



**Digital Entrepreneurship: Opportunities, but not a panacea - implications for premium products and entrepreneurship education**

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**Abstract:** Although the opportunities arising from, and impact of, effective digital entrepreneurship are widely understood and promoted, this work highlights some precautionary tales concerning the potential negative impacts of digital entrepreneurship activities on customer reactions and brand perception. It also reveals some opportunities for enhancing entrepreneurship education. The research triangulates the content and findings of three recent papers (Gutierrez et al, 2019; O'Leary, 2017; Carlotto and O'Leary, 2018) in the context of many recent developments in the digital entrepreneurship field. The findings suggest that degrees of caution are recommended in adopting digital entrepreneurship approaches as a means for gaining competitive edge.

**Keywords:** Digital; Entrepreneurship; Premium; Products; Education.

## Introduction to the literature

Digital entrepreneurship is prevalent across many business and industry sectors and multiple academic journals address the issue, from disciplines across Technology, Design and Computers, to business and management fields such as Marketing, Strategy and Entrepreneurship. Yet, and in part due to its rapid development over recent decades, only relatively limited research has been undertaken on both its opportunities and challenges (Kraus et al, 2019). These authors identified 35 relevant sources and unpacked six streams of research within the existing literature: digital business models, digital entrepreneurship process; platform strategies; digital ecosystem; entrepreneurship education; and social digital entrepreneurship.

A complementary study based on 133 scholarly articles (Zaheer et al, 2019) highlights the fragmented nature of digital entrepreneurship research and its relatively slow response to the application and practice of digital entrepreneurship. These authors signal the need for more interdisciplinary, longitudinal, mixed methods, multiple case study and quantitative research, alongside action research through collaborations with practitioners to yield practice-driven insights.

## Methodology

In response to the recent comprehensive reviews of the digital entrepreneurship literature (Kraus et al, 2019; Zaheer et al, 2019), this work seeks to address the need for interdisciplinary, mixed methods, multiple case study, quantitative and action research by undertaking secondary research through the triangulation of research data from three relevant recent publications (Gutierrez et al, 2019; O'Leary, 2017; Carlotto and O'Leary, 2018) where the author of this paper has access to the primary research materials through being a co-author or author. As examples of digital entrepreneurship in action, Gutierrez et al (2019) address online mobile location-based advertising in Case Study 1, Carlotto and O'Leary (2018) explore online brand perceptions in Case Study 2, and O'Leary (2017) identifies the opportunities that these cases signal for entrepreneurship education in Case Study 3.

### *Case studies of digital entrepreneurship in action - Case Study 1*

Case Study 1 (Gutierrez et al, 2019) focuses on location-based advertising as an entrepreneurial and innovative means for advertisers to reach out through personalised messages sent directly to mobile phones using their geographic location. The mobile phone users' willingness to disclose their location and other personal information is essential for the successful implementation of mobile location-based advertising (MLBA). Despite the potential enhancement of the user experience through such personalisation and the improved interaction with the marketer, there is an increasing tension between that personalisation and mobile users' concerns about privacy. This case study examines the specific risks and benefits that influence consumers' acceptance of MLBA through a literature-based standardised survey, where over 250 valid responses were received and used to evaluate the key benefits and risks of MLBA from the users' perspectives.

### *Case studies of digital entrepreneurship in action - Case Study 2*

Case Study 2 (Carlotto and O'Leary, 2018) explores the online perceptions of luxury and place experienced by potential purchasers and other interested parties. A netnographic study, encompassing observations and interviews, was conducted using a product purity framework developed from the analysis of over 3,000 online-posted commentaries.

### *Digital aspects of entrepreneurship education - Case Study 3*

Although the Quality Assurance Agency's (QAA) comprehensive guide on entrepreneurship education is only four years old (QAA, 2018) it refers to digital entrepreneurship education as a relatively new areas of focus, little knowing of course its rapid subsequent uptake in recent few years. It does though clearly signal the growing importance of digital literacy, digital competencies, media and data skills. It also highlights the benefits of experiential learning and, in a complementary study by O'Leary (2017), Case Study 3, projects with small- and medium-size enterprises are assessed as a form of experiential learning to help develop entrepreneurial attributes for students in higher education. That research is

based on an evaluation of consultancy projects with practitioners as an alternative to the well-established dissertation and included over 80 Consultancy Projects, linked to luxury brand management, conducted over a period of six years. Although limited to one programme at one university, it encompasses entrepreneurial activities over several years and constitutes a platform from which conclusions can be drawn.

## Findings

Given the rapid expansion of digital provision across the globe, one of the areas that has received limited research attention has been the limitations of digital entrepreneurship approaches. Two examples of these are revealed by Gutierrez et al (2019), in the field of mobile location-based advertising (MLBA), and by Carlotto and O'Leary (2018) in online perceptions of luxury products and services. Such digital limitations are given little attention in entrepreneurship education (QAA, 2018), while the benefits of action research based on collaborations with practitioners is highlighted by O'Leary (2017) in research on consultancy projects with SMEs.

### *Digital entrepreneurship in action Case Study 1: Mobile location-based advertising*

While the results confirmed the importance of internet privacy concerns as an important determinant, they also indicate that monetary rewards and intrusiveness have a notably stronger impact on acceptance intentions towards MLBA. Intrusiveness is the most important risk factor in determining mobile users' intentions to accept MLBA and therefore establishing effective means of minimising the perceived intrusiveness of MLBA can be expected to have the greatest impact on achieving effective communications with mobile phone users.

### *Digital entrepreneurship in action Case Study 2: Online perceptions of luxury brands*

The findings indicate that online users perceive luxury product purity and place of origin in three principal ways. First, uncertainty can breed scepticism of product purity. Second, some users expand their horizons to embrace the reality. Third, some use the information to develop their own definitions of luxury product purity. Designing suitable models to map the complexity of product purity is likely to enhance the effectiveness of companies and operators in managing the place-related perceptions surrounding their products, resulting in an increased brand equity value and a more effective responsiveness to the market.

### *Implications for Entrepreneurship Education*

External initiatives that embrace experiential learning help students develop a better appreciation of client needs, while enhancing their confidence and team-working skills. By the seventh year of the programme, more than half of students had chosen the project option. One key finding is the pivotal role of the academic supervisor and a need for that person to have suitable industry and sector knowledge, as well as effective and empathetic client relationship management abilities. In addition to enhancing the students' entrepreneurial and employability attributes, outward-facing activities help enrich the overall student experience and offer higher education institutions an opportunity to raise their profile with external organisations. With digital entrepreneurship and graduate employability rising in importance, initiatives such as these can help develop important graduate attributes and capabilities.

## Conclusions

Despite the clear benefits of digital entrepreneurship in its relatively low cost and direct access to international markets, the limitations of digital entrepreneurship also need to be borne in mind. The cases here signal the importance of just two key aspects of digital entrepreneurship, intruding on potential customers' time and unsteady brand perceptions at the premium end of the market. While entrepreneurship education needs to expand its offer on the digital side, and experiential learning provides a good platform for this, the potential limitations of digital entrepreneurship need highlighting alongside its clear benefits in entrepreneurial fields.

## Recommendations and further research

It is recommended that education providers raise the levels of digital provision in entrepreneurship fields, highlight its potential limitations as well as its benefits, and consider experiential learning as a platform for such activities. This research may be extended through empirical studies with entrepreneurship students and graduates.

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