

Arifin, Mohd Arpi; Zakaria, Maheran; Bustaman, Hasnun Anip

## Article

# Digital adoption, self-efficacy, and business success – towards resilience and sustainability micro-entrepreneurs in the post-pandemic world

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\*Corresponding author: Maheeran, Zakaria, Faculty of Accountancy, Universiti Teknologi MARA Cawangan Kelantan, Bukit Ilmu, 18500 Machang, Kelantan, Malaysia  
E-mail: [maher835@uitm.edu.my](mailto:maher835@uitm.edu.my)

Reviewing editor:  
Mazhar Abbas, Department of Business Administration, Cholistan University of Veterinary and Animal Sciences Bahawalpur, Pakistan

Additional information is available at the end of the article

## INFORMATION & TECHNOLOGY MANAGEMENT | RESEARCH ARTICLE

# Digital adoption, self-efficacy, and business success – towards resilience and sustainability micro-entrepreneurs in the post-pandemic world

Mohd Arpi Arifin<sup>1</sup>, Maheeran Zakaria<sup>2\*</sup> and Hasnun Anip Bustaman<sup>3</sup>

**Abstract:** The prolonged lockdown inflicted by the COVID-19 pandemic has severely affected the sustainability of all economic sectors, including micro-entrepreneurs. In the endemic phase transition, many still struggle to survive. Anecdotal evidence showed that successful entrepreneurs are those who maximize digitalization and believe in their capabilities or self-efficacy. Intrigued with the evidence and emulating Social Cognitive Theory, this study investigates whether entrepreneurs with high digital adoption and self-efficacy will succeed in their business ventures. The study also examines the relationship between digital adoption and self-efficacy. Additionally, the study predicts that self-efficacy mediates the proposed relationship. Employing a quantitative and survey approach, the researchers distributed a questionnaire to 350 micro-entrepreneurs from marginalized communities in Kelantan, Malaysia. A total of 245 entrepreneurs responded, but only 240 data were usable. The SPSS and AMOS version 26 analysis indicated that; digital adoption and self-efficacy are significant determinants of micro-entrepreneurs' business success, digital adoption relates to self-efficacy, and self-efficacy significantly mediates the relationship between digital adoption and business success. The discoveries shed light on policymakers, poverty eradication agencies, academia, and the likes in formulating strategies and intervention programs to enhance marginalized entrepreneurs' success. Besides being resilient, successful entrepreneurs will elevate their social status and thus reduce national poverty. Eventually, the discoveries will



Maheeran Zakaria

## ABOUT THE AUTHOR

Maheeran Zakaria is an Associate Professor with Universiti Teknologi MARA Malaysia. Her area of interests are Ethics, Auditing, Digitalization, Education and Entrepreneurship. She has been teaching for more than 26 years. She has published multiple articles and presented her research in conferences worldwide. The research reported in the article was related to her research project concerning the sustainable and inclusive growth of micro entrepreneurs in Malaysia and other Asian countries within the region.

fulfill the Sustainable Development Goals agenda of the United Nations in which all nations should be free from poverty by the year 2030.

**Subjects: Communication Technology; Management of IT; Industrial Economics; Development Economics; Entrepreneurship; Small Business Management; Internet / Digital Marketing / e-Marketing; Management of Technology**

**Keywords: business; success; micro-entrepreneurs; self-efficacy; digital adoption**

## 1. Introduction

Many governments worldwide include entrepreneurship in their efforts to end poverty, particularly those in emerging nations. The Malaysian government has also provided multitudes of assistance to empower those from marginalized communities to be successful entrepreneurs. Albeit small in size, micro-enterprises comprised 78.6 percent of the business establishment in the country. Micro-entrepreneurs are the backbone of the Malaysian economy, contributing about RM512.8 billion, or 38.2 percent, to the Gross Domestic Product (GDP) in 2020 (Department of Statistics Malaysia, 2021). Indeed, successful entrepreneurs can reap immense advantages. Besides being financially dependent, they would generate self-income and create employment prospects.

However, micro-entrepreneurs are more susceptible to the economic crisis than larger businesses. Despite strong and endless support from the government, many failed to succeed, specifically in the start-up phase. Even worse, the lengthy lockdown due to the COVID-19 pandemic was a tough period for micro-entrepreneurs, resulting in many who already worked on very slim margins having to close their businesses.

