



Self-Confidence And Digital Literacy Mediate: The Effect Of Entrepreneurial Knowledge On The Intention To Start An E-Business (A Study Of Vocational High School Students In Pasuruan)

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Abstract

This study aims to analyze the effect of entrepreneurial knowledge on the intention to start an e-business among students at SMKN Pasuruan, with digital literacy and self-confidence as mediators. The main issues raised are whether entrepreneurial knowledge directly affects the intention to start a business and what role digital literacy and self-confidence play in this process. The method used is a quantitative approach with data collection through questionnaires from vocational high school students in Pasuruan. The data were analyzed using a path analysis model to test the relationship between the variables studied. This study also adopted a cross-sectional design to see the relationship between variables at a certain point in time. The results show that entrepreneurial knowledge does not have a direct impact on e-business entrepreneurial intention, but it has an indirect effect through self-confidence and digital literacy. In conclusion, increasing self-confidence and digital literacy is very important to encourage entrepreneurial intention, while entrepreneurial knowledge needs to be supported by students' psychological factors and digital capabilities.

Keywords: Self-Confidence, Digital Literacy, Entrepreneurial Knowledge, E-Business Entrepreneurial Intentions.

INTRODUCTION

Technological advances continue to develop in every era, becoming increasingly sophisticated and moving so rapidly that continuous innovation is required. This rapid





technological development has had a significant and substantial impact on the dissemination of information and communication, and is now beginning to penetrate the world of industry and business (Sakanko, 2020). Increasingly fierce competition and increasingly difficult challenges require every individual to adapt quickly in order not to be left behind and to be able to keep up with developments. One of the side effects of this rapid development is the uneven distribution of available jobs for workers of employable age who need work (Charles et al., 2022).

The unemployment rate in Indonesia is dominated by vocational high school (SMK) graduates, as can be seen in more detail in the latest update on the Central Statistics Agency (BPS) website released in February 2025. Vocational high schools occupy the highest position with a percentage of 9.01%, while high schools occupy the second position with a percentage of 7.05%. This is due to various factors, including the mismatch between the skills possessed by students and those required in the workplace (Murray et al., 2020) and the lack of knowledge among students, which prevents them from becoming candidates for employment. Second, the shift in the workforce in companies that initially used human labor to using systems or replacement robots in order to save costs has resulted in the loss of human jobs (Webster & Ivanov, 2019). This is due to the technological changes of the times and the advent of the digital era. Third, vocational school graduates are not yet able to start their own businesses and are not yet able to work in accordance with the needs of the world of work (Spöttl & Windelband, 2021).

To overcome this unemployment problem, the number of entrepreneurs in Indonesia must be increased. Although Indonesia is a densely populated country, the number of entrepreneurs is still inadequate (Karyaningsih et al., 2020). The current entrepreneurship ratio in Indonesia is only 3.47%, which is lower than that of neighboring countries such as Singapore at 8.6% (DDTCNEWS, 2023). When compared to the population, this score shows that the number of entrepreneurs in Indonesia is still small (Bastomi et al., 2023). One reason for this is that vocational high school students do not choose entrepreneurship as a career and choose to work instead. There are various ways to foster entrepreneurial intent in students, one of which is through entrepreneurial knowledge provided through entrepreneurial education in schools. Research (Yaghoubi Farani et al., 2017) states that entrepreneurial knowledge has a significant positive impact on increasing students' entrepreneurial intentions. Not only must prospective entrepreneurs master knowledge related to entrepreneurship, but they must also understand technological developments and digitalization (Olaniyi, 2021). This is one of the demands and challenges of the current era. Otherwise, businesses will find it difficult to grow due to limited new knowledge and falling behind entrepreneurial trends. This digitalization knowledge can be supported by improving the digital literacy of individuals who want to become entrepreneurs as





part of their skills (Wardana et al., 2023).

Currently, many businesses are required to switch to an online model, and this has increased awareness of the potential of digital-based businesses as a resilient alternative to economic challenges (Jafari-Sadeghi et al., 2021). Individuals who have information technology skills and are familiar with digital trends have an advantage in building and managing online businesses (Fauzi et al., 2020). This will be aided by digital literacy, which is an important foundation that enables a person to manage their business, understand online consumer behavior, and utilize digital marketing strategies (Saputri et al., 2022). Digital literacy includes understanding the use of hardware and software, online security, data analysis, and skills in utilizing various digital devices and platforms (Intaratat, 2022).

