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EMPOWERING YOUTH THROUGH DIGITAL ENTREPRENEURSHIP AND FINANCIAL LITERACY FOR SUSTAINABLE ECONOMIC INDEPENDENCE

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Abstract

The rapid development of digital technology has created new opportunities for young people to participate in entrepreneurial activities and develop alternative sources of income. Digital platforms provide opportunities to promote products, reach wider markets, establish online businesses, and develop innovative products and services. However, many young people still face limitations in digital entrepreneurship skills, business planning, marketing strategies, and financial management. These limitations may hinder their ability to transform digital opportunities into sustainable economic activities. This community service program aimed to empower youth through digital entrepreneurship and financial literacy to strengthen their capacity for sustainable economic independence. The program employed a participatory entrepreneurship training and mentoring approach consisting of needs assessment, digital entrepreneurship education, business opportunity identification, business model development, digital marketing training, financial literacy education, hands-on business practice, mentoring, and evaluation. Participants were encouraged to develop business ideas, formulate simple business models, create digital promotional content, and practice basic financial management. Program effectiveness was evaluated through pre-test and post-test assessments, practical performance, business product assessment, observation, and participant reflection. The program demonstrated improvements in participants' understanding of digital entrepreneurship and financial management and increased their confidence in developing and promoting business ideas through digital platforms. The practical activities also encouraged participants to understand the importance of separating personal and business finances, recording transactions, calculating costs and profits, and planning business expenditures. The findings indicate that youth empowerment requires an integrated approach that combines entrepreneurial competence, digital skills, and financial literacy. Community-based entrepreneurship training and sustained mentoring can therefore support young people in utilizing digital opportunities more strategically and developing the competencies necessary for sustainable economic participation.

Keywords: *Digital Entrepreneurship; Financial Literacy; Youth Empowerment; Digital Marketing; Economic Independence*

INTRODUCTION

The development of digital technology has significantly transformed the contemporary economic environment and created new opportunities for young people to participate in entrepreneurial activities. Digital platforms have reduced some of the traditional barriers associated with starting a business by enabling individuals to promote products, communicate with customers, conduct transactions, and access wider markets through online channels (Rahmah & Hilmy, 2025). Social media, e-commerce platforms, digital payment systems, and other technology-based services have created opportunities for young people to develop businesses with relatively limited initial resources (Syamsuri et al., 2023). This transformation has made digital

entrepreneurship an increasingly relevant pathway for youth economic empowerment.

Young people represent an important social group in the development of the digital economy (Williamson, 2021). Their familiarity with digital technologies, social media, and online communication provides a potential foundation for entrepreneurial activities. Many young people already possess skills in creating digital content, communicating through social platforms, and accessing online information. However, familiarity with digital technology does not automatically translate into entrepreneurial competence. Young people may still experience difficulties in identifying viable business opportunities, understanding customer needs, developing business models, managing digital marketing, calculating costs, and evaluating business performance.

Financial literacy represents another essential component of sustainable entrepreneurship (Solehudin et al., 2024). A business may generate sales but remain financially unsustainable if the entrepreneur does not understand costs, revenue, profit, cash flow, pricing, and financial planning. Young entrepreneurs who do not separate personal and business finances may also have difficulty determining whether their business is actually profitable. Limited financial literacy can therefore create obstacles to business sustainability even when individuals possess strong digital marketing capabilities.

The combination of digital entrepreneurship and financial literacy is consequently important for developing sustainable economic independence among young people (Anwar et al., 2024). Digital entrepreneurship provides opportunities for creating and expanding economic activities, while financial literacy provides the knowledge required to manage those activities responsibly (Sholahuddin, 2024). When these competencies are developed together, young people can become better prepared to transform digital opportunities into sustainable entrepreneurial activities.

Despite the growing accessibility of digital platforms, not all young people are equally prepared to benefit from the digital economy (Hendrayati & Jusuf, 2025; Mi'raj et al., 2023; Sriyandani, 2025). Some may use social media primarily for communication and entertainment without recognizing its potential as a marketing and business development tool. Others may have business ideas but lack the ability to formulate a clear value proposition, identify target customers, or develop an appropriate promotional strategy. These conditions indicate a need for practical entrepreneurship education that moves beyond theoretical knowledge toward direct application.

Community service programs can provide an appropriate mechanism for addressing these challenges. Through participatory training and mentoring, young people can identify their existing competencies, explore entrepreneurial opportunities, develop business ideas, practice digital marketing, and learn basic financial management. Such programs can also create opportunities for participants to receive feedback and refine their business concepts before applying them in real-world contexts.

