

To cite this article: Zulfahmi Sengaji* and Egi Radiansyah (2022). HOW ENTREPRENUR INTENTION TO DIGITISE MICRO, SMALL AND MEDIUM ENTERPRISES, International Journal of Education and Social Science Research (IJESSR) 5 (2): 26-35

HOW ENTREPRENUR INTENTION TO DIGITISE MICRO, SMALL AND MEDIUM ENTERPRISES

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DOI: <http://dx.doi.org/10.37500/IJESSR.2022.5203>

ABSTRACT

The research object for this study will be micro, small, and medium enterprises in South Lampung. In conclusion, this research builds on the findings of prior research—perceived usefulness and ease of use influence behavioral intention to use, according to this study. Self-efficacy is a factor that influences the ease of use, usability, and effectiveness of a product. This research relies on primary data sources. Micro, small, and medium companies in South Lampung Regency make up the research sample. Purposive sampling is used in this investigation. This study had a total of 65 participants. They gathered information using a questionnaire that was issued directly to the public. The researcher announces the study, explains the goal, and distributes questionnaires to micro, small and medium firms to perform the survey. Except for hypothesis 2, all hypotheses are validated by the test results.

KEYWORDS: Perceived Ease of Use, Perceived Usefulness, Self-Efficacy, Intention to Use.

INTRODUCTION

The evolution of information and communication technology has impacted many industries worldwide. Indonesia is no different. Indonesians who are used to purchasing in traditional ways, such as visiting outlets or stores, have begun to shop online. The Ministry of Communication and Information (Kemenkominfo), according to www.cnnindonesia.com, indicated that online buying activity soared by 400% during the pandemic covid-19. Furthermore, Exabytes, an Indonesian hosting service provider, claimed that during the Covid-19 Pandemic, which lasted from January to July 2020, the number of E-commerce clients surged by 38.3%.

According to Exabytes, the rapid expansion of E-commerce is attributable to changes in consumer behavior, with more people shopping online to meet their everyday necessities, particularly during the Large-Scale Social Restrictions (PSBB). Furthermore, business players competing to join the marketplace or construct their online businesses contributed to the surge. This shift is substantiated by survey data from Sea Insights, which indicated that during the epidemic, 45% of people in business were more engaged in selling e-commerce. An increasing number of business owners are beginning to go digital by developing an online presence for their company (www.tirto.id).

Advances in information technology drive businesses to implement new sales and marketing strategies to deliver services and commodities more swiftly. The internet is a product of information technology innovation. Consumers throughout the world have access to the internet. Consumers' lifestyles are getting increasingly instantaneous. One of the opportunities that micro, small, and medium businesses must take advantage of is utilizing developments in information technology to provide rapid, precise, and accurate services through E-Commerce.

The impediments to digital transformation for MSMEs in Indonesia, according to Delloite Access Economics research. Only 18% of MSMEs in Indonesia can use social media and websites to promote their products, and up to 36% of MSMEs in Indonesia still employ traditional marketing tactics. In the meantime, up to 37% of MSMEs can only use computers and the internet. According to the Danareksa Research Institute, 41.67% of MSMEs in DKI Jakarta use social media and digital marketing in their daily operations. Meanwhile, 29.18% of Java-based MSMEs and 16.16% of non-Java-based MSMEs have used digital marketing.

The research object for this study will be micro, small, and medium enterprises in South Lampung. In conclusion, this research builds on the findings of prior research. This study hypothesizes that perceived usefulness influences behavioral intention to use, as does perceived ease of use, and self-efficacy influences use, usability, and ease of use. Lee and colleagues (Lee et al., 2003).

REVIEW OF THE LITERATURE

The technology acceptance model (TAM) has been widely used as a theoretical foundation for examining the consumer acceptability of breakthrough technologies in previous empirical investigations (products and services). (Davis, 1989) suggests that model technology be accepted based on reasoned action (TRA). According to the Technology Acceptance Model (TAM), user intents are determined by user attitudes, which are used to evaluate the use of information systems. Perceived Usefulness (PU) and Perceived Ease of Use (PEU) are two constructs that influence his opinion (PEOU). A person's PU is their belief that using a given system/technology will assist them in performing a specific activity. PEOU refers to a person's conviction that employing a given system/technology for a specific task minimizes the amount of effort required. When compared to one's cognitive capacity and the amount of effort one feels it will take to learn how to use the system/technology (Byun et al., 2018).

