

## **Digitalization and digital platforms as a facilitator for project finance access for entrepreneurs: Exploratory study**

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### **Abstract**

If you are not sure what digitalization is, allow us to explain it. The internet has seen a large increase in the amount of data available, and as more and more information becomes connected on the internet, we are seeing an exponential surge in the amount of data being produced and shared. This is known as 'the digital revolution'. Research defines the “digitalization” term as introducing digital technologies in business, firms, or lifestyle. This integration can enhance a firm’s competitiveness and increase their performance by offering services throughout virtual channels. Moreover, they can operationalize operations management firms. The major problem for entrepreneurs and project carriers is funding, this issue obstructs starters and funding seekers to start and develop their projects and ideas because of multiple conditions that should be respected by this target to get funding. There are a lot of funding mechanisms that have proven their effectiveness in promoting and supporting small and medium-sized projects. Countries are always seeking to give support and develop small projects to improve their idea and make it real in the market. In light of the digital revolution, many ways of funding small and medium projects are developed, by returning to the last experiences of leading countries and try to dress a new map of funding programs. This article aims to present an exploratory study of project funding through digital platforms as a facilitator for project finance access for entrepreneurs and funding seekers, and how it can be useful for entrepreneurs. Our sample is a combination of Experts, professional executives in charge of accompaniment, Engineers, and entrepreneurs. We are oriented to a qualitative approach for data collection. We will divide our study into two axes, the first axis dealt with the traditional mechanisms of funding and supporting small projects, and the second dealt with digital platforms as a facilitator of finance access for entrepreneurs and funding seekers.

**Keywords:** Digitalization; Digital platforms; Entrepreneurs; Funding; Facilitator.

**JEL Classification:** M15, L26

**Paper type:** Empirical research

## **1. Introduction**

Digital transformation is the most studied phenomenon in the scientific community today. With the emergence of digital technologies and their growth, it is important to understand that we are in front of a technological world. Digitalization or digitization or in another way digital transformation, those three terms are approximately on the same line. While often used synonymously, even though they are close in pronunciation, they have different meanings. These notions have a radically different approach. Digitalization is presented as a method or the way many domains of social life are restructured around digital communication and media platforms (Brennen, J. S., & Kreiss, D. (2016)). Digitization is defined as the process of moving from analog to digital. Or digitization is transforming physical support into a digital file. Finally, digital transformation is a process that aims to improve an organization, entity, firm...etc. by triggering significant changes to its properties through combinations of information and computing, communication, and connectivity technologies (Vial, G. (2019)). In the last few years, funding sources are more than in the past. Many types of sources have emerged for various sizes of projects. We can take the crowdfunding as a concrete example. In the beginning, it was mainly used to support and finance artists belonging to different sectors (Agrawal et al, 2013). The establishment of various internet platforms that aims to support and finance projects leader is a real ability to give new funding methods that can give great results and make a real transition from traditional modes through a digital mode.

Digital technologies could be one of the best solutions and a great alternative source of financial resources for small and medium businesses. One of the biggest challenges that project leader faces when they try to find a capital and financing support, is they find themselves in front of bank offers with insurmountable conditions. That's why they try to find favorable offers with facilities to achieve their business and start their project. This is why people and funding organizations and the government should review this issue and give the chance to everyone who can make a progress on this topic.

Today, many countries are doing a significant job including information and communication technologies in their development policies, which gives a strong economic growth and make significant progress in terms of investments and competitiveness (F, Alava et al. 2017). Therefore, it is very important to encourage and increase active participation and explain the positive impact of the use of digital technologies in society (Fang et al. 2019).

Although information and communication technologies are very important for the economy's development, the use of those technologies in financing and supporting small and medium projects is very low. There are several mechanisms and sources of project financing, such as borrowing from commercial banks, subsidies, grants, honor loans, or specialized organizations supporting and helping entrepreneurs to create their firms and start their new projects. Countries should take care of this small project because they play a major role in the economy. They create jobs and reduce the unemployment rate. They participate in the tour of the economic wheel and they increase the creativity and innovation in society. There is a lot of previous studies that addressed the difficulties and obstacles of small project funding and we will talk about Moroccan experiences and other countries' case. This is why in this article we will present financing programs that exist. After that, we will talk about previous experiences in financing small projects and digital financing platforms as a facilitator for financing access for entrepreneurs. Respecting all of these steps, we have to answer the following questions: Does digitalization can be considered a facilitator for project finance access for entrepreneurs? And what is the appropriate way to find an adequate funding source by using digital platforms? These questions will therefore be the subject of our study.

In the rest of this article, we will first present the theoretical framework of digitalization by summarizing the main definitions available in the literature. Secondly, we will expose the chronological development of digital transition and digital transformation across the last twenty

years. In this chronological development, we will clarify most events marking digitalization. In the next section, we will set forth the concept of entrepreneur across time and how it was developed, and the same for digital platforms concept. Finally, we will present our research methodology and discuss our results.

## 2. The theoretical framework of digitalization

### 2.1. Digitalization

They are many authors and researchers who are interested in digitalization as a new phenomenon, we hear a lot about digital transformation as a fact of introducing changes in the whole business model of an organization by adopting digital technologies in their business and changing the way of doing it. Digitalization refers to the changes caused by digital technologies (R, Benlian et al. 2017), Digital technology in the light of the digitalization paradigm is considered paramount for customer relationships and competitiveness (Fischer et al 2020).

Digital transformation is about more than technology is either about strategy, process, culture, and people. It is the reinvention of the method that a firm operates (F. Fernandes, 2018). DT is considered a challenge for enterprises on two levels. The first one is that firms attempt to unhook a new market by a customer integration based on digital platforms, and online channels and improve the link between the firm and their customers (Customer Relationship Management). The second level is about the integration of a digital strategy which should be in the same line with the business strategy (Ridel, Benlian, Hess, Stelzer & Sikora, 2017). With DT companies are mobilizing digital technologies and tools to improve existing business and increase customer value without making a major project (J, Luo et al. 2012).

Digitalization is the impact of digitalis technologies on societies and individuals. This impact can be seen in the way of functioning of economies (Fielke et al., 2019). Firms are expecting to improve their competitive advantage by suggesting services throughout virtual networks and operationalizing their operations management.

