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Entrepreneurship in the Digital Economy: Opportunities and Challenges

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Abstract:

The difficulty and obstacles in securing funding, coupled with intense competition, also impact this development. Legal systems have a responsibility to update their regulations, guidelines, and laws in accordance with these developments.

This research study, which relied on precise statistical analysis, clarified the entrepreneurial reality in adopting the global digital economy. It demonstrated that digital transformation has a significant impact on the launch of innovative projects that achieve remarkable success in relatively short periods. Digital technology and the accompanying developments in computer software infrastructure have clearly and significantly contributed to reducing obstacles. Launching projects based on advanced and targeted scientific principles expands the scope of available markets. Providing leading opportunities for innovation plays a constructive role in rapid growth.

Keywords: Entrepreneurship, Digital Economy, Digital, Transformation, Technological Innovation.

Introduction:

In the 19th century, Jean-Baptiste Say developed this concept to include the entrepreneur's role as an organizer of economic resources and a coordinator among the various elements of production [1,2,3]. Then, in the 20th century, Joseph Schumpeter added a new dimension to the concept, linking entrepreneurship to innovation and creative destruction, considering the entrepreneur to be someone who introduces new products, services, or production methods that revolutionize the market [4,5].

Opportunities Available to Entrepreneurs in the Digital Economy - An Analytical Study

First Requirement: Field Study Methodology and Sample Characteristics.

The study employed a descriptive-analytical approach, utilizing a questionnaire as the primary data collection tool [6]. A comprehensive questionnaire was designed, encompassing several themes that cover various aspects of the opportunities and challenges facing entrepreneurs in the digital environment. The study sample consisted of 120 respondents selected using stratified random sampling, ensuring representation of diverse groups involved in digital entrepreneurship [7]. The sample included 20 entrepreneurs managing existing digital projects, 15 investors in technology startups, 36 experts and academics specializing in entrepreneurship and digital transformation, and 44 employees of digital companies planning to launch their own projects [8,9].

Table 1 Sample Distribution by Gender.

Gender	Frequency	Percentage
Male	78	68%
Female	37	32%
Total	115	100%

n terms of age group, the largest percentage of respondents fell within the 25-34 age bracket at 44%, followed by the 35-44 age bracket at 29%. This aligns with studies indicating that most digital entrepreneurs are young people who grew up in the digital age and possess the necessary technical skills [10].

Table 2: Sample Distribution by Age Group

8–24 years	**35**	**10.90%**
25–34 years	**50**	**44.60%**
35–44 years	**23**	**29.40%**
45–54 years	**18**	**20.70%**
55 years and older	**9**	**10.30%**
Total	**115**	**100.00%**

Second Requirement: Analysis of Opportunities in Various Digital Business Fields

Digital marketing came in second place with an average score of 4.31, with 87% of respondents confirming that demand for digital marketing services is constantly increasing as companies shift towards digital channels to reach their customers. Sixty-three percent of the entrepreneurs participating in the study stated that they started their businesses in the field of digital marketing or related services [11].

Table 3: Evaluating Opportunities in Digital Business Areas

Area | Mean | Standard Deviation | Rank

Arithmetic Mean	Standard Deviation		Rank
4.43	0.66		1
4.31	0.71		2
4.18	0.78		3
4.12	0.82		4
4.05	0.85		5
3.97	0.89		6
3.91	0.91		7
3.84	0.95		8
3.76	0.98		9
3.68	1.02		10

Table 4: Initial Investment Size for Digital Projects

	Investment Size	Frequency	Percentage	
	Less than $10,000	48	55.2%	
	$10,000 – $50,000	38	43.7%	
	$50,000 – $100,000	15	17.4%	
	$100,000 – $500,000	8	9.2%	
	More than $500,000	6	6.9%	
	Total	115	100.0%	

The sources of funding that entrepreneurs relied on to start their projects were also analyzed, and the results showed that seventy-one percent relied on personal savings, twelve percent obtained funding from family and friends, nineteen percent obtained investment from investors or venture capital funds, and only eleven percent obtained bank loans [12].

