawati Binti Mohd Ashhari, PhD
Faculty: Economics and Management

The purpose of this study is to examine the interrelationship of costing towards the packaging, branding and business support on SME's product value in supplying to consumers and distribution channel in Malaysia. Knowingly, SMEs is one of the major sources in contributing to the economic growth in Malaysia. This study intends to scrutinize the competently rapid growth of food industry and SMEs in Malaysia. Furthermore, this study extends a cost faced by SMEs manufacturing the F&B products as to emerge a food market practically. A ways to secure in the food market, the product must be valuable. Hence, this study justifies that a valuable product always side to side with high product costs, and other factors should be considered such as packaging and branding. Moreover, this study explains the importance of product value following demand of consumer in Malaysia.

This study used the quantitative method by distributing questionnaires to SMEs that comes from F&B background. There were 400 questionnaires collected from the SMEs, specifically respondent from the owner or managers of SMEs. This study uses a non-probability sampling where it a based on the availability and easy access with SMEs. The respondent counterparts all states in Malaysia. Furthermore, a theory such as Transaction Cost and Resource Based View was applied in supporting the proposed of nine relationships and hypotheses. Moreover, this study was carried out using the Partial Least Square Structural Equation Modeling (PLS-SEM). It has passed through two stages in PLS-SEM analysis by developing the measurement model and assessing the structural model.

The results of this study showed that eight out of nine hypotheses were supported. A cost in needs is found to be significant with mass product value. The result shows stronger interaction of mediation on the implementation of packaging and branding towards the product value. In brief, business support that symbolizes as moderator has only significant towards the packaging. Nonetheless, it has no moderation effect

on the branding. Therefore, SMEs need to put aside a sum of money which is significant to enhance their products' packaging and branding. In addition, SMEs genuinely need help from the business support that comes not only in the form of the financial support but also non-financial support in order to cater the cost as well as improvising the product packaging. Hence, it helps the SMEs in manufacturing the products according to demand of consumer and distribution channel. Altogether, increase the income of SMEs and contributes to the national economic growth.

Abstrak tesis yang dikemukakan kepada Senat Universiti Putra Malaysia sebagai memenuhi keperluan untuk ijazah Master Sains

HUBUNGKAIT ANTARA KOS, PEMBUNGKUSAN, PENJENAMAAN DAN BANTUAN PERNIAGAAN BAGI NILAI PRODUK PKS MALAYSIA

Oleh

DIANA ROSE BINTI FAIZAL

April 2017

Pengerusi: Zariyawati Binti Mohd Ashhari, PhD
Fakulti: Ekonomi dan Pengurusan

Tujuan kajian ini adalah untuk mengkaji hubungkait diantara kos terhadap pembungkusan, penjenamaan dan bantuan perniagaan bagi nilai produk PKS dalam membekalkannya kepada pengguna dan saluran pengedaran di Malaysia. Umum telah ketahui bahawa PKS adalah salah satu sumber utama yang menyumbang kepada pertumbuhan ekonomi di Malaysia. Oleh itu, kajian ini bertujuan untuk meneliti kecekapan pertumbuhan yang pesat dalam industri makanan oleh PKS di Malaysia. Kajian ini juga meliputi kos yang ditanggung oleh PKS dalam pembuatan produk makanan dan minuman untuk muncul secara praktikal dan kukuh dalam industri makanan dan minuman. Cara untuk mengukuhkan kedudukan di dalam industri makanan ialah, produk mestilah mempunyai nilai. Oleh itu, kajian ini memberi justifikasi bahawa produk yang mempunyai nilai sentiasa berhadapan dengan kos produk yang tinggi, dan faktor lain perlu diambil kira juga seperti pembungkusan dan penjenamaan. Selain itu, kajian ini menerangkan kepentingan nilai produk PKS untuk memenuhi pemintaan pengguna di Malaysia.

Kajian ini menggunakan kaedah kuantitatif dengan mengedarkan soal selidik kepada PKS dalam sektor pembuatan makanan dan minuman. Terdapat 400 set soal selidik telah dikumpulkan daripada PKS, khususnya responden terdiri daripada pemilik atau pengurus PKS. Kajian ini menggunakan persampelan tanpa kebarangkalian di mana ia berdasarkan kecepatan dan kemudahan berhubung dengan PKS. Responden merangkumi semua negeri di Malaysia. Teori seperti *Transaction Cost* dan *Resource Based View* telah digunakan untuk menyokong hubungan sembilan hipotesis yang telah dicadangkan. Selain itu, kajian ini dijalankan dengan menggunakan *Partial Least Square Structural Equation Modeling (PLS-SEM)*. Ia melalui dua peringkat proses dalam menganalisis PLS-SEM iaitu dengan membangunkan model pengukuran dan model penilaian struktur.

Keputusan kajian ini menunjukkan bahawa lapan daripada sembilan hipotesis telah disokong. Kos didapati memberi signifikasi dengan nilai produk. Hasil kajian ini

menunjukkan interaksi pengantaraan yang kuat terhadap pelaksanaan pembungkusan dan penjenamaan terhadap nilai produk. Ringkasnya, bantuan perniagaan yang melambangkan sebagai moderator hanya penting terhadap pembungkusan produk. Namun begitu, ia tidak mempunyai kesan terhadap penjenamaan produk. Oleh itu, PKS perlu mempunyai belanjawan yang besar untuk meningkatkan nilai pembungkusan dan penjenamaan produk mereka. Di samping itu, PKS juga memerlukan sokongan daripada bantuan perniagaan yang bukan sahaja dalam bentuk sokongan kewangan tetapi juga sokongan bukan kewangan bagi menampung kos serta penambahbaikan terhadap pembungkusan produk. Ini dapat membantu PKS dalam menghasilkan produk mengikut permintaan pengguna dan saluran pengedaran. Hasilnya, ia meningkatkan pendapatan PKS seterusnya menyumbang kepada pertumbuhan ekonomi negara.

ACKNOWLEDGEMENTS

No one said it would be easy, but no one said it would be this hard. My master journey was an unforgettable journey. I admit, it was a rollercoaster ride, sometimes I'm up & sometimes I'm down but at the end of the journey it was all worth it.

From the bottom of my heart, I would like to thank my main supervisor, Dr. Zariyawati Binti Mohd Ashhari, her tremendous support, mentoring, guidance and most importantly the faith she have in me while others who doesn't believe in my strength and abilities is what kept me going. I am forever grateful and thankful to met and being her student. Not forget my co-supervisor Mdm Norazlina Binti Kamarohim for always gives guidance, criticize and suggestions to improve my thesis. I will never forget the time she sacrificed even during her hectic schedule.

Last but not least, I would like to thank my parents for giving me their undying support and love along this journey. Not to forget, I would like to extend my thanks to sisters for always been great and understanding. I'm blessed to have this support from my family along the way to finish my thesis. Special thanks to my other postgrads' friends that also strive to finish up this master. I cherish each of you.

