EMPOWERING RURAL ENTREPRENEURSHIP THROUGH DIGITAL LITERACY IN SURROUNDING VILLAGES OF SIVAKASI

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ABSTRACT

This study investigates the relationship between digital literacy and rural entrepreneurship in the vicinity of Sivakasi, utilizing demographic profiling and statistical analysis. The research identifies key challenges and opportunities for empowerment in rural entrepreneurship through rigorous statistical tools, including ANOVA and Frequency analysis. Findings underscore the importance of targeted interventions, such as comprehensive digital skills training and strategic networking events, to foster economic growth in rural communities. This study emphasizes the critical role of statistical analysis in uncovering insights and informing evidence-based interventions to support rural entrepreneurship development.

Keywords: Rural Entrepreneurship, Digital Skills Training, Empowerment, Economic Development and Digital Literacy.

1. Introduction

Rural entrepreneurship drives economic growth and reduces poverty in developing countries. However, rural entrepreneurs face numerous challenges, including limited market access, financial services, and information and communication technologies (ICTs). In recent years, there has been growing recognition of the potential of digital literacy in empowering rural entrepreneurs and enhancing their business prospects.

This research aims to investigate the relationship between digital literacy and rural entrepreneurship in the surrounding villages of Sivakasi.

2. Statement of the Problem

The study aims to determine what characteristics in the Sivakasi surrounding villages influence a level of empowerment in rural entrepreneurship through digital literacy. Achieving a broad market reach, encouraging creativity and innovation in business practices, embracing market trends, strengthening customer relationships, enabling digital financial services, boosting revenue and sales, improving decision-making procedures, and advancing communication abilities are some of the factors that have been identified. The main issue, then, is realizing the particular difficulties and impediments that prevent these elements from being applied effectively in rural business. This study aims to identify the challenges entrepreneurs in the target region encounter concerning each element, offering insights into the subtle problems that impede the best possible use of digital literacy for empowerment in rural entrepreneurial activities.

3. Objectives

- ➢ To study the Socioeconomic condition of rural entrepreneurship.

- ➢ To assess the impact of empowering rural entrepreneurship through digital literacy in Sivakasi's surrounding villages.

- ➢ To identify the challenges and barriers to rural entrepreneurship through digital literacy.

4. Hypothesis

Ho. There is no significant difference between age and level of empowerment in rural entrepreneurship through digital literacy.

Ho. There is no significant difference between education status and challenges faced by digital literacy in rural entrepreneurship.

5. Review of the literature

Prasetyo, P. and Setyadharma, A. (2022), in their article titled "Digitalization Technology for Sustainable Rural Entrepreneurship and Inequality," concluded that the multifaceted impact of digital technology in rural areas, highlighting both positive and negative aspects, particularly in terms of inequality and employment. It suggests the potential for a new socio-economic transformation model based on local wisdom and social entrepreneurship to mitigate these issues. Still, it acknowledges the complexity of applying this concept universally. The passage emphasizes the need for further research in the context of institutional

theory and socio-cultural entrepreneurship, making it a valuable contribution to the field.

Rahim Sadigov (2022), in his article "Impact of Digitalization on Entrepreneurship Development in the Context of Business Innovation Management," stated that the econometric analysis underscores the critical role of digital technology in fostering business sector growth and competitiveness. Export activity in the ICT sector has a more positive impact on business development than import activity. In contrast, digital advancements with varying sensitivity levels affect the ease and cost of business start-up procedures. Specifically, the growth of computer and communication service exports drives entrepreneurial performance, whereas certain service exports may hinder it.

6. Methodology of The Study

The methodology section encompasses a systematic and theoretical evaluation of the procedures and techniques applied within the scope of the study. Data were collected from both primary and secondary sources to achieve the objectives outlined in this research. Primary data were obtained through surveys utilizing structured interview schedules specifically designed for digital rural entrepreneurs. The chosen sample size for this study comprises 100 respondents. For the acquisition of secondary data, a comprehensive review of literature from books, journals, magazines, and online sources was conducted. This study incorporates an analysis based on primary and secondary data, providing a robust foundation for the research findings. To quantitatively analyze the interview responses, especially for open-ended questions, a coding system was developed to convert qualitative data into quantifiable formats. This approach facilitates the application of statistical methods, including ANOVA, to ascertain the variance within the data and draw meaningful conclusions.

