

[INCOMAR 2023]
[The 9th International Conference on Marketing and Retailing]

IDENTIFYING CHALLENGES AND POTENTIAL SOLUTIONS FOR FISHERPRENEURS

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Abstract

Fishing is categorized as a low-income economic sector, especially in developing countries. The amount of fish disembarkation is highly seasonal, and the price is fluctuating, mostly due to fish migration, wind direction, involvement of commercialized fishing cartels, government interventions, and others. Most hardcore fishermen depend solely on their catch to support their families, thus, contributing to the instability of their monthly income. This situation makes fishermen as those living under the poverty line. It is a rare occasion when fishermen are also involved in entrepreneurial activities. Therefore, this study is proposed to identify the challenges that hinder fishermen from getting involved in entrepreneurship activities, which can improve their standard of living. It is also meant to recognize and leverage the potentials that fishermen possess so that they can be groomed to be successful entrepreneurs in the future. Data for this study were collected through interviews with the Chairman of the Fishermen Association and selected fishermen and fisherpreneurs in Terengganu, Malaysia. Studying them in detail using a qualitative (interview) approach allows the development of a practical business model that can help fishermen enhance their standard of living. The study is also expected to be regarded as a starting point for other future research efforts to help fishermen get involved in business ventures.

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Keywords: Entrepreneurship, fisherpreneur, fishermen, income, standard of living

1. Introduction

Fishermen are living arduous lives. Every day they go out to the sea but sometimes come back empty-handed. Some other times they returned with an unexpected catch but could not get much from it because the fish price had decreased. Most fishermen sell their catch to intermediaries who buy it at lower prices. As a result, they are always on the losing side in getting a better deal. During the rainy season, most fishermen spend their time repairing their boats, fixing their fishing gear, and doing other odd jobs in their villages, and some others are just waiting for the rainy season to end without doing anything. Those who are considered quite ambitious get involved in other activities that can provide hefty returns. They save some money for the difficulties in the coming times.

Fishermen's standard of living and quality of life can be considered low as their income is just enough to cover their daily expenses. Researchers have identified the causes of this phenomenon that comprise natural phenomena, including rainy season, encroachment by illegal fishermen from neighbouring countries, commercial fishermen using modern equipment, attitudes of fishermen, lack of resources and facilities, and others (Cheung et al., 2021; Lein & Setiawina, 2018). This low quality of life for fishermen will lead to greater unintended effects, including low education for their children, resulting in poor hereditary fate from one generation to another. Some fishermen are involved in social problems such as substance abuse, gangsterism, and theft, and others as the easy way out of their uncomfortably challenging lives (Amir Zal et al., 2020).

Most fishermen are living under the poverty line. In Malaysia, they are categorized as the B40 group. The Department of Statistics Malaysia (2017) defines a B40 (bottom 40%) as receiving a median monthly income of RM3,000.00. An M40 household group is the one that has a median monthly household income of RM6,275, while the top 20% (T20) households have a median monthly household income of RM13,148. There is a vast disparity between the B40 and T20 groups. The government has provided much support and assistance to help this group, but the outcome of such an effort is less than satisfactory. The old adage says, if you give a fish to a man, he will not starve for a day, but if you teach him to fish, he will not starve for the rest of his life.

One of the ways to help fishermen out of their unfortunate zone is to get them involved in entrepreneurship programmes. There are a lot of unexplored opportunities in the fisheries downstream industry (Cai et al., 2019), from being fishmongers, making fish crackers, dried and salted fish, fish balls, fish satay, smoked fish, grilled fish, etc., opening up a seafood restaurant, processing fish, to involving transportation service. The question remains, how can fishermen be successful entrepreneurs? The first thing the relevant bodies can do to help fishermen is to get them out of their comfort zone. This is the most challenging task, as most fishermen are reluctant to change. Thus, this study will identify the challenges and potentials in fishermen that can be leveraged and turned into successful entrepreneurs.

Abundant of studies have been conducted to examine the quality of life of fishermen (Ghani et al., 2017; Zain et al., 2018), the socio-economic impact of various initiatives by the authorities on fishermen lives such as the use of artificial reefs to increase the amount of fish (Kantavichai et al., 2019), the impact of using fishing technology on fish catch (Mgana et al., 2019; Rifal & Sunarti, 2017), the effectiveness of fisheries management (Hilborn et al., 2020), and a lot more areas of interest that have a common unified goal, which is to change the standard of living of those involved in the fisheries industry.