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

CHAPTER 1

INTRODUCTION

1.1   Introduction

This chapter begins with an introduction related to the importance of food and beverage to well beings, followed by a brief description of SMEs in Malaysia. It also includes the problem statement, research questions, research objectives, contributions and terms used in this thesis.

1.2   Background of the Study

Food and beverage industry are always in a competitive, fast growing and high demand environment as compared to other industries. Food and beverage were not only intended to satisfy hunger but also to provide nutrition to every human being in preventing them from diseases (Menrad, 2001). Food is something that human needs for living and it have been classified as basic human needs. This shows that there is demand for food and beverage industry. In addition, this is also the reason of competition among the industry. The competition creates and pushes each industry player to be more efficient in management, exploring the market and innovation of current products in order to meet the needs and wants of consumers (Avermaete, Viaene, Morgan & Crawford, 2003).

Besides consumers, the food and beverage industry contributes to the economic growth in most countries where import and export of food and beverage are concerned. In today's global economy, the food and beverage industry are on a steady growth path through 2022 in U.S. Indeed, the growth of the U.S food industry is expected to progress at a CAGR of 2.9% through 2022 (Food Packaging Trends and Advances Report, 2016). In brief, the food and beverage industry seems to be important in every countries economy. Besides, another example from other countries, for instance, the import value of China's food and beverage has shown strong growth consistently over the years and this has proven by the high significant factor growth in China's economy (EU SME Centre, 2013). In certain countries, their economic growth is on the rise as a result of their local food and beverage products. In Malaysia, the food and beverage market revenue were expected to forecast the GDP with a predicted growth of US$21.17 billion in 2016 (Malaysia Food & Beverage, 2011). Moreover, US$24million revenue amounts segment to Food and Beverage in 2017. This revenue, Malaysia expected to show an annual growth rate (CAGR 2017-2021) of 31.6% resulting in a market volume of US$71mllion in 2021.

1.2.1   Product Value, Costing, Packaging and Branding

In the urban-modern lifestyle, consumers prefer an assortment of merchandises including food and beverage (F&B) that convenient them. This ultimately creates loyalty towards the products. Typically, consumers regard time as a limited resource

1

and hence they will try to develop shopping habits that save time. Generally, they are several types of shopping trips such as 'the main shopping' and 'the fill-in shopping' (Hassan, Bakar & Sabbir, 2013). Currently, due to the high cost of living, some consumers opt for lower price products. However, at the same time, high-quality products are important to consumers as well as this assure customer satisfaction. Usually, products are distributed via direct channel and indirect channel. For direct channel, the items will be distributed directly to the consumers. Meanwhile, indirect channel involves middle or intermediate parties before the products or services reach consumers (Anas, 2014). Examples of indirect channel are hypermarkets, supermarkets and traditional stores. These channels usually offer varieties of products made locally.

Since there are varieties of food and beverage products in the market, hence suppliers or manufacturers of these products need to strengthen their marketing strategies in order to attract consumers in buying their products. Consumers prefer products with good packaging design and detailed information if they do not have the opportunity to taste the product (Silayoi & Speece, 2004). Good packaging designs are stimulated by color, material, design and innovation. These are the vital factors that influence purchasing decision (Raheem, Vishnu & Ahmed, 2014: Silayoi & Speece, 2004). Moreover, consumers will also look for information related to the product such as ingredients and expiry date, which may influence their purchasing decision. For example, in Malaysia, Muslim consumers prefer products with Halal Malaysia Logo and certified by related agencies; Makanan Selamat Tanggungjawab Industri (MeSTI), International Organisation for Standardization (ISO), the Systems Hazard Analysis and Critical Control Points (HACCP) because these certification shows that the products are of good quality.

Other than packaging, branding can also influence consumers' purchasing decision and loyalty towards the product value. A product's success leads from a good brand name (Kholi & Thakor, 1997). Even though a new consumer did not notice the products' brand at the first place, but a positive word of mouth from other consumers might influence their purchasing decision. Hence, brand conveys the uniqueness of the product. To sum up, a value of F&B products need to have good packaging and branding in order to attract consumers. When the opportunity to try and test the products is not available, especially for new buyers, hence packaging and branding became a deciding factor. A good packaging and established brand names will influence consumers' purchasing decision. Therefore, companies should develop good packaging for their products and establish their brand name. However, this action will incur several or more costs to the F&B manufacturers as these are considered as input cost in producing finished goods.

1.3 Development of Small and Medium Enterprises (SMEs) in Malaysia

There is no doubt that SMEs play an important role in many countries economy. However, the definition of SMEs varies. For example, European Union (EU) countries define SMEs by the annual sales turnover, annual balance sheet and a number of employees or size of shareholders' funds. While, there are also countries

that define SMEs based on levels of capital, assets or sales. In Malaysia, SMEs is defined based on two criteria; annual sales turnover and number of employees (SME Annual Report, 2014/2015) as stated in Table 1.1. Malaysia categorized SMEs into five sectors; manufacturing, services, construction, mining and quarrying, and agriculture. Below are the categories and size of SMEs based on annual sales turnover and number of employees.

Table 1.1: Definitions of SMEs in Malaysia

Size Category	Micro	Small	Medium
Manufacturing	Sales turnover of less than **RM300,000** OR Employees of less than **5**	Sales turnover from **RM300,000 to less than RM15mil** OR Employees from **5 to less than 75**	Sales turnover from **RM15mil not exceeding RM50mil** OR Employees from **75 to not exceeding 200**
Services and other sectors	Sales turnover of less than **RM300,000** OR Employees of less than **5**	Sales turnover from **RM300,000 to less than RM3 mil** OR Employees from **5 to less than 30**	Sales turnover from **RM3mil to not exceeding RM20mil** OR Employees from **30 to not exceeding 75**

Source: SME Annual Report 2014/2015

Meanwhile, Table 1.2 shows a total of about 645,136 SMEs operating their businesses in Malaysia, representing 97.3% of total establishments. It is demonstrated that micro size being the highest establishment category (77%), followed by small size (20%) and medium size (3%). The highest SMEs establishment (580,985) is in the service sector. This is then followed by the manufacturing sector (37,861), construction sector (19,283), agriculture sector (6,708) and, mining and quarrying (299) being the least involvement of SMEs.

It is clearly in Table 1.2 that the population of SMEs are larger than the population of large firms in Malaysia. Thus, they are also the major contributor to Gross Domestic Product (GDP), employment and productivity. In fact, the function of SMEs is to reduce poverty, especially in the third world countries or poorer countries (Harash, Timimi & Alsaadi, 2014).

