IMPACT OF DIGITAL MARKETPLACES ON MICRO-ENTREPRENEURSHIP GROWTH IN EBONYI STATE

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Abstract
The emergence of the digital marketplace has transformed the market of micro-entrepreneurship especially in developing markets such as in Ebonyi State of Nigeria. The research examines how digital marketplaces lead to the development of the micro-enterprises within the state of Ebonyi using primary data collection method in the form of the surveys that were conducted with 300 micro-enterprises in the state. The study combines the theoretical considerations of the Technology Acceptance Model and the Diffusion of Innovations theory in a study that investigates the impact of the following factors (perceived ease of use, perceived usefulness, and innovativeness) on acceptance and further success of a business. Results show that there is a substantial positive effect of digital marketplace adoption on the growth in revenues, market coverage, and operational efficiency of the micro-entrepreneurs where average sales showed to be 45 percent higher among adopters than among non-adopters every month. The demographic characteristics indicate that the respondents were mostly women (62%), ranging in age between 25-44 years (68%), with secondary education levels (55%), which also characterized the rural and agrarian population of the state. However, barriers that were observed to challenge digital inclusion were limited internet access, digital literacy, and infrastructural deficits, although there were opportunities that could be exploited to implement policies that would lead to inclusive digital integration. The study helps to fill the gap in the entrepreneurship literature, as it exemplifies the dynamics of context-specifics in sub-Saharan Africa, as well as combines the old ground-laying theories on entrepreneurial orientation with the recent studies of digital transformation. Digital training and infrastructure investments to facilitate the development of micro-entrepreneurship are some of the recommendations. This study highlights how digital platforms can change how poverty alleviation and economic development take place in the hitherto underserved regions.

Key words: digital marketplaces, micro-entrepreneurship, Ebonyi State, Technology Acceptance Model, business growth, primary data collection

Introduction

In the modern globalized economy, the digital marketplaces have become the critical platforms which enable economic exchange, especially by micro entrepreneurs in the emerging markets. Through these platforms including online shopping sites (Jumia, Konga, and international companies, including Amazon) and global internet giants, small-scale business companies can access more markets, cut down on their operational expenditure and compete effectively. In Nigeria, where micro-enterprises take a major part of the economy, including employment and GDP, the assimilation of computer technologies has played a vital role in helping the country grow. Ebonyi State is a village found in the south eastern part of Nigeria; it would make a unique

case study because its economy relies on farming, and it is poorly urbanized. Having 3.24 million inhabitants as of 2022, poverty, poor infrastructure, and elevated unemployment are the issues that the state struggles with, which is why the development of micro-entrepreneurship seemed to be a vital social-economic prospect.

This research paper is based on the larger context of digital transformation in Africa. The market place adoption of the digital marketplaces is fostered by proliferation of mobile technology and penetration of internet connectivity since the beginning of the 2000s. The digital economy is increasing tremendously in Nigeria with e-commerce transactions expected to reach massive numbers in the year 2025. Nevertheless, geographical inequalities still exist, as the state such as Ebonyi stays behind such cities as Lagos. The micro-entrepreneurs in Ebonyi who are usually involved in agriculture, handcrafts, and minor trade have difficulties accessing the traditional markets because of geographical isolation and lack of proper transportation channels. Digital marketplaces are a way out, as they allow the virtual presence, yet their influence on the growth has not been studied in this respect.

The size of the gap between the potential and the actual use of digital marketplaces in the state of Ebonyi is the statement of the problem. Although the government is making efforts on national level, such as the Nigerian Digital Economy Policy, micro-enterprises are facing challenges such as poor digital skills, inaccessible electricity, and expensive cost of data. This causes a stunted growth in the business and this keeps the business in poverty cycles. The existing literature demonstrates that there are positive correlations between adopting digital and business performance in the urban context, but studies on rural areas are limited. An example is that previous studies of entrepreneurship had focused on personal characteristics and external conditions, whereas new research highlights the state of technology that is transforming entrepreneurial ecosystems.

This question is based on relevant current literature. The 1980s and 1990s studies including entrepreneurial orientation studies provided the foundation where innovativeness, proactiveness, and risk-taking were identified as factors that lead to business success (Covin and Slevin, 1989). More modern studies apply these ideas to the digital environment. As an illustration, research of the impacts of digital platforms on the performance of small and medium enterprises (SMEs) in Nigeria indicates an increase in productivity and business growth (Olasanmi, 2023). In the same way, international views on the digital adoption among the emerging economies point to the advantages such as improved sales and communication with customers (GSMA, 2024). Nevertheless, this role of technology was very often omitted in old literature that only contributed to the traditional market dynamics (Schumpeter, 1942). Incorporating the above, this research also captures the role of digital marketplace on the development of micro-entrepreneurship in Ebonyi, using measures like growth in revenue, creation of employment opportunities, and diversification of the market.

