

RELIEVING THE STRESS OF THE RISING COST OF LIVING: WHAT MATTER TO BE REVIEWED BY THE LAW?

MENANGANI TEKANAN KOS SARA HIDUP: APAKAH PERKARA YANG PERLU DIKAJI OLEH UNDANG-UNDANG?

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ABSTRACT

Background Problems: There is no denying that continuously rising costs in economics have worsened the standard of living. The population of Malaysia is facing considerable difficulties because of rising prices of living (Sulaiman et al., 2020). It is getting more difficult and harder to maintain a decent lifestyle because of this increasing trend, which has caused several problems for both individuals and households. In this relation, there are a few problems that have been discovered from the study associated with increasing the cost of living. Hence, the study was undertaken to identify what are the possible solutions to this problem in overcoming the rising cost of living by exploring the constructs of product, minimum wage, job opportunities, financial literacy, and price of goods and services. This study utilized a quantitative research approach, in which a total of 260 questionnaires were distributed to participants. Out of these, 253 questionnaires were collected and considered acceptable for analysis as they were completed without any errors. The distribution of questionnaires was targeted toward all Malaysian citizens between the ages of 18 and 65 years old. The study employed descriptive analysis and multiple regression analysis using SPSS software. The findings reveal that product revisions significantly may resolve the cost-of-living issue among Malaysian citizens ($\beta = 0.491$, $p < 0.00$). Besides that, minimum income (wage) revisions are also evidence as able to resolve the rising cost-of-living issue ($\beta = 0.238$, $p < 0.05$). In addition to that, the study showed a significant relationship between financial literacy and the cost-of-living issue among Malaysian citizens ($\beta = 0.166$, $p < 0.05$). The study confirms the importance of revising relevant laws associated with significant findings. Precisely, to establish a law in emphasizing the importance of creating certain products using Islamic Marketing principles that may ease the burden of the people. Furthermore, the finding also suggests that revisions to the minimum wage that are commensurate with the hike in inflation rate are essential. Besides, the finding also suggests considering providing adequate financial literacy knowledge education to the people. Hence, the policymaker may adopt these findings in adjusting the economy to improve the standard of living of the people and consequently resolve the problem of the rising cost of living.

Keywords: *Consumer behaviour, Cost of living, Islamic Marketing*

Introduction

The issue of rising cost of living is a global issue and challenges faced by many developing countries (Fróna, & Harangi-Rákos, 2019). The population of Malaysia is facing considerable difficulties because of rising prices of living. It is getting more difficult and harder to maintain a decent lifestyle because of this increasing trend, which has caused several problems for both individuals and households. This has indirectly increased the cost of basic needs such as accommodation and transportation in Malaysia. According to Malaysian House Price Index (MHPI), the increasing in-house prices index in the last 10 years from 2007 grew up to 100% (Lin et. al., 2018). Furthermore, the trend of increasing the Malaysia Ringgit's exchange rate which has exceeded the level of RM4 against the United States dollar since January 2017 has forced traders to raise food prices to cover the high cost of currency exchange (Latimaha et. al, 2020). Even more, worsens when price increase includes food sources and basic food greatly affecting the group of families with many households and lower income earners.

In relation to this issue, among the problems that were discovered is a high level of inflation rate that affects many consumers' basic needs products (Talha et al., 2021). Thus, initiatives such as creating new affordable products and revision existing products are suggested. Consequent to this, the cost-of-living problems worsen as the minimum wage rate is not commensurate with the sharp rise of inflation (Latimaha et al., 2020). Workers may find it difficult to meet their necessities if the minimum wage does not increase to keep up with the rising cost of living. There is fear that the current minimum wage in Malaysia, where the cost of living has been rising, may not be sufficient to support workers and their families, creating financial difficulties. Thus, a periodic and timely revision of the minimum wage is suggested to counter this issue. Moreover, the increasing unemployment rate in Malaysia due to limited job opportunities offered to people severely impacted the livelihood of Malaysians. In a nutshell, unemployment could reduce the consumer's power purchasing. This becomes difficult for them to maintain their lifestyle if the cost of living keeps increasing. Apart from that, lack of financial literacy knowledge and awareness of financial management also pushes further the cost-of-living issue among Malaysians (Adnan et al., 2021). This is because many individuals do not have a clear understanding and have not been exposed to how to manage their income, expenses, and savings effectively (Rashid et al., 2021).