7. Analysis and Interpretation

7.1. Demographic & Business Profile of the Respondents

Table 1 Demographic& Business profile of the respondents

S. No	Details	No of Respondents	Percentage
Gender			
1.	Male	43	43%
2.	Female	57	57%

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Age			
1.	Up to 20	5	05%
2.	20-40	46	46%
3.	41-60	35	35%
4.	Above 60	14	14%
Educational Qualification			
1.	Illiterate	14	14%
2.	School level	22	22%
3.	undergraduate	36	36%
4.	Postgraduate	18	18%
5.	Professional	10	10%
Monthly Turnover			
1.	Up to 10000	16	16%
2.	10001-20000	30	30%
3.	20001-30000	24	24%
4.	30001-40000	13	13%
5.	Above 40000	17	17%

Source: Primary data

Table 1 outlines the demographic profiles of the respondents. Out of 100 respondents, 57 percent (57) of the respondents are female, 41 percent (41) of the respondents are 20 to 40 years of age, 36 percent (36) of the respondents are undergraduate, and 30 percent (30) of the respondents' monthly turnover is 25,001 to 50,000.
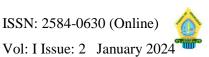
7.2 Age and Level of Empowerment Rural Entrepreneurship Through Digital Literacy

Ho. There is no significant difference between Age and Level of empowerment in rural entrepreneurship through digital literacy.

Table 2 Age and Level of Empowerment Rural Entrepreneurship Through Digital Literacy

		Sum of Squares	Degree of Freedom	Mean Square	F	Sig.
Wide market reach	Between Groups	26.343	3	8.781	6.108	.001
	Within Groups	138.017	96	1.438		
	Total	164.360	99			
Promote innovation	Between Groups	2.721	3	.907	.627	.599
	Within Groups	138.919	96	1.447		

and creativity in business.	Total	141.640	99			
Adopting Market trends	Between Groups	3.006	3	1.002	1.259	.293
	Within Groups	76.384	96	.796		
	Total	79.390	99			
Improve customer linkage	Between Groups	.868	3	.289	.267	.849
	Within Groups	104.042	96	1.084		
	Total	104.910	99			
Facilitate Digital financial service.	Between Groups	1.191	3	.397	.324	.808
	Within Groups	117.569	96	1.225		
	Total	118.760	99			
Increase Sales and Revenue	Between Groups	3.858	3	1.286	1.222	.306
	Within Groups	101.052	96	1.053		
	Total	104.910	99			
Better decision making	Between Groups	1.294	3	.431	.273	.844
	Within Groups	151.456	96	1.578		
	Total	152.750	99			
Improve communication skills	Between Groups	2.544	3	.848	.638	.592
	Within Groups	127.566	96	1.329		
	Total	130.110	99			

Source: Calculated value.

Table 2 provides ANOVA results regarding the relationship between age and various aspects of empowerment in rural entrepreneurship through digital literacy.

For the variable "Wide Market Reach," the p-value is **less than 0.01**, indicating statistical significance at the 1% level. Consequently, the **null hypothesis is rejected** for this variable. This suggests a difference in the level of empowerment regarding wide market reach across different age groups.

However, for the variables "Promote Innovation and Creativity in Business," "Adopting Market Trends," "Improve Customer Linkage," "Facilitate Digital Financial Service," "Increase Sales and Revenue," "Better Decision Making," and "Improve Communication Skills," the p-values are **greater than 0.05** at the 5% level of significance. Therefore, the **null hypotheses for these variables are accepted**. This implies no

significant difference in the level of empowerment across different age groups concerning rural entrepreneurship through digital literacy.