In addition to digital literacy, which can help increase a person's entrepreneurial intent, students' self-confidence is also a very influential factor after acquiring entrepreneurial knowledge and using that knowledge. However, the reality in the field is that in the school environment, many students experience academic and social pressures that can reduce their self-confidence (Caputo et al., 2025). This is a source of problems that hinder students from exploring their entrepreneurial potential, even though they have innovative and creative ideas. With low self-confidence, students will not dare to take risks and try new things to start a business, so they will choose to work in an institution (Kartawinata et al., 2021). Added to this is the push for technology and digitalization in today's world, which requires entrepreneurs to be able to use them (Alferaih, 2022). If students do not have the confidence to start and the knowledge related to digitalization and entrepreneurship, the chances of them having the intention to become entrepreneurs and pursuing entrepreneurship as a career will be small.

The novelty of this study is that research on digital literacy and entrepreneurial intent has been conducted extensively by several previous researchers. However, these findings are interesting to re-examine in Pasuruan, East Java Province, , given the different characteristics of each region. In addition, research with variables, entrepreneurial knowledge and e-business entrepreneurial intention mediated by self-confidence and digital literacy simultaneously is still very rare. Meanwhile, the urgency of this research is that the high unemployment rate in Indonesia must be reduced immediately through entrepreneurship, which must be taught and applied from an early age. Therefore, this research can provide practical implications for government policy and curriculum, as well as measure and analyze effective learning methods for schools to use and apply to students so that they have high entrepreneurial intentions and are successful in starting a business. Second, this study provides new insights into the debate about the factors that influence entrepreneurial intentions in Indonesia.





LITERATURE ANALYSIS

Social Cognitive Theory (SCT)

This social cognitive theory was developed by Bandura (1986) to argue that a person's creativity and belief in their ability to produce creative results encourage the development of e-business entrepreneurial intentions. Self-confidence through SCT can be enhanced through environmental input, personal experience factors, and behavioral outcomes (Nwosu et al., 2022). In addition, SCT posits that personal factors such as gender, age, profession, beliefs, cognitive competence, and emotional state can determine an individual's evaluation of the external environment and decisions to engage in any behavior.

According to this theory, future expectations, belief in one's abilities, goals, and intentions all lead to a person's behavior. What a person thinks, feels, and believes will influence their behavior. Conversely, the perception system will change due to their behavioral experiences. A person's expectations, beliefs, emotional orientation, and cognitive abilities develop or adapt due to social influences. People also react differently to their social environment due to their physiological characteristics (Chen & Tu, 2021).

Theory of Planned Behavior (TPB)

The Theory of Planned Behavior (TPB) is a development or extension of the Theory of Reasoned Action proposed by its pioneer, Ajzen, in 1991 (Ajzen, 1991). This theory explains that human actions are caused by three types of factors that are taken into consideration, namely: a) behavioral beliefs; b) regulatory beliefs; c) controlled beliefs (Ruiz-Herrera et al., 2023) or also known as a) perceived behavioral control; b) attitudes toward behavior ; and c) subjective norms (Ajzen 2020; Bernardus et al., 2020; Wu & Tien, 2024). Attitudes toward behavior, subjective norms, and perceptions of behavioral control lead to behavioral intentions; therefore, intentions are assumed to be direct antecedents of behavior (Ajzen, 2002).

TPB has a useful conceptual framework for understanding human social behavior in depth, which is one of the most widely accepted ideas in the field of research (Bosnjak et al., 2020). The TPB construct significantly enables researchers to understand and predict a person's intention by considering personal and social factors in the entrepreneurship literature (Zaremohzzabieh et al., 2019). The more positive and higher the attitude, subjective norms, and perceived behavioral control, the stronger and higher the students' intention to become entrepreneurs by utilizing e-business (Abu shriha et al., 2024). In this study, the theory of planned behavior plays a role in analyzing subjective norms, attitudes, and perceived behaviors toward entrepreneurship in e-entrepreneurship intentions. This can be described as an



individual's self-acknowledged belief that they want to launch a new Internet business and deliberately aim to do so in the future (Linan & Fayolle, 2015).

