

# THE NEW NORMAL'S NEW ENTREPRENEURSHIP: DIGITAL ENTREPRENEURSHIP

YENİ NORMALİN YENİ GİRİŞİMCİLİĞİ: DİJİTAL GİRİŞİMCİLİK

#### Hazal Koray ALAY 问

Dr. Öğr. Üyesi, Batman Üniversitesi Sağlık Hizmetleri Meslek Yüksekokulu, Yönetim ve Organizasyon Bölümü Sahazalkoray.alay@batman.edu.tr

#### ABSTRACT

Digital entrepreneurship is a model used to develop business ideas and establish businesses using technological innovations and digital tools. Digital entrepreneurs often set up businesses that operate on the internet and offer their products or services to customers using online marketing techniques. The emergence of digital entrepreneurship has started with the spread of the internet and the development of digital technologies. The most important features that distinguish digital entrepreneurship from traditional entrepreneurship are the use of digital technologies, rapid growth potential, global reach, and the use of innovation and differentiation strategies. Types of digital entrepreneurship include initiatives in the fields of e-commerce, digital content and media, social media, mobile applications, artificial intelligence and data analytics. Digital startups offer rapid growth potential at low costs and have a more flexible structure compared to traditional businesses. The purpose of this research is to explain the development and characteristics of digital entrepreneurship, and to identify the differences that distinguish digital entrepreneurship. In addition, this research is an exploratory research by presenting current examples of digital initiatives from Turkey and the world.

Keywords: Digitalization, Entrepreneurship, Digital Entrepreneurship, Innovation.

#### ÖZ

Dijital girişimcilik, teknolojik yenilikler ve dijital araçlar kullanarak iş fikirleri geliştirmek ve işletmeler kurmak için kullanılan bir yöntemdir. Dijital girişimciler, genellikle internet üzerinden faaliyet gösteren işletmeler kurarlar ve online pazarlama tekniklerini kullanarak ürünlerini veya hizmetlerini müşterilere sunarlar. Dijital girişimciliğin ortaya çıkışı, internetin yaygınlaşması ve dijital teknolojilerin gelişmesi ile başlamıştır. Dijital girişimciliği geleneksel girişimcilikten ayıran en önemli özellikler, dijital teknolojilerin kullanımı, hızlı büyüme potansiyeli, global erişim imkânı, inovasyon stratejilerinin kullanımıdır. Dijital girişimciliğin türleri arasında e-ticaret, dijital içerik ve medya, sosyal medya, mobil uygulamalar, yapay zekâ ve veri analitiği alanlarında girişimler bulunmaktadır. Dijital girişimciliğin gelişik sunar ve geleneksel işletmelere kıyasla daha esnek bir yapıya sahiptir. Bu araştırmanın amacı, dijital girişimciliğin gelişimini ve özelliklerini açıklamak, dijital girişimciliği geleneksel girişimcilikten ayıran farklılıkları belirlemektir. Ayrıca bu araştırma Türkiye ve dünyadan güncel dijital girişim örnekleri sunarak keşfedici bir araştırma niteliği taşımaktadır.

Anahtar Kelimeler: Dijitalleşme, Girişimcilik, Dijital Girişimcilik, İnovasyon.

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# 1. INTRODUCTION

As of the end of the twentieth century, worldwide information and communication technologies have entered a rapid development process. While the use of both computers and the internet has become widespread in the individual sense, businesses as well as individuals have started to use computer and internet technologies in order to increase and develop their sales and marketing activities. While the concept of digital economy emerged with the 2000s, Industry 4.0 and digital transformation processes emerged with the beginning of almost everything being carried over to the virtual environment day by day. In this process, the structure of the concept of entrepreneurship has also undergone a transformation. Entrepreneurship is the process of bringing a business idea to life. In this process, an entrepreneur creates a business plan, finds financial resources, creates a team and establishes his business. Entrepreneurship requires courage, confidence and creativity to explore innovative ideas and see openings in the market. The type of entrepreneurship that emerged in this new era, which we call the new normal brought by the changing and transforming business world among the entrepreneurship types in the literature, is digital entrepreneurship.