Thus, almost 40 percent of micro-entrepreneurs were shut down due to lockdown (The Star Online, 5 June 2021) as they could not open and operate under brick-and-mortar conditions. Furthermore, Tong and Gong (2020) claimed that the lockdown had resulted in 70 percent of micro-entrepreneurs reporting a 50 percent drop in business within a week (Tong & Gong, 2020). However, they stressed that in the same period, online shopping for non-food, grocery and food delivery increased by 53 percent, 144 percent, and 61 percent, respectively. Indeed, on the first day of the lockdown alone, food delivery platforms such as Grab Food and Food panda orders had risen at almost 30 percent.

The different trajectories between online and offline commercial activities indicate that micro-entrepreneurs should utilize the digital economy to survive and succeed in the post-COVID world. Indeed, the global pandemic was a call for micro-entrepreneurs to pivot to digitalization. However, many perceive digitalization as complex, costly, and unnecessary, except for a few entrepreneurs who possess sufficient financial and digital resources and are willing to take on those challenges (Kaur, 2021). Ironically, those who remain in the traditional model will be left out and struggle to survive, let alone thrive.

The scenario has triggered many scholars and prior literature to propose an abundance of entrepreneurial business success models. For instance, the Social Cognitive Theory postulates that personal factors manifested by cognitive ability would lead to desired results (Bandura, 1986) or, in this study context, is akin to business success. Besides, studies have also supported that the cognitive element, namely self-efficacy, influences business success (Suminah & Anantanyu, 2020; Zakaria et al., 2020). Furthermore, prior literature also revealed that entrepreneurs who digitize their business would be more likely to succeed in business ventures (Ndofirepi et al., 2018; Sardar et al., 2021). Additionally, literature has indicated that the higher the digitalization adoption, the more likely entrepreneurs are to become self-efficacious and thus lead them to succeed (Ndofirepi et al., 2018; Sardar et al., 2021).

Despite the multitude of studies, no one has come up with a precise solution. As a result, the research findings are still unclear and inconclusive. Furthermore, scholars have paid less attention

to micro-business entrepreneurs in addressing their predicament in the endemic phase. Intrigued to bridge the gap, the objectives of this study are to investigate:

- (1) The influence of self-efficacy and digital adoption on micro-entrepreneurial business success.
- (2) The influence of digital adoption on self-efficacy.
- (3) The role of self-efficacy in mediating the relationship between digital adoption and micro-entrepreneurial business success.

Before proposing several hypotheses, the paper proceeds by reviewing prior literature. Then it details out the methodology employed before moving on with results and discussions. Lastly, this paper offers practical and academic implications, addresses limitations and recommendations for forthcoming research.

## 2. Literature review

### 2.1. Social cognitive theory

Social Cognitive Theory, put forth by Bandura (1986), offers a framework for comprehending and postulating variations in individual performance. He includes the interaction between personal elements such as cognitive, affective, physiology, and behaviour. Prior literature has used the theory as an underlying model, successfully predicting the performance outcomes. Drawing from the social cognitive theory as a theoretical foundation, the study indicates that the success of a micro-entrepreneur business depends on digital adoption and self-efficacy. Besides, those high in digital adoption will be more likely to be self-efficacious and thus lead to success in the business venture.

### 2.2. Micro entrepreneurial business success

Scholars and literature have defined entrepreneurial success in multi-perspectives. Amongst them are happiness, the satisfaction of growth and business development, the increment of saving, sales, workers, and wealth. SME Corp. Malaysia has categorized micro entrepreneurs are business with annual turnover is less than RM300,000 or employees are below than five people (SME Corporation Malaysia, 2020). Despite trivial in size, successful micro-entrepreneurs would significantly contribute to the national and world economy (Zakaria & Nordin, 2020). Social Cognitive theory posits that individuals who believe in their capabilities have positive performance. Besides, previous research has indicated that various factors would affect the success of micro-entrepreneurs, including self-efficacy (Miao et al., 2017; Suminah & Anantanyu, 2020; Zakaria et al., 2020) and digital adoption (Ndofirepi et al., 2018; Sardar et al., 2021)

### 2.3. Self-efficacy

Self-efficacy refers to the extent of one's belief in his capabilities in managing and dealing with activities, including entrepreneurship (Bandura, 1977). This construct is one of the psychological elements proposed by Albert Bandura in the 1970s and has become the most prevalent psychology research. Indeed, self-efficacy is a prominent variable employed by entrepreneurial literature. Similarly, Nguyen et al. (2017) discovered that self-efficacy is a critical mediating factor in the relationship between attitude and employee positive performance in the health industry. Besides, Palmer et al. (2019) revealed that self-efficacy significantly impacts business performance. Also, immense educational studies indicated that self-efficacy is a mediator of learners' performance (Larsen, 2018; Palazzolo, 2016).

