

The Influence of Entrepreneurial Skills, Business Experience, and Social Media Support on Entrepreneurial Success in Medan City

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ABSTRACT

This study examines how entrepreneurial abilities, accumulated business experience, and social media support influence business success among entrepreneurs in Medan City. Unlike previous research that examined these factors separately, this study integrates internal competencies and digital support within a local Indonesian context. A quantitative approach with descriptive and explanatory designs was applied to a population of 55 entrepreneurs using saturated sampling. Data were analyzed using multiple regression and path analysis. Results show that entrepreneurial skills ($\beta = 0.412$; $t = 4.375$; $p < 0.001$), business experience ($\beta = 0.276$; $t = 3.040$; $p = 0.004$), and social media support ($\beta = 0.389$; $t = 4.145$; $p < 0.001$) each positively and significantly affect entrepreneurial success. Collectively, the variables also have a significant effect ($F = 53.873$; $p < 0.001$), explaining 76% of the variance ($R^2 = 0.760$). These findings underscore the importance of enhancing entrepreneurial skills, practical experience, and digital engagement to achieve sustainable business success.

Keywords: Entrepreneurial Skills; Business Experience; Social Media Support; Entrepreneurial Success

1. Introduction

Entrepreneurship plays a central role in driving economic development, stimulating innovation, and creating employment opportunities, particularly in developing countries. In the context of Indonesia, micro, small, and medium enterprises (MSMEs) are vital for the economy, providing significant labor absorption and contributing notably to the country's GDP [1]. Strengthening entrepreneurial capacity

at the local level, therefore, becomes a strategic agenda for sustainable regional development, including in major urban centers such as Medan City.

However, the increasing number of MSMEs in urban areas is not always accompanied by high levels of business success. Many entrepreneurs experience stagnation or failure due to limited managerial capabilities, weak entrepreneurial orientation, and insufficient adaptation to environmental changes. Previous studies report that entrepreneurial failure is often associated with inadequate skills, lack of experience, and limited access to social and technological support systems [2,4]. These findings suggest that entrepreneurial success depends not only on individual motivation but also on the ability to develop competencies and leverage both internal and external resources.

From a theoretical standpoint, this research is based on the Resource-Based View (RBV) and Human Capital Theory. According to the RBV, a sustainable competitive advantage stems from internal resources that are valuable, rare, and difficult to imitate, such as entrepreneurial skills and accumulated business experience. Meanwhile, Human Capital Theory emphasizes that knowledge, skills, and experience enhance individual productivity and business performance. These theoretical frameworks serve as a basis for investigating the ways in which entrepreneurial abilities, business experience, and social media support affect entrepreneurial success.

Entrepreneurial skills constitute one of the most critical internal resources for entrepreneurs. These skills include managerial competence, leadership ability, creativity, opportunity recognition, communication skills, and problem-solving capacity. Entrepreneurs who possess well-developed skills are more capable of utilizing resources effectively and making strategic decisions that improve business performance [3]. Empirical evidence confirms that entrepreneurial skills significantly improve business sustainability and profitability [5].

In addition to skills, business experience plays a vital role in shaping entrepreneurial outcomes. Business experience reflects accumulated learning obtained through direct involvement in entrepreneurial activities over time. Experience enables entrepreneurs to learn from past failures and successes, improve risk assessment, and develop resilience

in uncertain business environments [4]. Prior knowledge and experience strengthen entrepreneurs' ability to identify and exploit business opportunities effectively [6]. Empirical findings also show that experienced entrepreneurs tend to achieve higher levels of business success compared to novice entrepreneurs [3].

Moreover, the fast-paced development of digital technologies has reshaped the entrepreneurial environment. Platforms like Instagram, Facebook, and WhatsApp are now crucial for marketing, communication, and networking activities. Social media support enables entrepreneurs to promote products, engage customers, build brand awareness, and establish social capital at relatively low cost [7,8]. The effective use of social networking sites has been shown to significantly contribute to entrepreneurial success by expanding market reach and improving customer relationships, particularly in developing economies [8,9].

