

## DIGITAL ENTREPRENEURSHIP AND SUSTAINABLE BUSINESS GROWTH OF SMES IN NIGERIA

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### ABSTRACT

*This study explored the relationship between digital entrepreneurship and sustainable business growth of SMEs in Nigeria. The aim of the study was to determine the relationship between the dimensions of digital entrepreneurship (website services, email services and social media services) and measures of sustainable business growth (customer satisfaction, market share growth and profitability growth). Three (3) research questions and hypotheses were developed to address the objectives of the study. The study adopted the positivist research philosophy and cross-sectional survey research design. The population of this study consisted of all the SMEs in the Information and Technology (IT) sector in South-South Nigeria. The exact number of SMEs in the IT sector is unknown as there are no current statistics to show the exact population of SMEs in the IT sector in South-South Nigeria. Therefore, the Cochran's formula was applied to arrive at a sample size of 384 digital entrepreneurs. A structured questionnaire was used to obtain data from the respondents. The data collected were analyzed statistically using Spearman rank Order Correlation Coefficient ( $\rho$ ) which helped to test the hypotheses. The bivariate analysis was performed with the aid of the SPSS version 24.0. The findings revealed that website services are significant predictors of sustainable business growth of SMEs in Nigeria as it is positively and significantly related to customer satisfaction, market share growth and profitability growth of SMEs. Email services were also reported to be a significant predictor of sustainable business growth of SMEs in Nigeria. Social media services were equally reported to be a significant predictor of sustainable business growth of SMEs in Nigeria. Since website, email and social media are significant predictors of sustainable business growth, it is therefore concluded that digital entrepreneurship has significant relationship with sustainable business growth of SMEs in Nigeria. Therefore, it is recommended that entrepreneurs of SMEs in Nigeria especially those that are yet to digitalized their operations should take advantage of digital technology to improve the quality of their services as it would enable them sustain their business growth.*

**Keywords: Digital entrepreneurship website services, email services and social media services, sustainable business growth, customer satisfaction, market share growth and profitability growth.**

### INTRODUCTION

The emergence of digital technology is considered as a welcome development in the business world.

It has transformed the way in which businesses are conducted across the world. With the introduction of digital technology, entrepreneurship which is made up of small and medium enterprises can easily reach out to millions of customers across the world, conducting business transactions online and receiving payment through the same medium. Many small and medium scale enterprises have digitalized their operations, creating a website, email and social media platforms to interact within their customers (Morabito, 2021). With these digital services, entrepreneurs are expanding their business operations to different parts of the world and trading on different national currencies. The digitalization of entrepreneurial operations has made it possible for entrepreneurs to excel in the global market, acquiring more global customers, increasing their global market share

as well as their profitability (Baig et al, 2022). With digital technology, entrepreneurship has become a much easier business to start because it requires a small capital to reach out to millions of people across the world (Zhao, 2021). Today, there are many entrepreneurs who work from the comfort of their homes, reaching out to millions of people across the world, thanks to digital technology.

While digital technology is seen as a welcome development, some business owners considered it as a threat to their business growth. According to Sahut et al (2021), digital technology is diving the business world but some entrepreneurs who are doing well in their offline operations have continued to see digital technology as a threat to business growth. Although some entrepreneurs have digitalized their operations, providing the same services in a digital manner but others are still lamenting the disruption it has brought to their business operations (Fernandes et al, 2023). The fact that digital technology is transforming the business world into a global village calls for all entrepreneurs to digitalize their operation if they want to sustain their business growth. Morabito (2021) stated that he does not see any problem in businesses switching from manual operations to digital operations because the benefits of digital entrepreneurship outweighs the costs. In fact, many customers have embraced the idea of digitalization even in the business world. They want to contact and interact with their service providers at any time irrespective of their location, place order for goods and make payment online. Morabito (2021) argued that if customers are comfortable with the digital form of transaction, he does not see any reason why entrepreneurs should have issue with digitalizing their operations.

Obviously, the digitalization of entrepreneurial operations has the capability of sustaining business growth. According to Muhammad and Yusoff (2023), digital businesses tend to make business transactions more convenience for customers, strengthen the relationship between businesses and their customers through regular online interactions which gives entrepreneurs the opportunities to understand how customers feel about their product or service, their changing taste and preference as well as their next line of action. By providing digital services to their customers, entrepreneurs can hold onto their global customers, increase their customer satisfaction level, expand their market share, increase profitability and achieve sustainable business growth. Zhao and Collier (2016) argued that entrepreneurs have a brighter chance of sustaining their business growth if they adoption of digital technology. According to them, digital entrepreneurship is not only cost-effective for running a business but also mechanism for sustaining business growth in this era of digitalization. It is against this backdrop that this paper examines digital entrepreneurship and sustainable business growth of SMEs in Nigeria.