Therefore, the importance of this study is to highlight the rising cost of living problem faced by Malaysians with the aim of identifying what are significant factors that may cushion the impact and consequently able to resolve the issue regardless of the ethnicity of the population. Thus, the objectives of this study are:

1. To study whether product creation, revisions, and improvement may resolve the rising cost of living problem among Malaysians.
2. To investigate whether revisions of minimum income (wage) rates may resolve the rising cost of living problem among Malaysians.
3. To know if increasing job opportunities may resolve the rising cost of living problem among Malaysians.
4. To examine whether a higher level of financial literacy may resolve the rising cost of living problem among Malaysians.
5. To identify if a prudent pre-purchase consideration behavior on the Price of goods may resolve the rising cost of living problem among Malaysians.

Literature Review

Cost of living refers to the amount of household expenditures, including financial obligations such as car and housing loans, which are necessary to maintain a certain standard of living (Salignac et al, (2020). The cost of living varies from one household to another because spending patterns vary based on factors such as income level, location, and consumption categories (Handbury, 2021). The issue of the rising cost of living is a global issue and challenges faced by many developing countries (Fróna & Harangi-Rákos, 2019). There is no denying that the cost of living in Malaysia is increasing day by day. This issue is due to low-income earnings and the fast pace of increase in economic living standards.

The continuous increase without parallel to the increase in the standard of living and the wage rate resulted in many people being affected (Laborde & Vos 2021). There is no denying that continuously rising costs in economics worsened the standard of living. In relation to this, the population of Malaysia is facing considerable difficulties because of rising prices of living (Talha et al., 2021). It is getting more difficult and harder to maintain a decent lifestyle because of this increasing trend, which has caused several problems for both individuals and households. In this relation, there are a few problems that have been discovered from the study associated with increasing the cost of living.

In relation to this, the cost of a variety of goods and services, including necessities like food, housing, transportation, healthcare, and education, can have an impact on the cost of living (Penne & Goedemé, 2021). These things may be priced differently in different areas or nations, which can affect the overall cost of living. Boskin et al., (1998) stated in their articles that new items are constantly being offered, while also improving old products while removing others from the market. The relative costs of various goods and services fluctuate often, for instance in response to developments in technology and other factors that have an impact on pricing and quality, which causes individuals to change their purchasing habits (Jiang & Stylos, 2021). The cost of living may be impacted both directly and indirectly when a new product is brought to the market. The dynamics of supply and demand in the market may change with the launch of a new product. Price increases may result from a new product that is in high demand and has a small supply. Apart from these, raising the price of specific commodities or services may have an immediate impact on the cost of living (Subramaniam & Masron, 2021). Additionally, if the new product replaces an existing one, it may have an impact on the cost of living. In relation to this, various approaches have been invented to lessen the impact in coping with the rising cost of living such as switching to a new energy-efficient appliance, which might result in decreased electricity costs over time, lowering consumers' overall cost of living.

Furthermore, the term "minimum cost" describes the fundamental outlays needed to satisfy a person's or a household's necessities (Acolin & Reina, 2022). Costs like rent or mortgage payments, utilities, food, travel, medical care, and other necessities can be included in this. According to Pierce (2023), Malaysia used to be a low cost of living compared to many developed nations. Additionally, the price of food in Malaysia might vary depending on several variables, including the location, the food one eats, and the type of eatery (Poulain et al., 2020). However, recently Malaysia's food prices also continuously facing inflations. More money is needed just for meal expenditures. For example, an individual might anticipate spending between RM 20 and RM 40 on food on an ordinary day. The entire cost of living for people and households may rise if the minimal amount needed to pay for these necessities keeps on rising high. People could have to set aside more of their income for these things, which would leave them with less money for other necessities. The entire cost of living can be made more bearable for individuals and families by ensuring that the minimum expenditure necessary to meet fundamental necessities (Tcherneva, 2020).