However, limited studies have been undertaken to investigate why very few fishermen are involved in entrepreneurial activities, especially those related to downstream activities. Therefore, the proposed study is meant to investigate the factors that hinder the creation of fisherpreneurs among fishermen, to identify the potential of becoming fisherpreneurs, and to propose a business model for fisherpreneurs in Malaysia and other developing countries.

2. Literature Review

Previous studies have identified certain qualities of successful entrepreneurs. They are decisiveness, optimism, and risk-taking (Kozubíková et al., 2017), resilience (Abdullah et al., 2018), initiative and creativity (Yordanov, 2019), creativity, responsibility, perseverance, ambition to meet the highest standards, nosing things out, commitment towards business interests, risk-taking bias, ability to tolerate change and adapting to crises and to uncertainties, and orientation towards results (Vințean, 2018), creativity, risk-taking, inspiration, need for autonomy and freedom, tolerance of ambiguity, hardworking and persistence, and optimistic (Fadzil et al., 2018), creativity, ethics, openness to change, risk-taking, autonomy, and achievement motivation (Jilinskaya-Pandey & Wade, 2019) and list of qualities of successful entrepreneurs continue.

Similarly, to become successful entrepreneurs, there are special entrepreneurship competencies required. They are the ability to be sensitive to the environment and the ability to recognize opportunities in the marketplace (Stephen et al., 2017), emotion management competencies (Huezo-Ponce et al., 2021), managerial competencies, technical competencies, marketing competencies, financial competencies, human relations competencies, and the specific working attitude of the entrepreneur (Sundah et al., 2018), marketing (technical entrepreneurship competencies), sales (retailing competencies), business fundamentals and networking (workplace competencies), adaptability and flexibility; ambition and interpersonal skills and teamwork (personal effectiveness competencies) and science and technology, and writing (academic competencies) (Mokhtar, 2017) and others.

In the case of fisherpreneurs, their specific qualities and competencies need to be determined. It is not appropriate to rely solely on the findings of previous studies in order to locate the right qualities and competencies, as the prior studies might be specific to different contexts. Realizing this need, the present proposed study is meant to develop a cohesive business framework for fisherpreneurs in Malaysia so that the standard of living of these fishermen can be upgraded. Using a qualitative research approach, it is expected that the long overdue problem that has besieged fishermen over an extended period will be resolved for good.

3. Methodology

The proposed research utilized a qualitative research approach. The qualitative research approach is to understand the phenomenon of interest (Salkind, 2017), which in this case, is to identify the factors that hinder fishermen from getting involved in entrepreneurship activities and also to determine the potential (good qualities) of fishermen that can be leveraged to turn them into fisherpreneurs. Using an interview technique involving four selected participants will help meet the study's objectives.

The population of the study comprises fishermen in Terengganu, Malaysia. Since the population for the study is difficult to determine, the information pertaining to the total number of fishermen is useful for this purpose. Based on the Economic Census 2016, there were 27,198 fishermen in Malaysia (The Department of Statistics Malaysia, 2017), of which 2,445 were from Terengganu. The sampling technique proposed for this study is purposive sampling for a qualitative research approach. Fishermen who are involved in entrepreneurship activities will be selected for the interview.

Research Instrument that was used is an interview questionnaire. This instrument was developed correctly. The questions pertaining to the types of business and business strategies, the issues and concerns, and the outcomes of adopted strategies were asked. The participants were also asked about the importance of having the right qualities to be successful entrepreneurs. Data were analyzed using schematic content analysis, and the data were grouped into different themes and sub-themes. The final categorization of the data was validated by the Chairman of the Fishermen Association.

4. Findings and Discussions

4.1. Challenges

From the interviewees' feedback, the following discussion highlights the challenges fishermen face to get involved in business activities. The feedback is organized according to the respondent.

Respondent #1

The first respondent interviewed was a fisherman from Kemaman, Terengganu, who had been a fisherman for 28 years. He said that the type of business he ventured into was eateries. His wife's family inherited the eatery, and this was the main factor that prompted him to venture into the eatery business. He had been in the business of downstream fish-based products for 15 years. He said that his business is on a small scale. Nevertheless, during the monsoon season, the number of customers will decrease. He said that his gross profit income is between RM300-RM400 a day. His business depended on fishermen who went to sea. He mentioned that only one cook had been working with him for ten years.

