

**EFFECTS OF ENTREPRENEURIAL QUALITY TOWARDS NEW VENTURE  
CREATION: A MULTIPLE CASE STUDY OF SUCCESSFUL NEW VENTURES IN E-  
COMMERCE IN MALAYSIA**

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**ABSTRACT**

**Background and Purpose:** Studies on entrepreneurship gained attention only thirty years ago and had since highlighted new venture creations and the processes towards quality entrepreneurial growth. Nonetheless, past researches had overlooked e-commerce ventures as one of the aspects of the psychology of entrepreneurship. A critical element in entrepreneurship, an entrepreneur, would be responsible for the creation and establishment of new ventures with suitable personality traits, cognition and motivation. This study, therefore, aimed to describe the importance of personality traits, cognition and motivation that can impact e-commerce new ventures creations in Malaysia.

**Methodology:** This study was designed as data for this study were collected using interviews on 12 entrepreneurs who ventured into e-commerce. These interviews were carried out from May 2013 to December 2014 using a multiple case study approach.

**Findings:** Results from this study showed that seven personality traits, which were creativity, risk-taking, inspiration, autonomy and freedom, tolerance to ambiguity, diligence and persistence, as well as optimism, were the integral influence for new ventures in e-commerce. Cognitive aspects, such as personal background and experiences, as well as both internal and external motivation, also contributed to the creation of new ventures and developed their businesses. The need for achievement and interest were related to internal motivation, while interactions and networking with family members, customers, and industries, boosted external motivation.

**Contributions:** It is hoped that the Malaysian government would encourage more entrepreneurial activities within the country by identifying personality traits, motivation, and cognitive factors in potential entrepreneurs to expand the creations of new ventures further that can boost the economy of the country in the future. In addition, the recommendation of future study should explore the quantitative method to examine the relationship for each variable towards new venture creation in e-commerce.

**Keywords:** Entrepreneurship, new ventures creation, E-commerce, psychology, sociology.

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## 1.0 INTRODUCTION

Entrepreneurship is vital to financially develop a country (Carree & Thurik, 2005; Wennekers & Thurik, 1999), as the extent of the entrepreneurship can influence the stock exchange as well as the economic system (Davidsson, 2008). Davidsson (2005) has compiled several definitions of entrepreneurship, which most academicians relate entrepreneurship to creation. New enterprises (Low & MacMillan, 1988) and organizations (Gartner, 1988) are created through entrepreneurship. As these enterprises or organizations grow, more entrepreneurial activities for products and services (Shane, 2003) will be developed as well, which, in turn, generate more wealth (Drucker, 1985; Morris, 1998). Entrepreneurship can also create something unique of value (Hisrich & Peter, 1989), which can influence the economic growth of a country. One of the many ventures for entrepreneurship in this digital age that has influenced the economic growth in Malaysia is e-commerce.

E-commerce, and other related businesses that are based on the information and communications technology (ICT), have not only gained popularity in recent years but has continued to progress further due to the advancement of ICT. Dheeriya (2009) describes e-commerce as any business venture that is conducted solely through the internet or the World Wide Web. Unlike traditional businesses, e-commerce business utilises the Internet and technology-based computer systems to trade. E-commerce has notably become one of the critical sectors for sales expansion (Dheeriya, 2009). In 2010 until 2011 alone, the e-commerce trade in Malaysia had counted for almost two billion dollars, with an increase to three billion dollars in 2012. The lucrative amount garnered has proven that e-commerce business and opportunities for entrepreneurs to venture into this area of business are increasing although there is limited information on the number of e-commerce entities that have traded in Malaysia throughout those three years.

The expansion of e-commerce is similar with the concept in entrepreneurship by Lumpkin and Dess (1996) who associated entrepreneurship as a new entry, which involves a complex and interactional process of various components that address the question by Gartner (1988) on "How does an organization come into existence?" The psychology of entrepreneurs has been regarded as an essential element of new venture creations based on past studies on entrepreneurship. A study done by Shane (2003) examined the relationship between individual differences and decision-making in entrepreneurs and found that personal attributes such as personality traits, cognition and motivation affected the discovery and exploitation of entrepreneurial opportunities.

Studies on existing theories of the economy from sociological perspectives have also highlighted psychological elements, particularly personality traits, cognition, and motivation on the development of entrepreneurship. An entrepreneur should have personality traits that are critical in managing a business successfully to create new business ventures. These personality traits include creativity, risk-taking, inspiration, autonomy and freedom, tolerance for ambiguity, diligence and persistence, as well as optimism, as listed by Md Fadzil et al. (2018). According to Cromie (2000), there is the "psychological principle" that influences an entrepreneur to establish his own business, which is the commitment for achievement that leads to autonomy, risk-taking, creative, tolerant towards ambiguity and have the sense of control and freedom in their actions. Meanwhile, a recent study by Amber Waqar and Md Fadzil (2020a, 2020b) pointed out individual characteristics such as the need for achievement, locus of control, age, risk-taking propensity,

previous experience, and education as the main elements for new social venture creation and sustainability of entrepreneurial family. Thus, this present study aims to identify the roles of psychology towards e-commerce new ventures creation in Malaysia through selected twelve entrepreneurs as samples to be interviewed using semi-structured questions.

## **2.0 LITERATURE REVIEW**

It is widely argued that cognitive capacity in individuals is different from one another due to discrepancies in the personal background or life experiences. This background and experiences, however, are found to be critical influences on entrepreneurs to make their own judgment and decision in starting a new business venture. Most researchers, such as Baron (1998) believe that the cognitive abilities of reasoning and thinking about the ‘when’ and ‘why’ are essential in entrepreneurship, as entrepreneurs are regarded as individuals who have different thought processes than other people. There have been two fundamental questions that Baron (2004) has always sought to answer, which are ‘why can some individuals recognise opportunities to create new organisation while others could not’ and ‘why do some choose to become entrepreneurs’. Personal background and experiences, which are related to cognitive elements, as argued by Md Fadzil, Yaacob, and Muhayiddin (2017) and Md Fadzil et al. (2020), can potentially shed light in answering those questions.

Motivation can also be another critical cognitive element in entrepreneurship since various studies in the past have argued that motivation can be a crucial aspect in entrepreneurs to exploit business opportunities extensively (Shane, Locke, & Christopher, 2003). Another study by Segal, Borgia, and Schoenfeld (2005) also believe that entrepreneurs, who are self-employed, usually have a high level of motivation as they are interested in getting extra income. These arguments are similar to the findings of this present study.

Many researchers are interested in exploring issues of the motivation behind the decision made by an entrepreneur to start a new business (Townsend, Busenitz, & Arthurs, 2010). Within e-commerce, as an emergence of new venture creation, the type of business may likely influence entrepreneurship (Gartner, 1985) as the engine for a country to compete with the global economy (Baron & Shane, 2008; Gartner & Bellamy, 2009). Nonetheless, a conceptual framework on the development and establishment of e-commerce entrepreneurship is still being debated by researchers because of the differences in e-commerce compared to the traditional form of

entrepreneurship (Dheeriya, 2009). Studies on entrepreneurship, particularly regarding new venture creation in e-commerce, remain least investigated. There is, therefore, a gap that needs to be addressed in examining the ways that entrepreneurial psychology can influence and create new ventures in e-commerce, primarily through the creation of new businesses, jobs and innovations.

### 3.0 METHODOLOGY

This study was designed as qualitative research, employing a grounded-study method to gather data. Sample comprised 12 entrepreneurs who were involved as participants in semi-structured interviews using semi-structured questions. These respondents share several common aspects, whereby they had all been highlighted by the Communication Commission (MCMC) 2013 due to their business success in the e-commerce business. Their business was categorised to be small and micro enterprises (MSE) with less than 30 employees or had less than RM30 million a year for total business sales. They had been actively managing their ongoing business full-time between one to six years, including the duration taken to start-up their business. The demographic information of these samples, however, was varied based on their gender, location, historical background of the e-commerce business and the business sector. The interviews were audio-recorded before having them transcribed verbatim to be reviewed and analysed through open coding and axial coding. These approach in coding were based on the concept that “*coding comes from reflection on interpretation and meaning*”. Tentative categories or themes that emerged from the analysis were used to answer the purpose of this study (Merriam, 2009).

According to Corbin and Strauss (2008) for Grounded Theory, this study had undergone a process that involved three phases of coding in developing the themes to answer the research questions. The first process of coding in the early stages of data analysis was open coding, whereby tentative ideas were discovered inductively through category construction (Merriam, 2009). Interview transcripts were continuously examined, line by line. The codes were collected within a category, whereby this process is known as axial coding (Corbin & Strauss, 2008), whereby several codes that emerged from open coding shared similar meanings to construct a particular theme. Once the themes were built, data from these categories would be analysed using the comparative analysis method. Finally, selective coding was done to explore the main categories that encompassed several axial codings selectively. The construction of the main categories resulted in the development of themes for this study.