Despite the growing body of literature on entrepreneurship, most previous studies examine entrepreneurial skills, business experience, or social media usage separately. Limited empirical research integrates these three determinants simultaneously within a localized Indonesian context. Moreover, studies specifically focusing on entrepreneurs in Medan City remain scarce. Consequently, the present research seeks to examine both the individual and combined effects of entrepreneurial abilities, business experience, and social media support on entrepreneurial success in Medan City. The findings are expected to contribute theoretically by integrating internal capability and digital resource perspectives and practically by providing insights for entrepreneurship development programs.

2. Materials and Method

Research Design and Methodology

This research employs a quantitative methodology with both descriptive and explanatory designs. The descriptive design is applied to outline the characteristics of the respondents and the study variables, while the explanatory design is used to investigate the causal relationships among entrepreneurial abilities, business experience, social media support, and entrepreneurial success. Quantitative explanatory research is appropriate for testing hypotheses and

examining relationships between variables using statistical procedures [10].

Population and Sample

The population in this study comprised 55 entrepreneurs based in Medan City. Due to the small size of the population, a saturated sampling method (census approach) was employed, which involved including all members of the population as respondents. This approach guarantees complete representation and reduces the risk of sampling bias [11].

Research Variables and Measurement

The independent variables in this study are:

- Entrepreneurial Skills (X1)
- Business Experience (X2)
- Social Media Support (X3)

The dependent variable is:

- Entrepreneurial Success (Y)

Each variable was operationalized into several indicators adapted from previous studies. Entrepreneurial skills indicators were adapted from Iskandar and Safrianto [3]; business experience indicators were based on Fuentes Fuentes et al. [4]; and social media support indicators were adapted from Mack et al. [7] and Momen et al. [8]. Entrepreneurial success indicators were adapted from Ardiyanti and Mora [1].

All variables were assessed using a five-point Likert scale, where 1 indicates strong disagreement and 5 indicates strong agreement.

Instrument Validity and Reliability

1. Validity Test

The validity of the instrument was evaluated using the Pearson Product-Moment Correlation. An item is deemed valid if its correlation coefficient (r -calculated) exceeds the critical value (r -table) at a 0.05 significance level [12]. The analysis shows that all questionnaire items have correlation coefficients greater than 0.30 and significance levels below 0.05, indicating that every item is valid.

2. Reliability Test

Reliability was assessed using Cronbach's Alpha. A variable is considered reliable if the Cronbach's Alpha value is above 0.70 [12]. The results of the reliability analysis are as follows:
The reliability test results are as follows:

Table 1. Results of Reliability Testing Based on Cronbach's Alpha

Variable	Cronbach's Alpha	Interpretation
Entrepreneurial Skills	0.842	Reliable
Business Experience	0.801	Reliable
Social Media Support	0.856	Reliable
Entrepreneurial Success	0.873	Reliable

All variables yielded Cronbach's Alpha values exceeding 0.70, demonstrating satisfactory internal consistency and reliability.

Data Collection Technique

Primary data were gathered using structured questionnaires administered directly to the respondents. Prior to analysis, the data were examined for completeness, consistency, and normality. Secondary data were sourced from journals, books, and official publications to support the study's theoretical framework.

Data Analysis Technique

The data were analyzed using both descriptive and inferential statistical techniques. Inferential analysis included:

- Multiple regression analysis
- Path analysis
- Multiple correlation analysis (R)
- Coefficient of determination (R^2)
- Partial hypothesis testing using the t-test
- Simultaneous hypothesis testing using the F-test

The regression model is formulated as follows:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon$$

Where:

Y = Entrepreneurial Success

X1 = Entrepreneurial Skills

X2 = Business Experience

X3 = Social Media Support

ε = Error term

All statistical analyses were conducted using IBM SPSS software [12].

3. Results

Descriptive Statistics

Descriptive statistics were applied to summarize the respondents' perceptions regarding each research variable. The results, including mean and standard deviation values, are presented in Table 2.