Entrepreneurial Knowledge and Self-Confidence

Students with comprehensive entrepreneurial knowledge demonstrate higher self-confidence in their ability to start a business (Rinaldi et al., 2024). Knowledge gained through entrepreneurship education and learning with practical experiences such as business simulations can increase resilience and risk-taking abilities based on built self-confidence, thereby also building success in entrepreneurship (Dornadula et al., 2023).

Good entrepreneurial knowledge will provide students with an explanation of concepts, strategies, and opportunities in the business world (Karyaningsih et al., 22 2020). Thus, the knowledge they have can be sufficient preparation to face future challenges that pose risks in starting a new business. This knowledge not only improves skills and insight but also increases self-confidence and belief in one's ability to manage and build a new business (Enstroem & Benson, 2024).

H1: Entrepreneurial knowledge has a positive and significant effect on self-confidence

Entrepreneurial Knowledge and Digital Literacy

Entrepreneurial knowledge equips students with an understanding of business concepts, strategies, and processes relevant to the modern business world, including the use of digital technology (Sulistianingsih, 2023). Students' entrepreneurial knowledge serves as a foundation for understanding and utilizing digital literacy (Young et al., 2020). Through their entrepreneurial knowledge, students become more capable of utilizing various digital platforms, communicating with customers, and using information technology that supports e-business activities (Afiat & Rijal, 2023). This creates synergy between entrepreneurial knowledge and digital literacy, where both support each other in the process of starting a new business.

H2: Entrepreneurial knowledge has a positive and significant effect on digital literacy.

Entrepreneurial Knowledge on E-Business Entrepreneurial Intentions

Observations from previous studies by Rezaei Za-deh et al. (2017) and Farani et al. (2017) show that entrepreneurial knowledge has a positive effect on a person's entrepreneurial intention. Prospective entrepreneurs with entrepreneurial knowledge, such as how to start a business, develop products or services that can meet customer tastes and market demand, will have a high intention to start an e-business, compared to those who do not have such knowledge

at all. Furthermore, Ni and Ye (2018) argue that entrepreneurs with entrepreneurial knowledge and skills not only see an increase in entrepreneurial intention but also in the principal capital when running their businesses. Othman & Othman (2019) emphasize that having entrepreneurial knowledge will increase students' chances of starting a successful business.

H3: Entrepreneurial knowledge has a positive and significant effect on e-business entrepreneurial intention

Self-Confidence in E-Business Entrepreneurial Intentions

Self-confidence in entrepreneurship is an important foundation for making someone willing to take risks, set goals, and interact with customers or other entrepreneurs (Hartman et al., 2022). The findings of the study by Garaika et al. (2019) support this hypothesis that self-confidence has a positive and significant influence on entrepreneurial intent. Young entrepreneurs who have high self-confidence will find it easier to make decisions and dare to take risks with various considerations, making it easier to start a new business (Akinwumi & Ibrahim, 2024). In addition, the latest study by Oviewe (2025) also states that the entrepreneurial confidence possessed by vocational students has a very large contribution in increasing and building e-business entrepreneurial intention.

H4: Self-confidence has a positive and significant effect on e-business entrepreneurial intention

Digital Literacy on E-Business Entrepreneurial Intentions

Digital literacy significantly increases entrepreneurial intent, especially among younger generations such as Generation Z. This influence has been proven in various studies, which highlight the important role of digital skills in fostering entrepreneurial mindsets and capabilities. Research shows that digital literacy contributes a positive influence of 68.7% on digital entrepreneurial intent among Generation Z (Nasri, 2024). Students equipped with digital literacy are better prepared to navigate e-commerce platforms, improving their entrepreneurial prospects in the digital economy (Suryani & Chaniago, 2023). Digital literacy makes it easier for individuals to recognize opportunities, access information, and utilize digital technologies and platforms to start and grow a business.

This is reinforced by the results of a study by Onbuya & Odogwu (2023), which concluded that digital literacy significantly influences the entrepreneurial intentions of business education students in higher education institutions. This study shows that technological skills, digital communication, digital security, and media literacy significantly influence the entrepreneurial intentions of business education students.



H5: Digital literacy has a positive and significant effect on e-business entrepreneurial intent

Self-Confidence Mediates Entrepreneurial Knowledge on E-Business Entrepreneurial Intentions

Self-confidence in this study is introduced as a mediating variable to increase students' intention to engage in e-business entrepreneurship. When entrepreneurs develop their insights, skills, and competencies, they can build confidence in themselves after acquiring the skills necessary to establish a new business (Akinwumi & Ibrahim, 2024). Examples of knowledge possessed include financial management, market, and strategic planning knowledge in improving entrepreneurial abilities to make the right decisions and increase readiness when facing business dynamics (Ahmad et al., 2019).

