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THE EFFECT OF DIGITAL ENTREPRENEURSHIP ADOPTION ON BUSINESS SUCCESS

A project report submitted in fulfillment of the requirement for the award of a Bachelor of Technology Entrepreneurship with Honours (BTEC) With Honours Faculty of Technology Management and Technopreneurship

By

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DECLARATION

I hereby declare that this thesis with the title 'THE EFFECT OF DIGITAL ENTREPRENEURSHIP ADOPTION ON BUSINESS SUCCESS' is the result of my own research except as cited in the references.

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DEDICATION

I dedicate this work to those whose unwavering support and guidance have been the cornerstone of my academic journey. To Professor Datuk Dr. Izaidin Bin Abdul Majid your mentorship, profound insights, and unwavering encouragement have not only shaped the trajectory of this project but also enriched my understanding of the subject matter. Your dedication to excellence and belief in my capabilities have inspired me every step of the way. I am deeply grateful to my esteemed panel's Dr Yusri Bin Arshad for their invaluable feedback, constructive criticism, and scholarly guidance throughout the development of this study. Your expertise and commitment to academic rigor have played a pivotal role in refining my research methodology and enhancing the quality of my work. To my beloved parents, Mrs Siti Noor Paradah Binti Parthee your unconditional love, unwavering support, and endless sacrifices have been the bedrock of my academic pursuits. Your belief in my aspirations and relentless encouragement have fuelled my determination to strive for excellence. And to my dear friends, who have stood by me with encouragement, understanding, and countless late-night discussions, your friendship has brought joy and camaraderie to every phase of this endeavor. Your unwavering belief in me has been a source of strength and motivation. This project is dedicated to each of you with profound gratitude and appreciation for your profound impact on my academic and personal growth.

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ABSTRACT

This study looks at the influence of digital entrepreneurship adoption on business performance, specifically how digital tools, platforms, and tactics contribute to growth, competitiveness, and overall success across sectors. The study takes a mixed-methods approach, analysing quantitative data from surveys as well as qualitative insights from interviews with entrepreneurs and company executives, looking at KPIs including revenue growth, market expansion, customer engagement, and operational efficiency. The findings show that organisations who implement digital entrepreneurship techniques see considerable benefits in these areas as a result of increased online presence, data-driven decision-making, and simplified processes. The report emphasises the value of digital skills, infrastructure, and supporting policies, while also noting issues such as cybersecurity concerns and the digital divide.

ABSTRAK

Kajian ini melihat pengaruh penggunaan keusahawanan digital terhadap prestasi perniagaan, khususnya cara alatan digital, platform dan taktik menyumbang kepada pertumbuhan, daya saing dan kejayaan keseluruhan merentas sektor. Kajian ini mengambil pendekatan kaedah campuran, menganalisis data kuantitatif daripada tinjauan serta pandangan kualitatif daripada temu bual dengan usahawan dan eksekutif syarikat, melihat KPI termasuk pertumbuhan hasil, pengembangan pasaran, penglibatan pelanggan dan kecekapan operasi. Penemuan menunjukkan bahawa organisasi yang melaksanakan teknik keusahawanan digital melihat manfaat yang besar dalam bidang ini hasil daripada peningkatan kehadiran dalam talian, pembuatan keputusan berasaskan data dan proses yang dipermudahkan. Laporan itu menekankan nilai kemahiran digital, infrastruktur dan dasar sokongan, sambil turut mengambil perhatian isu seperti kebimbangan keselamatan siber dan jurang digital.

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INTRODUCTION

1.1 INTRODUCTION

This chapter provides an overview of the research conducted on Researching Digital Entrepreneurship: Current Issues and Challenges for Future Directions. It includes information about the background of the study, problem statement, research questions and objectives, scope of the study, significance of the study, study methodology, and study framework.

1.2 BACKGROUND OF THE STUDY

Digital entrepreneurship has emerged as a revolutionary force in the global economy, changing established company models while opening up new avenues for innovation and expansion. The internet, mobile devices, social media, and cloud computing have all had a significant impact on how organisations are created, built, and grown (Nambisan, 2017). This transition has been especially important for small and medium-sized businesses (SMEs), who frequently face resource limits and competitive challenges that bigger organisations do not.

The quick rate of technical improvements has democratised access to markets and resources, allowing entrepreneurs to start and expand digital businesses with comparatively cheap entry costs. Platforms such as e-commerce websites, social media, and digital payment systems have opened up new ways to reach customers, perform transactions, and establish brand visibility (Kannan & Li, 2017). However, this digital revolution creates a number of significant hurdles that entrepreneurs must overcome in order to achieve long-term success.

Current difficulties in digital entrepreneurship include the rapidly changing nature of technology, which necessitates constant adaptation and

learning. To remain competitive, entrepreneurs must keep up with the newest trends and advancements (Nambisan et al. 2019).

Furthermore, the digital world is characterized by fierce rivalry, both from established businesses and new entrants capable of rapidly disrupting old markets with novel solutions (Bharadwaj et al., 2013).

Regulatory and legal issues can provide substantial obstacles. Digital entrepreneurs must manage a variety of rules governing data privacy, cybersecurity, intellectual property, and consumer protection across several nations. The European Union's General Data Protection Regulation (GDPR), for example, puts rigorous rules on how firms gather and manage personal data, which has an impact on digital initiatives operating in or targeting EU markets. Another significant difficulty is access to financing. While digital initiatives sometimes demand less initial investment than traditional firms, expanding them often requires significant financial resources. Venture capital and other financial sources are essential, but securing them can be tough, particularly for early-stage entrepreneurs with little track record (Drover et al., 2017).

Digital entrepreneurship is fundamentally about innovation and creativity. Entrepreneurs must constantly innovate to distinguish their products and fulfil changing client demands. This innovation is frequently driven by the use of big data analytics, artificial intelligence, and other sophisticated technologies to acquire insights into market trends and customer behaviours (Müller et al. 2018).

Sustainability and scalability are other important factors. Digital entrepreneurs must create business models that are not just creative, but also scalable and long-lasting. This requires strategic planning, effective resource management, and the flexibility to respond to changing market conditions (Scuotto et al., 2016).

This study intends to investigate the multiple concerns and obstacles that digital entrepreneurs confront, as well as provide insights and recommendations for future developments. By studying the existing situation and projecting future trends, this study hopes to help to the creation of effective methods to promote the growth and success of digital entrepreneurship in a fast changing world.

1.3 PROBLEM STATEMENT

Despite the fast expansion and broad acceptance of digital technology, many firms are still struggling to properly incorporate digital entrepreneurship principles into their operations. While some organizations have flourished by adopting digital entrepreneurship, resulting in improved market reach, operational efficiency, and profitability, others have encountered considerable hurdles and have seen no progress in their company performance. This mismatch raises serious concerns regarding the elements that determine the effective implementation of digital entrepreneurship and its tangible impact on company results.

The primary issue is a lack of thorough understanding of how digital entrepreneurship adoption impacts numerous aspects of business success, including as financial performance, customer happiness, and competitive advantage. Additionally, it is necessary to understand the hurdles and facilitators that firms face during the digital transformation process. The purpose of this study is to analyse these factors in order to give practical insights and strategic advice for firms aiming to fully realise the promise of digital entrepreneurship.

In today's quickly changing corporate world, digital entrepreneurship has emerged as a critical engine of innovation and expansion. The use of digital technology into corporate operations, goods, and services provides several potential for increasing efficiency, entering new markets, and establishing a competitive advantage. Despite its promise, many firms struggle to properly adopt and leverage digital entrepreneurship.

The problem stems from the unequal impact of digital entrepreneurship adoption on firm success. While some organisations claim significant benefits such as higher income, enhanced customer interaction, and streamlined processes, others suffer with implementation issues, a lack of digital skills, and reluctance to change. These inequalities underscore a crucial gap in our understanding of how digital entrepreneurship leads to corporate success.

1.4 RESEARCH QUESTION

This study aims to answer the following questions based on the issues outlined in the problem statement:

i. What is the level of technology advancement in digital entrepreneurship adoption among entrepreneurs?

ii. How do digital marketing strategies influence business success among entrepreneurs?

iii. What is the relationship between access to capital to business success?

1.5 RESEARCH OBJECTIVE

The research objective is important to establish to conduct the research in a focused and directed manner and to avoid any confusion or misinterpretation of the study's findings.

The following are the study's objectives:

i. To assess the level of technology advancement in digital entrepreneurship adoption among entrepreneurs.

ii. To identify the elements of digital entrepreneurship that contribute the most to business success.

iii. To analyze the relationship between access to capital to business success?

1.6 SIGNIFICANT OF STUDY

This research study can provide information regarding the use of digital platforms among entrepreneurs. This study benefits the community to know that digital application in today's business world is important to achieve the success of a business. In addition, several factors need to be considered why digital applications are very important for today's entrepreneurs to achieve a successful business.

Furthermore, this research benefits small entrepreneurs, especially older adults who are still working and doing business without knowing this. More developers from the community can contribute to development in producing digital entrepreneurs.

1.7 SCOPE OF LIMITATION OF STUDY

The scope of this research study is focused on the use of digital entrepreneurship application effects on business success. The respondents for this study are entrepreneurs who have experience in using digital entrepreneurship applications for their business. This study needs to be done by collecting data on acceptance by entrepreneurs to identify how traders can apply this digital entrepreneurship can be implemented and used.

Furthermore, quantitative studies can justify the use of digital by today's entrepreneurs. Therefore, we can identify how to implement and how entrepreneurs use the technology itself. Entrepreneurs entrepreneurs who use digital platforms are the target of how to help them in achieving the success of a business.

1.8 SUMMARY

The first chapter introduces the concept of digital entrepreneurship, emphasising its significance in the current economy and describing it as the development and transformation of firms via the use of digital technology. This chapter summarises the research problem, emphasising the importance of understanding contemporary difficulties and challenges such as technology disruption, regulatory hurdles, market competitiveness, cyber security risks, and entrance barriers. Its goals include analysing major drivers, assessing impediments, exploring digital disruption, researching innovation, assessing sustainability, addressing regulatory challenges, and investigating globalisation and localization.

CHAPTER 2

2.1 Introduction

This chapter examines the most recent ideas, benefits, and findings from experts in the fields of Researching Digital Entrepreneurship about their current issues and challenges for future directions. This chapter reviews the literature with the goal of developing a conceptual framework that incorporates significant and well-established variables and analyses their importance to the study.

2.2 Digital Entrepreneurs and SMEs

Digital entrepreneurship is the establishment, development, and administration of companies with the goal of innovating and capitalising on rising digital trends (Nambisan, 2017). Digital entrepreneurship benefits small and medium-sized firms (SMEs) greatly by increasing market access, lowering expenses, and encouraging innovation (Kannan & Li, 2017). These businesses are distinguished by their flexibility, worldwide reach, and dependence on datadriven decision-making processes (Nambisan et al., 2019). Small and mediumsized enterprises (SMEs) may use digital technologies to simplify operations, grow their worldwide client base, and compete successfully with bigger organisations. However, SMEs confront issues such as a digital skills gap, cybersecurity concerns, and discrepancies in digital technology access (Drover et al., 2017; Edelman, 2018; Hilbert, 2016).

2.3 Digitalization

Digitalization is the process of adopting digital technology into many aspects of business operations, including production, marketing, sales, and customer service. It comprises leveraging digital tools and platforms to streamline operations, enhance productivity, and improve competitiveness in the digital economy. Digitalization has altered enterprises across economies and industries, presenting new potential for long-term development and expansion. Digitalization has also enabled new business tactics in the face of shifting client preferences and business procedures, particularly among small and mediumsized firms (SMEs), which are seen as the driving force behind economic growth and development (Sohaib S. Hassan, 2023).

2.3.1 Technology Advancement

Technology advancement is the process of creating and incorporating new and improved technology to improve many elements of life, work, and company operations. It entails developing, adopting, and implementing technology solutions that dramatically boost efficiency, effectiveness, productivity, and competitiveness.

Technological progress is critical to achieving corporate success because it improves productivity, broadens market reach, and increases competitiveness. Integrating modern digital tools and platforms, such as customer relationship management (CRM) systems and e-commerce platforms, allows firms to simplify operations, manage customer interactions more efficiently, and reach a larger audience (Nambisan, Wright, & Feldman, 2019). Automation and artificial intelligence (AI) technologies, such as chatbots and machine learning algorithms, improve decision-making and operational workflows, resulting in cost savings and higher productivity (Vial, 2019).