Table 2. Summary of Descriptive Statistics for the Study Variables

Variable	N	Mean	Std. Deviation	Interpretation
Entrepreneurial Skills (X1)	55	3.89	0.54	High
Business Experience (X2)	55	3.76	0.61	Moderate–High
Social Media Support (X3)	55	3.95	0.52	High
Entrepreneurial Success (Y)	55	3.88	0.57	High

The results indicate that respondents generally perceive their entrepreneurial skills to be at a high level (Mean = 3.89). Indicators related to creativity and opportunity recognition show particularly strong responses, suggesting that entrepreneurs are capable of adapting to market demands.

Business experience shows a moderate-to-high mean score (Mean = 3.76), reflecting variation in years of operation and accumulated knowledge among respondents. Social media support has the highest mean value (Mean = 3.95), indicating that digital platforms are widely utilized for marketing and customer engagement.

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Smart International Management Journal, June 2025, Vol 2, No 2

Entrepreneurial success (Mean = 3.88) is also rated positively, suggesting that most respondents perceive their business performance as satisfactory.

Multiple Regression Analysis

Table 3. Model Summary

Model	R	R Square (R ²)	Adjusted R ²	Std. Error
1	0.872	0.760	0.746	0.287

The Model Summary indicates that the multiple correlation coefficient (R) is 0.872, reflecting a strong association between the independent variables and entrepreneurial success. The coefficient of determination (R²) equals 0.760, suggesting that 76% of the variation in entrepreneurial success can be attributed to entrepreneurial skills, business experience, and social media support, while the remaining 24% is accounted for by other factors not included in this model.

Partial Hypothesis Testing (t-test)

Table 4. Results of Multiple Linear Regression for Individual (Partial) t-Test Analysis

Variable	Unstandardized β	Standardized Beta	t-value	Sig.
(Constant)	0.512	–	2.145	0.036
Entrepreneurial Skills (X1)	0.412	0.398	4.375	0.000
Business Experience (X2)	0.276	0.251	3.040	0.004
Social Media Support (X3)	0.389	0.372	4.145	0.000

The regression equation can be formulated as:

$$Y = 0.512 + 0.412X_1 + 0.276X_2 + 0.389X_3$$

The t-test results indicate:

- Entrepreneurial Skills (X1) have a positive and significant effect on entrepreneurial success ($t = 4.375$; $p = 0.000 < 0.05$).
- Business Experience (X2) has a positive and significant effect ($t = 3.040$; $p = 0.004 < 0.05$).
- Social Media Support (X3) also has a positive and significant effect ($t = 4.145$; $p = 0.000 < 0.05$).

Among the three variables, entrepreneurial skills show the strongest standardized coefficient ($\beta = 0.398$), indicating that it is the most dominant factor influencing entrepreneurial success.

Simultaneous Hypothesis Testing (F-test)

Table 5. ANOVA Results

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	13.842	3	4.614	53.873	0.000
Residual	4.360	51	0.085		
Total	18.202	54			

The ANOVA analysis yielded an F-value of 53.873 with a significance level of 0.000 (< 0.05). These results suggest that entrepreneurial skills, business experience, and social media support collectively exert a positive and statistically significant impact on entrepreneurial success.

4. Discussion

The results of this research provide valuable theoretical and practical insights regarding the factors that determine entrepreneurial success in Medan City. Rather than merely confirming statistical significance, the results highlight how internal capabilities and digital engagement interact to shape business sustainability.

First, entrepreneurial skills emerge as the most influential variable affecting entrepreneurial success. According to the Resource-Based View (RBV), entrepreneurial skills are considered strategic internal resources that are both valuable and challenging to replicate. The relatively strong standardized coefficient indicates that entrepreneurs who possess superior managerial, creative, and problem-solving abilities are better positioned to create competitive advantages. In the context of Medan City, where MSMEs operate in highly competitive markets, skill-

based differentiation becomes crucial. This finding implies that business sustainability is not merely a function of capital availability but largely depends on the entrepreneur's capability to manage and transform resources effectively. This interpretation strengthens previous findings emphasizing that entrepreneurial competence is a key predictor of long-term performance [1,3].