### 2.2. Digitalization Through Digital Transformation

Many definitions are presented a real debate around digitization, digitalization, and digital transformation, at once, the terms were used almost interchangeably, specifically digitization and digitalization in which the difference in spelling is just two letters. Digital transformation attempts to increase above the terminological ambiguity by assuming an umbrella role, including digitization and digitalization as its instituting mechanisms and regarding them as rather small. The table below gives a brief summary of these definitions.

*Table.1. Digitization & Digitalization definitions*

Author(s)	Year	Definitions
Crittenden et al	2019	<i>Digitalization creates new forms of interaction and communication between companies, organizations and customers through channels.</i>
Srai & Lorentz	2019	<i>Digitalization is defined as the way many domains of social life are restructured around digital communication and media infrastructures. In simple terms, digitalization may be defined as the use of digital technologies.</i>
Devereux & Vella	2018	<i>Digitalization is the process of spreading of a general purpose technology. The last similar phenomenon was electrification. Digitalization of products and services shortens distances between people and things. It increases mobility. It makes network effects decisive. It allows the use of specific data to such an extent that it permits the satisfaction of individual customer needs – be it consumers or businesses. It opens up ample opportunities for innovation, investment, and the creation of new businesses and jobs. Going forward it will be one of the main drivers of sustainable growth</i>
Gobble	2018	<i>Digitalization refers to the use of digital technology, and probably digitized information, to create and harvest value in new ways.</i>

<b>Morley et al</b>	<b>2018</b>	<i>Digitalization is the growing application of ICT across the economy “encompassing a range of digital technologies, concepts and trends such as artificial intelligence, the “Internet of Things”(IoT) and the Fourth Industrial Revolution”</i>
<b>Ringesnon et al</b>	<b>2018</b>	<i>Digitalization is about social life’s restructuring around digital communication and media infrastructures</i>
<b>Machekhina</b>	<b>2017</b>	<i>Digitalization means transformation of all information types (text, sound, visuals, video and other data from various sources) into the digital language.</i>
<b>Valenduc &amp; Vendramin</b>	<b>2017</b>	<i>The term “digitalization” is not the irruption of a new revolution, but the pervasive synergy of digital innovations in the whole economy and society.</i>
<b>Katz, R, Koutroumpis, P., Callorda F.M</b>	<b>2014</b>	<i>Digitization : the economic and social transformation triggered by the massive adoption of digital technologies to generate, process, share and transact information”</i>
<b>Maxwell &amp; McCain</b>	<b>1997</b>	<i>Digital technology takes information and breaks it down into its smallest components. By transforming an analogue signal into discrete pieces, digitalization makes it possible to manipulate information, text, graphics, software code, audio, and video in ways never before thought of, thus its information, transforming capabilities</i>

**Elaborated by Authors**

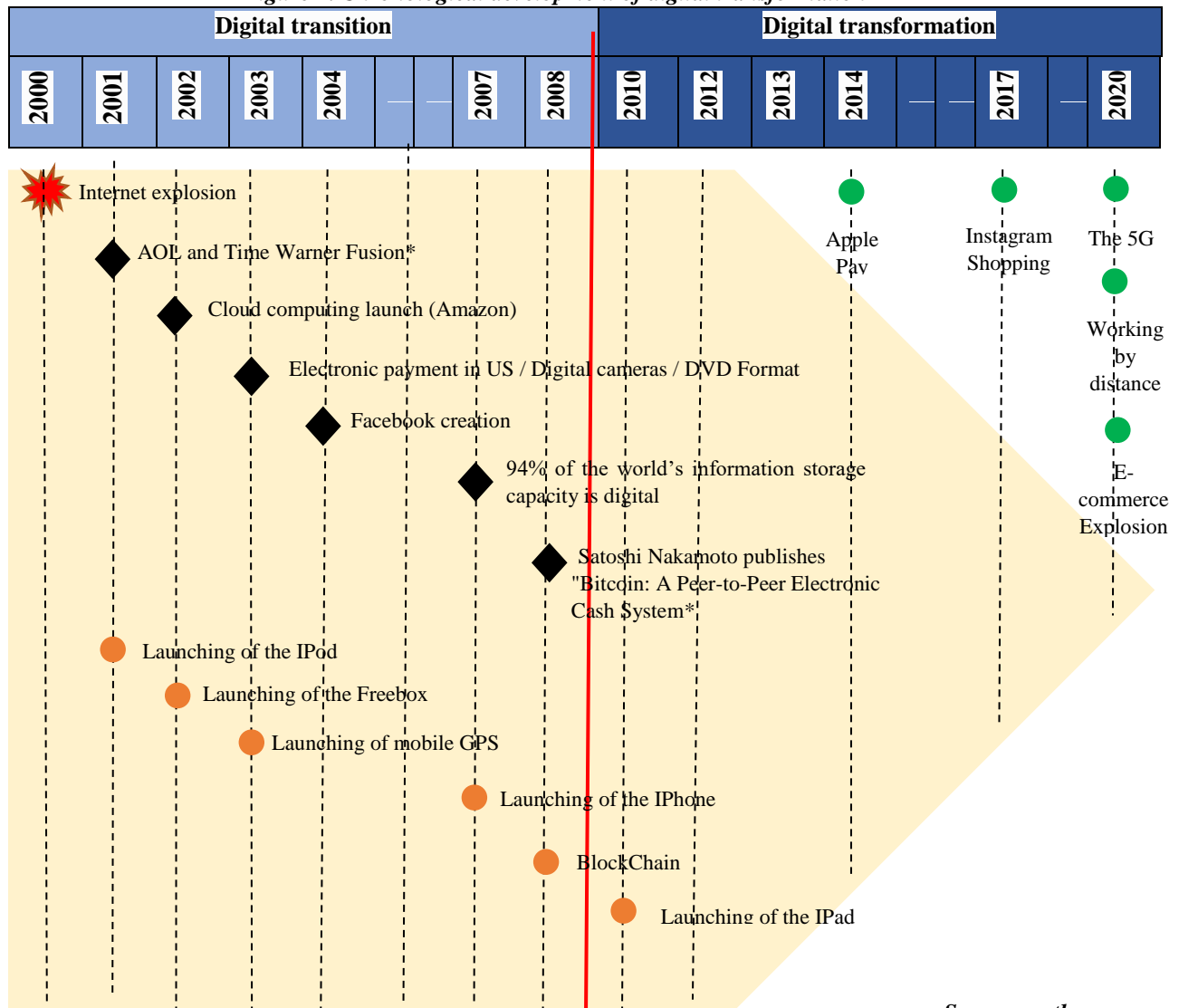
Summarizing the Table 1; the first and the second definition of Crittenden et al and Srari & Lorentz, Rengesnon talks about a new way of interaction and communication between companies, organizations, and customers through channels. This point is very important because communication and its methods are considered a major factor of success for companies. Using new tools of the interface to improve communication channels under the cover of digital transformation can maintain companies' progress. Other definitions describe that digitalization as a transformation of all types of text, sound, visual, video, and other data from various sources into digital language. Whereas Maxwell and MacCain considered digitalization as the transformation of analog signals into digital pieces.