#### 4.0 FINDINGS

The findings revealed that there were seven themes under the entrepreneurial personality of the theoretical process towards entrepreneurship. The emerged themes that supported entrepreneurial personality were described.

##### a. Creativity

The first theme was about creativity; that is, how entrepreneurs generated ideas and implemented these ideas to achieve business goals. There were two definitions given by entrepreneurs to understand creativity in e-commerce. P1 referred to creative as a way of thinking that precedes others in the business. Entrepreneurs were constantly required to be creative in their thoughts and actions and be ahead of others. In business, entrepreneurs needed to be creative in coming up with better ideas without having to follow the same strategies that were similar to others. Therefore, they needed to think of a business strategy that has some differences to provide competitiveness when compared to regular entrepreneurs. The difference in strategy, as mentioned by P1, was to sell a product in ways that had not been explored by other entrepreneurs in the industry through e-commerce. Meanwhile, P5 defined creativity as the ability of entrepreneurs to change existing concepts to something better. This change can be through creativity in advertising, such as strategically placing attractive pictures of a product to convince customers to buy through the business platforms offered. The following excerpts were taken from P1 and P5.

*“The creativity is the idea that no one has created” (P1)*

*“That's creative; we changed something in other business concepts...” (P5)*

The first aspect of creativity was effective in product marketing through multiple e-commerce business platforms. Some entrepreneurs had generated creative ideas by focusing on marketing strategies to introduce products to customers. Other aspects of creativity in the e-commerce business highlighted by entrepreneurs included placement of photographs, use of digital icons, use of attractive sentences, and attractive price packages offered through the online advertising platforms. Effective marketing through good advertising strategy helped entrepreneurs to attract customer attention to online business platforms, which in turn, generated high sales quantities. The following excerpts were taken from P1 and P5.

*"The first creative, the way marketing is. The way how to market the goods to customers; how to do, why we have to do it, and for whom we do..."(P1)*

*"Creativity to create a word, creativity to write sentences, design creativity to be advertised. If the picture is too blur, that is not interesting. Our creativity to make an interactive sentence that people like to read and creativity to play with the icons in Facebook and so on..."(P5)*

The second aspect of creativity was the attractive design of products that can be highly competitive in e-commerce. The process in product design required entrepreneurs to have creative ideas to design and produce goods that would be acceptable by customers. The product design process was complex as entrepreneurs were required to think of ideas from various sources of information according to the current needs of the customers. Entrepreneurs had to be prepared with contemporary designs to fulfil the needs of the customers. Failure of the entrepreneurs to meet customer needs meant that the entrepreneurs would face problems in keeping up with the demands from the customers, which continuously changed according to current fashions or trends, as described by P9 and P2.

*"It means we need to lead, to create the right product compare to others. We lead when others are don't think to come out something new. In fashion, it's very fast-changing. Then easily to be imitated. So, I have to think a step forward before someone else starts doing something. So I need always one step ahead "(P9)*

*"Yeah ... actually, as an entrepreneur, we are like a designer, we have to be creative. Creative is what it means; we are trying to produce a variety of product designs. Although it seems simple, we as an entrepreneur need to generate the idea and sometimes do to make it different. So creative entrepreneurs will lead the business to fulfill customer needs. They're always do something to make it change from others. It's a creative person "(P2)*

#### b. Risk-taking

Risk-taking is the willingness of entrepreneurs to accept any possibility of business. E-commerce businesses were often exposed to many potential uncertainties that demanded a high incidence of risk. The willingness to accept the consequences of uncertainty can be observed through the desire for entrepreneurs to bear risks of e-commerce businesses.

The first risk that frequently occurred in the e-commerce business was found to be cyber-fraud, whereby the weakness of sellers and buyers were taken advantage. The impact of cybercrime that involved trading transactions had affected entrepreneurs of the e-commerce business. Buyers lose their trust as cyber-scaling improvements affected the image of the e-commerce business industry. P1 and P10 acknowledged this fact based on the following excerpts.

*"Online business must have the risk ... Goods received by customers by money did not receive in the transaction. unlucky if our money lost in the account too" (P1)*

*"That's right ... business online has its own risk. When we deliver the goods to the customer, they are cheating us. Claim the goods received broken. So they want the money back. If there is no proof, that is the risk for us. Sometimes, products are delivered, but our customers are unsatisfied...so they return. It is our costs..."(P10)*

The second risk that required entrepreneurs to take was related to the delivery of goods to customers. Entrepreneurs of e-commerce businesses needed to pay postal services, which were a medium of transmission to customers, but were often exposed to risks beyond the control of the entrepreneurs. The risk of liabilities that were often faced included loss, damage, and delay of the goods during the delivery process to customers that usually had either financial or non-financial impact on the business. As P6 said,

*"Ok, sometimes may happen in terms of delivery, the delivery of goods to customers. Sometimes we have good packing; then, when it comes to customers, maybe the box is broken. If it happens, we need to deal with the customer on how to create a win-win situation. The point is when something happens, please do not blame 100% of customers. We try to negotiate with customers how to solve a problem (replace the item), and each party gets the benefits "(P6)*

Another risk that entrepreneurs faced was the difficulty in creating product designs that were attractive and matched the needs of customers. Failure to do so can lead to the risk of financial loss due to having unsold products in the market. Risk also occurs if the service provider closed the e-commerce business platform used without any notice due to policy violation or other related matters. So, e-commerce entrepreneurs needed to accept the fact that their entire business could



face the risk of loss. E-commerce entrepreneurs also needed to promote products with minimal expectation of profit as promotional activities usually incurred higher costs that would eventually be a burden when generating sales. If the promotional investment did not have a significant impact in term of sales quantities, then there would be a risk of loss in the business. Most of the time, only high-risk entrepreneurs were able to engage in such high-risk context to ensure their business sustained. The following excerpts from P12, P8, and P5 illustrated the situation mentioned.

*"Customers, it hard to get our customer satisfaction. So, we know what our customers are interested in. That's hard. Until now, I still fail to understand what is customer needs. Our product sometimes fails; sometimes, it is excellent. To find our customer's needs is hard. So, we need to learn a little bit about customers' needs. Which one they like and not..."(P12)*

*"First, Facebook is still not stable. So, we don't need only depending on Facebook, because anytime, Facebook will shut down. It was the most significant risk for online entrepreneurs who solely relied on online. If they are relying on Facebook or others, social media is popularity dropped sharply ... "(P8)*

*"Ok, we need to dare to take the risk in business, especially in online marketing. Online, we can't wait for our buyers to purchase. The roles of marking are crucial. But we need to spend a lot on marketing, especially on social media. I paid Facebook close to a thousand dollars. We are not sure whether customers interested to buy or not. But I am brave ... "(P5)*

### c. Inspiration

The next theme of personality found in this study was the inspiration behind the ambitions to explore the potential of e-commerce by entrepreneurs. This study found a majority of the entrepreneurs interviewed had a high level of motivation in achieving their goals of pursuing business growth in Malaysia. This fact was acknowledged by P1 who was very interested in exploring the potential of e-commerce in Malaysia.

*"This is a new thing; broadband ... the internet is all those things... I am so curious about something new... I want to explore all these things" (P1)*

Inspired entrepreneurs were the ones who were always looking forward to developing success in

business. The inspiration by several entrepreneurs was highlighted through the future goals they had set to achieve, such as sales penetration into the international market, brand enhancement, expansion in operations, and market leadership. The inspiration had given them the platform to move forward in order to achieve business success. Without motivation to accomplish a goal, supported by a clear mission and vision, an entrepreneurial business could not thrive. The following excerpts from P2, P10, and P8 illustrated context mentioned.

*"I want to see my brand is active with other popular brands in the world...To be a big name. The main goal is to make sure my beauty product to hit the target... I want to sell the product runs 1 million in sales soon... That's my plan ... "(P10)*

*"In terms of competition... There are so many competitors outside. But we want to win the competition... We want to be first. This means we want to be as the market leader in the industry, especially in online business. So, do it ..." (P2)*

*"... My goal is to bring our branding to the international stage. It means we don't want only to sell on Facebook but in the megamall boutique. We want to open a boutique in New York and Dubai. So, I have a vision, a goal. So when we have a clear goal, we will not easily give up..." (P8)*

#### d. The Need for Autonomy and Freedom

Another theme found in personality was the need for autonomy and freedom, which was referred to as the desire for an individual to seek freedom, especially on aspects related to career choice. The personalities in entrepreneurs when deciding to start new ventures were found to be unique compared to other individuals as they seek the freedom that was not possible in other careers. Entrepreneurs appreciated personal freedom without having restrictions in terms of generating income. This fact was illustrated by several interviewees who indicated that they were not interested in working with others because they did not like to follow certain instructions that may limit creativity, freedom, and certain actions while working, as proven from the following excerpts by P12 and P7.

