# SOCIAL ACCESSIBILITY OF KEDAI RAKYAT 1MALAYSIA AMONG LOW INCOME GROUP IN URBAN PENANG, MALAYSIA

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**ABSTRACT:** With increasingly higher cost of living in urban areas, various strategies have been undertaken to ease the financial burden, especially of the low income population residing in urban areas. The Malaysian Government, for example, has launched an affordable community shop program, known as *Kedai Rakyat 1Malaysia (KR1M)*, that sells goods with quality comparable to those available at supermarkets or other retail stores but priced at 30 to 40 percent cheaper than the latter. However, previous studies have shown that these stores are less popular among the low income population as their locations are less accessible. There is also the stigma of being associated with poor migrant workers. This study takes into consideration distance as a factor in shopping at *KR1M*. Therefore it aims to investigate whether stigma has hindered low income population from shopping at *KR1M*. A quantitative survey was conducted on 57 households of Flat Taman Seri Pinang, Teluk Air Tawar, Butterworth, Pulau Pinang, which is located approximately 290 metres away from the *KR1M*. The findings indicated that the majority of low income respondents, with monthly household income ranging between RM1,001 and RM2,000 did visit *KR1M*. Furthermore, more than 60 per cent of the respondents strongly disagreed that stigma has led them to be ashamed of shopping at *KR1M*. The findings indicated that most of the respondents would choose to shop at the nearest groceries stores Thus, in planning for more *KR1M* in the future, location should be taken into consideration to make it more accessible to the targeted group.
*Keywords*: low income, accessibility, KR1M, Malaysia

## INTRODUCTION

The increased cost of living within urban area has caused heavy financial burden especially on the low income population. The government has thus undertaken various strategies in attempt to ease the burden of low income population in particular, those living in urban areas. One of the examples is the launch of community shop or store which sells goods at lower prices. However, accessibility to these stores were difficult among low income population since the location of these shop are at the peri-urban areas which was inaccessible to those living within urban centers or rural areas (Samat et al., 2014). As a result, the low income earners, especially those living within inner-city areas, rural areas, and some older suburbs have difficulties in obtaining cheap and healthy food items (Wrigley, 2002). The study conducted by Bell and Standish (2009) for example, found that as many as 23.5 million people in low income communities do not have access to a supermarket or large grocery store within a mile from their residential area. The strategy in United Kingdom and Australia, for example, is to have 'Community Shop' and 'Social Shop'. These stores are opened specifically for the low income group, and entry to these stores is restricted to this group only. Similarly, in Malaysia, *Kedai Rakyat 1Malaysia (KR1M)* was launched to assist low income group by easing off pressure from the rising prices of goods and basic needs (Samat et al., 2014). This strategy by the Malaysian government targets to provide basic needs among low income population especially in urban areas. The government's primary objective in establishing *KR1M* is to help alleviate the burden of low income group, in addition to providing assistance to small-medium entrepreneurs (Sinar Harian, 2014). All *KR1M* products are labelled with 1Malaysia brand logo and sold in *KR1M*, which has established many new branches nationwide throughout the years.

Notably, *KR1M* does not restrict access to target group of population. It differs from the Community Shop in United Kingdom, where entry to the shop is restricted to low income earners and the poor only (Latham, 2013). The Community Shop limits its consumers to registered member with a special access card. Postcode was used to divide customers based on their area of residence. Members obtain benefits from the special discount of up to 70 percent. Due to the exclusive discount enjoyed, the windows of the community shop are frosted to overcome any potential stigma from the surroundings

communities. In Malaysia no such restriction was imposed, the study by Samat et al. (2015) on *KR1M,* found that spatial accessibility to this shop had been limited due to the location of this store at the urban fringe areas. In addition the study also found that stigma among the population deters some people from shopping at *KR1M,* based on response from one respondent interviewed. Therefore, further study should be conducted to investigate whether there exist social barrier to shopping at *KR1M*. The aim of this study is thus to investigate socio-spatial accessibility to *KR1M* in urban Penang, Malaysia.

## BACKGROUND OF THE STUDY

Accessibility can be defined as the degree of 'accessible' or 'get-at-able' to something or some places (Moseley, 1979). The degree of 'accessible' or 'get-at-able' would be different based on physical and social dimensions of accessibility (Murad, 2007). The study by Peters et al. (2008) described accessibility as consisting of four main dimensions namely geographic accessibility, availability, financial accessibility and acceptability. Each of these four main dimensions has different supply-and-demand elements. First, geographic accessibility is assessed by examining the physical distance or travel time from services to users' location. Second, availability is defined as the accessible type of services and also duration of time such as operating hours and waiting times for end users to obtain the services. Third, financial accessibility refers to the user's willingness and affordability to pay for the price of services without resulting in any economic consequences. Finally, acceptability refers to the users' responsiveness toward the services they accessed. Moreover, acceptability also takes into account the social and cultural expectations of both individuals and communities. Among the four dimensions of accessibility, geographic accessibility is the easiest to measure.