3

Table 1.2: Numbers of Establishments by Sector and Percentage Share of Total SMEs and Establishments

Sector	Total Establish-ments (a)	Total SMEs (b)	Total Large Firms (c)	Percentage (%) of SMEs over Total Establish-ments (b)/(a)*100	Total employment by SMEs
Overall Total	662,939	645,136	17,803	97.3	3,669,259
Services	591,883	580,985	10,898	98.1	2,610,373
Manufacturing	39,669	37,861	1,808	95.4	698,713
Agriculture	8,829	6,708	2,121	76.0	78,777
Construction	22,140	19,283	2,857	87.1	275,631
Mining & Quarrying	418	299	119	71.5	5,765

Source: Census Report SMEs 2011

As a result, entrepreneurship has been promoted to enhance the local products. Meanwhile, in developed countries, SMEs have become a source that contributes to economic growth. More likely, SMEs are defined as their backbone towards the development growth and productivity. According to SMEs annual report of 2015/2016, SME contributed 36.3% to Malaysia's GDP. This value has increased from 32.2% in 2010. Table 1.3 below shows SME's contribution to GDP.

Table 1.3: SMEs Contribution to Malaysia GDP

	SME Contribution to GDP			SME GDP Growth
	2010 (% share)	2015 (% share)	Increase / decrease in share	CAGR[1] 2011 – 2015 (%)
Overall[2]	32.2	36.3	+4.1	6.7
Construction	0.9	2.1	+1.2	10.9
Services	19.6	21.4	+1.8	7.1
Mining & Quarrying	0.05	0.2	+0.15	9.3
Agriculture	4.3	4.3	0.0	2.9
Manufacturing	7.2	7.9	+0.7	6.7

[1] CAGR refers to compounded annual growth rate (underlying growth of 7.9% for 2014)
[2] Total value-added after taking into account import duties
Source: SME Annual Report 2015/2016

Table 1.4 shows SMEs contribution towards employment, exports, and productivity. SMEs contributed to about 65% of total employment in 2014. The categories of workers in Malaysia are classified as full-time employees, working proprietors, active business partners, unpaid family workers, and part-time employees. This SME employment growth rate was a rapid increase compared to previous years as there was an adjustment made in 2014 due to redefinition. In January 2014, about 8,000 firms previously considered as large firms were categorized as SMEs. Furthermore, SMEs contribution towards Malaysian exports constitutes 17.8% of total exports in 2014. However, SMEs productivity is seen to decline slightly from RM62, 327 in 2013 to RM58, 213 in 2014.

4

Table 1.4: SMEs Contribution to Employment, Export and Productivity

Year	2010	2011	2012	2013	2014
Share of SME Employment of Overall Employment	57.1	57.3	57.2	57.5	65.0
SME Employment Growth	-	3.9	5.9	6.3	5.6
Share of SME Export of Overall Export	16.4	16.9	15.5	17.8	17.8
SME Export Growth	-	12.2	2.8	1.6	6.2
SME Productivity (RM'000)	60,241	62,179	62,277	62,327	58,213
SME Productivity Growth	-	3.2	0.2	0.1	-6.6

Source: Department of Statistics Malaysia (DOSM) 2014

1.3.1 Manufacturing Sector of SMEs in Malaysia

Table 1.5 shows the profile of SMEs in manufacturing sector by sub-sector and size. It also demonstrates that SMEs in manufacturing sector involve a wide range of activities. The textiles and apparel sector was accounted for approximately 10,047 SMEs establishment, making it the largest. This is followed by F&B products (6,016), and fabricated metal products (6,010). This displays that the food and beverages sub-sector is the second highest concentration on SMEs. Table 1.5 also reveals that about 54% of SMEs under food and beverage industry belongs to micro category, followed by 38% and 8% respectively for small and medium category.

Table 1.5: Sub Sector of SMEs Manufacturing

Sub-Sector	Micro	Small	Medium	Total SMEs
Textiles & Wearing Apparel	9,123	872	52	10,047
Food & Beverage Products	3,278	2,333	505	6,016
Fabricated Metal Products	2,070	1,698	190	3,958
Printing & Reproduction of Recorded Media	1,717	1,145	56	2,918
Machinery & Equipment	841	1,178	97	2,116
Furniture	886	847	110	1,843
Rubber & Plastic Products	322	1,126	308	1,756
Wood & Wood Products	499	791	158	1,448
Non-metallic Mineral Products	484	758	131	1,373
Basic Metal	431	543	109	1,083
Non-Electrical & Electronic Products	231	639	198	1,068
Chemicals & Chemical Products	271	534	156	961
Paper & Paper Products	283	442	103	828
Motor Vehicles, Trailers & Semi-trailers	242	440	77	759
Leather & Related Products	219	151	6	376
Basic Pharmaceutical Products & Pharmaceutical Preparations	60	115	17	192
Coke & Refined Petroleum Products	19	39	5	63
Tobacco Products	30	27	3	60
Others	613	356	27	996
Total	**21,619**	**13,934**	**2,308**	**37,861**

Source: Census Report SMEs 2011

Historically, Malaysia is an agricultural based economy, which subsequently evolved into a manufacturing based economy. The value added to growth for manufacturing has inclined ever since. The growth in manufacturing increased from 5.7% in 1947 to 6.3% in 1957. The development of SMEs has started since the 1970s, thus prompting the Malaysian government to introduce the 'New Economic Policy' as a commitment and concern for Malaysian growth. The government believes that this policy can support Malaysia's growth, but concurrently this policy caused injustice to people's welfare and imbalances to the ethic economics.

Therefore, in 1986, the government introduced a new policy, Industrial Master Plan 1 (IMP1), covering ten years planning from 1986 – 1995. This plan focused on mature industries and shifted into export-based from low-value raw materials to high value added products. As soon as IMP1 ended, the government continued with another plan, Industrial Master Plan 2 (IMP2) covering from the year 1996 to 2005. IMP2 introduced a new strategy known as "manufacturing it", with the objective to boost up the development and higher involvement of participation to embracing the manufacturing sector.

Currently, Malaysia is in its Third Industrial Master Plan 3 (IMP3). This plan kicked start in the year 2006, held in conjunction with Vision 2020. IMP3 is expected to reposition Malaysia, not only to ward off the threats and risks the global challenges posed but also to take advantage of the new opportunities that are emerging in the new world order. During this period, manufacturing and service sector has been given priority in a transformation and innovation to the growth development. Thus, the government encouraged domestic firms to go global. These include activities such as adding value to the products; enhance productivity, and utilization of human capital and resources. The food and beverage manufacturing sector have been identified as one of the twelve prioritized categories industries in IMP3. Hence, it was shown to be one of the components to be able to create strong network between those twelve industry sub-sectors in Malaysia. In fact, the food manufacturing industry is increasing over the years and can be considered as one of the largest components in Malaysia.