### **Statement of Problem**

There have been so much controversies surrounding the issue of digital technology. Since the arrival of this technology, lots of debate have been going on regarding whether it is blessing or a curse to the business world. While some entrepreneurs see digital technology as a welcome development others considered it as a threat to sustainable business growth. Whichever angle one views it from, there is no doubt that digital technology has come to sustain business growth. As Morabito (2021) earlier stated, the benefits of digital services outweigh the costs. Digitalizing entrepreneurial operations gives entrepreneurs the opportunities to strengthen their relationship with their customers through regular online interactions. By so doing, entrepreneurs can understand how customers feel about their product or service, their changing taste and preference as well as their next line of action. There are speculations that digital services such as website services, email and social media services would help entrepreneurs to achieve sustainable business growth in the area of customer satisfaction, market share and profitability (Morabito, 2021; Sahut et al, 2021; Muhammad & Yusoff, 2023). However, there are no substantial empirical literature to back this

claim as the few studies conducted in this area are very insignificant to reckon with. This has created a gap in literature which this paper attempts to fill and add to the existing stock of knowledge.

### Conceptual Framework

The conceptual framework of digital entrepreneurship and sustainable business growth is shown in figure 1 below:

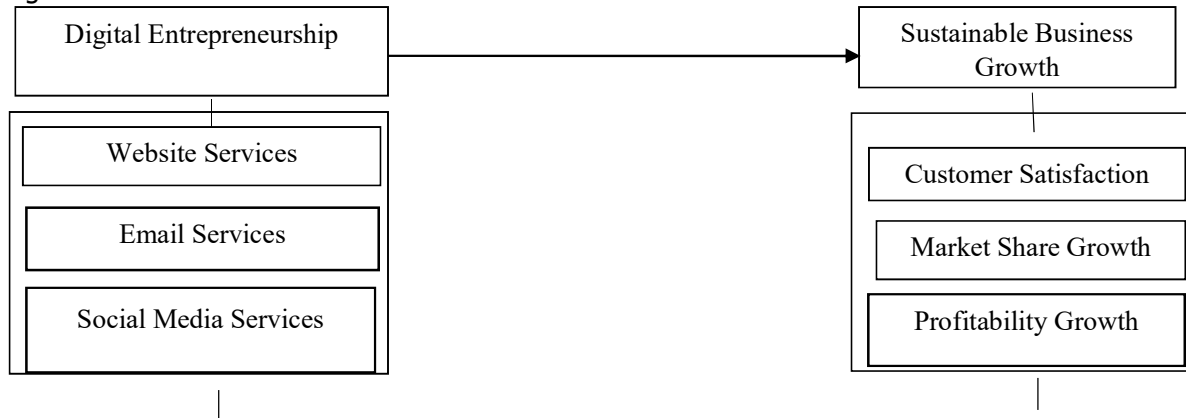


Fig 1: Conceptual framework of digital entrepreneurship and sustainable business growth of SMEs

### Aim and Objectives of the Study

The aim of this study is to examine the relationship between digital entrepreneurship and sustainable business growth of SMEs in Nigeria. The objectives of the study are to:

1. determine the relationship between website services and sustainable business growth of SMEs in Nigeria;
2. ascertain the relationship between email services and sustainable business growth of SMEs in Nigeria;
3. determine the relationship between social media services and sustainable business growth of SMEs in Nigeria.

### Research Questions

The following research questions were answered in the course of the study:

1. To what extent does website services relate to sustainable business growth of SMEs in Nigeria?
2. To what extent does email services relate to sustainable business growth of SMEs in Nigeria?
3. To what extent social media services relate to sustainable business growth of SMEs in Nigeria?

### Research Hypotheses

The following hypotheses were formulated in this study:

- Ho<sub>1</sub>: There is no significant relationship between website services and sustainable business growth of SMEs in Nigeria.
- Ho<sub>2</sub>: There is no significant relationship between email services and sustainable business growth of SMEs in Nigeria.
- Ho<sub>3</sub>: There is no significant relationship between social media services and sustainable business growth of SMEs in Nigeria.

