

# The Effects of Government Support, Social Support, and Self-Efficacy on Digital Business Performance: The Mediation Analysis of Social Media Adoption

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## Abstract

Digital business is carried out using the Internet, providing many benefits to merchants and buyers. Business can be done 24 hours a day because the Internet is always present in human life and does not limit things like culture, race, distance, time, and country. Based on the theory of planned behavior (TPB) and guided empirical observations, this paper examines the determinants of predicting the performance of young entrepreneurs in digital business. This research uses primary data, where survey data are collected from 384 young entrepreneurs in Negeri Sembilan, Malaysia. The data analysis is based on structural equation modeling (SEM), operated with the IBM SPSS AMOS 26 program. The results found that the performance is driven by government support, social support, self-efficacy, and social media adoption. Second, social media adoption significantly mediates the relationship between governmental support, social support, self-efficacy, and digital business performance. Therefore, it is hoped that this discussion will help the academic and practical fields understand this phenomenon and be used as a guide by policymakers to review the national digital business ecosystem and mechanism to further the development of young entrepreneurs. Technology has helped entrepreneurs reach the future of their business more efficiently and take the name of the business to a global level.

## 1. Introduction

The rapid development of information and communication technology (ICT) over the past few decades has transformed the world from social, political, cultural, and economic aspects. Ironically, this ICT advancement has also had a considerable impact on the industry's global trade structure, thus triggering the phenomenon of electronic trade or digital business, which is evolving from time to time (Dana et al., 2024). Digital business has created an extraordinary phenomenon when various types of businesses start using websites and social media as

marketing venues to promote the products and services of a business (Yin et al., 2024; Zamani & Rousaki, 2024). Digital business is done online, which requires the Internet network as an intermediary medium between sellers and buyers (Khuntia et al., 2024). Meanwhile, for the local context, the Ministry of International Trade and Industry (MITI) defines the concept of digital business as an electronic business transaction or an Internet business that involves business-to-business (B2B) and business-to-customer (B2C) via the Internet or computer networks.

Business can be made more accessible with the advancement of the Internet. With this facility, the entrepreneurs have turned this situation into an opportunity to increase income. Riedl et al. (2024) found that digital businesses are an accessible medium of income generation and have become one of the everyday lifestyles worldwide. Looking at these advantages, the government has urged the business industry to switch to digital businesses to keep pace with the current digital revolution. The government has intensified various efforts to support the business industry in applying this electronic business. Among them are providing incentive assistance and microcredit loan facilities and organising courses, workshops, and training to strengthen skills to accept this new technology. All the initiatives align with the government's aspirations to boost the country's economic growth while reducing unemployment. The government is also committed to creating a conducive environment by introducing user-friendly rules to increase the business' efficiency and competitiveness to keep up with national economic growth.

Various types of businesses that can be run through the Internet have opened vast opportunities for anyone who wants to venture into this field, full-time or part-time, including the younger generation. However, this group also needs help. Among them are problems in terms of capital and time. Most youths are IT literate and can start a business without preparing premises and employees and without high costs (Dana et al., 2024). They can determine the size of their business according to their capabilities. Although the number of digital entrepreneurs has increased yearly, only a small percentage are successful. In contrast, the others will encounter failure within two or three months after running the business. Based on the findings of the study by Wang et al. (2024), aspects of the market and competition are challenges faced by digital businesses. Moreover, various online marketing platforms that market the same product cause the competition to be very fierce. According to Liu et al. (2024), businesses that use digital mediums are very concerned about complete, up-to-date, and organized product information to maintain customer trust and overcome the problem of fraud from customers because this business does not involve direct interaction between sellers and consumers. Moghavvemi et al. (2021) found that the acceptance level of Malaysian entrepreneurs towards the use of digital business still needs to be at a higher level. Like it or not, entrepreneurs need to switch to using digital business because digitalization is the future. It is a priority for entrepreneurs to understand and fully master the capabilities of this new technology.

Entrepreneurs need to understand the genuine concept of digital business to avoid the collapse of the country's business industry (Wong et al., 2020). In the meantime, studies on digital business performance that focus on young entrepreneurs still need to be completed. Studies related to the factors that influence digital business performance are still lacking and need improvement, and most past studies have examined the behavioral decision of accepting digital business. This results in a research gap examining the determining factors of digital business performance. In response to this phenomenon, this concept paper will use the theory of planned behavior (TPB). Through the model, attitudes, subjective norms, and perceived behavioral control have been broken down into several antecedents considered influential in predicting individual behavior. The potential determinants include governmental support, social support, self-efficacy, and social media adoption. The second is to assess the influence of social media adoption as a mediator towards the relationship between government support, social support, self-efficacy, and digital business performance. Social media is a marketing tool that needs more capital, such as installing paid signs or advertising through television or radio (Tumasjan, 2024). Social media can help young entrepreneurs advertise their products (Adhiatma et al., 2024). According to Cartwright et al. (2021), social media has the power of virality, the fastest information spreading. The use of social media can reduce costs and even increase the amount of business finances for future use (Dwivedi et al., 2023). In economic turmoil, young entrepreneurs must use finances wisely to manage their businesses. Various mediums can increase sales, and one of them is the use of social media. Therefore, this study was conducted to investigate the direct relationship between government support, social support, self-efficacy, social media adoption, and digital business performance and to identify the influence of social media adoption as a mediating variable to explain the relationship between government support, social support, self-efficacy, and digital business performance.

