

From Digital Experience to Entrepreneurial Capability: Supporting Asnaf Students Through Digital Entrepreneurship in Malaysia's Halal and Zakat Ecosystem

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Abstract

Malaysia's digital economy development is a great opportunity for equitable and inclusive economic participation, especially for underserved Asnaf students. The shift from daily digital penetration to actual entrepreneurial potential, however, is poorly understood. In the interest of filling this gap, and to help define a baseline for the Asnaf Innovative Digital Entrepreneurship Agenda (AiDEA) 2024, a university-level experiential learning program, this study looks into students' initial digital familiarity, their level of confidence in creating content and their entrepreneurial intention. Drawing on a pre-event quantitative study on 163 Asnaf students, the results show that respondents, although having high pre-event digital exposure, show only intermediate levels of entrepreneurial intention and practical capability in content creation before the intervention. These results represent a clear "monetisation gap" between a passive consumption of digital platforms and the active creation process for businesses. Finally, this research highlights the significance of the AiDEA program and that combining Zakat-driven financial support with structured experiential digital entrepreneurship training is a key policy tool to promote the sustained digital empowerment of Asnaf students in the Halal ecosystem.

Keywords: Digital Entrepreneurship; Asnaf Empowerment; Zakat; Halal Ecosystem; Sustainability

1. Introduction

Based on the MyDIGITAL framework, Malaysia's digital economy is poised to be able to make an extraordinary contribution by facilitating inclusive socio-economic mobility, mainly in the Halal and Zakat ecosystem. Yet there is a wide gap in conceptual understanding between "Digital Experience" (the everyday, passive consumption of technology) and "Entrepreneurial Capability" (the capacity to exploit and monetise use). This gap is a formidable obstacle to the inclusion of marginalised groups, particularly Asnaf students, in the process of escaping economic vulnerability and accessing the global Shariah-compliant market. Although university students are commonly labelled as "digital natives," this research reveals a "digital native paradox" in which "high superficial familiarity with digital technologies does not lead naturally to the professional competences necessary to go into digital entrepreneurship". And besides, there is also a huge paucity of research to find ways to turn the digital fluency into entrepreneurial capacity in Asnaf students. The existing studies so far have been limited to larger student samples and have not taken into consideration the unique risks and high risk-aversion characteristics of the participants in the zakat system. To steadily mark this gap, the university has instituted the Asnaf Innovative Digital Entrepreneurship Agenda (AiDEA) 2024, which is a structured, experiential learning program. Our study is the baseline pre-event evaluation for this program. Its purpose is to shift away from Zakat as a temporary relief mechanism (zakat istihlaki) to Zakat as a developmental investment (zakat productive). Therefore, this study is guided by three objectives: (1) to assess the baseline digital familiarity and entrepreneurial intention of 163 Asnaf students before the AiDEA intervention, (2) to identify the "Capability Gap" between general digital use and commercial content creation, and (3) to examine the demographic antecedents of entrepreneurial inclination.

2. Literature Review

2.1 The Digital Native Paradox: From Experience to Capability

This apparent technical value disconnect has been a recurrent theme throughout the latest digital economy literature. Although contemporary university students superficially possess a vast knowledge of the internet, their exposure is overwhelmingly passive and consumer-centric (Kraus et al., 2019; Djafarova & Bowes, 2021). In this paper, "Digital Experience" denotes a baseline level of familiarity. Conversely, 'Entrepreneurial Capability' requires a sophisticated understanding of commercial storytelling, market-sensing, and the strategic integration of

technical tools for social media marketing (Nambisan et al., 2019; Tuten & Solomon, 2020). However, the transition from passive user to active creator is not straightforward, given how current educational environments often fail to prepare the marginalised to make that transition.

2.2 Entrepreneurial Intention Amidst Financial Precarity

While entrepreneurship intent is a good precursor to venture, at times, it is constrained in poor communities by high risk aversion. Although previous entrepreneurial typologies that focus on perceived viability and attractiveness of the concept are well documented in mainstream entrepreneurial theories (Sahut et al., 2021), the Asnaf situation implicates the central variable of money vulnerability to failure by drawing on the context of Asnaf. For the poor students, the fear of failure is a catastrophic threat to family life. Knowing these baseline intentions is key to the design of support programs that replicate success and moderate perceptions of risk.

