



## DIGITAL ENTREPRENEURSHIP, THE RISK AND BUSINESS VIABILITY ASSESSMENT IN NIGERIA

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**ABSTRACT:** *The study assessed digital entrepreneurship, the risk and the business viability in Nigeria. The study's specific goal is to ascertain the degree of viability and risk assessment of digital entrepreneurship in Nigeria's economic space. Digital entrepreneurship is a 21st century business model because it is an enterprise that relies only on a digital platform that is pursued and managed by a digital entrepreneur. Digital entrepreneurs rely on internet resources to create and expand their digital services enterprises. The study's sample included 400 respondents who were chosen from Delta State's small and medium-sized business owners and proprietors. The adopted descriptive survey method and simple percentages were used to evaluate the data. The overall conclusion of the study is that digital entrepreneurship is a highly effective and viable business model in Nigeria and it is fantastic in bringing goods and services to customers' doorsteps, provides business owners with a platform for brand development and content creation as well as business growth. The study identified five major risks associated with digital entrepreneurship as cyber security risk, information security and privacy risk, fraud risk, copyright violation risk, infringement of trademark risk. The study confirmed that digital entrepreneurship creates business values at profit with lower cost of production when compared to the cost of operating physically established businesses or other means of doing business offline. The study also concludes empirically that digital entrepreneurship has a low possibility of loss but high profit possibility with the ability to manage the four identified risks.*

**KEYWORDS:** Digital entrepreneurship, Digital entrepreneurship risks, Business viability, Digital marketing, Profitability.



## INTRODUCTION

The rapid development of technology and the digitalization of society characterize modern social systems (Angelo et al., 2019). Due to its tight linkages to networking events, information flows, and communication methods and processes, digital transformation has become a part of the societal shifts impacting many innovation systems (Anon, 2019). According to Autio et al. (2018), this promotes the innovative combination of commercial and entrepreneurial models in a variety of industries, which in turn influences the expansion of digital entrepreneurship. We contend that the relationship between digital entrepreneurship and more than simply specific business activity outcomes. It is more of a complex phenomenon that connects various innovation systems to various industrial supply chain components (Chukwuka, 2016). New firm ventures that have been greatly affected by technological advancements have made it feasible to introduce more sustainable projects. The concept, uses, and possible directions of this nexus of technology and entrepreneurial processes have not received much research, yet digital entrepreneurship is a significant and timely topic. Academic research, according to Sahut et al. (2019), is focused on identifying conditions and elements that can promote digital entrepreneurship and function as standards for both governmental regulations and private sector operations. Over time, this may contribute to economic development and the creation of additional employment in this fiercely competitive global market. There are always new phenomena emerging and going away. Nevertheless, every now and then something that might alter the market environment shows up. The business landscape has altered due to the relatively recent phenomena of digital entrepreneurship (Tapscott & Williams, 2008). Companies will be able to acquire essential services and get online visibility that they would not have otherwise been able to. Furthermore, according to Jagonggo and Kinyua (2013), it has aided companies in developing their reputation, establishing strategic alliances, and interacting with clients and suppliers. Since social media serves as a powerful tool for marketing and communication, having a profile there has become essential for business owners and marketers (Ambrose & Catherine, 2013). Businesses may be able to get information through social media that they would not otherwise have. Furthermore, it might strengthen a business's standing with customers and suppliers, make it obvious where funds and other resources are available, encourage creativity, and assist in developing strategic alliances (Zontanos & Anderson, 2004). Since business owners rarely have all the skills and information required to grow their company, finding others with such qualities and enlisting their collaboration is an essential part of their networking tactics (Simon, 2012). Businesses may leverage the flexibility of social media networking technology in a variety of ways. According to Simon (2012), social media companies improve products and services, expand access to a range of markets, and offer competitive pricing. Social media refers to websites that let users create online communities and exchange user-generated content (Kim et al., 2010: 216). The primary need is that material produced on social media platforms must be made by users, for users (Bozarth, 2010). Stated differently, social media is the volume of material created by its users. These materials can be produced in many different methods and include a broad range of products. For instance, Facebook is not a publishing firm. Rather than creating material, it lets consumers have their own content created for them (Comm, 2009). The Internet World Stats website states that as of 2017 there were around 4.1 billion internet users globally, or 54.4% of the world's population (Internetworldstats.com, 2018). Around 2.8 billion people use social media at least once a month, and over 91% of them use mobile devices, according to the "Digital in 2017 Global Overview" report released by "We Are Social" and "Hootsuite." According to the poll, the average person uses social media for two hours and nineteen minutes each day (We Are Social,