1.3.2 Food and Beverage Industry of SMEs in Malaysia

SMEs have played an active role due to rapid growth of the food and beverage industry. This is because most of the F&B companies belong to SMEs category. Therefore, SMEs need to sustain in their business activities to ensure their continuous contributions to the country's economic. Throughout IMP3, SMEs are capable of harnessing technology and knowledge to develop high value-added products and services that enable them to compete globally. Therefore, National SME Development Council (NSDC) was established in the year 2004 to take responsibility to create policies which focus on SMEs development. Part of NSDC duty is to ensure that SMEs receive supports to enhance their performance. For example, various financing needs for SMEs was given through specialized and non-financial services. Other than financial institutions, ministries and agencies were also involved in assisting the establishment of SMEs and newcomers. They are National

Productivity Corporation (NPC), Majlis Amanah Rakyat (MARA), Malaysian Entrepreneur Development Centre (MEDEC), and some Development Finance Institutions (DFIs). These agencies provide courses such as marketing, sales, promotional goods and export process to SMEs. Generally, their support consists of financing services and advisory services to market SMEs, especially the food manufacturing industry. The Ministry of International Trade and Industry Malaysia (MITI), and Ministry of Domestic Trade, Co-operatives and Consumerism (KPDNKK) were part of the ministries and agencies responsible for ensuring the development of SMEs, mainly in food manufacturing.

In addition, ministries and agencies have also given impetus to SMEs involved in the food manufacturing business. For example, a TV program "The Fund For Food" has subsequently boosted the food production in the country. This program has been implemented for years, until today. Hence, the total funds allocated for SMEs has increased from RM100 million to RM700 million (Anas, 2014). To ensure F&B industry continues to contribute to the Malaysian economy, support from the government, microfinance institutions, agencies and others are needed for SMEs sustainability. Furthermore, this could enhance firm performance and to go global. Apart from financial support, non-financial supports such as business advisory are also essential in order to sustain the SMEs business in the long run.

1.4   Problem Statement

Food is a basic necessity of life. Therefore, there is always demand for food consequentially there is a need for more food suppliers in the market. However, SMEs of food and beverage in Malaysia faced difficulty in distributing their products to consumers due to the stiff competition with larger food manufacturers and importers. As a result of insufficient funding and capital, SMEs are unable to conduct research and development, marketing, promotion, attractive packaging and so on. SMEs in Malaysia encounter challenges in distributing their products to the right market segment. Hence, they usually sell their products close to their premises. To reach consumers outside of their area, they need to incur higher transportation cost. However, SMEs have average sales and smaller market share owing to limited funding. This is the main reason why most F&B SMEs in Malaysia have remained micro-sized SMEs.

A way to increase the sales of SMEs F&B products is to secure a larger market share, which will further improve their profitability. The easiest way to access larger market is by distribution through distribution channel like hypermarkets as hypermarkets have the higher number of consumers (Nikhashemi, Paim, Md-Sidin & Khatibi, 2014). Due to a wide range of consumer goods, therefore consumers prefer to shop at hypermarkets. Even though, the Ministry of Domestic Trade Cooperatives and Consumerism (KDNKK) had instructed hypermarkets to allocate 30% of their total Stock Keeping Unit (SKU) and shelf space to cater for SMEs products, however, SMEs still faced difficulties in distributing their products in hypermarkets. As mentioned by the CEO of Tesco Stores Malaysia, Georg Fischer dated 30th September 2014 in The Star News, approximately 20% of Tesco Malaysia's products

are SMEs' products. On the other hand, the Minister of Domestic Trade, Cooperatives and Consumerism Datuk Seri Hamzah Zainuddin dated 25th February 2016 has confirmed that only 15% of products sold by Giant are SMEs' products. These show that the targets are still below the government's requirement as SMEs have limited funds to supply to hypermarkets. In addition, SMEs also refuse to supply in hypermarket because of the hypermarket rules and procedures such as the long repayment method, high listing fee and the poor placement product.

Although SMEs managed to supply their products to hypermarkets, but it is still uncertain whether the products will be sold as consumers may have preference towards imported brands. The consumers are also inspired by the social trends rather than the physiological utility of product's needs (Wang, Siu, & Hui, 2004). Furthermore, branding represents the core marketing practices that constitute patent, trademark, existing reputable name, symbols and logos names to support the singular products and the company (Nyadzayo, Matanda & Ewing, 2015; Kohli, 1997). It is important to consider the role of a brand name as strong brands influence consumers' thoughts, hence enhancing SMEs sales in the long run. For example, the brand name of "TAJMAHAL PAPPAD" was an SMEs brand that established for almost 50 years which was selling poppadum. Currently, they invent "chips" which make from the poppadum. Since the brand "TAJMAHAL PAPPAD" has noticed and well known, without doubts consumers buy the "chip". This is because they already trusted with that brand. Although this may be true, but how the newcomers of SMEs marketed their brand name to this? Thus, SMEs should strengthen their brand through proper strategies, practices and more importantly, to manage the cost of mass market distribution.

Packaging is also important in order to compete with established brand (Meor, 2014). Good packaging will affect consumers' purchasing decision consumers are more likely to remember unique packaging and have the tendency to choose an attractive packaging over taste. Hence, SMEs need to develop good packaging design to attract consumers. However, this will contribute additional cost to the SMEs (Maznah, Ikhmal, Noor, & Rizaimy 2011).

Generally, in order to improve SMEs' F&B product values, an established brand name and attractive packaging are essential. Hence, more funding is required to improve their products. However, apart from shortage in funding, SMEs are unable to expand their business due to lack of support, less networking, not widely exposure, poor in skills & knowledge in running the business (Hartsenko & Sauga, 2013; Beck & Demergic-kunt, 2006). Hence, to ensure that Malaysia SMEs continuously contribute to the economic growth, several programs and activities have been provided by the government and agencies to support their business operation. This support consists of financial and non-financial such as start-up loan, working capital loan, subsidy for machinery, technical course and management course. However, these supports are not made available to all SMEs. Thus, all the limitations encountered by these SMEs consequently cause them to lose their competitive edge. Hence, this study is important to examine SMEs' ability to supply their products to the distribution channel and to attract consumers in larger market. In addition, this

study aims to measure the interrelationships of costing, packaging, branding and business support on Malaysian SME's product value to hypermarket. Furthermore, this study is also intended to investigate the role of business support towards SME's product value distribution to access larger market or distribution channel like hypermarket.

1.5   Research Objectives

General Objective:
To examine the interrelationships of costing, packaging, branding and business support on Malaysian SME's product value.

Specific Objectives:
1. To examine the relationship between products' costing, packaging, branding and product value.
2. To examine the mediating effect of packaging on the relationship between products' costing and product
   value.
3. To examine the mediating effect of branding on the relationship between products' costing and product
   value.
4. To examine the moderating effect of business support on the relationship between products' costing and
   packaging.
5. To examine the moderating effect of business support on the relationship between products' costing and
   branding.

1.6   Research Questions

1. Does products' costing influence product value?
2. Does packaging mediate the relationship between products' costing and product value?
3. Does branding mediate the relationship between products' costing and product value?
4. Does business support play a role in affecting products' costing and packaging?
5. Does business support play a role in affecting products' costing and branding?

1.7   Significance of the Study

This research addresses several gaps in extant literature, contributing to theory and practice, as highlighted in the following paragraphs.