A participatory approach is particularly relevant because entrepreneurial competence develops through practice and reflection. Young people need opportunities to experiment

with business ideas, respond to potential customer needs, calculate financial implications, and evaluate the strengths and weaknesses of their strategies. Training alone may provide knowledge, but mentoring and practical application can help participants translate that knowledge into entrepreneurial behavior.

The present community service program focuses on empowering youth through digital entrepreneurship and financial literacy. The program positions digital technology as an instrument for economic empowerment while emphasizing that sustainable entrepreneurship requires sound financial decision-making. Participants are therefore introduced to digital business opportunities while simultaneously developing the ability to plan, record, and evaluate their financial activities.

The novelty of this program lies in integrating digital entrepreneurship, digital marketing, and financial literacy within a participatory youth empowerment framework. Rather than treating entrepreneurship and financial literacy as separate training topics, the program connects them through practical business development activities. Participants are encouraged to develop a business idea, identify potential markets, promote products through digital channels, and manage the financial aspects of their activities.

The program aims to strengthen young people's entrepreneurial capacity by developing their digital business skills, financial literacy, business planning abilities, and confidence in utilizing digital technologies for productive economic activities. Ultimately, the program seeks to support young people in becoming more capable of identifying and developing sustainable economic opportunities within an increasingly digital economy.

METHOD

The community service program employed a Participatory Entrepreneurship Training and Mentoring approach (Creswell & Creswell, 2017). The method was designed to actively involve young participants in identifying entrepreneurial opportunities, developing business ideas, practicing digital marketing, managing basic finances, and evaluating their business concepts. The program emphasized learning through practical activities rather than relying exclusively on theoretical presentations.

The program began with a needs assessment to identify participants' existing entrepreneurial knowledge, digital skills, financial literacy, business experience, and interests. The assessment was conducted through questionnaires, informal discussions, and observation. The information obtained from this stage was used to determine the training materials and practical activities that were most relevant to participants' needs.

The first intervention stage consisted of digital entrepreneurship education. Participants were introduced to fundamental entrepreneurial concepts, including opportunity identification, customer needs, value propositions, business models, product development, and basic business planning. The training was connected to examples of businesses that utilize digital platforms so that participants could understand how digital technologies can support entrepreneurial activities.

The next stage focused on business opportunity identification and business model development.

Participants were encouraged to identify problems or needs within their communities that could potentially be transformed into business opportunities. They then developed simple business concepts by identifying target customers, products or services, value propositions, marketing channels, and potential revenue sources. Facilitators provided guidance to help participants evaluate the feasibility and relevance of their ideas.

Digital marketing training was subsequently conducted through hands-on activities. Participants practiced developing promotional messages, creating digital content, selecting appropriate digital platforms, and communicating product benefits to potential customers. The training emphasized that effective digital marketing requires an understanding of target audiences rather than simply posting promotional content repeatedly.

The financial literacy component focused on practical financial management for small businesses. Participants learned about separating personal and business finances, calculating costs, determining selling prices, recording transactions, calculating profit and loss, planning expenditures, and managing simple cash flow. Participants practiced preparing basic financial records based on hypothetical or developing business activities. These exercises were designed to help participants understand that financial management is an essential component of sustainable entrepreneurship.

The program continued with business practice and mentoring. Participants were encouraged to develop or refine products and services and create simple digital promotional materials. Facilitators provided individual and group mentoring to help participants address difficulties related to business models, digital marketing, pricing, and financial management. Peer discussion was also encouraged so that participants could exchange ideas and provide feedback on one another's business concepts.

Program effectiveness was evaluated using pre-test and post-test assessments, practical performance tasks, business product assessment, observation, participant reflection, and feedback. The pre-test and post-test were used to identify changes in entrepreneurial knowledge and financial literacy. Practical assessments examined participants' ability to develop business models, create digital marketing materials, and prepare basic financial records. Participant reflections and feedback were used to identify perceived benefits, challenges, and future support needs.

RESULTS AND DISCUSSION

The implementation of the community service program demonstrated that participants possessed varying levels of entrepreneurial experience and digital competence before the intervention. Some participants had already considered developing small businesses or selling products through digital platforms, while others had limited experience translating digital skills into economic activities. Although many participants were familiar with social media and digital communication, their understanding of digital entrepreneurship was generally less developed (Al Ayyubi et al., 2024). The initial activities indicated that participants needed guidance in identifying viable business opportunities, determining target markets, developing value propositions,

and managing financial aspects of entrepreneurship.

