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Awareness and readiness towards microfinance among social network women entrepreneurs: Reliability and validity of measures

Azwadi Ali*, Nurasyikin Jamaludin, Zatul Hijanah Othman

School of Maritime Business and Management, Universiti Malaysia Terengganu, Malaysia

Abstract

This paper reports the results of a pilot study examining the factors that contribute to the level of awareness and readiness towards microfinance among social network women entrepreneurs. Only a few of the proposed measures were found to have low loadings and these were modified accordingly, while the proposed variables demonstrated acceptable reliability alpha values. The pilot study was extended to pre-examine the potential relationships among the proposed variables via *Partial Least Squares* analysis. Among the pre-identified antecedents of intentions towards microfinance, attitude was found to exhibit the strongest effect on the intention level. The intention level then explains reliably the level of awareness and readiness towards microfinance among the 48 usable respondents selected for this pilot study. The actual study intends to collect at least 500 responses from women entrepreneurs who are conducting online businesses on social media such as *facebook*, *blogs*, *instagram* and *websites* in Malaysia. From the pilot study's results, we are convinced with the viability of the existing model to be used in the actual study.

Keywords: Microfinance, intention, social networks, women entrepreneurs

1. INTRODUCTION

The use of the Internet technology has become increasingly widespread in recent years and is predicted to further advance in years to come. As access to the Internet becomes easier for Malaysians, opportunities as well as problems arise exponentially. These changes give rise to a certain phenomenon which needs to be further studied in terms of the factors contributing to such phenomenon, its effects to society and policy makers, as well as its future.

The Internet technology itself has evolved to a level that one could not have imagined decades ago. Now, people are undoubtedly affected by the so-called social network applications (O'Reilly, 2007). To be more specific, they refer to the social networking web applications such as *Facebook*, *Twitter*, *Blogs*, *Instagram*, and *Video sharing platforms*. According to O'Reilly and Battelle (2009), the web is on its way to becoming a robust platform for a culture-changing generation of computer application and services. Because of that, most of the entrepreneurs seize this opportunity as the first step to run and expand their businesses as the Internet is able to both domestic and international consumers. Furthermore, this platform has even made those previously-unemployed mothers to earn a living via small scale businesses by having a web presence and promoting

*Corresponding author. Tel.: +060-016-7026501; Fax: +060-09-6684237
E-mail: azwadi@umt.edu.my

businesses using such social networking sites. Therefore, the existence of the Internet technology or web applications is very beneficial to them because they can earn income by working at home.

There are many factors that lead to women entrepreneurs' success such as knowledge, spirit, patience, trust, friendship, idea, previous failure and small success; however, the major factor was found to be the availability of capital or finance (Ali & Rahman, 2013; Deng, Wang & Alon 2011). For instance, although Chinese women entrepreneurs were found to have developed rapidly but a shortage of capital stunted the development where half of them perceived lack of capital as the main difficulty in maintaining a business (Deng *et al.*, 2011). Responding to this problem, many nations including Malaysia have established micro finance institutions to offer loans to those who apply and qualified. Many women entrepreneurs have benefited from this lending facility offered by, among others, TEKUN (Tabung Ekonomi Kumpulan Usaha Niaga), MARA (Majlis Amanah Rakyat) and PUNB (Perbadanan Usahawan Nasional Berhad). Nevertheless, whether or not this facility is found attractive to online women entrepreneurs is still very much a question that needs to be answered. Many would expect that these online women entrepreneurs would prefer to use their own savings or borrow from family, relatives, and friends to operate their business rather than ask for funding from microfinance agencies such as due to various reasons.

The proposed study is interested to examine the potential factors influencing the decision of online women entrepreneurs to use microfinance in supporting their businesses. In evaluating potential results of the actual study, we will uncover the perceptions of online women entrepreneurs on microfinance that leads to their level of awareness and readiness to apply and use microfinance in helping their business grow further. As this is an exploratory study, we shall approach the online women entrepreneurs in social media like *facebook*, *instagram*, *blog*, *twitter* and *business website* to get cooperation from them in completing the study's survey. The population of the study was composed of women entrepreneurs who run small-scale businesses using social network sites.

For the pilot study, a total of 80 respondents were approached and asked to participate in the survey to check the reliability and validity of the proposed measures. The respondents were contacted and invited through online advertising portals such as *cari classified*, *mudah.my*, *majalah.com* and *facebook*. As a result, this paper reports the findings on the reliability and validity of the proposed instruments based on 48 usable responses gathered from this pilot study.