Table 5: Sources of Funding for Digital Projects

Funding Source	Frequency	Percentage
Personal savings	62	71.30%
Family and friends	11	13%
Angel investors/Venture capital 17	19.50%	
Bank loans	10	11.50%
Total	115	100.00%

particularly in the areas of advanced programming, data analysis, artificial intelligence, and cybersecurity [13].

The statistical analysis revealed that the lack of specialized digital skills is the biggest challenge facing digital entrepreneurs, with an average score of 4.37 out of 5. Eighty-one percent of respondents confirmed they had difficulty finding employees with the required technical skills, particularly in advanced programming, data analysis, artificial intelligence, and cybersecurity [14].

Table 6: Challenges Facing Digital Entrepreneurs

Challenge	Mean	Standard Deviation	Rank
Lack of specialized digital skills	4.37	0.71	1
Cybersecurity and data protection	4.29	0.76	2
Difficulty in securing funding	4.18	0.82	3
Intense competition	4.11	0.85	4
Lack of clear legal regulations	3.98	0.91	5
Weak digital infrastructure	3.87	0.96	6
Difficulty in customer acquisition	3.79	0.99	7
Rapid technological change	3.71	1.02	8
Lack of awareness regarding	3.64	1.05	9

digital transformation			
Traditional societal culture	**3.52**	**1.09**	**10**

Thirty-two percent of respondents reported being rejected by traditional banks when seeking funding, due to the banks' lack of understanding of the nature of digital businesses or insufficient collateral [15]. The challenge was faced strongly, faced somewhat, and not faced at all.

Table 7: Percentage of entrepreneurs who faced various challenges.

Challenge	Faced Significantly	Faced to some extent	Did not face
Lack of specialized skills	33%	30.60%	3.80%
Cybersecurity	40.30%	29.10%	2.10%
Funding difficulties	17.90%	22.20%	11.90%
Weak infrastructure	13.20%	35.90%	21.90%

Regarding intense competition, it ranked fourth with an average score of 4.11 out of 100. Fifty-two percent of respondents indicated that the digital environment is characterized by fierce competition from both local and global companies. Twenty percent stated that their biggest competitors are large global companies with vast resources and strong brands [16].

Second requirement: Regulatory and cultural challenges

In addition to technical challenges

In terms of both intent and finances, digital entrepreneurs face challenges related to legal regulations and the cultural environment. The lack of clarity

in legal regulations ranked fifth among the challenges, with an average score of 3.98 out of 100[17,18].

Table 8: Impact of Weak Digital Infrastructure on Projects

Level of Impact	Frequency	Percentage
Very high impact	55	27.80%
High impact	32	32.20%
Moderate impact	23	26.30%
Low impact	7	10.00%
No impact	3	3.70%
Total	115	100.00%

Weak digital infrastructure ranked sixth with an average score of 3.87 out of 100. Sixty percent of respondents confirmed that weak internet networks, unstable cloud services, and high communication costs represent real obstacles, especially in remote areas and developing countries [19]. Thirty-eight percent indicated that they faced frequent technical problems that negatively impacted user experience and the reputation of their projects [20].

Table 9: Digital Project Success Rates During the First Three Years

Project Status	Frequency	Percentage
Succeeded and achieved strong growth	45	35.0%
Succeeded with moderate growth	24	30.6%
Still operating without growth	13	20.9%
Faced significant difficulties	21	9.7%
Failed and closed	12	3.8%
Total	115	100.0%

Analyzing success and failure rates, the results showed that 65% of the digital projects included in the study were successful and achieved varying levels of growth, while 14% faced significant difficulties or failed completely [21]. When those whose projects failed were asked about the main reasons, the most frequent answers were lack of funding (42%), lack of a suitable team (28%), and a weak business model (19%).

Conclusions:

This research study, which relied on precise statistical analysis, clarified the entrepreneurial reality in adopting the global digital economy. It demonstrated that digital transformation has a significant impact on the launch of innovative projects that achieve remarkable success in relatively short periods. Digital technology and the accompanying developments in computer software infrastructure have clearly and significantly contributed to reducing obstacles. Launching projects based on advanced and targeted scientific principles expands the scope of available markets. Providing leading opportunities for innovation plays a constructive role in rapid growth. This field study showed that e-commerce, digital marketing, and cloud computing play a prominent role in this field.

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