*“I had experienced were work with others...I worked under someone for six months. From there, I learned how hard to work with someone... I realize I couldn't work under someone else. Whatever the boss says, I need to follow his instruction without my consent... It hard to accepts all it. I cannot work under anyone, and I will try to do my business without always depending on someone else” (P12)*

*“...I am from an accountant background. I just realized that I'm not interested in working with someone. I don't like to follow people's time. I always prefer someone to follow my time. That's my attitude. So I think that it is not suitable for me to find a job from others. So, starting a business is a good deal. In the beginning, I don't know what types of business to start, but when I realized the potential of e-commerce, I learned more. We read a lot; we learned from experiences peoples. I met them...” (P7)*

E-commerce had become an excellent platform for entrepreneurs who appreciated the freedom to organize their work according to their flexibility, without interruption or based on directives from others. All jobs required in the e-commerce business was planned by the entrepreneurs based on success rate and projected achievement. This fact was acknowledged by P2.

*“The freedom in the online business is much broader than in the regular business. It means that we are more flexible in terms of the time we have to work. In terms of business online, we are trading is more freedom. Meaning our store is open 24 hours. We want to update our blog anytime, anywhere, out of place, out of date. Which means we don't have to wait for someone else... So it's free. We can do it in the night, out of office hours. We can connect with customers every day... They can leave messages, so on ... So it's exciting. Something that means we can handle it well. So it does give you more autonomy than a regular business” (P2)*

e. Tolerance for ambiguity

The fifth theme in personality was on tolerance for ambiguity, whereby entrepreneurs were willing to deal with uncertainties after choosing a career in business. Some interviewed entrepreneurs had a high degree of tolerance for ambiguity, as they were willing to take on the challenges in the e-commerce business, which were often exposed to various possibilities of risks compared to other career. These were mentioned by P12 and P6, who started an e-commerce business without having

a solid background and knowledge to face these potential risks. However, after getting involved in the e-commerce business, they both found their confidence and courage increased as customer reviews were always positive.

*"I didn't expect that Cala qisyah could grow up like this. It was not sure what to do at the beginning of my business. Because I don't have a background in business... But when I do, I enjoy it. People are coming in for a positive response. From there, I feel a little brave. So this is my kind of stuff I don't like to say. It's hard for me to work under anyone. So I think this is a good career for me. I try to fulfill the customer's expectations and the challenges; it never stops coming"* (P12)

*"I start into this business without ... with basic information. It tried as I could. If we don't try, we don't know what happens. In the beginning, I don't expect something, but once I realize customer feedback is positive. So this thing makes me happy, and then to be main income"* (P6)

Entrepreneurs were supposed to be more resilient to face every possible situation in e-commerce business than those who chose a more secured job of working with others. There were many aspects in entrepreneurship that needed deliberation such as incomes, future jobs, and even ways to minimize losses. P2 had previously worked in a factory, which was promising good salary and promotion, but had decided to take on the challenge of being involved in a business that may not guarantee a good income in the future. In the beginning, P2 had repeatedly encountered episodes of failure in the business. However, he persevered and continued pursuing a career in business, which led to his current success.

*"Well ... we have to try different fields of business ... I don't want to say my first business was going to be successful...Not always, we succeed ... In business, sometimes we tried 2-3 times to succeed. There is no success without failure...So don't afraid to fail in business ..."* (P2)

A similar dilemma was faced by P3, a local university graduate, who had chosen to start his own business, despite being able to earn a good income by working in the private sector. Entrepreneurs believed that they should accept that income was to be uncertain, a context that required them to face the uncertainties. P3 was quoted saying:

*"When we involved in the business, we need to be patient. Because I know when I start a business, I know my income is not very much. Second, everyone says I dare to take action. ... With my degree certificate, I can earn more than RM2000 at that time ... But I decided to do this (business) ... which is no expectation to received high income ..."* (P3)

Uncertainty in business was not a reason for entrepreneurs to begin their own business and engage themselves in unsafe zones. This fact was based on the interviews with the entrepreneurs, who had encountered various challenges despite having safer options. Some of them had even decided to ignore all possible circumstances to pursue their interests, aspirations, and successes. Without a high degree of tolerance for the ambiguity of accepting uncertainties, it would be impossible for them to decide on being entrepreneurs, a career known to have varied challenges in many aspects.

#### f. Optimism

The sixth theme of personality was optimistic, which was the level of confidence by an entrepreneur towards an expected outcome. Entrepreneurs were found to be confident in their expectations of future outcomes despite having to deal with uncertainties in business. High confidence can be developed through positive thinking in wanting to achieve a goal despite having challenges in the industry. Positive thinking among entrepreneurs had given rise to high confidence to succeed by rejecting all negative possibilities.

Some entrepreneurs interviewed were identified to have a positive attitude when faced with uncertainties to achieve business success. Having positive thoughts gave them the confidence to progress compared to other people. P1 attributed his success to the belief in oneself to continue and compete in the current world of business.

*" We need positive thoughts, nothing impossible to do it... We can do it!"* (P1)

Entrepreneurs with a positive attitude would be more optimistic about trying out something new in the business without considering much of the uncertainties to achieve a specific goal. Entrepreneurs with positive thinking would also be more determined despite having limitations. This fact was acknowledged by P6, who was brave to venture into e-commerce despite the uncertainty over its future success.

*"I want to say that if we want to do something, don't overthink it. Just do it. Start from beginning what have..." (P6)*

Therefore, an optimistic entrepreneur should have a positive attitude and be brave to make decisions based on the expected profitability regardless of the uncertainties that can occur. P9 could prove this by having the optimism to run a business based on the expected profitability return than focusing on the uncertainties that had yet to happen.

*"I am determining a person. I do when I decide something ... I do whatever it risky or not. If I decide to make something, no compromise what matters, I will do it right away till success... Just like that" (P9)*

Optimistic entrepreneurs were also identified as having high levels of stubbornness that influence their decision-making to achieve the goals despite taking on various obstacles. Having a high degree of determination had led P12 to start a business and face all the possibilities.

*"I'm kind of stubborn. When we are stubborn, we don't care about obstacles. We will try to overcome those obstacles too" (P12)*

Having the same attitude as P12, P11 was determined to run a business despite family objections at the initial stages of setting up the business. That stubbornness made P11 more optimistic about the decisions made for future success.

*"As I said before, the one I am stubborn. I didn't hear anyone say anything. I mean, my dad's mom. When I first started the business, everyone disagreed with me to take it seriously. My parent disagrees with my decision..." (P11)*

#### g. Diligence and Persistence

The last theme of the personality in entrepreneurs was diligence and persistence in dealing with uncertainties. Hard-working and persistence were keys characteristics that gave entrepreneurs the determination to achieve goals during the start-up process. Without the elements of diligence and

persistence, entrepreneurs may not be able to manage the uncertainties, which in turn required the willingness of these entrepreneurs to face all challenges, especially those related to marketing. The marketing sector required a high degree of effort to ensure that products are being sold in the market. P9 acknowledged this fact, who believed in being hard-working despite facing difficulties, especially on efforts in marketing.

*“I was the kind of hard-working person. Someones who are stubborn to take the risk in business. I will face all challenges especially in marketing” (P9)*

It was a different situation for P2, who due to criticism from a customer at the early stages of the business, focused on producing quality products. P2 was hard working, working until late at night to fulfil the needs of the customer. He was driven to improve the quality of products and ensured the products were enhanced and delivered on time to customers. Prompt production of products was essential to avoid inconveniences among all parties.

*“Well ... Once I do something, I continuously work hard. Regardless of a specific time. I will do my work till to end” (P2)*

In addition to hard-working, entrepreneurs had a high degree of persistence in dealing with all kinds of expectations, especially in the early stages of business. At the beginning of a business, entrepreneurs need to be more persistent in managing everything related to marketing, product development, or customer relationships. The process of developing a new venture was complicated and required entrepreneurs not to give up in securing success. According to P7, one should not easily give up and have a consistent effort.