This presentation preconditions a thorough analysis, which will be started with the review of literature in detail so that historical and current points of view could be combined, and the theoretical framework employed to conduct the empirical research would be presented.

Literature Review

The history of the literature on entrepreneurship has developed through the decades, initially though traditional theories of agency focusing on an individual, more recent models of entrepreneurship included technological disruptions. In the 1980s and 1990s, early scholarship regarded entrepreneurship as a personal opportunity that occurred due to personal traits and available economic opportunities. An example would be the theory of creative destruction that remained on the docket in the mid-20 th century but came back in the 1980s to explain the idea of entrepreneur entering the market with innovation and disrupting it (Schumpeter, 1942; Kirzner, 1997). These publications raised the role that micro-enterprises play in economic development especially in the developing countries where formal jobs are few. In Nigeria, micro-entrepreneurship is identified to alleviate poverty because the structural adjustment programs of the 1980s which redirected the orientation towards the large and large-scale industry to the small-scale industry (Anyanwu, 1992).

Moving on to the 2000s, the idea of globalization and technology started being used in literature. Research on SMEs in Africa highlighted the obstacles of access to finance and market to growth (Rogerson, 2001). But the world of computers brought in new aspects. Recent studies published since 2020 highlight the radical change brought about by digital market places to micro-enterprises. In Nigeria, SMEs got a chance to secure increased sales and efficiency due to overcoming geographical barriers through the digital platform (Mercy Corps Ventures, 2023). A survey of entrepreneurial use of e-commerce in Nigeria discovered that the digital products decrease expenses and increase consumer bases, which is consistent with older articles regarding resourcebased perceptions of the company (Barney, 1991; Ekeledo and Sivakumar, 2021).

The context in Ebonyi State is more localised as far as literature is concerned. The growth of micro-businesses that are mostly female run companies contributes to agriculture and crafts here, and infrastructural deficit stifles its growth (Udu & Aka Ama, 2019). The latest literature suggests that digital usage may alleviate these concerns, and it was observed in various researches about AI-based micro-entrepreneurship in developing markets, which improves efficiency in operations (Ugonna, 2025). Traditional knowledge transfer has been a known feature in old literature on the orientations of apprenticeship in Ebonyi, but lately it has been combined with digital marketing to increase competitiveness (Chukwudum, 2023).

There are up and down comparative results. On the one hand, digital marketplaces are contributing to the development of urban Nigeria, but rural locations, such as Ebonyi encounter barriers on adoption (Olasanmi, 2023). Existing global studies in the 1990s on innovation diffusion can shed more light on these differences (Rogers, 1995). Meternity literature affirms that digital technologies will generate a revenue of up to 10% in MSEs in Africa (Connecting Africa, 2025). But ethical considerations, e.g. privacy of data in online systems, repeat the earlier doubts on entrepreneurial risk (Kirzner, 1997; Ugonna, 2025).

The review involves synthesis of available literature, both old and new, and it shows that there is a consensus on the role of technology in entrepreneurship with gaps that are identified in rural Nigerian contexts. It enlightens the theoretical framework with the focus on models of adoption.

Theoretical Framework

The paper is framed on the Technology Acceptance Model (TAM) and the Diffusion of Innovations (DOI) model which offers a powerful platform of analyzing the issue of digital marketplace adoption in micro-entrepreneurship. Based on the assumptions of the late 1980s period, TAM suggests that technology acceptance is determined by the perceived ease of use and usefulness, which have an effect on behavioral intention and usage (Davis, 1989). In the digital marketplace, the concept of perceived usefulness is associated with the advantages such as having access to an expanded market, whereas ease of use deals with convenient interface design to appeal to low-literacy entrepreneurs.

To explain the dissemination of innovations among social systems, and building upon TAM, the 1960s-refined 1990s-refined theory of diffusion of innovations (DOI) posits that innovations spread though social systems, whereby relative advantage, compatibility, complexity, trialability and observability of innovations fall under the classification (Rogers, 1995). To micro-entrepreneurs in Ebonyi, a digital marketplace is an innovation that should meet the current practice, including traditional trading.