1.1 Microfinance

Access to capital is critical and essential for the development of small-scale enterprises (Leaman, Cook, & Stewart, 1992). From the extensive literature, one of the problems that women entrepreneurs face is in the financing aspect of their businesses, both for start-up and expansion (Ali & Rahman, 2013; Carol *et al.*, 2012; Kwong, Jones-Evans & Thompson, 2012). In light of their concern to eradicate poverty, the governments of many developing countries have introduced microfinance facilities via certain approved agencies. Microfinance creates self-employment opportunities for the rural people especially women and those who lack the educational, job-specific skills and qualifications. These self-employed would then be able to generate income. The programs also require savings scheme apart from scheduled loan repayment. This would improve the quality of life of the formerly relatively poor households. Such programs are also an acknowledgement in appreciating the role of women especially the poor rural ones.

Bank Negara Malaysia (BNM) defines microfinance as the provision of small loans or financing up to RM 50,000 (USD 16,129) to microenterprises or self-employed individuals for their business activities (Nawai & Mohd Shariff, 2011). According to Mokhtar (2011), Malaysia has four microfinance institutions, namely Amanah Ikhtiar Malaysia (AIM), Yayasan Usaha Maju (YUM), Tabung Ekonomi Kumpulan Usaha Niaga (TEKUN), and the People's Credit Cooperation (KKR). AIM is the dominant microfinance institution in Malaysia as it is a poverty-oriented microfinance institution that provides loans only to the poor. Meanwhile, TEKUN is synonym among entrepreneurs who seek this service as it is established to offer six financing schemes to micro-entrepreneurs in which the value of the loans range from RM 500 to RM 50,000 for both poor and not-so-poor borrowers (Mokhtar, Nartea & Gan 2012).

According to Md Saad and Duasa (2010), Afrane (2002) and Schreiner (1996), microfinance contributes to businesses and life success by increasing business incomes, improving access to life-enhancing facilities, empowering women and making greater monetary contributions to social projects. To further provide the evidence, AIM (2009) revealed that the clients' average monthly household income increased almost triple from RM 326 to RM 932 after borrowing from AIM. This evidence provides some insights to the future borrowers

who might have the intention to use microfinance, particularly entrepreneurs in order to set up their businesses. Moreover, Nawai and Mohd Shariff (2011) describes that micro-financing provides an easy, fast, and convenient financing facility to the entrepreneurs as it does not require collateral and only needs minimum documentation with a simple procedure. The time taken to approve and disburse funds is also short encourage people especially businessmen to use microfinance. Alternatively, the solidarity group lending and repayment is a strategic approach introduced by microfinance institutions that contributes to the microfinance sustainability and gives benefit to the poor in developing countries in order for them to easily have access to credit (Armendariz & Morduch, 2005).

However, the barriers or complexity factors are the factors that give negative image which would discourage entrepreneurs to use microfinance. Two microfinance institutions, TEKUN and YUM reported that, the borrowers' characteristics like age and gender, business characteristics and loan characteristics such as repayment period, repayment mode and repayment amount, were among the factors that influenced borrowers in repaying their loans (Mokhtar *et al.*, 2012). The study also found that, TEKUN borrowers faced problems in repaying their loans because they unable to pay over RM 201 weekly loan installments. Thus, the longer the period of time given to repay the debts, the more likely the borrowers can settle the debt. For example the weekly repayment period set by TEKUN cause the problems for its borrowers in repaying their loans. Otherwise, the loan repayment period of over one year set by YUM gave fewer problems to the borrowers in repaying their loans. At the same time, the flexibility of the lending contract is really needed in TEKUN and YUM because their lending contract has given problems to borrowers in repaying their loan (Mokhtar *et al.*, 2012).

In reaching the objectives of the study, we are utilizing models and variables known to be valid and common via literature search. As a result, we are proposing a research model that predicts intention to use microfinance using several pre-identified antecedent variables and attitude as a mediator.

2. RESEARCH MODEL AND HYPOTHESES

For the proposed study, the researchers suggest a conceptual model based partly from the Theory of Planned Behavior (Ajzen, 1991) and Diffusion of Innovation (Rogers, 1962) to measure the relationships between the identified factors impacting the intention of women entrepreneurs to obtain microfinance (see Fig. 1). Variables making up proposed research model were furthered studied via literature search to identify suitable measures for the questionnaire.