H6: Self-confidence in mediating entrepreneurial knowledge has a positive and significant effect on the intention to start an e-business

Digital Literacy Mediates Entrepreneurial Knowledge on E-Business Entrepreneurial Intentions

Entrepreneurial knowledge plays an important role in increasing e-business entrepreneurial intent among students, driven by the digital literacy possessed by students (Onwubuya et al., 2023). When someone wants to increase their entrepreneurial intent in the field of e-business or digitalization, the prerequisite is sufficient knowledge and a high level of digital literacy (Mugiono et al., 2021). Students with a high level of entrepreneurial knowledge will be able to use digital technology effectively and wisely without misusing technology to run their business well. Their abilities include accessing information, utilizing digital platforms, and managing digital-based businesses.

H7: Digital literacy in mediating entrepreneurial knowledge has a positive and significant effect on the intention to engage in e-business entrepreneurship.

METHODOLOGY

This research is an explanatory study, which seeks to find and explain the causal relationship between the variables under study. To achieve the research objectives, quantitative field studies are needed to assess the meaning or significance of e-business among students (Abu Shriha et al., 2024). The use of this quantitative method will help make data-based decisions, provide suggestions and policy recommendations on the impact or relationship between variables, and increase the effectiveness of certain interventions (Wilcox et al., 2021). An explanatory descriptive approach is also applied in this research method, which is part of the quantitative type.





The population used in this study consisted of three State Vocational High Schools (SMKN) in the Pasuruan area, namely SMKN 1 Sukorejo, SMKN 1 Beji, and SMKN 1 Bangil. Meanwhile, the sampling technique used in this study was non-probability sampling. Because this study will measure students' e-business entrepreneurial intent using e-commerce, the sample used cannot be arbitrary. Non-probability sampling, namely purposive sampling, is a sampling technique that does not give equal opportunity to the student sample () in the study (Rahman et al., 2022), so there are certain criteria that must be considered. Because this study will measure students' e-business entrepreneurial intention using e-commerce, the sample used cannot be arbitrary. The sample criteria used in this study are: (1) Active students from one of the three schools used, (2) students who have taken entrepreneurship courses, which will measure the entrepreneurial knowledge that has been imparted to students. (3) Students who have shopped or sold online, to measure students' entrepreneurial intentions in e-business.

Based on sample calculations using the Raosoft sample size calculator with a margin of error of 5%, the number of samples used in this study was 222 students. The assessment using this calculator is in accordance with the required quantitative percentage standards.

RESULTS AND DISCUSSION

Descriptive Analysis

An analysis of respondent characteristics shows that most respondents in this study were female, accounting for 59% of the total. The average age of respondents was dominated by 17-year-old students, accounting for 47% of the total. In addition, most respondents' parents had completed high school, and the majority were self-employed, accounting for 33% of the total.

SEM-PLS Analysis

Evaluation of the measurement model or external loading is very important in assessing the quality of indicators, showing how well each indicator represents the latent variables being measured (Subhaktiyasa, 2024). First, in evaluating this measurement model, validity and reliability will be tested. The external loading of an indicator must be above 0.708 because the square number (0.7082) is equal to 0.50. In most cases, 0.70 is considered close enough to 0.708 to be acceptable (Hair et al., 2019).

Furthermore, the standard measure for establishing convergent validity at the construct level is the average variance extracted (AVE), which is defined as the average value of the indicator's square loadings related to the construct, i.e., the sum of the square loadings divided by the number of indicators. AVE is equivalent to the commonality of a construct. An AVE value



of 0.50 or higher indicates that, on average, the construct explains more than half of the variance of its indicators. An AVE of less than 0.50 indicates that, on average, there is more residual error in the items than variance explained by the construct (Hair et al., 2019).

