

The Effectiveness of Entrepreneurship Education and Digital Literacy on Online Business Success with Entrepreneurial Mindset as A Moderating Variable (Study at Madrasah Aliyah in Mojokerto District)

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ABSTRACT

Digital literacy is the ability to read, write and save digital text/content in digital format. Digitalization involves many changes and affects entrepreneurs and businesses. This study uses several methods using partial least squares linear regression (PLS-SEM) to estimate and confirm the given hypotheses. This study used Google Forms to collect data on Madrasah Aliyah students in Mojokerto regency. The respondents to this study are 356 respondents from three schools targeted for the study. The results show that digital culture cannot explain the success of online businesses. However, the study of entrepreneurship can explain how to do business and how to do business online. Furthermore, if business training and digital literacy support entrepreneurship as a medium, it will have a greater impact on online commerce.

INTRODUCTION

Millennials are a generation born with innovative characters, who dare to be different, have a creative mindset, and a modern mindset. Millennials who are talented, creative, and innovative can contribute to the economy (Martínez-Gregorio et al., 2021). Millennials have a good quality education because they live in the modern era. From a social point of view, education refers to the traditional culture from the older generation to the present to preserve community life (Bécharde & Grégoire, 2020). Millennials face major challenges related to limited financial resources and the cost of living, thus encouraging the generation to become part of the business community and an effort to reduce the number of unemployed (Farny et al., 2020; Mauludiana et al., 2020; Pihie, 2019; Shepherd et al., 2021). The government is also encouraging young people to increase their employment, rather than just being job seekers (Mi'rajatinnor et al., 2022).

Digital literacy is needed to build and improve understanding of the existence of digital media at the level of human resource development. Digital literacy is a technology that reads, writes, and registers text/digital items to be put into digital mode. Digitalization means many transformation processes and their implications for entrepreneurs and entrepreneurship (Onjewu et al., 2021). Digital business literacy leads to a person's ability to understand business data from various digital sources or devices in various disciplines. Digital business literacy is an individual's proficiency in the use of digital technology at a level, be it a creation, a collaboration, or a search for information.

This study will reveal the entrepreneurial education and digital business literacy possessed by business owners from the millennial generation. Many millennial generation business actors run a business only to have a business but do not have sufficient coverage of knowledge about entrepreneurship and digital business. Millennial generation business actors must have different knowledge and mindsets in running their businesses. Entrepreneurial behavior is one of the keys to the success of the business being run (Ratten & Usmanij, 2021), so it is necessary to conduct a study that is more specific to look at entrepreneurship education and digital business literacy on online business success.

The urgency of this study was shared by students of Madrasah Aliyah in the Mojokerto region. More specific research is needed to examine business training and digital marketing knowledge on e-commerce success in Mojokerto, which provides significant opportunities for participation in creative activity in the region. We hope to engage Madrasah Aliyah students later in life through millennial digital marketing. Mojokerto Regency employs others and itself. Especially look at the development of the Mojokerto region, which has great potential and many human and natural resources to use for business. Business education and digital education in the Madrasah Aliyah of the Mojokerto region need to be continuously improved.

This study helps the Madrasah Aliyah School in the Mojokerto region to keep its activity based on digital education up to date. As described in the background and level of knowledge, this study makes a difference from previous research by researching the development of TPB theory at the level of Madrasah Aliyah in Mojokerto region, as measured by business education and

digital culture. Having the desire to do business is the deciding factor in the success of an online business in Madrasah Aliyah, Mojokerto region.

LITERATURE REVIEW

Entrepreneurship Education

Business-based learning is an educational system that uses principles and methods to promote student outcomes through a curriculum that includes the use of educational standards and strategies that affect the development that occurs in school and in the community. and the learning objectives themselves (Audretsch & Link, 2019; Hopp & Sonderegger, 2019; Ratten & Usmanij, 2021; Wardana et al., 2020). On the other hand (Anitsal, 2014) maintains that entrepreneurship is taught as a discipline because it has the knowledge of success and work, that it has two elements which are the launch and growth of the business and that it has the objective of creating, that is to say the capacity to create.

Digital literacy

Digital literacy is the ability to use technology and information from digital devices efficiently and effectively in various contexts such as research, work, and daily life (Suherman & Yusuf, 2021), demonstrating that it is the ability to use information and communication (ICT). . Research, evaluate, use, create and deliver content or information based on skill and expertise. Hauge and Payton (Ainur Rizqi et al., 2022; Bannier & Schwarz, 2018; Sariwulan et al., 2020) argue that digital literacy is defined as the ability of individuals to use their skills to work in the search and selection of digital products. Knowledgeable, thoughtful, creative, cooperative with others, good communicator and also aware of electronic security and leadership.