Furthermore, advances in cybersecurity safeguard digital assets against attacks, maintaining company continuity and consumer confidence (Davidson & King, 2020). Data analytics and big data give crucial insights for strategic decision-making, allowing firms to better understand market trends and consumer behaviour, which is critical for sustaining a competitive advantage.

Mobile technologies improve consumer engagement and accessibility by allowing businesses to connect and communicate with customers at any time and from any location, ultimately increasing customer happiness and loyalty. Overall, these technology improvements help businesses succeed by promoting innovation, efficiency, and market competitiveness.

2.3.2 Digital Marketing Strategies

Digital marketing strategies are the plans and methods that firms employ to promote their products or services using online channels and digital technology. These strategies use a variety of digital channels and technologies to connect and interact with target audiences, increase brand awareness, generate traffic, and ultimately meet marketing and commercial objectives.

Digital marketing tactics play an important part in driving corporate success because they use internet platforms to reach and engage customers more effectively. Businesses may improve their visibility on search engines by using search engine optimisation (SEO), attracting organic traffic and prospective consumers who are actively looking for their products or services (Chaffey and Ellis-Chadwick, 2019).

Email marketing, through personalised and targeted efforts, helps to nurture leads and keep customers engaged, resulting in greater conversion rates and recurring business (Kingsnorth, 2019). Pay-per-click (PPC) advertising provides precise targeting and measurable outcomes, ensuring that marketing expenditures are spent effectively to generate high-quality leads (Chaffey & Ellis-Chadwick, 2019). Furthermore, employing influencer and affiliate marketing may increase a brand's reach and reputation by tapping into the networks of trustworthy individuals.

Furthermore, social media marketing uses channels like as Facebook, Instagram, Twitter, and LinkedIn to promote products, engage customers, and increase brand loyalty. Direct participation through comments and messaging

promotes community and loyalty (Tuten & Solomon, 2017). material sharing in various media, particularly visual material, keeps viewers informed and delighted (Chaffey & Ellis-Chadwick, 2019). Advanced targeting possibilities on these platforms enable firms to reach certain demographics, increasing the efficacy of their marketing efforts (Kingsnorth 2019). Social media also improves brand exposure and awareness through frequent posting and current themes. Immediate client input via comments and reviews helps to enhance products and services. Built-in analytics tools on these platforms monitor performance and provide insights for optimising strategy.

Finally, data-driven marketing techniques allow firms to analyse success indicators, understand client behaviour, and continually adjust efforts to achieve better outcomes (Kingsnorth, 2019). Collectively, these digital marketing methods improve brand awareness, consumer engagement, and conversion rates, eventually leading to long-term business development and success.

2.3.3 Access To Capital

Access to capital refers to an individual's, business's, or organization's capacity to get finances for establishing, maintaining, or growing activities. This money can originate from numerous sources, such as banks, investors, government grants, venture capital firms, or crowdsourcing sites. Access to money is critical for company development and innovation because it provides the funds required to invest in new initiatives, recruit personnel, buy equipment, and cover other operating costs.

Access to money is critical to company success because it offers the financial resources required to launch, sustain, and expand operations. Adequate money enables organizations to spend in vital areas such as R&D, marketing, and infrastructure, all of which are necessary for growth and competitiveness. Futhermore, adequate funding helps businesses manage cash flow, maintain operational stability, and navigate financial challenges. This stability is necessary for sustaining operations and pursuing long-term strategic goals (Gornall & Strebulaev, 2015). Access to money helps startups and small

enterprises to innovate and introduce new items to the market, promoting entrepreneurship and economic development. Furthermore, having enough capital allows organizations to manage cash flow, maintain operational stability, and deal with financial issues.

2.4 Business Success

Business success is defined as the achievement of predefined goals and objectives that reflect a company's development, profitability, and overall performance. It has several elements, including financial success, market share, customer happiness, innovation, and operational efficiency. Financial measurements such as revenue growth, profit margins, and return on investment have long been used to assess a company's capacity to produce wealth and continue operations (Kuratko, 2016). Market share and competitive positioning are particularly important since they show a company's power and influence in its industry (Barney & Hesterly, 2019). Furthermore, customer happiness and loyalty are important non-financial metrics since they demonstrate the company's capacity to fulfil consumer demands and establish long-term partnerships. Innovation, as demonstrated by the creation of new goods, services, or processes, illustrates a company's ability to adapt and survive in changing market conditions (Schilling, 2020). Finally, operational efficiency, or optimising resources and processes to minimise costs and increase production, is critical for maintaining a competitive edge and guaranteeing long-term success (Grant, 2019). Overall, business success necessitates a comprehensive approach to financial performance, market impact, customer interactions, innovation, and operational excellence.

2.5 The Impact of Digital Entrepreneur Adoption on Business Success

The adoption of digital entrepreneurship has a significant influence on company performance, radically changing how organisations run and compete in today's marketplace. Digital entrepreneurship entails using digital technology to develop new business models, products, and services that improve operational efficiency, market reach, and consumer engagement (Nambisan, Wright, and Feldman, 2019). Businesses that use digital tools and platforms may simplify their operations, cut expenses, and boost productivity by automating mundane tasks and using data analytics to make educated decisions (Vial, 2019).

Furthermore, digital marketing methods allow organisations to reach a worldwide audience, personalise consumer interactions, and increase customer satisfaction and loyalty (Caffey & Ellis-Chadwick, 2019). The combination of ecommerce and mobile technology enables firms to provide seamless shopping experiences, boosting revenue and client retention. Furthermore, using digital financial tools and blockchain technology can improve transaction security and transparency, resulting in increased trust and efficiency in corporate processes (Davidson & King, 2020). Overall, digital entrepreneurship offers firms the agility and imaginative aptitude required to remain competitive in a fast changing digital world, resulting in commercial success.

2.5.1 The Relationship Between Technology Advancement in Digital Entrepreneur on Business Success

The relationship between technical growth in digital entrepreneurship and commercial success is inextricably linked, because technological improvements act as a stimulus for innovation, efficiency, and competitive advantage. Digital entrepreneurs who use cutting-edge technologies like artificial intelligence (AI), blockchain, cloud computing, and data analytics can transform traditional business processes, resulting in significant increases in productivity and cost-effectiveness (Nambisan, Wright, and Feldman, 2019). These technologies allow firms to automate regular work, get greater insights

into consumer behaviour, and improve decision-making processes through realtime data analysis (Vial, 2019).

For instance, AI-powered customer relationship management (CRM) systems, for example, may personalise client interactions and boost satisfaction, resulting in improved retention and sales (Chaffey & Ellis-Chadwick, 2019). Furthermore, e-commerce platforms and mobile technology broaden market reach, enabling enterprises to enter worldwide markets and provide 24-hour service, increasing revenue and market share. Blockchain technology improves transaction security and transparency, building confidence between consumers and partners (Davidson & King, 2020). Overall, the use of modern technology in digital entrepreneurship improves operations while also driving innovation and client engagement, eventually leading to long-term economic success.

Hypothesis 1 (H^1): Higher level of technological advancement in digital tools will leads to higher business success.

2.5.2 The Relationship Between Digital Marketing Strategies in Digital Entrepreneurs on Business Success

The link between digital marketing techniques in digital entrepreneurship and company success is considerable and diverse, since these methods are critical for reaching and engaging customers in today's digital environment. Digital marketing strategies such as search engine optimization (SEO), social media marketing, content marketing, email marketing, and pay per-click (PPC) advertising help digital entrepreneurs effectively promote their products and services, attract and retain customers, and build strong brand recognition (Chaffey & Ellis-Chadwick, 2019). SEO improves online exposure by attracting organic traffic to websites and raising the chances of consumer acquisition. Social media marketing allows for direct connection with consumers, establishing a feeling of community and loyalty, whereas content marketing gives useful information that may position the company as an authority in its sector.

Email marketing provides a personalised approach to sustaining consumer relationships and encouraging repeat business, whilst PPC advertising allows for focused and quantifiable outreach, ensuring that marketing funds are used efficiently (Kingsnorth 2019). These tactics work together to improve market reach, customer engagement, and conversion rates, all of which are important factors in business success. Digital entrepreneurs may achieve longterm profitability, competitive advantage, and sustained growth by using successful digital marketing techniques.

Hypothesis 2 (H^2): Digital marketing strategies are significantly associated with business success among entrepreneur

2.5.3 The Relationship Between Access to Capital in Digital Entrepreneur on Business Success

The link between digital entrepreneurs' access to capital and company success is crucial, as cash is required for the creation, growing, and sustainability of digital firms. Adequate financial resources enable digital entrepreneurs to invest in appropriate technology, attract competent employees, and implement effective marketing tactics, all of which are critical for competitive positioning and development. Financial capital helps firms to innovate, create new products, and strengthen their digital infrastructure, resulting in higher efficiency and consumer happiness.

Furthermore, access to venture capital and other types of equity funding provides not only the finances required for growth, but also strategic advice and networking opportunities, which may be critical in navigating the competitive digital world (Howell et al., 2020). Loans and credit lines are examples of debt financing methods that aid with cash flow management and operational stability, particularly during the scaling phase. Crowdfunding and microfinance have also emerged as critical sources of cash for digital entrepreneurs, democratising access to finances and allowing for more inclusive entrepreneurial activity.

Overall, access to finance has a substantial impact on a digital entrepreneur's capacity to develop, compete, and achieve market success over time.

Hypothesis 3 (H^3): There is a favorable association between digital entrepreneurship adoption and business success.

2.6 Conceptual Framework

The conceptual framework for digital SMEs provides a solid foundation for comprehending the dynamic environment in which small and medium-sized businesses (SMEs) operate in the digital realm. This paradigm illustrates the intricate connections between a variety of elements, including entrepreneurial activity, digitization initiatives, and entrepreneurs' intentions to make their businesses successful using digital methods. By clarifying these linkages, the framework aims to shed light on the factors that impact SMEs' digital presence and, as a result, customer intent to engage with their products or services.

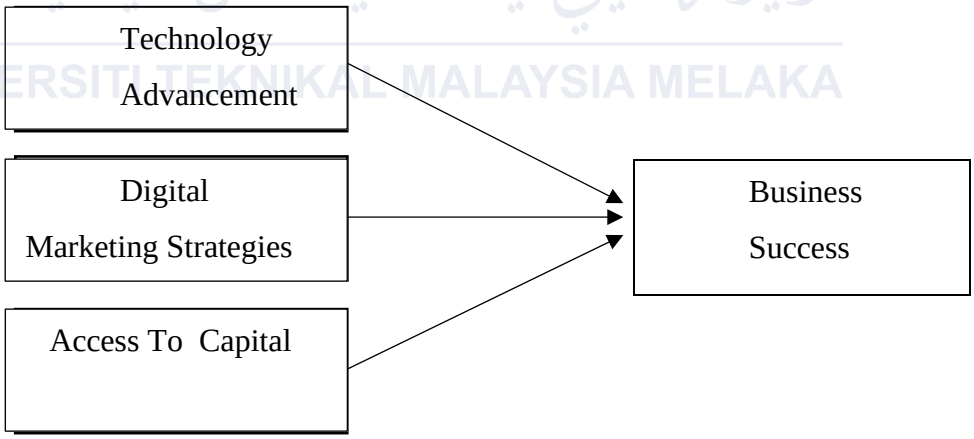

Figure 2.0 : Conceptual Framework

This framework explains the complex relationship between independent variables such as technological advancement, digital marketing strategies, and access to capital in the digital sphere, which ultimately influences the dependent variable: The Intention of Entrepreneurs to Make Business Successful Using Digital Methods.

2.7 Summary

The literature review digs into the multiple advantages that small and mediumsized businesses (SMEs) may get from embracing digitalization and cultivating an innovative culture. According to the literature review, by adopting digital technology and developing creativity inside their organisations, SMEs may improve operational efficiency, streamline procedures, and stimulate development. Furthermore, digitalization allows for enhanced communication, cooperation, and access to new markets, whilst innovation promotes distinction and customer-centric methods. Finally, digital transformation enables SMEs to remain competitive, react to market trends, and provide greater value to their consumers. This thorough knowledge emphasizes the significance of digitization and innovation in propelling SME success in today's changing business environment.