2018). Additionally, these numbers show that social media usage has skyrocketed globally. Business owners will undoubtedly carefully evaluate the opportunities these developments present. A "social media entrepreneur" is someone who uses social media to look for profitable opportunities before launching and managing a business there. In addition to selling products and services on social media platforms, these company owners may be seen generating revenue from the content they create (Üyesi, 2018). Researchers claim that the ability of social media entrepreneurs to see profitable prospects in a world where billions of people use the internet every day is what separates them from the rest of us. They are renowned for their ability to turn their creative concepts into profitable ventures, something they accomplish in practically every sphere of existence. They do feel quite different from a well-known entrepreneur in that regard. According to İçek and Karakaş (2015), this setting depicts a place where boundaries have vanished in the name of conducting business. In Nigeria, there is no formal regulation of the actions or policies around the use of digital media by businesses. In light of this, the study set out to find out how successful social media or digital business is. Evaluating the efficacy of digital entrepreneurship in the contemporary business environment is the primary objective of the study.

## LITERATURE REVIEW

### Conceptual Review of Digital Entrepreneurship

According to an analysis of the literature, academics think that entrepreneurship has a significant impact on the economy and that the advancement of digital technology fosters innovation among business owners (Balocco, 2019). A business that is solely focused on a digital platform and is run by a digital entrepreneur is referred to as digital entrepreneurship. To start and grow their digital services businesses, digital entrepreneurs rely on online resources (Dong, 2019). Because they leverage the broad digitalization to launch new online businesses, these businesspeople are very modern (Jagongo & Kinyua, 2013). Smart company building is now feasible for entrepreneurs thanks to digital technologies. Through digital entrepreneurship, which spans several platforms, entrepreneurs are closely connected and have numerous opportunities. There has not been much research done on the challenges, opportunities, and factors that can make this digital entrepreneurship successful (Kraus et al., 2017). The research included in this systematic review provides insight into the strategies used by digital entrepreneurs to accomplish their long-term goals. The findings of this systematic review will open up additional opportunities for academics to carry out research in the future. Only digital platforms are used by digital entrepreneurs for their business ventures. Digital entrepreneurs are distinct from traditional business owners in that they use a variety of financing and marketing strategies, as well as different kinds of goods and services (İçek & Karakaş, 2015). There are many methods to start an online business; e-commerce, content creation, and blogging are a few examples. Entrepreneurs have existed for thousands of years, since the earliest instances of the trade system (Kaplan & Haenlin, 2010). However, the concept of digital entrepreneurship is very new. The idea of what it means to be an entrepreneur in the modern day has evolved along with society and cutting edge technology. Starting and growing a business is an exciting time, especially in the internet world. Being aware of the characteristics and examples of digital entrepreneurship, as well as how it differs from conventional entrepreneurship is essential if you wish to start a business in the digital space. A global vision that visualizes how to scale up and extend an online business worldwide is one



of the traits of digital entrepreneurship that some academics have emphasized (Jagongo & Kinyua, 2013).

Applying this understanding to manage the digital tools and platforms that a new business is built upon while planning for expansion. Adaptability is the ability to swiftly adopt new concepts and techniques as technology advances and changes, to lead a team of people with different responsibilities to work toward a shared goal via good communication, and to stay up with new advancements in technology and the online world.