Digital entrepreneurship is a term that defines the activities of entrepreneurs who develop innovative business ideas using technological developments and operate in the digital world (Nermin, 2018). Digital entrepreneurs bring their business ideas to life using technologies such as the internet, mobile applications, e-commerce, digital marketing, social media and artificial intelligence. Digital entrepreneurship offers advantages such as low start-up costs, easy access to global markets, rapid growth potential and the use of technological tools and resources to develop innovative business ideas. However, technological knowledge, business knowledge and entrepreneurial spirit are necessary for the success of digital entrepreneurship (Eyel and Sağlam, 2021).

In this study, it is aimed to explain the development and characteristics of digital entrepreneurship in line with the digital transformation practices that have started to affect the whole world in recent years, and to determine the differences that distinguish digital entrepreneurship from traditional entrepreneurship. In addition, this research is an exploratory research by presenting current examples of digital initiatives from Turkey and the world. Although the concept of digital entrepreneurship is a relatively new concept, the number of qualitative and quantitative studies on the concept is also low. Therefore, it is anticipated that the findings to be obtained in this study will make an important contribution to the digital entrepreneurship literature.

## 2. LITERATURE REVIEW

# **2.1. DIGITALIZATION CONCEPT**

Digitization means the transition from the physical world or analog systems to digital systems or technologies (Brennen and Kreiss, 2016). This term has become increasingly important with the rapid development of technology. Digitization takes place through the use of information and communication technologies (ICT). These technologies allow data to be collected, processed, stored and transmitted digitally (Gray and Rumpe, 2015). Therefore, digitization means increased use of information and communication technologies and governments. As an example, using digital health services in a community includes keeping

electronic medical records of patients and digitally storing medical images. Digitization can help businesses become more efficient and effective, societies have better services and people have better living standards. However, digitalization also brings some challenges, including security, privacy and ethical issues (Bouwman et al., 2018).

#### 2.2. ENTREPRENEURSHIP CONCEPT

Entrepreneurship is the process of creating new businesses or projects. The development of entrepreneurship results from a combination of factors such as the change in people's attitudes towards entrepreneurship, the implementation of policies that support entrepreneurship, and the emergence of technological innovations (Aldrich, 2015).

The history of entrepreneurship is as old as human history. However, the development of entrepreneurship in the modern sense began with the industrial revolution in the late 18th century. The industrial revolution allowed the development of new technologies and production methods, and as a result, entrepreneurs opened up new business opportunities. At the beginning of the 20th century, the development of entrepreneurship accelerated. During this period, the creative ideas and innovations of entrepreneurs led to great changes around the world. In particular, the innovations in the high-tech sector after the 1950s created a great revolution in the field of entrepreneurship. Today, attitudes towards entrepreneurship are changing rapidly around the world. Factors such as policies supporting entrepreneurship, entrepreneurial ecosystems and financing options accelerate the development of entrepreneurship (Durukan, 2006; Aşkın et al., 2011).

In recent years, a great momentum has been gained in the field of entrepreneurship, especially with the rapid development of digital technologies. The emergence of digital technologies has enabled entrepreneurs to create new business opportunities and digitize existing businesses. For this reason, the entrepreneurship development process is an ongoing process with the combination of factors such as the change of people's entrepreneurial attitudes and approaches, the emergence of technological innovations and the support of policies to entrepreneurs (Çelebi, 2021).

#### 2.3. ENTREPRENEURSHIP IN THE DIGITAL ECONOMY

The digital economy is an economic system in which traditional economic activities are carried out through digital technologies and the internet. The digital economy is growing rapidly with technological developments such as widespread use of the internet, smart devices, cloud computing, big data and artificial intelligence (Dulupçu et al., 2017). Entrepreneurship, on the other hand, is the process of starting a business to create and successfully market new ideas, products or services. Entrepreneurship in the digital economy is the effort to discover and develop business opportunities and new business models with the use of digital technologies and the internet (Balli, 2022).

Entrepreneurship in the digital economy is different from traditional business models. Digital entrepreneurs can act more quickly and flexibly than traditional businesses. They can manage their business with digital tools such as cloud computing services and online marketing channels. In addition, as customer behaviors and preferences can change rapidly in the digital economy, digital entrepreneurs need to constantly renew and update their business models and strategies (Tekin and Küsbeci, 2021; Nezihe and Serinkan, 2022).