2.3 Productive Zakat and the Halal Ecosystem

The Zakat paradigm is currently evolving toward productive zakat (*zakat produktif*), which centres on generating sustainable income and long-term socio-economic development (Ascarya & Yumanita, 2018; Ismail et al., 2018). For the Halal ecosystem, having entrepreneurial capability is more than just selling a product – it needs to be driven by a digital storytelling approach to Shariah-compliant and ethically traceable. By investing in customised digital entrepreneurship courses, Zakat institutions can directly encourage a student's transformation from being a recipient (Asnaf) to being a contributor (Muzakki) and secure the sustainability of Islamic social finance in the long term.

2.4 Experiential Learning as a Risk-Mitigation Pedagogy

Educational literature, therefore, recommends experiential pedagogy to bridge these readiness gaps. In the modern digital space, where people are continually developing products and services, traditional approaches to entrepreneurship education are often too theoretical (Neck & Greene, 2011), which is not an appropriate approach. Alternatively, experiential learning creates a "sandboxed" environment where Asnaf students can learn how to use their knowledge of content creation, like SEO and video marketing, without exposure to immediate monetary needs. This pedagogy is the way in which one must work to bring to life that deep entrepreneurial capability.

3. Methodology

The study uses a descriptive quantitative design as the pre-event baseline assessment for the AiDEA 2024 program. The current study utilises a descriptive quantitative design aimed at conducting an efficient assessment of initial preparedness, digital literacy and entrepreneurial orientation among Asnaf students. The study is purposefully sampling, which is a deliberate approach and targets the Asnaf students (registered zakat recipients) at Universiti Teknologi MARA (UiTM) Negeri Sembilan Branch. A total of 163 participants volunteered to respond to the pre-event survey, and the survey data provides a strong basis for analysing these demographics and behaviours in disadvantaged communities. Data were gathered using an online survey with a 7-point Likert scale (1 = Strongly Disagree and 7 = Strongly Agree) as the instrument.

Precisely, there were three constructs for which the instrument was divided by form: digital familiarity, which was measured via self-descriptions on various social media sites; entrepreneurial intention by a 6-item validated scale ($\alpha=0.91$) with specific emphasis on professional goals, risk-taking propensity, and venture commitment; and creativity ability is measured as technical talent and ability to produce technical digital materials such as graphics and videos. Baseline readiness was categorised, and the ability gap was identified by descriptive statistics (Mean and Standard Deviation). Cross-tabulation was next applied to detect the role of additional demographic variables (e.g., academic level (Diploma vs Degree) and working experience) on entrepreneurial inclination.

4. Results / Findings

Preliminary analysis of the pre-event data reveals a clear "monetisation" disconnect in the data. Students self-perceive that they have good digital familiarity ($M = 5.28$), but very little confidence with business readiness and professional content planning.

Table 1. Descriptive Statistics of Pre-event Readiness ($N = 163$)

Construct	Mean (M)	SD	Level
Digital Familiarity	5.28	1.34	High
Entrepreneurial Intention	4.82	1.25	Moderate
Content Creation Capability	4.61	1.48	Moderate

These findings confirm that before the AiDEA 2024 intervention, Asnaf students readily engaged with digital environments but lacked the concrete skills and entrepreneurial drive necessary to create commercial value. To achieve the third research objective, cross-tabulation was used to segment composite pre-event inclination scores (Low, Moderate, High) along demographic lines.

Table 2. Pre-event Inclination Level by Academic Background (%)

Demographic Group	Low	Moderate	High
Prior Work Experience			
Yes	7.5%	34.0%	58.5%
No	18.2%	45.4%	36.4%
Level of Study			
Diploma	10.2%	40.1%	49.7%
Degree	12.5%	48.3%	39.2%

The cross-tabulation reveals two key demographic trends. First, students with prior work experience display a significantly higher proportion of "High" entrepreneurial inclination (58.5%) than their inexperienced peers (36.4%). Second, Diploma students exhibit a higher inclination rate (49.7%) than Degree students (39.2%). This indicates that early exposure to the workforce and practical, vocational academic curricula naturally foster entrepreneurial readiness.