**Digital Entrepreneurship vs. Traditional Entrepreneurship**

<b>Digital Entrepreneurship</b>	<b>Traditional Entrepreneurship</b>	
<b>Business Presence</b>	<b>Online business</b>	<b>Physical business</b>
<b>Business Model</b>		
	Does not need funding for brick-and-mortar space, but rather for development of digital tools and services	Needs funding primarily for a physical space and tactile goods, rather than to build online
<b>Marketing Strategies</b>	Relies more on social media and digital marketing to reach intended audience	Can rely on social media and digital marketing but may also be helped by print advertising
<b>Time Availability</b>	Business can be accessed 24/7	Business hours are confined to a specific time
<b>Product Access</b>	Products and services accessed online versus in person	Physical inventory accessed in person

Source: Chukwuka (2024)



## Examples of Digital Entrepreneurship

There are numerous instances of digital entrepreneurship, particularly given how quickly internet commerce is developing and expanding and how frequently new tools and technologies are created. It is important to study to identify your greatest match because there are countless chances for starting an internet business. Here are a few examples:

- Online News Media business
- E-commerce businesses
- Digital Marketing
- Online Retail stores/Glossary
- E-books
- YouTube channels
- Blogs or blogging sites
- Social media influencing
- Online courses
- Online content creation
- Digital technologies
- Digital services and consulting and others.

Due to the firms' embrace of this digital concept, entrepreneurs now have new avenues to enter emerging global markets. Businesses and governments are endorsing digital entrepreneurship as a feasible means of augmenting employment generation while the global economy gradually revives. This innovative use of technology helps to create new enterprises and encourages the change of established sectors in the market. Zhichao et al. (2019) offer a similar perspective, arguing that entrepreneurship fosters economic growth and opens up employment opportunities for developing nations. A few media have limited their definition of digital entrepreneurship to recently established start-up companies. Rather, Pappas et al. (2018) and Rippa and Secundo (2019) looked at this topic from a variety of perspectives. Research on the impact of women's use of digital technology on an economy's productivity level was done by Pappas et al. (2018). A 2019 study by Rippa and Secundo found that universities are critical to economic growth as well as innovation and technology. The term "entrepreneurial university" was created to describe knowledge produced by university research projects for application in the commercial sector and to make money (Rippa & Secundo, 2019). Kaplan and Haenlin (2010) claim that social media's origins may be found in the early years of the internet, prior to its reformation. The original purpose of the World Wide Web was to serve as a platform for the easy sharing of knowledge between different users. The origins of social media networking may be traced back to the Bulletin Board Systems of the 1980s (BBS). Several users might log on to the page to publish messages, establish open posts, and publish data and notices (Zarrella, 2010).



According to Kaplan and Haenlein (2010), managers and academics are unsure about exactly what this definition should contain and how social media differs from Web 2.0 and User Generated Content definitions (UGC). Furthermore, they claim that a thin boundary between these two convergent definitions must be drawn. According to Kaplan and Haenlein (2010), Web 2.0 is both the vehicle and a reflection of the technical and intellectual underpinnings of the social media revolution. Web 2.0, according to them, is a new way for app developers and end users to use the Internet. platforms where information and software are developed and disseminated by people, but are updated continually by all users in a collaborative and participatory manner. Instead, user-generated content (UGC) is the result of people using social media in a variety of ways (Oluremi & Gbenga, 2011; Thomas, 2010). A 2012 survey on social media marketing found that 83% of marketers agree that social networking is critical for firms (Stelzner, 2012). The benefits of social media marketing are listed in the same research as increased visibility, lead creation, sales, the growth of loyal followers, and the formation of business partnerships (Chukwuka & Imide, 2023).

People and organizations trade, collaborate on, discuss, and modify user-generated content through social media, which blends mobile and web-based technologies to create highly dynamic platforms (Kietzmann, 2012). The term "social media" is often used. On this website, you may converse with the website as it provides you with facts. It's a collection of online tools that enable users to create and share user-generated content. Because we call journalists "media" all the time, it's easy to confuse social media with social news. The social news platform doubles as a social networking site, which further complicates matters.