CHAPTER 3

RESEARCH METHODOLOGY

3.1 Introduction

This research methodology chapter discusses in more detail research techniques. For example, consider research strategy and design. However, information and data related to the research is obtained through secondary and primary data collection sources. In order to achieve the goal of this research, which is to study the effects of digital entrepreneurship applications on business success, the researcher discussed the study design, methodological choices, data sources, and research strategy. To improve the consistency and accuracy of the research, data analysis tools are used to evaluate the relationship between the dependent and independent variables.

3.2 Research Design

The researcher's research design provides a framework for approach and strategy when doing research. This approach enables researchers to focus on the most relevant research methodology for the issue at hand, ensuring the success of their inquiry. There are three primary forms of study design: data gathering, measurement, and analysis. According to Saunders et al. (2019), a quantitative research design is typically connected with positivism, particularly when combined with a planned and highly organized data-gathering process. Research design seeks to translate research themes and objectives into research programs. It also takes into account research methodology, alternatives, and length. Furthermore, the study design must have a clear objective that stems from the research topic and data-collecting source. Furthermore, there must be a valid basis for selecting the research design. Assume a study into the influence of digital entrepreneurship apps on business growth is successful. In such a scenario, this research might serve as a resource for individuals or organizations looking to turn this research into a project.

3.3 Methodology Choices

Quantitative research methods are used to develop estimations and evaluate hypotheses based on numerical data that will eventually explain the situation. According to Saunders et al. (2019), the quantitative methodological approach collects data utilizing Internet questionnaires as part of a survey plan. As a consequence, standardized data were gathered. Quantitative research is typically connected with deductive approaches, which include collecting and analyzing data to evaluate ideas. Quantitative approaches enable researchers to utilise statistics to identify statistical patterns and to explain difficulties. The researcher has chosen a quantitative research approach since it appears to be more appropriate for this study than qualitative or mixed methodologies.

Quantitative research for digital entrepreneurs is conducted utilizing a survey technique to offer data that can be used to discover statistical linkages and track the application of digital entrepreneurship to company success. Therefore, ideas and theories may be examined once evidence has been gathered.

3.4 Data Sources

A data source is a location from where the data that is being used originates. Primary data sources and secondary data sources were the two sorts of data and information to be acquired. This is where research data is gathered and categorized based on statistics, observations, and figures. The researcher used both data sources to conduct the investigation in this study.

3.4.1 Primary Data

Primary data refers to information gathered by the investigator for the specific aim of the study. This is firsthand knowledge and the original source of data collection. Primary data collection procedures include surveys, interviews, and experiments. It is gathered solely for study purposes from original sources. Primary data is crucial in this investigation.

Furthermore, secondary data sources are necessary for this inquiry. Secondary data is gathered from journals, books, notes, and related articles. Primary data was acquired via distributing questionnaires to respondents. The data is distributed using an online questionnaire.

According to Saunders et al. (2019), the Internet is the primary source of data collection, which raises distinct ethical concerns and challenges. According to Saunders et al. (2019), in order to ensure ethical primary data collection, potential respondents must be given the opportunity to make informed decisions about their involvement. Furthermore, original data cannot be changed or created, and results cannot be misrepresented. The primary data for this study came from the respondents who completed this questionnaire. The majority of study respondents are internet entrepreneurs with Melaka-based businesses. The information gathered from these responders allows for the creation of a thorough report. The results of this study will be valuable for others to utilise as a reference.

3.4.2 Secondary Data

Saunders et al. (2019) defined secondary data as raw data and published summaries. Over the last decade, the number of potential secondary data sources has grown dramatically, as has their ease of access. Secondary survey data is data that was originally acquired for other purposes using a survey technique, often a questionnaire. Secondary data is requested concerning material that has already been gathered and is available to the researcher. Secondary data may refer to data utilized in prior literature. Secondary data is required to assist the main data in order to meet the study's aims.

Furthermore, secondary document data is described as data that, unlike the spoken word, endures physically and digitally as evidence, allowing it to be transported across time and place and reanalyzed for purposes other than those for which it was originally acquired. As a consequence, it contains text, audio, and visual information. Saunders et al. (2019) also said that, while books, papers, journals, and reports are the usual storage mediums for gathering secondary data,

the text itself can be useful raw secondary data. Most researchers may get a wealth of information and expertise by utilizing secondary material.

This secondary research data on digital entrepreneurship was acquired from Google Scholar and Scopus to support the study goals. Furthermore, as we go forward with technology innovation, prior studies can aid and improve our understanding of digital entrepreneurs in Melaka.

3.5 Research Strategy

Saunders et al. (2019) described research methods as generic approaches to achieving desired outcomes. Denzin et al. (2018) describe research strategy as a plan for how a researcher would approach his research topic. In general, a research strategy is a plan that assists the researcher in planning, implementing, and monitoring the study. Furthermore, there is a methodological link between your ideology and your approach to obtaining and analyzing information. Furthermore, research methodologies are primarily concerned with the interaction between the researcher's philosophy and the collection and interpretation of data.

Experiments, surveys, archival and documentary research, and case studies are among the approaches identified by Saunders et al. (2019). Research methods include ethnography, narrative inquiry, action research, and grounded theory.

According to Saunders, this study does extensive research on the impact of digital entrepreneurship on company success using survey data, theories, and other studies. The survey will be conducted and the results analysed using computer tools. Previous research findings are also examined to identify concepts and information relevant to the current study.

3.5.1 Survey Strategy

According to Saunders et al. (2019), surveys are typically used in conjunction with a deductive research technique. To collect data to address the study topic, the researcher has opted to employ a survey. Furthermore, the public perceives the survey technique as authoritative and easy to explain and comprehend. A questionnaire-based survey is frequently used because it swiftly

collects data from the community and allows researchers to readily compare responses. Furthermore, data gathering might be statistically assessed using inferential and descriptive statistics.

3.5.2 Pilot Test

Saunders et al. (2019) suggested a pilot test to assist respondents by refining the questionnaire such that there are no difficulties answering the questionnaire and no hurdles later in documenting the results. Because the scope of this research is limited to digital entrepreneurs in Malacca and time resources are limited, the pilot test will be limited to a small number of respondents who will be able to influence the significant variance in the population, resulting in a change in response .

3.6 Location of Research

Researching digital entrepreneurship adoption and company success in Melaka has several benefits. Melaka, a UNESCO World Heritage Site with a long history as a commercial port, provides an ideal setting for studying the blending of traditional business methods with modern digital entrepreneurship. The state government's measures to foster digital transformation and entrepreneurship, together with a thriving digital economy and the existence of higher education institutions and research centres, provide great resources for legitimate research. Additionally, Melaka's broad company landscape and entrepreneurial spirit, together with community support and networking possibilities, foster digital business innovation. Therefore, choosing Melaka for this research provides a dynamic and historically rich setting to gain a deeper understanding of the factors influencing digital entrepreneurship adoption and its impact on business success.

3.7 Population

Weeks (2020) defines a population as a country or a group of people who share a similar feature. Identifying the demography is critical for understanding the target population and validating the findings. The population not only provides useful knowledge but also illustrates how to apply it effectively.

The purpose of this study is to investigate the parameters that influence the advantages of digitization and innovation for Melaka's Small and Medium-sized Enterprises (SMEs). A probability random sample survey was used to collect data, with the majority of the respondents being mobile phone users, including entrepreneurs and SMEs. An online questionnaire was utilized to easily gather responses from a sample size of 380 respondents, which were chosen based on the nature of the study, the number of variables involved, and the required precision in calculating impacts. To guarantee data reliability and validity, the questionnaire included demographic information as well as characteristics linked to entrepreneurship, digitalization, and innovation. Each variable was measured by numerous items.

3.7 Sampling Data

Sampling design is a mathematical formula that determines the probability of a certain sample being drawn. According to Saunders et al. (2019), sampling techniques allow for the collection of less data by focusing on a selection of cases or elements rather than all possible circumstances or elements. Furthermore, certain study subjects may require sample data that allows the researcher to make statistical generalizations about all of the cases from which your sample was derived. Furthermore, sampling is a viable alternative to a census when it is unfeasible for researchers to survey the whole population or when time constraints make it impossible to do so.

Despite the large number of potential participants, replies were randomly selected from Malaysian food and beverage sector SMEs. However, the sample size was limited to 380 company owners in accordance with Krejcie and Morgan's (1970) guidelines. The study team will continue to recruit company owners until the goal sample size is fulfilled. Given the goal of simple access, researchers positioned themselves at several food and beverage locations around Malaysia, making it easier for many business owners to participate in the study.

Table 3.1

Table for Determining Sample Size of a Known Population

N	S	N	S	N	S	N	S	N	S
10	10	100	80	280	162	800	260	2800	338
15	14	110	86	290	165	850	265	3000	341
20	19	120	92	300	169	900	269	3500	346
25	24	130	97	320	175	950	274	4000	351
30	28	140	103	340	181	1000	278	4500	354
35	32	150	108	360	186	1100	285	5000	357
40	36	160	113	380	191	1200	291	6000	361
45	40	170	118	400	196	1300	297	7000	364
50	44	180	123	420	201	1400	302	8000	367
55	48	190	127	440	205	1500	306	9000	368
60	52	200	132	460	210	1600	310	10000	370
65	56	210	136	480	214	1700	313	15000	375
70	59	220	140	500	217	1800	317	20000	377
75	63	230	144	550	226	1900	320	30000	379
80	66	240	148	600	234	2000	322	40000	380
85	70	250	152	650	242	2200	327	50000	381
90	73	260	155	700	248	2400	331	75000	382
95	76	270	159	750	254	2600	335	1000000	384

Note: N is Population Size; S is Sample Size *Source: Krejcie & Morgan, 1970*

Table 3.0 : Krejchie Robert V. Morgan Sample Size

3.8 Questionnaire Design

To address the research questions, the researcher collected information from respondents via a questionnaire. This is the primary strategy employed in research. To obtain primary data for this study, digital entrepreneurs were given a questionnaire to complete. The researcher created a questionnaire to identify the innovative variables that drive digital entrepreneurship in Melaka. It has three sections in the questionnaire design for survey research.

The first section of the questionnaire was intended to analyse the demographics of the respondents. Questions on the respondents' demographic attributes were produced in a closed multiple choice style. Demographic questions were used to determine whether respondents to the questionnaire were small company owners or experienced entrepreneurs.

Next, in the second section, the researcher focused on the independent variable in this study, which is the present digital innovation factor affecting Melaka's digital entrepreneurs. Furthermore, the independent variable will be evaluated to determine if digital entrepreneurs in Melaka use digital technology and whether characteristics like as environment, age, health, and technological opportunities have an impact on these entrepreneurs.

Finally, the final section focuses on the dependent variable, digital entrepreneurship and company performance in Melaka. The evaluation of this dependent variable is critical since it impacts digital entrepreneurs who employ technology in their businesses. There are other benefits to digital entrepreneurship in Melaka, such as increased entrepreneurs and an improvement in the city's economic status.

According to Saunders et al. (2019), Likert-style ratings are most typically employed in assessment questions that ask respondents how much they agree or disagree with a proposition. This quiz uses a 5-point Likert scale. The Likert scale is a five-point rating system with 1 representing "strongly disagree", 2 representing "disagree", 3 representing "neutral", 4 representing "agree", and 5 representing "strongly agree".

Table 3.1: Questionnaire Design

Section	Content
A	Respondent Profile / Background • Age • Gender • Citizen • Respondent type • Experiences in Digital Entrepreneur
B	Assessment of Independent Variables (Innovation Factor)
	• Technology Advancement • Digital Marketing Strategy • Access to Capital
C	Assessment of Dependent Variables (Adoption Factor) • Factor involving to Business Success in Melaka

Table 3.2: Likert-Scale Survey

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5

3.9 Reliability

Reliability refers to an assessment of a process's capacity to produce predictable and robust results. According to Saunders et al. (2019), dependability refers to a metric's consistency or correctness. In order to achieve perfect validity and reliability, the researcher has decided to use the method described by Saunders et al. (2019), in which Cronbach's alpha is a metric used to measure the uniformity of responses from respondents to the supplied questions, which will be created as a scale to evaluate specific responses.