## 2. Literature Review & Theoretical Framework

### 2.1 Theory of Planned Behavior (TPB)

The Theory of Planned Behavior focuses on the intention that drives behavior (Ajzen, 1991). The intention is driven by three main elements: attitude, subjective norm, and behavioral perception control. Considering the three elements, a person's behavior is "a decision that is determined by the attitude towards the behavior or the

perception of surrounding factors such as goodness or the loss caused by the behavior (attitude), the social pressure that supports or opposes it (subjective norms), and the accessibility or difficulty that can be experienced in performing the behavior (behavioral control) (Ajzen, 1991). Attitudinal elements often include beliefs, feelings, and behavior and are called cognitive, affective, and action components. Attitude is an individual's positive or negative feelings towards doing something or action. The subjective norm is a person's perception that most people who are essential feel that he/she should or should not do something. Ajzen (1991) defines subjective norms as the perception of other people's responses to the work that a person will carry out. In short, subjective norms focus on how the notion of support given by individuals from the social environment has a strong enough influence in encouraging the implementation of certain behaviors. At the same time, perceived behavioral control is the individual's perception that it is easy or difficult to perform a behavior depending on ability, resources, and opportunities. The concept of behavioral control is a new element added to the original theory of TPB, which is the Theory of Reasoned Action (TRA) by Fishbein and Ajzen (1975). TRA is found to have limitations in predicting behavior when faced with a situation beyond control (Ajzen, 1991). The perceived element of behavioral control is a person's belief in the accessibility of behavior influenced by internal and external factors (Kobbeltvedt & Wolff, 2009). Such factors may include self-efficacy and expected opportunities for success in performing the behavior (Ajzen, 1991). Self-efficacy is an internal factor that is self-confidence in acting and performing successfully. Next, external factors such as environmental situations or resources can help behavioral implementation. These internal and external perceptions influence a person's intentions or vice versa.

## 2.2 Entrepreneurship and Digital Business

Entrepreneurs have different definitions according to the discipline and the researcher's perspective on the entrepreneur's internal qualities. González-Padilla et al. (2024) defined an entrepreneur as a person who pays a specific price to obtain a product for resale while considering the consideration of profit. From a risk perspective, an entrepreneur is seen as someone who opens a new business and takes risks to find profit through growth and the resources available around it (Weking et al., 2023). Entrepreneurship has been considered an essential enabler for the country's overall economic development. Entrepreneurship has become the main agenda in this country, and entrepreneurship programs and mechanisms that support the development of entrepreneurial activities have been introduced. Such programs and mechanisms hope to stimulate the country's economic growth, creating more job opportunities (Munyo & Veiga, 2024). Digital business is a form of electronic commerce that allows sellers to sell goods or services to buyers via the Internet directly without involving mediators or intermediaries (Khuntia et al., 2024). Now, shoppers can buy online using various computers and devices, including desktop computers, laptops, tablets, and smartphones. Digital business is a business concept in the virtual market. However, it still requires business capital, goods, and promotion (Wong et al., 2020). In addition, digital business means exploiting technology and applications to connect critical business systems directly to customers, employees, and suppliers through an Intranet regardless of the size, location, and type of business (Riedl et al., 2024).

Technological facilities such as laptops, smartphones, the Internet, social media, and websites have given an advantage to conducting online business. Using media as a sales platform for entrepreneurs has an excellent impact on improving the entrepreneur's business (Dana et al., 2024). Entrepreneurs need to have characteristics to sustain in the digital business. The first characteristic is that entrepreneurs need creative thinking to carry out online marketing strategies using social media as the primary medium (Sitaridis & Kitsios, 2024). Digital businesses require entrepreneurs to be highly creative when using social media, which is increasingly being used. With creative thinking, entrepreneurs can advertise their products on social media, for example, using interesting sentences in advertisements to promote their products. The second characteristic is the entrepreneurial attitude, which is willing to bear the risk in the business, especially in using social media to promote product sales (Sitaridis & Kitsios, 2024). In digital business, customers must be more honest when buying and selling, especially online purchases. For example, when customers order an item, they do not pay according to the specified amount. In addition, social media requires information about the user or buyer, such as residential address and bank account number. This involves privacy and security issues among social media users (Dana et al., 2024). One of their concerns is the risk they will face when buying goods online. The third characteristic is the intelligent personality of innovative entrepreneurs looking for opportunities to expand their market through digital business (Mohd Noor et al., 2024). Social media as a sales platform for entrepreneurs is new and should be explored in a broad market, such as overseas businesses.