### **Social Media's Effect on Small Businesses**

In the present global market climate, social media has provided small businesses with an opportunity to compete with larger corporations. Since the resources required by companies to promote on social media platforms are very cost-effective and need very little investment in associated technology, small businesses may effectively compete with large worldwide corporate organizations (Kim et al., 2010: 216). Social networking is a useful tool for smaller businesses to engage with their target market. Smaller businesses have never been able to get into the huge consumer market, but social media is now enabling them to do so with an inexpensive approach (Shoug AlNafisi, 2015).

Gerardo (2018) asserts that clients who participate in interactive processes may provide vital information for the creation of a good or service. Organizational authority exchanges are a crucial part of the process that modern firms go through when integrating social media tools. By interacting directly with clients, the firm's management exposes itself to a significant risk (Amy, 2018). When customers may interact with the firm and share their opinions with it and the rest of the consumer industry, the company's organizational and quality issues may become apparent. The company has to confirm that it is prepared to make this transition and that it has established the necessary operational infrastructure to deal with these issues.

Customers would become aware of the issues with the company's product mix and publicly voice their concerns (Aaron & Monica, 2018). Thanks to social media, customers may increasingly affect how the business is run. Considering the impact of customer feedback on the company's operations, it may be argued that the social media-based business model has changed the traditional role of the customer market (Simon, 2012). Consumers may now influence a company's decision-making process significantly when it comes to developing new



products or services. In order to address the challenges of integrating the social media business model, the organizational unit must ensure that the required structural and cultural adaptations have been achieved (Ambrose & Catherine, 2013).

## **Five Major Risks of Digital Entrepreneurship (Chukwuka & Igweh, 2024)**

### **1. Copyright Violation Risk**

Copyright infringement occurs if you replicate someone else's copyright-protected work. Almost everything you discover online can be easily downloaded and copied using the internet technologies available today. On the other hand, you may be prosecuted if you use another company's text, pictures, code, music, movies, or any other content for your own benefit. Internet content is so widely available and so freely accessible that copyright violations are far more likely to happen. If you are launching an online business, you need to tell your staff members not to utilize content from the internet without the proper authorization, particularly if it comes from another firm. Any digital work that is accessible online is protected by the 1998 Digital Millennium Copyright Act (DMCA).

### **2. Infringement of Trademarks Risk**

When you decide to file for an official business name, you must make sure that no other businesses are using that name. You can use an online business name directory to see whether or not someone else has it trademarked before completing the necessary paperwork. Even though you cannot legally duplicate someone else's domain name, you must make sure you do not choose a name that is too similar to someone else's. Trademark infringement is very similar to copyright infringement, but it has more to do with brandings, such as using someone else's logo, brand name, or domain name.

### **3. Information Security and Privacy Risk**

All personal information given through your internet business, such as names, addresses, phone numbers, social security numbers, account numbers, and so on, is your responsibility. You should constantly strive to keep your online business at the forefront of data privacy and security since cybercriminals are always attempting to take advantage of businesses that have outdated software and security measures. Consumers prefer to transact with businesses that have the appropriate security measures in place, since this assures them that all of their personal data is secure. They also have a right to know how and why you use their information, as well as how they may review it and make any necessary changes.

### **4. Fraud Risk**

The possibility of fraud or deceit poses a serious danger to proprietors of internet businesses. Due to the anonymity provided by a computer screen, it is far simpler for someone to perpetrate fraud online than it is in person. When you cannot physically see the individual supplying the information, it might be difficult to confirm whether a credit card number or bank account information truly belongs to them. Because e-commerce companies often exchange commodity items rather than personalized services, fraud is particularly rampant in this industry. If someone provided you with fake information, it would be easy to deliver items to them, which would cost your business money and merchandise. You should keep a careful eye on all account transactions and bank account information in order to reduce the risk of fraud.



