Investigating the Relationship between Entrepreneurial Knowledge and Entrepreneurial Interest: A Survey on E-Commerce Entrepreneur

Nizar Alam Hamdani¹*, Intan Sari²

¹Faculty of Economics, University of Garut, Garut, Indonesia
²Faculty of Entrepreneurship, University of Garut, Garut, Indonesia

*Corresponding author email: nizar.hamdani@uniga.ac.id

Abstract
This study is conducted because of the problems in digital economy particularly in the use of e-commerce which currently develops. The phenomenon of e-commerce appearance has radically switched the business landscape. The start-up companies capture new opportunities through innovative business models. Several e-commerce websites are available for general purposes, and the number of websites is increasing from over the time. Realizing the user’s needs are the basic principle in designing the successful websites. This study is intended to find out the relationship between entrepreneurial knowledge and entrepreneurial interest for e-commerce actors in Indonesia. The research method used was quantitative method and the data was analyzed using simple linear regression. The correlation was used by taking comparative approach in which the research method was intended to determine cause-effect relationship. This follows the effect of observing and investigating causal factors through data collection, and the data was processed using SPSS application version 25. To answer the problems formulated in this study, the researchers chose 30 entrepreneurs that use e-commerce. This study showed that there was significant relationship between entrepreneurial knowledge and entrepreneurial interest. This study is the development in form of applied theory. The result of this study explained to what extent entrepreneurs’ attitude and behavior in exploiting information and technology in form of e-commerce. Therefore, it could be discovered the effectiveness and usefulness of e-commerce as selling and purchasing media online. When an entrepreneur acquires the knowledge relating to the usefulness of e-commerce, it will increase the interest of running the business. In addition to, when an entrepreneur understands and comprehends the entrepreneurial knowledge, it will increase the interest to run the business.

Keywords: E-Commerce; Entrepreneurial Interest; Entrepreneurial Knowledge; Indonesia

1. Introduction
The development of world globalization has transformed transparency in all aspects, including the intense of business competition among countries through cross-national trade to dominate the international market in goods and services. Our country needs people to take part in the business competition. Therefore, the role of entrepreneurship is very meaningful to participate and dominate the global market (Dollinger, 2008). Entrepreneurship refers an activity to utilize the resources owned by a person or organization which aims to provide added value to resources in a sustainable way. Currently, to be an entrepreneur is a trend for young people. A lot of young people are competing to start their businesses. Encouraging entrepreneurship is able to be accomplished in various ways; however, the first step that must be taken first is to increase people's knowledge and awareness about entrepreneurial interest (Dewi et al., 2021).

Entrepreneurial knowledge is greatly essential and influences entrepreneurial activities carried out by business actors (Aslam & Hasnu, 2016). To foster entrepreneurial interest, getting formal or non-formal entrepreneurship education becomes necessary to make us easier to run the business. Entrepreneurial interest is the desire to work hard to create a business with the abilities that someone has so that they are willing to take risks (Chong, 2022). Entrepreneurial interest leads someone to fully focus on entrepreneurship because they love and have a strong desire to learn, know and prove themselves in their business. Entrepreneurial interest arises because of the knowledge and information about entrepreneurship that someone gets (Dewi et al., 2021). Due to the fact that the level of entrepreneur ratio in Indonesia is still low compared to other countries, it has become our job to encourage more people to be entrepreneurs in global market. It is an obligation for every individual to be more literate towards entrepreneurship according to their field of interest. To contribute to the national economy, every business actor should be equipped with knowledge about entrepreneurship in order to create independent, creative, and innovative entrepreneurs.