By combining these models, the research hypothesis will be that the greater the perceived benefits and the lesser the complexity, the larger the acceptance (which can be seen as growth). New extensions include digital innovativeness, which means being in line with the literature on entrepreneurial orientation (Covin and Slevin, 1989; AI Adoption Study, 2025). This is a hybrid model that drives the research design by connecting the factors of adoption to growth.

Methodology

This study will use a quantitative research design and be based on the primary data collected to evaluate the effects of digital marketplace on the development of micro-entrepreneurship in the state of Ebonyi. The research design is descriptive and correlational, where it will employ surveys in collecting data amongst micro-entrepreneurs.

Micro-enterprises include the population in the state of Ebonyi that is estimated to have more than 50,000 based on the state economic reports. The sample size of 300 was determined by sample stratified random sample divided into the three senatorial zones of the state; Ebonyi North, Central, and South. Stratification was done so that there is representation in both the city and rural areas whereby, 100 respondents were allocated to every zone.

The instrument was structured questionnaires, which were distributed face-to-face and through mobile devices during the period of June to September 2025. The pilot testing of the instrument that employed 30 respondents demonstrated their validity, while sections addressed demographics, levels of digital adoption, business performance measures, and perceived barriers with the instrument (Cronbachs alpha = 0.85). Attitude questions were Likert scaled and open qualitative questions were open ended.

Participant demographics Demographic composition of the sample was 62 percent female to 38 percent male as women dominated the micro-business. The distribution of the age was 68% 25-44 years, 22% 18-24, and 10% older than 45. Levels of education: 55% secondary, 30% primary, 10% tertiary and 5% none. Types of businesses: 45 percent agriculture based business, 30 percent trade based, 15 percent services based, 10 percent crafts based. Mean length of business: 5 years and 70% of the business is in the rural regions.

A SPSS analysis using descriptive statistics (means, frequencies) and inferential statistics (regression analysis) was used to analyze data. Informed consent and anonymity were among the ethical considerations.

Results

The primary data have been analyzed to show some important information on digital marketplace effects.

Table 1

Demographic summaries.

Demographic Variable	**Category**	**Percentage (%)**
Gender	Male	38
	Female	62
Age	18-24	22
	25-44	68
	45+	10
Education	None	5
	Primary	30
	Secondary	55
	Tertiary	10
Business Type	Agriculture	45
	Trading	30
	Services	15
	Crafts	10

Adoption rates: 52% of the respondents shop in digital marketplaces with Jumia (35%), and Konga (25%) being the most popular. The non-adopters referred to skills (40-percent) and infrastructure (35-percent).

Growth indicators: Adopters reflected an average growth of revenue after adoption being 45% compared to non-adopters at 15%. Growth in employment: 30 percent of adopters increased their staff, which is a comparative figure to those who were not adopters; 10 percent. Reach to markets: 65 per cent of adopters reached more than Ebonyi customers.

The regression analysis demonstrated that digital adoption is a positive predictor of growth (0.62 0.01)even when demographics are adjusted.

Table 2

Regression Results

Variable	β	t	p-value
Digital Adoption	0.62	8.45	0.000
Age	-0.12	-1.56	0.120
Gender (Female)	0.18	2.34	0.020
Education	0.25	3.12	0.002

Discussion

The findings are in line with literature extending past theories about innovation to the digital environment. The four women are indicative of gender research on micro-entrepreneurship (Udu and Ama Aka, 2019). The growth impacts of adoption reinforce the recent discoveries on the digital tools in Nigeria (Mercy Corps Ventures, 2023; Connecting Africa, 2025). Administration barriers indicate factors of complexity of DOI (Rogers, 1995).

In comparison with old literature, where the process of entrepreneurship was trait-based (Covin & Slevin, 1989), the role of technology is mentioned in the current study (as in AI impacts, Ugonna, 2025). The national trends of rural-urban disparities in Ebonyi are reflected (Olasanmi, 2023).

Implications: Marketplaces digitally liberalize channel access although there needs to be inclusive policies.

Conclusion and Recommendations.

Finally, the Ebonyi State needs to increase the rate of developing micro-entrepreneurship by using digital marketplaces to expand the revenue, employment, and market growth rates. Primary data highlights the positive effects of adoption despite the difficulties.

Recommendations: Government ought to invest into digital infrastructure and training. Micro-entrepreneurs embrace adoption of the platforms at a slow pace. Long term effects could be investigated in future.

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