Table 1. Convergent Validity Results

Construct	Item	Outer Loading	α	CR	AVE
Entrepreneurship Knowledge	PK1	0.912	0.920	0.950	0.863
	PK2	0.942			
	PK3	0.932			
Digital Literacy	LD1	0.891	0.920	0.943	0.806
	LD2	0.891			
	LD3	0.904			
	LD4	0.906			
Self-confidence	KD1	0.847	0.909	0.936	0.786
	KD2	0.888			
	KD3	0.899			
	KD4	0.911			
Intention to Start an E-Business	NB1	0.921	0.930	0.955	0.877
	NB2	0.947			
	NB3	0.941			

Based on the results of the convergent validity presentation in Table 1, it is known that each indicator of each variable has an outer loading value > 0.70 with a range of 0.847 – 0.947, thus all indicators have met the validity requirements. In addition, the AVE value for each variable is > 0.50 . The validity test in the outer model not only uses convergent validity but also uses discriminant validity as measured by Fornell-Larcker.

Table 2. Fornell-Larcker Discriminant Validity Results

Variable	Self-Confidence	Digital Literacy	E-Business Entrepreneurial Intentions	Entrepreneurship Knowledge
Self-Confidence	0.886			
Digital Literacy	0.880	0.898		

Intention to Start an E-Business	0.822	0.820	0.936	
Entrepreneurship Knowledge	0.843	0.868	0.747	0.929

Through the data processing results presented in Table 2, the discriminant validity results show that all variables have met the specified discriminant validity.

Second, internal consistency reliability testing is measured by the rho value or composite reliability (CR). In addition, Cronbach's alpha (CA) can be used, which is , an internal consistency reliability value that assumes the same indicator loading that can be used to measure construct reliability. As a rule of thumb, a block is considered unidimensional when CR is greater than 0.7 (Hair et al., 2021). The SmartPLS CR value is shown in "Construct Reliability and Validity" in the Quality criteria. Through the explanation and presentation in Table 4.18 regarding the results of the analysis of each variable, it was found that the values obtained had met and exceeded the specified values. The composite reliability or CR values for the entrepreneurial knowledge variable are 0.950, the digital literacy variable is 0.943, the self-confidence variable is 0.936, and finally, the e-business entrepreneurial intention variable is 0.955.

Next is the structural model, which refers to the overall model components that focus on the relationships between latent variables. The structural model, an internal model in PLS-SEM, tests hypotheses about the relationships between constructs or latent variables (Subhaktiyasa, 2024). This model is an important part of PLS-SEM analysis because it allows researchers to examine the relationships between constructs and assess the overall theoretical model, both direct and indirect relationships involving mediating and moderating variables.

At this evaluation stage, the collinearity value is needed as a test of the third criterion. The purpose of this test is to quantify the extent to which the variance of the estimated regression coefficient increases due to collinearity. If VIF = 1, there is no correlation between the predictor constructs, indicating that the conditions are ideal. Meanwhile, if the VIF obtained is > 1, there is a correlation between the predictor constructs. The higher the value, the stronger the level of collinearity.

Table 3. VIF Processing Results

Variable	Self-Confidence	Digital Literacy	Intention to Start an E-Business	Entrepreneurship Knowledge
Self-Confidence			4,960	

Digital Literacy			4,765	
Intention to Start an E-Business				
Entrepreneurship Knowledge	1,000	1,000	4,569	

Based on the presentation of the collinearity data processing results with a VIF value, it was found that all values were acceptable with results > 3.3. Although ideally the VIF value should be close to three and lower (Purwanto & Sudargini, 2021), the values obtained were categorized as "acceptable".

After seeing that there were no problems in the collinearity test, the next step was to evaluate the r-square value of the endogenous variables or constructs, namely self-confidence, digital literacy, and e-business entrepreneurial intention (Hair et al., 2021). The r-square value ranges from 0 to 1, with a higher value indicating greater explanatory power. As a guideline, R Square values of 0.75, 0.50, and 0.25 can be considered substantial, moderate, and weak, respectively (Purwanto & Sudargini, 2021).

Table 4. R-Square Results

Construct	R-Square
Self-Confidence	0.707
Digital Literacy	0.754
Intention to Start an E-Business	0.716

Through the results of data processing of the measurement model at this r-square stage, it was found that the self-confidence variable as a mediating variable obtained a value of 0.707, indicating that 70.7% of this variable can be influenced by the exogenous variable of entrepreneurial knowledge, while the remaining 29.3% can be influenced by other variables outside this study. The digital literacy mediation variable obtained a value of 0.754, which means that 75.4% of this variable can be influenced by entrepreneurial knowledge, while the remaining 24.6% is influenced by other variables. In addition, the r-square value of the e-business entrepreneurial intention variable as an endogenous variable obtained a value of 0.716, meaning that 71.6% of this variable can be influenced by the entrepreneurial knowledge variable, while the remaining 38.4% can be influenced by other variables not included in this study.