*“We, as an entrepreneur, cannot give up. Some people say we need persistence. So, we need to high effort how to make sure our business is growing” (P7)*

E-commerce business was not as accessible to generate significant profits for entrepreneurs as expected. The challenges in e-commerce business required entrepreneurs to be always persistent, passionate, and patient when managing the business. According to P11, many of those involved in

the business had experienced failure due to the lack of patience after facing challenges that required high commitment.

*“For online entrepreneurs, first of all, we need to be patient. Then, not to easily give up and higher motivation. Some peoples said online business id easy to generate the profit. But no ... it's challenging...” (P11)*

The interviews have found motivation to be essential supports that prompted the new ventures for e-commerce in Malaysia. Further investigation showed that these motivations further influenced the behaviour of entrepreneurs. Results from this study revealed two factors that increased the motivation among entrepreneurs, which were based on internal and external stimulus. Internal stimulus, which in this study identified to be personal interests and desires to succeed, were innately formed within the entrepreneurs that influenced their behaviour to act in achieving their goals. External stimulus, on the other hand, was the external environment that affected the entrepreneurs in their behaviour towards establishing entrepreneurship.

#### h. Need for achievement

Within the theme of motivation, the desire to succeed in future business was the first internal stimulus that was identified in this study. This internal motivation can be developed when entrepreneurs were eager and passionate to achieve success, driven by personal aspects such as social background and personal interests to generate high income from business through e-commerce. The historical background of entrepreneurs had been instrumental at triggering the desire to be successful in the future. An individual who grew up in a low-income family and had been exposed to entrepreneurial engagements since young, would not only want to continue their family business but expanding it further through the various business opportunities they encountered. Interviews in this study revealed that some of the entrepreneurs had a history of family difficulties before venturing into entrepreneurship. P1, P2, P5, P7, P9, and P12 had a similar need to succeed in the future based on their family circumstances.

P1 came from a low-income family in a rural area of Kedah and had taken over his family business since 2006. As described by P1, there was a high desire in him to change his standard of living in selling products based on kapok pillow. Through the innate motivation and ambition to



succeed, P1 was able to diversify his business after venturing into e-commerce since 2011. His self-motivation further increased after experiencing the potential of kapok pillows in less competitive regions. P1 had definite goals that were focused on changing his current existing business model to e-commerce.

*"first try looking at these areas... the way people do business ... will it go forward? Selling a pillow with a traditional platform? That motivated me to change the current business approach to e-commerce"(P1)*

This innate desire to succeed in e-commerce was similar to P9, who was also from a low-income family. Previous experiences had motivated P9 to become a successful entrepreneur, which was crucial in his approach to run his own business later. P9 rationalized that working with other people did not guarantee future success. He was determined to change his standards of living, and by learning from the failures of others, he became more interested in becoming an entrepreneur, especially when he was able to gain lucrative income. P9 was quoted saying:

*"Since a child, I was interested in doing business. My family comes from the poorest background. So I was determined since I was a child to be rich through my own business... I don't want to work with someone else because I know it won't change anything. When I retire, I don't want just to have a proton car. I don't want to be insulted, but I have seen it since I was a child. If you want to be rich, do business... I remember the richest person in my village... Doing a start-up petrol station business. ". (P9)*

P9 was aspired to become a successful entrepreneur, and as e-commerce businesses flourished since 2008, he became successful within this sector that further promised good opportunities. The following excerpt by P9 illustrated this context.

*"At that time in 2008 ... The trend was using a blog shop as a business platform. So, I took that opportunity. I know online as a good business. So, I make it. It's not about online marketing, but it's about good business. I do that. It looks to the new future. "(P9)*

On the other hand, P2 was highly motivated by her family, who was always encouraging her to be an entrepreneur. Having no interest in working with others, P2 realised that there was family pride linked to the career as an entrepreneur instead of working for other people that may not guarantee a change in the standards of living. Successful entrepreneurship would be able to garner high revenues and improve the standards of life, which may be different from working for others.

*"It's a matter of family motivation, my dad, even though my father is a farmer, but he has a spirit of enthusiasm for our siblings. It's no word to work with people, which is our family pride... Greater. Half of the family say working with the government is better than doing business, with business, one is not certain... But for us, government work is just temporary. I have four male siblings; all four of us resigned as government servants" (P2)*

The social background for P10, P12 and P5 had also motivated them in changing their lives for their future. They realised that their family background had influenced their motivation, personal efforts and interests in starting a business. These personal desires to change the fate of their lives became their priority, as described by P12.

*"I was raised in a low-income family. It means nothing special with my family, the same as others. My father was a lower-class worker. So I tried changing my life. I want to feel how happy, rich people feel. From there, I become passionate about doing business. From there, I tried my best to grow my business" (P12)*

Besides the motivation driven by family and social background, certain motives that influenced the desire to succeed in life could be achieved through e-commerce business. As previously discussed, entrepreneurs have high ambitions to be successful, especially financially in their businesses, which influenced them to set goals and aspirations. In the context of this study, entrepreneurs had goals and targets for their businesses to be achieved in the future, as explained by P4, P5, P6, P7, P8 P10 and P11. Two passages from the interviews on P11 and P8 were quoted below to give the context of this argument.

The main aim that P11 aspires to become was to be a leader in a product brand. Hence, e-commerce platforms allowed him to achieve his objective by increasing the awareness of

Malaysian consumers towards his business brand and products.

*"The thing that motivates me to become number one, I mean, is like my brand, is to be number one amongst the tops, that makes me want to plan. I think that's why I want to be a top brand and I'm famous for it. "(P11)*

In addition to achieving success in the e-commerce business, P8 aspired to penetrate the international market by expanding the business network to Dubai, New York, and London. This desire pushed P8 to work harder to achieve the goals despite facing family objections.

*"The most motivating thing for me is the goal that can be achieved.... I want to go international, and I want to open a network up to Dubai, New York, and London. So it's a mission ... So I do not stop till I succeed. "(P8)*

Through these interviews, this study had also identified self-determination in entrepreneurs as the essence of achieving business targets or goals. Entrepreneurs would not be able to succeed in business, if they do not have the determination within themselves to achieve their goals. Most entrepreneurs need to be aware of business potentials, which would depend on their knowledge and information received from their surrounding. P10 aspired to become a successful entrepreneur through e-commerce business and was determined to learn from role models and readings.

*"I see that (success) ... because I'm getting the information in the book. I realize the potential to generate a lot of money, being able to enjoy doing business, I read not just one book, but many books. All the business books stories. Who are the rich people we see in the world? Most millionaires in the world or Malaysia, all of those are businessmen ... "(P10)*

P3 shared similar opinions by pointing out the potential of e-commerce business and the success rates through stories revealed from the Internet on business start-ups by international entrepreneurs. All these stories shared standard business start-up processes, such as having operated only at home with low-cost during the initial stages of start-up, before expanding and achieving reputation in that area of business. Nonetheless, there were several key elements unique

to the context of this study, which was computer skills as well as marketing techniques and strategies.

*"Because I was searching on the internet ... I read I did some research in the US, in the UK, what all of them did business and went through the same process. Starting a business at the house, no need much money, free ... But they used internet for marketing..."(P3)*

Entrepreneurs were able to generate money because of the indefinite potentials in e-commerce. Entrepreneurs who were brave to change their setbacks and limitations of their external contexts to become the advantages and possibilities for e-commerce businesses would be successful in generating income. P10 had a high commitment to living in the city, but was encouraged to start an e-commerce business due to the potential and available demand in the city. He was able to generate income quickly and since then, ready to be financially independent to bear the cost of living in the city.

*"It can give a better income. Living in the city is very expensive, and we might fail to deal with the commitments of surviving here. So how? How can we make sure that we have an income every month to pay our commitments? So I see that e-commerce is potential, and that motivated me to do so. I'm interested in online business; I see the potential of being very easy with the knowledge ... make money via online business"(P10)*

A good income would usually be generated through an unlimited supply of products sold to targeted locations, as well as wider marketing audiences of the products. For entrepreneurs who had a broader market for their products, the number of product sales would indirectly increase due to the more significant amount of customers. P7 and P4 acknowledged this fact through the unlimited volume of e-commerce business sales from the high rates of online marketing penetration compared to sales from regular businesses. The excerpt was quoted from P7.

*"Online marketing is unlimited. If you sell a burger a day for at least 100 pieces, tomorrow 150 pieces, after that 120 pieces ... this is an average quantity...but if you sell online, the income is unlimited ... It's fun doing online business... we have no average. unlimited quantity of selling"(P7)*

Therefore, many entrepreneurs aimed to market their products, not only locally but also internationally to generate high sales that would result in higher profits and income. Entrepreneurs should firstly emphasise their marketing strategy on introducing the products to their customers to gain confidence and brand loyalty. This step was taken by P1 and P5 to establish an e-commerce business that placed great importance to product introduction that would help market expansion. P1 was quoted the following two passages.