Entrepreneurship in the digital economy offers the opportunity to start a low-cost business. Through the internet, business owners can use social media and other digital

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marketing tools to reach customers, promote their business and increase sales (Gontareva et al., 2018). In addition, cloud computing services provide business owners with a low-cost infrastructure to manage their business more efficiently (Thomas et al., 2019). As a result, entrepreneurship in the digital economy is gaining more importance with the rapid growth of digital technologies. Digital entrepreneurs can compete successfully by building digital businesses with innovative ideas (Yu et al., 2019).

# 2.4. TYPES OF DIGITAL ENTREPRENEURSHIP

The Digital entrepreneurship is the use of entrepreneurial skills to start a new business using technological innovations or to grow an existing business by digitizing it. Digital entrepreneurs grow their businesses by following technological trends, developing innovative business ideas, and marketing their products and services on digital platforms (Deveciyan Taksi, 2023; Hamid and Khalid, 2016).

Digital entrepreneurship can be achieved using one or more of the following types:

• Web-based entrepreneurship: It is a type of entrepreneurship based on the use of the Internet. Such entrepreneurs offer their products and services through websites, blogs, e-commerce platforms, mobile applications and other digital platforms (Haşiloğlu et al., 2010).

• Mobile entrepreneurship: It is the type of entrepreneurship that carries out business activities using mobile devices, mobile applications and mobile games (İlter, 2016).

• Social media entrepreneurship: Entrepreneurs who promote their products and services through social media platforms. Such entrepreneurs acquire customers by using social media platforms such as Facebook, Instagram, Twitter, LinkedIn (Kuşay, 2017).

• Cloud-based entrepreneurship: It is a type of entrepreneurship that connects businesses and customers by using cloud computing technology (Soylu, 2018).

• Artificial intelligence (AI)-based entrepreneurship: It is a type of entrepreneurship that determines customer needs and offers products and services according to these needs by using artificial intelligence technology (Bayram, 2021).

• Blockchain-based entrepreneurship: It is a type of entrepreneurship to start a business on digital currencies and other digital transactions using blockchain technology (Vergili and Şahin, 2018).

Each of these types is designed to suit different business needs and customer demands. Digital entrepreneurship has gained great importance in the business world today and is expected to become more widespread in the future.

# 2.5. DIFFERENCES OF DIGITAL ENTREPRENEURSHIP FROM TRADITIONAL ENTREPRENEURSHIP

The main purpose of traditional entrepreneurship includes recognizing opportunities and transforming these opportunities into marketable services or goods, taking risks and adding value (Hull et al., 2007). Digital entrepreneurship, on the other hand, is to integrate and maintain all the processes of traditional entrepreneurship in the digital field. For this reason,

digital entrepreneurship has some important differences from traditional entrepreneurship. Some differences are (Bensaid and Azdimousa, 2021):

• Innovation Driven: Digital entrepreneurs stand out with their innovative ideas and use new technologies to grow their businesses. Traditional entrepreneurs focus more on business ideas based on existing markets or business models.

• Marketing Strategies: While digital entrepreneurs promote their business using digital marketing strategies, traditional entrepreneurs prefer more traditional marketing methods.

• Global Reach: Digital entrepreneurs can build a worldwide customer base using the internet's global reach. Traditional entrepreneurs, on the other hand, focus more on their local customer base.

• Startup Investments: Digital entrepreneurs often benefit from startup investments. These investments provide an important resource for developing new technologies and growing. Traditional entrepreneurs, on the other hand, mostly try to get their own savings or investments from their families and friends.

• Flexible Working Environment: Digital entrepreneurs generally work in a flexible working environment. This gives them the freedom to run their business from anywhere. Traditional entrepreneurs, on the other hand, mostly work in fixed offices.

Besides these differences, digital entrepreneurship differs from traditional entrepreneurship by reducing the costs of businesses, increasing efficiency and enabling them to grow faster.