### **2.3. Digitalization and Digitization Across Last 20 Years**

The digital revolution now is not the first that the world knows. The arrival of the Internet in 1995-1998 has changed all human life aspects. A new industry has been introduced to give a strong push to the market and make it more competitive.

The figure below gives the chronological development of digital transformation across the last 20 years.

Figure 1. Chronological development of digital transformation



Source: authors

**\*AOL:** AOL Inc. is a multinational mass media corporation based in New York City that develops, grows, and invests in brands and web sites. The company's business spans digital distribution of content, products, and services, which it offers to consumers, publishers, and advertisers

**\*Time Warner:** Time Warner Cable, Inc. (TWC) was an American cable television company.

**\* Satoshi Nakamoto:** Satoshi Nakamoto is the name used by the presumed pseudonymous person or persons who developed bitcoin, authored the bitcoin white paper, and created and deployed bitcoin's original reference implementation. As a great experience, in the year 2000, the Estonian government made an important decision that would have a significant impact on its future place as an innovation hub. It made a commitment to transform its society and make it digital. Every classroom with a computer with internet access which is declared as a human right in 2001. This vision since 2000 demonstrates Estonian society one of the most powerful and advanced digital-governance model in the world (S, Siikut. (2020))<sup>1</sup>.

<sup>1</sup> How 20 years of digital transformation made Estonia a model for dealing with international crises – Emerging Europe (emerging-europe.com) (Siim Siikut 2020)



### 3. Funding Projects and Entrepreneurs

There is an interesting link between entrepreneurs and project funding. At the beginning of the entrepreneurial adventure, project leader finds themselves in front of this financing issue which is a highly important case for junior entrepreneurs. That's why thinking about digital solutions and creating new funding resources is highly required.

#### 3.1. The Concept of entrepreneurship

If we want to talk and discuss entrepreneurship we should mention that is a natural phenomenon of business. When there are entrepreneurial skills, motivation and management there is a healthy business. Any organization has its way how of seeing business, meaning that it has its mission and vision. Entrepreneurship is a natural phenomenon in world business, this phenomenon impacts the business cycle and contributes actively to economic development by creating value, creating job positions...etc.

In addition, entrepreneurship is a discipline and it's a distinct (L, Croci. 2016). Other studies and research defines entrepreneurship as the practice of being in the middle of the action and creating a new organization (H, Barot. 2015). Barot stated again that entrepreneurship is a key to success and every individual profile that creates a new business organization is considered inside of the entrepreneurship sphere. Thus, entrepreneurship is an action that shifted traditional habits through new skills full of innovative ideas and a new business model. Chang et al consider entrepreneurship as an art, they stated that "art entrepreneurship is a relatively new topic of research and the focus area are exploring the management process of entrepreneurship such as creativity and autonomy, capacity for adaptability, and create art as well as economic and social value" (Chang et al, 2015). It exists many definitions of entrepreneurship, each definition has a point of view, some of these definitions are seeing that entrepreneurship is a process of successful entities, on the other hand, the final destination of entrepreneurship after building mindset skills and developing a business culture, is creating job opportunities and make a great economic development (G, Barot. 2015).

#### 3.2. The Concept of entrepreneur

Different ways define entrepreneurs. This person can be presented by his function, role, personality, competence, behavior, or by his performance. If we want to define him by his function, we can approve that is full of risk-taking, and innovation. Thus, the role of the entrepreneur is considered as a founder of the firm and an owner-manager. If we want to talk about his personality or attitudes, we can say that is self-confident and someone who takes a distinctive view of the issue, he has good competencies and skills that can drive him to make good judgment and see the bigger image looking for the hidden snag. His behavior makes him a high responsible who can assume it and someone who motivates the team and encourage them to achieve and complete all tasks in the best way. We can summarize all these characteristics in the table below:

*Table 2. How entrepreneurs have been defined*

Definition basis	Explanations
<i>Function</i>	<ul style="list-style-type: none"> <li>▪ <i>Innovation</i></li> <li>▪ <i>Risk taking</i></li> <li>▪ <i>Judgement in project selection</i></li> </ul>
<i>Role</i>	<ul style="list-style-type: none"> <li>▪ <i>Founder of firm</i></li> <li>▪ <i>Value created</i></li> <li>▪ <i>Owner-manager</i></li> <li>▪ <i>Partner</i></li> </ul>