## 2.3 Determinants of Digital Business Performance

### 2.3.1 Government Support

The government has worked hard to ensure that Internet services, the heart of digital business, can be connected to the community by providing high bandwidth infrastructure and services. In Malaysia, the government has

focused on incentives to encourage the adaptation of digital technology by micro, small, and medium enterprises (SMEs). In addition, the Malaysian Communications and Multimedia Commission (MCMC) also made 600 Malaysian Family Digital Economy Centers (PEDI) a one-stop center to encourage micro-entrepreneurs to switch to digitisation. With various initiatives targeted in Budget 2025, the government strives to ensure that Malaysian entrepreneurs, from small hawkers to large exporters, get the support they need to continue to grow in the digital and global economy. Specific funding, grants, and support opportunities prove the government's commitment to developing a sustainable and inclusive entrepreneurial sector. For example, the SMEs & Vendors Digital Matching Grant amounts to RM 50 million to help local entrepreneurs, including small hawkers, drive their business digitisation efforts and stay relevant in the growing digital market. Then, the NADI Center by the Malaysian Communications and Multimedia Commission is intended to act as a platform for the entrepreneurial community to leverage online businesses, generate additional income, and expand digital operations. Yin et al. (2024) and Zamani and Rousaki (2024) found that government assistance such as finance and credit, training and development, advisory services and consulting, marketing and business opportunities, and infrastructure support provided by the government can help increase the success of entrepreneurs' performance. Research findings by Mohd Noor et al. (2023), Sukrat and Leeraphong (2024), and Wong et al. (2020) showed the support of entrepreneurship and related government policies with business angel and availability of risk capital, financial resources, and government support for entrepreneurship also correlates with the success of entrepreneurs. Based on these reasons, this study therefore hypothesises that:

*H1: Government support significantly influences youth digital business performance.*

### 2.3.2 Social Support

The social environment somewhat influences young entrepreneurs' performance in using digital businesses (Neneh, 2022). In social science, research on the social environment becomes a source of learning and knowledge for actual behavior formation. The study of entrepreneurs' behavior is assessed based on the influence of obstacles, feedback, and support from humanitarian elements. Ajzen (1991) defines social support as the perception of impressions of other people to the work that someone will carry out. In short, it focuses on how the impression of support given by individuals from the social environment has a strong enough influence in encouraging the implementation of certain behaviors. Typically, individuals who want to perform their behavior will request recommendations or evaluations from the reference group. Social pressure from the reference group, considered necessary by the individual, will influence whether they want to perform the behavior or vice versa (Ajzen, 1991). If this group gives a positive assessment that supports reform, then this will simultaneously encourage the formation of behavior. On the other hand, if the reference group gives a negative assessment, this will result in rejection to implement the behavior. Encouragement and support from interested institutions such as family, government, and educational institutions are essential to an entrepreneur's success (Lyons et al., 2024; Noor et al., 2023). Their enthusiasm and encouragement provide a paradigm shift for the entrepreneurs to continue to work hard and succeed in the business they are working in. Financial assistance, program initiatives, training, and guidance are beneficial for young entrepreneurs in increasing their independence in business (Al Halbusi et al., 2024; Noor, 2024). Therefore, the following hypothesis is posted:

*H2: Social support significantly influences youth digital business performance.*

### 2.3.3 Self-Efficacy

Apart from attitude and subjective norms, the perception of behavioral control is also an important determining factor in predicting individual behavior to accept and perform in digital business. The perception of control over behavior is an aspect of humanity that evaluates the influence of self-efficacy and the environment of encouragement on accepting behavior change (Ajzen, 1991). Taylor and Todd (1995) have broken down this control belief structure into three constructs, namely self-efficacy, resource-driven atmosphere, and technology. The main ones are self-efficacy and motivation. Self-efficacy refers to an entrepreneur's self-confidence in his/her ability to perform various skills needed, especially in starting and managing a digital business (Sahid et al., 2024). Bandura (1982) explains that self-efficacy will influence readiness for activities, performance development efforts, and emotional reactions. Individuals with high self-efficacy are considered capable of performing behaviors with more diligence despite being in a difficult situation compared to individuals who are not confident of his/her abilities (as cited in Bandura, 2023). Low self-efficacy will result in anxiety in the individual until finally, resulting in avoidance or rejection of a featured innovation (van der Westhuizen & Goyayi, 2020). The explanation showed that the higher self-efficacy leads to the higher the individual's confidence in controlling digital business. According to Shukla and Kumar (2024), entrepreneurial efficiency has two dimensions: the first is believing in the purpose (task or result), and the second is believing in oneself (negative or positive) that exists in the business creation process. Self-efficacy can be fostered through entrepreneurship training programs, which can increase

overall entrepreneurship results (Mohd Noor et al., 2023). Those exposed to entrepreneurial training have higher entrepreneurial skills and thinking skills and an increased ability to evaluate entrepreneurial opportunities (van der Westhuizen & Goyayi, 2020). Based on the findings of Yen and Lin (2022), individuals with high entrepreneurial efficiency believe they can succeed in the business field. Therefore, the following hypothesis is proposed:

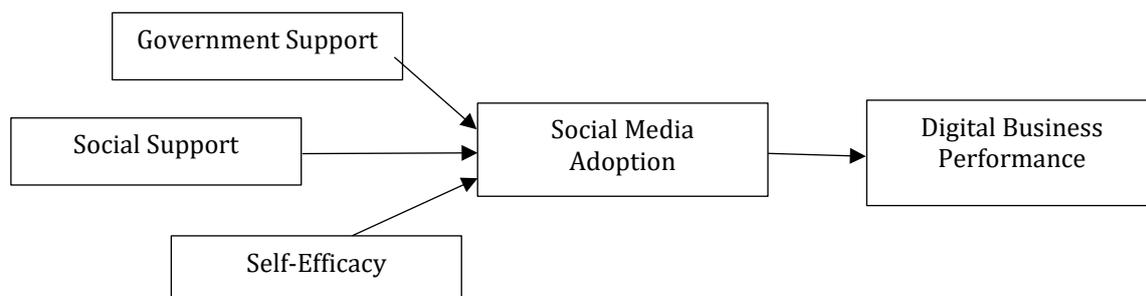
*H3: Self-efficacy significantly influences youth digital business performance.*

### 2.3.4 Social Media Adoption as a Mediator

This study believes that social media adoption could act as a mediator variable where the role of government support, social support, and self-efficacy on digital business performance is mediated by the mediator variable. The connection between two phenomena is sometimes not present in a direct form because sometimes the connection is mediated by other phenomena, such as social media adoption. Today, the world community, including Malaysia, has a digital-based lifestyle. Almost all daily affairs, such as banking and ordering food, can be done using digital technology (Cartwright et al., 2021). Based on the digital lifestyle, the use of social media is also proliferating. In Malaysia, the use of social media is widespread, and the average individual has at least one social media account, such as Facebook, Instagram, WhatsApp, Telegram, and others. Social media marketing is an essential element in 21st-century business. Social media are social tools and channels that are conducted online through the Internet. The role of social media in business includes as a network tool, creating market power through views and opinions, and a system to manage content (Cartwright et al., 2021). Social media has changed the business landscape since entrepreneurs can upload videos, information, or the latest promotions into social media (Dwivedi et al., 2023). Social media has indirectly created brand fan pages. New or existing customers can easily access product information, and social media can increase self-confidence when interaction occurs more quickly and briefly between sellers and buyers in the virtual world. Celebrities' role in social media also creates awareness about the products and services offered by a business. This thing indirectly reflects the popularity and quality of the products offered. Besides that, social media also makes it easier for entrepreneurs to predict purchasing behavior, carry out innovation, and facilitate business in hiring (Tumasjan, 2024). The use of social media in business allows young entrepreneurs to promote their products and services globally. The valuable features of social media, such as the ability to introduce brands, promote brands, promote viral marketing, and expand business brands to an international level, can encourage entrepreneurs to use social media in their business (Pardo et al., 2022). If viewed from the usability perspective, social media is quickly used to conduct marketing activities such as advertising products or services (Adhiatma et al., 2024). Based on the above reasoning, the following hypothesis is proposed:

*H4: Social media adoption mediates the relationship between (a) government support, (b) social support, (c) self-efficacy, and digital business performance.*

Fig. 1 portrays the research model of the study, showing how government support, social support, and self-efficacy influence digital business performance, with social media adoption as a mediator. The independent variables are government support, social support, and self-efficacy, while the dependent variable is digital business performance. Social media adoption mediates these relationships by enhancing business success through marketing and customer engagement.



**Fig. 1** Research model

### 3. Methodology

This research paper is a quantitative study with a cross-sectional survey method and uses closed-ended questions. A purposive sampling method was chosen, and the study population includes young entrepreneurs in the State of Negeri Sembilan, Malaysia. The sample was taken from 384 youths, as suggested by Krejcie and Morgan (1970). The respondents must have at least one year of business experience, own a digital business, use one social media platform, and live in Negeri Sembilan. The definition of youth refers to individuals between the ages of 15 and 40. The Ministry of Youth and Sports and the Malaysian Youth Council have agreed to define youth age as 15 to 40 years after the Youth Organisations and Youth Development Act (Act 688) was introduced. However, the Minister of Youth and Sports has announced the implementation of the youth age limit of 30 years, which will start on 1 January 2026. For this study, data are collected from youth aged 18 to 30. Table 1 shows the measurements of the study variables used. A 5-point Likert scale has been used as an item measurement, ranging from [1] Strongly Disagree to [5] Strongly Agree. Structured Equation Modeling (SEM) has been used in two levels of structured modeling, as Anderson and Gerbing (1984) suggested. The first level involves testing the Confirmatory Factor Analysis (CFA) for the measurement items' unidimensionality, validity, and reliability. In contrast, the second level involves testing structured modeling. This study uses IBM® SPSS® software to analyse preliminary data and IBM® Amos for structured modeling hypothesis testing. Table 1 illustrates the measurement of variables.