1.7.1 Theoretical contributions

This study contributes to the SMEs literature by explaining how costing affect product value of SMEs' F&B. According to Chittithaworn, Islam, Keawchana & Yusuf, (2011), Mohammadjafari, Ahmed, Dawal & Zayandehroodi, (2011), and Brouthers & Nakos (2004), these authors have testified that the relationship between cost of producing SMEs F&B product values in the current markets and the reasons that lead SMEs flabbergasted about the cost implementation were due to the increased competition in the food industry. This includes how the SMEs competitive with other firms. The food industry represents one of the most important industrial sectors (Avermaete, Viaene, Morgan, & Crawford, 2003), thus, shows the SMEs putting an effort of cost transact the product value to convey the market industry. However, Nooteboom (1993) did not examine the relationship between packaging and branding towards the cost of SMEs products' value implementation. However, the issue of whether SMEs will directly influence product value in supplying to distribution channel or only through its effect on the packaging and branding will be addressed in this research.

Next, to assist SMEs in understanding the business support factor that may mitigate the effect of cost on packaging and branding. Few studies measure (Harash et al., 2014: Pergelova & Angulo-Ruiz, 2014: Beck & Demergic-Kunt, 2006) business support by looking at the financing support to measure firm performance in order to accelerate economic growth. Meanwhile, Matsoso & Benedict (2014), Skrijar, Bosil-Vuksic & Indihar (2008) and Mole (2002) measure business support by looking at the non-financing support to measure firms' profitability. In this research, the moderating role of business support consisting both financial support and non-financial support from government and non-government agencies was adopted. This knowledge will add to our understanding if SMEs receive these business support will portray higher value products. Hence, it will result in improving the costs to spend on the resources.

1.7.2 Practical contributions

Firstly, this study will give an overview to SMEs in operating their business. Furthermore, SMEs will be able to gain knowledge and information related to F&B product value. SME also will aware about hypermarket requirement and consumer perception that can affect their purchasing decision of products. In addition, this research also highlights the importance of products' packaging and branding. Hence, SMEs can make necessary improvements towards their products in order to increase its product awareness and marketability.

Despite many funds and facilities provided by the ministries and agencies, the government can establish the non-governmental organization (NGO) to set up an anchor representative for SMEs. Thus, the entire matters can be solved. The results of this would assist the SMEs policymakers to implement new or improve capabilities of SME manufacturer. With somebody that assists all sorts of SMEs, to some extent will help of these SMEs in improving product's packaging and branding,

next be able to sustain their business. Hence, if all these SMEs united, they were being mixed and exposed with knowledge in operating the business. SMEs should have known that they need to quickly react to trends in the industry and also the needs of the ever-demanding consumer. Hence, finding right opportunities and the abilities to improvise the current products to meet the current trends.

Next, the hypermarkets, distribution channel or middleman will be able to benefit from this research by understanding SMEs needs and capabilities. While setting up the requirements and acts for products placement, these distribution channel should loosen their rules and support homegrown products. In return, this could lessen the burden of SMEs in regards to improve product's packaging and branding. Hence it will increase product values without them reducing the costs and prices.

1.8   Definition of Terms

To understand and clarify the terms used in the study, the following operational definitions have been defined.

Small and Medium Enterprises (SMEs) is a category of micro, small and medium-sized enterprises that measures by the total of employees and total of turnover in a company (SME Annual Report 2014/2015).

Food and Beverage (F&B) is the only product class typically consumed three times per day by every person (Marsh & Bugusu, 2007). These involved companies from F&B background that process raw food materials into packaged outputs ready for distribution to consumer or next parties.

Costing refers to overall cost to produce F&B products. This cost is related to costs incurred from the beginning of production till the end of finishing goods sold (Nooteboom, 1993). These expenditure costs incurred includes the whole organization cost; labor, machinery and assets.

Packaging defined as a process of packaging products or in particularly a presentation of the products that can influence consumers' purchasing decision (Silayoi & Speeece, 2004). It is an important factor that influences purchasing decision. Generally, there are two elements in packaging; visual element and informational element.

Branding refers to a name that can stimulate consumers' mind by the brand name. This implied that an attractive brand name might result in brand favorability (Abimbola, 2001). To accomplish a good branding, it is important to take into account brand management, brand preference and perceived quality.

Business Support refers to support system. It is an assistance support that covers all external and internal services or factors that can enhance business performance (Kurniawati & Yuliando, 2015). There are two types of business support; financial support and non-financial support.

1.9   Structure of the Research

The first chapter presents a brief background and motivation of the study. It also consists of primary guidelines like problem statements, objectives, question and contribution of study in this chapter. In the second chapter, it deals with literature on theory and variables of costing, packaging, branding, business support and product value. The methodological issues in this research are introduced in chapter three. This chapter determines the sample selection, specifies the data needed, generate hypotheses and further explains method of the study. Chapter four presents the results of the empirical testing related to objectives of this study. The factors that essential to costing, packaging, branding, business support and the relationship between product value was identified. Finally, chapter five provides a summary of the thesis, including implication of the results, encountered limitation of the study and related areas for further research.

1.10   Chapter Summary

The first section of this chapter discussed an overview of the background of study relating to F&B and SMEs. The second part, problem statement, deals with the issues of costing, packaging, branding and business support for product value of SMEs F&B. In the third section, the research objectives and research questions were being outlined while the last section justified the significance and contributions of this research. The last section highlights the definitions of terms and concepts used in this study.

REFERENCES

Abhijit Chakraborty, H. O. D., Mostafa, G. M. M., & Choudhary, A. (2013). Importance of Brand for SMEs. *Journal Business Management & Social Sciences Research (JBM&SSR) ISSN No, 2319*, 5614.

Abidin, Z.Z., Kamal, N.M., & Jusoff, K. (2009). Board structure and corporate performance in Malaysia. International Journal of Economic and Finance, 1(1), 150-164.

Abimbola, T. (2001). Branding as a competitive strategy for demand management in

Abor, J. Y., Agbloyor, E. K., & Kuipo, R. (2014). Bank finance and export activities of Small and Medium Enterprises. *Review of Development Finance, 4*(2), 97-103.

Afolabi, M. O. (2013). Growth effect of small and medium enterprises (SMEs) financing in Nigeria. *Journal of African Macroeconomic Review, 3*(1).

Agarwal, S., & Teas, R. K. (2002). Cross-national applicability of a perceived quality model. *Journal of Product & Brand Management, 11*(4), 213-236.

Ahvenainen, R. & Hurme, E. (1997). Active and Smart Packaging for Meeting Consumer Demands for Quality and Safety. In *Food Additive Contaminants*, vol. 14, 1997, no. 6/7, p. 753-763.

Alban, H. M. G., Cardona, O. C. S., Argueta, C. M., & Sarmiento, A. T. (2015). A cost-efficient method to optimize package size in emerging markets. *European Journal of Operational Research, 241*(3), 917-926.

Allen, D. W. (1999). Transaction costs. *Encyclopedia of law and economics*. Simon Fraser University, United States.

Anas, T. (2014). The Marketing Of Small And Medium Enterprise (Sme) Products Based On Food Processing.

Aryeetey, E., Baah-Nuakoh, A., Duggleby, H., Hettige, H., & Steel, W. F. (1994). The supply and demand for finance among SMEs in Ghana. *Africa Technical Department Discussion Paper, 251*.

