

## **The Effectiveness of The New Business Model in Challenging the Adversity of Covid-19 Pandemic on The Small and Medium Scale Industries**

### **ABSTRACT**

The COVID-19 pandemic is a global issue that has put small and medium scale industries (SMESs) under a great deal of pressure to thrive, forcing them to react efficiently to the crisis. The purpose of this study is to identify the effectiveness of the new business model in challenging the adversity of the COVID-19 pandemic on the small and medium scale industries (SMEs). The independent variables in this study are the differences between the new and old business model, business redevelopment (uses of technology), government support and also the impact of COVID-19 on SMEs. The study applies a quantitative approach conducted through the distributions of questionnaires using Google Form to 50 SMEs entrepreneurs in Kota Kinabalu, Sabah, Malaysia. The method of analysis used to conduct this study is by using primary and secondary data where the researchers used factor analysis, regression analysis and reliability analysis. The results for this study shows that the hypothesis for both the technology and redevelopment model supports the effectiveness of the new business model in challenging the adversity of COVID-19 among small and medium scale industries are accepted.