

**THE ASSESSMENT OF SABAH HANDICRAFT
INDUSTRY FROM THE PERSPECTIVE OF HANDICRAFT
ENTREPRENEURS: ISSUES AND CHALLENGES OF
HANDICRAFT ENTREPRENEURS IN KUDAT AND KOTA
BELUD, SABAH.**



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Abstract

Small and medium enterprises in handicraft production have been widely performed as one of the economic solution in rural areas of Sabah. Finding innovative ways of supporting entrepreneurs and encouraging indigenous businesses is now seen as critical for economic success in rural Sabah. This research attempts to assess, the challenges faced by handicraft entrepreneurs in rural Sabah especially in producing and marketing their products. This research has been conducted in the rural area of Kota Belud and Kudat as they are the largest producers of handicraft in Sabah by implementing face to face structured questionnaires. The results exposed that the three main challenges that become the obstacles for them to be successful in their business are access to resources, especially raw materials and capital as well as absence of young successor to continue the business legacy. The research findings will help to improve the guiding principles in reducing poverty in those remote areas in Sabah.

Keywords: handicraft entrepreneurs, handicraft production, marketing