Aubert, B. A. and Weber, R. (2001). Transaction Cost Theory, The Resource-Based View, and Information Technology Sourcing Decisions: A Re-examination of Lacity's Findings: [www document] http://gresi.hec.ca (accessed 13 January 2004).

Avermaete, T., Viaene, J., Morgan, E. J., & Crawford, N. (2003). Determinants of innovation in small food firms. *European Journal of Innovation Management, 6*(1), 8-17.

Azapagic, A., Millington, A., & Collett, A. (2006). A methodology for integrating sustainability considerations into process design. *Chemical Engineering Research and Design, 84*(6), 439-452.

Backhaus, K., Steiner, M., & Lügger, K. (2011). To invest, or not to invest, in brands? Drivers of brand relevance in B2B markets. *Industrial Marketing Management, 40*(7), 1082-1092.

Barney, J. (1991). Firm resources and sustained competitive advantage. *Journal of management, 17*(1), 99-120.

Baron, R. M., & Kenny, D. A. (1986). The moderator–mediator variable distinction in social psychological research: Conceptual, strategic, and statistical considerations. *Journal of personality and social psychology, 51*(6), 1173.

Beck, T., & Demirguc-Kunt, A. (2006). Small and medium-size enterprises: Access to finance as a growth constraint. *Journal of Banking & Finance, 30*(11), 2931-2943.

Bennett, R. J., & Robson, P. J. (1999). The use of external business advice by SMEs in Britain. *Entrepreneurship & Regional Development, 11*(2), 155-180.

Berman, B. (2015). How to compete effectively against low-cost competitors. *Business Horizons, 58*(1), 87-97.

Black, K. U. (2011). *Applied business statistics: Making better business decisions* (6th ed.). Jersey, NJ: John Wiley & Sons.

Brouthers, K. D., & Nakos, G. (2004). SME entry mode choice and performance: A transaction cost perspective. *Entrepreneurship theory and practice, 28*(3), 229-247.

Byrne, B.M. (2013). *Structural equation modeling with EQS: Basic concepts, applications, and programming*: Routledge.

Cacciolatti, L. A., Garcia, C. C., & Kalantzakis, M. (2015). Traditional Food Products: The Effect of Consumers' Characteristics, Product Knowledge, and Perceived Value on Actual Purchase. *Journal of International Food & Agribusiness Marketing, 27*(3), 155-176.

Calculator GPower. (2004). Retrieved from http://www.raosoft.com/samplesize.html

Campbell, D. T., & Fiske, D. W. (1959). Convergent and discriminant validation by the multitrait-multimethod matrix. *Psychological bulletin, 56*(2), 81.

Caves, R. E. (1980). 'Industrial organization, corporate strategy and structure', *Journal of Economic Litera- ture, 18*, pp. 64-92.

Chakraborty, A. H. O. D., Mostafa, G. M. M., & Choudhary, A. (2013). Importance of Brand for SMEs. *Journal Business Management & Social Sciences Research (JBM&SSR) ISSN No, 2319*, 5614.

Chaudhuri, A., & Ligas, M. (2009). Consequences of value in retail markets. Journal of Retailing, 85(3), 406-419.

Chin, W.W. (1998). The partial least squares approach to structural equation modeling. In G. A. Marcoulides (Ed.), *Modern methods for business research* (pp. 295–358). Mahwah: Lawrence Erlbaum.

Chittithaworn, C., Islam, M. A., Keawchana, T., & Yusuf, D. H. M. (2011). Factors affecting business success of small & medium enterprises (SMEs) in Thailand. *Asian Social Science*, 7(5), 180.

Churchill G. A. (1979). A paradigm for developing better measures of marketing constructs. *Journal of marketing research*, 64-73.

Coase, R. H. (1937). The nature of the firm. *economica*, 4(16), 386-405.

Cohen, J. (1988) Statistical Power Analysis for the Behavioral Sciences, 2nd edition. Hillsdale, NJ: L. Erlbaum Associates.

Coles R. (2003). Introduction. In: Coles R, McDowell D, Kirwan MJ, editors. Food pack- aging technology. London, U.K.: Blackwell Publishing, CRC Press. p 1–31.

Crawford, C. M. (1992). The hidden costs of accelerated product development. *Journal of Product Innovation Management*, 9(3), 188-199.

DOSM. (2014). Annual Report 2014: Department of Statistics Malaysia.

Ebrahim, R. S. (2013). *A study of brand preference: An experiential view* (Unpublished Doctoral Dissertation). Brunel University, Brunel

EU SME Centre. (2013). Report The Food & Beverage Market in China. Beijing, China

Fitchew, S., & Blackburn, R. A. (1998). Small Firms in Services–The 1997 Survey. *Small Business Research Centre, Kingston University, Kingston upon Thames*.

Food Packaging Trends and Advances Report, 2016: PMMI The Association for Packaging and Processing Technologies: Reston, USA

Fornell, C., & Larcker, D. F. (1981). Structural equation models with unobservable variables and measurement error: Algebra and statistics. *Journal of marketing research*, 382-388.

Gefen, D., Straub, D., & Boudreau, M. C. (2000). Structural equation modeling and regression: Guidelines for research practice. *Communications of the association for information systems*, 4(1), 7.

Georg, Fischer (2014, September 30) The Star News.

Germain, D., Wakefield, M. A., & Durkin, S. J. (2010). Adolescents' Perceptions of cigarette brand image: Does Plain Packaging make a difference?. Journal of Adolescent Health, 46(4), 385-392.

Gravetter, F. J., & Wallnau, L. B. (2000). Statistics for Behavaioral Sciences (5th ed.). *USA: Wadsworth Pub. Co.*

Guy, C., Bennison, D., and Clarke, R. (2005). Scale Economies and Superstore Retailing: New Evidence from the UK. Journal of Retailing and Consumer Services 12. Page 73-81.

Hair, J.F., Hult, G.T.M., Ringle, C.M., & Sarstedt, M. (2014). *A primer on partial least squares structural equation modeling (PLS-SEM).* Thousand Oaks: Sage.

Hair, J.F., Jr., Anderson, R.E., Tatham, R.L., and Black, W.C. (1998). *Multivariate Data Analysis with Readings, 5th Edition.* Englewood Cliffs, NJ: Prentice Hall.

Hamdani, J., & Wirawan, C. (2012). Open innovation implementation to sustain Indonesian SMEs. *Procedia Economics and Finance, 4,* 223-233.

Harash, E., Al-Timimi, S., & Alsaadi, J. (2014). The Influence of Finance on Performance of Small and Medium Enterprises (SME's). *International Journal of Engineering and Innovative Technology (IJEIT) Volume, 4.*

Harash, E., Alsaad, F. J., & Ahmed, E. R. (2013). Moderating Effect of Government Policy on the Market Practices-Growth Relationship in Iraq SMEs. *Open Science Repository Business Administration Online. open-access(2013): e70081983.*

Hart, S. L. (1995). A natural-resource-based view of the firm. *Academy of management review, 20*(4), 986-1014.