Entrepreneurial Mindset

Business Intelligence is the desire or ability to seize business opportunities in uncertain situations. Under metacognition, entrepreneurial thinking can be developed through entrepreneurial education and training. This means that entrepreneurship education should play a role in creating and developing an entrepreneurial mindset, which is an attitude of mind (Karwowski, 2017; Mauer et al., 2009; Wardana et al. al., 2020).

Online Business Success

Business success means that capital has been raised, distribution has been achieved, and organizational goals have been achieved. The success of the enterprise can be confirmed by the efficiency of the production process, divided into efficiency and economy. Another concept was also presented in (Aghniya & Subroto, 2021; Hendayana et al., 2021; Masturi et al., 2021; Rahayu & Laela, 2018). Business success is a phenomenon that explains more than others in the same class. Success in business basically means that the business is successful in achieving its goals, and since profit is the goal of businessmen, a business is said to be successful if it makes money. Business success is defined as the level of achievement of the organization's results or objectives. Successful businesses,

i.e. small and medium-sized businesses, succeed because entrepreneurs are creative and intelligent, can keep up with technological developments and actively use them. They also have more motivation and recognition (Aghniya & Subroto, 2021; Armani, 2022; Wahjudono et al., 2019; Waluyo et al., 2022)

METHODOLOGY

Research design

This study uses multiple PLS-SEM methods to examine the impact of business education and digital literacy on online business and the role of businesses in relational cooperation (see Figure 1). The main advantage of PLS-SEM is its ability to differentiate between variables and estimate data based on sample length (Hair et al., 2019).

Respondents and data collection techniques

Madrasah Aliyah students from the Mojokerto region participated in this study. Five madrasa Aliyah’s are the subject. We gave 356 respondents a Google form containing 26 questions sent via WhatsApp. The study was conducted from August to September 2023. Different studies focus on entrepreneurship education, digital culture, entrepreneurship, and online entrepreneurship.

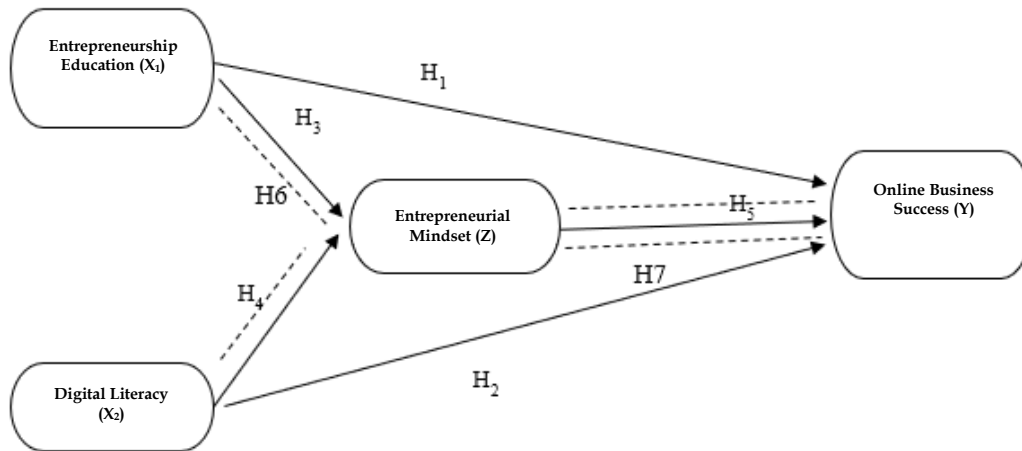


Figure 1. Research framework

Table 1. Characteristics of respondents

Categorical		Frequency	%
Gender	Female	258	72.47
	Male	98	27.53
Age of Respondent	16 years	158	44.4
	17 years	168	47.2
	18 years	30	8.4

Source: data processed by researcher (2023)

The respondents of this study are shown in Table 1. Most of the respondents are mainly female, except for children under the age of 18, for example 30 students.

Instrument development and data analysis

Project Activity A survey was used to explore students' entrepreneurial interests. The research instrument was adapted from previous studies and a literature review (Table 1). The questionnaire was translated from English to Indonesian and converted into Indonesian content. The questionnaire was translated from English to Indonesian and converted into the original language. Entrepreneurship training is measured using the object (Mi'rajatinnor et al., 2022). Digital literacy is measured by seven elements (Waluyo et al., 2022). Entrepreneurship was measured using seven items from (Mauer et al., 2009). Measuring online business effectiveness using 7 items adapted from (Wahjudono et al., 2019). The questionnaire asked participants to rate each statement from 1 (strongly disagree) to 5 (strongly agree). This study used Smart PLS 3.0 for partial least squares structural equation modeling (PLS-SEM).