*"As I said before, start from marketing ... emphasize on marketing. So we introduce our goods, customers are out there "(P1)*

*"To succeed, we need to sell our goods. So if we do not sell our products, how can we get profit? The way of marketing... which is the way of our product is marketed (online) ... "(P1)*

The next step for business success was to have sales penetration into the larger market, leading to more sales quantities. Marketing trends in e-commerce allowed such situations due to the online platforms that are internationally related to one another. Entrepreneurs must be able to pursue these opportunities naturally created from these international platforms to expand and maintain business growth. Thus, e-commerce marketing techniques complemented conventional marketing strategies by introducing and attracting customers to buy products using online websites to reach out a global audience. The following quote was taken from P2.

*"It's about business success; we need to go through an online platform. This online business is one of the latest marketing techniques nowadays, so if you want to be successful today, online business is more comfortable to succeed. It's easy for us to sell our products if we have an online business ... "(P2)*

Entrepreneurial success was often related to sales numbers. Entrepreneurs need to not only focus on the existing marketing strategies that included product introduction to customers but also, constantly improving their marketing models to generate more sales and avenues for products to be sold. Within e-commerce, entrepreneurs should pursue the opportunity to explore new market opportunities to generate more profit due to the stability and availability of customer demand. P1 was confident of growing the business and expand the product to the global market through e-

commerce. As quoted from P1:

*"So if we want to expand our market. We can't only depend on the existing market. We need to improve ourselves by having a good marketing plan. Emphasize on marketing first. So, that why marketing is important to entrepreneurs "(P1)*

*"If you do not do online business, the product market spread is lesser. So we need to introduce our product. It's essential to be marketed. So the current situation in this era need everyone uses online to good move "(P1)*

P12 also saw the opportunity of marketing products through e-commerce business to generate more revenues in Malaysia. The e-commerce business had provided a platform, where any products can be easily marketed to customers anywhere in Malaysia. The e-commerce business allowed customers to buy the products even if they were far from business locations. This situation reaffirmed the importance of the Internet that had helped forge a closer relationship between entrepreneurs and the customers compared to conventional businesses. As acknowledged by P12: *"As I said, we want to market our brand, our products; we use online. It means if we are not using online, how do we get buyers from all over in Malaysia? From there, we can see online is very important. In terms of helping our business, it means we use it online as well. We know online; we understand how buyers use online to buy our goods. We can generate more revenue "(P12)*

#### i. Interest

Besides the need to succeed, personal interest in business was also identified as an internal stimulus in an entrepreneur that greatly influenced e-commerce ventures in Malaysia within this study. The difference between interest and the need for achievement, though, was based on the motives of the entrepreneurs. For some, the interest could be caused by the tendency or desire to fulfil individual needs without having any particular purposes. For others, the interest can be caused by the need for achievement due to individual motives such as changing lifestyle and the desire to become a rich person, which can affect individual behaviour.

Findings from this study found that seven out of the twelve interviewed entrepreneurs linked their interest as motivational aspects that had contributed to the creation of new e-commerce ventures in Malaysia. The entrepreneurs were interested in two aspects of e-commerce, which were

having an interest in business and also in information technology. Both types of interest were key combinations in creating new e-commerce ventures which entailed entrepreneurs to favour having business within the parameters of information technology.

Interest in business was essential to motivate a person to become an entrepreneur and create new business. Interest, though without having a clear motive, had encouraged individual behaviour of trying out new ideas based on their intentions and intuitions. Interests were often associated with historical backgrounds, where past experiences encouraged entrepreneurs to think and behave in a certain way. As evident in the interview with P1, who explained that interest was a result of self-disclosure to businesses acquired since helping small-scale family businesses. P3, on the other hand, had a very special interest in business since a child, and with a hard-working attitude, it was an advantage to start-up new ventures in e-commerce business. The following excerpts were taken from P1 and P3.

*"Business knowledge is original because of an interest ... When you are interested in business, it comes too ... Because I was born, my mom was already involved in a small business ... she was selling a variety of goodies such as cakes"(P1)*

*"I like doing business since I was a child. I always think about business matters. I'm a workaholic. I work as hard as I could ... So if I am doing business, the more money I can get ... So, I do business "(P3)*

A slightly different situation happened to P11, who began to identify his interest in the business after studying tourism as well as marketing for his degree. Knowledge learnt in marketing had raised the interest in P11 to manage the business and exploited this interest after graduation.

*"So, Alhamdulillah, that tourism courses are a lot of marketing study... After that, I know what I'm interested in ... after my graduation. That's time I know my interests in doing business. "(P11)*

Interest had widened additional opportunities for P11 and P8 to work tirelessly in managing their businesses until they succeeded. Without having this keen interest, it would be impossible for them to become entrepreneurs and managed a challenging business. Business interests had also taught

them to be consistent and perseverant even when they faced immense losses. As explained by P11 and P8 in the following excerpts:

*"I have an interest in the business, but I do not know. Because at the beginning I don't think I am serious when doing business... When I give up, I will stop doing business ... But everything changed when I was involved with hijab stuff... I never want to stop doing business". (P11)*

*"Both... passion ... deep interest. But some people may not see them as necessary, but for me, passion and interest have caused me to become despair quickly. My losses were not RM50 or RM100 ... But hundreds of thousands. I stay on making t-shirts and not to do anything else "(P8)*

For P7, interest in e-commerce business was because of the possibility of making more money. The experience in spending a lot of time on online gaming had opened his mind to do other more beneficial activities such as running an e-commerce business. It turned out that as a result of his change in attitude, it has triggered P7's interest in e-commerce and led to success in business. An excerpt from P7 illustrated this context:

*"One, the main point is in deep interest. We are interested in doing online business because it can give a good income... So, from there, I think we could get easy money from online business... Thus, the main point is to be interested in business "(P7)*

In addition to business interests, entrepreneurs were also known to have a high level of interest in information technology (IT), which was the basis of an e-commerce business. A person with interest in information technology (IT) were more likely to be susceptible to e-commerce business with the assumption that the relationship between them and their customers would be closely intertwined. Entrepreneurs who are least interested in information technology (IT) were not likely to carry out e-commerce business that demanded full commitment to computer use.

*"Interest in IT.... If we are not interested in IT or computers, we can't do it online. Better to go offline ... conventional business. There are people like that "(P9)*



P10, who was keen on computers, acknowledged this interest in IT, which was converted into use when he began running an e-commerce business capable of generating huge revenue. Based on a quote from P10:

*"But I'm interested in computers; I'm interested in the internet... My father was angry with me because I forgot to eat and to do prayers. He disconnected the internet at home... I did not lose hope ... So I went to the cyber cafe, from morning to night "(P10)*

j. External stimulus

The third sub-theme was external motivation, which stimulated external motivation among entrepreneurs. Unlike internal motivation which was driven by the need for achievement and interest, external motivation was triggered by factors that influenced decisions and actions. Findings from the interviews showed external factors had an influence on the motivation among entrepreneurs during their process in the creation of ventures. Without the support of external motivation, it was difficult for them to boost the business spirit. This fact was acknowledged by P12, where the response from customers on the products sold motivated him to continue doing business until he was successful. The continuous flow of customer support had resulted in P12 to develop a creative product design to meet their expectations, which in turn would also continuously support the new products offered. The presence of customers who exhibited a deep interest in the products sold was a sign of business support which motivated P12 to move forward without worrying about the market demand. As mentioned by P12:

*"The main reason is the strong support from my regular customers who are always demanding new products from Cala qisyah. From there, I was motivated to continue my business"(P12)*

*"When we've created an attractive product, and we market it, we've got buyers, so our customers never stop purchasing. They need to know what is the new product line, and this makes them eager and waiting... From there, we can proceed with our business. We feed our customers with information on our new items as well as update them with the current trend "(P12)*

Having customer support on products were the additional external stimulus for entrepreneurs. Entrepreneurs who saw a gap in the availability of resources to the customer demands were

motivated to expand their business to overcome the market gap. In the case of P2, he tried to expand traditional crafts that were almost extinct because of the lack of interest among the younger generation of today to continue this business path. The gap in the market was to improve the traditional craft industry to align the expectations of the people with the future generation:

*"An example (of moral support) comes from customers who want us to continue this business because the current generation seems to be able to it ... Most are old businessmen, so customers had to wait a long time for parang making ... So we tried to solve the gap. We would try to fulfill customers' orders within 1-2 months... So we try to reach our target. Every order will be no more than two months ... Customer will then receive the items ordered"(P2)*

