

Chapter: 09

GOVERNANCE IN THE DIGITAL AGE: CHARTING THE COURSE FOR ENTREPRENEURIAL SUCCESS

Dr. Meena Negi

*Corresponding author - Assistant Professor,
Hariom Saraswati P.G. College, Dhanauri Haridwar
Email id: Meenanegi1@gmail.com*

Dr. Shiv Kumar

*Assistant Professor, Department of Commerce,
Kalicharan P.G. College, University of Lucknow.
Email id: dr.shivkumarg@gmail.com*

Arbaaz Khan

*Assistant Professor, Glocal School of Business and Commerce, Glocal University
Email id: arbaaz@theglobaluniversity.in*

DOI: <https://doi.org/10.52458/9788196830052.2023.eb.grf.ch-09>

Ch.Id:-GU/GRF/EB/GIEDI/2023/Ch-09

ABSTRACT

The current era witnesses a profound shift towards technology, where digital entrepreneurship has become a dominant force in various business activities, transforming traditional methods of buying and selling. This shift is driven by advancements in technology, a digital infrastructure that facilitates entrepreneurial endeavors, and the emergence of supportive platforms such as e-commerce and online payment systems. Various factors contribute to the rise of digital entrepreneurship, including technological proficiency, digital infrastructure, e-commerce platforms, online payment systems, open-source software, social media, remote work culture, computer-based education, digital environments, government support, globalization, and changing consumer preferences.

Keywords: *Digital entrepreneurship, Technological shift, E-commerce platforms, Online payment systems & Challenges in digital business.*



1. INTRODUCTION

In current era technology has taken the charges of maximum actives which were previously done by humans physically. We can remember the era when we can purchase or sell our commodities in physical. It was a time taken and spend more money during the process of selling and purchasing but now we can purchase any product with only one click in computer and we will get that product at our home. Our government is also emphasising on the digital actives. The digital entrepreneurship has changed the method of marketing in the new time.

Digital entrepreneurship is a process doing business in which different business actives such as selling, purchasing, creating, developing with the help of digital communication. As digital entrepreneurship is increasing day by day, it is increasing the different domain of business, different type of business, new innovation, creativity, and different skills in the business world. Kollmann (2006) defined the phenomenon of digital entrepreneurship as "e-entrepreneurship refers to establishing a new company with an innovative business idea within the net economy, which, using an electronic platform in data networks, offers its products and/or services based upon a purely electronic creation of value. Essential is the fact that this value offer was only made possible through the development of information technology." Sussan and Acs (2017) defined it as "the combination of digital infrastructure and entrepreneurial agents within the context of both ecosystems." Fedyshyn, I. B. Businesses that conduct profitable economic activity over computer networks, particularly the Internet, are known as

conducting electronic business. It is a profit-driven electronic economic activity carried out via the use of information and communication technologies.

2. FACTOR RESPONSIBLE FOR THE RISE OF DIGITAL ENTREPRENEURSHIP

According to the authors, a digital business is an entrepreneurial endeavour that involves offering electronic commerce and services on the Internet in order to generate revenue through the utilization of information and communication technologies that facilitate the blurring of boundaries between the virtual and real worlds. The analysis and study of the digital business structure is done. Electronic financial services, electronic commerce, electronic education and training, and other electronic transactions are the four industries that are typically distinguished. There are many factors which are promoting the entrepreneur to start their own business at the digital world. Here we are presenting those factors which are affecting the digital entrepreneurship:

- i. Technology-** As we know that the technology is changing day-by-day and advance technology is taking position from old technology. Our new generation is brought up with this advance technology. They have good knowledge of computer, smartphone, internet and so on., so they are feeling easy working with technology which is main cause of digital entrepreneurship. According to Bharadwaj (2000), Information technology-enabled intangibles enable firms to exploit existing intangibles. An infrastructure for utilizing information processing skills is provided by information and communication technologies (e.g., Gold et al. 2001). Formerly analog business operations can become digital by utilizing digital resources, producing data that would not have been possible with analog business processes (Kohli and Grover 2008).
- ii. Digital Infrastructure-** Now the digital infrastructure like high-speed internet and cloud computing has clear the path to the digital business. It makes the path of entrepreneurship easier. Nambisan & Baron, 2021; Song, 2019 Finding of the essential elements of digital ecosystems, their drivers, and the behaviors that go along with them is necessary to determine whether digital enterprises succeed or fail. The main ideas, settings, and research approaches related to this phenomenon need more examination. Similarly, in Indonesia, MSMEs—the backbone of the nation's economic growth—face new difficulties as a result of the country's digital economy's expansion. (Pressrelease.id, 2021).
- iii. E-commerce/Supportive Platform-** today many business trading websites like Amazon, Myntra, shopify, WooCommerce are working parallelly and getting

more benefits. These are the main cause of changing the purchasing preference of the customers which are the main cause of attracting new entrepreneurs in today's business world. In addition to promoting and generating new opportunities, digital platforms also play a major role in enabling and growing entrepreneurship. (Kenney & Zysman, 2016; De Marco, et al, 2019). We must understand the ways in which digital platforms help organizations achieve their objectives as well as the main topics, settings, and research approaches linked to the field of studies on digital platforms (Taylor-Wesselink & Teulon, 2022; Murthy & Madhok, 2021; Ahsan & Musteen, 2021)

