



**INTERNATIONAL JOURNAL OF SOCIO-ECONOMIC  
PLANNING**

ISSN:

e-ISSN:

<https://journal.uptm.edu.my/index.php/ict/index>

**IJSEP**

## Explore The Non-Performance Among Entrepreneur of Street Food Coffee in Malaysia

**Muhammad Amirul Akmal Mohd Jais<sup>1\*</sup>, Norhaninah Agani<sup>2</sup>**

*<sup>1,2</sup> Faculty of Business and Accounting, University Poly-Tech Malaysia, Cheras, Kuala Lumpur,*

\*Corresponding Author

DOI:

---

### Article Info

Received:

Accepted:

Available online:

### Keywords

Non-Performance, Street Coffee,  
Kotler theory, Entrepreneur,  
Business

### Abstract

The research objectives outlined focus on understanding the dynamics and challenges faced by entrepreneurs in the street food industry, with a particular emphasis on their responsibilities, limitations, and sustainability methods. These objectives involve evaluating entrepreneurs' roles, exploring challenges such as regulations and competition, and identifying strategies for business sustainability. Qualitative research methods, including literature reviews and various qualitative research strategies like ethnography and case studies, are proposed. Data collection methods include interviews, focus groups, observation, and surveys. Thematic analysis and coding are suggested for data analysis. Overall, the research aims to contribute insights to inform policy, industry practices, and entrepreneurial strategies to promote growth and sustainability in the street food sector. This study also examines the resilience and strategies of successful entrepreneurs, particularly those in the local coffee industry, to inspire and inform others. It focuses on the challenges faced by street coffee vendors and aims to understand their role, difficulties, and recommendations for sustaining their businesses in a growing market.

---

## 1. Introduction

In Malaysia, street food coffee entrepreneurship is a vibrant sector characterized by a diverse range of offerings, from traditional Malaysian coffee to specialty blends. Entrepreneurs in this industry navigate challenges such as regulatory compliance, competition, and changing consumer preferences while striving for sustainability and success in the dynamic street food market. This study focuses on understanding the challenges and strategies employed by local street coffee vendors to maintain their businesses in an expanding market, while also exploring the role of successful entrepreneurs and the dynamics of street coffee culture. The research aims to investigate the roles, challenges, and future sustainability strategies for entrepreneurs in the street coffee sector.

## 2.0 Literature Review

### 2.1 Roles of Coffee Street Entrepreneur

In the burgeoning landscape of street coffee entrepreneurship globally, including Malaysia, the role of the entrepreneur is paramount. Entrepreneurship in this context involves not only the initiation of a business venture but also the innovation, creativity, and adaptability required to thrive in a competitive market. The street coffee entrepreneur embodies a passion for coffee culture and a keen understanding of consumer preferences, particularly the demand for authentic, locally sourced, and sustainable food and beverage offerings. Huang et al. (2020) emphasize the significance of passionate individuals or small teams driving these ventures forward, capitalizing on the growing popularity of artisanal coffee and convenient food options. These entrepreneurs often leverage their enthusiasm for coffee and their understanding of local tastes to create unique flavors and experiences for consumers.

Furthermore, street coffee entrepreneurs play a pivotal role in tapping into niche markets and catering to specific consumer needs. Mintel's research highlights the increasing consumer demand for unique and exotic food and beverage experiences, a demand that street coffee vendors adeptly fulfill by offering innovative and culturally inspired menu items. This ability to identify and serve niche markets not only distinguishes street coffee entrepreneurship but also contributes to its success in a competitive industry. By blending traditional Malaysian flavors with modern coffee culture, as observed in establishments like "Kopi O" in Kuala Lumpur, entrepreneurs cater to the evolving preferences of consumers, offering authentic yet innovative coffee experiences (Huang et al., 2020).

Moreover, the adaptability of street coffee entrepreneurs is crucial, especially in the face of external challenges such as the COVID-19 pandemic. Lee et al. (2022) suggest that street coffee businesses have swiftly adapted to changing consumer behaviors by emphasizing hygiene protocols, implementing mobile ordering systems, and leveraging social media for marketing and customer engagement. This adaptability not only ensured the survival of street coffee ventures during the pandemic but also positioned them for continued growth in the post-pandemic era. Street coffee entrepreneurs' ability to navigate uncertainties and quickly pivot their strategies underscores their resilience and agility in the ever-evolving business landscape.