## 2.6. EXAMPLES OF DIGITAL ENTREPRENEURSHIP IN THE WORLD AND IN TURKEY

Many digital initiative applications have emerged recently in the world and in Turkey, and the number of these applications is increasing day by day. There are many examples of digital initiatives around the world. Some examples are (Allen, 2019):

- *Amazon*: As the world's largest online retailer, Amazon sells many products such as books, electronics and clothing.
- *Uber*: With millions of users around the world, Uber offers a digitized version of its taxi services.
- *Airbnb*: Available in many countries around the world, Airbnb is a platform that meets the accommodation needs of travellers.
- *Netflix*: Offering television and movie content online, Netflix has millions of subscribers around the world.
- *Facebook*: With billions of users around the world, Facebook provides a social networking service, allowing people to communicate and share content.
- *Google*: The most used search engine worldwide, Google also offers e-mail, maps and many other services.

• *Alibaba*: As one of the largest e-commerce companies worldwide, Alibaba serves consumers who want to shop in many countries.

• *Twitter*: The social media platform Twitter is a microblogging site with millions of users around the world.

• *Grab*: Based in Southeast Asia, Grab is an application that operates in areas such as online transportation, food delivery and payment services.

• *Shopify*: Offering services for e-commerce sites, Shopify is used by many small businesses around the world.

Digital enterprises have increased rapidly in Turkey in recent years. Some examples are (Ballı, 2020; Serinikli, 2021; Özsoy and Oba, 2021):

• *Getir*: Online market application Getir is one of the fastest growing companies in Turkey recently. Based in Istanbul, the company has a large user base by delivering orders to its customers within minutes.

• *Trendyol*: E-commerce platform Trendyol is one of the most used online shopping sites in Turkey. Offering a wide range of products to its users, Trendyol continues to grow with its recent investments.

• *BiTaksi*: BiTaksi, an Istanbul-based taxi calling application, is a popular digital startup in Turkey. BiTaksi, a simple application that users can use to call a taxi, serves in Istanbul and Ankara.

• *Insider*: Insider is a software company that offers personalized marketing and CRM solutions to interact with customers. Based in Istanbul, Insider serves many large companies around the world.

• *Paraşüt*: Offering accounting software for small and medium-sized businesses, Paraşüt is a prominent digital platform among startups in Turkey. The company simplifies the financial management of many small businesses with its user-friendly interface and useful features.

• *Dream Games*: The mobile game company Dream Games is one of the most notable digital startups in Turkey lately. Based in Istanbul, the company produces popular games around the world.

• *Armut*: The online service market Armut is a platform that brings together professionals and customers in many different sectors in Turkey. Armut, headquartered in Istanbul, continues to grow with its recent investments.

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#### 3. RESEARCH METHODOLOGY

This study, which aims to include the conceptual framework and application examples of digital entrepreneurship, was designed within the framework of the exploratory research model. Exploratory research, which is useful when limited experience or knowledge of the research topic is available, often provides a better understanding of a concept or phenomenon. The lack of sufficient number of studies on the subject of digital entrepreneurship has been the reason for choosing this method in this study. In order to carry out an exploratory study, different ways can be followed, such as searching the literature and talking to the experts on the subject (Altunişik et al., 2005). In this study, data were obtained by documentary scanning method. Documentary scanning, which is one of the widely used data collection methods, aims to collect data from existing records and documents (Karasar, 2016).

#### 4. CONCLUSION

In Digital entrepreneurship is a field that is experiencing a great rise in today's business world and is an important part of the new normal. Digital entrepreneurs are reshaping traditional business models by bringing innovative ideas to life using technology and the internet. This situation presents great opportunities for both small and large businesses.

The changes brought by the new normal have accelerated the digitalization processes of businesses and digital business models have begun to replace traditional business models. By using technological trends such as online marketing, cloud computing, artificial intelligence, blockchain technology and mobile apps, digital entrepreneurs help businesses grow quickly and efficiently.

One of the biggest advantages of digital entrepreneurs is the ability to do business on an online platform that can remove borders and provide access to customers around the world. Businesses can promote their products and services using digital marketing strategies to reach customers around the world. In addition, online business models offer high scalability to start and expand the business with low operating costs. However, digital entrepreneurship has challenges as well as opportunities. In particular, challenges such as intense competition, rapid technological developments and the fast-changing nature of digital marketing strategies demonstrate that digital entrepreneurs must constantly learn and adapt to be successful.

In conclusion, digital entrepreneurship is a rapidly developing and growing field as part of the new normal. To be successful in this field, it is important to remember that factors such as innovative ideas, the ability to adapt to technological trends, expertise in online marketing strategies and the ability to constantly learn and adapt are important.

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