As seen on Figure 1, the number of entrepreneurs in Indonesia is still far behind compared to neighboring countries such as Malaysia, Singapore and Thailand. In fact, the population and potential for business development in
Indonesia are very large. Minister of Cooperatives and Small and Medium Enterprises (UKM) Teten Masduki said Indonesia’s entrepreneurial ratio was at the level of 3.74 percent, while Malaysia, Singapore and Thailand were above 4 percent (Liputan6.com, 2021). The sophisticated development of information and technology has given impact global business including electronic commerce or e-commerce. Internet is the most important technology that can provide information to people to access. Currently, communication and community activities are facilitated by important communication tools, namely smartphones and social media. For the most part, people use this medium for e-commerce or business purposes (Tetep et al., 2021). The phenomenon of digital technology has emerged in today’s business world. People particularly use electronic commerce (e-commerce) in buying, selling, transporting, or exchanging information, products, or services. There are many advantages of e-commerce, including operational benefits such as global reach, reducing costs, optimizing supply chains, and opening up business opportunities (Sampe et al., 2022). Entrepreneurship levels in Asian countries can be seen in Figure 1.

Indonesia is a country with a fairly growing e-commerce user growth from year to year. It is predicted that the growth of e-commerce will keep increasing in the next few years. Statistics recorded the number of e-commerce users in Indonesia in 2017 reached 139 million users, then rose 10.8% to 154.1 million users in 2021. It is projected to reach 212.2 million in 2023 (Deshmukh et al., 2013). Without space and time limitations in trade, and supported by information and communication technology, e-commerce has been able to speed up and facilitate buying and selling transactions between sellers and buyers. Acceleration of information and the internet can boost the Indonesian economy. This economic development can be seen from the use of the internet among Indonesian people to shop on e-commerce platforms from year to year (Putri & Muzakki, 2021).

This consequently makes online business in Indonesia more attractive to all parties, both educated and uneducated, young and older generations. Current business developments are so rapid, that it provides great opportunities for community to be initiative and creative. Better internet technology, economic globalization, environmental complexity and fast competitive growth are problems that occur in all parts of the world (Ilham & Ratnamiasih, 2021). As one of the greatest technological developments of the last twenty years, e-commerce has driven revolutionary changes in global business, including entry into new markets, a tangled customer base, efficient supply chains, improved customer service, increased profits, and reduced costs. While e-commerce has many advantages in terms of overcoming geographical limitations, gaining new customers, creating markets for specialty products, staying open all the time (Sandhaus, 2019).

E-commerce companies generate revenue through subscription fees, advertising fees, and transactional revenue (including fixed transaction fees, referral fees, fixed or variable sales commissions, and mark-ups on direct sales of goods). They sometimes use variants of these basic income-generating modes, and they often use them in combination. As we enter the 21st century, E-commerce, with its dynamic, fast-growing and highly competitive characteristics, promises new avenues for wealth creation. Established companies create new online businesses, while new ventures exploit the opportunities the Internet provides (Amit & Zott, 2017). Based on the opinion that entrepreneurial knowledge is obtained by someone from the level of education, but also obtained from other sources such as seminars, television, radio and newspapers. The knowledge obtained is expected to foster an interest in entrepreneurship so that it can create jobs for himself and also for others. This phenomenon is the reason for the author to conduct research under the title “Investigating the Relationship between Entrepreneurial Knowledge and Entrepreneurial Interest: A Survey on E-Commerce Entrepreneur”.

![Figure 1: Rate of Entrepreneurship in Asian Countries](source: Liputan6.com, 2021)
2. Literature Review

2.1. Entrepreneurial Interest

Entrepreneurial Interest in many studies is discussed by several other terms, such as entrepreneurial motivation, entrepreneurial willingness and entrepreneurial intentions (Octavia et al., 2020). Entrepreneurial interest is the desire, awareness, and willingness to work hard and optimally without feeling afraid of the risks or failure (Firman et al., 2020). Entrepreneurial interest is a person's desire, interest, and willingness to work hard to meet his life's needs, without feeling afraid of the risks that will occur so that people will accept challenges, become more confident, creative and innovative, and have the ability and skills to meet their needs (Fadzil et al., 2019). Entrepreneurship interest arises due to feelings of pleasure and interest in entrepreneurship so that people become more enthusiastic and hardworking in practical and theoretical activities. Those feeling lead people to be good at entrepreneurship (Chan, 2008).