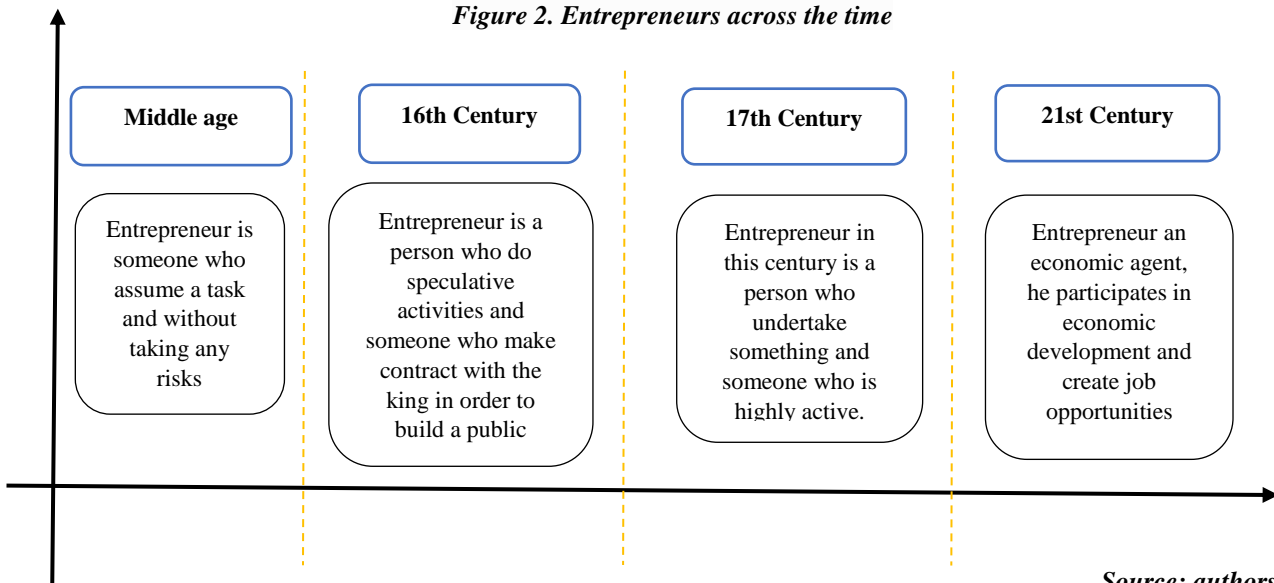
<i>Personality</i>	<ul style="list-style-type: none"> <li>▪ <i>A distinctive view of the issue</i></li> <li>▪ <i>Imaginative person</i></li> <li>▪ <i>Self-confident</i></li> </ul>
<i>Skills</i>	<ul style="list-style-type: none"> <li>▪ <i>Good Judgement</i></li> <li>▪ <i>Basic business competences</i></li> <li>▪ <i>Seeing the hidden snag</i></li> <li>▪ <i>Seeing the big issue</i></li> </ul>
<i>Behavior</i>	<ul style="list-style-type: none"> <li>▪ <i>Assuming responsibility</i></li> <li>▪ <i>Timely decision</i></li> <li>▪ <i>A leader / Motivation source of the team</i></li> </ul>

*Source: authors*

Cantillon defines the entrepreneur by his capacity of taking risks and how he engages himself with other shareholders. It is an economic agent that purchases raw material and transforms it into an ultimate product. An entrepreneur is a person who identifies business opportunities and takes them with risks to generate cash. (R, Cantillon. 1726). The orientation of entrepreneurs and project leaders especially innovators towards digitalization makes it possible to approach a market full of business opportunities. The opportunity to find a client to present your product and/or service is high. (S.Goumghar & F. Majda 2022)

We have to know that the concept of the entrepreneur is not the same in the Middle Ages and the 18/19 century. There is a significant meaning development and we can summarize it as next:

**Figure 2. Entrepreneurs across the time**



*Source: authors*

The above figure represents the chronological development of the entrepreneur meaning across time. In middle age the entrepreneur is someone who did not take any risks, the explanation is that all resources are provided by the government and the entrepreneur's role is a management role. In addition, an entrepreneur is a person in charge of architectural tasks and building activities, he builds castles and fortifications, public buildings, and cathedrals.

In the 17th Century, the link between risk and entrepreneurship is developed at this epoch. An entrepreneur was a person who makes contracts with the government to provide a public service or to support stipulated products. Cantillon at the beginning of the 17th Century viewed the entrepreneur as a man who takes risks, buys at a certain price, and sells at an uncertain price, this is the risk. After that, and especially in the 18th Century, the entrepreneur was distinguished from the capital provider because of the industrialization that occurred in the world.

In The middle of the 20th Century, the function of entrepreneurs is to innovate and create a new method of production by introducing an invention. Schumpeter considers the entrepreneur as

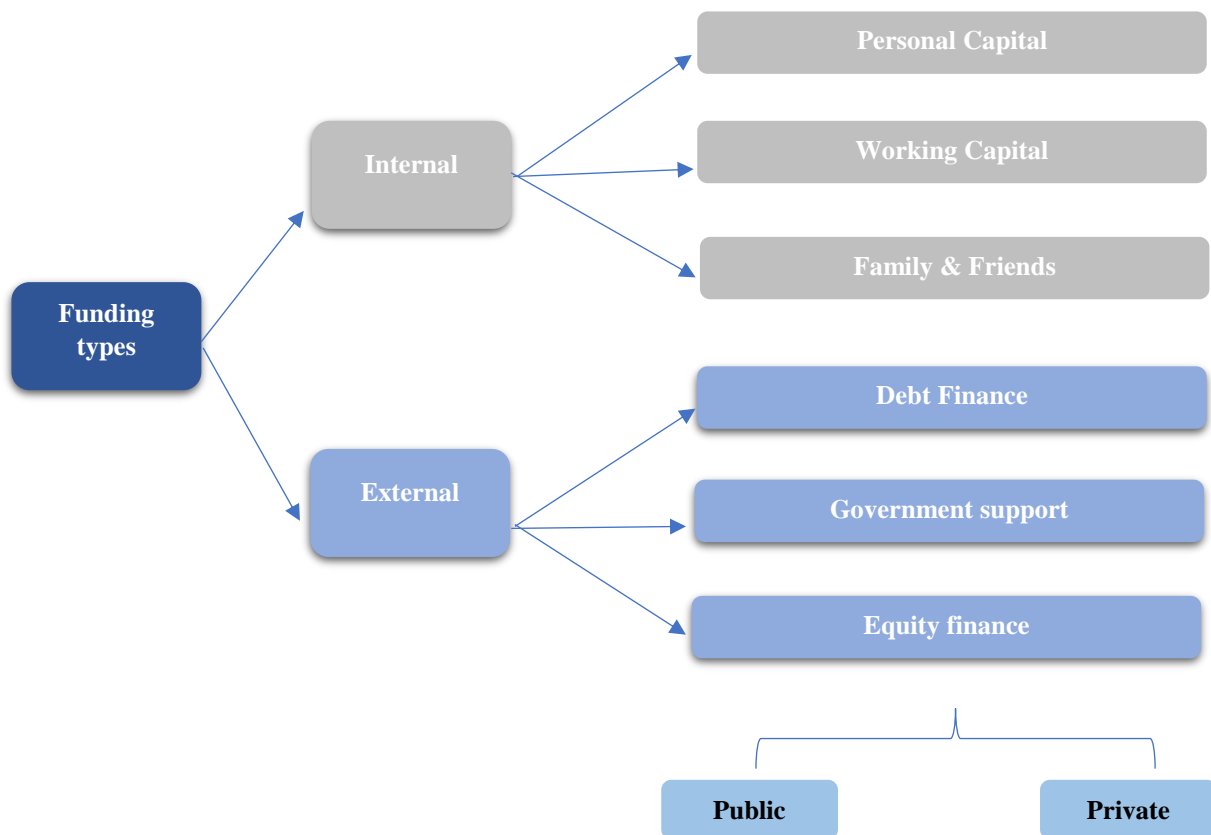


an economic revolutionary. It's also an economic agent whose role is to create new production combinations, and innovation by introducing some new ideas. In addition, entrepreneurs in the 21st Century are in front with the most difficult tasks, they have to introduce new ideas and create new job opportunities. The second task is considered a solution to the big employment problematic.