The alpha coefficient denotes a number or value between 0 and one. Cronbach's Alpha Index is employed in this study for consistency studies by using the most fundamental ideas due to its comprehension of the coefficients. Cronbach's alpha is used to calculate the measure of numerous variables utilized in studies on internal consistency. The table below displays Cronbach's Alpha Value and critical principles for understanding questions with two alternative outcomes.

Table 3.3: Cronbach's Alpha Values

Cronbach's Alpha	Internal Consistency
$\alpha \geq 0.9$	Excellent
$0.9 > \alpha \geq 0.8$	Good
$0.8 > \alpha \geq 0.7$	Acceptable
$0.7 > \alpha \geq 0.6$	Questionable
$0.6 > \alpha \geq 0.5$	Poor
$0.5 > \alpha$	Unacceptable

According to the statistics shown above, a Cronbach's Alpha of equal to or better than 0.7 was considered acceptable. Cronbach's Alpha values greater than 0.8 are considered good, while those of 0.9 or higher are considered exceptional. It was

considered poor if the Cronbach's Alpha was less than 0.6, and unsatisfactory if it was less than 0.5.

Furthermore, the extent to which a concept is accurately quantified in quantitative research is referred to as validity. Furthermore, according to Saunders et al. (2019), validity is demonstrated by the adequacy of the measures used and the accuracy of the data interpretation. A high validity grade indicates that the study generated a high level of confidence.

3.10 Data Analysis

Data analysis is the process of cleansing, converting, and modelling data to disclose information that may be utilised to make business choices. The purpose of data analysis is to extract actionable information from data and base choices on that knowledge. According to Saunders et al. (2019), data analysis technique allows you to execute previously unplanned analyses in reaction to new results. As a result, it formalises the usual practice of looking for novel relationships in data that your study was not initially planned to investigate.

Furthermore, computers make it rather simple and quick. The Statistical Package for Social Science (SPSS) software was used to analyse data from a survey of Melaka's digital entrepreneurs. Furthermore, this programme can effectively manage vast volumes of data, facilitating the assessment process of data collecting and tabulation for quantitative research.

Furthermore, multiple regression analysis is used to investigate the relationship between two variables: the independent and dependent variables. Multiple regression analysis was performed to investigate the association between innovation characteristics, user characteristics, and external variables influencing digital entrepreneurs in Melaka.

Pearson's Correlation Coefficient was then utilised to assess the relationship between innovation features, user characteristics, and external variables influencing digital entrepreneurs in Melaka. Saunders et al. (2019) defined the correlation coefficient as the strength of the linear relationship between two positional or numerical variables.

3.10.1 Statistic Package for The Social Science (SPSS)

After collecting the data, the researcher conducted this study using the Statistical Package for Social Sciences (SPSS) version 26.0 software. SPSS is a software programme that allows researchers to do extensive statistical analysis on data collected to answer research questions. In addition, SPSS will be used to scale the link between the suggested models. This is based on the study's assumptions. SPPS is computer programme that is used to organise complicated data into enormous pie charts or graphs, as well as to discover questionnaire responses.

The data from Melaka's digital entrepreneurship survey was statistically analysed using SPSS software. Pie charts and graphical representations were developed to help organise the data gathered.

3.10.2 Pearson's Correlation Analysis

Pearson's correlation coefficient was a strategy for determining the strength of the association between the dependent and dependent variables in respondent data analysis. Saunders et al. (2019) defined a correlation coefficient as the strength of a linear relationship between two ranking or numerical variables. The sample correlation coefficient, r, is used to calculate population correlation. The purpose of this study is to find a favourable correlation.

Saunders et al. (2019) also claimed that the correlation coefficient, r, runs from +1 to -1, with +1 indicating a perfect positive connection. This suggests that the variables are tightly related, and that if the value of one variable rises, so does the value of the other. A score of -1 indicates a complete negative correlation

The following table shows the Pearson's Correlations Coefficient.

Table 3.4: Pearson's Correlations Coefficient Scale

Coefficient Range	Strength
$0.8 \leq r \leq 1.0$	Perfect Positive Correlation
$0.6 \leq r \leq 0.79$	Positive Correlation
$0.4 \leq r \leq 0.59$	Moderate Correlation
$0.2 \leq r \leq 0.39$	Negative Correlation
$0 < r \leq 0.19$	Perfect Negative Correlation

3.11 Pilot Testing

In this study, a pilot test was conducted using an online survey (Google Forms) with 30 respondents to ensure questionnaire clarity. The test aimed to validate and enhance the 27 questionnaires for better understanding. Validity and reliability were assessed to ensure the collected data's accuracy and consistency before distributing the final questionnaire.

3.11.1 Descriptive Statistics (pilot test)

Based on table 3.5, mean is a representative value that gives an idea of the location of the data centre. A higher standard deviation indicates greater variability, while a lower standard deviation indicates that the data points are closer to the mean. So, mean and standard deviation work together to provide a comprehensive description of a data set.

Table 3.5 : Item Statistics for Pilot Test

Descriptive Statistics						
	N	Range	Minimum	Maximum	Mean	Std. Deviation
Business Success (BS)	30	2.33	3.67	6.00	5.0056	.59126
Technology Advancement (TA)	30	2.00	4.00	6.00	5.0750	.59867

Digital Marketing Strategies (DMS)	30	3.00	3.00	6.00	4.9333	.75262
Access to Capital (AC)	30	2.00	4.00	6.00	5.0750	.59867
Valid N (listwise)	30					

Thus, all data for 30 respondent was valid. The mean for all variable is above that 4 which mean between agree and strongly agree. From this result, researcher decided to proceed to collecting a respondent.

3.11.2 Reliability Test (Cronbach's Alpha)

From the reliability test shown in table 3.6, it shows the result for 30 respondents in pilot test. As per theoretical framework in chapter 2 shows there are 4 variables involved in this study of the survey questions which are perceived usefulness, perceived ease of use, perceived benefit, perceived security and consumers intention.

Table 3.6: Interpretation of Reliability Based on Cronbach's Alpha for Pilot Test Result

Variables	Cronbach's Alpha	N of Item	Result
Business Success (BS)	0.722	6	Acceptable
Technology Advancement (TA)	0.743	4	Acceptable
Digital Marketing Strategies (DMS)	0.712	5	Acceptable
Access to Capital (AC)	0.743	4	Acceptable

Based on table 4.1, Cronbach's Alpha for the variable which business success is 0.722, technology advancement of use is 0.743, digital marketing strategies is 0.712, and

access to capital perceived security is 0.743. It's shows that all variable has a good, excellent and acceptable consistency. Thus, all the question can be used to find other 255 respondents.

3.11.3 Validity Test

Correlation testing in the context of pilot testing involves examining the strength and direction of the relationship between two or more variables. These tests help researchers understand the extent to which changes in one variable are associated with changes in other variables.

Table 3.7: Analysis for Pearson Correlation

Correlations					
		BS	TA	DMS	AC
BS	Pearson Correlation	1	.932**	.347	.932**
	Sig. (2-tailed)		<.001	.060	<.001
	N	30	30	30	30
TA	Pearson Correlation	.932**	1	.077	1.000**
	Sig. (2-tailed)	<.001		.688	<.001
	N	30	30	30	30
DMS	Pearson Correlation	.347	.077	1	.077
	Sig. (2-tailed)	.060	.688		.688
	N	30	30	30	30
AC	Pearson Correlation	.932**	1.000**	.077	1
	Sig. (2-tailed)	<.001	<.001	.688	
	N	30	30	30	30
**. Correlation is significant at the 0.01 level (2-tailed).					

Table 3.7 shows the Pearson correlation analysis for all independent variable with dependent variable. Thus, table 3.8 display the interpretation of validity based on Pearson correlation for pilot test result.

Table 3.8: Interpretation of Validity Based on Pearson Correlation for Pilot Test Result

Independent Variable	Pearson Correlation	Result
Technology Advancement (TA)	0.932	High Positive
Digital Marketing Strategies (DMS)	0.347	Moderate Positive
Access to Capital (AC)	0.932	High Positive

Thus, all of the variable is valid and can be used as variable for the questionnaire. Researcher can proceed to collecting other 250 respondent.

3.12 Time Horizon

A time horizon, also known as a planning horizon, is a predetermined point in the future when operations will be evaluated or deemed accomplished. According to Saunders et al. (2019), the horizon is the time period across which the study may be conducted, with the ' snapshot' temporal horizon being cross-sectional and the 'diary' perspective being longitudinal. Furthermore, the choice of a study strategy or techniques will be connected to the determination of an appropriate time horizon.

Because of time constraints, the researcher chose cross-sectional investigations, which do not need a lengthy period of time. Between October and January, the researcher performed a short-term survey and data collecting for the study. Data collection was completed as quickly as possible because it is critical for analysis and preventing complications while doing the research.

3.12 Summary

The researcher demonstrates the methods used to acquire data and information about the variables in this chapter. It examines the underlying strategy taken to address the research topic. The researcher conducted this study using a descriptive research methodology and quantitative approaches. This study draws on both primary and secondary data sources. As part of the study design, feedback for this research was collected using a survey approach. Melaka's digital entrepreneurial hub. The researcher conducted the questionnaire design, sample design, and pilot test in a cross-sectional study. The data in the data analysis section was analysed by the researcher using the Statistical Package for Social Science (SPSS).

CHAPTER 4

RESULT AND DISCUSSION

4.0 Introduction

In this chapter, the focus is on the results obtained from a survey that examined the effect of digital entrepreneurship adoption on business success among SMEs in Malacca. The data for this analysis was collected through a survey involving 255 respondents from SMEs in Melaka. The previous chapter provides a detailed explanation and justification of the research methodology employed in this study. To analyse the data collected, the Statistical Package for Social Science (SPSS) was utilized. The questionnaire used for the survey was structured into three sections: Part A, Part B, and Part C. Each section addressed a distinct aspect or theme, and the data analysis using SPSS facilitated the extraction of meaningful insights and patterns from the responses collected during the survey.

4.1 Descriptive Analysis

Descriptive analysis used to organize hard to quantitative data from survey questionnaire sets into summaries which is frequency and percentage about data samples for 255 respondents. In descriptive analysis, applies measures of frequency to understand how frequently a specific characteristic of respondent is likely to occur.

Demographic data will be display in a chart to make it easiest to interpret. Also, all respondent data that answer the questionnaire will be display using a histogram chart with a normal curve sorted by each variable.

4.1.1 Respondent's Demographic Profile

Researcher applies frequency distribution to determine the frequency of respondent profiles, which describes the frequency characteristics of respondents. The questionnaires were distributed to a total of 255 respondents for this study. All 250-respondent data was valid.

4.1.2 Age

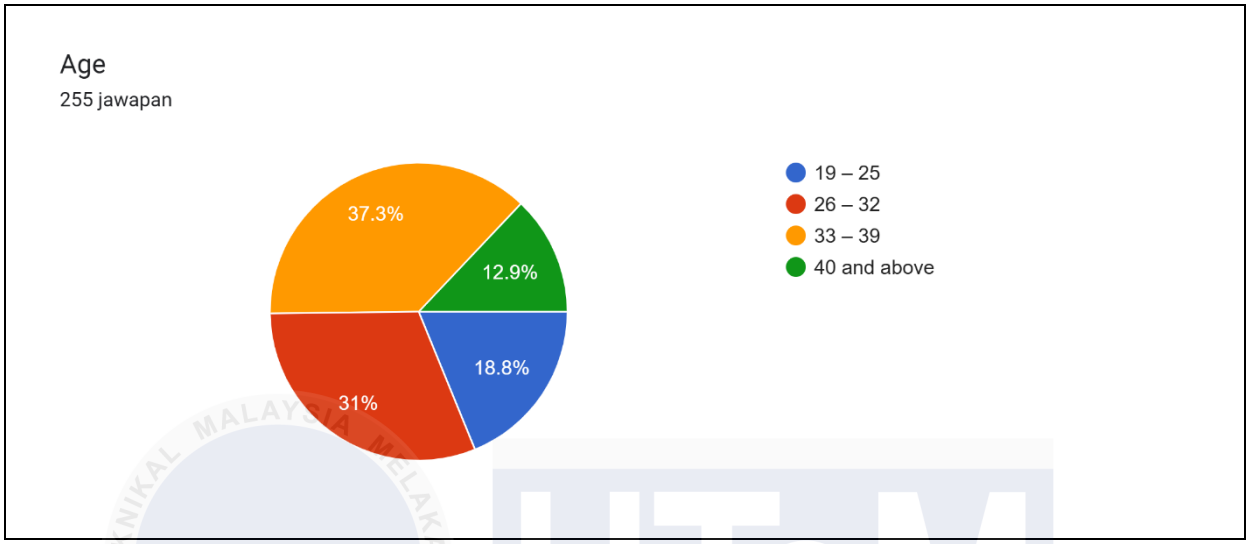

Figure 4.0: Pie Chart of Age

Figure 4.0 shows the pie chart illustrating the age distribution of 255 respondents, divided into four age groups. The largest segment is the 33–39 age group, which constitutes 37.3% of the total respondents. Following this, the 26–32 age group represents 31%, making it the second-largest category. The 19–25 age group accounts for 18.8%, placing it as the second-smallest group. Lastly, the smallest segment is the 40 and above age group, comprising only 12.9% of the respondents. This distribution highlights that the majority of respondents fall within the 33–39 age range, while the older demographic, aged 40 and above, is the least represented.