The digital entrepreneurship training broadened participants' understanding of entrepreneurship in the digital environment. Participants learned that digital entrepreneurship is not simply the process of selling products through social media but involves identifying problems, understanding customer needs, developing appropriate products or services, creating value, selecting suitable digital channels, and establishing sustainable revenue mechanisms (Al Ayyubi et al., 2024). This broader understanding encouraged participants to approach entrepreneurship more systematically rather than relying solely on spontaneous ideas or trends observed on social media.

The business opportunity identification activities helped participants recognize that entrepreneurial opportunities can emerge from problems and needs within their own communities (Agustian et al., 2023; Chowdhury et al., 2024; Syamsuri et al., 2023). Participants were encouraged to observe everyday challenges and consider whether these could be addressed through products or services. This approach helped shift the participants' perspective from simply asking what they could sell toward asking what problems they could solve. Such a perspective is important for developing businesses that provide genuine value to customers and have stronger potential for sustainability.

The development of simple business models provided participants with a structured framework for transforming their ideas into more concrete entrepreneurial concepts. Participants were guided to identify target customers, product or service characteristics, value propositions, marketing channels, and potential sources of revenue. Through discussion and feedback, several initial ideas were refined because participants recognized that their original target markets were too broad or that their proposed products did not clearly address specific customer needs. This process demonstrated the importance of entrepreneurial reflection and market orientation in the early stages of business development.

The digital marketing activities demonstrated that participants were generally comfortable using social media but needed additional understanding of how digital communication could be transformed into strategic marketing. Participants practiced developing promotional content that emphasized product benefits, customer needs, and clear calls to action. They also learned that effective digital marketing requires consistency, appropriate visual presentation, audience understanding, and meaningful communication. The practical exercises helped participants distinguish between using social media for personal communication and using it strategically for business development.

The financial literacy training produced an important shift in participants' understanding of business sustainability (Maliwichi et al., 2023). Some participants initially tended to interpret sales revenue as equivalent to profit. Through practical exercises, they learned that business performance must be evaluated after considering production costs, operational expenses, promotional costs, and other expenditures. Participants were introduced to basic concepts of revenue, cost, profit, cash flow, and pricing. These concepts provided a foundation for more informed financial decision-making.

The practice of separating personal and business finances was particularly relevant to youth entrepreneurship. Participants were encouraged to maintain separate records for business transactions and personal expenditures so that the actual financial condition of their business could be identified (Muktirrahman et al., 2025; Steen et al., 2024; Xu et al., 2023). This practice helped participants recognize that a business cannot be considered successful solely because it generates frequent transactions. Sustainable entrepreneurship requires the ability to determine whether revenue is sufficient to cover costs and generate an appropriate return.

The development of basic financial records also strengthened participants' awareness of financial accountability. Participants practiced recording income and expenditure and calculating simple business results. Although the financial management activities were designed at an introductory level, they provided participants with practical tools that could be applied to small-scale entrepreneurial activities. The ability to maintain simple financial records can become an important foundation for more advanced financial management as businesses develop.

The mentoring sessions demonstrated the importance of providing continuous assistance during the transition from training to practical application. Participants encountered difficulties when applying concepts independently, particularly in determining appropriate prices, identifying target customers, developing promotional content, and calculating business costs. Through mentoring, these difficulties could be addressed through direct feedback and discussion. The process allowed participants to refine their ideas and develop greater confidence in making entrepreneurial decisions.

The combination of digital entrepreneurship and financial literacy created a more comprehensive empowerment experience (Ataman et al., 2024; Hendrayati & Jusuf, 2025; Tambun & Irawanto, 2023). Digital skills can help young entrepreneurs reach customers and promote products, but without financial competence, increased sales may not necessarily result in sustainable income. Conversely, strong financial management without the ability to reach digital markets may limit business growth. Integrating both dimensions therefore provides young people with complementary competencies for participating in the digital economy.

The program also indicated that entrepreneurial confidence can increase when participants are given opportunities to produce tangible outputs. Rather than completing theoretical exercises only, participants developed business concepts, promotional materials, and financial records. These products provided concrete evidence of their ability to transform knowledge into practice. The experience can contribute to greater entrepreneurial self-efficacy because participants can see that they are capable of initiating and managing basic entrepreneurial activities (Dweck, 2016).

The findings further suggest that youth entrepreneurship education should emphasize experimentation and reflection. Young entrepreneurs are likely to encounter uncertainty regarding customer responses, pricing, product demand, and marketing effectiveness. Training programs that allow participants to test ideas and receive

feedback can help them understand that entrepreneurship involves learning from unsuccessful strategies rather than expecting immediate success. Such an approach can strengthen resilience and adaptability, which are important characteristics for sustainable entrepreneurship.

