-RESEARCH ARTICLE-

DETERMINANTS OF VENTURE SUCCESS AND FAILURE IN RURAL CHIMBORAZO PROVINCE, ECUADOR

Gabith Miriam Quispe Fernández

Facultad de Ciencias Políticas y Administrativas,
Universidad Nacional de Chimborazo (UNACH),
Riobamba-Ecuador. Universidad de Alicante, spaña.
ORCID: https://orcid.org/0000-0002-7485-3669
Email: gquispe@unach.edu.ec.

José Miguel Giner-Pérez

Departamento de Economía Aplicada y Política
Económica, Universidad de Alicante, España.
ORCID: https://orcid.org/0000-0002-0996-5509
Email: giner@ua.es.

Víctor Dante Ayaviri-Nina

Universidad Nacional de Chimborazo (UNACH), Ecuador.
ORCID: https://orcid.org/0000-0002-3078-1771
Email: dayaviri@unach.edu.ec.

Edgar Anibal Rodríguez

Universidad Nacional de Chimborazo (UNACH), Ecuador.
ORCID: https://orcid.org/0000-0003-0649-2256
Email: earodriguez@unach.edu.ec,

─Abstract─

The success of businesses in rural environments in Ecuador hinges on a variety of factors, such as access to financial resources, education, family support, personal attributes, and local market conditions. These elements are crucial in ensuring the viability and long-term sustainability of entrepreneurial projects. Comprehending the

interplay between these factors is crucial for achieving meaningful advancements that can determine the fate of rural enterprises. In this context, we conducted a survey with 320 entrepreneurs in the rural area of the province of Chimborazo in Ecuador. The analysis utilised a structural equation model to examine and categorise the factors that contribute to the success or failure of rural enterprises. This approach aims to improve our understanding of the determinants that influence these businesses' outcomes. The proposed model utilizes statistical analysis programs like IBM SPSS Statistics and IBM SPSS Amos Graphics, which align with the structural equation model. Various factors, including where you live, your financial resources, the risks involved, and personal factors like family, education, and income, all play a crucial role in determining the success of ventures. Interestingly, gender does not seem to be a determining factor. Education is critical to rural enterprises' success. In a significant percentage of households, women take on the responsibility of being the head of the household in rural areas. This is often due to a high level of rural-urban migration or other factors. Local governments design and implement policies and strategies that positively impact all rural enterprises in the province of Chimborazo and Ecuador.

Keywords: Rural entrepreneurship, determinants, success and failure, gender, Ecuador.

INTRODUCTION

Rural enterprises play a significant role in the rural context as productive entities (Korsgaard et al., 2015; Martini et al., 2020; Mathur & Tripathi, 2014) and contribute to the development of localities (Apostolopoulos, 2017; Kumar, 2016). They hold economic and social value in rural development by utilising available resources (Dhewanto et al., 2020; Yomichan, 2021) and leveraging local potential for economic activity (Abilova et al., 2021). The success or failure of rural enterprises is often determined by the quality of human resources involved. Vlachou et al. (2021) examined the organizational capacity and specialization of rural ventures (Chai, 2022; Habersetzer et al., 2021).

The topic of rural entrepreneurship has been extensively studied by researchers in different countries. They have explored the connection between entrepreneurship and rural development, finding that individuals living in rural areas are more inclined to become entrepreneurs compared to their urban counterparts (Aggarwal, 2018; Yu & Artz, 2019). Additionally, some studies have emphasized the positive effects of rural entrepreneurship, such as job creation and local economic development (Conroy & Low, 2022; Yomichan, 2021). Therefore, the prosperity of rural entrepreneurship is crucial for the economic growth of local communities.

In rural areas, there are two types of entrepreneurships: profit-oriented activities and activities that utilise local resources (Dungey & Ansell, 2022; Korsgaard et al., 2015; Mathur & Tripathi, 2014; Quispe Fernández et al., 2017). However, the establishment of ventures in rural areas is hindered by contextual factors and local shortcomings (Apostolopoulos, 2017; Kumar, 2016). Additionally, the lack of access to new technologies further hampers the development of these ventures (Burnett & Danson, 2017; Newbery et al., 2017). The success of entrepreneurship in rural areas is influenced by factors such as good customer service, permanence, social skills, competitive products at a reasonable price (Mkhavele & Ntshakala, 2010), and the presence of networks or alliances with other companies, which can provide competitive advantages and strengthen the business (Betancourt et al., 2021; Gretzinger et al., 2018; Pato & Teixeira, 2018). Rural entrepreneurs face significant challenges throughout the process of idea generation, planning, and market entry. Success in this endeavour relies on local resources, logistics, finances, and human capital (Aggarwal, 2018; Daher et al., 2022; Yu & Artz, 2019) Failure may occur if entrepreneurs, communities, and institutions fail to actively engage in supporting these endeavours (Cierpial-Wolan & Slusarza, 2019; Zhu et al., 2019).

Figure 1: Map of the Chimborazo province, Ecuador.
Source: The world order, 2024

The success or failure of rural ventures is influenced by various factors, including internal and external resources (Mkhavele & Ntshakala, 2010; Vuković et al., 2018). Additionally, local, personal, and organisational aspects of the community play a role (Ayaviri-Nina et al., 2023). These challenges are often more pronounced in indigenous

rural areas (Betancourt et al., 2021; Utami et al., 2023). This research aims to identify the determinants of success and failure of rural enterprises in the province of Chimborazo, Ecuador. The research benefits both rural communities and the scientific community. Rural communities gain knowledge about the factors that impact the success or failure of their ventures. Additionally, the research is pioneering and opens up new avenues of investigation in this field for the scientific community.