Most active entrepreneurs in the industries for traditional craft had either become unproductive or were currently less competitive in manufacturing products of quality for the market. The challenging situation within the traditional craft industry was due to the monopolisation by intermediaries, who in general, controlled the market price. As a result, the monopoly had affected the lives of traditional craft entrepreneurs who faced difficulties such as orders arriving late for them to begin work. The oppression of these intermediaries towards traditional craft entrepreneurs motivated P2 to overcome this existing gap. By directly marketing the products using e-commerce, not only was there a solution to this problem that changed the business strategy, but the monopoly of these intermediaries was also eradicated. As quoted from P2:

*"Kelantan has a lot of artisans ... but all of them are poor... Why? The main reason is the role of middlemen... The middlemen mainly control the market price. Customers would contact the middlemen to order the products ... As an entrepreneur, I don't like what is happening, why the middlemen are playing too much in this industry "(P2)*

Motivation in entrepreneurship was also depended on external motivation through interactions and support systems from close family members. Having supportive people around can influence the motivational level of the entrepreneurs, which would create an impact on their business actions. Gestures such as personal help, advice, encouragement and information dissemination were reasons for entrepreneurs to be successful in their business. This fact was based on situations

experienced by P4 and P10, who were supported by their family members when they needed to solve their business problems.

*"In terms of friends, surrounding people ... or my family, especially – they always push me to change in life and give me money to run the business start-up "(P4)*

*"But the wife is ... she always motivates me to succeed in business. So the motivation comes back. When it comes back, and I will be stronger to face any business challenges..."(P10)*

From fifteen interviews recorded, this study identified four among twelve entrepreneurs who believe their past education provided some basis to start a new business and to venture into e-commerce. Previous knowledge gave them basic ideas and primary guidelines to create new ventures and ways to manage their business activities through proper strategies. According to P9, her studies at Malaysia Multimedia University (MMU) provided her with knowledge of graphics multimedia and digital media, which were essential skills to start her business in e-commerce.

*"My previous study at Malaysia Multimedia University (MMU) helped me a lot in this business. I am very... like the computer. It highly impacts because, during my studies, I was like about graphics, multimedia, and digital media. So I can create graphics, take pictures, edit the pictures. I can do it. So during the early stages of a startup, that knowledge helps me. All about graphic skills. This is about online business." (P9)*

P11 also believed that the marketing strategy and branding that she had learnt previously had helped in creating the format of her business approach. She was able to recall the skills and knowledge needed when beginning her new business.

*"My previous study can be used to create my business now. So I know little-bit about marketing and branding. When I want to start-up my business, I can recall back the things I learned before. Oo... I learned about this before. I learned about target marketing, market reach. I learned about branding, word of mouth. Like that. So I can use back for my business" (P11)*

A degree in hospitality at Universiti Teknologi MARA (UITM) gave her an advantage in starting

a new business because she knew the basic knowledge of marketing strategy.

*“Yes. That is influence is (previous education). It may be an advantage to me. Maybe not all people learned about branding, right? So it is an advantage. How I am going to make the customer remember and know about our business” (P11)*

With a degree in digital computer art from Malaysia Multimedia University (MMU), P3 was also exposed to e-commerce, which was a compulsory subject in that university. She also claimed that almost all MMU students were involved in e-commerce business upon graduation because they were already exposed to the basic knowledge of e-commerce.

*“I exposed since the study of the Malaysia Multimedia University. So if you realize, many students from Malaysia Multimedia University (MMU) starting the business online. We are already exposed to doing business online since at university. That is a good advantage we are studied MMU” (P3)*

A different experience by P2, who was not a degree holder but obtained the highly-skilled certificate in technical designer from the National Youth Skills Training Institute (IKBN). During his stint at the institution, he learned a lot about product base design using steel material. The necessary skills learnt was also applicable in the wood-based product, which was his current business focus. His expertise was in machete (parang) making, sold via e-commerce since 2009. Initially, he tried to make machetes by learning from experts in the field as he had no experience in this area. With basic skills as a steel-based designer, he was able to make machete exclusively with good quality casting, surpassing the expectations of his customers. He later gained the confidence to move his business after five years of operation to e-commerce in 2009. Technological changes, especially based on the Internet, had encouraged him to pursue his dream and seized opportunities to establish a new firm in e-commerce to tap on the untapped market due to the burgeoning industry. Besides, being a former student from a religious school had also taught him the importance of doing business in the Islamic way to become successful.

Another cognitive factor related to personal background was the family history of being involved in the business, whereby the knowledge acquired due to the early exposure to the

environment of entrepreneurship were strongly embedded throughout their lives. Nonetheless, this early exposure to business had either consciously or subconsciously initiated the creations of new business ventures, which was considered as an advantage that was not easily gained by others. Seven out of twelve entrepreneurs interviewed believed that their interest in entrepreneurship was much related to family history, a significant factor in starting a business.

According to P1, he had a sister and brother who was already involved in the business, while his mother was the founder of kapok pillow more than 20 years ago in his hometown. Having a great mother as the founder and producer of the kapok pillow company in the village, his late grandfather, on the other hand, pioneered the rice processing plant business in Alor Star, Kedah. He took over the business on kapok pillows after his mother retired in 2006. In 2011, he began to venture into e-commerce when the Internet was accessible in his hometown, realising the potential of e-commerce and becoming interested in exploring more on ways to expand the market.

*“...When we have our product to sell the customer, the main focus is on how are we going to be market the product? That's influence my decision to do the business online” (P1)*

As for P12, his motivation to participate in business was because of his wife, whose family owned a business. P10, on the other hand, was always motivated to be a successful businessman even though his father had a humble business of selling traditional cakes around the village. Hence, the family background was identified in this study to be an important factor for entrepreneurs because they would be familiar with business situations that became part and parcel of their lives.

According to P5, it was his destiny also to be a businessman as almost all his family members owned businesses.

*“What I said earlier I was born to be a businessman ... my blood flow ... is an entrepreneur, because most of my family is a businessman” (P5)*

He was able to have hands-on experience in business since childhood as he always helped out in his mother's business during the school break. That experience had given him more confidence to embark on building his own company.

*“It teaches me... brave, more confident with yourself” (P5)*

P11 also helped her mother to sell traditional biscuits, especially during Hari Raya celebration. That situation gave her experiences since childhood, which resulted in her great interest to be an entrepreneur. During her studies in UITM, she polished her entrepreneurship capabilities, and unlike other students, she was also very active in business.

*“...That true (family background). Yes. My mother is very active in making biscuits, especially during the Hari Raya celebration. She makes the biscuits from my village tradition. Not at Hari Raya celebration only but my mother also received a large quantity of demand with sold a thousand of pieces to made door gift and so on...” (P11)*

Out of twelve entrepreneurs interviewed, only three entrepreneurs believe that they ventured into the world of entrepreneurship due to failure in securing a job of working for other people. P12 started his business because job opportunities in Malaysia were very limited based on his qualification.

*“One reason I started this business because of employment opportunities in Malaysia is limited. I looked at the limited job because of what? When I'm graduate in master, I tried to find work, very difficult...” (P12)*

P10 was also found to be unemployed for a few years before he began his business.

*“So when I finish my study, I was unemployed. I tried all kinds of jobs. I am worked as a canteens school assistant and helped my father at market night. I also work as salesman walk home by home sell to the product...” (P10)*

Previous work experience as a technical assistant, a designer and a foreman in the factory had led P2 in his venture into e-commerce by exposing him to basic computer skills. This knowledge gave him the advantage to start a new business, especially in e-commerce, which was related to the computer.

*“I realize my previous work is the greatest experience to start a new business in e-commerce. I already know a computer since my office used the computer as black and white (monochrome)” (P2)*

Experience entrepreneurs were one of the essential elements that contributed to new venture creations via e-commerce in Malaysia. Some of the e-commerce entrepreneurs started from having other businesses before establishing an e-commerce enterprise. In this case, P1 had experienced the brick and mortar business since 2006, emphasising the most important aspect in business was the way a product was marketed. He realised e-commerce was a viable marketing strategy that could sell products, as quoted below:

*“Based on my experience, what I had said, e-commerce enables us to market the product outside. So through the internet, we can market to the outside. So if before we are only at the local market like a Pahang, Perak. But by doing business online, we just only ship the product to the customer via post nationwide. Thus it greatly simplifies” (P1)*

P12 was also involved in other business in Kuala Lumpur (KL) before establishing a new e-commerce venture in 2012.

