Digital Entrepreneurship: An Empirical Study

OPEN ACCESS

Volume: 13

Special Issue: 4

Month: February

Year: 2026

P-ISSN: 2321-788X

E-ISSN: 2582-0397

Citation:
Vijayalakshmi, R. "Digital Entrepreneurship: An Empirical Study." *Shanlax International Journal of Arts, Science and Humanities,* vol. 13, no. S4, 2026, pp. 24–29.

DOI:
https://doi.org/10.34293/sijash.v13iS4-Feb.10142

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Abstract
Digital entrepreneurship has been identified as one of the major contributors to economic growth, employment, and innovation in the digital world. The awareness, usage, and challenges of digital entrepreneurship among entrepreneurs have been explored through the current study. For the purpose of the study, the researcher made use of the Likert scale, which consists of five points. Systematic sampling was used for the collection of primary data, where 120 samples were chosen. Chi-square tests, standard deviation, mean score, and percentage analysis have been used for the analysis of the data. According to the results, the level of knowledge and usage of digital tools is high, despite the challenges of cybersecurity threats and lack of skills.

Keywords: Digital Entrepreneurship, Digital Adoption, Entrepreneurs, Innovation, India.

Introduction

Digital entrepreneurship has emerged because of the quick development of digital technologies, which has also changed the conventional corporate environment. The term "digital entrepreneurship" describes business ventures that heavily rely on digital technologies, including social networking, cloud computing, mobile applications, e-commerce platforms, and electronic payment methods. Entrepreneurs in India have been encouraged to use digital business strategies by programs like Start-up India and Digital India. The current study is necessary because, despite this expansion, there are still few empirical studies looking at the awareness, adoption, and difficulties of digital entrepreneurship.

Statement of the Problem

Even though the opportunities for scalability and market growth offered by digital entrepreneurship are tremendous, the challenges for entrepreneurs lie in their limited skills, security issues, and infrastructure. An empirical investigation is needed to understand the level of awareness, the extent of adoption, and the challenges faced in the digital business environment.

Objectives of the Study

1. To study the socio-economic profile of the respondents.
2. To assess the level of awareness towards digital entrepreneurship.
3. To examine the extent of adoption of digital technologies in business activities.
4. To identify the major challenges faced by digital entrepreneurs.

5. To analyze the relationship between selected demographic variables and adoption of digital entrepreneurship.

Limitations of the Study

1. The study's limited sample size of 120 respondents may limit how far the findings can be applied.
2. The whole population of digital entrepreneurs may not be fully represented by the convenience sample technique.
3. Because the study relies on self-reported primary data, respondents' subjective opinions and personal biases may have an impact on the replies.
4. Only a few variables, including awareness, adoption, and difficulties with digital entrepreneurship, were included in the study; other possible impacting elements were left out.
5. The results are particular to the study's period and could alter over time as digital technology and entrepreneurial practices evolve.

Reviews of Literature

Recent studies have emphasized the fact that the pace of digital entrepreneurship in India has gained momentum in terms of driving innovation, growth, and start-ups in the country.

The research done by Jadhav and Moharekar (2025) was based on the evolution and current scenario of digital entrepreneurship in India, the major facilitators of digital entrepreneurship in the country, which include the accessibility of the internet at reasonable costs, the rise of smartphone usage, and the initiatives taken by the government in the 'Digital India' and 'Start-up India' missions, and the major challenges faced in the context of digital entrepreneurship in the country, which include the lack of infrastructure and the scarcity of digital skills.

Shelly Verma, Pandey, and Kaur (2024) to examine the significance of the concept of digital entrepreneurship in the empowerment of women entrepreneurs in the country conducted an empirical research study. The research findings revealed the fact that the major challenge faced by women entrepreneurs is the socio-cultural limitations, despite the availability of the platform to reach the markets and the availability of finance and skills.

Goel, Veluri, and Mishra (2024) investigated the digital marketing practices of rural micro entrepreneurs in India, with a special emphasis on the fact that although digital marketing tools play a vital role in the visibility and growth of businesses, the level of adoption of digital marketing tools is low due to resource and awareness limitations.

Rathi (2023) analyzed the **growth of the digital start-up ecosystem in India** and its contributions to e-governance and entrepreneurial nurturing, noting the important role-played by public policy in creating a supportive regulatory environment and fostering innovation.

Research Methodology

The research design used in this study is both descriptive and analytical. The study used secondary material from journals, books, papers, and internet sources in addition to primary data from a structured questionnaire given to business owners. There are 120 responders in the sample. The convenience sampling method was applied. Entrepreneurs in digital or digitally assisted enterprises made up the responses. A structured questionnaire using a five-point Likert scale (Strongly Agree to Strongly Disagree).

Hypotheses of the Study

- $H_{0\,1}$: There is no significant relationship between age of the respondents and adoption of digital entrepreneurship.
- $H_{0\,2}$: There is no significant association between educational qualification and awareness of digital entrepreneurship.
- $H_{0\,3}$: There is no significant relationship between experience and challenges faced in digital entrepreneurship.

Data Analysis and Interpretation

Socio-Economic Profile of the Respondents

Percentage analysis indicates that a majority of the respondents belongs to younger age groups and possesses graduate-level education, reflecting a favourable demographic profile for digital entrepreneurship.