### 3.3. The Concept of Funding and Digital Platforms

Funding is a financial operation and a need to achieve a project. This funding may be a bank credit, honor loans, subsidy, or social capital. Project funding idea in the function of making profits capacity and being able to pay back the debt is not new. Since 1856 English-speaking banks were doing that kind of funding. There are various funding types as they are mentioned above. We can summarize funding types as next:

Figure 3. Funding types



Source: authors

In the current economic and social climate, the flow of new funding suggestions is highly required. However, funding offers today are traditional. Digital solutions are so limited, for example, crowdfunding is a digital solution. Crowdfunding is defined as an open call through the internet by someone who is looking for financial resources to achieve his project. The financial resources are in the form of a monetary donation. Crowdfunding uses the internet and platforms and web technologies, it also uses online payment systems to make transactions more easily between people who request funds and others who give cash. These platforms provide an interesting opportunity for any person to get or to find finance sources by using the internet. The only thing that people who are looking for funds should do is present their idea and explain their business plan, after that they will receive answers about their requests. The idea of crowdfunding is to harness the power of the crowd to fund small projects. Crowdfunding

platforms depend on an online social community as we mentioned in the title of our research that digitalization is a funding access facilitator. Many people are seeking someone who can listen and understand their idea, try to help them, and encourage them to go on. Digital technologies can be the best suggestion for this issue, everyone who has internet access can find a comprehensible person who is ready to support and fund his idea.

Likewise, the definition of a digital platform is both contractual and regulatory in that it must satisfy both private and public regulatory requirements. A digital platform is a hardware or software structure that provides technical services and tools, programs and applications for distribution, management and creation of free or paid digital content and services, including through the integration of multiple media channels. DPs can also be built for public access or limited destinations, subject to registration. This may include information, interactive services, file sharing or download and upload or streaming services, and communication and sharing of multimedia content (B. Fabio, 2021).

DP has the ability to process large amounts of data and use data extraction algorithms. Economically, digital platforms can be divided into waterproof or porous ecosystems that form true communities, closed or open. It can be open source or commercial, and can be licensed for specific purposes or public access (B. Fabio, 2021).

#### **4. Research Methodology and Study Context**

The paper is an exploratory qualitative study of a specific topic which is digitalization as a funding access facilitator for entrepreneurs. Entrepreneurs seek this type of funding because of obstacles that they find in front of them. Even this financing type is not highly developed today but we will try to see the impact of the experience and how it can be a real solution for this target.

An exploratory qualitative approach is a well-recognized approach to investigating a new area (Bryman & Bell, 2007). The exploratory study aims to give a rich description of the issue and identify the themes that are very important in the context being explored (Smith et al, 2013). In addition, qualitative studies are seeking to address “what”, “how”, and “why” questions. This vision is very important to understand when first exploring a topic.

##### **4.1. Hypothesis Development**

One of the most appealing funding suggestions is through digital platforms. The reason that makes it attractive is that anyone can do it. Based on all literature we deal with above we formulate two hypotheses, the 1<sup>st</sup> one is:

**Ho1. Digitalization and digital platforms the most favorable suggestion to get a financing support.**

The biggest impediment to starting a business is the absence of capital. That’s why many ideas never get to leave the realm of thought and how to get the capital to start a business. In addition, not everyone has the raw materials or necessary equipment. Some of these people are knocking on bank’s doors seeking support with facilities, others are asking their family and friends if they can help, others are waiting for any government support...etc. This is where digital platforms enter the picture, where there are successful companies who can afford enough liquidity to empower and give a great push to business. Digital platforms such as crowdfunding can be a real digital suggestion for these entrepreneurs through its three types, Donation, Debt crowdfunding, or Equity crowdfunding, all they have to do is to communicate details about their project clearly so that people understand what they are investing in. This step is very important because investors need to have a large view of the investment picture. These digital platforms learn you that you should have a good-sized marketing budget to promote your

offering. It can be very profitable and beneficial, you have just to make sure you've done your research operation and have an idea about costs<sup>2</sup>.

Figure 4. Top Countries in Crowdfunding based on transaction value

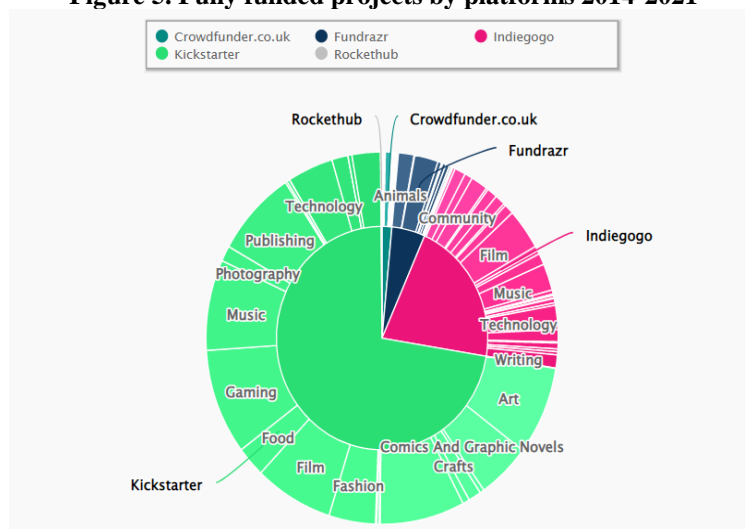


Source: University of Cambridge, Judge Business School, 2020

## Ho2: Digital platforms should be developed to be an interface for project's funding seekers

Using Media and social media platforms is also an important tool to fund projects. In December 2012 one university in Victoria, Australia, agreed to create an important crowdfunding opportunity for a selection of scientific projects (G, C Markis, 2015). After the pandemic called Covid-19, the use of digital technologies and platforms is in progress. Government, organizations, firms, and even people find themselves in front of a new mutation through digital platforms. Governments are using these platforms to communicate and maintain their meetings, firms are using either platform to work by distance, schools and colleges give courses through digital platforms... etc. The whole world uses digital tools. The literature review gives us the confirmation that digital platforms are very useful. Digital platforms present several characteristics that give details about their attractiveness. They contribute to significant reductions in transactions costs, including search, contracting, and monitoring costs (Eisenmann et al, 2006) (Pagani, 2013).