- iv. **Online Payment System-** Now we find more options to make our payment in the online mode which is easier, securer and safer to the transfer money from one person to another person's account in any corner of the world. There are many online payment apps are providing these services like: Paytm, Google pay, Bhart app etc.
- v. **Open-Source Software-** There are many open-source software and tools which make the digital entrepreneurship effective like any entrepreneur make their website and digital product and services with the help of it. It is an easy process of getting profit with help of their resources and services. For instance, client data is frequently stored in many departments, information systems, employee minds, and personal computers (Rollins and Halinen 2005). Information systems inside and between businesses must be linked and in sync for data integration to occur (Barua et al. 2004). Standardizing data definitions and codes is another aspect of data integration (Bhatt 2000).
- vi. **Social Media and online marketing-** social media platform r working and online marketing is promoting these digital enterprises goods and services. It is health to attract dead target group of the customers and brand building off product and services. Due to its simplicity, lack of cost, web-based nature, and reliance on user-generated material, social media applications are widely used by enterprises for consumer communication (Mandal and McQueen, 2012).
- vii. **Remote work-** at present time work from home culture are increasing fastly. Even after the COVID-19 many people give more time to their family, their habits and then themselves.
- viii. **Computer based Education-** According to Voda and Florea (2019), digital entrepreneurial education refers to the intentional Ahsanefforts made by educators to enhance students' business acumen and skills, hence enabling them

to thrive in the corporate sector. On the other hand, it is an education meant to draw learners who can launch their own businesses (Cheung & Chan, 2011). According to Lüthje & Franke (2002), entrepreneurial education equips students with the know-how, competencies, and extra skills needed to launch a new business.

- ix. **Digital environment-** When it comes to acquiring and allocating capital, financial markets constitute the fundamental component of institutional systems (Davis and Marquis 2005). Because family capital is viewed as a limited resource, developing economies often replace financial markets with internal capital markets, which are typically based on accumulated family wealth (Steier 2009). This limits the expansion of firms.
- x. **Government Support-** At present government is focusing on digitalisation in the economy, they are running many programmes like Start-up India, Stand up India. They are providing support, mentorship and financial help to these digital companies. Even government is giving tax rebate and rewards innovators for their precious innovations. Even many private and public companies providing various courses like courting decoding, digital marketing and monitoring entrepreneurship to develop their skills to run a successful digital business.

3. ADVANTAGES

- i. **Low Barriers to Entry-** In this type of business entry and exit is very easy. Any firm can start their start up with minimum cost and easily access their desired market. New, digital, market-oriented ventures are the only enterprises which are not being watched by the competition because they are new (HAIR et al, 2012)
- ii. **Global Reach-** Digital entrepreneurship provides easy way to reach to the customer from another country or state. It expands market easily because internet does set boundaries to accessibility. "Internet can extent market reach and operational efficiency of small and medium enterprises (SMEs) "(Dholekia and Kshetri, 2004). The application of digital technologies in the context of entrepreneurship and small-and medium sized enterprises has revolutionized organizations around the globe (Celuch et al., 2014; Ziyae et al., 2014)
- iii. **Scalability-** In Digital platform business model, software scales the business even without increasing the cost of the product or services. Along with raising funds for innovation, more focus has to be placed on how public and private financing for innovation complement one another. The focus of public funding should be on

research failure and failure costs. Furthermore, it ought to guarantee the consistency and steadfastness of financial support for technological endeavors to counterbalance the cycles of private investment. (Vineela, 2018)

- iv. **Flexibility-** This type of business has not restricted to the time and place like a general market. Any entrepreneur can start their business with less capital and storage. It makes their path easier. The more digital a new venture is, the greater appears the work flexibility, as the number of actions team members must physically perform in the office decreases (Parviainen et al., 2017).
- v. **Cost Efficiency-** This business has cost saving process and make it economical and cloud computing make their business more effective than other business. Financially speaking, digital technology is quite feasible. This indicates how reasonably priced digital marketing is. Depending on the type of product marketing approach they employ, the expenditures vary. Therefore, using digital technologies can automatically save costs. (Vineela, 2018) Digital business does not need any physical space to start or run their business-like common business. It can be start at the digital platform which is helpful to reduce the rental cost of the firm.
- vi. **Decision-Making-** this type of business has empowered the decision and maximize the profit of the firm with the help of optimum use of resources. They are able to take decision on the basis of access and analyze copious amounts of information on the competition and potential customers because they are digital (HAIR et al, 2012).
- vii. **Diverse Monetization Options-** Digital entrepreneurship generate revenue through different strategies like subscription models, advertising, affiliate marketing and e-commerce.
- viii. **Innovations-** This type of entrepreneurship process is helpful to make innovation techniques.