4.1.3 Gender

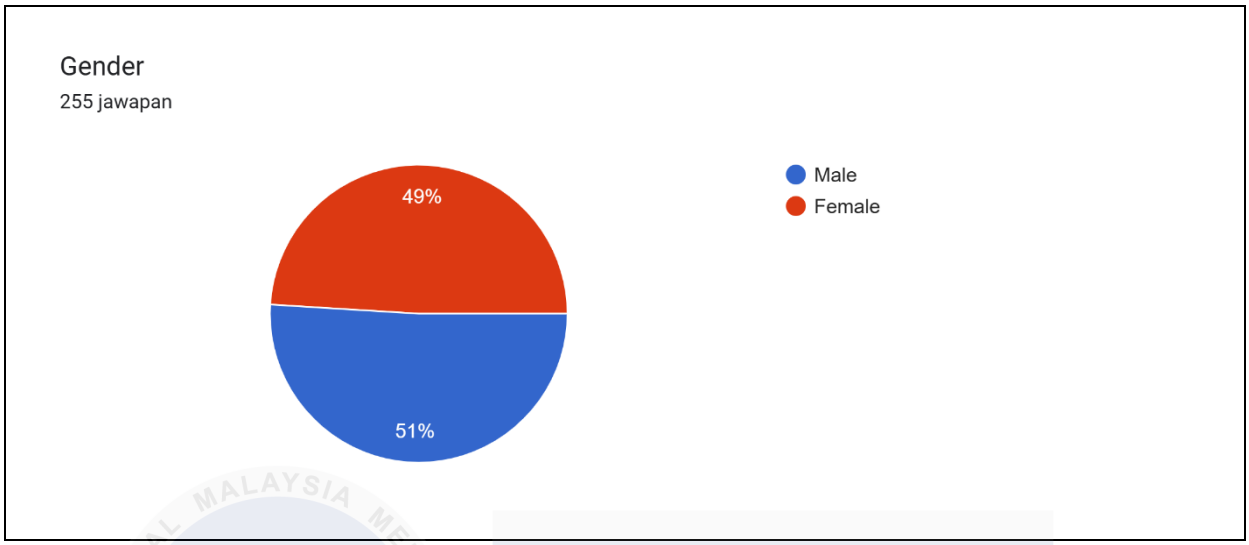

Figure 4.1: Pie Chart for Gender

The pie chart illustrates the gender distribution of 255 respondents. Males represent the majority, comprising 51% of the respondents, while females account for 49%. The difference between the two groups is minimal, indicating a nearly balanced representation of genders in the dataset. This distribution ensures that the perspectives of both genders are almost equally reflected in the survey results.

The higher representation of women suggests a potential opportunity to focus on addressing their specific needs and preferences in the promotion and use of QR code payment technology. Additionally, further research or analysis could explore the reasons behind this gender distribution, providing a deeper insight into the factors influencing the use of QR code payments among different gender groups. Overall, this gender-aware approach can improve the effectiveness of outreach efforts and contribute to more inclusive adoption strategies.

4.1.4 Race

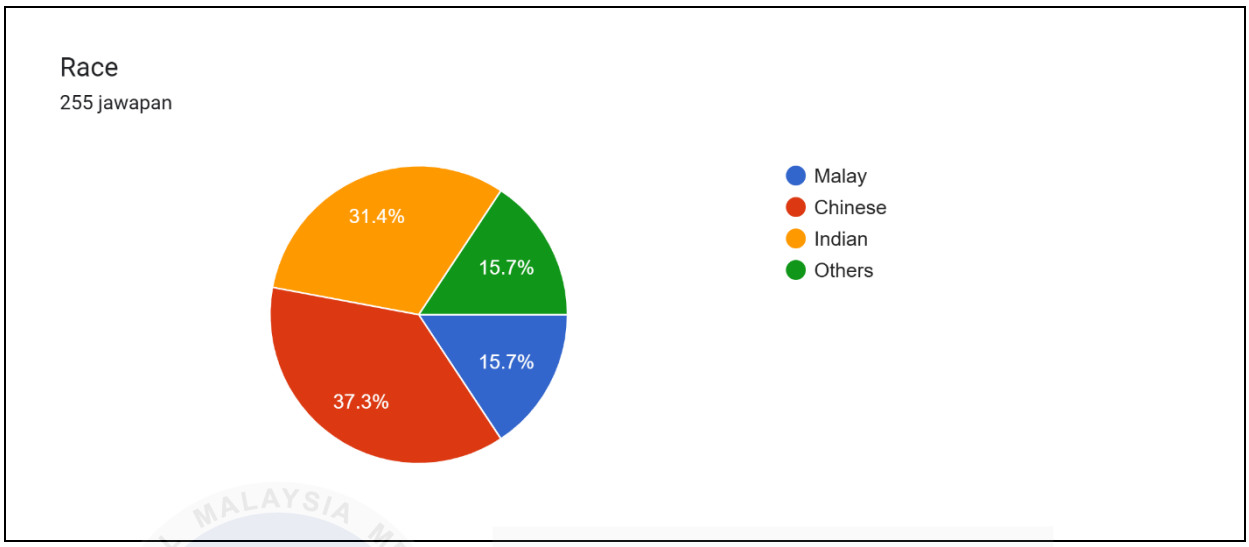

Figure 4.2: Pie Chart of Race

The pie chart shows the racial distribution of 255 respondents, divided into four categories. The largest group is the Chinese, comprising 37.3% of the respondents. This is followed by the Indian group, which represents 31.4%. Both Malays and respondents categorized as "Others" each account for 15.7% of the total. This distribution highlights that the majority of respondents belong to the Chinese and Indian ethnic groups, while Malays and other races are equally represented in smaller proportions.

4.1.5 What Industry Is Your Business In?

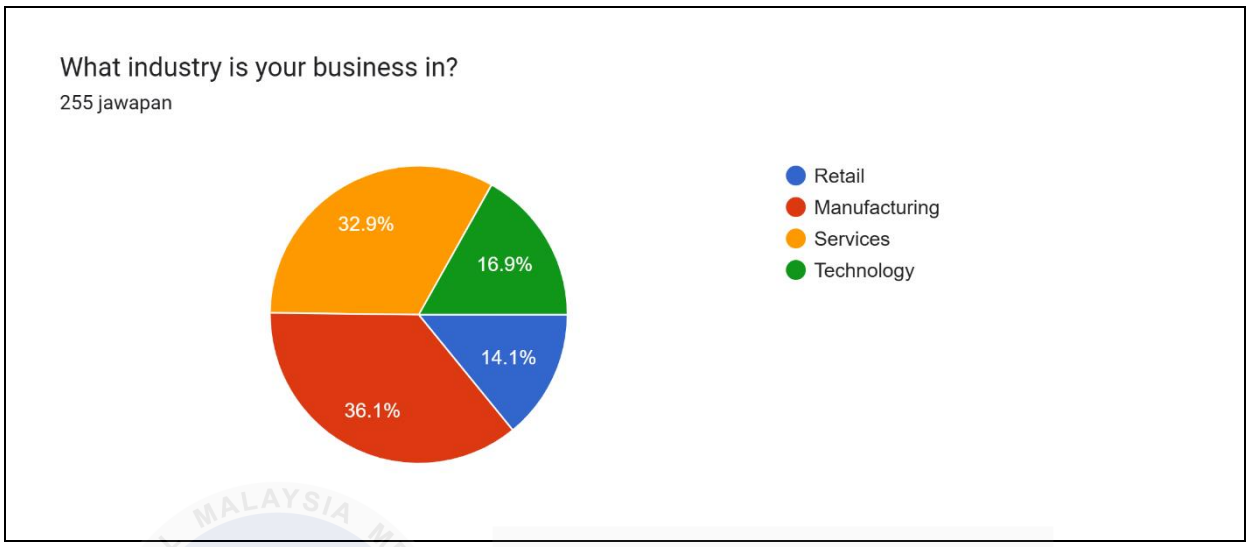

Figure 4.3: Pie Chart of What Industry Is Your Business In

The pie chart illustrates the distribution of businesses across four industries—Retail, Manufacturing, Services, and Technology—based on 255 responses. The largest proportion of businesses, 36.1%, falls under the Manufacturing sector, making it the dominant industry among respondents. Following closely is the Services sector, which accounts for 32.9%, showing its significant presence alongside Manufacturing. The Technology sector represents 16.9% of businesses, reflecting a moderate adoption of tech-driven industries. Meanwhile, Retail has the smallest share at 14.1%, indicating a lower representation or interest in this type of business among respondents. Overall, the chart highlights the prominence of Manufacturing and Services, which together constitute nearly 70% of the total responses, while Technology and Retail remain important but smaller contributors to the business landscape.

4.1.6 How Long Has Your Business Been Operating?

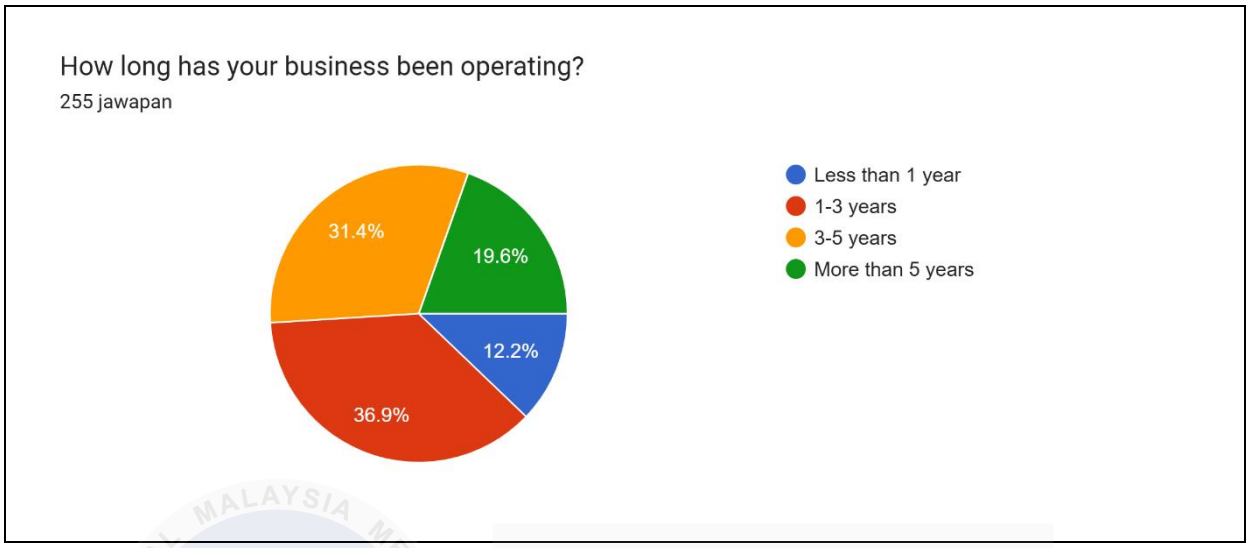

Figure 4.4: Pie Chart of Pie Chart of How Long Has Your Business Been Operating

The pie chart illustrates the duration of business operations among 255 respondents, divided into four categories: less than 1 year, 1–3 years, 3–5 years, and more than 5 years. The largest share, 36.9%, consists of businesses operating for 1–3 years, indicating a significant presence of relatively young businesses. Following this, 31.4% of respondents have businesses operating for 3–5 years, suggesting stability and growth within this range. Meanwhile, 19.6% of businesses have been operating for more than 5 years, representing a smaller but notable portion of well-established enterprises. Finally, businesses with less than 1 year of operation account for only 12.2%, reflecting a limited number of new entrants or challenges faced by startups. Overall, the chart highlights that most businesses are relatively young, with a majority (68.3%) having operated for 1–5 years, while established and newer businesses make up smaller segments of the respondent pool.