**Table 1** Measurement of the variables

Variables	Items
Government Support (Busenitz et al., 2000)	<ol style="list-style-type: none"> <li>1. The government assists individuals in starting their ventures.</li> <li>2. The government sets aside government contracts for new and small ventures.</li> <li>3. Local and national governments have support for individual ventures.</li> <li>4. The government sponsors organisations that help ventures develop.</li> <li>5. Even after failing, the government assists entrepreneurs in starting again.</li> </ol>
Social Support (Busenitz et al., 2000)	<ol style="list-style-type: none"> <li>1. People in this country greatly admire those who start their ventures.</li> <li>2. Family support in running the business.</li> <li>3. Friends' support in running the business.</li> <li>4. The support of people around them in running the business.</li> </ol>
Self-Efficacy (Chen et al., 1998)	<ol style="list-style-type: none"> <li>1. Accept unexpected changes while doing business.</li> <li>2. React quickly to take advantage of business opportunities.</li> <li>3. Capable of creating new ideas and products.</li> <li>4. Capable of producing products that satisfy unmet customer needs.</li> <li>5. Confidence in being able to think creatively.</li> <li>6. Confidence succeeds in creating new products.</li> </ol>
Social Media Adoption (Ahmad et al., 2019)	<ol style="list-style-type: none"> <li>1. The business fully utilizes social media.</li> <li>2. My business has used social media for more than one year.</li> <li>3. My business uses social media for more than 30 hours per week.</li> <li>4. Social media is used as a marketing tool.</li> <li>5. The business has a budget allocated to social media.</li> </ol>
Digital Business Performance (Hashai, 2011).	<ol style="list-style-type: none"> <li>1. Sales volume.</li> <li>2. Profit.</li> <li>3. Return on investment.</li> <li>4. Customer satisfaction.</li> <li>5. Customer long-term retention.</li> </ol>

## 4. Findings

### 4.1 Demographic Profiles

Table 2 indicates the demographic profiles. Out of 384 surveys distributed, 242 responses have been received. In this study, most respondents are female, with 135 respondents (55.7%). Next, many respondents were 21-24 years old (n=114, 47.1%). Then, most respondents obtained bachelor's degree academic qualifications (n= 130, 53.7%). Regarding business experience, 227 respondents (93.8%) have been operating their business for five years or more. From the data, we can determine that most respondents have been doing business part-time (n=185, 76.4%). In terms of status, most of the respondents were single (n=212, 87.6%).

**Table 2** Demographic profiles

Profile		Frequency (n)	Percentage (%)
Gender	Male	107	44.2
	Female	135	55.8
Age	18-20 years	5	2.1
	21 - 24 years	114	47.1
	25 - 27 years	83	34.3
	28 - 30 years	40	16.5
Highest Educational Level	Secondary Level	16	6.6
	Diploma/Foundation	80	33.1
	Bachelor's degree	130	53.7
	Postgraduate	14	5.8
	Others	2	0.8
Business Experience	1 to 5 years	15	6.2
	Five years and above	227	93.8
Business Orientation	Full-time	57	23.6
	Part-time	185	76.4
Status	Married	30	12.4
	Single	212	87.6
	Divorce	0	0

### 4.2 Confirmatory Factor Analysis (CFA)

Fig. 2 shows the measurement model built through Confirmatory Factor Analysis. The analysis results show that the measurement model has met the required index fit value. The fit values for the Goodness-of-fit Index (GFI) (0.910), Tucker-Lewis Index (TLI) (0.920), Comparative Fit Index (CFI) (0.942), and Normed Fit Index (NFI) (0.911) have met the fit value suggested by the literature, which is 0.90 and above (Hair et al., 2010). While the index value for the Root Mean Square Error of Approximation (RMSEA) was found to be less than 0.08 (0.036), and the value of the Normed Chi-Square index ( $\chi^2/df$ ) was found to be less than 5.0 (2.460), which indicates the fit value criteria of each index category has been reached (Hair et al., 2010).