Hartsenko, J. & Sauga, A. (2013). Does financial support from the EU structural funds has an impact on the firm's performance: evidence from Estonia. Proceedings of 30th Inernational Conference Mathematical Methods in Economics.

Hartsenko, J., & Sauga, A. (2013). The role of financial support in SME and economic development in Estonia. *Business and Economic Horizons, (09/2),* 10-22.

Hasnan, Aziz, Zulkifli & Taip (2014). Food Factory Design: Reality and Challenges faced by Malaysian SMEs. *Agriculture and Agricultural Science Procedia 2 (2014) 328 – 336*

Hassan, H., Bakar Sade, A., & Sabbir Rahman, M. (2013). Malaysian hypermarket retailing development and expansion. International Journal of Retail & Distribution Management, 41(8), 584-595.

Henseler, J. (2010). On the convergence of the partial least squares path modeling algorithm. *Computational statistics*, *25*(1), 107-120.

Henseler, J., Ringle, C. M., & Sinkovics, R. R. (2009). The use of partial least squares path modeling in international marketing. In *New challenges to international marketing* (pp. 277-319). Emerald Group Publishing Limited.

Huang, H. & Lai, Y. (2011). The Brand Management Problems in SMEs. (Unpublished doctoral dissertation). University of Gavle. Sweden.

James, L. R., & Brett, J. M. (1984). Mediators, moderators, and tests for mediation. *Journal of Applied Psychology*, *69*(2), 307.

Jarvis, C.B., MacKenzie, S.B., & Podsakoff, P.M. (2003). A critical review of construct indicators and measurement model misspecification in marketing and consumer research. *Journal of Consumer Research*, 30(2), 199-218.

Kamyabi, Y., & Devi, S. (2011). An Empirical Investigation of Accounting Outsourcing in Iranian SMEs: Transaction Cost Economics and Resource-Based Views. International Journal of Business and Management. Vol. 6, No. 3; March 2011

Keller, J. M. (2008). First principles of motivation to learn and e3 learning. *Distance education*, *29*(2), 175-185.

Keller, K. L. (1993). Conceptualizing, measuring, and managing customer-based brand equity. *the Journal of Marketing*, 1-22.

Keller, K. L. (2003). Brand synthesis: The multidimensionality of brand knowledge. *Journal of consumer research*, *29*(4), 595-600.

Keller, K. L., Heckler, S. E., & Houston, M. J. (1998). The effects of brand name suggestiveness on advertising recall. *The Journal of Marketing*, 48-57.

Kohli, C. (1997). Branding consumer goods: insights from theory and practice. *Journal of Consumer Marketing*, *14*(3), 206-219.

Kohli, C. S., Harich, K. R., & Leuthesser, L. (2005). Creating brand identity: a study of evaluation of new brand names. *Journal of Business Research*, *58*(11), 1506-1515.

Kohli, C., & Thakor, M. (1997). Branding consumer goods: insight from theory and practice. *Journal of Consumer Marketing*, *14*(3), 206.

Krake, F. B. (2005). Successful brand management in SMEs: a new theory and practical hints. *Journal of Product & Brand Management*, *14*(4), 228-238.

Krejcie, R. V., & Morgan, D. W. (1970). Determining sample size for research activities. Educational and psychological measurement, 30(3), 607-610.

Kurniawati, D., & Yuliando, H. (2015). Productivity Improvement of Small Scale Medium Enterprises (SMEs) on Food Products: Case at Yogyakarta Province, Indonesia. *Agriculture and Agricultural Science Procedia, 3*, 189-194.

Lewis, B. R., Templeton, G. F., & Byrd, T. A. (2005). A methodology for construct development in MIS research. *European Journal of Information Systems, 14*(4), 388-400.

Mahmoud M. A. (2011), Market Orientation and Business Performance among SMEs in Ghana. International Business Research Vol. 4, No. 1.

Malaysia Food and Beverage, (2011). Country Market Insight, Packaged Food, Malaysia.

Marjan, M. D., Ahmed, S., & Zayandehroodi, H. (2011). A Review of Literature on Reducing Time and Cost of New Product in SMEs through Project Management by E-Collaboration. In *International Conference on Industrial Engineering and Operations Management (IEOM 2011)*.

Marsh, K., & Bugusu, B. (2007). Food packaging—roles, materials, and environmental issues. *Journal of food science, 72*(3), R39-R55.

Matsoso, M. L., & Benedict, O. H. (2014). Non-Financial Performance Measures in Small Medium Enterprises' Supply Chain Management. *Journal of Economics, 5*(3), 247-257.

Maurel, C. (2008). Financial Approach to Export Performance in French Wine SMES. In 4 th International Conference of the .Academy of Wine Business Research, Siena, 17-19 July

Maznah, O. W., Ikhmal, F., M. I., Noor, A. M. N. M., & R, S. M. (2011). The Effectiveness of Bumiputra SME Food Product Packaging in the Malaysian Customers' Perception. *Canadian Social Science, 7*(2), 102.

McCutcheon, E., Bruwer, J., & Li, E. (2009). Region of origin and its importance among choice factors in the wine-buying decision making of consumers. *International Journal of Wine Business Research, 21*(3), 212-234.

Menrad. (2001). Market and marketing of functional food in Europe. *Journal of Food Engineering 56 (2003) 181–188.*

Meor. K. A. (2014). Hypermarkets a global growth avenue for Malaysian SMEs. Retrieved from http://www.businesscircle.com.my/hypermarkets-global-growth-avenue-malaysian-smes/

Miles, J. A. (2012). Management and organization theory: A Jossey-Bass reader (Vol. 9). John Wiley & Sons.

Milgrom, P., & Roberts, J. (1990). Bargaining costs, influence costs, and the organization of economic activity. *Perspectives on positive political economy, 57*, 60.

Mohammadjafari, M., Ahmed, S., Dawal, S. Z. M., & Zayandehroodi, H. (2011). The importance of project management in small-and medium-sized enterprises (SMEs) for the development of new products through E-collaboration. *African Journal of Business Management*, 5(30), 11844.

Mole, K. (2002). Business Advisers' Impact on SMEs An Agency Theory Approach. International small business journal, 20(2), 139-162.

Nawai, N. B., & Shariff, M. N. B. M. (2013). Determinants of repayment performance in microfinance programmes in malaysia. Proceedings of the Applied International Business Conference, Malaysia.

Nikhashemi, S. R., Paim, L., Md Sidin, S., & Khatibi, A. (2014). Driving forces of hypermarket's customer loyalty: an empirical study in Malaysia. *Australian Journal of Basic and Applied Sciences*, 8(3), 377-386.

Noorshaheeda B. M., Mohd-Noor, M. B., & Zaimah, D. B. (2009). Consumer logistics in hypermarket and its application to SMEs in Malaysia. *Prosiding Perkem IV, JILID*, 2, 385-394.