In addition to spatial accessibility, social stigma may also deter consumers from accessing available services. Stigma is defined as a characteristic which is seen to be embarrassing or shameful and leading to a lower social status (Ben et al., 2012). There are three different types of stigma, namely, personal stigma, social stigma and institutional stigma. Personal stigma could be described as the feelings of the consumer who feels that benefits received are shameful. Social stigma refers to judgements from others who claim that the benefit is embarrassing and confers a lower social status. Institutional stigma arises from the process of claiming benefits. Stigmatization results in negative impacts on stigmatized individuals' quality of life as well as placing them at a disadvantaged position in many of their life domains (Bo et al., 2010) (refer to Figure 1). Stigmatized individuals are confronted by devalued identity within a particular context, leading them to a variety of stressors such as discrimination, prejudice and exclusion (Crocker et al., 1998).
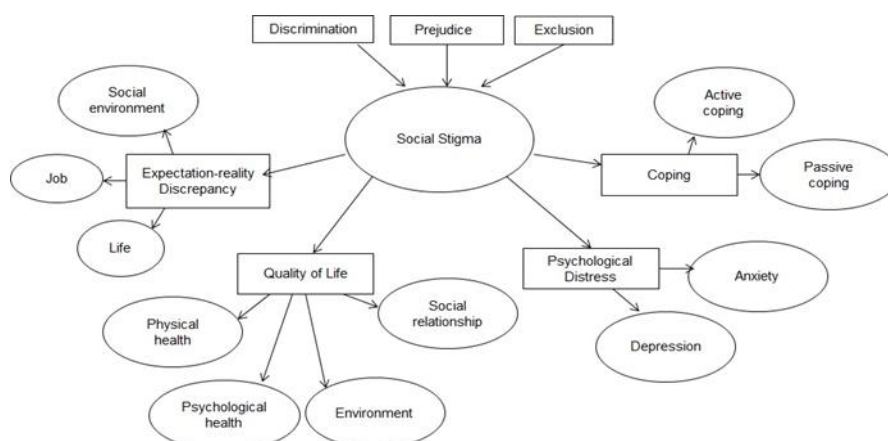


Figure 1: Hypothesized Model of Social Stigma
Source: Adapted from Bo et al. (2010)

Different from community stores in United Kingdom, even though *KR1M* aims to provide basic food items at cheaper prices to reduce financial burden of low income group and the poor, it is not restricted to a particular targeted group. Community stores or social stores offer discounts up to 70 per

cent of the actual prices due to food sold were those rejected by grocers as they might have been mislabelled, with damaged packaging or close to expiry date (Graslie, 2013). Meanwhile, *KR1M* sells generic products with reduced production cost.