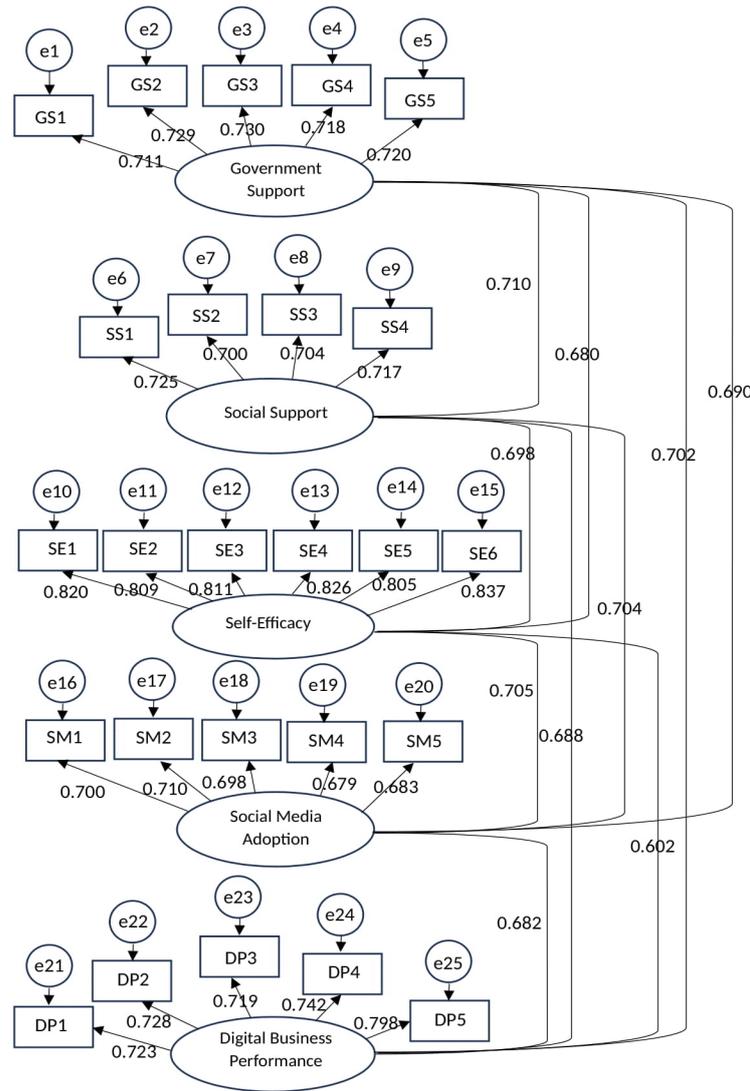


Fig. 2 Confirmatory factor analysis (CFA)

### 4.3 Convergent and Discriminant Validity

In meeting the research criteria, there are several ways to determine validity, namely: 1) convergent validity by looking at the value of Average Variance Extracted (AVE) for each variable, 2) the discriminant validity by looking at cross-loading data, and 2) reliability by looking at the results of Composite Reliability and Cronbach's Alpha. The loading factor is declared valid if the value obtained is more significant than 0.7 (Hair et al., 2010). The results of Table 3 show that all loading factor values are above 0.70. Cronbach's Alpha is good if the result is above 0.70 (Nunnally, 1978). From the results, it is stated that the results of all variables are above 0.7. The composite reliability value is good if the number is above 0.70, and the AVE value is good if it is above 0.50 (Hair et al., 2010). As shown in Table 4, the correlation value between the constructs is below 0.85, proving that the discriminant validity is met where each construct is different from the others the others (Fornell & Larcker, 1981)

**Table 3** Item loadings, AVE, CR, and Cronbach's Alpha

Variable	Items	Item Loadings	AVE	CR	Cronbach's Alpha
Government Support	GS1	0.711***	0.810	0.805	0.811
	GS2	0.729***			
	GS3	0.730***			
	GS4	0.718***			
	GS5	0.720***			
Social Support	SS1	0.725***	0.809	0.840	0.829
	SS2	0.700***			
	SS3	0.704***			
	SS4	0.717***			
Self-Efficacy	SE1	0.820***	0.787	0.800	0.850
	SE2	0.809***			
	SE3	0.811***			
	SE4	0.826***			
	SE5	0.805***			
	SE6	0.837***			
Social Media Adoption	SM1	0.700***	0.820	0.839	0.860
	SM2	0.710***			
	SM3	0.698***			
	SM4	0.679***			
	SM5	0.683***			
Digital Business Performance	DP1	0.723***	0.860	0.819	0.872
	DP2	0.728***			
	DP3	0.719***			
	DP4	0.742***			
	DP5	0.798***			

**Table 4** Discriminant validity results

No.	Variable	1	2	3	4	5
1	Government Support	0.900				
2	Social Support	0.710**	0.899			
3	Self-Efficacy	0.680**	0.698**	0.887		
4	Social Media Adoption	0.690**	0.704**	0.705**	0.905	
5	Digital Business Performance	0.702**	0.688**	0.602**	0.682**	0.927

Note: Values in the diagonal show the square root of AVE

#### 4.4 Structural Model Assessment

As shown in Table 5, the study first discovered that government support ( $\beta=0.280^{***}$ ), social support ( $\beta=0.378^{***}$ ), and self-efficacy ( $\beta=0.400^{***}$ ) significantly influenced digital business performance. Thus, H1, H2, and H3 were accepted. Second, social media adoption significantly influenced digital business performance ( $\beta=0.309^{***}$ ). Third, government support ( $\beta=0.390^{***}$ ), social support ( $\beta=0.290^{***}$ ), and self-efficacy ( $\beta=0.248^{***}$ ) significantly influenced social media adoption.

**Table 5** Assessment of the direct model

Path		$\beta$	Std. Error	t-value
<b>Standardised Direct Effects</b>				
Digital Business Performance	← Government Support	0.280***	0.019	1.114
Digital Business Performance	← Social Support	0.379***	0.041	3.679
Digital Business Performance	← Self-Efficacy	0.400***	0.089	1.480
Digital Business Performance	← Social Media Adoption	0.309***	0.040	3.670

Social Media Adoption	← Government Support	0.390***	0.220	4.800
Social Media Adoption	← Social Support	0.290***	0.780	4.205
Social Media Adoption	← Self-Efficacy	0.248***	0.540	2.679