## **Review of Related Literature**

### **Concept of Digital Entrepreneurship**

Digital entrepreneurship emerged as a result of technical assets such as the internet and ICTs (Zhao, 2021). Hull et al (2007) defined digital entrepreneurship as advancement with new ways of establishing and performing business. Bogdanowicz (2015) described digital entrepreneurship as the pursuit of the generation of value through the creation or expansion of economic activity by identifying and exploiting new ICT enabled products, processes and corresponding markets. Davidson and Vaast (2010) defined digital entrepreneurship as the pursuit of business or economic opportunities based on the use of digital technologies. Creating a new enterprises and changing current firms via innovative digital technologies and/or novel application of such technologies are referred to digital entrepreneurship (Zhao, 2021). Digital entrepreneurship is a technological advancement in infrastructure that creates various prospects for entrepreneurs (Baig et al, 2022). The entrepreneurs who practiced digital entrepreneurship are known as digital entrepreneurs while the firms that provide social and economic value for themselves or communities, are referred to digital enterprises (Zhao et al, 2016).

### **Concept of Sustainable Business Growth**

Sustainable growth is the attainable growth which a business can maintain by still generating profit without running into financial problems (Sanoran, 2023). A business that starts to grow quickly may find it difficult to finance this growth while those businesses that find it difficult to grow or grow slowly may stagnate, hence, it is important for managers to find an optimum growth rate (Schwab et al, 2017). An optimum or sustainable growth rate is the maximum growth rate that a company can sustain without having to increase financial leverage (Mansueto Ventures, 2021). To determine sustainable growth rate of a company, the manager must ascertain the level of the company's profit such as ROE and the dividend payout (Meng & Kee, 2022). Therefore, sustainable business growth rate:

$$\text{ROE} = A - (1 - \text{dividend} - \text{payout ratio})$$

It is important for companies to determine their sustainable growth rate because it enables them to observe the virtuous cycle of economic progress where the income rising leads to increased demand for goods and services, and where more production lead to more employment opportunities (Mansueto Ventures, 2021). However, achieving sustainable growth requires foresight and the right strategy including the adoption of digital business strategy (Schwab et al, 2017).

### **Measures of Sustainable Business Growth**

Sustainable business growth is measured in this study using both financial and non-financial measures. The financial measure is profitability growth while the non-financial measures are customer satisfaction and market share growth.

### **Customer Satisfaction**

Customer satisfaction as the overall evaluation based on the overall experience with the goods and services of a particular firm over time (Oliver in Chang & Fong, 2010). Customer satisfaction is the key to business growth and survival (Christensen, 2006). It affects the sales, market share and profitability of a company (Christensen, 2006). As Onditi (2016) stated, if a company must grow and survive, it must make customer satisfaction its number one priority since it has a great impact on the sales and profit margin of the company. A company must try to meet customers' needs and expectations. When a company is able to meet customer needs and/or surpass their expectations, it will experience massive increase in sales and market share and maximize profitability which is essential for business growth and survival. Gao and Mattila (2014) stated that customer satisfaction is the only way through which a company can achieve its long and short-term objectives and remain

in business. Without satisfying the needs of customers, the companies will find it difficult or impossible to achieve their goals and objectives.

### **Market Share Growth**

According to Antonova (2014), market share refers to the percentage of the market that is served by a company at a specific period of time. Armstrong and Greene (2007) defined market share growth as the increase in the percentage or proportion of the market segment that is being serviced by a company. Market share growth is the most important goal for companies because it has a direct impact on revenue (Amelia, 2017). In many instances, market share is often considered as an important asset for competing firms because it helps to increase revenue and enhance business growth. Many investors who intend to buy the share of a company use the company's market share index to make decision. They carefully look at the rate of increase and decrease of the market share from one period to the other because it signifies the relative competitiveness of the company's products in the market.

### **Profitability Growth**

Profitability growth refers to the percentage or proportion with which a company's profit has grown from year to year (Roman et al, 2012). Profitability growth is one of the main objectives of business firms. Every business enterprise strives to increase profitability in order to survive in their industry. Profitability growth is used to measure business growth. It shows how well a company is doing financially for a given period of time. It indicates how competitive a company is, and also determines the financial stability of the company (Maohua, 2009). Tarus, et al (2017) stated that profit growth is a crucial competitive factor because it demonstrates to investors that the company is doing well in the market.