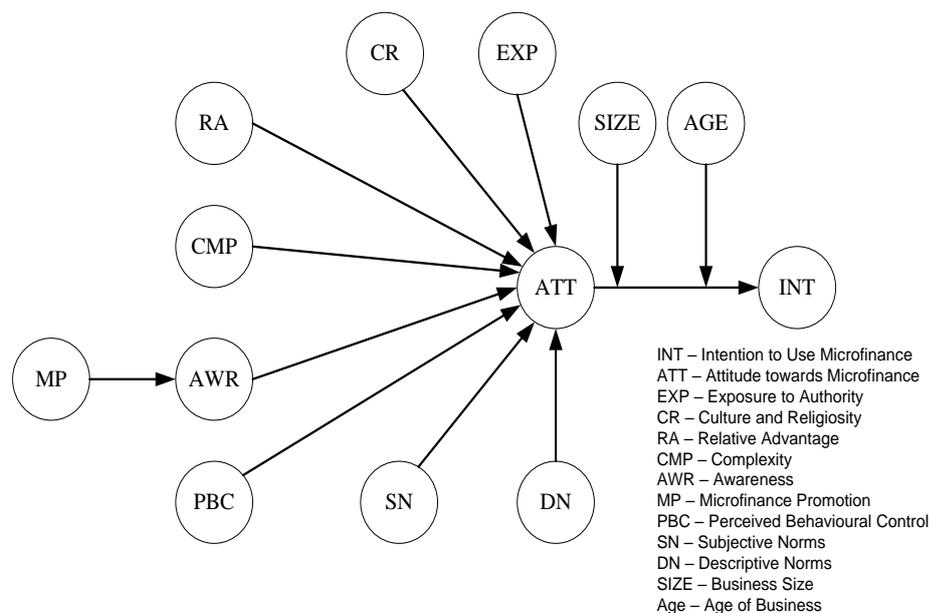


Fig. 1. The proposed research model

Overall, this model listed several factors that may affect the intention of women entrepreneurs to obtain microfinance, represented by the factor of intention. The effects of antecedent factors are expected according to

decomposition of attitudinal beliefs to develop the business as a result of using microfinance capital. The relationships between these antecedent variables and attitudes and intention are also expected to be moderated by the size and age of the business.

2.1 Hypotheses Development

According to Ajzen (1991) in the Theory of Planned Behavior, intention can be classified as a motivational factors that impact behavior which it's refer to the people indication in such situation likes of how hard they are willing to try or how much of an effort they are planning to exert in order to perform the behavior. In other words, intention and behavioral factor both are intertwined that affect individual activity. Clearly, behavior determined by attitude and usually people make judgment based on the attitude that he/she perform. Thus, most of the previous studies as well as this study identified that people attitude are the main impetus towards an intention to use microfinance. Therefore, we have formulated the following hypothesis related to attitude:

H₁: Attitude towards microfinance mediates the relationships between its antecedents and intention to use microfinance.

Attitude normally is influenced by internal and external factors (antecedents). Internal factors are referring to inner strength or weaknesses that someone exhibited in performing an action. In the context of this study, perceived behavioral control and awareness are identified as an internal factor that affect someone decision whether to perform or not to perform something because it's depends on how people control their inner feeling. For example, if they believe that microfinance is beneficial for their businesses, perceive control is high. Likewise awareness, when they interested about microfinance, the attraction to it is high. Meanwhile, external factors are outside influence that can also impact someone's attitude. Relative advantage, complexity, religiosity, exposure, subjective norm and descriptive norm are the external factors as identified in this study. The author believe that attitude is the main cause that drive all these factors because attitude is measurement of the extent to which someone's see the microfinance institution whether it is useful for the business or otherwise. As a result, we hypothesized that:

H₂: Relative advantage, complexity, religiosity, awareness, perceived behavioral control, subjective norm, descriptive norm and exposure are the antecedents of attitude towards microfinance.

Promotion is one of the effective ways to increase awareness among people (Kotler & Zaltman, 1971). In the context of this study, the microfinance promotion is capable to raise awareness especially among businessman about the existence of this institution. Coulter, Zaltman and Coulter (2001) stated that advertising bring the big and positive values to the people in introducing the new things that they may not know about it because advertising relates information (teacher, counselor, enabler and magician), provides entertainment (performer) and stimulates growth in the economy (engine). Thus, we have formulated the following hypothesis:

H₃: Microfinance promotion is positively related to awareness.