In relation to this, job opportunities and income levels can have a big impact on how much things cost (Onyeaka et al., 2021). In comparison to places with few employment opportunities or lower average incomes, places with more job opportunities and better-paying jobs sometimes have higher costs of living. The World Bank (2020) has written a report titled "Aspirations Unfulfilled: Malaysia's Cost of Living Challenges." The research emphasizes the challenges Malaysians confront because of the high cost of living in the nation. The high cost of living in Malaysia has had a profound impact on the aspirations and standard of living of its people. Many Malaysians find it difficult to keep up with rising living costs despite the country's economic growth and development. This issue may lead to a tendency of many Malaysians migrating abroad to find better income. The fact to this problem is evidence as of 2011, there were approximately 270,000 Malaysians lived in United Kingdom, United States of America, Canada, and Australia and this number is rising each year (Mohd Razif et.al., 2019). As stated by Renas & Kumar (1998), opportunities in the job market are crucial factors when considering migration. People are more likely to relocate to places where there is a greater need for their skills and better employment opportunities. People want to move for access to better job chances, greater salaries,

and potential for career progression, especially if their current area offers few job prospects. The article also underlines how the interaction between cost of living and job opportunities affects migration decisions. For instance, people may need to carefully evaluate the potential benefits against the additional expenses if a place provides excellent career possibilities but a high cost of living.

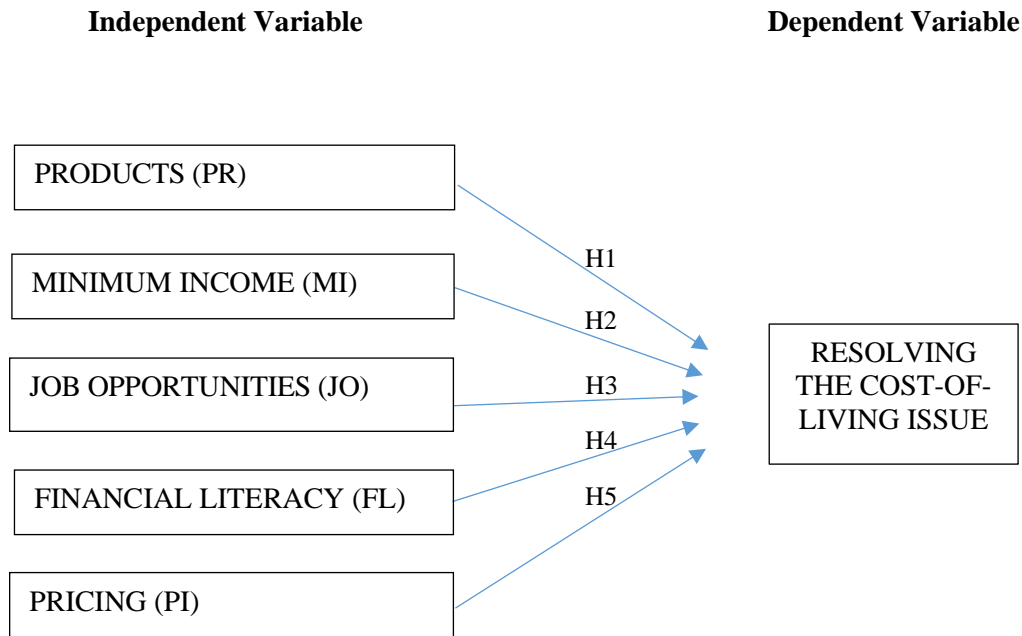
Apart from that, financial literacy plays a crucial role in better managing the rising cost of living. It refers to the abilities and information needed to make wise financial judgments. Despite this, according to research by Mokhtar et al., (2018), the main goal of financial literacy articles is to inform readers on many facets of personal finance, such as setting up a budget, saving money, investing, and paying off debt. Besides that, in facing the challenges of rising cost of living, advice and information to improve individual financial knowledge and abilities are needed (Wagner & Walstad, 2019). The resilient of facing the cost of living for individuals and communities is significantly influenced by financial literacy (Klapper & Lusardi, 2020). Lack of financial literacy can result in making bad financial decisions that increase debt, cause unforeseen expenses, and reduce the level of living (Yunchao et al., 2020). Understanding and utilizing financial products and services depends on having good financial literacy. It enables people to analyze their options, bargain for better deals, and stay away from unethical tactics. To choose the most cost-effective solutions, those with higher financial literacy may be better able to comprehend the terms and conditions of loans, credit cards, or insurance policies (Fong et al., 2021).