Figure 5. Fully funded projects by platforms 2014-2021



Source: thecrowdfundingcenter.com

<sup>2</sup> How Crowdfunding Works For Entrepreneurs (forbes.com)

The figure above shows several funding platforms such as Kickstarter, RocketHub, Crowdfunder.co.uk, Fundrazr in many sector activities. This chart shows the number of fully funded projects on each platform by category between 01Jan2014 - 18Aug2022. we can present stats of funding between 2014 and 2021 for each platform as next:

- Indiegogo: projects have each raised the most with **\$511,900** on average
- Fundrazr: projects have the best chance of success at **42.3%** on average
- Kickstarter: projects are most popular with **144** backers each on average
- Kickstarter: has had the most completed projects overall with **422,573**

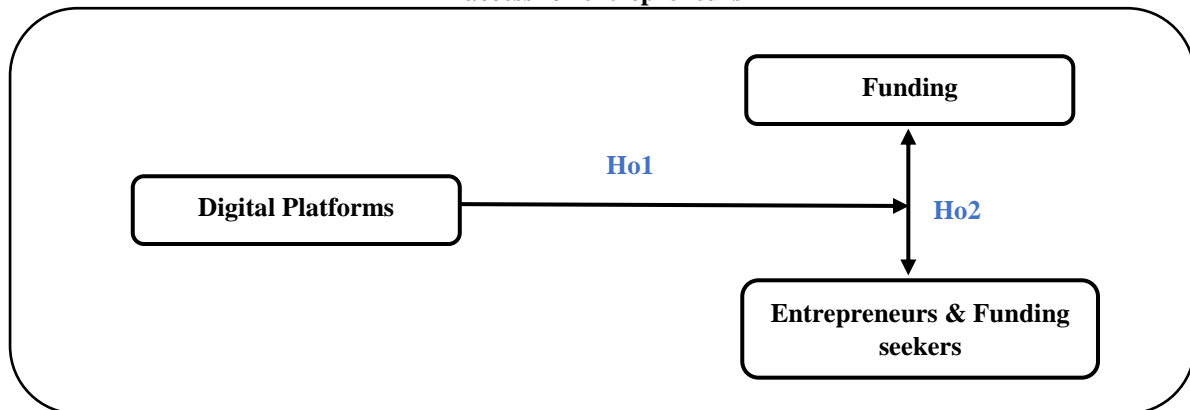
#### 4.2. Research model and sample presentation

To provide answers to our research questioning, we opted for a qualitative approach using semi-structured interviews with a digital responsible in public administration.

Our research aims to answer the following questions:

- Can digitalization be the best financing suggestion for entrepreneurs?
- What is the appropriate way to find adequate funding?

**Figure 6. Research model based on literature review relating digital platforms as facilitator for funding access for entrepreneurs**



Source: Authors

In this paragraph, we will explain the context the research was conducted. Given that exploratory study with a qualitative approach was the method that we have chosen, the goal of this qualitative research is to provide an in-depth understanding of the topic. The semi-structured interview is the chosen method for data collection. This data collection method enables us as researchers to have an opportunity and an overview of detailed investigation (J, Ritchie, 2003). This data collection also enables us to understand the personal context within which the research phenomena are located. An interview guide was elaborated prior to directing and it was based on the diverse variables of our research topic:

- Digitalization
- Digital Platforms
- Funding through digital platforms
- The success of this new conception

All questions that we posed in our interview were about these four points. We respect the privacy and confidentiality of our target. We made the interview in French language and translate the answers into English language by authors.

**Table 3. Sample characteristics**

<b>Interview Code</b>	<b>Function</b>	<b>Role</b>	<b>Seniority</b>	<b>Gender</b>
<b>INT-1</b>	Engineer	IT Engineer	3-8 Years	Female
<b>INT-2</b>	Executive	Accompaniment	1-3 Years	Male
<b>INT-3</b>	Division Chief	IT Responsible	> 10 Years	Male
<b>INT-4</b>	Engineer	IT Engineer	3-8 years	Female
<b>INT-5</b>	Executive	Counselor	3-8 Years	Male
<b>INT-6</b>	Entrepreneur	Social entrepreneur	>10 years	Male
<b>INT-7</b>	Senior Executive	Senior Executive	3-8 Years	Male
<b>INT-8</b>	Entrepreneur	IT Entrepreneur	1-3 Years	Male
<b>INT-9</b>	Executive	Incubation	1-3 Years	Female
<b>INT-10</b>	Executive	Counselor	>10 years	Male

*Source: Elaborated by authors using Nvivo*

### **4.3. Data analysis and results discussion**

To present our study correctly, we analyzed our data by using Nvivo program. It helps us to manipulate our data during interviews. This program is among the best in qualitative data analysis and allows us better code and apply some interesting techniques such as lexical analysis and thematic analysis. Figure 07 summarizes the lexical analysis that we've done during our data manipulation. Using Nvivo makes the data analysis easier, it permits more complex and more exhaustive coding schemes and helps to get good clarifications. This operation can be done by assisting forms of analyses that can be very hard to be treated manually (T, Richards & L, Richard, 1991).

Thematic analysis is the method chosen for our study. We identified our analysis content and the procedure that should be followed without forgetting the tools of transcription because we elaborate our interview guide in French then we transcript the answer to the English language before starting our analysis. This automatic analysis assists researchers in identifying the properties of his work content especially, word frequency or most words used in interviews. Along the same line, thematic analysis is a method of identifying and analyzing, reporting themes within data (V. Braun & V. Clarke, 2006). It allows for organizing, summarizing, and describing the data set in. It can also give interpretations of the research topic from different angles (R. Boyatzis 1998).

Figure 7. Word cloud



Source: authors

To give a quick distinction between inductive and deductive thematic approaches. The first one which is inductive thematic analysis is considered a bottom-up approach where the researcher gets his parameters from the data. Regarding deductive approach represent a top-down method where the researcher starts his research by identifying a codebook including a primary set of codes. These codes are usually guided by specific theories that help a researcher to ask his research questions (V. Braun & V. Clarke, 2006).