Next, in assessing the mediation model, the study discovered that government support ( $\beta=0.022$ ) and social support ( $\beta=0.014$ ) no longer significantly influenced digital business performance. On the other hand, self-efficacy ( $\beta=0.310^{***}$ ) significantly influenced digital business performance. Second, social media adoption significantly influenced digital business performance ( $\beta=0.289^{***}$ ). Third, government support ( $\beta=0.350^{***}$ ), social support ( $\beta=0.289^{***}$ ), and self-efficacy ( $\beta=0.220^{***}$ ) significantly influenced social media adoption. The insignificant influence of government and social support on digital business performance has proved that social media adoption is a full and partial mediator in the relationship between self-efficacy and digital business performance. The bootstrapping method with resampling 2000 times and a 95% bias-corrected confidence interval is used to assess the mediating effect of social media adoption. This method involves imputing study variables in structural equation modeling (Preachers & Hayes, 2008). Table 6 shows the bias-corrected 95% confidence interval analysis for government support ( $\beta =0.101$ , BC 95% CI [0.004, 0.0180]), social support ( $\beta =0.081$ , BC 95% CI [0.026, 0.158]) and self-efficacy ( $\beta =0.063$ , BC 95% CI [0.066, 0.109]) do not contain zero values. These results show that social media adoption is a significant mediator for relationships. Therefore, H4(a), H4(b), and H4(c) were accepted. Fig. 3 portrays the final model of the study.

**Table 6** Assessment of the mediation model

Path		$\beta$	Std. Error	t-value	Bootstrap (95% CI)	
Standardised Direct Effects					Lower control limit	Upper control limit
Digital Business Performance	← Government Support	0.022	0.074	3.708		
Digital Business Performance	← Social Support	0.014	0.051	2.283		
Digital Business Performance	← Self-Efficacy	0.310***	0.064	2.700		
Digital Business Performance	← Social Media Adoption	0.289***	0.048	4.100		
Social Media Adoption	← Government Support	0.350***	0.062	5.400		
Social Media Adoption	← Social Support	0.279***	0.055	4.244		
Social Media Adoption	← Self-Efficacy	0.220***	0.068	5.325		
Standardised Indirect Effects (Mediation Effect via Social Media Adoption)						
Digital Business Performance	← Government Support	0.101***	0.056	-	0.004	0.018
Digital Business Performance	← Social Support	0.081***	0.048	-	0.026	0.158
Digital Business Performance	← Self-Efficacy	0.063***	0.068	-	0.066	0.109
Standardised Total Effects (Direct Effect + Indirect Effect)						
Digital Business Performance	← Government Support	0.123***	0.074	-		
Digital Business Performance	← Social Support	0.095***	0.053	-		
Digital Business Performance	← Self-Efficacy	0.373***	0.048	-		

Note: \*\*\*Paths are significant at the 1% level ( $p < 0.01$ ). \*\*\*Indirect effects are significant at the 1% level, with bootstrap at 5000 and bias-corrected percentile method

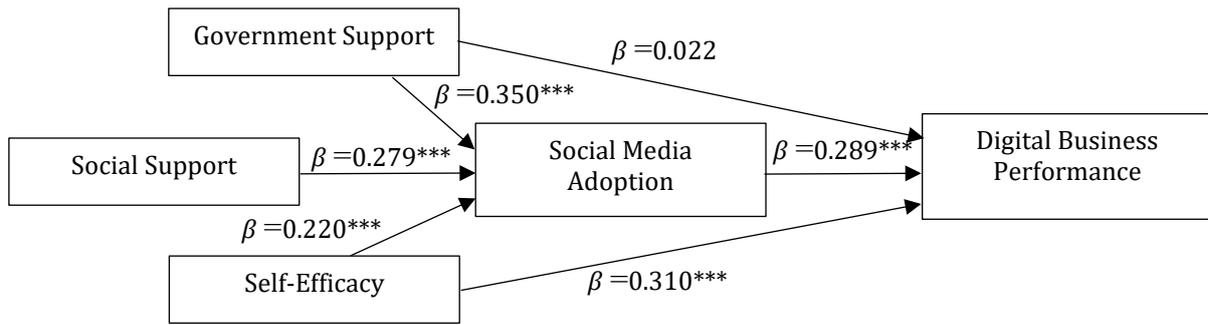


Fig. 3 Final model

## 5. Discussion

This study found that the influence of both internal (self-efficacy) and external environment (social support, government support, and social media) are essential in mobilizing entrepreneurial activities and performance. As theoretical implications, the findings of this study contribute to the enrichment of literature through the role of social media adoption in explaining the relationship between government support, social support, self-efficacy, and digital business performance. Although previous studies have shown the importance and influence of government support, social support, and self-efficacy on digital business performance (e.g., der Westhuizen & Goyayi, 2020; Yin et al., 2024; Zamani & Rousaki, 2024), this study can add to the understanding by testing the intervening role of social media adoption. Therefore, businesses need to consider the role of social media networks, such as Facebook, Instagram, and Pinterest, to remain competitive in the market. This study uses the theory of planned behavior (TPB) to understand the determinants of digital business performance. This theory's essential factors include attitude, subjective norms, and perceived behavioral control. The study tried to expand the TPB by considering specific factors such as government support, social support, self-efficacy, and social media adoption. The results of this study revealed that perceived behavioral control elements such as government support and self-efficacy are important factors in influencing business performance. This study's findings prove that perceived behavioral control is a multidimensional construct. Taken together, the findings support and validate the direct influence of perceived behavioral control on behavior, as highlighted by Ajzen (1991).