**METHODOLOGY**

Penang is the second smallest state in Malaysia comprising approximately 6 per cent of the entire Malaysian population (Penang Institute, 2015). Taking into account the quality of life, isolation, social network, climate, health services, political tensions, leisure facilities and infrastructures, Penang was declared as the eighth most livable city in Asia (ECA International, 2012). As Penang is considered an urban state in Malaysia, households with monthly income below RM940 are perceived as poor (Mohd, 2014). Penangites are currently facing high cost of living and it is quite a heavy burden for low income earners and the poor who live in Penang, especially in inner city areas to meet their basic needs. Aware of this problem, the government established *KR1M* to help ease the burden of low income group. This study aimed to monitor the social accessibility of *KR1M* in Penang state. There are three operating *KR1M* in Seberang Perai region of the Penang state, namely in Taman Kota Permai, Bukit Mertajam; Taman Sri Pinang, Butterworth; and Tasek Gelugor (Figure 2). Among these three *KR1M, KR1M* in Taman Sri Pinang, Butterworth is situated nearest to low cost residential areas at 290 metres away from Flat Taman Seri Pinang, a low cost flat. The rest were less accessible, for instance, *KR1M* in Taman Kota Permai, Bukit Mertajam is situated 4.3 kilometres from low-cost residential areas, while *KR1M* in Tasek Gelugor is situated at rural area. As the study aimed to investigate the social accessibility of *KR1M* among low income group in urban Penang, Flat Taman Seri Pinang was chosen as the study area. Quantitative survey was conducted on 57 respondents or 22.8 per cent of the population from 250 households who live in Flat Taman Seri Pinang, Butterworth, Penang, Malaysia. Respondents were randomly selected among the breadwinners and homemakers who aged above 20 years old. Data obtained were analysed using the Statistical Package for Social Science (SPSS) for frequency and crosstabs data.
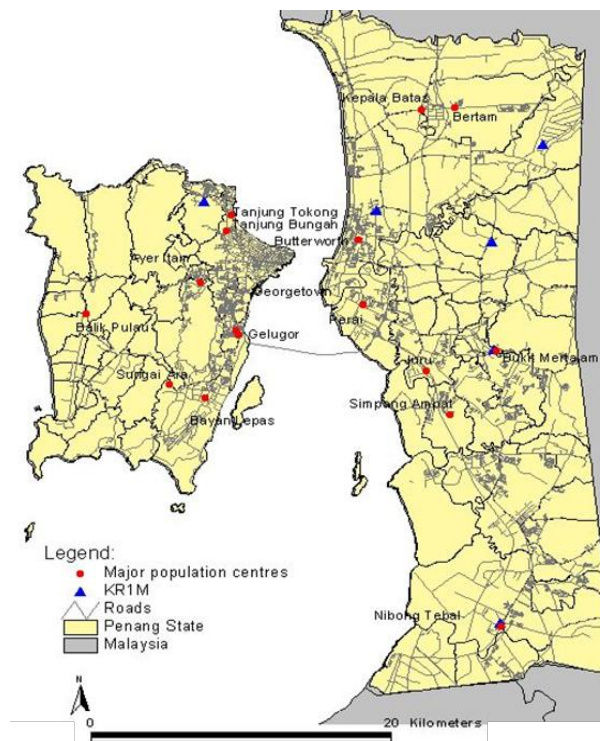


Figure 2: KR1M Outlets in Penang

**RESULTS AND FINDINGS**

As this study takes distance as a determining factor for customers to shop at *KR1M,* all of the respondents chosen reside 290 metres from *KR1M* Taman Seri Pinang, Butterworth. Approximately, 93 per cent of the respondents are Malays, with 7 per cent consisting of Indians. About 45.6 per cent of the respondents aged 20 to 39 years old, 35.1 per cent aged 40 to 49 years old and 19.3 per cent aged above 50 years old.  Female respondents constitute 77.2 per cent and male respondents 22.8 per cent. The majority 80.6 per cent, of the respondents completed secondary education, 10.6 per cent has received tertiary education and 8.8 per cent with primary education only. The study investigated barriers that hindered low income population from shopping their basic necessities at *KR1M*. Two main things discussed were pattern of visit to *KR1M* and stigma on *KR1M*.

**Pattern of Visit to *KR1M***

In this section, the pattern of visit to *KR1M* by respondents based on monthly household income will be discussed. Respondents are classified into five monthly household income groups, namely below RM500, between RM501 to RM1000, between RM1001 to RM2000, between RM2001 to RM3000 and between RM3001 to RM4000. The data obtained from the quantitative survey were tabulated according to frequency of visitations. The study investigated the pattern of visit to *KR1M* based on monthly household income. As shown in Table 1, the majority of the low income respondents with monthly household income below RM3000 did visit *KR1M*. 14.04 per cent of the respondents with monthly household income between RM1001 to RM2000 visited *KR1M* once to thrice a week. In addition, 5.26 per cent and 10.53 per cent of the respondents with monthly household income below RM500 and between RM501 to RM1000 respectively visited *KR1M* once to thrice a week. Nevertheless, the findings indicated that the respondents with monthly household income above RM3000 rarely visit *KR1M*.

Table 1: Visit Pattern to *KR1M* among Flat Taman Seri Pinang Residents

| Frequency of Visit within a Week | RM500 – RM1000 | RM1001-RM2000 | RM2001-RM4000 | Total |
|---|---|---|---|---|
| **1-3 times** | 9(37.50%) | 8(33.33%) | 0(0.00%) | **17(70.83%)** |
| **4-6 times** | 1(4.17%) | 2(8.33%) | 1(4.17%) | **4(16.67%)** |
| **7-9 times** | 1(4.17%) | 0(0.00%) | 0(0.00%) | **1(4.17%)** |
| **More than 10 times** | 1(4.17%) | 1(4.17%) | 0(0.00%) | **2(8.33%)** |
| **Total** | **12(50.00%)** | **11(45.83%)** | **1(4.17%)** | **24(100.0%)** |