Another concern in alleviating the impact of the rising cost of living is by reviewing the prices mechanism. Prices for goods and services can change based on a few variables, including supply and demand, market competition, inflation, and governmental regulations (Jany, 2020). As stated by Ismail et al. (2022), there are significant variations between urban and rural locations in terms of living costs. The articles include information on the costs related to a variety of necessities, including housing, transportation, food, and healthcare, among others. In comparing the cost of living in Malaysia's states, several criteria are considered. These include the cost of homes, rent, utilities, transportation, and necessities like groceries. In addition, Bank Negara Malaysia noted in its study that growing food costs, particularly for necessities, are a significant hardship on Malaysian households (Sulaiman et al., 2021). To estimate the relative affordability of several states, the analysis considers the variations in these criteria. It also investigates how urbanization affects the cost of life. Due to increasing housing demand, higher property values, and higher costs of services and amenities, urban locations typically have higher living expenses. Increased economic disparity is linked to higher living expenses, particularly when it comes to how income is distributed in urban areas. Although less consistent, household poverty has considerable consequences (Misra et al., 2020).

Methodology

This study utilized a quantitative research approach, in which a total of 260 questionnaires were distributed to participants. Out of these, 253 questionnaires were collected and considered acceptable for analysis as they were completed without any errors. The distribution of questionnaires was targeted toward all Malaysian citizens between the ages of 18 and 65 years old. The study employed descriptive analysis and multiple regression analysis using SPSS. Five hypotheses were developed in this study (Figure 1).

Figure 1: The Research Framework



Five hypotheses were developed in this study utilizing constructs of Products (PR), Minimum Income (MI), Job Opportunities (JO), Financial Literacy (FL), and Pricing (PI), was included as a factor that could positively resolve the cost of living (COL) issues among Malaysian. The factor-based hypotheses of this study can be described as follows.

- Hypothesis 1 (H1): Product (PR) creation, revision, and improvement positively resolve the cost of living (COL) issue.
- Hypothesis 2 (H2): Minimum Income (MI) adjustment positively resolves the cost of living (COL) issue.
- Hypothesis 3 (H3): Creating more new Job Opportunities (JO) positively resolves the cost of living (COL) issue.
- Hypothesis 4 (H4): A high level of knowledge of Financial Literacy (FL) positively resolves the cost of living (COL) issue.
- Hypothesis 5 (H5): A prudent pre-purchase consideration on the Price (PI) of goods positively resolves the cost of living (COL) issue.

Results and Discussion

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1 Male	94	37.2	37.2	37.2
	2 Female	159	62.8	62.8	100.0
	Total	253	100.0	100.0	

Table 1: Descriptive result (Gender)

Based on Table 1, the survey comprised 62.8% of female respondents, while the remaining 37.2% were male respondents. The total number of valid respondents is 253.

Constructs	Cronbach's Alpha	N of items
Resolving Cost of Living Issue	.890	4
Product	.851	3

Minimum Job	.801	3
Job Opportunities	.775	3
Financial Literacy	.844	3
Pricing	.719	3
Overall	.900	

Table 2: Reliability test

According to Table 2, the Cronbach Alpha of this study for all variables when computed together is 0.900, which is considered good in the reliability test as it is above 0.7. The result showed the highest Cronbach Alpha is .890 which is the Resolving Cost of Living Issue, followed by the Product variable, which is .851, Financial Literacy variable (.844), Minimum Income variable (.801), Job Opportunities variable (.775) and the lowest is Pricing variable (.719). The reliability test Cronbach's Alpha in this study can conclude that all items in each construct are acceptable and capable of measuring each instrument.