7.3. Education and challenges faced by the digital literacy in rural entrepreneurship

Ho. There is no significant difference between Education and the challenges digital literacy faces in rural entrepreneurship.

		Sum of Squares	Degree of freedom	Mean Square	F	Sig.
Limited Technology Access	Between Groups	2.048	4	.512	1.250	.295
	Within Groups	38.912	95	.410		
	Total	40.960	99			
Latest technology adoption	Between Groups	2.165	4	.541	1.518	.203
	Within Groups	33.875	95	.357		
	Total	36.040	99			
Resistance to Technological Change	Between Groups	2.104	4	.526	.783	.539
	Within Groups	63.856	95	.672		
	Total	65.960	99			
Security and privacy issues	Between Groups	2.098	4	.525	1.014	.404
	Within Groups	49.142	95	.517		
	Total	51.240	99			
Digital Infrastructure Challenges	Between Groups	5.005	4	1.251	1.394	.242
	Within Groups	85.235	95	.897		
	Total	90.240	99			

Source: Calculated value.

Based on the ANOVA results in Table 3, all variables show p-values **greater than the 0.05** significance level, indicating the null hypothesis is accepted. Consequently, it can be inferred that there is no significant difference between education and the challenges faced by digital literacy in rural entrepreneurship.

Findings:

Table 1 outlines the demographic profiles of the respondents. Out of 100 respondents, (57) Majority of the respondents are female, (41) Most of the respondents are 20 to 40 years of age, (36) Most of the respondents are undergraduate,

(30) Most of the respondents' monthly turnover is 25,001 to 50,000.

Table 2 provides statistical analysis results regarding the relationship between age and various aspects of empowerment in rural entrepreneurship through digital literacy. For the variable "Wide Market Reach," the p-value is **less than 0.01**, indicating statistical significance at the 1% level. Consequently, the **null hypothesis is rejected** for this variable. This suggests a difference in the level of empowerment regarding wide market reach across different age groups. However, for the variables "Promote Innovation and Creativity in Business," "Adopting Market Trends," "Improve Customer Linkage," "Facilitate Digital Financial Service," "Increase Sales and Revenue," "Better Decision Making," and "Improve Communication Skills," the p-values are **greater than 0.05** at the 5% level of significance. Therefore, the **null hypotheses for these variables are accepted**. This implies no significant difference in the level of empowerment across different age groups concerning rural entrepreneurship through digital literacy.

Based on the ANOVA results in Table 3, all variables show p-values **greater than the 0.05** significance level, indicating the null hypothesis is accepted.

Consequently, it can be inferred that there is no significant difference between education and the challenges faced by digital literacy in rural entrepreneurship.

Suggestion:

➢ Provide training courses on essential digital skills for rural business owners, such as financial management, internet tool utilization, and marketing tactics.

➢ Work with nearby banks and financial institutions to provide specialized training on digital financial literacy for rural business owners. The workshops will include budgeting, online banking, and e-commerce transactions.

➢ Plan frequent business fairs or networking gatherings in rural regions to allow entrepreneurs to present their goods and services and gain knowledge from one another's experiences.

Conclusion

The study concluded that promoting digital literacy in the Sivakasi neighboring communities would promote rural entrepreneurship. The results highlight how urgently customized interventions and support initiatives are needed to address rural businesses' particular difficulties. Initiatives should concentrate on offering thorough instruction in digital skills that

consider rural areas' unique requirements and environments. A broad range of digital literacy subjects should be covered in this training, such as e-commerce platforms, online marketing, financial management software, internet usage, and fundamental computer skills. In addition, planning networking events and encouraging community involvement can help rural entrepreneurs exchange knowledge, find mentors, and establish strategic alliances. These interventions must be accessible and inclusive to reach entrepreneurs from various demographic backgrounds. By implementing focused interventions and support initiatives, stakeholders may foster an environment conducive to the success of rural entrepreneurship, thereby promoting economic growth and empowering the local population.

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