Usually, the role of age and business size is another factor that businessmen/women refuse to apply for microfinance. For example, a small and new business tends to make a loan to start up the business compared to the large and well-known business because normally at the beginning of the business is most difficult part to be handled by the owner and it's require a lot of money to expand the business; thus, the quick and easy way is make a loan. Conversely, if the business is already developed, less borrowing are then needed. In addition, small businesses always have a problem during financial crises because they are more dependent on bank capital to fund their growth (Mills and McCarthy, 2014). Sometimes, in respect to the size of the business the owner feels that microfinance is not needed or they feel ashamed to apply for microfinance. Therefore, we propose the following hypothesis to be tested in the actual study.

H₄: The relationship between attitude towards microfinance and intention to use microfinance is moderated by size and age of business.

3. RESEARCH METHODS

The actual online survey will be distributed to online women entrepreneurs. The majority of women entrepreneurs from Malaysia will be identified as respondents and sample population through visiting the portal on online business directories, website advertising portals, social network websites and web search engines. The contact information such as their email addresses, website addresses, and business phone numbers will be stored

in a database that will be constructed for the purpose of distributing and inviting them to respond to the questionnaires that will be uploaded online. For the pilot study, three social media were selected to reach women entrepreneurs in Malaysia and they are all invited to give responds regarding questionnaire given. We have identified 80 potential respondents via *facebook*, *instagram* and *blog* but only 48 respondents managed to participate.

3.1 Proposed Measures

All measures of variables making up Theory of Planned Behavior (TPB) were adapted from Xiao and Wu (2006). There are 6 items (i.e., questions) each measuring intention, attitude, subjective norms, and perceived behavioral control. All of the measurements use a Likert scale of 1 to 10 (1 denoting strongly disagree and 10 strongly agree). In the study by Xiao and Wu (2006), the Cronbach's alphas for intention, attitude, subjective norms, and perceived behavioral control are 0.82, 0.71, 0.84 and 0.77, respectively. These alpha values clearly indicated that the measures reliably represent the latent constructs.

For variables of the Roger's Diffusion of Innovation (DOI), most measures were adapted from Afrane (2002), Kausar (2013) and Schreiner (1996). Both constructs of relative advantage and complexity (barriers) were represented by 6 items, and measured by Likert scale of 1 to 10.

The questions for descriptive norms were adapted from Reno, Cialdini and Kallgren (1993), originally designed in the focus theory of normative conduct. The questionnaire contains 6 items on this variable and the measurement used a Likert scale of 1 to 10. The result from the study by Reno *et al.* (1993) showed a positive result with 80 percent of the respondents choosing descriptive norms as one of the factors that affected their intention and action.

The questions about culture and religion were adapted from previous studies by Dusuki (2008) and Idris *et al.* (2011). This questionnaire consists of 6 items for this variable. They were measured using a Likert scale of 1 to 10. The result of the study by Idris *et al.* (2011) showed that religious is the main factor that contributes to Muslims in Malaysia patronizing Islamic financial institutions.

For the microfinance promotion, awareness and exposure variables, we developed the measures ourselves. The measures were presented to two independent academicians at a local university in Malaysia who satisfactorily agreed that the proposed measures can reliably measure the anticipated latent variables.

Overall, the proposed measures which were piloted and tested their reliability and validity are displayed in Table 1.

Table 1. Measures of latent variables.