### 2.4. Self-efficacy and entrepreneurial business success

Empirical evidence has indicated self-efficacy in successful outcomes (Khan et al., 2021; Palmer et al., 2019; Suminah & Anantanyu, 2020). For instance, Khan et al. (2021) investigated the impact of self-efficacy on the success of 722 students' business ventures in Malaysia. The findings showed

that self-efficacy is positively related to entrepreneurial business success. Similarly, Palmer et al. (2019) discovered that self-efficacy significantly influences entrepreneurial business performance.

Suminah and Anantanyu (2020) studied the impact of self-efficacy on the business success of 304 female entrepreneurs' who were from low-income families in Indonesia. They discovered that self-efficacious entrepreneurs are more likely to succeed in their business ventures. As stressed by Social Cognitive Theory that self-efficacy will lead to positive performance and supported by literature research (Khan et al., 2021; Palmer et al., 2019; Suminah & Anantanyu, 2020), this study, therefore, puts up the following hypothesis.

**H1:** Self-efficacy is positively related to entrepreneurial business success.

### **2.5. Digital adoption**

The COVID-19 pandemic has pushed consumers online and thus augmenting the digital adoption among micro-entrepreneurs. Digitalization will also improve business partnerships with current customers and leverage trust through mutual assistance. Indeed, online business has a massive opportunity to discover and explore potential consumers. Although the adoption of social media, digital marketing, E-payment, and E-commerce might vary amongst industries and businesses, it is crucial for micro-entrepreneurs to survive.

Small firms could use digital for internal and external communication on various platforms. It can assist the business in comprehensively understanding their surroundings. One of the most significant advantages of digital adoption is the ability to advertise to millions of customers simply by clicking a button. Thus, numerous social networking websites, including Facebook, Twitter, Instagram, WhatsApp, and YouTube, are available for doing this.

As a result, expanding business and increasing awareness is very simple. Digitalization, whether computers or mobile phones, can serve as gateways to a large amount of accessible information. Indeed, digitalization has a significant impact on how businesses operate. For example, it can speed up communication and enable adequate information flow, both of which are crucial for the success of a business venture. Micro-entrepreneurs should also be flexible in dealing with uncertainties and economic vibrations because they are an essential part of the digital economy ecosystem and must engage, transform, and innovate in their technical capabilities to survive.

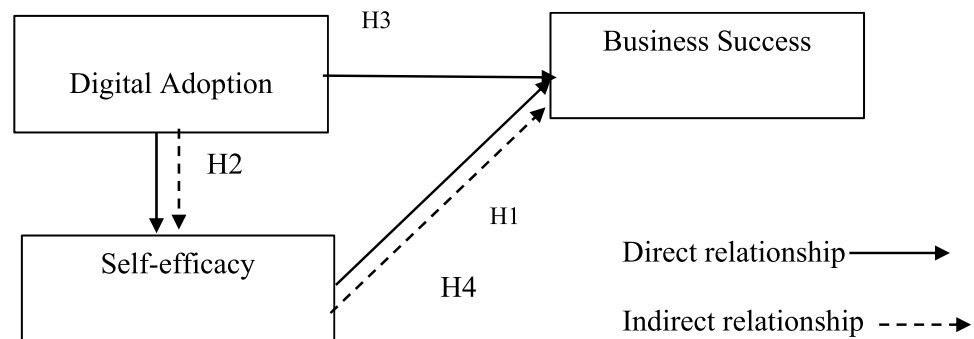
### **2.6. Digital adoption, self-efficacy, and entrepreneurial business success**

A small business can efficiently reach a broader spectrum of clients by utilizing at least essential digital platforms and gadgets. Maximizing digital adoption in the enterprise will make entrepreneurs more self-efficacious. In other words, it can expedite their belief in their ability to pursue success. Prior literature indicated that digital adoption influences owners' efficacy (Lex et al., 2020; Suminah & Anantanyu, 2020). Besides, literature also noted that digital adoption is vital for the success of micro-entrepreneurs' businesses (Afolayan et al., 2015; Phonthanukitithaworn et al., 2019; Radzi et al., 2017).