*“Before exiting my business online, I am always a joint business in bazaar. I was going everywhere. But before I am to the bazaar, I also used the online to inform the customer that I went to open a small shop in the bazaar at everywhere in Kuala Lumpur...” (P12)*

P10 also had many experiences handling other businesses before deciding to establish a new company of his own. He was involved in consultancy and trading business for seven years, which started in 2006 and ended in 2013, before he established his current company based on cosmetic products in 2014.

*“Before this, I was in trading (business). I am also a consultant, business consultant. I was a trainer in IPTA (public university) and IPTS (a private university). Many universities call me to talk about sharing in an entrepreneurship issue. Before I am creating my product, I sold other sellers' products too...” (P10)*

P10 first began e-commerce by selling products online through ebay.com, an international market platform. Based on the experience and the benefits, he later established his new venture on cosmetic products, which was the business path that he was confident in

*“A lot of kind of business I had tried. I had sold all kinds of things involved the consumer products, household, and accessories. I start my first product by selling to the overseas market. I sold in e-bay...” (P10)*

P5 started dabbling with the business when he studied at a local university when he realised he could identify opportunities in solving students' problems. He realised the opportunities to sell printed t-shirts to students, which was always ready in stock as the t-shirts were from outsourced suppliers. There were other areas of the business, such as being a contractor and a trainer that he was involved in, but decided to establish in e-commerce by setting up a printing company in 2011/2012.

Similarly, P2 had previously worked in the trading businesses such as fixing machinery, plumbing, and welding since 1998 but all failed. These experiences, nonetheless, were essential to his current e-commerce business, especially on managing and treating customers with respect.

*“The experiences in terms of business principles. That means we can also apply it to online business. Business online is easier because we do not deal with customers directly...” (P2)*

P4 started her business since she was single when she received orders to sew traditional clothes for customers in her village. At that time, the interest in building a company began when she thought of her future. Hence, she started the company in a traditional bakery in 2005. She realized the potential market of selling traditional biscuit via online and planned to establish the e-commerce venture in 2011.



As for P11 and P8, they both had business experience since studying in the university a few years ago. P8 started her online business during the final semester at Universiti Teknologi MARA (UITM) when she realised the opportunities from online business.

*“From the start of business (business history)? Ok, I start from the time that I was studying in a degree of tourism at UITM Shah Alam, last semester. I see at the time business online still not established. So I tried to start, at that time people did not know about online business...” (P8)*

## 5.0 DISCUSSION

Based on this study, personality traits in entrepreneurs has impacted the new e-commerce ventures being created in Malaysia. The seven elements of the personality traits identified in this study are creativity, risk-taking, inspiration, need for autonomy and freedom, tolerance for ambiguity, diligence and persistence, and optimism. Nonetheless, cognition and motivation in entrepreneurs have a significant impact on the creation of e-commerce as a new venture in Malaysia. The demand for entrepreneurs to achieve success has resulted in a high level of motivation. This study has also identified two main elements in fulfilling the desire for achievement or success that stimulate entrepreneurial motivation, which is the push-and-pull factors. The push factors are the personal background of these entrepreneurs while the pull factors include the desire for high income.

Entrepreneurs from low-income families have a considerable role in creating start-up e-commerce businesses. The personal background and experiences of growing up in a low-income family have motivated the entrepreneurs to change their lives and desire for success in the future. They believe that to live better, they need to exploit business opportunities as opposed to working for others as the income earned through business would be unlimited compared to the static payment as an employee, which may not increase significantly in the long run. Therefore, these entrepreneurs are motivated and have decided to venture into e-commerce that promises unlimited income as they can venture into the global market. The second factor is the need to gain profits from their business. Entrepreneurs find that there are many benefits in e-commerce, especially in marketing their products globally to a more substantial target audience, which will result in a higher quantity of product sales that, in turn, will generate more income.

This study has also found interest in entrepreneurs to be important to venture into e-commerce based on the historical background and motives. Besides, entrepreneurs who have an

interest in information technology such as computers, the Internet and other technologically-related elements can also influence new ventures into e-commerce.

External motivation also influences entrepreneurial motivation, as found in this study, which helps in the initial stages of new ventures in e-commerce. High external motivation is a result of entrepreneurs interacting with their surroundings, giving them the confidence to decide and act upon their decision. Most interactions with family members, customers and industries will motivate entrepreneurs to create and develop future businesses.

The findings of this study showed that cognition is related to the cognitive perspective of thinking and reasoning of an entrepreneur. Personal background and previous experiences were found to significantly influence the human cognitive processes, when it comes to making judgments and decisions to start a new venture in businesses. The cognitive roles such as personal background, whereby families are involved in business or having own experiences about information, computer, and technology greatly influenced entrepreneurs to create new ventures in Malaysia. Figure 1 below shows the themes that emerged from this study.

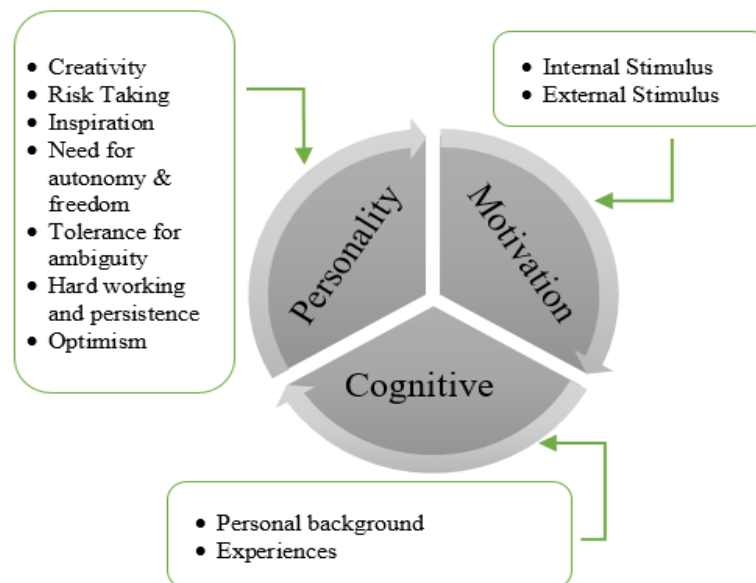


Figure 1: Personality traits, entrepreneurial motivation and cognition of entrepreneurs that influence new venture in e-commerce in Malaysia

Based on Figure 1, the first element of the personality in entrepreneurs is based on the creativity among entrepreneurs to utilise social media such as Facebook, blogs and Youtube as online

marketing strategies. E-commerce naturally exposes entrepreneurs to be creative in communicating virtually with their audience through writing and uploading good pictures as marketing techniques, instead of verbal communication. Having to interact more with computers and the Internet as the main medium for business, entrepreneurs also need to be designing creative marketing strategies such as promoting online, using attractive captions and photos that will attract customers. Customers are expected to contact entrepreneurs easily as well as be interested to buy the products. Hence, creativity arises when entrepreneurs are able to integrate all forms of applications in computers and the Internet to market their products and carry out their business. This finding is consistent with Cromie (2000) and Mubarak, Abd Rahman, and Yaacob (2014) who related that entrepreneurs should have creativity in business.

Secondly, entrepreneurs should be willing to take risks in the business that they started. E-commerce is still quite new in Malaysia, which require entrepreneurs to bear every uncertainty beyond expectation. The unexpected risk is related to the payment process in business transactions. Entrepreneurs encounter problems when dealing with dishonest customers who try to take advantage of the weaknesses in e-commerce. Entrepreneurs are always suffering losses when goods are delivered, but payments are still not received through electronic transfers, which has become the primary transaction method in e-commerce. Entrepreneurs also bear the risk of items that were posted to be damaged or unable to be delivered at the expected time to the respective destination. In such cases, entrepreneurs have to replace the product to gain customer confidence. Besides problems regarding payment and delivery, entrepreneurs also need to consider the risk of return of investment through online marketing such as Facebook or Google advertisements which can result in zero impact in sales. Unlike regular businesses, the risks that entrepreneurs need to face may be higher in e-commerce businesses due to the complex transaction as a result of indirect customer relationships. Hence, certain issues that bring additional risks to entrepreneurs need a high level of readiness from e-commerce entrepreneurs. This study shares the similarity with Brandstätter (2011), Shaver and Scott (1991), Mubarak et al. (2014) who contended that entrepreneurs should be willing to take risks.