RESEARCH RESULT

External model evaluation

External PLS standards are determined to guarantee equipment reliability. A model with a decision-making process is said to be reliable when the reliability (CR) and Cronbach's Alpha > 0.05 . (Har et al., 2019). As a result, the CR value of each design is between 0.836 and 0.922 for reliability. Average variance extracted (AVE) > 0.50 indicates similar validity (Hair et al., 2019). Convergent validity was obtained with all items above 0.5 and the AVE of each construct ranging from 0.560 to 0.616 (> 0.5). Cross-factor loadings were used to assess discriminant and convergent validity. The correlation coefficient for all variables of business education (X1), digital knowledge (X2), entrepreneurship (Z) and online entrepreneurship (Y) is greater than 0.70, from 0.702 to 0.854, which which indicates discrimination.

Hypothesis testing

The model uses structural equation modeling to test the hypotheses. The researchers presented all t-statistics using 356 bootstrap samples. As shown in Table 4, all seven hypotheses in this study were consistent with the model, with values ranging from 0.550 to 32.625 (> 1.96).

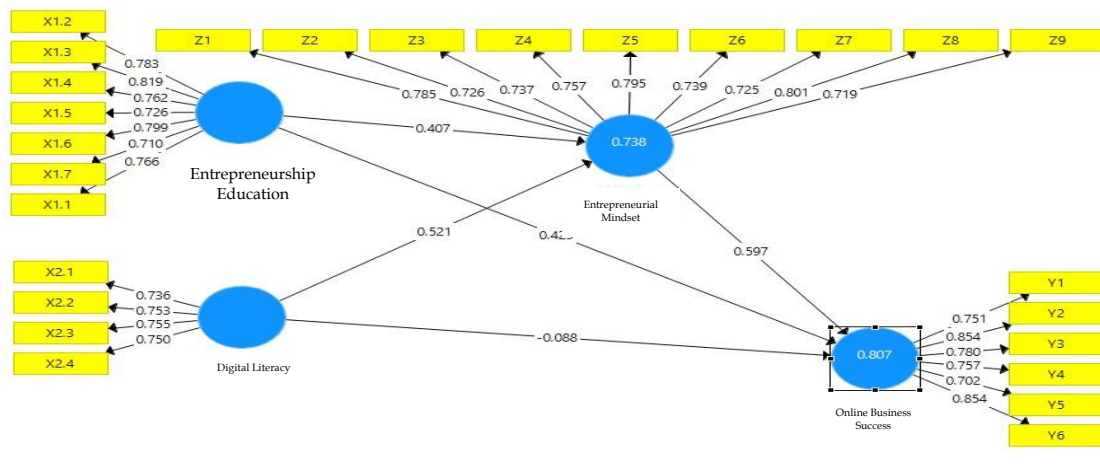


Figure 2. Calculation of structural equation models
Source: Data compiled by researcher (2023)

In this study, we use the R-squared (R²) test to demonstrate the prediction accuracy of the model. The coefficient of determination (R Square) measures how well the exogenous model explains the endogenous model. (Hair et al., 2019) estimated that R² is between 0 and 1. R² values above 0.75 are large, while 0.50 and 0.25 are small and weak. (Har et al., 2019). The R squared for the Business Marketing (Z) variable obtained at 0.738 shows that 73.8% can be affected by business training and digital manuals and the remaining 26.2% can be affected by other variables outside the 'study'. The R-squared value of the received online business performance variable (Y) is 0.807. The online business success variable (Y) can be 80.7% affected by variables such as business training, digital literacy and business thinking, while the remaining 19.3% is influenced by changes such as business training, digital literacy and business thinking. The higher the R-Square value, the better the model fit because the independent variables are able to explain the variance of the variable.