Nooteboom, B. (1993). Firm size effects on transaction costs. *Small Business Economics*, 5(4), 283-295.

Nunnally, J. C., & Bernstein, I. H. (1994). The assessment of reliability. *Psychometric theory*, 3(1), 248-292. NY: McGraw-Hill New York

Nunnally, J.C. (1978). Psychometric Methods, *Third Edition*. New York: McGraw-Hill.

Nyadzayo, M. W., Matanda, M. J., & Ewing, M. T. (2015). The impact of franchisor support, brand commitment, brand citizenship behavior, and franchisee experience on franchisee-perceived brand image. *Journal of Business research*, 68(9), 1886-1894.

Pergelova, A., & Angulo-Ruiz, F. (2014). The impact of government financial support on the performance of new firms: the role of competitive advantage as an intermediate outcome. *Entrepreneurship & Regional Development*, 26(9-10), 663-705.

Pervan, M., & Višić, J. (2012). Influence of firm size on its business success. *Croatian Operational Research Review*, 3(1), 213-223.

Peteraf, M. A. (1993). The cornerstones of competitive advantage: a resource based view. *Strategic management journal*, 14(3), 179-191.

Podsakoff, P. M., MacKenzie, S. B., Lee, J. Y., & Podsakoff, N. P. (2003). Common method biases in behavioral research: a critical review of the literature and recommended remedies. *Journal of applied psychology*, 88(5), 879.

Preacher, K.J., & Hayes, A.F. (2008). Asymptotic and resampling strategies for assessing and comparing indirect effects in multiple mediator models. *Behavior Research Methods*, 40(3), 879-891.

Prendergast, G. P., & Marr, N. E. (1997). Generic products: who buys them and how do they perform relative to each other?. *European Journal of Marketing, 31*(2), 94-109.

Puccinelli, N. M., Goodstein, R. C., Grewal, D., Price, R., Raghubir, P., & Stewart, D. (2009). Customer experience management in retailing: understanding the buying process.. Journal of retailing, 85(1), 15-30.

Raheem, A. R., Vishnu, P., & Ahmed, A. M. (2014). Impact of product packaging on consumer's buying behavior. *European Journal of Scientific Research, 122*(2), 125-134.

Robinson, J. P., Shaver, P. R., & Wrightsman, L. S. (1991). Criteria for scale selection and evaluation. *Measures of personality and social psychological attitudes, 1*(3), 1-16.

Rosmimah, M. R., &. Melewar, T. C., (2008). Hypermarkets and the Small Retailers in Malaysia: Exploring Retailers' Competitive Abilities- Journal of Asia-Pacific Business

Runyan, R. C., Huddleston, P., & Swinney, J. L. (2007). A resource-based view of the small firm: Using a qualitative approach to uncover small firm resources. *Qualitative Market Research: An International Journal, 10*(4), 390-402.

Sahin, A., & Kitapçi, H. (2013). Why customers stay: The role of switching costs on the satisfaction-trust-commitment chain. *International Review of Management and Business Research, 2*(4), 908.

Salkind, N. J. (1997). Exploring Research (3rd Ed.). Upper Saddle River, NJ: Prentice Hall.

Sarkar, A. N., & Singh, J. (2006). Savings-led Micro-finance to Bank the Unbankables Sharing of Global Experience. Global Business Review, 7(2), 271-295

Sekaran, U. (1992). Research Methods for Business: A Skills Buidling Approach, 2nd ed., New York, Chichester: John Wiley & Sons, Inc.

Silayoi, P., & Speece, M. (2004). Packaging and purchase decisions: An exploratory study on the impact of involvement level and time pressure. *British food journal, 106*(8), 607-628.

SMEs. *Journal of research in marketing and entrepreneurship, 3*(2), 97-106.

SMIDEC. (2014). SME Annual Report, 2014/2015: Small and Medium Enterprise Development Corporation.

SMIDEC. (2014). SME Census Report, 2011: Small and Medium Enterprise Development Corporation.

SMIDEC. (2015). SME Annual Report, 2015/2016: Small and Medium Enterprise Development Corporation.

Spence, M., & Hamzaoui Essoussi, L. (2010). SME brand building and management: an exploratory study. *European Journal of Marketing*, *44*(7/8), 1037-1054.

Straub, D., Boudreau, M. C., & Gefen, D. (2004). Validation guidelines for IS positivist research. *The Communications of the Association for Information Systems*, *13*(1), 63.

Teixeira, T. S. (2014). The rising cost of consumer attention: why you should care, and what you can do about it. (Unpublished doctoral dissertation). Harvard Business School, United States.

Underwood, R. L., Klein, N. M., & Burke, R. R. (2001). Packaging communication: attentional effects of product imagery. *Journal of product & brand management*, *10*(7), 403-422.

Urbach, N., & Ahlemann, F. (2010). Structural equation modeling in information systems research using partial least squares. *JITTA: Journal of Information Technology Theory and Application*, *11*(2), 5.

Vermeir, I., & Verbeke, W. (2008). Sustainable food consumption among young adults in Belgium: Theory of planned behaviour and the role of confidence and values. Ecological economics, 64(3), 542-553.

Vinzi, V. E., Chin, W. W., Henseler, J., & Wang, H. (2010). Editorial: Perspectives on partial least squares. In *Handbook of partial least squares* (pp. 1-20). Springer Berlin Heidelberg.

Wade, M., & Hulland, J. (2004). Review: The resource-based view and information systems research: Review, extension, and suggestions for future research. *MIS quarterly*, *28*(1), 107-142.

Wang, C. L., Siu, N. Y., & Hui, A. S. (2004). Consumer decision-making styles on domestic and imported brand clothing. *European Journal of Marketing*, *38*(1/2), 239-252.

Wernerfelt, B. (1984). A resource based view of the firm. *Strategic Management Journal*, *5*(2), 171-180.

Wernerfelt, B. (1995). The resource based view of the firm: Ten years after. *Strategic Management Journal*, *16*(3), 171-174.

Williamson, O. E. (2008). Outsourcing: Transaction cost economics and supply chain management. *Journal of supply chain management*, *44*(2), 5-16.

Williamsoon, E. (1975). Markets and Hierarchies: Analysis and Antitrust Implications, a Study in the Economics of Internal Organization. New York: Free Press.

Yee, C. J., & San, N. C. (2011). Consumers' Perceived Quality, Perceived Value and Perceived Risk Towards Purchase Decision on Automobile. American Journal of Economics and Business Administration 3 (1): 47-57,

Zainuddin, A., & Shariff, S. M. (2016). Preferences for Halalan Toyyiban Retail Supply Chain Certification: A Case of Hypermarket. *Procedia Economics and Finance*, *37*, 405-411.

Zajac, E. J., & Olsen, C. P. (1993). From transaction cost to transactional value analysis: Implications for the study of interorganizational strategies. *Journal of management studies*, *30*(1), 131-145.

Zajonc, R. B., & Markus, H. (1982). Affective and cognitive factors in preferences. *Journal of consumer research*, *9*(2), 123-131.