

Start-up factors for small and medium-sized accommodation businesses in Sabah, Malaysia: push and pull factors

Abstract

This article identifies start-up factors for small and medium-sized accommodation (SMSA) businesses. Using the Heider theory, it explains the push and pull factor start-up motives in SMSA businesses. The purpose of this research was to identify the underlying motivational factors and the primary motivational factors of SMSA operators. This topic was chosen owing to the fact that small and medium enterprises (SMEs) play an important role as key drivers of employment and economic growth in most countries, especially in Malaysia. The results show there is a wide range of these start-up factors related to the tradition of business operation, resources, location, market opportunities and the desires of individuals. The findings show that key start-up factors are driven by pull factors – namely, family business, availability and readiness of resources (land, building), market potential and opportunity of accommodation business, strategic location, the influence of friends and family, and profitability. Conversely, the key start-up factors related to push factors that emerged in this study include personal attitude, previous working experience in the accommodation business, personal interest and retirement. The findings provide an insight into the understanding of the start-up factors for small and medium-sized accommodation businesses, and add to the existing literature on start-up factors for small and medium-sized accommodation businesses from pull and push factors. They implicate the growth of small and medium-sized accommodation businesses in Sabah and, subsequently, may affect the SMEs' development policies in accommodation businesses.