In Lagos, Nigeria, Afolayan et al. (2015) surveyed 161 businesses, investigating the impact of digital adoption on the success of micro-entrepreneurs' businesses. Results indicated a significant relationship between the factors, showing that the likelihood of entrepreneurial enterprises succeeding increased with more digital adoption. Another study by Phonthanukitithaworn et al. (2019) examined the success criteria for on-line business owners in Thailand. Based on responses from 180 internet users, they discovered that social media advertising contributes significantly to business success, with self-efficacy mediating the relationship.

Radzi et al. (2017) performed a study to identify business success criteria among micro-entrepreneurs. They collected data through survey among 199 settlers of Malaysia's Federal

**Figure 1. Conceptual Model.**



Land Development Authority (FELDA) who ventured into a small business. Employing the partial least square (PLS) technique, results revealed the likelihood of micro-entrepreneurs' success was due to digital adoption. Previous studies also indicated that self-efficacy has significantly mediated the relationship between digital adoption and business success (Phonthanukitithaworn et al., 2019; Radzi et al., 2017). From the discussion above and emulating the Social Cognitive Theory and literature, this study hypothesizes that:

**H2:** The higher the digital adoption, the higher the self-efficacy.

**H3:** The higher the digital adoption, the more likely the entrepreneurial business success.

**H4:** Self-efficacy mediates the relationship between digital adoption and entrepreneurial business success.

Drawing from Social Cognitive Theory and previous studies, the researchers proposed the following conceptual model as in figure 1.

### 3. Research design

#### 3.1. Population and sample

The population of this study was micro-entrepreneurs from marginalized communities in Kelantan. Kelantan is one of the states in Malaysia. These entrepreneurs were given small credit from a micro-credit institution to start or enhance their existing businesses. The researchers distributed 350 questionnaires to the micro-entrepreneurs personally or by WhatsApp. Of the 245 responses received, it contributed to 70 percent response rate. However, only 240 were usable for further analysis.

#### 3.2. Measurement

The study employed three variables: entrepreneurial business success, digital adoption, and self-efficacy. The researchers measured business success using seven items adapted from Radzi et al. (2017) that included increased business sales, income, quantity of items sold, perceived business success, and business growth. The mentioned strategy of measuring business performance in the study is micro-entrepreneurship's business performance which is more suitable because it has been explicitly used in micro-entrepreneurship studies recently. These items have a scale anchored from 1 to 7 that is from strongly disagree to strongly agree.

The researchers also adopted Radzi et al. (2017) measurements to measure digital adoption. The items were the extent of the entrepreneur's usage of web pages, email, and e-commerce in business operations. In addition, the researchers also measured the extent of their online usage



to learn industry trends, do banking transactions, apply for permits, pay taxes, and others. Likewise, the researchers used a scale of measurements ranging from 1 to 7, from strongly disagree to strongly agree.

In addition, the researchers evaluated self-efficacy with eight question-items adopted from Chen et al. (2001). Self-efficacy items of this study would carry the instructions for the respondents to show their confidence level in carrying out various business activities. At this stage, eight items from a short version of the self-efficacy measurement, created and validated by Chen et al. (2001), have been adopted in the current study context. Indeed, adjustments in these measurement items were made based on the expert panel validation and pretesting of the questionnaire stage. The measurement scale of these items ranged between 1 and 7, from strongly disagree to strongly agree. Table 1 depicts the construct measurements.

#### 4. Analysis and discussion

The researchers analysed the data using SPSS and AMOS version 26. The researchers initially used descriptive and frequency analyses for the respondents' demographic profiles. Results indicated that respondents comprised of 136 (56.7 %) females and 104 (43.3 %) males. Regarding marital status, 168 or 70% were married, 52 or 21.7 % were divorced/widow/widower of, and the balance of 20 or 8.3 % were single. Majority of the respondents were between 20 to 30 years consisting of 111 people or 46.3 percent. It is followed by 31 to 40 years (79 or 32.8 %), 51 years and above (19 or 7.9 %), and less than 20 years (9 or 3.8 %). Most of the respondents' highest level of education was high school certificates (133 or 55.4%), followed by a college or diploma (84 or 35%) and a degree of 23 or 9.6%. Finally, all respondents were Malays. The respondent's business consisted of groceries (54 or 22.5 %), services (60 or 25 %), food and beverages (65 or 28.1 %) and flowers (61 or 24.4 %). Table 2 indicates the respondent's demographic profile.