Among the major challenges he encountered throughout his involvement in the fish-based downstream products business was fully dependent on fishermen as his customers, the monsoon season, the challenges of obtaining fresh fish, and not being able to expand business premises because the land belonged to someone else. He also said he was running the business with his own capital without help from any particular agency or organization.

When asked about his plans to grow his business, he wished to get more capital and a place to do business. In addition, he also wanted to add to the menu of dishes such as fried fish dipped in flour. He also had some suggestions to encourage the involvement of fishermen in the fish-based downstream products business. Among his proposals were the business of fish cages and fish feed seeds, boat or fishing gear repair workshops, souvenir shops (e.g., large sea shells), and mussel farming.

Respondent #2

The second respondent was also a fisherman for 40 years. He is also from Kemaman, Terengganu. The second respondent also said that he had a food stall that served fried chicken, laksa penang, laksa kuah masak, odeng, tomyam, hot food, and fried fish dipped in flour. The gross profit of his business was RM60-RM100 a day. His food stall operated from 2 pm to 7 pm. He had been in business for 5 years. He and his wife ran their own food stall. He said that the main reason he was involved in the business is that it can provide side income and fill his free time.

The challenges he faced are as follows: First, he required more capital and a new location to do business. This is because he was worried that the landlord could take back the land of his food stall site at any time. The second challenge is his current competitor, the seller of nasi lemak. He also said that he set up his business on his own capital. He added that he had never received any advice regarding the business from any agency or organization.

He intended to expand his existing business further. However, the estimated capital required is approximately RM8,000. He added that if there is enough capital, he would like to add to the menu by selling crackers, fried fish or fried squid dipped in flour and adding more employees. He hoped that only locals would be allowed to do business in the area to reduce the extent of business competition.

Respondent #3

The third respondent was a fisherman for ten years, originally from Merchang, Terengganu. He did not have any side business. However, as a chairman of a fishermen's association, he knew the challenges faced by his men.

Among the challenges are that fishermen do not sell their own catch; they sell to "taukeh". When returning from the sea, the fishermen are tired and want to rest. He added that if a business owner dies, the business will stop. He added that the fishermen do not have business capital to run a business.

He noted that the fishermen's association in his area had several business plans for these fish-based downstream products. First, businesses could be initiated by focusing on selling dried fish. Still, the challenge is to get the raw materials and the fish drying place. If they wanted solar assistance, fishermen had to initiate the business for a specific duration; only then the government agency may assist. Second, the fishermen planned to set up a place to sell grilled fish. Still, the challenge is to get assistance from the relevant agency. The third plan is to make shrimp ponds; the challenge is financing the project. He said that his association had never received any agency or organization business advice.

Respondent #4

The fourth respondent has been a fisherman since he was 18 years old. He is from Marang, Terengganu. He also did not run any business but was aware of the challenges faced by fishermen in running a fish-based downstream product business.

He claimed that the fishermen like to play checkers in the afternoon, and they were quite reluctant to work other than as a fisherman. Fishermen were not interested in fish-based downstream products due to their certain level of mentality and lack of exposure. He also said that fishermen were interested in getting quick money or cash from selling their catch. Normally, they would sell their catch of the day to

“taukeh” who had initially provided them with capital and facilities to catch fish. They were basically indebted to this “taukeh”.

He added that fishermen could not blame the government because the government had provided various types of assistance and provisions to fishermen. However, the assistance and allocation did not meet the wishes of the fishermen. For example, the government had proposed terminating an individual fishing license, but fishermen would be given a group fishing license and a big fishing vessel. But, the proposal was turned down because the fishermen disagreed with the arrangement as they asked what would happen if they had a conflict with the team members in the future since they had already surrendered their individual fishing licenses.

4.2. Suggested Solutions

Many fishermen do not have the knowledge and motivation to run a fish-based downstream product business. Respondents who were interviewed agreed that a suitable course should be conducted to help the fishermen to get involved in the business. Thus, more suitable courses should be conducted from time to time. However, in order to meet the appropriate type of courses to be given, before conducting any courses, an assessment of course requirements should be made among the fishermen. This course assessment does not only meet the needs of the appropriate course type but also can identify the incentives or factors that are needed to encourage fishermen to attend the planned courses. Furthermore, course assessment can also identify the readiness of fishermen to attend the course.