Intention	
INT1	I plan to apply for microfinance for my business.
INT2	My intention to use microfinance is strong.
INT3	I think that I would be using microfinance in the near future.
INT4	I want to use microfinance for my business.
INT5	I expect to use microfinance to expand my business.
INT6 #	My intention to use microfinance is low.
Attitude	
ATT1	I feel that using microfinance is a good idea.
ATT2	Using microfinance would be a wise decision for my business.
ATT3	I like the idea of using microfinance for my business.
ATT4	I would be pleased if I use microfinance for my business.
ATT5	Joining microfinance institution for helping me in expanding business would be good.
ATT6	If I had the opportunity, I would love to start my business by using microfinance.
Subjective Norms	
SN1	Most people who are important to me would think that using microfinance for my business is a good idea.
SN2	Most people who are important to me would support me in deciding to use microfinance for my business.
SN3	Most people who are important to me would think that I should use microfinance for my business.
SN4	Most people who are important to me would be pleased if I use microfinance for my business.
SN5	Most people who are important to me want me to use microfinance for my business.
SN6 #	Most people who are important to me are skeptical about microfinance.
Descriptive Norms	
DN1	I believe that many online entrepreneurs have used microfinance for their businesses.
DN2	Many online entrepreneurs use microfinance to start their business.
DN3	Many successful online entrepreneurs had relied on the benefits of loans during their early period in business.
DN4	Many online entrepreneurs had benefited from loans in expanding their businesses.
DN5	Doing what other successful entrepreneurs do is important to me.
DN6 #	Many successful online entrepreneurs do not rely on microfinance to support their businesses.

Awareness	
AWR1	I am aware that small entrepreneurs can apply for microfinance facility should they wish to use it.
AWR2	I know some microfinance institutions that offer loans to entrepreneurs.
AWR3	I know many entrepreneurs who had obtained microfinance loans.
AWR4	If I wanted to apply for microfinance, I know what the procedures are.
AWR5	If I wanted to, I could easily apply for microfinance.
AWR6	I am familiar with the products offered by microfinance institution.
Perceived Behavioral Control	
PBC1	I would be able to utilize microfinance facility.
PBC2	I have the resource available to pay the loan installments.
PBC3	If I obtain a microfinance loan, I would have the knowledge to utilize it.
PBC4	If I obtain a microfinance loan, I know how to spend it wisely.
PBC5 #	The decision to use microfinance is beyond my control.
PBC6	Whether I use microfinance or not is entirely up to me.
Relative advantage	
RA1	Using microfinance would help me expanding my business.
RA2	Using microfinance would help me reach more customers.
RA3	I would be able to sell more products/services after obtaining microfinance.
RA4	I would be able to generate more income after using microfinance.
RA5	I would gain competitive advantage after obtaining microfinance.
Complexity	
CMP1	Using microfinance would burden me in the future.
CMP2	The procedures to apply for microfinance are many.
CMP3	The terms and rules that I need to be obliged with when using microfinance are many.
CMP4	The interest rates on microfinance loans are normally high.
CMP5	The sizes of microfinance loans are normally small and limited.
CMP6	The loan periods of microfinance loans are normally short.
Culture/religiosity	
CR1	In respect to the size of my business, I feel that microfinance is not needed.
CR2	In respect to my business nature, I feel ashamed to apply for microfinance.
CR3	I do not think microfinance adhere to shariah rules.
CR4	I doubt the interests charged on microfinance loans follow Islamic rules.
CR5	I think there is too much ambiguity existing in certain microfinance transaction activities.
CR6	My religious beliefs often lead my life needs.
Microfinance Promotion	
MP1	I have heard advertisements of microfinance institutions on radio.
MP2	I have seen advertisements of microfinance institutions on media (TVs, printed).
MP3	I have seen advertisement of microfinance institutions on billboards.
MP4	I have heard advertisement of microfinance institutions on news conferences.
MP5	I have seen advertisement of microfinance institutions on articles.
MP6 #	I had never seen any advertisement on microfinance before this.
Exposure	
EX1	Applying for microfinance would expose my business to the related authorities (such as the IRB, SSM, SOCSO and EP).
EX2	By applying microfinance, I need to register my business with SSM.
EX3	I would be tax liable once I receive microfinance facility.
EX4	If I choose to use microfinance, I will be monitored by the authorities.
EX5	I do not want my business to be disclosed to the authorities.
EX6 #	I do not mind if my business is exposed to the authorities.

#These are reverse-coded measures to mitigate potential method bias

3.2 Data Collection

The data for the pilot study were gathered from women entrepreneurs who are conducting online businesses on social media such as *facebook*, *blogs*, and *instagram* in January 2015 which attracted 48 usable respondents. The descriptive characteristics of the samples are shown in Table 2:

Table 2. Description of samples.