The next step is to evaluate the f-square or effect size f^2 . This study uses a prerequisite test in the form of an effect/influence test (f^2) which aims to determine the extent of the influence of the predictor latent variable (exogenous latent variable) on the structural model.

This study uses the rule of thumb developed by Hair et al. (2019), where values of 0.02, 0.15, and 0.35 indicate small, medium, and large effects, respectively.

Table 5. F-Square Evaluation Results

Variable	F2	Results
Self-Confidence > <i>E-Business</i> Entrepreneurial Intentions	0.14	Low
Digital Literacy > <i>E-Business</i> Entrepreneurship Intention	0.111	Small
Entrepreneurship Knowledge > Digital Literacy	3.058	Large
Entrepreneurship Knowledge > Self-Confidence	2,442	Large
Entrepreneurship Knowledge > <i>E-Business</i> Entrepreneurial Intent	0.047	Small

The results of the f-square value evaluation presented in Table 5 show that each influence between latent variables mostly has a small effect.

Predictive relevance is used to measure the accuracy of construct predictions, and this assessment of predictive power uses PLSpredict (Shmueli et al., 2019; Memon et al., 2021). $Q^2 > 0$ indicates that the PLS path model outperforms the best benchmark (Sarstedt & Cheah, 2019) and has predictive relevance. Below is the calculation of predictive relevance:

$$\begin{aligned}
 Q^2 \text{ value} &= 1 - (1 - R^2) \times (1 - R^2) \times (1 - R^2) \\
 &= 1 - (1 - 0.709) \times (1 - 0.754) \times (1 - 0.716) \\
 &= 1 - (0.291) \times (0.264) \times (0.284) \\
 &= 1 - 0.021 \\
 &= 0.979
 \end{aligned}$$

Based on the calculation results, the Q^2 value obtained is 0.979, which means that the structural model can explain 97.9% of the variation in the research data, while the remaining 2.1% is explained by factors outside the model. This result, which is close to one, is a very good result.

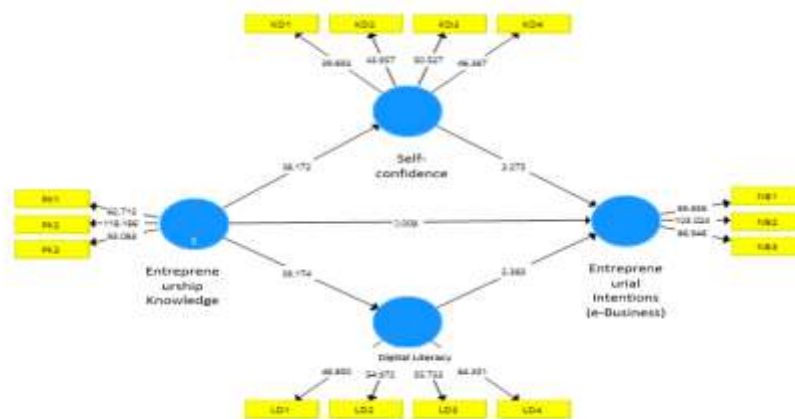
After completing the structural model stages as a whole, starting from collinearity, r-square, f-square, and predictive relevance, the next stage is to validate the structural model using goodness of fit. The GoF index is a single measure to validate the combined performance of the measurement model and structural model. The GoF value is obtained from the square

root of the average communality index multiplied by the average R² model value. The GoF value ranges from 0 to 1 with the following interpretations: 0.1 (low GoF), 0.25 (medium GoF), and 0.36 (high GoF).

Table 6. Goodness of Fit (GoF) Evaluation

Variable	α	CR	AVE	Evaluation
Entrepreneurial Knowledge	0.920	0.950	0.863	Good/Fit
Digital Literacy	0.920	0.943	0.806	Good/Fit
Self-Confidence	0.909	0.936	0.786	Good/Fit
Intention to Start an E-Business	0.930	0.955	0.877	Good/Fit

Hypothesis testing or significance testing is conducted to determine the effect between variables (exogenous on endogenous). Significance testing is performed using the bootstrapping procedure in SmartPLS software, which is used to avoid data errors in research that may not be normal. The bootstrap procedure uses the entire original sample to perform resampling. The rule of thumb for two-tailed significance values is as follows: T-value 1.65 (significance level = 10%), 1.96 (significance level = 5%), and 2.58 (significance level = 1%). The following is an overview of the results of bootstrapping data processing using SmartPLS.