## 5. Cyber Security Risk

The possibility of exposure or loss as a result of a cyberattack or data breach on your company is known as cybersecurity risk. It entails locating possible dangers and weak points in the digital networks and systems of your company. Risk encompasses not just the possibility of a cyberattack but also its possible outcomes, like monetary loss, harm to one's reputation, or interruption of business operations. Malicious acts such as ransomware assaults, which encrypt important data and demand a payment to unlock, malware that may penetrate systems covertly and steal or alter data, and insider threats, in which staff members abuse their access privileges, are a few examples of cybersecurity concerns.

### THEORETICAL FRAMEWORK

The present study embraced and derived guidance from the "Unified Theory of Acceptance and Use of Information Technology (UTAUT) postulated by Venkatesh et al., 2003: Toward a Unified View" article, which presented a paradigm for technology adoption Published by Venkatesh and associates. The purpose of the UTAUT is to make clear the original intentions and ongoing use behavior of users of information systems. The theory identifies four primary constructs: performance expectations, social influence, effort expectations, and enabling variables. While the fourth is a direct element that influences user behavior, the first three are direct variables that directly affect user behavior. It is believed that characteristics like gender, age, experience, and voluntariness of use modulate the impact of the four primary components on usage intention and behavior. Eight models the theory of reasoned action, the technology acceptance model, the motivational model, the theory of planned behavior, the combined theory of planned behavior and technology acceptance model, the model of personal computer use, the diffusion of innovations theory, and the social cognitive theory—were reviewed and combined to create the theory, which was then used to explain how people used information systems. Later, in a longitudinal study, Venkatesh et al. (2003) validated UTAUT and found that it explained around half of the variation in actual usage and 70% of the variation in behavioral intention to use (BI).

Furthermore, employing the genre analysis method, Riemer and Ritcher (2010a and b) examine a case study of microblogging as employed by a software business. A survey of the literature indicates that Günther et al. (2009) altered UTAUT specifically for the adoption of social software, drawing from the well-known foundational work of Venkatesh et al. (2003). Despite being customized for the unique needs of microblogging, Günther et al. (2009, p.9) say that "we expect it to perform well in explaining social software adoption in general since comparable difficulties originating from self-disclosure and social interaction are involved." This section looks at the model's elements in light of analogous studies done later on by Blake et al. (2010) and Meyer & Dibbern (2010), as well as how they may be used to the analysis of this study.

Blake et al. (2010) focus on the relationship between microblogging and the Diffusion of Innovations theory developed by Everett M. Rogers. Diffusion, as defined by Rogers, is the process by which individuals of a social system learn about an invention over time through certain channels (Blake et al., 2010, p. 2557). They contend that throughout the decision-making process regarding the adoption of innovations, people must choose whether to embrace





or reject new technologies. The decision-making process usually involves many stages, such as gathering information about the invention, attempting to convince others, arriving at a conclusion, implementing ideas, and seeking validation (Chukwuka and Imide 2024).

### **Empirical Study**

According to a research by Mohammad (2013), the process of integrating social media into a company's principal marketing and advertising role is crucial. In the current business environment, the significance of internet-based communication tools has greatly increased. The impact of social media integration on public relations, marketing, advertising, and customer service will be discussed in this article. The advantages that the company stands to gain by integrating social media will be examined, and the challenges will be underscored as well. This piece will provide a comprehensive analysis of the changes that have occurred in the contemporary global business landscape as well as the tactics that corporations might use to establish a sustained competitive edge. The link between social media-based business models and the expansion and development of companies in the contemporary, international business environment will be examined in this article.