Background	Sample (N)	Percentage (%)	Background	Sample (N)	Percentage (%)
Age:			Academic Qualification:		
20 years and below	13	27.1	No formal education	-	-
21-25 years	-	-	Primary school	14	29.2
26-30 years	28	58.3	Secondary school	-	-
31-35 years	5	8.3	Diploma/Polytechnic	10	20.8
36-40 years	-	-	First degree/equivalent	23	47.9
41-50 years	2	2.1	Postgraduate degree	-	-
			Professional Qualifications	-	-
			Other	1	2.1
Marital Status:			Employment Sector:		
Single	33	68.8	Government Agencies	6	12.5
Married without children	4	8.3	Services	16	33.3
Married with children	11	22.9	Production	1	2.1
Divorced/Separated/Widowed	-	-	Business	8	16.7
			Student	5	10.4
			Not working	7	-
			Other	5	10.4
Race:			Working Years:		
Malay	45	93.8	No working experience	12	-
Chinese	1	2.1	1-5 years	33	68.8
Indian	-	-	6-10 years	2	4.2
Indigenous	2	4.2	11-15 years	-	-
			16-20 years	1	2.1
Gender:					
Male	-	41.5			
Female	48	58.5			

As can be seen from the results, most of the female respondents were Malays, in mid 20s, single, having attended tertiary education and working in various sectors. The actual study intended to obtain responses from individuals with diverse backgrounds to ensure some level of results generalizability across Malaysia.

3.3 Confirmatory Factor Analysis

Analysis on pilot data followed a confirmatory factor analysis (CFA) which was carried out using SPSS software. In the actual study, the CFA will be performed simultaneously while examining the convergent and discriminant validity using a Partial Least Squares analysis. The characteristics of the study instruments are described one by one in terms of the number of items and reliability. A summary of the analysis is also presented in Table 3.

Table 3. Validity and Reliability of Measures.

Variables	Item	Loadings	KMO	Alpha
Intention	INT1	.940	.871	0.896
	INT2	.966		
	INT3	.951		
	INT4	.850		
	INT5	.928		
	INT6 (NS)	-.351		
Attitude	ATT1	.944	.870	0.967
	ATT2	.987		
	ATT3	.979		
	ATT4	.913		
	ATT5	.784		
	ATT6	.955		
Subjective norms	SN1	.974	.883	0.922
	SN2	.953		
	SN3	.976		
	SN4	.926		
	SN5	.958		
	SN6 (NS)	.281		
Descriptive norms	DN1	.915	.755	0.886
	DN2	.844		
	DN3	.855		
	DN4	.894		
	DN5	.779		
	DN6 (NS)	.471		
Awareness	AWR1	.752	.842	0.935
	AWR2	.905		
	AWR3	.919		
	AWR4	.890		

	AWR5	.898		
	AWR6	.850		
Perceived behavioral control	PBC1	.904		
	PBC2	.913		
	PBC3	.968	.825	0.903
	PBC4	.906		
	PBC5(NS)	.534		
	PBC6	.660		
Relative advantage	RA1	.869		
	RA2	.786		
	RA3	.905	.774	0.908
	RA4	.892		
	RA5	.813		
	RA6 (NS)	.704		
Complexity	CMP1	.944		
	CMP2	.897		
	CMP3	.840	.816	0.938
	CMP4	.925		
	CMP5	.872		
Culture & religion	CR1	.739		
	CR2	.767		
	CR3	.857	.753	0.890
	CR4	.815		
	CR5	.883		
	CR6	.767		
Microfinance promotion	MP1	.798		
	MP2	.848		
	MP3	.769	.642	0.775
	MP4	.778		
	MP5 (NS)	.392		
Exposure	EXP1	.862		
	EXP2	.872		
	EXP3	.856	.783	0.865
	EXP4	.719		
	EXP5	.700		
	EXP6 (NS)	.616		

Table 3 shows the loadings of the proposed measures, as well as the variables' alpha values prior to elimination of the problematic measures. Based on the table, there is one item (INT6) under the intention variable that has a negative loading of -0.351. Meanwhile, items SN6 under the variable of subjective norms and MP5 of the variable of microfinance promotion are also not significant with the values of loading lower than 0.50, which are 0.281 and 0.395, respectively. This problem has been identified as due to the negative statements included in the questionnaire for items INT6, SN6, DN6, RA6, MP5, and EXP6. However, items DN6, MP5, RA6, and EXP6 have loadings greater than 0.50 although the values are lower than most of other items. While, items for PBC5 and PBC6 were less than 0.70, but we considered them to be moderately high and having potential to improve when larger sample is achieved in the actual study.