5. Discussion

As with any pre-event baseline findings, the direct empirical evidence supports the view that an experiential digital environment does not lead to entrepreneurial inclination. This data suggests a rather critical “digital native paradox” in Asnaf youth. They are willing to engage in digital media ($M = 5.28$) but are unable to build their commercial worth ($M = 4.61$) before the targeted intervention.

Their level of entrepreneurial inclination is average ($M = 4.82$) due to their low financial precarity. The huge psychological wall for this student is mainly due to the fear of failure. We must consider that the reason for the unwillingness is not only psychological but deep-rooted in systemic fact. Asnaf students encounter substantial external barriers to performing well due to insufficient startup capital, inadequate hardware for content editing, and limited digital infrastructure, which makes them wary of taking risks.

Additionally, even though this pre-site survey focused largely on broad technical capabilities, grasping these foundational skills like Search Engine Optimisation (SEO) and video editing is an essential prerequisite. Before students can participate ethically in the Halal ecosystem digitally, they need to cross this technical bridge to succeed in Shariah-compliant digital storytelling.

The demographic survey offers a deep, actionable directive for the AIDEA 2024 program strategy. Since students having experience with working and those enrolled in a hands-on Diploma had significantly higher entrepreneurial inclinations, it becomes clear that the theory is not enough (standard in Degree programmes). The crucial ingredient to business readiness among marginalised students is practical, real-world exposure. So, structured educational interventions like AiDEA that replicate reality are central to closing the so-called "Asnaf-to-Muzakki" gap on the job.

5.1 Recommendations and Practical Implications

All higher educational institutions should move their developments in entrepreneurship from digital literacy to a narrow insight into digital monetisation. Specialised modules should integrate feasible, practical, and viable content creation, like SEO optimisation or video editing, for the Shariah-compliant marketplace.

The Zakat institutions must move away from the conventional relief-based assistance to an “incubation-based” path. To optimise the distribution of these funds (Wahid et al., 2017), the data justifies utilizing Zakat to purposefully sponsor structured experiential learning programs (like digital bootcamps) accompanied by mentorship cycles to bridge the gap between academic theory and actual business practice

For the continuation of the Halal economy, building digital sandboxes that enable Asnaf entrepreneurs to experiment effectively with tangible goods and content tactics will be one choice. These supported environments create belief in the assertion of key previous work

experience they need, and, while doing so, lower the costs and entry barriers that prevent underserved students from acquiring access.

5.2 Limitations and Future Research

While this pre-event study lays a crucial groundwork for understanding the Asnaf demographic, it has several limitations. The study's sampling of 163 Asnaf students, while purposive, was limited to the UiTM Negeri Sembilan Branch, thus limiting its application in a wider Malaysian context. Future studies may employ stratified, multi-institutional sampling methods to check out and verify these demographic trends across a national scale.

Secondly, the use of a self-reported 7-point Likert scale to measure the capacity to generate digital content may lead to self-evaluation bias. Further research might consider performing an objective evaluation of a digital portfolio or measuring simulated business performance.

Moving forward, future research must develop specific scales to measure Shariah-compliant digital proficiency, including ethical traceability. Most importantly, because this quantitative descriptive design provides only a cross-sectional, pre-intervention snapshot, longitudinal follow-up is essential. Future studies should evaluate the post-event data from the AiDEA 2024 program to track the true, long-term efficacy of these educational interventions in transforming Asnaf students into sustainable Muzakki contributors.

6. Conclusion

Ultimately, the baseline data confirms that high digital familiarity is a dormant, untapped asset for Asnaf students. Before targeted intervention, a distinct monetisation gap prevents the realisation of true entrepreneurial capability within this demographic. Demographic evidence clearly demonstrates that practical exposure—achieved either through prior workforce experience or hands-on diploma studies—is the primary driver of entrepreneurial intent, effectively reducing both psychological and systemic risk barriers. To fully harness this potential, the execution of structured, risk-mitigated experiential learning programs, such as AiDEA 2024, is mandated. By bridging this gap through collaborative university and Zakat

partnerships, stakeholders can move beyond temporary aid to cultivate a self-sustaining generation of faith-driven digital entrepreneurs.

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Conflict of Interest

The authors declare no conflict of interest.

Declaration on the Use of Generative AI

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