Picture 1. Bootstrapping Hypothesis Results

In this study, seven hypotheses were tested using direct and indirect effects with two mediating variables as indirect effects. Notes on the acceptance and rejection of hypotheses can be seen through the t-statistic and p-value values. A t-statistic value greater than 1.96 and a p-value < 0.05 support the hypothesis of a substantial direct effect between the variables in

Table 7. Hypothesis Testing Results

	Variable	Original Sample	T-Statistic	P-Values	Hypothesis
H1	Entrepreneurial Knowledge > Self-Confidence	0.842	38.172	0.000	Accepted
H2	Entrepreneurship Knowledge > Digital Literacy	0.868	39,174	0.000	Accepted
H3	Entrepreneurship Knowledge > E-Business Entrepreneurial Intentions	0.001	0.008	0.993	Rejected
H4	Self-Confidence > Intention to Start an E-Business	0.444	3.275	0.001	Accepted
H5	Digital Literacy > Intention to Start an E-Business	0.429	2.383	0.018	Accepted
H6	Entrepreneurship Knowledge > Self-Confidence > Intention to Start an E-Business	0.374	3.281	0.001	Accepted
H7	Entrepreneurship Knowledge > Digital Literacy > Intention to Start an E-Business	0.372	2.434	0.015	Accepted

Based on the presentation of the results of hypothesis testing using Smart-PLS in Table 4.26, it was found that there were six hypotheses that had significant results and were accepted and one hypothesis that was insignificant or rejected. Hypotheses 1, 2, 4, 5, 6, and 7 have significant results or are accepted with values that meet the significance requirements, namely $p\text{-value} < 0.05$ and $t\text{-statistic} > 1.96$. Meanwhile, the third hypothesis has rejected results with a $p\text{-value} > 0.05$ and a $t\text{-statistic} > 1.96$.

CONCLUSION AND RECOMMENDATIONS

The first hypothesis in this study has significant results showing the effect of entrepreneurial knowledge on a person's self-confidence. In-depth knowledge related to aspects of entrepreneurship such as management, marketing, financial management, business planning, customer satisfaction, and business law can provide a strong foundation for individuals to feel more confident in making decisions and taking action (Costin et al., 2022). The entrepreneurial knowledge acquired by students not only improves their technical abilities but also strengthens



their self-perception of their ability to manage risks and s business opportunities (Kolade et al., 2024). Psychologically, when someone masters information and skills related to entrepreneurship, they will have more confidence in their own abilities (Bhatti et al., 2021), thereby increasing their courage and motivation to act. Extensive entrepreneurial knowledge also opens up new networks and resources that can support business continuity, thereby reducing anxiety and fostering self-confidence.

These findings are supported by the statement in the research by Srianggareni et al. (2020), which states that in realizing the desire to be a successful entrepreneur, a person needs to increase and grow their self-confidence, belief, and optimism. The entrepreneurial knowledge provided can be a provision for a person to make innovations, try new things, and create opportunities, thereby building self-confidence.

The second hypothesis found that there is a significant influence between entrepreneurial knowledge and digital literacy. Entrepreneurial knowledge includes an understanding of business concepts, management, innovation, and the ability to make strategic decisions in a business context (Salsabila et al., 2024). Digital literacy, on the other hand, refers to an individual's ability to use digital technology effectively to access, evaluate, and utilize digital information (Herlina, 2025). The link between entrepreneurial knowledge and digital literacy arises because in today's digital era, entrepreneurship does not only depend on traditional skills, but also on the ability to utilize digital technology for marketing, business management, and product development (Dvorakova & Polents, 2021). Thus, good entrepreneurial knowledge will encourage individuals to develop digital literacy as an important tool in running and developing a business effectively. Scientifically, the literature shows that mastery of entrepreneurial knowledge can increase individuals' motivation and ability to adopt digital technology, making digital literacy an integral part of modern entrepreneurial competence.