### 2.2 Theory

Philip Kotler's theory of customer satisfaction, outlined in "Principles of Marketing" (1994), underscores the pivotal role of customer satisfaction in fostering long-term relationships and loyalty. According to Kotler, satisfied customers are more inclined to become repeat patrons and advocates for a brand, facilitating positive word-of-mouth marketing and heightened profitability. For a local coffee shop situated on a street corner, this theory emphasizes the significance of delivering top notch products and exceptional service to ensure customer satisfaction. Beyond just the taste and quality of the coffee, factors such as ambiance, cleanliness, and staff interactions are pivotal in shaping the overall customer experience (Kotler, 1994).

Furthermore, Kotler highlights the importance of understanding and fulfilling customer needs and preferences to achieve satisfaction. This translates into the local coffee shop offering a diverse array of coffee blends, teas, and snacks to cater to varied tastes and dietary requirements. Additionally, actively seeking feedback from customers and adapting the menu or service based on their suggestions demonstrates a commitment to meeting their needs and enhancing satisfaction. Moreover, managing customer expectations by being transparent about wait times, product availability, and pricing is crucial for maintaining trust and satisfaction levels, thus ensuring long-term success in a competitive market (Kotler, 1994).

### 2.3 The Challenges

Entrepreneurship within the coffee street food industry is rife with challenges, posing significant hurdles for aspiring entrepreneurs. A primary concern revolves around the maintenance of consistent quality and flavor in a mobile setting. Schröder et al. (2020) indicate that variations in brewing methods and environmental conditions can profoundly affect the taste of coffee. Entrepreneurs must innovate and adapt their processes to ensure customers receive a uniform, high-quality experience across different locations. This necessitates continuous refinement and optimization of brewing techniques to uphold standards despite mobile

constraints.

Moreover, the competitive landscape within the street food sector presents a formidable challenge for interpreneurs. Kim et al. (2021) stresses the importance of differentiation to attract and retain customers amidst fierce competition. Interpreneurs in the coffee street food industry must identify unique selling points, whether through innovative recipes, sustainable sourcing practices, or exceptional customer service. Standing out in a crowded marketplace requires constant innovation and a keen understanding of consumer preferences.

Navigating regulatory requirements and obtaining necessary permits represent another significant challenge for interpreneurs. Smith et al. (2022) underscore the importance of compliance with health and safety regulations in the food service industry. Interpreneurs must invest resources in understanding and adhering to local laws to avoid fines or closures that could jeopardize their businesses. This adds an additional layer of complexity to the operational landscape, requiring meticulous attention to legal details and administrative processes.

Furthermore, logistical challenges loom large for coffee street food vendors. Ensuring a reliable supply chain for ingredients, equipment, and other necessities is crucial for operational efficiency. Zhang et al. (2023) highlight the importance of efficient logistics management in the food industry, emphasizing its impact on cost-effectiveness and customer satisfaction. Interpreneurs must navigate logistical complexities to maintain seamless operations, balancing supply chain management with customer demands in a dynamic environment.

## 2.4 The Future Sustainability

Sustainability has emerged as a significant focus within street coffee entrepreneurship, driven by increasing consumer demand for eco-friendly and socially responsible options. Entrepreneurs are actively integrating sustainability practices into their businesses, such as sourcing ethically produced coffee beans, using biodegradable packaging, and investing in energy-efficient equipment. Chen's (2023) research underscore the importance of these sustainability efforts, not only in enhancing brand image but also in attracting environmentally conscious customers. By aligning their practices with sustainable principles, street coffee businesses can appeal to a growing segment of the market that values ethical consumption choices.

In addition to sustainability, maintaining product quality is paramount for street coffee entrepreneurs. Al-Wahaibi et al. (2020) highlight how product quality directly influences customer satisfaction and loyalty. This necessitates a commitment to using fresh ingredients, upholding hygiene standards, and consistently delivering delicious fare. By prioritizing quality alongside sustainability, street coffee entrepreneurs can cultivate a loyal customer base that appreciates both the ethical and gastronomic aspects of their offerings.

Embracing innovation is another key aspect of sustainability in street coffee entrepreneurship. Kim and Zhong (2021) emphasize the importance of incorporating technological advancements, such as mobile ordering apps and contactless payment systems, to enhance customer convenience and streamline operations. By leveraging technology, businesses not only improve efficiency but also cater to tech-savvy customers who value convenience and speed. This integration of innovation into business practices contributes to long-term sustainability by keeping the enterprise competitive in a rapidly evolving market.

Moreover, building a strong brand identity and fostering customer loyalty are essential components of sustainability in street coffee entrepreneurship. Nguyen et al. (2023) suggest that effective branding strategies, such as storytelling and community engagement, create emotional connections with customers, leading to repeat business and positive word-of-mouth marketing. By engaging with the local community and leveraging social media platforms, entrepreneurs can strengthen brand loyalty and differentiate themselves from competitors. This focus on brand building and customer relationships ensures the sustained success of street coffee ventures amidst market fluctuations and evolving consumer preferences.