Based on several theories regarding interest in entrepreneurship, it can be concluded that interest in entrepreneurship is a tendency to start a new business. Someone who is interested in entrepreneurship will have interest, pleasure and concern for everything related to entrepreneurship, (Yordanova & Tarazon, 2010). Interest is "acceptance of the relationship between oneself, and something outside." Interest has a strong influence in achieving achievement in a job, position, or career. Entrepreneurial interest is a person's choice of activity because he feels interested, happy, and full of desire to become a successful entrepreneur regardless of the risks, (Arifin et al., 2020). Another factor that influences interest in entrepreneurship is the use of social media. Several types of social media can be used such as Facebook, Twitter, Path, Instagram, etc. As a tool of technology, if used appropriately, social media can boost business or brand performance. Instagram is one of the social media that can be trusted to inspire the performance of a business or brand and has been widely used by all groups, especially young people or millennials. In this case, it will foster high interest in entrepreneurship; Conversely, if misused for negative things, it will not stimulate interest in entrepreneurship itself.

Therefore, as a young generation who are literate in technology and technology (IT), they must make the best of this opportunity (Firman et al., 2020). The main factor that encourages someone to carry out entrepreneurial activities is due to entrepreneurial interest which is very important because it is the main capital, namely the desire that will encourage someone to start a business (Waldyatri et al., 2021).

2.2. Entrepreneurial Knowledge

Entrepreneurial knowledge is a person's ability to produce something new through creative thinking and innovative actions to create ideas or opportunities that can be utilized for good use. Adequate entrepreneurial knowledge is expected to be able to change the mindset, not only to become a job seeker but also to provide jobs for other people. Entrepreneurial knowledge is one of the factors that triggers interest in entrepreneurship (Waldyatri et al., 2021). Entrepreneurship knowledge is an instrument used to increase entrepreneurial activity. This is necessary to create an effective and successful sustainable business. Entrepreneurial knowledge is considered as main element of entrepreneurial activity and the foundation for building new businesses. This is because entrepreneurial knowledge has a major impact on entrepreneurial intentions that lead to individual, organizational and national success through economic sustainability (Hussain et al., 2021).

Entrepreneurial Knowledge is the whole thing known about all forms of information, and result of the learning process is manifested through attitudes, knowledge and skills. One of the ways that can be used to improve progress in entrepreneurship is through entrepreneurial knowledge (Setiawan et al., 2020). These three things are then processed in the cognitive domain in the form of memory and understanding of how to do business. Therefore, someone has the courage to become an entrepreneur and take risks rationally and logically in handling a business (Firman & Putra, 2020). Entrepreneurial knowledge is one of the internal factors that influence the entrepreneurial interest. Entrepreneurial knowledge is all information that is known through the five senses and reasoning, processed in the cognitive domain of memory and understanding to build a value with the ability and courage to take risks rationally and logically in handling a business to gain opportunities for success (Mambu et al., 2019).

Entrepreneurial knowledge is the one of entrepreneurial resources within the individual. Entrepreneurial knowledge is all the facts that are managed and processed in the cognitive scope, then we understand the process, become dare to take risks rationally and logically, if we want to manage a business. Based on several theories regarding entrepreneurial knowledge, it can be concluded that entrepreneurial knowledge is science, art, as well as behavior, traits, characteristics, and character of a person who creatively transform innovative ideas into the real world (Turker & Selcuk, 2009).