Ambrose & Catherine (2013) claim that social media is a relatively new phenomenon that has changed how the corporate environment operates. It enables firms to access resources that they would not have otherwise had access to. It has also helped businesses build strategic partnerships, increase their relationships with suppliers and customers, and enhance their trustworthiness. It is now critical for marketers and business owners to comprehend how social media works as a communication and marketing tool and how it may significantly grow their organization. Ambrose and Catherine (2013) looked into how social media usage affected Nairobi's small-to medium-sized business growth. This was achieved by examining how social media affects pricing, product innovation, customer relationship management, and market availability for small and medium-sized enterprises in Nairobi. The study used a descriptive research approach. Questionnaires were distributed to 246 SMEs in Nairobi, and those who answered might be either managers or owners. Using a basic random probability sample technique, the study's target companies were further determined after the use of cluster sampling to divide the population of interest. Both quantitative and qualitative data were collected and analyzed using SPSS. The study's conclusions are displayed in tables and figures for convenience of reading. The poll indicates that social media platforms offer enhanced market visibility and customer relationship management, both of which significantly impact the success of SMEs. Conversely, the novel features and product pricing of social media have had very little impact on the expansion of small and medium-sized enterprises. It illustrated how utilizing social media sites may do away with restrictions based on location. Social media also helps companies to develop a database that can be used to generate leads for their firm, perhaps increasing revenue and helping SMEs grow.



## RESEARCH METHODOLOGY

Descriptive survey research approach was used in the study in an effort to accurately depict the situation of the subject matter. It also helps the researcher comprehend where the variables are gathered and how the aims could be achieved. Using this approach, we are able to answer certain key questions, such as how effective digital entrepreneurship is in the contemporary business environment and what factors are preventing it from succeeding, and to describe the key issues of the research. SMADAN (2013) list of small and medium-sized enterprises in Nigeria's Delta state are included in the study's population. 400 copies of the questionnaires were disseminated by the study and given to 400 small- and medium-sized company owners, proprietors, and workers in Delta State. The surveys were retrieved with success. This therefore shows the sample size and a 100% success rate.

## DATA PRESENTATION AND DISCUSSION

### Demographic Data of Respondents

**Table 4.1: Gender Distribution of Respondents**

Sex	No. Of Respondents	Percentage (%)
Male	185	46.25
Female	215	53.75
<b>Total</b>	<b>400</b>	<b>100</b>

*Source: Field Survey, 2024*

According to Table 4.1 above, 215 respondents, or 53.75 percent of the total, were female, while 185 respondents, or 46.25 percent, were male. This suggests that there are more female participants in the study than male ones.

**Table 4.2: Age Distribution of Respondents**

Age	No. Of Respondents	Percentage (%)
18yrs and Below	42	10.50%
19-28yrs	110	29.75%
29-39 yrs	114	28.50%
40yrs and Above	125	31.25%
<b>Total</b>	<b>400</b>	<b>100</b>

*Source: Field Survey, 2024*



According to Table 4.2 above, 42 respondents, or 10.50%, are under the age of 18, while 119 respondents, or 29.75 percent, are between the ages of 19 and 28; those between the ages of 29 and 39 make up 28.50%; and 125 respondents, or 31.25 percent, are between the ages of 40 and above, making up the simple majority of respondents.

**Table 4.3: Educational Qualification Distribution of Respondents**

Educational Qualification	No. Of Respondents	Percentage (%)
FSLC	29	7.25
SSCE	89	22.25
ND/NCE	108	27
HND/BSc	100	25
MA/MSc	54	13.5
PhD	20	5
<b>Total</b>	<b>400</b>	<b>100</b>

*Source: Field Survey, 2024*

According to Table 4.3, 108 respondents with ND/NCE or 27 percent constitute a simple majority of the respondents; 100 respondents representing 25 percent hold HND/BSc; another 89 respondents representing 22.25 percent have SSCE; and 54 respondents representing 13.5 percent hold MA/MSc. Respondents with an FSLC and a Ph.D. made up 29 and 20 percent of the total, or 7.25 percent and 5%, respectively.