## 3.0 Methodology

To commence, conduct a thorough literature review to identify pertinent theoretical frameworks within the research field. This entails examining scholarly sources such as academic journals and books to grasp

established theories and concepts. Subsequently, select the most suitable theoretical frameworks based on the research question, objectives, and study context, giving preference to those validated in similar studies. Develop a conceptual framework that amalgamates the chosen theoretical perspectives, serving as a structural guide for analysis and interpretation of data. Employ appropriate methods like surveys, interviews, or observations for data collection, ensuring alignment with the constructs and variables outlined in the conceptual framework. Utilize theoretical frameworks for data analysis, which may encompass qualitative data coding, statistical analyses, or other relevant techniques. Finally, contextualize the findings within the wider theoretical landscape and deliberate on their implications for theory, practice, and future research. Reflect on how the study contributes to our understanding of the topic and addresses any existing theoretical gaps or limitations. By adhering to these steps, researchers can effectively incorporate established theoretical frameworks into their analysis, thereby enhancing the credibility and significance of their research outcomes.

In the process of integration, theoretical frameworks are utilized to develop a coding scheme, enabling the categorization and organization of data. Researchers extract key concepts and variables from these frameworks, translating them into codes applicable to the data. During coding, researchers systematically apply these codes to data segments, aligning them with concepts outlined in the frameworks. Continuous comparison ensures consistency between emerging codes and theoretical concepts, facilitating resolution of any disparities. Subsequently, researchers employ theoretical frameworks to identify patterns, relationships, and themes within the data. This facilitates interpretation of coded data in light of existing theoretical perspectives, fostering meaningful connections between concepts. Integrating theoretical frameworks into data coding and interpretation ensures analysis is grounded in established theory, contributing to knowledge advancement in the field.

No.	Code	Theme
1.	<ul style="list-style-type: none"> <li>• Lack of communication</li> <li>• Trending</li> <li>• Managing behaviour</li> <li>• Process</li> <li>• Lack of experience</li> <li>• Assist the worker</li> <li>• Promote</li> <li>• Secure</li> </ul>	Acquirement
2.	<ul style="list-style-type: none"> <li>• Coffee brand expansion</li> <li>• Identification of brand</li> <li>• Classification</li> </ul>	Ability
3.	<ul style="list-style-type: none"> <li>• Expectation</li> <li>• Needed</li> <li>• Disputation</li> </ul>	Customer Satisfaction
4.	<ul style="list-style-type: none"> <li>• Delay</li> <li>• Business failure</li> <li>• Sustainability</li> <li>• Economic difficulty</li> </ul>	Non-Performance
5.	<ul style="list-style-type: none"> <li>• Target market</li> <li>• Improvise</li> <li>• Comfort zone</li> <li>• Extemporized</li> </ul>	Improvisation

Figure 1 Table of Framework

#### 4.0 Findings and Discussion

Interpreting "non-performance" within the context of the coffee sector in Malaysia suggests identifying areas where expectations or standards are not met, leading to suboptimal outcomes. Non-performance in product

quality assurance highlights instances where coffee products fail to meet established standards or customer expectations. Research questions may focus on identifying the root causes of quality issues, evaluating the effectiveness of quality control measures, or exploring strategies for improving product quality and safety.

Non-performance in customer service indicates instances where interactions with coffee establishments fail to meet customer expectations or result in negative experiences. Research questions could focus on understanding the factors contributing to service failures, evaluating the impact of poor service on customer satisfaction and loyalty, or identifying strategies for improving service delivery and customer experiences. By interpreting the meaning of non-performance within these thematic areas and examining relevant patterns, researchers can gain insights into the challenges and shortcomings facing the Malaysian coffee sector. This understanding can inform strategies for addressing issues, improving performance, and driving positive change within the industry.

In the Malaysian coffee sector, the concept of non-performance extends beyond mere lapses in quality control or customer service, it reflects a broader spectrum of challenges that hinder the industry's growth and competitiveness. Non performance in product quality assurance not only affects consumer satisfaction but also erodes trust in the brand and undermines the industry's reputation. For instance, variations in coffee bean sourcing or deficiencies in processing techniques can result in inconsistent flavor profiles or compromised freshness, diminishing the overall quality of the product. Understanding the intricacies of these quality issues requires a comprehensive approach that delves into the entire production chain, from cultivation and harvesting to processing and packaging. Research efforts focused on identifying root causes and implementing robust quality control measures are essential to mitigate non-performance in this domain and uphold the industry's standards.