The third hypothesis rejected H_a and accepted H_o , meaning that there was no significant influence between entrepreneurial knowledge and the intention to start an e-business. This explains that cognitive knowledge alone is not enough to motivate someone to start a business. This may occur because there are other factors that are more dominant in shaping entrepreneurial intentions (Palmer et al., 2021). For example, strong intrinsic motivation, encouragement from the social environment, or perceptions of support from family or friends can be the main drivers. Someone who has extensive knowledge about digital business, digital marketing, and operational management may not necessarily have the courage to take risks (Kaufman et al., 2023) or be able to identify existing opportunities, so the intention to become





an entrepreneur does not arise in them. In other words, knowledge may only function as a tool that is already available, but the desire to use that tool is influenced by other factors. This phenomenon shows a disparity between "knowing" and "doing," where knowledge without adequate psychological and environmental support will not result in intention (Adelia & Sudarwanto, 2025). Therefore, this study concludes that although entrepreneurial knowledge is important, its influence on e-business entrepreneurial intention is not statistically significant, indicating that intention is the result of a complex interaction of various variables.

The fourth hypothesis produced findings that accepted H_a and rejected H_o . Self-confidence is a crucial psychological dimension that acts as a major catalyst in shaping intentions (Wardhani et al., 2025). People with high self-confidence tend to have a more positive perception of their ability to overcome challenges, manage uncertainty, and achieve goals (Maczulskij & Viinikainen., 2023). Self-confidence is defined as an individual's belief in their ability to achieve goals and has a significant influence on e-business entrepreneurial intent (Abu Shriha et al., 2025) because it serves as a key predictor in the digital entrepreneurship behavior model. Scientifically, self-confidence mediates the cognitive process in which individuals assess e-business opportunities such as online platform management or digital marketing strategies as achievable, thereby increasing intrinsic motivation and reducing perceived barriers.

The results of this fifth hypothesis accept H_a and reject H_o , meaning that there is a significant influence between digital literacy and e-business entrepreneurial intention. Digital literacy, which includes a person's ability to access, understand, evaluate, and create information through digital technology, serves as a core competency in the modern business landscape (Thelma et al., 2024). Digital literacy is not limited to technical skills, such as using e-commerce platforms or social media, but also involves a strategic understanding of how to utilize digital tools to achieve business goals (Irfan et al., 2022). Individuals with high digital literacy will feel more confident in navigating the complexities of the digital world, from managing online stores, running digital advertising campaigns, to analyzing customer data. This ability directly reduces the perception of risk associated with starting a business in a digital environment. Thus, digital literacy acts as a bridge that connects theoretical knowledge with real practice, which ultimately triggers and strengthens individuals' intentions to venture into the world of e-business entrepreneurship.

The sixth hypothesis yielded results accepting H_a and rejecting H_o , explaining that entrepreneurial knowledge has a significant influence mediated by self-confidence. Self-confidence functions as a mediating variable because it transforms entrepreneurial knowledge from a declarative form into practical application (Oteche, 2021), where individuals with high





knowledge develop self-confidence to apply these concepts in a digital context, such as e-commerce strategies or online market data analysis. Entrepreneurial knowledge initially increases awareness of e-business opportunities, then self-confidence strengthens self-efficacy to overcome obstacles such as technological uncertainty (Duong & Vu, 2025), so that e-business entrepreneurial intention is formed through partial or full mediation. Without this mediation, entrepreneurial knowledge would not be able to drive e-business entrepreneurial intent, as explained in the third hypothesis, which was rejected.

The seventh hypothesis has a result of accepting H_a and rejecting H_o . Entrepreneurial knowledge, which includes core competencies such as opportunity identification, business planning, business strategy, and resource management, indirectly influences e-business entrepreneurial intention through digital literacy as a mediating variable. Entrepreneurial knowledge provides an important cognitive basis in the form of an understanding of essential business concepts and strategies for entering the digital business world (Yin et al., 2024). However, in the context of e-business, the ability to access and utilize digital technology is the key to success. Digital literacy, as the ability to operate digital devices, understand online information, and use digital platforms for business activities, acts as an intermediary that strengthens the relationship between entrepreneurial knowledge and e-business entrepreneurial intention (Maulani et al., 2023). In other words, entrepreneurial knowledge accompanied by adequate digital skills can increase an individual's confidence and motivation to start an information technology-based business effectively, thereby significantly increasing the intention to engage in e-business entrepreneurship empirically and theoretically.

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