4. LIMITATIONS

As digital entrepreneurship is increasing day by day and taking place of physical market but it has so many shortcomings which can't replace physical market. Digital entrepreneurship brings about both opportunities and challenges. Firstly, the ease of entry into the digital realm attracts a daily influx of entrepreneurs, fostering a highly competitive market. However, this competition necessitates a strategic focus on customer needs for success in the rapidly evolving digital landscape. Secondly, technical

skills are paramount for entrepreneurs venturing into the digital market, and the lack of digital competence poses a significant challenge. Thirdly, the increasing number of digital entrepreneurs escalates the cybersecurity risk, involving data theft and hacking threats that can harm a company's brand image. Additionally, market saturation, fluctuations, and the complexity of digital marketing present hurdles for stability and effective strategies. Building customer trust is challenging, given the prevailing faith in physical markets. Entrepreneurs also grapple with regulatory and legal issues, including taxation and data privacy concerns. Dependency on technology introduces operational vulnerabilities, such as technical glitches or algorithm changes. High customer acquisition costs in the competitive digital market pose financial challenges, albeit the advantage of reduced rental costs associated with online platforms. Finally, market volatility, driven by evolving customer preferences, underscores the need for expertise in the global market.

5. DIGITAL ENTREPRENEURSHIP IN INDIA

Digital Entrepreneurship is significantly increasing in India and transforming the old business and purchasing system. Now-a-days government of India is also promoting to such digital entrepreneurs. Here we find top ranked digital entrepreneurs who are running a successful digital enterprise:

- i. **Mukesh Ambani**- He is the chairman and managing director of Reliance Industry Limited (RIL). He has captured the almost all market of telecom and broadband services. His company Jio has the highest ranked telecom company. His strategy provided smart phone to each and every citizen of India either they are rich or poor. His company provided economical internet service to every individual of this country.
- ii. **N.R. Narayan Murthy**- he is co-founder of Infosys. He has played a significant role in Indian IT industry which are competing international IT companies.
- iii. **Vijay Shekhar Sharma**- He is the founder of Paytm which changes the financial market process completely. He revolts the digital payment within the Indians. He is also started various services like e-wallets, e-commerce and banking to their customer in the digital market.
- iv. **Bhavish Aggarwal**- He is co-founder and CEO of OLA services which provided riding services from customer's source to their destination when and where its required. His OLA services are also providing food delivery and other digital services also.

- v. **Kunal Bahl and Rohit Bansal**- They are the co-founder of Snap deal, e-commerce company which is developing online marketing, buying and purchasing power in the customer.
- vi. **Ritesh Aggarwal**- He is the founder of OYO hotel services. It provides hotel with help of one-click in the customer, computer with the economical price.
- vii. **Byju Raveendran**- He is founder of BYJUs. This is an edutech company. This company is providing educational online class and content through their online service to their students. It started online education revolution in Indian gurukul system.
- viii. **Deepinder Goyal and Pankaj Chadda**- They are the founder of Zomato, food delivery services through consumer online order at their home.
- ix. **Naveen Tewari**- He is the founder and CEO of InMobi which is providing mobile advertising solution to their customer company at the international market.
- x. **Radhika Aggarwal**- He is the co-founder and CEO of shopclues, an e-commerce company like Flipkart and Amazon.

6. CONCLUSION

Digital entrepreneurship has emerged as a dynamic force reshaping the business landscape. Advancements in technology, coupled with a supportive digital ecosystem, have paved the way for entrepreneurs to engage in innovative and creative business activities. The rise of digital platforms, online marketplaces, and remote work culture has opened up new possibilities for global reach, scalability, and cost efficiency. However, this digital transformation comes with its set of challenges, including intense competition, the need for technical skills, cybersecurity risks, market volatility, and regulatory issues. Despite these challenges, digital entrepreneurship offers immense opportunities for growth, innovation, and market expansion, making it a vital aspect of the evolving business world. Entrepreneurs navigating the digital landscape need to balance the advantages and limitations to thrive in this dynamic and competitive environment.