4.1.7 What Is The Size Of Your Business?

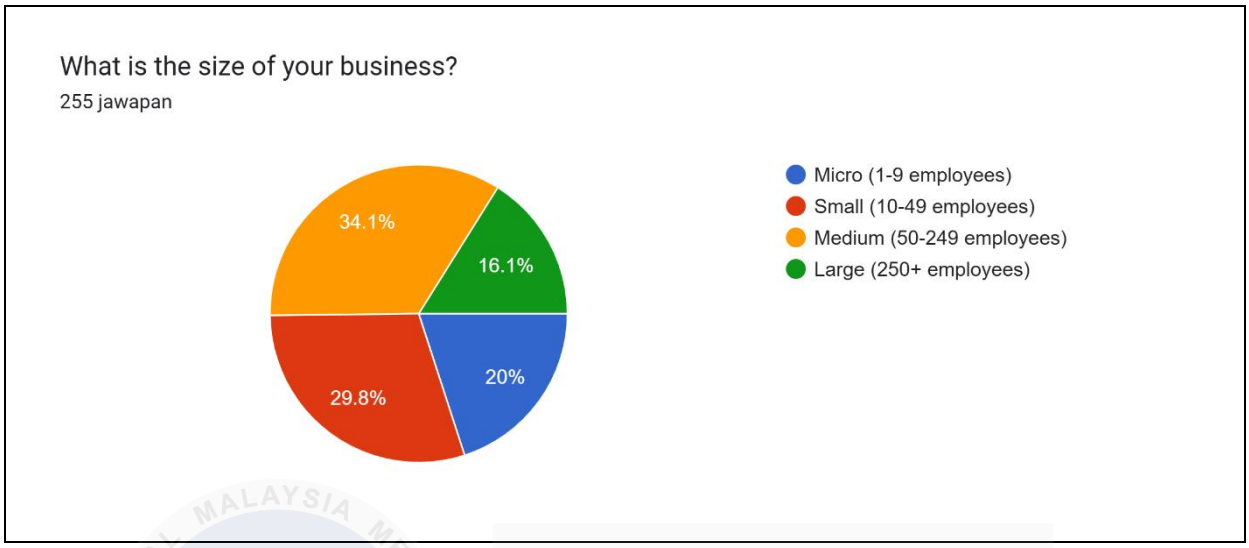

Figure 4.5: Pie Chart of What Is The Size Of Your Business

The pie chart illustrates the size of businesses based on the number of employees, categorized into Micro (1–9 employees), Small (10–49 employees), Medium (50–249 employees), and Large (250+ employees), with data from 255 respondents. The largest group, accounting for 34.1%, comprises medium-sized businesses with 50–249 employees, highlighting their significant presence among respondents. Small businesses with 10–49 employees make up the second-largest segment at 29.8%, reflecting a strong representation of small enterprises. Micro businesses, consisting of 1–9 employees, account for 20% of respondents, indicating the presence of very small-scale operations. Lastly, large businesses with 250+ employees represent 16.1%, showing a smaller yet important share of well-established and extensive organizations. Overall, the chart indicates a balanced distribution across different business sizes, with a notable emphasis on medium and small enterprises.

4.1.8 What Is Your Annual Revenue?

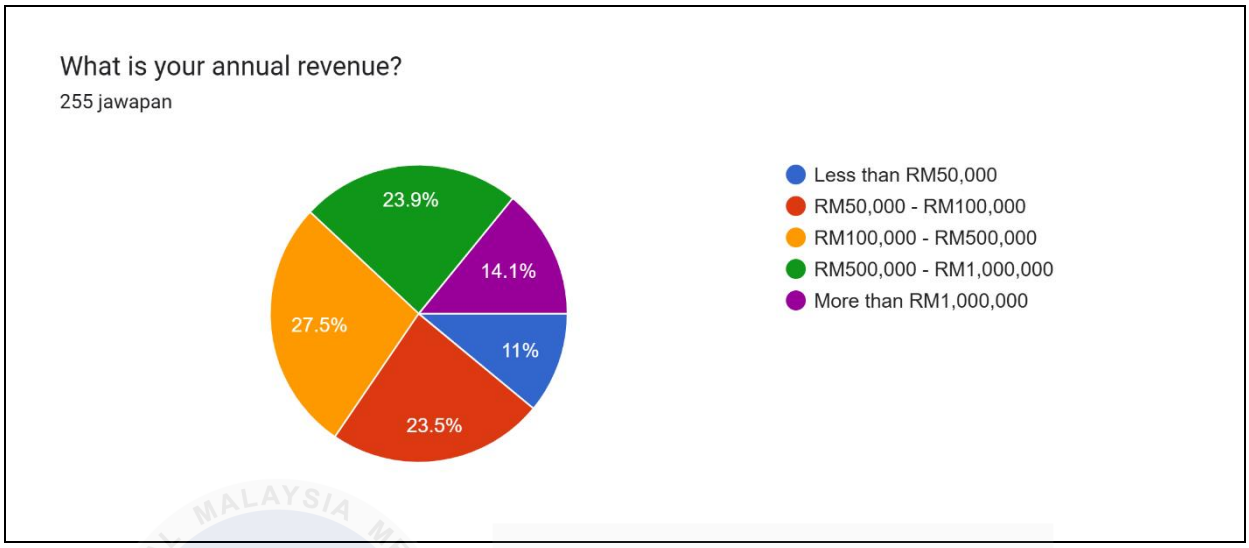

Figure 4.6: Pie Chart of What Is Your Annual Revenue

This pie chart illustrates the annual revenue distribution based on 255 responses. The largest segment, representing 27.5% of respondents, reported an annual revenue of RM50,000 to RM100,000. Following closely, 23.9% indicated their revenue falls between RM100,000 and RM500,000. Similarly, 23.5% of respondents reported earning between RM500,000 and RM1,000,000 annually. A smaller proportion, 14.1%, reported an annual revenue exceeding RM1,000,000, while the smallest group, 11%, indicated revenue below RM50,000. This data suggests a balanced distribution with a notable concentration in the RM50,000 to RM1,000,000 range.

4.2 Mean Score Analysis for Variables

Mean score analysis is used to identify and receive the information related to the characteristics of specific problems.

4.2.1 Technology Advancement (IV1)

TA1	The adoption of advanced digital technologies has improved my business operations
TA2	The integration of new digital tools has significantly improved my business efficiency and new learning environment
TA3	My business regularly adopts the latest technological advancements to stay competitive
TA4	Digital entrepreneurship has enabled my business to offer more innovative products/services to society

Descriptive Statistics

	N	Range	Minimum	Maximum	Mean	Std. Deviation
TA1	255	2	4	6	5.19	.709
TA2	255	2	4	6	5.00	.823
TA3	255	2	4	6	4.75	.936
TA4	255	2	4	6	5.36	.660
Valid N (listwise)	255					

Table 4.0: Descriptive Statistics for Technology Advancement

The descriptive statistics provide an analysis of the responses for four variables (TA1 to TA4) based on a sample of 255 respondents. All variables exhibit a consistent range of 2, with minimum values of 4 and maximum values of 6, indicating that responses are concentrated within a favorable range. Among the variables, TA4 stands out with the highest mean score of 5.36, suggesting it was the most positively rated overall. In contrast, TA3 has the lowest mean score of 4.75, although it remains within a positive range. TA1 and TA2 have mean scores of 5.19 and 5.00, respectively, reflecting generally favorable ratings.

In terms of variability, TA4 demonstrates the highest consistency, with a standard deviation of 0.660, while TA3 shows the greatest variability, with a standard deviation of 0.936. TA1 (0.709) and TA2 (0.823) exhibit moderate levels of consistency. Overall, the results indicate that all four variables received positive feedback, with TA4 emerging as the most favorably and consistently evaluated.

4.2.2 Digital Marketing Strategies (IV2)

DMS1	Utilizing digital marketing has increased my business's customer reach
DMS2	Digital marketing strategies have contributed significantly to business growth in the digital era and the success of my business.
DMS3	My business's sales have improved due to effective digital marketing
DMS4	The use of social media marketing has played a crucial role in my business's growth.
DMS5	Digital marketing has made it easier to communicate and engage with my customers

Descriptive Statistics

	N	Range	Minimum	Maximum	Mean	Std. Deviation
DMS1	255	4	2	6	4.98	1.244
DMS2	255	2	4	6	5.36	.660
DMS3	255	2	4	6	4.85	.821
DMS4	255	5	1	6	4.50	1.295
DMS5	255	4	2	6	4.98	1.244
Valid N (listwise)	255					

Table 4.1: Descriptive Statistics for Digital Marketing Strategies

The descriptive statistics table provides an overview of the responses for five variables (D1 to D5) based on a sample of 255 respondents. All variables have complete data with no missing values. The range of scores indicates that D4 has the highest variability, with a range of 5, while D2 has the smallest range of 2, suggesting more consistent responses. Regarding

minimum and maximum values, most variables (D1, D2, D3, and D5) have a minimum of 2 and a maximum of 6, while D4 has a wider span from 1 to 6, reflecting its greater variability.

The mean scores reveal that D2 has the highest average rating (5.36), indicating that respondents generally rated it more positively. In contrast, D4 has the lowest mean (4.50), suggesting slightly less favorable responses compared to the other variables. The standard deviation values show that D2 has the lowest variability (0.660), indicating consistent responses, while D4 has the highest variability (1.295), showing a wider range of opinions. The remaining variables (D1, D3, and D5) display similar patterns, with means close to 5 and standard deviations around 1.244. Overall, D2 stands out as the most consistently rated variable, while D4 reflects the most diverse range of opinions.

4.2.3 Access To Capital (IV3)

AC1	With better access to financial support, my business could succeed more in digital markets.
AC2	Having access to more financial resources would increase my business's success in the digital space.
AC3	Limited access to capital has hindered my ability to fully adopt digital strategies
AC4	Access to capital has allowed us to penetrate new markets.

Descriptive Statistics

	N	Range	Minimum	Maximum	Mean	Std. Deviation
AC1	255	2	4	6	5.34	.685
AC2	255	2	4	6	4.82	.930
AC3	255	2	4	6	5.00	.823
AC4	255	2	4	6	5.19	.709
Valid N (listwise)	255					

Table 4.3: Descriptive Statistics for Access to Capital

The descriptive statistics provide insights into the responses for four variables (AC1 to AC4) based on a sample of 255 respondents. All variables exhibit a range of 2, with minimum values of 4 and maximum values of 6, indicating that responses are concentrated within a favorable range.

Among the variables, AC1 has the highest mean score of 5.34, suggesting it was the most positively rated overall. This is followed by AC4 with a mean of 5.19 and AC3 with a mean of 5.00, both indicating generally favorable responses. AC2 has the lowest mean score of 4.82, although it remains within the positive range.

In terms of variability, AC1 demonstrates the highest consistency with the lowest standard deviation (0.685). AC2 shows the greatest variability, with a standard deviation of 0.930. AC3 (0.823) and AC4 (0.709) fall in between, reflecting moderate consistency. Overall, the results show that all variables received positive feedback, with AC1 emerging as the most positively and consistently rated variable.

4.2.4 Business Success (DV)

BS1	My business has achieved consistent financial growth over the past year.
BS2	Customer satisfaction has significantly improved since adopting digital entrepreneurship strategies.
BS3	My business has successfully retained and expanded its customer base.
BS4	Operational efficiency in my business has improved, contributing to overall success.
BS5	My business has experienced an increase in market share due to digital adoption.
BS6	The business has achieved its short-term and long-term performance targets.

Descriptive Statistics						
	N	Range	Minimum	Maximum	Mean	Std. Deviation
BS1	255	2	4	6	4.75	.936
BS2	255	2	4	6	4.75	.936
BS3	255	2	4	6	5.00	.823
BS4	255	2	4	6	5.19	.709
BS5	255	2	4	6	5.36	.660
BS6	255	4	2	6	4.98	1.244
Valid N (listwise)	255					

Table 4.4: Descriptive Statistics for Business Success

The descriptive statistics provide an analysis of the responses for six variables (BS1 to BS6) based on a sample of 255 respondents. All variables have a consistent range of 2, except for BS6, which has a broader range of 4, indicating slightly higher variability in responses for this variable. The minimum values for most variables are 4, with a maximum of 6, except for BS6, which has a minimum value of 2 and a maximum of 6.