Second, business experience significantly influences entrepreneurial success, supporting Human Capital Theory, which argues that accumulated knowledge and experience enhance productivity and decision-making quality. Experience enables entrepreneurs to develop cognitive frameworks for evaluating risks, recognizing opportunities, and responding to environmental uncertainty. In emerging markets such as Indonesia, where market volatility and regulatory changes are frequent, experiential learning becomes particularly valuable. The positive relationship found in this study suggests that learning-by-doing plays a critical role in strengthening entrepreneurial resilience. Thus, experience should not be viewed merely as duration of business operation but as accumulated strategic knowledge that improves adaptive capability [4,6].

Third, social media support demonstrates a strong contribution to entrepreneurial success, indicating the growing importance of digital ecosystems in MSME development. Unlike traditional marketing channels, social media provides interactive communication, real-time feedback, and low-cost promotional opportunities. In Medan City, where digital adoption among consumers continues to rise, social media platforms function not only as marketing tools but also as instruments for building customer relationships and brand identity. The findings suggest that digital literacy is increasingly becoming a strategic asset for entrepreneurs. This result aligns with studies emphasizing that digital engagement enhances market reach and customer trust, thereby strengthening competitiveness [7,8,9].

Notably, the combined effect of entrepreneurial skills, business experience, and social media support shows that entrepreneurial success is a multidimensional construct. The relatively high coefficient of determination ($R^2 = 0.760$) suggests that the integration of internal competencies with digital capabilities offers considerable explanatory power. This integrative finding reinforces the argument that entrepreneurship development should adopt a holistic approach. Skill

development programs without experiential exposure may be insufficient, and digital training without foundational competencies may not generate optimal outcomes.

From a practical standpoint, these findings imply that entrepreneurship policies in Medan City should emphasize three interconnected pillars: competency development, experiential learning opportunities, and digital transformation support. Training programs should focus not only on technical skills but also on strategic thinking and innovation. Furthermore, mentorship programs and business incubation initiatives can accelerate experiential learning. Finally, enhancing digital literacy and social media optimization skills can strengthen MSME competitiveness in an increasingly digital marketplace.

Overall, this study extends prior research by demonstrating that entrepreneurial success in a localized Indonesian context is best understood as the result of interaction between human capital and digital resource utilization. Such integration provides a more comprehensive explanation compared to studies examining single determinants in isolation.

5. Conclusion

The study reveals that entrepreneurial skills, business experience, and social media support each, as well as collectively, have a positive and statistically significant impact on entrepreneurial success in Medan City. Among the examined variables, entrepreneurial skills emerge as the most dominant determinant, highlighting the central role of internal competencies in achieving sustainable business performance.

Theoretically, this research adds to the entrepreneurship literature by combining the Resource-Based View (RBV) and Human Capital Theory in the context of Indonesia. The findings confirm that entrepreneurial success is not solely determined by internal capabilities or external digital tools in isolation, but rather by the interaction between strategic competencies, accumulated experiential knowledge, and digital resource utilization. By empirically testing these variables simultaneously, this study offers a more comprehensive explanatory model of entrepreneurial success compared to prior studies that examined single determinants.

From an empirical standpoint, the relatively high coefficient of determination ($R^2 = 0.760$) suggests that the combined effect of entrepreneurial skills, business experience, and social media support offers considerable explanatory power in understanding the performance of MSMEs in Medan City. This reinforces the importance of adopting a multidimensional perspective when analyzing entrepreneurial outcomes in emerging economies.

From a practical standpoint, the findings imply that entrepreneurship development programs should adopt a holistic approach. Entrepreneurs should continuously enhance managerial and creative skills, actively accumulate experiential learning through business practice and mentorship, and strategically leverage social media platforms to strengthen market presence and customer engagement. Policymakers and educational institutions are encouraged to design integrated training programs that combine competency development, experiential exposure, and digital literacy enhancement.

However, the study has limitations due to its relatively small sample size and its concentration on a single geographic region. Future research may expand the sample scope, incorporate longitudinal designs, or include additional variables such as financial literacy, innovation capability, and market orientation to further enrich the understanding of entrepreneurial success determinants.

In summary, this research offers valuable theoretical contributions and practical recommendations for enhancing entrepreneurial sustainability in developing urban settings.

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Smart International Management Journal, June 2025, Vol 2, No 2

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