REFERENCES

1. Ahsan M., Musteen M. (2021). International opportunity development on crowdfunding platforms: A spatial, temporal, and structural framework; *International Business Review*, 30 (6) , Article 101912, 10.1016/j.ibusrev.2021.101912

2. Barua A., P. Konana, Whinston A.B., and Yin F. (2004). An Empirical Investigation of Net-Enabled Business Value; *MIS Quarterly* (28:4), pp. 585-620.
3. Bharadwaj A. S. (2000). A resource-based perspective on information technology capability and firm performance: an empirical investigation; *MIS Quarterly*, vol. 24, no. 1; pp. 169-196.
4. Bhatt G.D. (2000). An Empirical Examination of the Effects of Information Systems Integration on Business Process Improvement; *International Journal of Operations & Production Management* vol 20, No.-11, pp. 1331-1359.
5. C.K. Cheung, R.Y.C. Chan (2011). The introduction of entrepreneurship education to school leavers in a vocational institute; *International Journal of Scientific Research in Education*, 4 (1) (2011), pp. 8-16
6. Cheung C.K., Chan R.Y.C. (2011). The introduction of entrepreneurship education to school leavers in a vocational institute; *International Journal of Scientific Research in Education*, vol 4, no. 1, pp. 8-16.
7. Christian Lühje and Nikolaus Franke; Fostering entrepreneurship through university education and training: Lessons from Massachusetts Institute of Technology (2002). 2nd Annual Conference on: Innovative Research in Management, EURAM 2002 Management Education in a Technology Driven Economy; May 9 - 11, 2002
8. Daniel Jiménez-Jiménez, Juan G. Cegarra-Navarro (2007). The performance effect of organizational learning and market orientation; *Industrial Marketing Management*; Volume 36, Issue 6, August 2007, Pages 694-708
9. De Marco C., Di Minin A., Marullo C & Nepelski, D. (2019). Digital platform innovation in European SMEs. An analysis of SME Instrument Business Proposals and Case Studies, JRC Working Papers JRC115240, Joint Research Centre (Seville site).
10. F. Sussan, Z.J. Acs; The digital entrepreneurial ecosystem; *Small Bus. Econ.*, 49 (1) (2017), pp. 55-73
11. Fedyshyn I. B. (2016). Elektronnyi biznes ta elektronna komertsiiia (opornyi konspekt lektsii dlia studentiv napriamku "Menedzhment" usikh form navchannia) [Electronic business and electronic commerce (a keynote summary of lectures for students of Management in all forms of study)], Ternopil, Ivan Pulyuy TNTU, 97. [in Ukrainian].
12. Gartner Inc. (2014). Six Key Steps to Build a Successful Digital Business. Retrieved from: <https://www.gartner.com/en/newsroom/press-releases/2014-05-21-gartner-identifies-six-key-steps-to-build-a-successful-digital-business>

13. Gold A. H., Malhotra A., and Segars A.H. (2001). Knowledge Management: An Organizational Capabilities Perspective; *Journal of Management Information Systems* (18:1), pp. 185-214.
14. Jain Ritesh and Munoz J. Mark (2023). Digital Entrepreneurship: Navigating the Maze Leading to Success; *ENTREPRENEURSHIP; California Review Management*; volume- 66, issue-1, July 2023
15. Kohli R., and Grover V. (2008). Business Value of IT: An Essay on Expanding Research Directions to Keep Up with the Times; *Journal of the Association for Information Systems* (9:1), pp. 23-39.
16. M. Kenney, J. Zysman (2016). The rise of the platform economy; *Issues Sci. Technol.*, 32 (3), pp. 61-69
17. Mandal D., & McQueen R. (2012). Extending UTAUT to explain social media adoption by microbusinesses. *International Journal of Managing Information Technology*, 4(4), 1-11.
18. Mandal, D., & McQueen, R. (2012). Extending UTAUT to explain social media adoption by microbusinesses. *International Journal of Managing Information Technology*, 4(4), pp.1-11.
19. Nambisan S., Baron R.A. (2021). On the costs of digital entrepreneurship: role conflict, stress, and venture performance in digital platform-based ecosystems; *J. Bus. Res.*, 125 (2021), pp. 520-532
20. Rollins M. and Halinen A. (2005). "Customer Knowledge Management Competence: Towards a Theoretical Framework," *Proceedings of the 38th Annual Hawaii International Conference on System Sciences*;
21. Song A.K. (2019). The digital entrepreneurial ecosystem—a critique and reconfiguration; *Small Bus. Econ.*, 53 (3) (2019), pp. 569-590
22. T. Kollmann (2006). What is e-entrepreneurship? *Fundamentals of company founding in the net economy*; *Int J Technol Manag*, Vol 33, pp. 322-340, 10.1504/IJTM.2006.009247
23. Vineela G. Siva (2018). *Digital Entrepreneurship*; *IJIRMP*S; Volume 6, Issue 4, ISSN: 2349-7300 *IJIRMP*S1807073
24. Vodă A.I., Florea N. (2019). Impact of personality traits and entrepreneurship education on entrepreneurial intentions of business and engineering students *Sustainability*, vol 11, no. 4; pp. 1192.