## ANALYSIS OF RESEARCH QUESTIONS

**Research Question One:** To what extent is digital entrepreneurship effective or viable in Nigeria's business climate?

Table 4.4: Extent to which is digital entrepreneurship effective or viable

1.		SA	A	SD	D	MEAN X	REMARK
2.	Digital entrepreneurship brings product and service to the customer doorstep at an affordable price.	169 (42.25%)	187 (46.75%)	13 (3.25%)	31 (7.75%)	3.25	VHE
3.	Digital entrepreneurship	102 (25.50%)	227 (56.75%)	42 (10.50%)	29 (7.25%)	3.01	HE



	offer entrepreneurs a platform for business growth and brand development						
4.	Digital Entrepreneurship is associated with these kinds of risks: cyber security risk, information security and privacy risk, fraud risk, copyright violation risk and trademark infringement risk	169 (42.25%)	187 (46.75%)	13 (3.25%)	31 (7.75%)	3.25	
5.	Digital entrepreneurship reduces the cost of doing business when compared to physically established businesses	163 (40.7%)	143 (35.7%)	(6.7%)	77 (19.3%)	3.00	HE
6.	Digital Entrepreneurship is a viable and effective business model in Nigeria's business space.	122 (30.50%)	148 (37.00%)	67 (16.75%)	63 (15.75%)	2.82	HE
7.	Digital entrepreneurship has a low possibility of loss and a high profit possibility	145 (36.25%)	180 (45%)	39 (9.7%)	36 (9%)	3.09	HE

*Source: Field Survey 2024*



Regarding how successful or feasible digital entrepreneurship is, The first item in Table 4.3 above shows that 46.75% of respondents agreed to a "high extent" that social media entrepreneurship delivers goods and services to customers' doorsteps, while 42.25% of respondents agreed to a "very high extent." The "very low level" was acknowledged by 7.75 percent of respondents, who were supported by 3.25 percent who agreed to a "low extent." Based on the comments, it was determined that digital entrepreneurship is viable and productive inasmuch as it delivers goods and services to customers at a reasonable cost.

The data presented in Table 4.4 above indicates that a significant proportion of participants, specifically 56.75%, expressed agreement to a "high extent" regarding the provision of a platform for business growth and brand development by digital entrepreneurs. Additionally, 25.50% of respondents agreed to a "very high extent" with this statement. Ten.50% of respondents, however, agreed to a "low extent," which was further supported by 7.25 percent who agreed to a "very low level." The analysis of the comments led to the conclusion that, inasmuch as it offers entrepreneurs a platform for business expansion and brand building, digital entrepreneurship is viable and fruitful.

Table 4.4 above illustrates that the third item, which asks respondents to rate how much they strongly agreed or agreed, receives support from 35.75% of respondents who agreed that, when compared to physically established businesses, digital entrepreneurship lowers operating costs to a "high extent." On the other hand, 6.75 percent of respondents agreed to a "low extent," supporting 19.25 percent of respondents who agreed to a "very low level." Based on the replies, it was determined that, in comparison to physically established enterprises, digital entrepreneurship is successful and practical to the extent that it lowers operating costs.

Digital entrepreneurship is a feasible and effective business model in Nigeria's business environment, as demonstrated by the fourth item in Table 4.4 above, which indicates that 37% of respondents agreed to a "very high extent" and were backed by 30.50% of respondents who also agreed to a "high extent." As for the respondents, 16.75 percent agreed to a "low extent," and 15.75 percent agreed to a "very low level." The results led to the conclusion that digital entrepreneurship is a workable and successful business strategy in Nigerian markets.

As can be seen in Table 4.4 above, the fifth item indicates that 36.25% of respondents agreed to a "very high extent" with the majority of respondents (45%) who agreed to a "high extent" that digital entrepreneurship has a low potential of loss and a high profit possibility. Nevertheless, 9.75 percent of participants concurred to a "low extent," supported by 9 percent who agreed to a "very low level." It was determined from the replies that there is a high potential for profit and a low likelihood of loss in digital entrepreneurship.

### **Test of Hypotheses**

The hypotheses to be tested must be restated:

**H<sub>1</sub>:** Digital entrepreneurship is highly effective and viable business model in Nigeria. **Test of**

**Hypothesis:** The hypothesis seeks to ascertain the efficacy and effectiveness as well as the business viability of digital entrepreneurship in Nigeria's business climate. Non-parametric chi-square analysis was used to evaluate the hypothesis.