The role of digital technology in youth economic empowerment should also be understood critically. Digital platforms can reduce barriers to market access, but they also create intense competition. Young entrepreneurs need to develop distinctive value propositions and maintain consistent customer engagement rather than depending solely on the visibility provided by digital platforms. Participants were therefore encouraged to view digital marketing as part of a broader business strategy rather than as an isolated activity.

The program also highlighted the importance of financial discipline in sustaining digital entrepreneurship. The convenience of digital payments and online transactions can sometimes make financial activities less visible to entrepreneurs, particularly when transactions occur frequently and in small amounts. Regular financial recording can help entrepreneurs understand their business performance and make better decisions regarding inventory, pricing, promotional spending, and future investment. Developing these habits at an early stage may contribute to more sustainable entrepreneurial behavior.

Another important finding was the relevance of contextual learning. Participants were more engaged when entrepreneurship concepts were connected to products, services, and business opportunities that were familiar within their communities. Local resources, community needs, existing skills, and digital market opportunities can provide important starting points for youth entrepreneurship. This suggests that future community empowerment programs should encourage participants to build businesses around their existing competencies and local economic environments rather than relying exclusively on external business models.

The program's participatory nature also facilitated peer learning. Participants were able to observe different business ideas and provide feedback on one another's products and marketing strategies. Such interaction created opportunities for collaborative learning and encouraged participants to view entrepreneurship as a process that can benefit from networking and knowledge exchange. Community-based entrepreneurial networks may subsequently provide a valuable support system for young people who are beginning to develop their businesses.

The findings indicate that sustainable economic independence cannot be achieved through entrepreneurial motivation alone. Young people require a combination of knowledge, practical skills, financial discipline, digital competence, and access to mentoring. Motivation may encourage individuals to start a business, but sustained economic activity requires the ability to adapt to market changes, manage resources, understand customers, and evaluate financial performance. Community service programs can contribute to this process by providing initial capacity building and connecting participants with opportunities for continued learning.

The program further demonstrates that empowerment should be understood as a process of developing participants' capacity for independent decision-making. Facilitators did not

simply provide business ideas or predetermined solutions but encouraged participants to identify opportunities and develop their own concepts. This approach helped strengthen ownership and responsibility among participants. The role of the facilitator was primarily to provide knowledge, guidance, feedback, and encouragement while allowing participants to make decisions regarding their entrepreneurial activities.

The sustainability of the program remains an important consideration. Short-term training can provide foundational knowledge, but young entrepreneurs may require continued mentoring as they begin implementing their business plans. Follow-up activities could include business clinics, digital marketing mentoring, financial management consultations, peer entrepreneur groups, and periodic business evaluations. Such activities can help participants overcome challenges that emerge after the training and increase the likelihood that the competencies developed through the program will translate into sustained economic activities.

Overall, the results demonstrate that integrating digital entrepreneurship and financial literacy provides a relevant approach to youth empowerment in the digital economy. Digital entrepreneurship equips young people with strategies for identifying opportunities, developing products, reaching customers, and utilizing digital platforms, while financial literacy supports responsible management of the resources generated through those activities. The combination of these competencies can strengthen young people's preparedness to participate in the digital economy and develop more sustainable pathways toward economic independence.

CONCLUSION

The community service program demonstrates that participatory entrepreneurship training combined with practical activities and mentoring can strengthen young people's capacity to engage in digital entrepreneurship and manage basic business finances. Participants developed broader knowledge of digital entrepreneurship, improved their understanding of business opportunity identification and digital marketing, and gained practical experience in developing business concepts and promotional materials. The financial literacy component also strengthened participants' understanding of costs, revenue, profit, financial recording, and the importance of separating personal and business finances. These competencies provide an important foundation for young people seeking to develop sustainable economic activities through digital platforms.

The main contribution of the program lies in integrating digital entrepreneurship and financial literacy as complementary components of youth economic empowerment. Digital competence enables young people to identify and utilize opportunities within the digital economy, while financial competence helps them manage those opportunities in a more disciplined and sustainable manner. The participatory training and mentoring approach also encouraged participants to take greater ownership of their entrepreneurial ideas and develop confidence through practical experience. Although the program focused primarily on short-term improvements in knowledge and practical competence, continued mentoring and follow-up business assistance are needed to determine whether these competencies result in

sustained entrepreneurial activities and increased economic independence. Future community service programs should therefore provide longer-term mentoring, market networking, business performance monitoring, and advanced financial management training to support the continued development of youth-led digital enterprises.

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