Furthermore, Table 3 presents the discriminant validity test that was performed utilizing the component correlation matrix to ensure the correlation between different variables in a dataset. For this research it has fifteen factors correlated which are the correlation matrix between Cost of Living (DV) and Financial Literacy (FL), Minimum Income (MI), Job Opportunities (JO), Pricing (PI), and product (PR). Next, the correlation matrix between Financial Literacy (FL) and Minimum Income (MI), Job Opportunities (JO), and Pricing (PI). Then, the correlation matrix between Minimum Income (MI) and Job Opportunities (JO) and pricing (PI). Following the correlation matrix between Job Opportunities (JO), Pricing (PI), and product (PR). Lastly, the correlation matrix between Pricing (PI) and Product (PR). All the correlation factors show the high variance extracted between each factor's loading which is consistently above 0.8, and this suggests convergent validity established.

The correlation among them is the sum from the component correlation matrix of each factor loading which all the factors accumulated below the variance extracted. To determine whether the discriminant is valid or not, the correlation square (r^2) needs to be exercised. Therefore, from the calculation of the Component Correlation Matrix Table, it is found that discriminant validity was established for all the factors correlation. This can be evaluated when the variance extracted value between the correlation factors is more than the correlation square.

Factor	Variance Extracted Between	Correlation Matrix	Correlation Square	
DV & FL	0.859475711	0.669	0.447561	VE > C2
DV & MI	0.873587076	0.538	0.289444	VE > C2
DV & JO	0.835191109	0.632	0.399424	VE > C2
DV & PI	0.846812981	0.179	0.032041	VE > C2
DV & PR	0.847131024	0.445	0.198025	VE > C2
FL & MI	0.860820373	0.526	0.276676	VE > C2
FL & JO	0.822424407	0.610	0.372100	VE > C2
FL & PI	0.834046279	0.178	0.031684	VE > C2
FL & PR	0.834364322	0.350	0.122500	VE > C2
MI & JO	0.836535771	0.598	0.357604	VE > C2
MI & PI	0.848157644	0.212	0.044944	VE > C2
MI & PR	0.848475686	0.258	0.066564	VE > C2
JO & PI	0.809761677	0.250	0.062500	VE > C2
JO & PR	0.810079720	0.347	0.120409	VE > C2
PI & PR	0.821701592	0.141	0.019881	VE > C2

Table 3: Component Correlation Matrix (Discriminant validity test)

Consequently, prior to performing the factor analysis, KMO and Bartlett's Test is done. Based on the data presented in Table 4, it is shown that the Kaiser-Meyer-Olkin (KMO) value is 0.938, exceeding the required value of 0.5. This suggests that the available data is sufficient for conducting factor analysis. Furthermore, the Bartlett Test shows a significance value of 0.000, which is less than 0.05. This proves that the data are excellent enough for further analysis using factor analysis.

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	0.938
<hr/>	
	Approx. Chi-Square
	3277.754
Bartlett's Test of Sphericity	<hr/>
	df
	171
	<hr/>
	Sig.
	0

Table 4: KMO and Bartlett's Test

In testing the causal relationship between the independent variables and the dependent variable, a multiple regression analysis was conducted utilizing SPSS software. Table 5, 6, and 7 provides a summary of the regression analysis results. Multiple linear regression was used to test if Products, Minimum Income, Job Opportunities, Financial Literacy, and Pricing were significantly predicted as the factors resolving the cost-of-living issue among Malaysian citizens. The fitted regression model was $= 0.623 + 0.491*(\text{Product}) + 0.238*(\text{Minimum Income}) + 0.111*(\text{Job Opportunities}) + 0.166*(\text{Financial Literacy}) + 0.103*(\text{Pricing})$. The overall regression was statically significant ($R^2 = 0.64$, $F(5,247) = 86,59$, $P < 0.000$). It was found that Product revisions are significantly important in resolving the cost-of-living issue among Malaysian citizens ($\beta = 0.491$, $p < 0.000$). Next, it was found that Minimum Income revisions are also significantly important in resolving the cost-of-living issue among Malaysian citizens ($\beta = 0.238$, $p < 0.000$). In addition, the study found no strong correlation between Job Opportunities as a factor in resolving the cost-of-living issue in Malaysia ($\beta = 0.111$, $p < 0.000$). However, the study showed a significant relationship of Financial Literacy in resolving the cost-of-living issue among Malaysian citizens ($\beta = 0.166$, $p < 0.000$). Lastly, it was found that the Pricing factor had no significant predictive effect on resolving the cost-of-living issue among Malaysians ($\beta = 0.103$, $p < 0.000$).