## Decision Rule

At the 5% level, we compare the computed chi-square value ( $\chi^2$ ) to the tabulated  $\chi^2$  value. If the obtained  $\chi^2$  is larger than the calculated (critical)  $\chi^2$ , reject the null hypothesis and accept the alternative hypothesis,  $H_1$ . If the chi-square result is smaller than the crucial  $\chi^2$  value, the null hypothesis is accepted and the alternative hypothesis is rejected.

Using the chi-square result on the replies to Digital entrepreneurship is highly effective or not, we compute the  $\chi^2$  value, which is shown in the tables below as the observed and predicted values.

## NPar Tests Chi-Square Test

### Frequencies

#### Effectiveness and Business Viability

	Observed N	Expected N	Residual
strongly disagree	49	100.0	-51.0
Disagree	59	100.0	-41.0
Agree	92	100.0	-8.0
strongly agree	200	100.0	100.0
Total	400		

### Test Statistics

	Effectiveness
Chi-Square	143.460 <sup>a</sup>
Df	3
Asymp. Sig.	.000

a. 100 percent of cells have predicted frequencies less than 5. The estimated minimum cell frequency is 100.0.

### Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.975 <sup>a</sup>	.951	.951	.984

a. Predictors: (Constant), DIGITAL ENTREPRENEURSHIP

**ANOVA<sup>a</sup>**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	7477.055	1	7477.055	7721.860	.000 <sup>b</sup>
	Residual	385.382	398	.968		
	Total	7862.438	399			

a. Dependent Variable: EFFECTIVENESS AND BUSINESS VIABILITY

b. Predictors: (Constant), DIGITAL ENTREPRENEURSHIP

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.472	.174		2.707	.007
	DIGITAL ENTREPRENEURSHIP	1.030	.012	.975	87.874	.000

a. Dependent Variable: EFFECTIVENESS AND BUSINESS VIABILITY

**RESULTS/FINDINGS**

The following empirical findings emerged from the study:

- i. The study empirically reveals that digital entrepreneurship is a highly effective and viable business model in Nigeria's business climate.
- ii. The study confirmed that Digital entrepreneurship brings product and service to the customer doorstep at affordable and competitive prices.
- iii. The study identified five major risks associated with digital entrepreneurship as cyber security risk, information security and privacy risk, fraud risk, copyright violation risk and infringement of trademarks risk which are all manageable.
- iv. Digital entrepreneurship offers entrepreneurs a platform for business growth and brand development.
- v. Digital entrepreneurship reduces the cost of doing business when compared to physically established businesses. This is based on the empirical survey and analysis above.
- vi. Digital entrepreneurship has a low possibility of loss and a high profit possibility.



## CONCLUSION

This study discovered a gap in literature and has contributed to filling that gap. The empirical findings of this study above will raise the frontiers of knowledge in the new field of digital entrepreneurship. This study made substantial conclusions from the results of findings that Digital entrepreneurship is highly effective and a viable business model in Nigeria's business climate. The study identified five major risks associated with digital entrepreneurship as cyber security risk, information security and privacy risk, fraud risk, copyright violation risk and infringement of trademark risk. The findings revealed that all these risks are manageable. The study also confirmed through the empirical survey and analysis above that digital entrepreneurship brings product and service to customer door step at affordable price. Digital entrepreneurship offers entrepreneurs a platform for business growth and brand development. Digital entrepreneurship reduces the cost of doing business when compared to physically established businesses. This is based on the empirical survey and analysis above. Digital entrepreneurship has a low possibility of loss and a high profit possibility.

## RECOMMENDATIONS

The following suggestions were offered in light of the study's findings:

The study recommends that digital entrepreneurs in Nigeria should be assisted in acquiring high-tech cyber security skills to secure their online businesses from being hacked which is a major challenge being faced currently.

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