In terms of mean scores, BS5 has the highest mean of 5.36, reflecting the most favorable ratings among the variables. This is followed by BS4 (5.19), BS3 (5.00), and BS6 (4.98), all indicating generally positive responses. BS1 and BS2 share the lowest mean of 4.75, though still within a positive range.

Regarding variability, BS5 demonstrates the most consistent responses with the lowest standard deviation (0.660). BS6 has the highest standard deviation (1.244), indicating greater variation in responses. BS1 and BS2 also display notable variability, each with a standard deviation of 0.936, while BS3 (0.823) and BS4 (0.709) show moderate consistency.

Overall, the results highlight that all six variables received positive feedback, with BS5 emerging as the most positively and consistently rated, while BS6 reflects a wider range of opinions despite its favorable average rating.

4.3 Reliability Analysis and Validity Test

Table 4.5 below presents the reliability analysis of the data collected on all independent variables and dependent variables in this research. As refer to the above table, shows the reliability value of a total of 19 items in the online survey with 255 respondents. The result of Cronbach's Alpha shows 0.949 which is significantly higher than 0.70. According to Malhotra (2012), the measurement of Cronbach's Alpha in reliability analysis indicates a value ≤ 0.60 is considered as not reliable and poor. However, if the reliability value is more than ≥ 0.70, it is considered as highly and excellent for acceptable. Overall, the reliability analysis of this study is highly acceptable.

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.872	.893	19

Table 4.5: Reliability Analysis of All Items

	Variables	Cronbach's Alpha	No. of Item	Result
Independent Variable	Technology Advancement	0.743	4	Acceptable
	Digital Marketing Strategies	0.712	5	Acceptable
	Access To Capital	0.743	4	Acceptable
Dependent Variable	Business Success	0.722	6	Acceptable

Table 4.6: Reliability Analysis for Each Variable

Table 4.9 illustrates the reliability analysis of Cronbach's Alpha for each variable in the study including independent and dependent. The range of all variables is situated between 0.712 to 0.743. These high-reliability values prove that the whole alpha coefficient value for each variable is excellent and in good condition. As referred to in the table above, the Cronbach's Alpha value for technology advancement (α=0.743), digital marketing strategies (α=0.712), access to capital (α=0.743), and business success (α=0.722).

4.4 Pearson Correlation Analysis

Pearson correlation analysis is a method that is applied to analyze the relationship between one dependent variable and one independent variable. This technique can also be utilized to identify the effectiveness or strength relationship between the dependent variable in this study which is business success and the independent variables which are technology advancement, digital marketing strategies, and access to capital. In relates the strength of the relationship, the value of the correlation coefficient varies between +1 and -1. Besides, a value that is closer to +1 or -1 indicates that the strength of the relationship is strong among two variables whereas the relationship is weak when the value is closer to 0.

Table 4.7 : Pearson Correlation Analysis

Correlations

		dv	iv1	iv2	iv3
BS	Pearson Correlation	1	.933**	.353**	.911**
	Sig. (2-tailed)		<.001	<.001	<.001
	N	255	255	255	255
TA	Pearson Correlation	.933**	1	.083	.981**
	Sig. (2-tailed)	<.001		.186	<.001
	N	255	255	255	255
DMS	Pearson Correlation	.353**	.083	1	.092
	Sig. (2-tailed)	<.001	.186		.145
	N	255	255	255	255
AC	Pearson Correlation	.911**	.981**	.092	1
	Sig. (2-tailed)	<.001	<.001	.145	

	N	255	255	255	255
**. Correlation is significant at the 0.01 level (2-tailed).					

The Pearson correlation analysis indicates significant relationships between the dependent variable, Business Success (BS), and the independent variables, Technology Advancement (TA), Digital Marketing Strategies (DMS), and Access to Capital (AC). There is a strong positive correlation between Business Success and Technology Advancement (0.933, $p < 0.001$), suggesting that increased technology adoption is closely linked to improved business success. Additionally, Business Success shows a moderate positive correlation with Access to Capital (0.911, $p < 0.001$), indicating that businesses with greater access to capital tend to perform better. However, the correlation between Business Success and Digital Marketing Strategies is weaker (0.353, $p < 0.001$), though still statistically significant.

Regarding the relationships among the independent variables, Technology Advancement has a very weak positive correlation with Digital Marketing Strategies (0.083, $p = 0.186$), suggesting that these two factors do not have a significant direct relationship. Technology Advancement is strongly correlated with Access to Capital (0.981, $p < 0.001$), highlighting the role of capital access in facilitating technology adoption. The correlation between Digital Marketing Strategies and Access to Capital is also weak (0.092, $p = 0.145$), implying that these variables do not significantly influence each other. Overall, the analysis reveals that while technology adoption and access to capital are strongly linked to business success, the impact of digital marketing strategies is comparatively weaker, and the independent variables themselves exhibit only weak interdependencies.

4.5 Inferential Statistics

Inferential statistics is a strategy that employs a random sample of data taken from the population to identify and evaluate them. Inferential statistics results are significant and can aid in the analysis process, especially in cases when the population evaluation is suboptimal. In addition, inferential statistics play a crucial role in determining whether sample differences are reliable or likely to be the result of chance. As a result, inferential statistics aid in concluding the broader context of data gathering.

4.5.1 Multiple Regression Analysis

Multiple regression analysis is a technique that used to forecast the value of a variable according to the value of two or more variables. This method can be used to analyse the correlation among the independent and dependent variables. Furthermore, multiple regression analysis helps to explain the relationship among all independent variables (Technology Advancement, Digital Marketing Strategies, and Access to Capital), and dependent variables (Business Success). The outcomes of the regression analysis will be shown in an equation.

4.5.1.1 Multiple Regression Analysis Between DV and IV

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.973[a]	.947	.947	.13522	.947	1509.855	3	251	<.001

a. Predictors: (Constant), iv3, iv2, iv1

Table 4.8: Model Summary of Multiple Regression Analysis

The Model Summary indicates that the regression model is highly effective in predicting Business Success (BS) using the independent variables Technology Advancement (iv1), Digital Marketing Strategies (iv2), and Access to Capital (iv3). The model demonstrates a very strong correlation with an R value of 0.973, suggesting an excellent fit between the predicted and observed values. The R Square value of 0.947 shows that approximately 94.7% of the variance in Business Success is explained by these three predictors, highlighting the model's strong explanatory power. The Adjusted R Square value of 0.947 further confirms this high explanatory power after adjusting for the number of predictors. The Standard Error of the Estimate is relatively low at 0.13522, indicating that the model's predictions are close to the actual values.

In terms of the change statistics, the R Square Change of 0.947 reflects a substantial increase in the explained variance when the independent variables are included in the model.

The F Change of 1509.855 is extremely high, demonstrating the statistical significance of the model. The Sig. F Change value of < 0.001 confirms that the model is highly significant and the independent variables collectively contribute meaningfully to explaining Business Success. Overall, the model exhibits a strong fit with the data, explains a large proportion of the variance in Business Success, and is statistically significant.

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	82.824	3	27.608	1509.855	<.001[b]
	Residual	4.590	251	.018		
	Total	87.414	254			
a. Dependent Variable: dv						
b. Predictors: (Constant), iv3, iv2, iv1						

Table 4.9: Regression Analysis on ANOVA

The ANOVA results confirm the overall significance of the regression model predicting Business Success (dv) based on the independent variables Technology Advancement (iv1), Digital Marketing Strategies (iv2), and Access to Capital (iv3). The regression sum of squares is 82.824, representing the variance explained by the independent variables, with a mean square of 27.608, which indicates the average variance explained by each predictor. The residual sum of squares is 4.590, reflecting the unexplained variance, and the mean square for residuals is 0.018, which is relatively small compared to the regression mean square, suggesting that the model explains most of the variance in Business Success. The total sum of squares is 87.414, representing the total variance in the dependent variable. The F-statistic is 1509.855, which is extremely large, indicating that the regression model is highly significant. The p-value of **<0.001** further supports the statistical significance of the model, meaning the independent variables collectively have a meaningful impact on Business Success. Overall, the ANOVA results demonstrate that the regression model effectively explains the variance in Business Success and is statistically significant.

Coefficients[a]								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	-.614	.089		-6.868	<.001		
	iv1	1.070	.074	1.082	14.537	<.001	.038	26.493
	iv2	.220	.011	.279	19.174	<.001	.990	1.010
	iv3	-.176	.075	-.176	-2.361	.019	.038	26.533
a. Dependent Variable: dv								

Table 4.10: Regression Analysis on Coefficients

The coefficients table reveals the relationships between the independent variables—Technology Advancement (iv1), Digital Marketing Strategies (iv2), and Access to Capital (iv3)—and the dependent variable, Business Success (dv). The constant term is **-0.614** ($p < 0.001$), indicating that without the influence of the predictors, Business Success would be slightly negative. Technology Advancement (iv1) has a significant positive effect on Business Success, with an unstandardized coefficient of **1.070** and a standardized coefficient (Beta) of **1.082**, meaning each unit increase in Technology Advancement is expected to increase Business Success by 1.070 units.

This relationship is highly significant with a **t-value of 14.537** and **p-value < 0.001**. However, the high **VIF** of **26.493** and low **Tolerance** of **0.038** suggest potential multicollinearity issues. Digital Marketing Strategies (iv2) also positively impacts Business Success, with an unstandardized coefficient of **0.220** and a standardized Beta of **0.279**, indicating a moderate positive effect. The relationship is highly significant, with a **t-value of 19.174** and **p-value < 0.001**, and there are no concerns with multicollinearity, as indicated by the **VIF** of **1.010** and **Tolerance** of **0.990**.

In contrast, Access to Capital (iv3) has a negative impact on Business Success, with an unstandardized coefficient of **-0.176** and a standardized Beta of **-0.176**, suggesting that each unit increase in Access to Capital decreases Business Success by 0.176 units. While this relationship is statistically significant with a **t-value of -2.361** and **p-value of 0.019**, the potential multicollinearity issue is similar to that of Technology Advancement, as indicated by a **VIF** of **26.533** and **Tolerance** of **0.038**. Overall, the analysis shows that Technology Advancement and Digital Marketing Strategies have significant positive effects on Business Success, while Access to Capital has a negative effect, although multicollinearity concerns may affect the stability of the coefficient estimates.

4.6 Hypothesis Testing

The researcher measured significant values where to interpret the results based on the proposed hypotheses established in Chapter 2 previously. Hypothesis testing is often used in statistics to identify the results of the hypothesis that is performed based on the sample data. The results of hypothesis testing will used to test the statistical sample for knowing whether the hypothesis is accepting or rejecting. In this research study, a hypothesis test was performed to measure all variables using the data gathered through regression analysis. The outcomes presented in Table 4.13 will be used to examine by measuring the significant value whether the value was lower or bigger than 0.05.

The Hypothesis for Technology Advancement

H1: The higher level of technological advancement in digital tools will lead to higher business success.

Supported H1

Table 4.13 reveals the relationship between information technology advancement and business success. Based on Table 4.13, the significant value of technology advancement, p = 0.001. This value is lower than 0.05. As a result, H1 is accepted and it is significantly influenced by the business success on the impacts of innovation.

The Hypothesis for Digital Marketing Strategies

H2: Digital marketing strategies are significantly associated with business success among entrepreneurs.

Supported H2

Table 4.13 reveals the relationship between information digital marketing strategies and business success. Based on Table 4.13, the significant value of technology advancement, p = 0.001. This value is lower than 0.05. As a result, H2 is accepted and it is significantly influenced by the business success on the impacts of innovation.

The Hypothesis for Access to Capital

H3: There is a favorable association between digital entrepreneurship adoption and business success.

Not Supported H3

Table 4.13 reveals the relationship between access to capital and business success. The result shows that significant value of the method of payment factor, p = 0.019 which is more than 0.05. As a result, H3 is rejected and it is negatively influenced by the business success.