### **Website Services and Sustainable Business Growth**

Website is a method of communication between two applications or electronic device over the World Wide Web (www). Kaplan et al (2015) described a website as any software program that is available over the internet that uses a standardized XML messaging system. Champion et al (2002) defined website service as a standard way of integrating web-based applications over an internal protocol backbones using XML, Simple Object Access Protocol (SOAP), Web Services Description Language (WSDL) and Universal Description Discovery and Integration (UDDI). Generally, website services are used by entrepreneurs to facilitate communication within and outside the organization (Kaplan et al, 2015). It allows entrepreneurs to communicate data with client without intimate knowledge of each other's IT systems behind the firewalls. Web services do not provide client or user with a GUI unlike web server and/or web page system (Champion et al, 2002). Instead web services share data, business logic and processes via a programmatic interface across a network.

Website services have a great influence on sustainable business growth. According to Sarokin (2016), website services enable entrepreneurs to send information to their subordinates and get instant feedback from them. By so doing, website services facilitate effective communication between entrepreneurs and their customers and sustain business growth (Sarokin, 2016). Jiang (2016) opined that website services enable entrepreneurs to send information to the public by advertising programmes and getting response from interested persons. He explains that when information is published in web page and people are able to assess the information, it will enable the organization get feedback. According to Faloye and Oparah (2007), website services can sustain business growth because they facilitate effective communication and information dissemination.

### **Email Services and Sustainable Business Growth**

Email services are used by some entrepreneurs to reach out to their customers and sustain business growth. E-mail services are digital services that convey messages from one person to another (Khan & Islam, 2017). Email service is a crucial aspect of outbound marketing that can help to sustain business growth. Some entrepreneurs send a one-way message to customers via email to get their attention (Drell in Hoogma, 2015). Such messages could be in form of newsletters, preferred customer promotions, sale notifications, new service announcements, event invitations, greeting and more (Constant Contact, 2008). Newsletters are the most common e-mail technique used by entrepreneurs to establish ongoing dialogue with customers because they provide a terrific mechanism for communicating a highly personalized blend of information, entertainment and promotions (Brondmo in Merisavo & Raulas, 2004).

E-mail services can help entrepreneurs to sustain their business growth by leading and directing their customers through the sale process, providing relevant information and directing their customers to the company's website for more details (Ngugi, 2013). For instance, an e-mail newsletter is more unique and suitable to accomplish the long-term goals of customer retention and business growth. Hoogma (2015) stated that an entrepreneur with digital orientation can use search engine placement, sponsor newsletters, rent an opt-in list, place a banner ad or two, to distribute flyer or sent a postcard. With e-mail services the entrepreneurs can pay-off these expensive investments, save time, marketing efforts and improve return on investment by improving profitable customer relationships (Constant Contact, 2008). In direct mail, there are expenses associated with materials, production or postage. However, with e-mail marketing, these expenses are avoided and company easily and affordably communicate with their valued customers and build a long-term relationship with them. Merisavo and Raulas (2004) confirmed that the cost of sending a large number of e-mail messages are marginal compared to print mails.

### **Social Media Services and Sustainable Business Growth**

Social media is one of the digital services provided by entrepreneurs to sustain their business growth. According to Parr in Chen (2014), social media is the use of electronic and internet tools for the purpose of sharing and discussing information and experiences with other human beings in more efficient ways (Parr, in Chen, 2014). This sharing of information, video and experiences take place in different platforms. Examples of social media platforms include Facebook, Twitter, Instagram, LinkedIn, Whatsapp, Pinterest, Myspace, YouTube to mention but a few. Social media has become the most commonly used platform for sharing information. It is observed that most young people from different part of the world spend much of their time on social media (Kahle & Valette-Florence, in Barhemmati & Ahmad, 2015). Felix et al (2016) noted that almost everyone with internet connectivity participates in social media platform. As social media communication grows at a faster rate, it becomes necessary for entrepreneurs to take advantage of these opportunities to sustain their business growth (Hayta, 2013). Madni (2014) stated that social media has provided new opportunities to entrepreneurs to engage in social interaction with their customers over the internet. Assaad and Gomez (2013) noted that social media gives entrepreneurs the opportunities to strengthen their relationship with their customers through regular online interactions. By so doing, entrepreneurs can understand how customers feel about their product or service, their changing taste and preference as well as their next line of action. Today, some entrepreneurs have established their full presence on different social media platforms as way of capitalizing on the opportunities provided by digitalization to sustain their business growth (Senecal & Nantel, in Hajli, 2014).