##### 4.1. Measurement model

The researchers measured data in two models. The first is a measurement model. This model assesses the goodness of data, ensuring valid and reliable data. The measurement model shows the relationship between a latent variable and its indicators. In this model, the researcher assesses whether the data fulfill the convergent validity or confirm the validity and reliability criteria. Results indicated that all the factor loading values were above 0.50, as recommended by Bagozzi et al. (1991). The Composite Reliability (CR) values were all above 0.70.

In addition, the Average Variance Extracted (AVE's) values were also above 0.50, as Hair et al. (2013) recommended. In summary, all values met the convergent validity criteria. Thus, the data were valid and reliable, and could proceed for further analysis. After fulfilling all required criteria, the researchers would measure them in a structural model. Table 3 depicts the convergent and validity analysis.

Another validity's measurement is discriminant validity. The researchers measured discriminant validity by employing the Fornell-Larcker criterion. The correlation matrix's diagonal displays the AVE coefficients' square roots. As proof of discriminant validity, every construct's AVE should have a square root larger than its highest correlation with any other constructs (Hair et al., 2013).

For the cross-loading criterion, all the values were lower than the correlation matrix along the diagonal, indicating the establishment of discriminant validity for the study's constructs. Table 4 depicts the results of the discriminant validity of the study.

##### 4.2. The goodness of fit test

Next, the researchers tested whether the model fitted a set of observations. Results indicated that all Adjusted GFI (AGFI), Goodness of Fit Index (GFI), Comparative Fit Index (CFI), and Tucker



**Table 1. Construct measurements**

Construct	Measures	Items
Business Success	My business sales have increased.	5
	My income from the business elevates.	
	The number of items sold increased.	
	I consider my business successful.	
	I consider my business to grow.	
Entrepreneurial Self- efficacy	I can achieve most of the goals that I have set for my business venture.	8
	When facing difficulties, I am certain that I will overcome them.	
	Generally, I think that I can obtain outcomes that are crucial to me.	
	I believe I can succeed in my business venture.	
	I will be able to successfully overcome my many challenges.	
	I am confident that I can perform effectively for the success of my business.	
	Compared to other people, I can do most business-related tasks very well.	
	Even when things are tough, I can perform quite well.	
Digital Adoption	I use webpages, email and e-commerce digitalization for my business purpose.	4
	My business information can be accessed by customers and suppliers through on-line.	
	I use the internet to learn about various industry trends.	
	I use on-line systems to do banking activities, applying for permits, settling taxes and others.	

Lewis Index (TLI) values were above 0.9. Meanwhile, the Root Mean Square Error of Estimation (RMSEA) and Root Mean Square Residual (RMR) values were below 0.08 and 0.05, respectively. Table 5 depicts the results of the Goodness of Fit Index. After fulfilling the goodness of fit test, the researchers analysed the data in Structural Model for hypothesis testing.

#### 4.3. Hypotheses testing

The researchers tested the hypotheses in the structural model. Results indicated that the entire proposed hypotheses were significant and supported. The first hypothesis indicated that self-efficacy influences entrepreneurial business success ( $t$ -value = 6.234,  $p < 0.05$ ). The critical ratio value was above 1.96, and the probability ( $p$ ) value was less than 0.05, as Byrne (2010) suggested. This indicates that the higher the self-efficacy, the more likely is the success of micro-entrepreneurs' business.

The second hypothesis revealed the higher the digital adoption, the more likely is the entrepreneurial self-efficacy ( $t$ -value = 6.434,  $p < 0.05$ ). Hence, the more the entrepreneurs adopt digital, the

**Table 2. Demographic profile of respondents**

<b>Gender</b>	<b>Frequency</b>	<b>%</b>	<b>Marital Status</b>	<b>Frequency</b>	<b>%</b>
Female	136	56.7	Single	20	8.3
Male	104	43.3	Married	168	70.0
			Others	52	21.7
<b>Age</b>	<b>Frequency</b>	<b>%</b>	<b>Level of Education</b>	<b>Frequency</b>	<b>%</b>
<20 years	9	3.8	High school	133	55.4
20–30 years	111	46.2	College/Diploma	84	35
31–40 years	79	32.9	Degree	23	9.6
41–50 years	22	9.1	Master	0	0
>50 years	19	7.9			
<b>Type of Business</b>	<b>Frequency</b>	<b>%</b>			
Grocery	54	22.5			
Services	60	25.0			
Food and Beverages	65	28.1			
Flowers	61	24.4			