The third personality is associated with inspiration in entrepreneurs, especially on the expectation of the potentials in e-commerce. Most entrepreneurs are aware of the huge potential in e-commerce in Malaysia, especially in marketing a product to the world. They will set up an ambitious and new business model to be more competitive in terms of e-commerce business

opportunities in Malaysia. Some of the entrepreneurs have set targets for their business, such as to market their products overseas via e-commerce and continue to grow rapidly by setting up new business branches over the next few years. The inspiration is largely influenced by the goal of expanding their businesses through the platform in e-commerce that could potentially broaden their consumer market. The number of customers that could access the Internet and current lifestyle changes have made e-commerce purchases more vivacious in Malaysia. E-commerce entrepreneurs need to exploit such business opportunities because Internet access and lifestyle changes in Malaysia can further expand their market in the future (Mubarak et al., 2014).

The fourth personality in entrepreneurs is related to the need for autonomy and freedom, which are considered to be the desire to work independently without being controlled by an employer. Self-employment gives satisfaction to entrepreneurs as there is no employer to control them, besides being able to enjoy the unlimited income. Entrepreneurs earned more than double the income by selling products through e-commerce platforms. And have the flexibility in carrying out their daily work without being bound by normal working hours. Time and commitment in the e-commerce business can be flexible, whereby potential customers can contact the entrepreneur at any time via email or Facebook as a form of 24-hour communication. This study shares the common finding with Shane (2003), van Gelderen and Jansen (2006), and Mubarak et al. (2014).

The fifth element of personality is on the tolerance for ambiguity, which is also the willingness of an entrepreneur to accept uncertainties in business. Given that e-commerce business is still new in Malaysia, entrepreneurs need to face the uncertainties in the business. Although e-commerce promises unlimited marketing opportunities, it is not a guarantee of success in business. There are various strategies in e-commerce that need to be learned because of the many risks that may happen. In this study, some entrepreneurs have experienced failure in business a few times after opting to resign from their previous work and refusing to enjoy a fairly high payroll based on their education level. This experiences clearly show that they have a high level of tolerance for ambiguity when they have decided to be an entrepreneur. They have made a dramatic decision towards the uncertainty that they are bound to face to become a successful entrepreneur. This study finding can be related to Cromie (2000) and Gartner (1988)'s tolerance for ambiguity, apart from the willingness of an entrepreneur to accept uncertainties in business.

The sixth element being diligent and persistent, are important features that influence entrepreneurial aspirations in achieving goals in the new venture creation. Without having

personalities such as diligence and persistence, it would be impossible for entrepreneurs to face the uncertainties in an e-commerce business environment, especially concerning marketing and product making processes. The persistence of entrepreneurs in implementing effective marketing strategies is highly demanded to ensure that the best selling products are always available. All efforts should be transferred into the marketing of the products that are yet to be recognized by customers.

It is one of the major challenges for entrepreneurs in the early stages of the business establishment to generate customer demand as they would face losses if the products are not sold. Entrepreneurs also need to work hard to manufacture products, ignoring the amount of time used to ensure orders can be delivered to customers on time. Entrepreneurs are also known for having high persistence to meet all risk expectations, especially in the early stages of the business startup. At the early stages of business, entrepreneurs need more patience in managing all aspects of marketing, product development or customer relationships. The process in a startup of a new business is difficult and requires entrepreneurs to not give up in every action to ensure success in the future. E-commerce is one of the most difficult business to manage despite being able to generate lucrative profits, which require entrepreneurs to not easily give up in their ventures, be eager to achieve success and be patient in managing e-commerce business. This study shares a similar finding with Mubarak et al. (2014), who related to diligence and persistence that influence entrepreneurial aspirations in achieving goals in the new venture creation.

Finally, the personality in entrepreneurs is related to optimism, which is the confidence level towards the expected outcomes of the business in the future. Entrepreneurs are optimistic about what they expect to achieve in the future despite having to face the uncertainties in the business. The results of the interviews show that entrepreneurs have a high degree of confidence and courage in making decisions, regardless of the uncertainties. The optimism in entrepreneurs during decision making is due to their positive attitude and a high degree of stubbornness. Positive minded entrepreneurs are more accepting of the uncertainties, while stubborn entrepreneurs will be more courageous in decision-making. Both attitudes have affected entrepreneurs to become opportunists in taking advantage of the e-commerce that has been identified to have great potential in the future. Therefore, it is no surprise that entrepreneurs are courageous to face any challenges, because they are optimistic about what they hope to achieve in future, a similar finding reported from Cromie's (2000) and Townsend et al.'s (2010) study.

Furthermore, this study has also described the role of motivation, which emerges from two main factors related to new venture creation in e-commerce in Malaysia. The first main factor related to the internal stimulus contains two essential elements; (i) need for achievement and (ii) interest. Someone who grew up in a low-income family will be more exposed and engaged in entrepreneurship to change their lives through business opportunities. Previous experiences have motivated them to become successful entrepreneurs when starting-up their businesses. Some entrepreneurs argue that working with others have no future guarantee in changing their lives. In other words, they are more interested in becoming entrepreneurs which allows them to receive higher income quickly.

Next is the desire to receive substantial income from their involvement in the business. E-commerce provides a platform that comes with a lot of advantages for entrepreneurs, especially in product marketing, where items can be widely distributed around the world. Entrepreneurs who have the desire to succeed in business need to grab the opportunity to start-up an e-commerce venture that promises broad product marketability. Therefore, being able to penetrate into a larger market will increase the number of sales to generate a profitable income. The interest in entrepreneurs is also a great influence on the new e-commerce ventures in Malaysia. Interest is an internal stimulus in entrepreneurial motivation to start-up new ventures apart from the desire to succeed. The interests emphasized by entrepreneurs in this study can be divided into two factors, which are business and information technology. Both types of interest make an important combination to e-commerce ventures which entails entrepreneurs favouring in business and information technology. This study shares a similar finding with Gartner (1985) and Mubarak et al. (2014) who pinpointed two essential elements of internal stimulus, which are need for achievement and interest towards the success of entrepreneurs in business.

Next is external motivation, which is considered as motivation in entrepreneurs due to external factors. Based on this study, external motivation is driven by three essential elements which are family, customer support and situational factors that can cause entrepreneurs to become successful in business. Surrounding people who are always giving their full support can influence the motivation and action of the entrepreneurs in their business. With personal support, advice, inspiration and information, entrepreneurs are likely to become successful in business. Continuous customer support for existing products can also be considered as an additional and external aspect for entrepreneurs to continue to produce a variety of product design in the future. At the same time,

the industry is becoming more challenging as it is often monopolised by middlemen who control market prices. The monopoly has affected traditional craft entrepreneurs who are continuously oppressed by the middlemen. The solution to overcome this gap is to pursue e-commerce as a business strategy to market the products, breaking any form of ties with the middleman.

As demonstrated in Figure 2, the roles of cognitive perspective emerge from two main factors that are related to new venture creations in e-commerce in Malaysia. The first main factor associated with the roles of the cognitive entrepreneur is personal background such previous education they have received and family background. The second factor refers to the cognitive aspects of the entrepreneurs, which are related to previous work and business experiences before deciding on the e-commerce business in Malaysia.

Personal historical background such as education where they received before starting their business is an essential factor that influences their decision to create a new venture in e-commerce. Education gives them information to generate basic ideas and awareness on how to start new ventures in e-commerce. The family business backgrounds are an influential factor that can encourage entrepreneurs to be involved in entrepreneurship. The family business background gives entrepreneurs the information and exposure to the business since young, especially about how to create quality products and manage the business.

The work experiences also play a significant factor in the new venture creation among e-commerce entrepreneurs in Malaysia. Their previous work experiences give them the basic knowledge and skills in business, especially computer skills, which is fundamental to establish the e-commerce business. Some entrepreneurs in this study have experienced difficulty in finding suitable work that encourages them to start new e-commerce ventures as a source of income. Some entrepreneurs have had various experiences in other business before starting e-commerce ventures. They already have a strong foundation in the business, such as the essential knowledge from other business as basic ideas to create new e-commerce ventures. This study shares a similar finding with Shane (2003) and Rahayu and Day (2015).

## **6.0 CONCLUSION**

The determinant factors to be an e-commerce entrepreneur are based on personalities such as creativity, risk-taking, inspiration, need for autonomy and freedom, tolerance for ambiguity, diligence and persistence, as well as optimism. Two essential elements of internal motivation,

which are the need for achievement and interest, are developed based on the push factors (such as the personal background) and pull factors. The desire to generate income can also influence the entrepreneurs to succeed in e-commerce. Within this study, entrepreneurs are able to venture into e-commerce because of their high interest in business and information technology (IT) such as computers, the Internet and other technologically-related aspects. This study has significant contributions to future e-commerce entrepreneurs to succeed in business.

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