TAM has been widely employed in information systems research, with numerous studies confirming its ability to anticipate user behavior. The purpose of TAM is to explain how an information system gets accepted. People would want a model that can be used for prediction and explanation, so academics and practitioners can understand why particular systems may become unsatisfactory and take appropriate corrective action. TAM's primary goal is to provide a foundation for investigating the impact of external factors on internal beliefs, attitudes, and intentions (Joo et al., 2018).

TAM is a well-known theory of information technology (IT) use and adoption that several studies have supported. Still, it fails to address the relationship between actual use and performance, which is often used to gauge the success of information systems. In this study, TAM has been increased with one antecedent variable, namely self-efficacy (Isaac et al., 2018). On the other hand, TAM ignores other essential aspects, such as personal traits, which crucial in technology utilization.

Many studies have found that self-efficacy is a powerful motivator for technology adoption. A person with a high level of self-efficacy is more likely to include innovative elements into their actions (Gavora, 2010). Furthermore, people with high self-efficacy are more receptive to new ideas and more inclined to accept better ones (Joo et al., 2018). This study aims to explain why utilizing is a dependent variable. In this study, perceived usefulness is a mediator for the favorable association between perceived ease of use and intention to use technology. Perceived Ease of Use and Self Efficacy are the study's independent variables. The following is the relationship between each component and the overall model: perceived ease of use will influence perceived Usefulness (H1), and this, in turn, will influence increased intention to use. The more the perceived Usefulness of Micro, Small, and Medium Enterprises, the greater their desire to move to E-Commerce (H2). According to this study, the stronger the perceived self-efficacy, the greater the favorable influence on interest in moving to an E-Commerce business (H3).

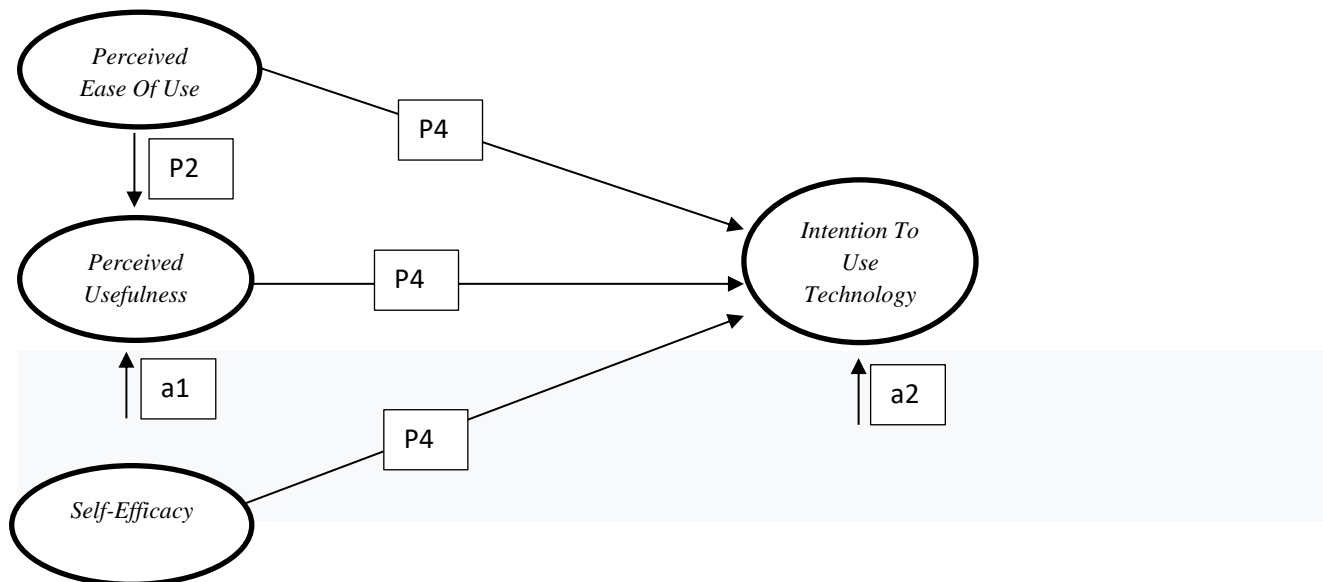


Figure 1. Model causal the relationships among the important indicators of Intention to Adopt E-Commerce in Micro, Small and Medium Enterprises. The indicators variables are Perceived Ease of Use (PEOU), (Perceived Usefulness), Self-Efficacy (SE), Intention to Use (INT)

Based on Figure 1, the mathematical causal modeling can be written:

Model 1: $PU = P_{21} PEOU + P_1 a_1$

Model 2: $INT = P_{41} PEOU + P_{42} PU + P_{43} SE + P_2 a_2$

Where a_1 and a_2 are error terms, from models (1) and (2), there are two null hypotheses to be tested. The parameters of p_1 p_2 in the error terms can be calculated as follows (Herbert, 1983) (Osborne, 2001), Where $i = 1$ and 2 . $p_i = \sqrt{1 - R \text{ Squares}}$

METHODS

Participants And Procedures

They are collecting data using a questionnaire that was distributed directly. The research sample is the owner of a micro, small and medium businesses in South Lampung Regency. There are 65 respondents involved in this study. The researcher introduces the study, explains the purpose, and distributes questionnaires to micro, small and medium businesses for conducting a survey.

Instruments

To test the structural relationship between variables using seven measurement instruments. The questionnaire used a 5-point Likert-type scale ranging from 1 (strongly disagree) to 5 (strongly agree) to have a consistent scale for the instrument.

Data Analysis

Partial Least Square (PLS) analysis is a statistical method designed to solve structural problems involving many variables, missing data, and multicollinearity. Wold first developed PLS as a general method for estimating the path model using latent variables with multiple indicators. (Abdillah & Jogyanto, 2015). Partial Least Square (PLS) Purnamasari & Chrismastuti (2006) is a powerful analytical technique because it does not assume the data must be with a certain scale measurement. The number of samples is small. PLS can also be used for theory confirmation.

RESULT AND DISCUSSION

Table 1
Validity and Reliability

Variable	Loading Factor	AVE	Composite Reliability	Cronbach Alpha
Intention To Use (INT)		0.877331	0.955464	0.930042
INT_1	0.949451			
INT_2	0.932283			
INT_3	0.928107			
Perceived Ease Of Use		0.888861	0.959989	0.937500
PEOU_1	0.946167			

Variable	Loading Factor	AVE	Composite Reliability	Cronbach Alpha
PEOU_2	0.941984			
PEOU_3	0.940222			
Perceived Usefulness		0.843519	0.955649	0.937893
PU_1	0.880135			
PU_2	0.928005			
PU_3	0.918015			
PU_4	0.946305			
Self-Efficacy		0.732174	0.891082	0.817572
SE_1	0.878891			
SE_2	0.795090			
SE_3	0.889890			

The convergent validity measure is satisfactory, or the convergent validity conditions have been met. Wamba et al. (2015) defines a valid indicator with a correlation value greater than 0.6. Each indicator of Intention to Use, Perceived Ease of Use, Perceived Usefulness, and Self Efficacy has a stronger correlation than 0.6, as seen from these results. The indicators that make up a construct in this study's outer model correlate well. Table 1 demonstrates that the latent variable has an AVE value greater than 0.5, which is minimal. As measured by the Likert scale in this study, there are three direct relationship reflective constructions and one indirect relationship reflective construct, each with a specific number of indications. All variables have Cronbach's alpha and composite reliability values over 0.6, according to the composite reliability values in Table 1. The indicators that have been set have been able to accurately measure each latent variable (construct), or the measurement model can be considered dependable. It can be determined that the indicators utilized in the study questionnaire are dependable enough to meet the criteria for all questionnaire questions to be considered reliable.

Table 2 R Square

VARIABLE	R SQUARE
Perceived Usefulness	0.761107
Intention to Use	0.795245

The R2 Perceived Usefulness variable has an R2 of 0.761107, which means that this study's Perceived Ease of Use variable can influence the R2 Perceived Usefulness variable. In this investigation, the first error is 0.238893. This conclusion is derived from 1-R2, which indicates a variation that the 0.238893 models cannot explain. Furthermore, R2 Intention to Use equals 0.795245, suggesting that the magnitude of the combination of independent variables affects the value of the dependent variable of 0.795245 at the same time. As is well known, the closer the model produced by the regression is to 1,

the better. Furthermore, there is an error of 2 of 0.204755, indicating a diversity that the model in the study cannot explain.

Table 3 Hypothesis Test

VARIABLE	Original Sample (O)	STDEV	T Statistics (O/STDEV)
Perceived Ease of Use → Perceived Usefulness	0.872414	0.040868	21.347098
Perceived Ease of Use → Intention to Use	0.178000	0.125216	1.323144
Perceived Usefulness → Intention to Use	0.567534	0.096662	5.871315
Self-Efficacy→ Intention to Use	0.250645	0.080470	3.114771

The first hypothesis was tested, and the results revealed that Perceived Ease of Use Perceived Usefulness had a path coefficient of 0.872414 and a t-value of 21.35. The t value is bigger than the table for 500 respondents with an alpha of 5% of 1.96, showing a value of t-statistics (21.35 > 1.96) between the variables perceived Ease of Use and Perceived Usefulness. Perceived Ease of Use has a considerable impact on Perceived Usefulness. The variable has a positive influence, as indicated by the latent variable of information quality coefficient value at the output path coefficient of 0.872414. The better the perceived ease of use, the higher the Perceived Usefulness. As a result, H1 might be said to be supported.