*N* = 240

**Table 3. Convergent and validity analysis**

<b>Construct</b>	<b>Items</b>	<b>Loading</b>	<b>AVE</b>	<b>CR</b>
Business Success (Bs)	Bs 1	.804	.722	.876
	Bs 2	.865		
	Bs 3	.803		
	Bs 4	.728		
	Bs 5	.769		
Self-efficacy (S-E)	S-E 1	.872	.712	.852
	S-E 2	.920		
	S-E 3	.820		
	S-E 4	.769		
	S-E 5	.718		
	S-E 6	.845		
	S-E 7	.872		
	S-E 8	.942		
Digital Adoption	TA 1	.926	.845	.865
	TA 2	.945		
	TA 3	.911		
	TA 4	.942		

more likely they will be self-efficacious. Likewise, the third hypothesis also revealed a positive relationship, in which digital adoption positively relates to entrepreneurial business success ( $t$ -value = 6.434,  $p < 0.00$ ). Thus, the higher adoption of digital will more likely lead to entrepreneurial business success. Table 6 depicts the results of hypothesis testing.

**Table 4. Discriminant validity – fornell-larcker criterion**

	Business Success	Self-Efficacy	Digital Adoption
Business Success	.836		
Self-Efficacy	.677	0.823	
Digital Adoption	.214	0.423	0.837

**Table 5. Goodness of Fit index**

The Goodness of Fit Index	Results	Decision
Cmin/DF	1.723	Good Fit
AGFI	.922	Good Fit
GFI	.930	Good Fit
CFI	.950	Good Fit
TLI	.945	Good Fit
RMSEA	.042	Good Fit
RMR	.023	Good Fit

**Table 6. Hypothesis testing**

Hypothesis	Estimate	S.E.	t-value	P
H1 Self-efficacy → Entrepreneurial Business success	.427	.086	6.234	.000
H2 Digital Adoption → Self-efficacy	.453	.085	6.434	.000
H3 Digital Adoption → Entrepreneurial Business Success	.153	.089	2.333	.005

#### 4.4. Direct and indirect effects

The researchers tested the role of entrepreneurial self-efficacy as a mediator in the relationship between digital adoption and entrepreneurial business success by direct and indirect effects. The direct impact between self-efficacy and entrepreneurial business success, digital adoption and self-efficacy, was 0.427, 0.153, and 0.453, respectively. Additionally, the indirect effect of digital adoption on business success through self-efficacy was 0.224. In other words, the value of the indirect effect (digital adoption to self-efficacy to entrepreneurial business success = 0.224) is higher than the direct effect (digital adoption to entrepreneurial business success = 0.153). The results indicated that self-efficacy mediates the relationship between digital adoption and entrepreneurial business success. Table 7 depicts the results of direct and indirect effects.

The present study results showed that self-efficacy is positively related to entrepreneurial business success. The results are in tandem with the prior studies (Khan et al., 2021; Palmer et al., 2019; Suminah & Anantanyu, 2020) that examined the relationship between the variables. Furthermore, it showed that the more entrepreneurs believed in their capabilities or self-efficacy, the more likely their business could succeed. Hence, believing in abilities will make one's confidence in his self-efficacy that he can succeed in the business venture.

Furthermore, the results indicated that digital adoption has a positive relationship with self-efficacy. The results are consistent with prior studies conducted by Afolayan et al. (2015),

**Table 7. Direct and indirect effect**

<b>Hypothesis 4</b>	<b>Direct Effect</b>	<b>Indirect Effect</b>	<b>Total Effects</b>
Self-efficacy → Entrepreneurial Business success	.427	-	.427
Digital Adoption → self-efficacy	.453	-	.453
Digital Adoption → Entrepreneurial Business success	.153	-	.153
Digital Adoption → self-efficacy → Entrepreneurial Business success		.224	.224

Phonthanukitithaworn et al. (2019) and Radzi et al. (2017). In other words, the higher the entrepreneurs adopt digital operation, the more likely they become self-efficacious. Indeed, in the advent of the digital era, adopting digital is not an indulgence but a necessity for a business to succeed.