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.798 ^a	0.637	0.629	0.57965603

a. Predictors: (Constant), PI, MI, PR, JO, FL

Table 5: Model Summary

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	145.470	5	29.094	86.589	.000 ^b
	Residual	82.992	247	.336		
	Total	228.462	252			

a. Dependent Variable: DV

b. Predictors: (Constant), PI, MI, PR, JO, FL

Table 6: ANOVA^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
	B	Std. Error	Beta			
1	(Constant)	.623	.295		2.114	.036
	PR	.491	.056	.508	8.801	.000
	MI	.238	.055	.239	2.694	.019
	JO	.111	.058	.112	1.919	.056
	FL	.166	.069	.150	2.416	.016
	PI	.103	.070	.094	1.470	.143

a. Dependent Variable: DV

Table 7: Coefficients^a

DISCUSSION

Research Objectives	Hypothesis	Results	Achieved
To study whether product creation, revision, and improvement may resolve the rising cost of living problem among Malaysians.	Product (PR) creation, revision, and improvement positively resolve the cost of living (COL) issue.	r = 0.666 (p < 0.05) P = 0.000	YES
To investigate whether a revision of Minimum Income (wage) rates may resolve the rising cost of living problem among Malaysians.	Minimum Income (MI) adjustment positively resolves the cost of living (COL) issue.	r = 0.610 (p < 0.05) P = 0.019	YES
To know if increasing job opportunities may resolve the rising cost of living problem among Malaysians.	Creating more new Job Opportunities (JO) positively resolves the cost of living (COL) issue.	r = 0.654 (p < 0.05) P = 0.056	NO
To examine whether a higher level of financial literacy may resolve the rising cost of living problem among Malaysians.	A high level of knowledge of Financial Literacy (FL) positively resolves the cost of living (COL) issue.	r = 0.743 (p < 0.05) P = 0.016	YES
To identify if a prudent pre-purchase consideration behavior on the Price (PI) of goods may resolve the rising cost of living problem among Malaysians.	A prudent pre-purchase consideration on the Price (PI) of goods positively resolves the cost of living (COL) issue.	r = 1 (p < 0.05) P = 0.143	NO

Table 8: Summary of Research Objective, Hypothesis, and Results

Based on the summary of the result in Table 8, there is a significant relationship between the product revisions in resolving the cost-of-living issue. This is because the coefficient result is less than 0.05. "A situation in which the cost of basic necessities like groceries and bills is rising more quickly than average household incomes" is the definition of a cost-of-living crisis (Hafizah, 2017). Household budgets have been strained by rising prices for goods and services in comparison to wage growth and income growth, leaving them with little to no savings or even borrowing for unforeseen or emergency requirements (Economy, 2023).

Besides, the second Hypothesis, it is evidencing a significant relationship between minimum income revisions and improving the cost of living. This is because the coefficient result is less than 0.05. Thus, the revision of minimum income has influence in resolving the cost-of-living issue.

Next, based on the coefficient result, the outcome for job opportunities does not significantly improve the cost of living. This conclusion is supported by significant Pearson correlation analysis results, which reveal that weak links exist between job opportunities and the cost of living. Therefore, it can draw the conclusion that job opportunities have no influence in resolving the cost-of-living issue.

However, it is proven a significant relationship between financial literacy and the cost of living. It shows that consumer awareness and a high level of financial literacy have influenced better financial management and thus, may resolve the rising cost of living issue. Understanding and being proficient in the use of different financial skills, such as investing, budgeting, and personal financial management, is known as financial literacy. Being financially educated gives you the groundwork for a relationship with money which is a lifetime learning process (Fernando, 2023).

Lastly for the price is outcome not significant between the cost of living based on the coefficient result. This show is consistent with the significant Pearson correlation analysis results, which show that the association between price and cost of living is a weak relationship. Then it can be concluded that the price has no impact on the cost of living.