In our study, we decided to use a hybrid approach by combining deductive and inductive approaches. That hybrid approach is very useful for our research because we had two coding research ways: these two ways are research-driven and data-driven codes (R. Boyatzis 1998). The research-driven code is gotten by using our literature review and our knowledge and past information about the topic. This code helps us to start our research work by creating a start checklist of codes (M. Mile, & A. Huberman, 1994). Data-driven is used to explore information that exists in data we collected through interviews that we've done.

## 5. Result and discussion

The table below presents a meta matrix combining the interviewer's answers about digitalization and digital platforms as a facilitator for project finance access for entrepreneurs and also essential points that should be developed to enhance the use of these digital platforms:



**Table 4. Meta matrix combining interviewer's answers about digital platforms and funding.**

<b>Interviewers code</b>	<b>B : Development points of digital platforms funding</b>	<b>C : Digital Platforms</b>	<b>D : Digitalization</b>	<b>E : Project carrier obligations</b>
<b>INT-01</b>	To make digital platforms more useful and well improved it is very important to use a good system that can make the operation easy Be able to manage a huge rate of information and flow, and try to do not to have any process block or downtime.	I think digital platforms will play a great role in funding through digital platforms they will make procedures easier for funding seekers	Digitalization is an inevitable phenomenon and we cannot escape from it	Defend his idea and well-present his project
<b>INT-02</b>	The most point to take into consideration to improve the use of digital platforms is to have a legal framework,  It is necessary to promote the use of these DPs and give them a great importance  It is also indispensable to develop a digital culture	Digital platforms could be an alternative and a solution at the same time  DPs can create a link between starters and investors, they can communicate through this tool and explain all project steps	Digitalization is one of the world revolutions that change drastically life practices	The only thing that he should do it's to convince the investor or the person who can fund the project idea by using a very clear explanation and presenting a good business plan. Surely he will find the right person. A project carrier should before all, maintain his idea He has to be capable to defend his idea in front of investors He must be confident He should have an idea about digital platforms and how they work
<b>INT-03</b>	is highly required to have security measures and transparency in choosing the best project carrier and the innovative idea	DPs are very interesting and more effective digital platforms and digitalization are a good choice for projects carrier and funding seekers.	Digitalization is a facilitator of administrative steps It is a great tool that makes information more accessible and more circulative between stakeholders.	Any person, project carrier or entrepreneur, or business idea carrier should verify his eligibility in case of the existence of any applying conditions.

<b>INT-04</b>	The essential points that should be developed and taken into consideration are investor's needs	<p>A new conception that can help funding seekers</p> <p>DPs are communication facilitators and a virtual world that can help entrepreneurs or funding seekers to find who can incubate their idea</p>	<p>Digitalization is the most helpful tool for entrepreneurs that should be inescapable it offers effective and incomparable work thanks to the huge quantity of data and processing data rapidly and its affectation.</p> <p>It's a great competitive advantage.</p>	<p>A project carrier should prepare firstly and clearly a presentation for his project he should elaborate a business plan with all details, including economic feasibility, technical feasibility, and financial feasibility.</p> <p>projects carrier must take this point and give it high consideration, they have to search and try to solve investors' cases.</p>
<b>INT-05</b>	Any digital conception should take care of systems and how platforms, websites, and data management, avoid downtime and any platform block or IT problems.	I think that the idea is very interesting and it can have a significant impact on funding ways.	Digitalization is optimizing time and money.	<p>Any project carrier can find on the internet someone who can support him by financing him or support him by giving advice and other ideas that can improve and develop his project.</p> <p>Any project carrier should elaborate a business plan for his project and defend it in front of judges or investors by presenting economic, technical, and financial feasibility.</p>
<b>INT-06</b>	Essential points that should be improved are for example the need study, identifying the process, identifying actors, and involving the ecosystem.	<p>It is an interesting idea because it will give the chance to project carriers who are looking for funding</p> <p>It will enhance communication between project carriers and investors or persons who have money and look for innovative projects.</p>	<p>Digitalization is a facilitator and a concept that makes human life easy.</p> <p>It reduces time and optimizes money and makes the process very quick.</p>	Any project carrier should have an idea about digital platforms

<b>INT-07</b>	<p>I think that between essential points that should be developed is to have a digital culture.</p> <p>We should invest in this idea and give more importance to digital tools, digital projects, and digital knowledge.</p>	<p>It is a good conception</p> <p>It helps to create spaces to discuss and elaborate new communication links.</p>	<p>Digitalization is a process that will contribute to Moroccan entrepreneurship success.</p> <p>Using digitalization as a process that contributes to finding financial resources that will be a good idea.</p>	<p>Have a digital culture and manage his business plan</p>
<b>INT-08</b>	<p>We should not ignore the human touch and the contact because this contact gives more parameters to have at the final good judgment.</p>	<p>It is a device that has many advantages as economic and social advantages</p> <p>It is stills limited in terms of accessibility and exploring the possibility on the project's sides</p>	<p>Digitalization is a new conception that appeared recently in the Moroccan context</p> <p>Its role manifests in using digital technologies in all human life aspects.</p>	<p>Be confident and convince investors by presenting a good pitch and a good market study</p>
<b>INT-09</b>	<p>Identifying platform functionalities.</p> <p>Choice the best team to manage the platform</p> <p>Enter into a maintenance contract with the service provider who developed the platform</p>	<p>Digital platforms are a good conception to get funding.</p>	<p>Digitalization is not a luxury, it is a necessity for better efficiency and better productivity.</p>	<p>A project carrier should, first of all, prepare all necessary documents, he should know how these digital platforms work, and the project carrier must have the ability to defend his project.</p>
<b>INT-10</b>	<p>Look for innovators</p> <p>Respect the human touch and never ignore it</p> <p>Promote DPs as a funding solution and explain how they can be used.</p>	<p>Digital platforms are used to accelerate product innovation and save costs.</p> <p>They are facilitators of exchange between project carriers and investors, they mediate communication across different users.</p>	<p>Digitalization is using digital technologies in all life steps,</p>	<p>A project carrier should have an idea about these platforms, and how they work</p> <p>He should ask about someone who got already has funds through these platforms.</p> <p>He must prepare his dossier and follow applying steps.</p>

Source: Authors elaboration by using Nvivo program

The results that we got regarding digitalization and digital platforms as facilitator to funding access for entrepreneurs are aligned with what we found in the literature review with some additional points. We interviewed ten interviewers. As shown in the table above the sample is distributed between Managers, Engineers, Executives, and entrepreneurs.