4.7 Summary of Hypothesis Testing

Hypothesis	p Value	Result
H1: Higher level of technological advancement in digital tools will leads to higher business success.	0.001	Supported
H2: Digital marketing strategies are significantly associated with business success among entrepreneur.	0.001	Supported
H3: There is a favorable association between digital entrepreneurship adoption and business success	0.019	Not Supported

Table 4.11: Result of Hypothesis

Based on Table 4.14, the p-value for the hypothesis below 0.05 is accepted which includes H1and H2. Meanwhile, H3 are rejected due to p Value of more than 0.05.

4.8 Summary

In conclusion, this chapter has explained all the findings and data collected in this study research. Statistical Package for Social Science (SPSS Version 29) has been used to analyze the gathered data through an online questionnaire from 201 respondents. On the other hand, the analysis methods applied to interpret the collected data are descriptive analysis, correlation analysis, reliability test, and multiple regression analysis. The researcher interprets and analyses the outcomes for achieving research objectives established previously. Besides, this chapter also presented the results of hypotheses which have been discussed in Chapter 2. For the hypothesis testing, all of the four hypotheses have been accepted in this study of research as the significant value, p is lower than 0.05.

CHAPTER 5

CONCLUSION AND RECOMMENDATION

5.0 Introduction

In this chapter, the researcher provides conclusions and recommendations based on the results obtained in the previous chapters. The research questions and objectives are addressed and discussed in detail. Additionally, the researchers acknowledge and outline the limitations of the current study and offer suggestions for future researchers interested in this area. This chapter serves as a comprehensive conclusion, summarizing the main findings and insights gained from the research, and providing valuable guidance for future studies in the same domain.

5.1 Summary of Funding

The summaries of funding are accomplished based on the research objective:

Objective 1: The Effect of Technology Advancement on Business Success

The findings demonstrate that technological advancement significantly influences business success among SMEs in Malacca. Based on the data, a high positive correlation exists between technology advancement and business success ($r = 0.933$, $p < 0.001$). This indicates that adopting advanced digital technologies enables businesses to enhance operational efficiency, offer innovative products and services, and maintain a competitive edge in the market. The regression analysis further supports this conclusion, showing a strong positive effect (Beta = 1.082, $p < 0.001$). SMEs that integrate digital tools such as data analytics and automation into their operations are better equipped to achieve financial growth, customer retention, and overall performance (Brynjolfsson & McAfee, 2014; Davenport & Ronanki, 2018).

Objective 2: The Impact of Digital Marketing Strategies on Business Success

The study reveals that digital marketing strategies have a moderate positive impact on business success. The correlation coefficient ($r = 0.353$, $p < 0.001$) and regression analysis (Beta = 0.279, $p < 0.001$) confirm that the use of social media, targeted advertising, and online engagement contributes significantly to customer reach and sales growth. However, this relationship is weaker compared to technology advancement. While digital marketing has proven effective for improving customer communication and engagement, the variability in its application among SMEs may explain the lesser impact (Chaffey & Ellis-Chadwick, 2019; Tiago & Veríssimo, 2014).

Objective 3: The Relationship Between Access to Capital and Business Success.

Access to capital shows a significant but negative relationship with business success in this study (Beta = -0.176, $p = 0.019$). Despite being crucial for funding innovation and market expansion, the regression analysis suggests that ineffective capital management might hinder business performance. Multicollinearity issues observed in the regression analysis could indicate overlapping influences of capital access and technological investments. This finding highlights the need for better financial planning and resource allocation among SMEs to optimize the benefits of available capital (Beck et al., 2005; Saunders et al., 2019).

5.2 Recommendations

Based on the findings, several strategic recommendations are proposed to enhance the growth and success of SMEs:

Technological Advancement: SMEs should prioritize investments in cutting-edge digital technologies that enhance operational efficiency and foster innovation. This includes allocating budgets for research and development (R&D), acquiring advanced digital tools, and encouraging employees to upskill through training programs focused on digital tools and analytics. Building a culture of innovation is crucial to continuously

adapt to evolving market needs (Brynjolfsson & McAfee, 2014; Osterwalder et al., 2014).

Digital Marketing: SMEs should develop comprehensive digital marketing plans tailored to their target audience and use analytics tools to measure the effectiveness of campaigns and adjust strategies accordingly. Investing in professional development for marketing teams can improve expertise in social media and online engagement, maximizing the benefits of digital marketing (Chaffey & Ellis-Chadwick, 2019; Kotler & Keller, 2016).

Access to Capital: To address challenges related to access to capital, SMEs must implement robust financial management practices to ensure effective resource allocation. They should explore diverse funding sources such as venture capital, government grants, and crowdfunding to enhance financial stability. Aligning financial strategies with technological innovation and marketing goals will ensure holistic growth. Policymakers and financial institutions should design tailored financial products and support mechanisms to meet the specific needs of SMEs (Beck et al., 2005; Saunders et al., 2019).

5.3 Limitation of Study

This study is subject to several limitations. Firstly, the geographical scope is limited to SMEs in Malacca, which may affect the generalizability of the findings to other regions or industries. Secondly, while the sample size of 255 respondents is sufficient for statistical analysis, it may not fully represent the diversity of SMEs in Malaysia. Lastly, multicollinearity issues identified in the regression analysis, particularly concerning access to capital and technological advancement, suggest the need for more refined measurement tools and variables in future studies.

Future research should consider expanding the geographical scope and sample size to increase generalizability. Additionally, exploring other factors such as industry-specific challenges or external economic conditions could provide more comprehensive insights into the dynamics of SME success (Saunders et al., 2019).

5.4 Conclusion

This study highlights the critical role of digital entrepreneurship in driving SME success. Technology advancement emerges as the most significant factor, enabling businesses to innovate, streamline operations, and achieve market growth (Brynjolfsson & McAfee, 2014). Digital marketing strategies contribute moderately to success by enhancing customer engagement and sales (Chaffey & Ellis-Chadwick, 2019). However, access to capital presents mixed results, underscoring the importance of effective financial management (Beck et al., 2005).

The findings underscore the need for SMEs to adopt a holistic approach, integrating technological innovation, strategic marketing, and sound financial planning to achieve sustainable growth. By addressing the limitations identified in this study and building on its recommendations, SMEs can better position themselves to thrive in an increasingly competitive digital economy.

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Appendix

UNIVERSITI TEKNIKAL MALAYSIA MELAKA

THE EFFECT OF DIGITAL ENTREPRENEURS ADOPTION ON BUSINESS SUCCESS

I am Nur Hanani Binti Salim a final year student from Universiti Teknikal Malaysia, Melaka, Faculty of Technology Management and Technopreneurship (FPTT). This survey is part of a Final Year Project. The goal of the research is to determine "The Effect of Digital Entrepreneurs' Adoption on Business Success," and the questionnaire is intended to collect data from Small and Medium-sized Enterprises (SMEs). This survey is exclusively for research purposes, and all information submitted by respondents is kept personal, private, and secure; no data misrepresentation will be carried out. The findings of this study will allow the organization to function more productively.

You are asked to set aside 10 to 15 minutes of your time to complete this inquiry. Please fill it out completely. Your cooperation is much appreciated.

Please be assured that your responses will remain confidential, and the data collected will be used solely for academic purposes. Participation is entirely voluntary, and you may choose to withdraw from the survey at any time without any penalty. This survey is only for research purposes and all the information provided by respondents are confidential, private and protected: no misrepresentation in data will be carried out. The results of this study will facilitate the organization to work more productively.

If you have any questions or require further information about the study, please feel free to contact me at or personal message me at

Thank you very much for your time and assistance in this important endeavor.

SECTION 1: Demographics and Business Information

1. Age

   19 – 25 ☐
   26 – 32 ☐
   33 – 39 ☐
   40 and above ☐

2. Gender

   Male ☐
   Female ☐

3. Race

   Malay ☐
   Chinese ☐
   Indian ☐
   Others ☐

4. What is the name of your business? (Optional)

5. What industry is your business in?

   Retail ☐
   Manufacturing ☐
   Services ☐
   Technology ☐
   Other (please specify): _____ ☐

6. How long has your business been operating?

   Less than 1 year ☐
   1-3 years ☐
   3-5 years ☐
   More than 5 years ☐

7. What is the size of your business?

Micro (1-9 employees)	☐
Small (10-49 employees)	☐
Medium (50-249 employees)	☐
Large (250+ employees)	☐

8. What is your annual revenue?

Less than RM50,000	☐
RM50,000 - RM100,000	☐
RM100,000 - RM500,000	☐
RM500,000 - RM1,000,000	☐
More than RM1,000,000	☐

SECTION 2: Business Success

Please indicate your level of agreement with the following statements **(1 = Strongly Disagree, 6 = Strongly Agree)**

ITEM		1 Strongly Disagree	2 Fairly Disagree	3 Disagree	4 Agree	5 Fairly Agree	6 Strongly Agree
BS1	My business has achieved consistent financial growth over the past year.						
BS2	Customer satisfaction has significantly improved since adopting digital entrepreneurship strategies.						
BS3	My business has successfully retained and expanded its customer base.						
BS4	Operational efficiency in my business has improved, contributing to overall success.						
BS5	My business has experienced an increase in market share due to digital adoption.						
BS6	The business has achieved its short-term and long-term performance targets.						

SECTION 3: Technology Advancement in Digital Entrepreneurship Adoption

Please indicate your level of agreement with the following statements **(1 = Strongly Disagree, 6 = Strongly Agree)**

ITEM		**1 Strongly Disagree**	**2 Fairly Disagree**	**3 Disagree**	**4 Agree**	**5 Fairly Agree**	**6 Strongly Agree**
TA1	The adoption of advanced digital technologies has improved my business operations						
TA2	The integration of new digital tools has significantly improved my business efficiency and new learning environment						
TA3	My business regularly adopts the latest technological advancements to stay competitive						
TA4	Digital entrepreneurship has enabled my business to offer more innovative products/services to society						

SECTION 4: Digital Marketing Strategies and Business Success

Please indicate your level of agreement with the following statements **(1 = Strongly Disagree, 6 = Strongly Agree)**

ITEM		**1 Strongly Disagree**	**2 Fairly Disagree**	**3 Disagree**	**4 Agree**	**5 Fairly Agree**	**6 Strongly Agree**
DMS1	Utilizing digital marketing has increased my business's customer reach						
DMS2	Digital marketing strategies have contributed significantly to business growth in the digital era and the success of my business.						
DMS3	My business's sales have improved due to effective digital marketing						
DMS4	The use of social media marketing has played a crucial role in my business's growth.						
DMS5	Digital marketing has made it easier to communicate and engage with my customers						

SECTION 5: Access to Capital and Business Success

Please indicate your level of agreement with the following statements **(1 = Strongly Disagree, 6 = Strongly Agree)**

ITEM		**1 Strongly Disagree**	**2 Fairly Disagree**	**3 Disagree**	**4 Agree**	**5 Fairly Agree**	**6 Strongly Agree**
AC1	With better access to financial support, my business could succeed more in digital markets.						
AC2	Having access to more financial resources would increase my business's success in the digital space.						
AC3	Limited access to capital has hindered my ability to fully adopt digital strategies						
AC4	Access to capital has allowed us to penetrate new markets.						

GANTT CHART FOR PSM 1

TASK	PSM 1 GANTT CHART / WEEK															
										0	1	2	3	4	5	6
PSM Brainstorming Session									MID SEMESTER BREAK							
Selection of research title																
Construct Research Question and Research Objective																
Search the Literature Review																
Finding and discussion on the research topic by supervisor																
Writing Chapter 1: Introduction																
Finding Related Journals																
Identify the Research Objectives, Research Questions, and Variables																
Completion Chapter 1																
Writing Chapter 2: Literature Review																
Developing Research Framework																
Completion of Chapter 2																
Writing Chapter 3: Research Methodology																
Construct theoretical framework																
Determine and refine the Research Methodology																
Completion of Chapter 3																
PSM 1 Presentation																
Final Report Correction																
PSM 1 Submission																

GANTT CHART FOR PSM 2

TASK	PSM 2 GANTT CHART / WEEK															
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Finalise Report									MID SEMESTER BREAK							
Questionnaire Check																
Pilot Test																
Actual Survey																
Data Collection																
Data Analysing																
Writing Chapter 4																
Writing Chapter 5																
Compiling Chapter 1 to Chapter 5																
PSM 2 Submission																
PSM 2 Presentation																
Final Report Correction																