### **Operational Framework**

The operational framework of digital entrepreneurship and sustainable business growth is shown in figure 2 below:

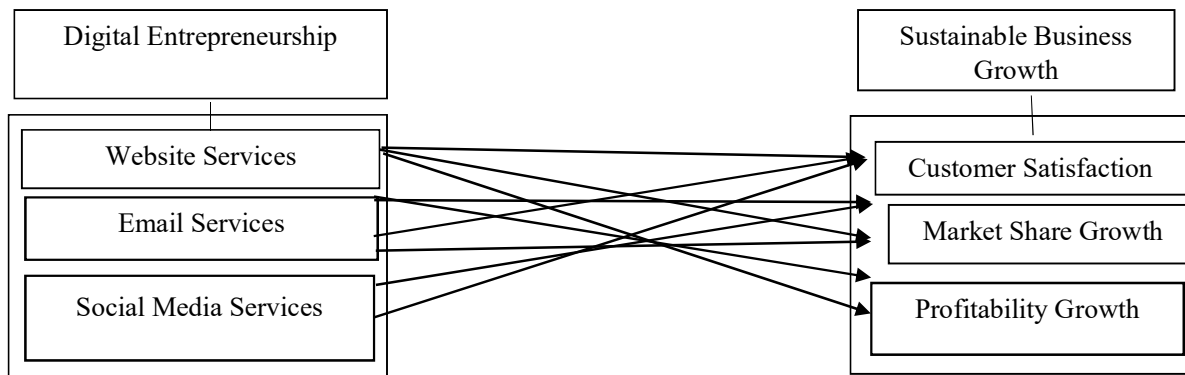


Fig 2: Operational framework of digital entrepreneurship and sustainable business growth of SMEs

**Theoretical Review**

This study was anchored on the technological determinism theory which was developed by Thorstein Veblen in 2001. The theory states that emergency of technology and technological changes are the critical factors responsible for the changes in society. This theory explains how the emergence of technology has impacted on human thoughts and actions. It has changed the way people do things including the businesses are conducted. Technological determinism theory explains how the arrival of technology and the changes or modification that comes with it (technological innovation) has influenced the way people perform a given task as well as the way they communicate with each other in an organizational setting. The theory shows that technological emergency drives social, economic, political and organizational change (Green, 2001). The theory sees technology as the basis for modernizing the way human beings perform a given task and relate with others within an organization.

Technological determinism theory is relevant in explaining digital entrepreneurship and sustainable business growth. The theory argues that technology has changed the way in which entrepreneurs conduct their business activities including the way they communicate with their customers. The theory explains that technology has brought social progress and changed the way entrepreneurs see things. The idea of social progress is centered on the belief that entrepreneurship can be conducted in a digital manner and achieve sustainable business growth. This is the way a business moves forward.

**Empirical Review**

Some related empirical studies have been conducted on digital entrepreneurship and sustainable business growth. For instance, Zhao et al (2011) explored digital entrepreneurship with a particular focus on the role of mentorship in digital entrepreneurship. Their study adopted the survey research design where questionnaire was used to obtain data from teachers of normal education in China and Structural Equation Modeling (SEM) and Smart PLS were used for data analysis. The findings revealed that mentorship plays a significant role in knowledge sharing and innovation which are fundamental to digital entrepreneurship.

Muhammad and Yusoff (2023) empirically examined the challenges of digital entrepreneurship on development of Africa. Their study was conducted in three African countries namely Nigeria, Egypt and South Africa using annual data of these countries collected from the World Bank database for 30 years ranging from 1992 to 2021. The data collected were analyzed using regression analysis (E-view) and the findings showed that development (GDP) of a country has a significant relationship

with technology. The study also revealed that inadequate technological facilities in African countries hinders the development of digital entrepreneurship and hence affects development.

Swaramarinda et al (2021) explored digital entrepreneurship in vocational high school student level. The researchers adopted the survey research design and used a structured questionnaire to collect data from 130 digital entrepreneurial students in vocational students in high school. After analyzing the data collected using percentage and frequency analysis and mean, the researchers discovered that digital entrepreneurship is highly practiced among students in vocational high school.