An environment that supports entrepreneurial activity becomes a catalyst for community involvement in entrepreneurship. From the researchers' point of view, all these factors need to be given due attention by young entrepreneurs in Malaysia if they want to be more successful in the digital business. They need to have an attitude that does not give up easily, be proactive, be self-confident, and be innovative to be more successful (van der Westhuizen & Goyayi, 2020; Yen & Lin, 2022). In addition, they need to equip themselves with business management skills and gain as much economic and financial experience as possible. In addition, it is also suggested that these young entrepreneurs create a social network and strong cooperation among business partners and the community (Al Halbusi et al., 2024). They need to increase their knowledge related to marketing by attending related seminars and programs. The findings of this study also showed that government support is significant in contributing to the success of young entrepreneurs. Therefore, support and policies carried out by the government through related agencies are necessary to continue and improve in line with the government's goal to become an entrepreneurial country by 2030. Family institutions also greatly influence the entrepreneurial culture, where most businesses are inherited from generation to generation. Social media plays a role in influencing individuals to make purchasing decisions and deals online (Tumasjan, 2024). Social media platforms create additional opportunities for entrepreneurs, and other organisations also make their activities more manageable (Adhiatma et al., 2024; Cartwright et al., 2021). The mastery of technological skills is also essential. Entrepreneurs need to understand how to use applications and software related to their business, such as accounting, stock management, and e-commerce platforms. This skill enables entrepreneurs to make more accurate decisions (Dwivedi et al., 2023). Additionally, access to online learning opportunities and resources is also essential. Many online courses enable entrepreneurs to learn new skills without leaving the business. This can help entrepreneurs improve their knowledge and skills in the technological fields related to business.

To promote digital business, four sources required, namely, 1) physical resources, which are access to computers and the Internet; 2) digital resources, which are the skills to find and understand Internet content; 3) human resources is the use of Information and Communication Technology (ICT) and education including knowledge and understanding, and 4) social resources that include the local community, dependent institutions, and social structures with information technology (Dana et al., 2024; Sukrat & Leeraphong, 2024). All these

sources are interrelated and needed to empower technology skills and overcome the digital divide (Wong et al., 2020). The government must provide support through education and training to produce entrepreneurs with a high level of digital literacy to use applications and methods to run digital businesses (Yin et al., 2024; Zamani & Rousaki, 2024). Thus, there is space and opportunities for the industry and stakeholders to foster a culture of digital entrepreneurship in Malaysia.

## 6. Conclusion

The presence of this technology makes it easier for young people to become entrepreneurs. Today's social media is not only for communicating with friends far away, but it also brings exciting information. Today's business is straightforward and easy to run with no excuses anymore. All facilities are available in front of our eyes. Today's technological facilities help entrepreneurs exit their small market and take their business to a higher level. Overall, social media as a marketing tool for entrepreneurs is the best and allows businesses to keep up with trends and changes in the business world. Today's business must use technology that follows the trend to become a company that can compete. Exposure to assistance and entrepreneurship programs should be more practical, using the latest platforms such as social media, applications, and websites.

Research limitations are practically unavoidable. This is because limitations exist every time a research process is carried out. Among the limitations of implementing this study is the target respondents' perspective because this study only focuses on young entrepreneurs in Negeri Sembilan. Like previous studies, a cross-sectional approach was used because it is more practical. Although cross-sectional studies have many advantages, such as their design being more straightforward, cheaper, and allowing for data collection over a short period, this method provides limited information about any changes that may occur. Therefore, it is suggested that future studies use a longitudinal design to provide a more comprehensive understanding. Furthermore, this study used a questionnaire to collect data, which had several weaknesses. Among the weaknesses is the possibility of lack of transparency when respondents answer each question posed to represent themselves. Respondents are likely to answer questions without following the actual picture and not based on their personal opinions or what they are going through. In addition, using questionnaires can create an element of bias, resulting in less accurate results. Survey usage might lead to an issue known as Common Method Variance (CMV). Many quantitative survey studies fail to incorporate the necessary mechanisms to control and minimise CMV. Future studies are advisable to use correct procedural solutions that can be used to control and minimise CMV. Harman's one-factor test can be used to avoid CMV. This study is explanatory, which means the framework structure study is entirely independent and flexible. Data obtained through observation, interviews, and observation could improve the findings. Future studies encourage the expansion of the current model by including other mediating variables such as personality traits, business innovation models, and others to improve the robustness of the model.

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## Conflict of Interest

The authors declare that there is no conflict of interest regarding the publication of the paper.

## Author Contribution

*The authors confirm contribution to the paper as follows: **study conception and design:** Amirah, M. F., and Nurin Farzana, M. F.; **analysis and interpretation of results:** Afief, E. A.; **draft manuscript preparation:** Nurul Hidayana, M. N. All authors provided critical feedback and helped shape the research, analysis, and manuscript.*

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