Another suggestion is that fishermen intending to do business should be assisted. The respondents have given some suggestions, including identifying and allowing them to do business at strategic locations. This suggestion is meant for the local authority to take action to facilitate fishermen to engage in business activities by building up premises suitable for business activities. Until now, very limited opportunities are available for fishermen to engage in business at the premises built by the local authority. Some premises are located at less strategic locations that are less attractive to customers. Therefore, the local authority must consult with the fishermen association before deciding the dedicated areas for fishermen to do business.

The next suggestion is that government agencies must play an active role in identifying potential entrepreneurs among fishermen to assist them in terms of the capital required to start a business. Although most fishermen have no or limited interest in doing business, some intend to participate in the business, and there are also fishermen who have already been involved in small-scale business activities. These are the group of fishermen who should be identified and assisted. In general, they need capital to start or expand their business, and providing them with easy payment with low-interest business loans will greatly help them in this direction. In addition, those who receive the loan must also be monitored and guided to ensure that their business progresses as expected.

5. Implications of the Study

5.1. Managerial/Practical Implications

From the findings of the study, a few practical implications are outlined as follows:

- i. Fishermen can be grouped into two types; first, those who are interested in doing business to improve their standard of living, and second, those who don't want to change due to their lack of business knowledge, negative attitudes, and lack of motivation to do the extra job.
- ii. The relevant agencies must play an active role in identifying fishermen who are interested in embarking on business ventures. Furthermore, this group must be assisted in the form of financial support, business advice and courses, and provision of business facilities, including the required equipment.
- iii. The relevant agencies, including the local authority, must help fishermen in setting up the designated place for them to conduct their business operations. This must be done in collaboration with the fishermen association so that the right location can be identified.
- iv. The suitable business courses or modules should be carefully prepared since fishermen have diverse academic backgrounds. The majority of them have minimum academic qualifications; therefore, the planned business courses or modules must be at the foundation level and can be easily followed by those interested in joining.
- v. Since fishermen depend solely on their daily catch, attending courses means losing their daily income. Therefore, in order to attract fishermen to attend the business courses, the organizers are required to provide some monetary incentives as compensation for their daily income losses.

5.2. Research Implications

There are some implications of the present study for future research efforts:

- i. The present study was conducted using a qualitative research approach. Only a limited number of subjects were interviewed, and their views might be limited to the specific context or locality. Future studies are encouraged to be conducted in different contexts or localities to generalize the findings to the greater fishermen population.
- ii. This present study is considered an exploratory study using a qualitative research design and a limited number of subjects. Future research efforts are encouraged to be conducted using a quantitative research design, using a survey method, involving a more significant number of participants. This effort will be able to confirm the present research findings.
- iii. There are two aspects of research that future researchers can emphasize. The first aspect is regarding the effort to identify entrepreneurs' motivation to embark on business ventures, and the second aspect is the factors that hinder them from involving in business ventures. Different determinants are expected to make the findings and solutions more meaningful.

6. Conclusion

Most fishermen fall under the income category of B40 and receive a median monthly income of RM3,000.00. The government has provided a lot of support and assistance to help this group, but the outcome of such an effort is less than satisfactory. Still, many fishermen remain in this income group. One of the ways to help fishermen out of their unfortunate zone is to get them involved in entrepreneurship programmes. The present research is meant to identify the challenges and possible solutions for fishermen to become fisherpreneurs. Among the challenges are a lack of business knowledge, negative attitudes, and a lack of motivation to perform additional tasks. And, among the solutions are relevant agencies must play an active role in identifying fishermen who are interested in embarking on business ventures; they must assist in terms of financial support, business advice and courses, and provision of business facilities, including the required equipment for business. Future research is encouraged to confirm the findings of the present qualitative research effort by conducting a comprehensive quantitative research study covering a greater research setting.

Acknowledgment

This research is funded through the Strategic Research Partnership Grant (100-RMC 5/3/SRP (095/2021) awarded by Universiti Teknologi MARA, Shah Alam, Selangor, Malaysia.

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