3. Materials and Methods

3.1. Materials

Population is a collection of elements that share the same characteristics. The population is a generalized area consisting of objects or subjects that have certain qualities and characteristics determined by researchers to study and
then draw conclusions (Qasim et al., 2018). The survey method is used to obtain data from a particular place. The treatment in survey method is done by distributing questionnaires. The target population in this study was entrepreneurs who use e-commerce. The sampling technique used in this research was purposive sampling technique. An appropriate sample size in this research is between 30 and 500 people (Gupta & Kim, 2007). The hypothesis is a temporary answer to the research problem formulation stated in the form of a question sentence. The hypothesis is called provisional because the answers given are only based on relevant theories, not yet based on empirical facts obtained through data collection, stated by Sugiyono in (Ernawati et al., 2022). Based on the problem formulation and literature review that has been described previously, the hypothesis in this study is:

H<sub>0</sub>: There is no relationship between knowledge entrepreneurial and entrepreneurial interest.

H<sub>1</sub>: There is relationship between knowledge entrepreneurial and entrepreneurial interest.

![Figure 2: Research Model](Image)

Source: (Nurohmah, 2017)

3.2. Methods

The method used was descriptive method. It is a method to find out the value of independent variable, both one or more independent variables without comparing nor relating to other variables. Besides, the method used for analyzing the data was simple linear regression, (Teicher et al., 2002). The method research used was quantitative method using the simple linear regression for analyzing the data. The correlation was employed to take comparative approach in which the research method was directed to determine the causal relationship. This is in line with effect observation and seeking for causal factors through the data collected. The SPSS v. 25 was used to process the data. The respondents for this research were thirty entrepreneurs who use e-commerce in running the business, (Boldureanu et al., 2020). Linear regression is a statistical method that test the extent of the causal relationship between the causal factor variables and the effect variables. The causative factor is generally denoted by entrepreneurial knowledge or also called predictor, while the effect variable is denoted by entrepreneurial intention or also called response. The purpose of using simple linear regression analysis in this study was to find out the extent of influence of the independent variable entrepreneurial knowledge on the dependent variable entrepreneurial interest. The correlation coefficient (R) shows the measure of relationship between the independent variable simultaneously with the dependent variable. The value of R ranges from 0 to 1, the value closer to 1 means the relationship is getting stronger, otherwise the value is closer to 0 then the relationship is getting weaker. While the sample is part of the population whose characteristics are to be investigated, and are considered to be representative of the entire population (the number is less than the population). Respondent characteristics can be explained in Table 1.

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<tr>
<th>Table 1: Respondent Characteristics</th>
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<td>Profile</td>
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<td>Sex</td>
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<td>Age</td>
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<td>Business</td>
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</table>

Source: Data Primer

The target population in this study are 30 e-commerce business actors. The sampling technique used in this study was a purposive sampling technique with an appropriate sample size in the study ranging from 30 to 500 people (Gupta & Kim, 2007). In this study the researchers used 30 samples. Likert Scale was used in this study ranging from score 1 to 4. The indicator scores for this questionnaire were Strongly Agree (SA), Agree (A), Disagree (D), Strongly Disagree (SD).

4. Results and Discussion

The validity test using SPSS requires that if the r-observed (corrected item total correlation) is higher than r-critical (simple correlation coefficient) then the questionnaire statement items are declared valid. Based on the analysis results, the r-observed value is 0.349 and r<sub>value</sub> (corrected item total correlation) is greater than the r<sub>table</sub> total simple correlation coefficient) in each statement item for each variable. Thus, it can be concluded that entrepreneurial
knowledge on entrepreneurial interest as a whole is valid because the value of $r_{value} > r_{table}$. This means that these statement items have met the eligibility requirements to be used in research. The reliability test was calculated using SPSS with the decision criteria; a construct or variable is considered to be reliable if it gives a Cronbach's Alpha value greater than 0.60 (Chan, 2008).