Sahut et al (2016) examined the age of digital entrepreneurship. Their study adopted the survey research design where questionnaire was used to collect data to obtain data from digital entrepreneurs while factor analysis was used to test the hypotheses. The findings of their study revealed that digital business models, digital entrepreneurship process, creation of digital start-ups, digital platforms and entrepreneurship digital ecosystem have significant impact on business performance.

Baig et al (2022) examined digital entrepreneurship with a particular focus on the opportunities available for new business model. Their study adopted the survey research design where data were collected from owners of newly established information processing firms in India. The researchers used a structured questionnaire to obtain data from the respondents while percentage and frequency tables, mean and ANOVA were used for data analysis. The findings revealed that digitalization has created business opportunities for the Indian population. The study also revealed that significant number of entrepreneurs are in the IT sector.

Bogdanowicz (2015) carried out a study to determine the barriers and drivers of digital entrepreneurship in Russia. The study adopted the exploratory research design and used a structured questionnaire to collect data from SMEs operators in Moscow. The researcher analyzed the data collected using percentage and frequency tables, and used the factor analysis and confirmatory factor analysis and SPSS to test the hypotheses. The findings showed that lack of computer skills, lack of technical skills, lack of adequate financial resources to acquire modern digital equipment and system, cost of training staff on ICT usage, and lack of interest were the barriers while the drivers of digital entrepreneurship include new business opportunities, customer satisfaction, fast and more convenient when use and wider acceptability.

### **Gap in Reviewed Literature**

Available literature on digital entrepreneurship has been reviewed both from the theoretical and empirical perspectives. While there are sufficient theoretical support for digital entrepreneurship as a tool for achieving sustainable business growth, empirical studies that support this argument are lacking as none of the empirical studies relate digital entrepreneurship to sustainable business growth. This has created a gap in literature which this study attempts to fill and contribute to the existing knowledge on entrepreneurship from the Nigerian perspective.

### **METHODOLOGY**

This study adopted the positivist research philosophy and cross-sectional survey research design. The population of this study consisted of all the SMEs in the Information and Technology (IT) sector in South-South Nigeria. The exact number of SMEs in the IT sector is unknown as there are no current statistics to show the exact population of SMEs in the IT sector in South-South Nigeria. Therefore, the Cochran's formula was applied to arrive at a sample size of 384 digital entrepreneurs. A structured questionnaire was used to obtain data from the respondents. The questionnaire was structured using the modified four (4) point Likert scale-type which range from Strongly Agree, Agree, Disagree to Strongly Disagree. The questionnaire was validated and its reliability was



determined using Cronbach Alpha method. The certified questionnaire was administered to the respondents (digital entrepreneurs) across the six states that make up the South-South Geopolitical Zone with the aid of four (4) trained research assistants. A total of 384 questionnaires was administered to the respondents (digital entrepreneurs) of SMEs in South-South Nigeria. Out of the 384 questionnaires administered to the respondents, 332 copies were collected which represents 86% collection rate. After editing of the questionnaire collected, it was observed that 16 copies were wrongly filled while the remaining 316 completed copies were used for analysis. The data were analyzed statistically while the hypotheses were tested using Spearman Rank Order Correlation Coefficient (rho). The (rho) was computed with the aid of the SPSS and the results were presented accordingly.

## RESULTS AND DISCUSSION

The results of the bivariate analysis carried out were presented in this section. The SPSS software program version 24.0 was used to perform the bivariate analysis for each hypothesis. The results of the bivariate analysis are presented in the tables below:

**Table 1: Result of bivariate analysis between website services and sustainable business growth of SMEs**

			Website Services	Sustainable Business Growth		
				Customer Satisfaction	Market Share Growth	Profitability Growth
Spearman Rank (rho)	Website Services	Correlation Coefficient	1.000	.752**	.633**	.685**
		Sig. (2 tailed)	.	.001	.001	.001
		N	316	316	316	316
	Customer Satisfaction	Correlation Coefficient	.752**	1.000	.626**	.641**
Sig. (2 tailed)		.001	.	.001	.001	
N		316	316	316	316	
	Market Share Growth	Correlation Coefficient	.633**	.626**	1.000	.652**
Sig. (2 tailed)		.001	.001	.	.001	
N		316	316	316	316	
	Profitability Growth	Correlation Coefficient	.685**	.641**	.652**	1.000
Sig. (2 tailed)		.001	.001	.001	.	
N		316	316	316	316	

\*\*Correlation is significant at 0.01 levels (2 tailed)

\*Correlation is significant at 0.05 levels (2 tailed)

*Source: SPSS-generated Output*

Table 1 presents the result of the bivariate analysis carried out between website services and sustainable business growth (customer satisfaction, market share growth and profitability growth) of SMEs in Nigeria. The result shows that website services is positively correlated to customer satisfaction ( $\rho = .752^{**}$ ); market share growth ( $\rho = .633^{**}$ ); and profitability growth ( $\rho = .685^{**}$ ), and these correlations are significant at 0.01 level as indicated with the symbol \*\*. As a result of this, the null hypothesis one ( $H_{01}$ ) is rejected and the alternate hypothesis is accepted. This means that we then accept that there is significant relationship between website services and sustainable business growth of SMEs in Nigeria.