Based on the results, some further recommendations to be made that can help to resolve the cost-of-living issue include revising current policies and law that associated with these significant factors:

Affordability of consumers products

It must be protected to avoid excessive manipulations by the businesses. Regarding this, Consumer Protection Act (CPA) 1999 (or Act 599) must be fully enforced with more stringent approaches by the authorities, at the same time, without losing the attention to protect the business welfare, particularly the SMEs that struggling in surviving their business (Zainuddin, M.T, 2021). Besides, in the context of housing products that affected significantly to many households' monthly expenditures should also be reviewed. This is because the cost of living is largely influenced by housing costs. The government is suggested to take initiatives to promote rental assistance programs, provide more affordable housing alternatives, or increase the supply of affordable housing, among other things, to increase affordability. Governments can cut permit costs for foreign construction workers, fees, import tax for building materials, and other regulatory burdens involved with the development of affordable housing and provide tax credits or exemptions to developers that dedicate a specific portion of their housing units to this purpose. In relation for protecting Malaysian, the Housing Development Act (HDA) 1966 should be reviewed accordingly.

Education and skill development enhancement

It is suggested, precisely, by expanding educational options and encouraging skill development can help people obtain better jobs with greater salaries and raise their earning potential. The government is suggested to actively support projects for technical and vocational training, provide more fundings for financial help or scholarships, or invest in educational programs that give people marketable skills for the workforce. The financial load on students pursuing higher education can be lessened by offering scholarships, grants, and financial aid programs, especially for excellent students. In addition, increasing the number of vocational training programs can assist people in acquiring the skills required for in-demand occupations, boosting their earning potential based on level of productivity. Thus, a progressive salary system is suitable to be applied with the aim of enhancing the minimum income that benefits both employees and employers. In this regard, the government should review its minimum wage policy and the Employment Act, 1955 to ensure these TVET graduates are offered within decent living wages, i.e., minimum of RM3000 per month, that would distinguish them from other blue-collar workers.

Consumer awareness and financial literacy

It is suggested to raise the consumer awareness and financial literacy among Malaysian. Since the results of this study emphasized the significance of financial literacy in controlling living expenses, especially for unnecessary expenditures. Promoting financial education programs and resources can enable people to budget wisely, make informed financial decisions, and deal with the pressures of rising living costs. Financial education can help to encourage it by including lessons on budgeting, saving, and responsible borrowing in school curricula and by giving people access to resources. Inform customers about the value of doing research on products and comparing pricing before making decisions. The effects of financial literacy programs on people's capacity to control their spending and enhance their financial well-being might be explored in more detail. The knowledge about Bankruptcy Act 1967 should be spread among Malaysians to provide a precautionary measure. In addition to that, the revamp of this Act is necessary by reviewing it at least once in every 10 years. At present, the threshold of default on debt amounts over RM100,000 is enforced to determine the individual bankruptcy status. It is suggested that this amount to be raised by taking into consideration of accumulated annual inflation rate for every ten years. Such practice may help more people to initiate solutions in finding ways to recover their debt, rather than listed them as a bankrupt individual which then will limit their potentials to recover, thus consequently may affect individual well-being in a long run.

Conclusion

Based on the findings of this study, it can be concluded that the identified significant factors require further policy attention, such as product revisions, minimum income revisions, job opportunities, financial literacy, and pricing. These are crucial factors in comprehending, managing and consequently resolving the issue of the rising cost of living. The findings are based on the high level of agreement among the respondents and the validity of the survey instrument of this study. Precisely, three factors that are significantly able to resolve the cost-of-living issue must be further emphasized by incorporating the relevant law, i.e., Product revisions, Minimum Income revisions, and enhanced Financial Literacy. Precisely, in this relation, the implementation of the Islamic marketing approach may help the industry deal with its product revisions to meet consumer needs and their affordability. Therefore, the Government, researchers, and others attempting to solve and navigate the issues connected with the cost of living may all benefit from understanding this research.

Conflict of Interest

The author declares no conflict of interest in publishing this article.

Acknowledgement

This article is a part of Research undertaken by the researcher under the University Grant Scheme (PPPI/USIM-RACER_0120/FEM/051000/11620). The Author would like to thank the University for the Grant received.

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