Negative statements included in the questionnaire were intended to avoid common method bias in this study. Due to this intended aim of having negative statements in the questionnaire, the author has decided to include all of them in the actual study to minimize validity threat in the research model. All other items have significant loadings greater than 0.60. Therefore, construct validity was deemed achieved in this pilot study.

The Kaiser-Meyer-Olkin (KMO) Measure of Sampling Adequacy (KMO) analysis was conducted on the pilot study to assess the suitability of the respondent data for factor analysis. Based on Table 3 above, all of the variables achieved the suitability construct where the KMO values are greater than 0.5. The KMO index ranges from 0 to 1, with 0.50 considered suitable for factor analysis (Williams, Brown & Onsmann, 2012). The reliability test for this pilot study used Cronbach's alpha analysis and the results showed all variables are good and acceptable with the range of value higher than 0.60.

3.4 Potential Relationships in the Model

The pilot study further tested the model in order to pre-examine the viability of the proposed relationships and the explanatory power in the endogenous variables by using SmartPLS software. The results were expected to provide a glimpse of which hypotheses have the potential of being supported and which one may not follow the earlier expectations. As can be seen Fig. 2, four relationships follow our earlier expectations while five other relationships could not be supported, while all three endogenous variables were explained satisfactorily by the stipulated exogenous variables. In addition, from the data of these 48 respondents, the relationship between

perceived behavioral control and attitude may be a negative one, which contradicts with the expected positive relationship. Nevertheless, the results from the actual study may be a lot different than found in this pilot test.

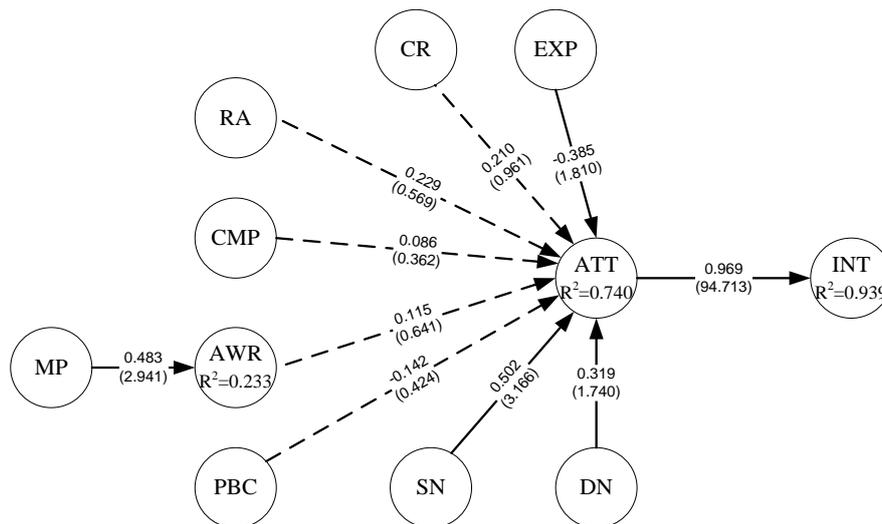


Fig. 2. Results of the Structural Model

4. DISCUSSION AND CONCLUSION

The study was proposed to systematically analyse the driving factors for women entrepreneurs using microfinance to support their online businesses. Specifically, it attempts to uncover the perception of web 2.0 female entrepreneurs on microfinance that leads to their level of awareness and readiness to apply and use microfinance in helping their business grow further. Therefore, the findings of the actual study can provide fruitful insights and ideas to the fund provider agencies as well as related ministries to polish existing, and come up with new and better, policies that satisfy the needs of the population segment to equally enjoy the economic success of the nation.

The actual study which is expected to gather more than 500 responses would provide a glimpse on the microfinance acceptance by online female entrepreneurs. These women entrepreneurs will be identified as the target sample through visiting the portals on online business directories, website advertising portals, social websites and web search engines.

Overall, the research model has been validated through the examination of its measures' reliability and constructs' validity through this pilot test. Some of the items may be discarded in the actual survey while some may be refined to improve the reliability of the final questionnaire. All of the problematic measures in this pilot study were those of negative statements, which were initially added in the questionnaire to overcome the potential method bias. However, they will still be kept in the actual questionnaire to mitigate the same problem. If they are found to be unreliable as well in the actual study, the remaining measures are more than sufficient to represent the proposed latent variables.

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