Table 1 Age-wise Distribution of Respondents

Age Group	No. of Respondents	Percentage
Below 25	34	28.3
26–35	46	38.3
36–45	26	21.7
Above 45	14	11.7
Total	**120**	**100**

From the table, the largest proportion of the respondents, which is 38.3%, falls within the age group of 26-35 years, followed by the age group of less than 25 years, which constitutes 28.3%. This implies that the dominant group of digital entrepreneurship comprises young and early career individuals, who are more adaptable to digital technologies and possess the ability to take risks. The relatively low proportion of the respondents above 45 years (11.7%) implies that the age group has limited participation in digital entrepreneurial activities, possibly because of their low familiarity with digital technologies and their preference for traditional business practices.

Table 2 Education-wise Distribution of Respondents

Education	No. of Respondents	Percentage
School Level	24	20.0
Graduate	56	46.7
Post Graduate	40	33.3
Total	**120**	**100**

From the table, it is evident that the majority of the respondents are graduates, i.e., 46.7%, followed by postgraduates, i.e., 33.3%. This shows that individuals who are educated are more active in participating in digital entrepreneurial activities. This is because educational level improves the level of digital literacy, technology, and management, hence improving participation in digital entrepreneurial activities.

Mean Score and Standard Deviation Analysis

The mean score analysis shows high agreement on statements related to market expansion, customer engagement, and efficiency through digital platforms. Standard deviation values indicate moderate consistency in respondents' perceptions.

Awareness towards Digital Entrepreneurship (Mean Score Analysis)

Table 3 Mean Score Analysis of Awareness Level

Statements	Mean Score	SD
Awareness of digital platforms	4.12	0.68
Knowledge of online marketing	4.05	0.72

Awareness of digital payments	4.26	0.61
Understanding of e-commerce models	3.98	0.74

The analysis of the mean score indicates that the respondents had a good degree of knowledge about digital entrepreneurship. The highest mean score for awareness of digital payments indicate strong acceptance of digital transactions. High agreement is also seen in knowledge of online marketing and digital platforms, indicating successful use of digital tools. Nonetheless, a comparatively low level of comprehension of e-commerce models indicates that more training is required. The standard deviation numbers show that respondents' opinions are moderately consistent.

Adoption of Digital Tools in Business

Table 4 Mean Score Analysis of Adoption Level

Digital Adoption Factors	Mean Score	SD
Use of social media for business	4.18	0.66
Online sales platforms	3.94	0.71
Digital payment systems	4.32	0.59
Online customer interaction	4.10	0.64

Based on the mean score, the respondents have adopted digital technologies largely. Due to the use of digital technologies in commercial transactions, the use of digital payment systems has the largest mean score. As the use of digital technologies in marketing and customer interaction is vital, the use of social media and online customer interaction is quite high. However, the use of online sales platforms is relatively low. The responses of the respondents are consistent to some extent, as inferred from the standard deviation values.

Challenges Faced by Digital Entrepreneurs

Table 5 Challenges of Digital Entrepreneurship

Challenges	Mean Score	SD
Lack of digital skills	4.08	0.73
Cybersecurity threats	4.21	0.65
High competition	3.96	0.77
Technical infrastructure issues	3.88	0.81

The results of the mean score analysis show that the major challenges facing digital entrepreneurs include cybersecurity threats and digital skills. Competition is also a major challenge, although of lower significance, in the digital market environment. Technical infrastructures, although of lower significance, are also of concern. The standard deviation results show that the variation of the respondents' perception of the challenges is moderate.

Chi-Square Analysis

The chi-square test reveals a significant association between educational qualification and awareness of digital entrepreneurship at the 5 percent level of significance. Hence, educational qualification plays a vital role in enhancing awareness and adoption of digital entrepreneurship.

Table 6 Relationship between Educational Qualification and Awareness

Educational Qualification	High Awareness	Moderate Awareness	Low Awareness	Total
School Level	8	10	6	24
Graduate	32	18	6	56
Post Graduate	28	10	2	40
Total	**68**	**38**	**14**	**120**

Calculated χ^2 value = **9.87**

Table value at 5% level (df = 4) = **9.49**

The calculated chi-square value (χ^2 = **9.87**) is greater than the table value (χ^2 = **9.49**) at the 5% level of significance with appropriate degrees of freedom. Hence, the null hypothesis is rejected. This confirms that there is a **significant association between educational qualification and awareness of digital entrepreneurship.**

Findings, Suggestions and Conclusion

Findings of the Study

- Majority of digital entrepreneurs belong to the young age group.
- Respondents exhibit a high level of awareness of digital entrepreneurship.
- Digital payment systems and social media platforms are widely adopted.
- Cybersecurity threats and lack of advanced digital skills are major challenges.
- Educational qualification significantly influences awareness and adoption of digital entrepreneurship.

Suggestions

Institutions and the government should routinely offer courses on digital skills. Educating entrepreneurs about cybersecurity and data protection is crucial. Financial institutions should provide specific support packages for digital start-ups. Campaigns to raise knowledge of advanced digital technology should be promoted in rural and semi-urban areas.

Conclusion

Digital entrepreneurship has emerged as a disruptive force in today's economic environment. The study's empirical findings demonstrate that while adoption and awareness rates are high, problems with competence and security persist. With targeted training, policy support, and infrastructure development, digital entrepreneurship could significantly contribute to fair and sustainable economic growth in India.

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