**Table 2: Result of bivariate analysis between email services and sustainable business growth of SMEs**

			Email Services	Sustainable Business Growth		
				Customer Satisfaction	Market Share Growth	Profitability Growth
Spearman Rank (rho)	Email Services	Correlation Coefficient	1.000			
		Sig. (2 tailed)	.	.606**	.686**	.691**
		N	316	.001	.001	.001
				316	316	316
	Customer Satisfaction	Correlation Coefficient	.606**	1.000		
		Sig. (2 tailed)	.001	.	.642**	.653**
		N	316	316	.001	.001
					316	316
	Market Share Growth	Correlation Coefficient	.686**	.642**	1.000	
		Sig. (2 tailed)	.001	.001	.	.631**
		N	316	316	316	.001
						316
	Profitability Growth	Correlation Coefficient	.691**	.633**	.631**	1.000
		Sig. (2 tailed)	.001	.001	.001	.
		N	316	316	316	316

\*\*Correlation is significant at 0.01 levels (2 tailed)

\*Correlation is significant at 0.05 levels (2 tailed)

*Source: SPSS-generated Output*

Table 2 shows the result of the bivariate analysis carried out between email services and sustainable business growth (customer satisfaction, market share growth and profitability growth) of SMEs in Nigeria. The result indicates that email services has a positive correlation with customer satisfaction (rho = .606\*\*); market share growth (rho = .686\*\*); and profitability growth (rho = .691\*\*); and the symbol \*\* signifies that these correlations are significant at 0.01 level. Based on this result, the null hypothesis two (Ho<sub>2</sub>) is rejected and the alternate hypothesis is accepted. This means that we then accept that there is significant relationship between email services and sustainable business growth of SMEs in Nigeria.

**Table 3: Result of bivariate analysis between social media services and sustainable business growth of SMEs**

			Social Media Services	Sustainable Business Growth		
				Customer Satisfaction	Market Share Growth	Profitability Growth
Spearman Rank (rho)	Social Media Services	Correlation Coefficient	1.000			
		Sig. (2 tailed)	.	.774**	.827**	.844**
		N	316	.001	.001	.001
				316	316	316
	Customer Satisfaction	Correlation Coefficient	.774**	1.000		
		Sig. (2 tailed)	.001	.	.743**	.768**
		N	316	316	.001	.001
					316	316

	Market Share Growth	Correlation Coefficient Sig. (2 tailed) N	.827** .001 316	.743** .001 316	1.000 . 316	.713** .001 316
	Profitability Growth	Correlation Coefficient Sig. (2 tailed) N	.844** .001 316	.768** .001 316	.713** .001 316	1.000 . 316

\*\*Correlation is significant at 0.01 levels (2 tailed)

\*Correlation is significant at 0.05 levels (2 tailed)

*Source: SPSS-generated Output*

Table 3 contains the result of the bivariate analysis carried out between social media services and sustainable business growth (customer satisfaction, market share growth and profitability growth) of SMEs in Nigeria. The result indicates that social media services are positively correlated to customer satisfaction ( $\rho = .774^{**}$ ); market share growth ( $\rho = .827^{**}$ ); and profitability growth ( $\rho = .844^{**}$ ); and these correlations are significant at 0.01 level as indicated by the symbol \*\*. Hence, the null hypothesis three ( $H_{03}$ ) is rejected and the alternate hypothesis is accepted. This means that we then accept that there is significant relationship between social media services and sustainable business growth of SMEs in Nigeria.