Table 2. Outer Model Calculation

Construct	Item	λ	α	CR	AVE
Entrepreneurship Education (X1)	X1	0,766	0,884	0,909	0,589
	X2	0,783			
	X3	0,819			
	X4	0,762			
	X5	0,726			
	X6	0,799			
	X7	0,710			
Digital Literacy (X2)	X1	0,736	0,740	0,836	0,560

		6			
	X2	0,75			
		3			
	X3	0,75			
		5			
	X4	0,75			
		0			
Entrepreneurial Mindset (Z)	Z1	0,78	0,905	0,922	0,569
		5			
	Z2	0,72			
		6			
	Z3	0,73			
		7			
	Z4	0,757			
	Z5	0,79			
		5			
	Z6	0,73			
		9			
	Z7	0,72			
		5			
	Z8	0,80			
		1			
	Z9	0,71			
		9			
Online Business Success (Y)	Y1	0,75	0,875	0,905	0,616
		1			
	Y2	0,85			
		4			
	Y3	0,78			
		0			
	Y4	0,75			
		7			
	Y5	0,70			
		2			
	Y6	0,85			
		4			

Source: data processed by researcher (2023)

Table 3. Discriminant Validity

Fornell-Larcker Criteria				
	Entrepreneurial Mindset	Entrepreneurial Skill	Entrepreneurship Education	Use Of Social Media
Entrepreneurial Mindset	0,812			
Entrepreneurial Skill	0,951	0,771		

Entrepreneurship Education	0,912	0,852	0,793	
Use Of Social Media	0,987	0,949	0,897	0,810

Source: data processed by researcher (2023)

Table 4. Hypothesis Testing

	Relationship	β	T-value	P-values	Decision
H ₁	Digital Literacy -> Online Business Success	0,088	1,827	0,068	Not Confirmed
H ₂	Digital Literacy -> Entrepreneurial Mindset	0,521	13,264	0,000	Confirmed
H ₃	Entrepreneurial Mainset -> Online Business Success	0,597	12,274	0,000	Confirmed
H ₄	Entrepreneurship Education -> Online Business Success	0,429	11,135	0,000	Confirmed
H ₅	Entrepreneurship Education -> Entrepreneurial Mindset	0,407	9,126	0,000	Confirmed
H ₆	Digital Literacy -> Entrepreneurial Mindset -> Online Business Success	0,311	8,869	0,000	Mediator
H ₇	Entrepreneurship Education -> Entrepreneurial Mainset -> Online Business Success	0,243	7,144	0,000	Mediator

Source: data processed by researcher (2023)

DISCUSSION

The impact of digital literacy on online business success among Madrasah Aliyah students in Mojokerto Regency is the focus of the study. The results showed that digital literacy has no significant and positive effect on online business success, which is inconsistent with previous research (Jones-Jang et al., 2021; Waluyo et al., 2022). Students can sell products online, but good digital skills are not essential to the success of an online business. Especially since professors specializing in Internet marketing and business research do not have much impact.

However, digital literacy is beneficial for business students (Falloon, 2020; Priyono et al., 2020; Suherman & Yusuf, 2021). Good digital knowledge, especially supported by advancements in creative content marketing, can create a good business idea as a business promoter. Additionally, studies have shown

that entrepreneurial spirit has a positive effect on online business success (Ainur Rizqi et al., 2022; Mauer et al., 2009; Silalahi & Hutauruk, 2020; Ubfal et al., 2022). Success in online business can only be achieved if students have the desire to do business and reflects the uncertainty and hope of each student.

Business training is also an important variable, and research results show that business training is beneficial for online business (Hendayana, 2021; Mauludiana et al., 2020; Mi'rajatinnor et al., 2022). Business education supported by indicators such as technology, social relations and business skills is beneficial for students' online business. In addition, entrepreneurship education is very useful and important for the entrepreneurship education of students.

The final topic of discussion is the impact of digital literacy on the success of online commerce from a business perspective. The analysis of the results showed a significant impact on digital culture, entrepreneurship and online entrepreneurship. Digital literacy helps develop an entrepreneurial mindset, which is beneficial for students' online activities. Therefore, digital literacy and business education through business skills development are important for the success of online business in Madrasah Aliyah, Mojokerto region.

CONCLUSION AND RECOMMENDATIONS

A study on the impact of digital literacy, entrepreneurship and marketing skills on online business success among madrasa aliyah students concluded "Online Business. However, it is useful for developing the entrepreneurial spirit of students. Entrepreneurial Mindset: Having a positive and significant impact on online business success, highlighting the importance of understanding and developing an entrepreneurial mindset. Business Education: The use of technology makes it effective and important for online business success. - It also affects the formation of students' entrepreneurial spirit.

Convergence Analysis: Digital literacy and business education are not only directly linked to online commerce, but also through their role in business development. The relationship between digital intelligence, entrepreneurship, business education and e-commerce relies on a thorough understanding of these relationships.

ADVANCED RESEARCH

For future research can develop this research deeply by using other aspects of entrepreneurial in Vocational Schools.

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