The results also showed that the higher the adoption of digital among entrepreneurs, the more likely is their business success and this concurs with prior studies (Lex et al., 2020; Suminah & Anantanyu, 2020). Hence, those who refuse to adopt digital would be left behind and struggle to succeed and survive. Finally, the results indicated that the indirect effect of digital adoption through self-efficacy on entrepreneurial business success is more significant than the direct effect of digital adoption on entrepreneurial business success. They indicated that self-efficacy is an intervening construct or mediates the relationship between digital adoption and entrepreneurial business success. The results also support previous literature (Phonthanukitithaworn et al., 2019; Radzi et al., 2017).

## 5. Study implication

### 5.1. Implication to academic

The study contributes to the body of knowledge on the importance of digital adoption and owner's self-efficacy to entrepreneurial business success. Also, the study adds to the literature on the role of entrepreneurial self-efficacy that mediates the relationship between digital adoption and business success. Last but not least, the study supports and confirms the validity of the social cognitive theory that postulates personal factors, which include cognitive and behaviour, would lead to one's positive behavior or business success.

### 5.2. Implication to management

The study provides implications for the government to support poor micro-entrepreneurs by providing them with entrepreneurship and digital training. The training will equip the entrepreneur with adequate digital knowledge and belief in his self-efficacy, which can expedite his success and prosperity (Cumberland, 2017). The study also implies to micro-entrepreneurs the importance of mastering digital knowledge to pursue success in business ventures. Hence, micro-entrepreneurs should believe in their capabilities or self-efficacy to succeed, thrive, and flourish.

## 6. Limitations and recommendation for future research

Despite having several contributions, the study has a few drawbacks. Firstly, the analysis was quantitative. Therefore, it does not explore why and how businesses can succeed. To mitigate this methodological limitation, the researchers suggest that future research carry out a qualitative

approach. The qualitative study will thoroughly explore why and how the phenomenon occurs, leading to an in-depth analysis. Thus, it shows a holistic view of the phenomenon and enhances the understanding of entrepreneurial business success.

Secondly, besides personal factors, prior literature has predicted there are many factors that can influence business success, including social and environmental. As such, the researchers suggested future research to examine those factors so that the authorities can initiate multiple interventions to help the micro-entrepreneurs, specifically those from marginalized communities.

Finally, the third limitation identified is that the research was conducted in Kelantan, Malaysia. Therefore, the outcome might differ from other cultures and regions. To overcome this issue, the researchers suggest that future research conduct cross-cultural studies. The proposed studies can highlight the outcome in different contextual settings, enhance the discoveries' generalizability and validity.

## 7. Conclusion

The results indicated that entrepreneurial self-efficacy and digital adoption significantly influence micro-entrepreneurs' business success. Also, the results revealed that digital adoption affects self-efficacy. Self-efficacy also mediates the relationship between digital adoption and the success of entrepreneurial business. The discoveries indicated the importance of digital in the 21st-century era, specifically when facing unprecedented disruptions and chaos. Indeed, adopting digital in the business is essential for thriving and flourishing. Also, becoming digital savvy would help entrepreneurs to believe in their capabilities as self-efficacious entrepreneurs are more likely to succeed in their business ventures. The discoveries provide valuable insights to policymakers, government, academicians, and the likes on the vital of digital and self-efficacy to drive business success in the post-pandemic world. Hence, the discoveries can assist poverty eradication agencies in formulating programs to enhance the desired performance threshold of the entrepreneurial business success.

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## Author details

Mohd Arpi Arifin<sup>1</sup>  
Maheran Zakaria<sup>2</sup>  
E-mail: [maher835@uitm.edu.my](mailto:maher835@uitm.edu.my)  
Hasnun Anip Bustaman<sup>3</sup>

<sup>1</sup> Kelantan State Secretary Office, Kelantan Malaysia.

<sup>2</sup> Faculty of Accountancy, Universiti Teknologi MARA Cawangan Kelantan, Machang, Kelantan, Malaysia.

<sup>3</sup> Faculty of Business Management, Universiti Teknologi MARA Cawangan Kelantan, Machang, Kelantan, Malaysia.

## Disclosure statement

No potential conflict of interest was reported by the author(s).

## Ethics Declaration

The Research Ethics Committee of Universiti Teknologi MARA(UiTM) has given researchers the approval for data collections (Ref: BERK/01/2021 (UG/MR/17).

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