The findings of this study support earlier research that suggests perceived ease of use has a major impact on perceived Usefulness (Venkatesh et al., 2012; Nikou & Economides, 2017; Wu & Chen, 2017). Their research discovered that Perceived Ease of Use impacts Perceived Usefulness.

The second hypothesis was tested, and the results revealed that Perceived Ease of Use Intention to Use has a path coefficient of 0.178 and a t value of 1.323144. The t value is lower than the table for 500 respondents with an alpha of 5% of 1.96, showing a value of t-statistics (1.323144 < 1.96) between the variables Perceived Ease of Use and Intention to Use. The perceived ease of use has no bearing on the intention to use. The coefficient value of the latent variable of information quality at the output path coefficient of 0.718 indicates that the variable Perceived Ease of Use has a positive influence of 17.8% on the variable Intention to Use. As a result, it's safe to say that H2 isn't supported. According to Davis (1989), Perceived Ease of Use is the degree to which people believe they will have no problem using technology to improve their lives. The findings of this study diverge from prior research, which found that perceived ease of use does not affect intention to use. It could happen due to a lack of training and understanding among business actors, who have a secondary school education on average.

The third hypothesis was tested, and the results revealed that Perceived Usefulness Intention to Use had a path coefficient of 0.567534 and a t-value of 5.871315. The t value is bigger than the table for 500 respondents with an alpha of 5% of 1.96, suggesting that the T-statistics value ($5.871 > 1.96$) between variables Perceived Usefulness and Intention to Use is greater than the table. Perceived usefulness has a considerable impact on Intention to Use, also supported by the coefficient value of the latent variable of information quality at the output path coefficient of 0.567534, which indicates a positive influence of 56.75 percent on the variable Intention to Use from the variable perceived usefulness. This means that the stronger the perceived usefulness, the higher the intention to use. As a result, H3 might be said to be supported. This finding supports earlier research that suggests perceived usefulness influences intention to use (Li & Liu, 2014; Lin & Wang, 2012; Hamid et al., 2016). However, this finding contradicts the findings of other studies, such as (Ramayah & Lo, nd), which found that perceived usefulness (PU) is not a significant factor in determining intent to use. According to the study, these unexpected results are dependent on the sort of goods sold.

Level Intention to Use Technology is determined by self-efficacy, according to research by Joo et al. (2018) and Radiansyah & Ariyanti (2017). The fourth hypothesis was tested, and the results revealed that Self Efficacy Intention to Use has a path coefficient of 0.250645 and a t-value of 3.114771. The t-value is bigger than the table for 500 respondents with an alpha of 5% of 1.96, showing that t-statistics ($3.114 > 1.96$) exist between Self Efficacy and Intention to Use. They are supported by the coefficient value of the latent variable of information quality at the output path coefficient of 0.250645, which indicates that the variable Self-Efficacy has a positive influence on the variable Intention to Use by 25.06 percent. This suggests that the higher one's self-efficacy, the higher one's intention to use. However, high self-efficacy does not always predict whether or not a person will utilize technology, and it is also perceived as having no impact on their behaviors. As a result, H4 might be said to be supported.

CONCLUSION

This study does have some drawbacks. It is limited to micro, small, and medium-sized firms, for starters. As a result, this study falls short of showing causality, as longitudinal data is preferred to reduce statistical error. Furthermore, the results cannot be generalized because the questionnaire was only given to micro, small, and medium businesses based on sampling in one area. Another flaw is that this cross-sectional study relied on self-reported data, leading to method bias. Furthermore, taking measurements with the same method simultaneously may result in Common Method Variance (CMV); therefore, future research may need to look into CMV.

Future studies could look into how micro, small, and medium firms employ technology. Additional research should be conducted using various data sources to capture a broader phenomenon on a similar issue. Future studies should examine how different behaviors can influence the attitudes of micro, small, and medium-sized enterprises about technology use by comparing other groups in different

circumstances. In addition, experiences with technology, facilities, or anxiety about technology use should be included to study the various technology-related dynamics.

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