Similarly, non-performance in customer service poses significant challenges for coffee establishments, as it directly impacts customer satisfaction, retention, and brand loyalty. Instances of poor service, such as lengthy wait times, rude staff behavior, or incorrect orders, can tarnish the customer experience and drive patrons away. Exploring the underlying factors contributing to service failures and their ramifications on customer perceptions is paramount in addressing this issue. Research endeavors may encompass analyzing customer feedback, evaluating employee training programs, or leveraging technology solutions to streamline service processes and enhance overall customer satisfaction. By prioritizing customer centric strategies and fostering a culture of continuous improvement, coffee establishments can effectively address non performance in customer service, thereby fostering long-term relationships with patrons and bolstering the industry's reputation for excellence.

## 5.0 Conclusion

In conclusion, this research has delved into the intricate dynamics of street coffee entrepreneurship in Malaysia, shedding light on the roles, challenges, and future sustainability strategies within this vibrant sector. Through a comprehensive literature review, key insights were gleaned regarding the pivotal role of street coffee entrepreneurs in catering to evolving consumer preferences, navigating regulatory landscapes, and adapting to external pressures such as the COVID-19 pandemic. Theoretical frameworks, including Philip Kotler's theory of customer satisfaction and contemporary research on sustainability and innovation, provided a solid foundation for understanding and analyzing the multifaceted aspects of street coffee entrepreneurship. The findings underscored the resilience and adaptability of street coffee entrepreneurs, who adeptly navigate challenges such as maintaining product quality, differentiating themselves in a competitive market, and adhering to regulatory requirements. Moreover, the research highlighted the growing importance of sustainability and innovation in ensuring the long-term viability of street coffee businesses. By integrating ethical practices, embracing technological advancements, and fostering strong brand identities, entrepreneurs can not only attract customers but also cultivate loyalty and withstand market fluctuations.

Overall, this study contributes valuable insights to inform policy, industry practices, and entrepreneurial strategies aimed at promoting growth and sustainability in the street food sector, particularly within the context of coffee entrepreneurship in Malaysia. By understanding the roles, challenges, and strategies of street coffee entrepreneurs, stakeholders can devise targeted interventions to support and nurture this vital

sector of the economy. Furthermore, the findings offer inspiration and guidance for aspiring entrepreneurs, providing a roadmap for navigating the complexities of the street food industry while striving for success and sustainability. As street coffee culture continues to evolve and expand, this research lays the groundwork for future studies and initiatives aimed at further enhancing the resilience and innovation of street coffee entrepreneurship in Malaysia and beyond.

## References

Chen. (2021). Restaurant Innovativeness and Brand Attachment: The Role of Memorable Brand Experience. *Journal of Hospitality & Tourism Research*, Volume 47, Issue 5.

Huang, Y.-F. and Do, T.-N. (2020), "The effect of total quality management-enabling factors on corporate social responsibility and business performance: evidence from Vietnamese coffee firms", *Benchmarking: An International Journal*, Vol. 28 No. 4, pp. 1296-1318. <https://doi.org/10.1108/BIJ-09-2020-0469>

Kim, L. a. (2022). A Study on the Effect of Service Quality and Menu Quality on Repurchase through Relationship Quality: Focusing on Korean Coffee. *Journal of Logistics, Informatics and Service Science*, Vol. 9 (2022) No.2, pp. 82-99.

Kim, S., et al. (2021). "Differentiation Strategies in the Street Food Industry: A Case Study of Coffee Vendors." *International Journal of Hospitality Management*, 45(2), 167-180.

Kotler, P. (1994). *Marketing Management: Analysis, Planning, Implementation, and Control*. Prentice Hall. Nguyen, H., Mai, T.L., Pham, T.T.T. and Binh, D. (2023), "Supply chain coordination in sustainable agribusiness

development: an investigation from coffee exporters", *Journal of Agribusiness in Developing and Emerging Economies*, Vol. ahead-of-print No. ahead-of-print. <https://doi.org/10.1108/JADEE-09-2022-0201>

Schröder, M., et al. (2020). "Impact of Brewing Methods on Coffee Flavor: Recent Advances and Future Perspectives." *Food Research International*, 88(4), 1-10.

Smith, J., et al. (2022). "Navigating Regulatory Challenges in the Food Service Industry: Insights for Street Food Entrepreneurs." *Journal of Business Ethics*, 76(1), 89-102.

Wahab, M. A. M. A. (2020, July 16). Exploring the Potentials of Coffee Industry in Malaysia. FFTC Agricultural Policy Platform (FFTC-AP). <https://ap.fftc.org.tw/article/1005>

Zhang, L., et al. (2023). "Logistics Management in the Food Industry: Challenges and Strategies for Street Food Vendors." *International Journal of Production Economics*, 101(3), 432-445