➤ **Digitalization and digital platforms as a facilitator for funding access for entrepreneurs.**

One of the main obstacles to get credit is the lack of access to the traditional banking system. (Aiaze Mitha, Expert, and entrepreneur in Fintech, 2020). New digital platforms permit organizations to quickly tap into crowdfunding, credit scoring, payment systems and individual data profiles. It provides risk management, adjacent opportunities, social media interactions and conversation and reputation management<sup>3</sup>.

Recently, several digital platforms are created to offer entrepreneurs and funding seekers an easier access to financial institutions and indeed finance non-traditional sources. Some large digital platforms have started providing financing solutions directly to entrepreneurs and funding seekers. As we have a marketplace which is a facilitator to find any product or services, the need of digital platforms is highly required too.

The answers of the interviewers are mostly close to that DPs and digitalization are funding solutions for entrepreneurs and funding seekers. As the 10th interviewer said that DPs *“Digital platforms are used to accelerate product innovation and save costs. They are facilitators of exchange between project carrier and investors, they mediate communication across different users”*. But the 8th Interviewer has another opinion about DPs he said that *“It is a device that has many advantages as economic and social advantages. it stills limited in term of accessibility and exploring the possibility in project’s sides”*. Meaning that even though we agree that DPs have many advantages but they are stills limited and less explored.

The 6th interviewer joins the other by saying *“it is an interesting idea because it will give the chance to projects carrier who are looking for funding It will enhance communication between project carrier and investors or persons who have money and look for innovative projects.”*

Even the 5th interviewer states that DPs are an interesting concept and they will have a good impact on funding *“I think that the idea is very interesting and it can have a significant impact on funding ways.”* Taking all these answers we can say that our first hypothesis is confirmed.

➤ **Digital platforms should be developed to be the interface for projects funding seekers.**

We cannot talk about DPs without talking about essential points that should be developed to make DPs the best interface for funding seekers. Issam Al Hindi, the CEO of HILALA company, said that DPs provide many services and financial services for their agents, entrepreneurs, and companies according to the digital vision of 2030 in Saudia Arabia. The 1st borrowing platform in UAE is P2P, the platform connects small firms and entrepreneurs with investors. This digital platform uses the crowdfunding technique to make funding operations easy<sup>4</sup>. *“they will make procedures easier for funding seekers... »*. INT-01

*“They are facilitators of exchange between project carriers and investors, they mediate communication across different users...”* INT-10

The 1st interviewer states that *“To make digital platforms more useful and well improved it is very important to use a good system that can make the operation easy. The ability to manage a huge rate of information and flow, and try to do not have any process block or downtime.”*

<sup>3</sup> [Digital Financial Platforms — Causeit, Inc.](#)

<sup>4</sup> [منصات رقمية لتمويل رواد الأعمال | مجلة رواد الأعمال 10 \(rowadalaamal.com\)](#)

The 2nd Interviewer said that *“the most point to take into consideration to improve the use of digital platforms is to have a legal framework”* he adds that *“it is necessary to promote the use of these DPs and give them great importance. Having also a digital culture is indispensable”* Investors' needs should be taken into consideration because they are the source of funding. They get an attractive repayment and this is how investors think.<sup>5</sup>

*“the essential points that should be developed and be taken into consideration are investor’s needs”INT-04*

IT infrastructure is critical criteria for sustaining the function of these digital platforms. Accessing high-speed networks permit to entrepreneurs and funding seekers in connecting with investors and funding organizations and suppliers. Getting real-time information and decision, provide real-time answers and modifications. These characteristics enable entrepreneurs and investors to build digital culture (OECD, 2019).

*“Essentials point to be developed are Identifying platform functionalities. Choice the best team to manage the platform Enter into a maintenance contract with the service provider who developed the platform”*

## 6. Conclusion

In an exploratory study, we try to understand the link between digital platforms and funding, we sought to understand if they can be an alternative and the best funding solution for entrepreneurs. We know that entrepreneurs and project carriers find themselves in front of a lot of obstacles and difficult conditions with banks, funding organizations, and others.

In USA and Canada and others countries, DPs are very used to finance social projects, infrastructure projects, and business projects. We can consider crowdfunding as the best example in this case. It is a practice of funding a project by raising many small amounts of money from a large number of people, especially through the internet. It’s the same example as our topic and what we are discussing in this paper, but there is a number of points that should be developed if we want to give a great push to this new conception. Firstly, it is necessary to have a digital culture because it is not impossible to talk about DPs without having any knowledge about what is digitalization. Secondly, we should promote these DPs and inform a huge number of people about them, after that and even that should be the first point, is to have a legal framework. The question of legality is very important because it will protect users and the team behind DPs management. In addition, Investors should also be informed about these DPs, they are active actors and they will have a great impact. Moreover, we cannot ignore innovation, it’s a very important point that should be taken into consideration. On the same line, it is necessary to form people that will manage these DPs, and benchmark other countries' experiences in order to test them in other countries.

The issue of project funding is a global issue, researchers and all the ecosystem is looking for adequacy formulate that can solve this complex equation. This topic has already discussed the added value of DPs as a facilitator for funding access for entrepreneurs and funding seekers, we observed that the most interviewers said that DPs can be a good conception for the issue. The relationship between digitalization, digital platforms, and funding is the use of digital technologies. These DTs should have a team with high competencies and good skills so they can manage these DPs and avoid any downtime. Project carriers too and entrepreneurs must have a number of skills and they should maintain how they present their projects in front of investors. As interviewers said that they should take a number of points into consideration when they present their ideas in front of, investors, judges, or committee selection.

This study was not easy to be done, it has some limitations, the 1st limitation is related to the sample, if we had more entrepreneurs and more managers that would allow for additional deep

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<sup>5</sup> <https://www.rowadalaamal.com/?p=51845>

interpretation of results. The 2nd limitation is about references, funding through DPs is weakly treated by the scientific community, this limitation made our research work averagely hard in terms of previous studies and researchers' points of view.

Our exploratory study offers a better understanding of digital platforms, digitalization, and also the concept of funding through DPs, it gives information about this new conception that should be developed in the soon future in the whole world.

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