**Exploring the benefits of digital literacy to entrepreneurial development**

Digital literacy is a broad term that defines different skills a modern entrepreneur should have. Technology has become an integral part of human lives and it is expected that business owners should know how to use business software tools, portable devices and how they can be configured to meet their everyday business needs.

One major lesson from the covid-19 experience is the need to **‘digitize to survive’** as digital technology is the lifeblood required to keep a business running in today’s highly dynamic and competitive business environment. By being digitally literate, an entrepreneur would be in an advantageous position to drive evolutionary change and stay ahead of traditional players in their respective industry.

Findings from a research on digital transformation conducted by [**Mckinsey & Company**](https://www.pipartners.com/digital-transformation-statistics/) showed that top benefits of digital transformation include improved operational efficiencies, ability to meet evolving customer expectations and improving the quality of new products. Given that digitalization optimizes a lot of processes and gives easier market access, it is expedient for 21st century entrepreneurs to be familiar with latest technologies.

Here’s why digital literacy is key for entrepreneurs.

* **Business Management**: There are lot of digital tools that helps automate business processes for improved efficiencies and reduced operational costs. For years, digital technology has provided business operators with a powerful tool to increase efficiencies and deliver growth. Using the latest technologies, entrepreneurs can keep a finger on the pulse of their businesses. For instance, offline business owners would be able to track sales using a smartphone in their hands while online entrepreneurs can track activities using monitoring software. Digital literacy helps entrepreneurs stay up to date with the most recent products for business management.
* **New customers and increased sales**: Digital literacy is an essential skill if you want to attract new customers. For instance, by adding your enterprise on Google Maps, you can get a lot of clients from the internet. The map helps people find the nearest companies in their area and builds routes for them. Being familiar with google trends, you can find the most searched item in your area and update your offerings in line with latest trends.

The keyword search tools (such as google and Bing) can find items people are interested in to satisfy the needs of potential customers. Online services can also help you set up target ads and promote your products to your targeted audience. Similarly, tools like customer relationship management (CRMs) helps you gather insights about clients in one place and process it efficiently.

* **Fast-paced learning**: With high level of digital literacy, entrepreneurs can easily discover how to improve their business. Also, they can connect with experts in different niches around the globe. They can use a device in their pockets to read guides and enroll in video courses on business management, customer relationship management, etc.
* **Long-term requirement for businesses**: Digital literacy is an essential need for entrepreneurs who want their businesses up and running for a long time. Technologies are constantly evolving. Consequently, when businesses refuse the need to expand their knowledge frontiers on digital literacy, it would then become increasingly difficult to compete in the business ecosystem.

***LSETF digital literacy drive***

Taking cognizance of the benefits of digital literacy to entrepreneurial development, the Lagos State Employment Trust is ramping up efforts to improve digital literacy among small businesses in Lagos State through its MSME Digital Literacy Programme.

The initiative aims to introduce the concept of digital literacy to the grassroots and mitigate vulnerability of the MSME ecosystem to future shocks. The program has supported hundreds of small business owners with digital literacy trainings and POS-enabled phones, with concrete plans to reach out to 5, 000 entrepreneurs in the foreseeable future.

Digital literacy is crucial for all entrepreneurs who want their businesses to grow. The progress brings a lot of new technologies that are used for organizing processes and attracting new clients. There is no option to stay aside from the race unless there are no competitors in your niche. However, if you use the benefits provided by modern technologies properly, you can increase profits significantly.