Based on the results of the instrument reliability test, it can be concluded that the reliability test carried out on all statement items including intervals was fairly strong. The results of the reliability coefficient of the instrument variable entrepreneurship knowledge on entrepreneurial interest obtained was 0.757, meaning that the Cronbach's Alpha value was greater than 0.60 for the instrument which was declared reliable. The sample used in this research was e-commerce business actors totaling 30 people. The majority of respondents use e-commerce because it is easily accessible. Several steps were conducted to analyze the relationship between entrepreneurial knowledge and entrepreneurial interest. The first analysis was carried out to find out the coefficient value of entrepreneurial knowledge on entrepreneurial interest, which can be seen from the Table 2 below:

<table>
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<th>Table 2: Coefficients</th>
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<tr>
<td>Coefficients*</td>
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<td><strong>Model</strong></td>
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<tr>
<td>(Constant)</td>
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<td>1</td>
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<tr>
<td>Entrepreneurial Knowledge</td>
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<tr>
<td>a. Dependent Variable: Entrepreneurial Interest</td>
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</table>

It was obtained that the constant (a) value was 4.721 and the value of entrepreneurial knowledge was 1.158. Thus, the regression coefficient was positive. It could be considered that the influence of the entrepreneurial knowledge variable on entrepreneurial interest was positive. The second analysis was conducted to determine the level of relationship between Entrepreneurial Knowledge and Entrepreneurial Interest. The coefficient of determination was used to calculate the contribution of entrepreneurial knowledge to entrepreneurial interest. In other words, it was intended to calculate the magnitude of the influence of entrepreneurial education on interest in entrepreneurship. The value of the coefficient of determination can be seen in the Table 3 below:

<table>
<thead>
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<th>Table 3: Coefficient of Determination</th>
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<tr>
<td><strong>Model Summary</strong></td>
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<td><strong>Model</strong></td>
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<tr>
<td>1</td>
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<tr>
<td>a. Predictors: (Constant), Entrepreneurial Knowledge</td>
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</table>

Based on Table 3, the magnitude correlation of R value was 0.886 so that it could be said that there was a relationship between entrepreneurial knowledge and entrepreneurial interest in e-commerce business actors. Then, from the output, the coefficient of determination of r-square obtained was 0.785. Thus, the relationship between entrepreneurial knowledge and entrepreneurial interest was found out as 78.5%. The third analysis was conducted to find out whether the entrepreneurial knowledge indicators together influenced the entrepreneurial interest. In this study, the main hypotheses tested entrepreneurial knowledge has a significant influence on entrepreneurial interest. A significance value of 0.000 < 0.05, meaning that $H_a$ was accepted and could be applied outside the research focus as Table 4.

<table>
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<th>Table 4: ANOVA</th>
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<tr>
<td><strong>ANOVA</strong></td>
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<td><strong>Model</strong></td>
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<td>1</td>
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<tr>
<td>Residual</td>
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<tr>
<td>Total</td>
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<tr>
<td>a. Dependent Variable: Entrepreneurial Interest</td>
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<td>b. Predictors: (Constant), Entrepreneurial Knowledge</td>
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</table>

It had been obtained that $f$-observed value was 102.293 with a significance level of 0.000, meaning that it was smaller than 0.05, so the regression model could be used to predict the interest in entrepreneurship variable.
5. Conclusion

After analyzing both based on the theories and result of the study, the researchers conclude that Entrepreneurial Knowledge influences Entrepreneurial Interest, with the percentage of influence magnitude of 78%. The researchers also successfully answered the formulated research questions as follows: 1) There was found the relationship between Entrepreneurial Knowledge on Entrepreneurial Interest, 2) 78.5% of entrepreneurial knowledge was influenced by entrepreneurial interest, and 3) It was proven the relationship between entrepreneurial knowledge and entrepreneurial interest with the percentage of 88.6%. This study will not be accomplished without the supports from all parties involved. The researchers would sincerely offer great gratitude to all people who have participated in completing this research. Hopefully, this research able to contribute for good purposes.

References


Gupta, S., & Kim, H. W. (2007). The moderating effect of transaction experience on the decision calculus in on-line