### Discussion of Findings

It was discovered in this study that website services have significant relationship with sustainable business growth of SMEs in Nigeria. This finding emanated from the result of the bivariate analysis carried out on the study variables. The result revealed that website services was positively correlated to customer satisfaction ( $\rho = .752^{**}$ ); market share growth ( $\rho = .633^{**}$ ); and profitability growth ( $\rho = .685^{**}$ ), and these correlations are significant at 0.01 level as indicated with the symbol \*\* (see table 1). As a result of this, the null hypothesis ( $H_{01}$ ) was rejected and the alternate hypothesis was accepted at 90% confidence level. This means that we then accepted that there is significant relationship between website services and sustainable business growth of SMEs in Nigeria. This finding is supported by Sarokin (2016) which reported that website services has increased the market share and profitability of SMEs to a great extent. Jiang (2016) also supported this finding when they revealed that customers are highly satisfied with entrepreneurs who created a website for their company.

This study also found a significant relationship between email services and sustainable business growth in Nigeria. This finding was derived from the result of the bivariate analysis carried out on the study variables. The result revealed that email services has a positive correlation with customer satisfaction ( $\rho = .606^{**}$ ); market share growth ( $\rho = .686^{**}$ ); and profitability growth ( $\rho = .691^{**}$ ); and the symbol \*\* signifies that these correlations are significant at 0.01 level. Based on this result, the null hypothesis ( $H_{02}$ ) was rejected and the alternate hypothesis was accepted. This means that we then accepted that there is significant relationship between email services and sustainable business growth of SMEs in Nigeria. This finding is supported by Ngugi (2013) which reported that email services have increased the level of customer satisfaction with SMEs operators. Khan and Islam (2017) also agreed with this finding when they stated that highly satisfied customers recommend more customers to a firm and this will increase the market share and profitability of the firm.

Finally, it was reported that social media services have a significant relationship with sustainable business growth in Nigeria. This finding was emerged from the result of the bivariate analysis carried

out on the study variables. The result showed that social media services are positively correlated to customer satisfaction ( $\rho = .774^{**}$ ); market share growth ( $\rho = .827^{**}$ ); and profitability growth ( $\rho = .844^{**}$ ); and these correlations are significant at 0.01 level as indicated by the symbol  $^{**}$ . Consequently, the null hypothesis ( $H_{03}$ ) was rejected and the alternate hypothesis was accepted at 90% confidence level. This means that we then accepted that there is significant relationship between social media services and sustainable business growth of SMEs in Nigeria. This finding is supported by Sharma (2017) who noted that customers are highly satisfied with social media services provided by their service providers. Hoogma (2015) also reported that the presence of entrepreneurs in social media platforms has increased their market share and profitability with a short period of time.

## CONCLUSION

This study explored the relationship between digital entrepreneurship and sustainable business growth of SMEs in Nigeria. It critically analyzed the digital services such as website services, email services and social media services provided by entrepreneurs and how they relate to sustainable business growth of SMEs as measured by customer satisfaction, market share growth and profitability growth. The results of this study confirmed that website services are significant predictors of sustainable business growth of SMEs in Nigeria as it is positively and significantly related to customer satisfaction, market share growth and profitability growth of the firm. Email services were also reported to be a significant predictor of sustainable business growth of SMEs in Nigeria. Social media services were equally reported to be a significant predictor of sustainable business growth of SMEs in Nigeria. Since website, email and social media are significant predictors of sustainable business growth, it is therefore concluded that digital entrepreneurship has significant relationship with sustainable business growth of SMEs in Nigeria.

## RECOMMENDATIONS

The following recommendations are provided for the study:

1. That, entrepreneurs of SMEs in Nigeria especially those that are yet to digitalized their operations should take advantage of digital technology to improve the quality of their services as it would enable them sustain their business growth.
2. That, entrepreneurs in Nigeria particularly those that are yet to create a website for their business should employ the services of web designers to create a website for their company as it would enable customers reach out to them with ease and achieve sustainable business growth.
3. That, entrepreneurs in Nigeria should regularly service their web page with strong network connectivity as this would ensure smooth flow of communication and increase the level of customer satisfaction with their services.
4. That, entrepreneurs in Nigeria especially those that are yet to create an email address for their company should reconsider their position and create email address for their company as this would enable them reach out to their customers and increase their market share.
5. That, entrepreneurs in Nigeria particularly those that are yet to establish their presence on social media platforms such as Facebook, Twitter, Instagram, etc. should take advantage of these platforms to reach out the millions of people who spent considerable amount of their time on social media searching for product information and recommendations.
6. Finally, it is recommended that entrepreneurs should embrace digital communication as it would not only increase customer satisfaction but also increase their market share and profitability.

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