Findings above indicated that *KR1M* established by the Malaysian Government, as one of the more affordable community shop program, has reached their targeted group. As the objective of establishing *KR1M* is to help alleviate the burden of low income groups due to the increasing cost of living, it seems a strategic initiative to intensify the distribution of *KR1M* in the low income group and poor residential areas, especially in urban areas. According to Bell and Standish (2009), as many as 23.5 million people in low income communities do not have access to a supermarket or large grocery store within a mile of their residential area. Hence, the initiative to establish *KR1M* should be focused on the targeted population.

**Stigma on KR1M**

This study then investigated stigma on *KR1M* using quantitative survey with Likert scale. Six stigmas predicted to arise from shopping at KR1M was investigated as tabulated in the Table 2.

Table 2: Stigma on *KR1M*

| Stigma on KR1M | SD | D | NS | A | SA | NA | Total |
|---|---|---|---|---|---|---|---|
| I feel ashamed to shop at KR1M | 64.9% | 19.3% | 14.0% | 1.8% | 0.0% | 0.0% | 100.0% |
| I am afraid if I will be regarded as a poor when shopping at KR1M | 66.7% | 19.3% | 7.0% | 3.5% | 3.5% | 0.0% | 100.0% |
| KR1M are of low standard and shopping there will make people look down at me | 61.4% | 15.8% | 12.3% | 7.0% | 1.8% | 1.8% | 100.0% |
| The entrance to KR1M should be restricted to low income group and poor only | 49.1% | 26.3% | 8.8% | 8.8% | 7.0% | 0.0% | 100.0% |
| KR1M is more suitable for foreign workers to shop for their needs | 59.6% | 24.6% | 12.3% | 1.8% | 0.0% | 1.8% | 100.0% |
| It is better for government to introduce coupon system to purchase food and basic needs instead of establishing KR1M as a way of helping low income group and the poor | 28.1% | 12.3% | 17.5% | 24.6% | 15.8% | 1.8% | 100.0% |

*SD = Strongly disagree; D = Disagree; NS = Not sure; A = Agree; SA = Strongly agree; NA = Not agree*

This study also investigated social accessibility to *KR1M*. Stigma is one of the social barriers faced by shoppers at *KR1M*. As found by Samat et al. (2015), stigma arises due to the perception that *KR1M* was frequented by migrant workers. In this study, stigma on *KR1M* was also investigated to determine whether the stigma arise from respondents and to determine if stigma is a factor that has restricted respondents from accessing *KR1M* (refer Table 2).

Based on the survey, a majority 64.9 per cent of the respondents strongly disagreed that they felt ashamed to shop at *KR1M*, even though they knew that *KR1M* was established by the government to help alleviate the financial burden of the socio-economically disadvantaged people. Further, about 66.7 per cent of the respondent strongly disagreed that they are afraid they will be regarded as poor if they shop at *KR1M*. 61.4 per cent of the respondents strongly disagreed that *KR1M* are low standard and that if they shop at *KR1M* people will look down at them. Approximately 59.6 per cent of the respondent of the respondents also strongly disagreed that *KR1M* is more suitable for foreign workers to obtain their necessities.

As discussed earlier, community shop in United Kingdom restricted their customers to socio-economically disadvantaged groups who lived in certain postcode areas and are provided with special access card to enter the shop. On the contrary, at *KR1M*, accessibility is not limited to a targeted group of customers despite its aim to help socio-economically disadvantaged people in obtaining their basic needs especially food. Survey done found that 49.1 per cent of the respondents strongly disagreed with the idea that *KR1M* should impose entrance restriction for low income group and the poor only. In addition, 38.6 per cent of the respondents strongly disagreed that *KR1M* should be located at the villages and low-cost residential only. These results indicated that most of the respondents prefer *KR1M* to be made accessible to all people from any socio-economic background.

**CONCLUSION AND IMPLICATION**

The study undertaken through quantitative survey in Penang State, Malaysia to investigate whether *KR1M* has high social accessibility among target population. Social accessibility of *KR1M* indicated that *KR1M* should be located in locations where it can be easily accessed by the targeted group. Based on the findings, stigma does not hinder the respondents from visiting *KR1M*. Instead, most of the respondents shop at *KR1M* as it was the nearest groceries shop in their residential area. Hence, in future planning for *KR1M*, the location needs to be taken into consideration to ensure its accessibility by the targeted group.

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