The province is known for its rich artisanal culture and significant tourism development. The Guano Canton area is known for its highly developed craftsmanship, particularly in wool, leather, and textile manufacturing. These industries are the main economic activities and contribute significantly to the region's wealth. The location is central (see map 1)

The province has a population of 471,933 individuals, with 137,394 females (52.7%) and 123,488 males (47.3%). Chimborazo is comprised of ten cantons, consisting of a total of sixty-one parishes, encompassing both urban and rural areas. The cantons are governed by a municipality and a cantonal council, both elected by the population of their respective cantons, where a significant portion of the indigenous population resides. On average, there are ten large companies and approximately 600 small and medium-sized companies. Regarding rural enterprises, there is a limited number of registered productive units, which primarily operate as associations. On average, there were 320 such units included in the survey. This section presents a literature review on the success and failure of rural enterprises, as well as the methodology, results, discussion, and conclusions of the study.

LITERATURE REVIEW

Research examines the factors influencing the success and failure of entrepreneurship, including the role of social relationships, trust, cultural aspects (Mihail & Dinica, 2022), and the importance of sustainable livelihoods utilising local resources. Tabares et al. (2022) highlight the relevance of analysing rural ventures. Additionally, Khomiuk et al. (2022) emphasise the importance of public and private institutions in facilitating the establishment and growth of ventures. Hammer and Frimanslund (2022) note the significance of accessing informal resources for promoting growth in rural environments. Furthermore, the design of public policies and the promotion of business units are identified as contributing factors to entrepreneurship development (Polbitsyn, 2022). Others, however, it is acknowledged that community factors, including culture, young population, and context, have an impact on the level of engagement in entrepreneurial activities (Lose, 2023). Additionally, the integration of technology and social marketing programs contributes to effective business management. Rural enterprises (Tarasovych et al., 2023).

The success of entrepreneurship in rural areas is crucial for local development, job

creation, and the enhancement of living standards by utilising local resources effectively (Avramenko & Silver, 2010; Barmon, 2011; Sandberg & Öhman, 2011). Children's positive attitudes towards participation, as well as factors such as age, education level, parental dependency, and parental characteristics, have an impact on entrepreneurship in rural areas (Fathi et al., 2011; Utami et al., 2023). Additionally, success in rural entrepreneurship is influenced by motivations centred around family, strong bridging social connections, and not necessarily by education or the age of the business (Besser & Miller, 2013; Wang et al., 2023). Access to capital, goods and services, risk management, and support organisations are identified as crucial factors for sustainable development in rural areas by (Ansari et al., 2013). Additionally, Brezuleanu et al. (2013) emphasise the importance of promoting entrepreneurship and non-agricultural skills to foster business success in rural areas. Entrepreneurship in rural areas has the potential to stimulate tourism development, resulting in economic prosperity through local participation, job creation, and utilisation of resources by both local and foreign tourists (Sharif & Lonik, 2014).

In her research, Kumar (2016) highlights the importance of overcoming various challenges for the success of rural entrepreneurship. These challenges include risk aversion, financial constraints, and urban competition. By addressing these obstacles, rural development can be fostered through increased employment opportunities. In their study, Boohene and Agyapong (2017) shed light on the growing significance of rural entrepreneurship in Africa. Their findings underscore the importance of identifying common themes to enhance the success of entrepreneurship in rural development. Factors such as culture and financing could play a crucial role in this regard. The researchers employed a multivariate analysis methodology to arrive at their conclusions. In their research, it is demonstrated that various factors contribute to the success of rural entrepreneurship. These factors include dedication, offering high-quality products or services, and the desire to be self-employed (Vuković et al., 2018).

Additionally, success or failure can be influenced by experience and family dynamics (Aggarwal, 2018). Furthermore, entrepreneurs can achieve success by adopting strategies that are influenced by the resources and challenges present in their community (Deakins & Bensemann, 2019). According to additional research, the achievement of rural entrepreneurship is enhanced by inclusive approaches that engage the beneficiaries from the outset, addressing the lack of public funding or international cooperation (Romero-Castro et al., 2023). As a result, various factors play a role in determining the success or failure of rural entrepreneurship. These factors encompass economic and social aspects, job creation opportunities, and the significance they hold for rural development (Abbasi et al., 2021; Polbitsyn, 2022).

The experience of rural business failures can have a positive impact on the future by encouraging learning and promoting new business growth (Yamakawa et al., 2010).

According to Lundahl (2010), his study reveals that a key factor in the absence of entrepreneurial leaders is the insufficient presence of social capital and trust. According to Minello (2012), certain behavioural traits can significantly contribute to the failure of a business. These include arrogance, poor financial management skills, and a disregard for market analysis. In addition, according to Gladwin et al. (1989) there are several factors that can lead to the failure of rural entrepreneurship. These factors include a lack of understanding about the traits necessary for success, the impact of the community, the types of businesses that can be sustained, and the potential for the rural community to thrive. Therefore, the experience of entrepreneurial failure is an essential part of the entrepreneurial journey, redirecting attention away from mere success and towards embracing failure as a valuable chance for personal growth and a catalyst for economic development (Olaison & Meier Sørensen, 2014).

Therefore, in the realm of academia, the concept of venture failure is regarded as a significant threshold. This is because the perception of risk and potential loss greatly impacts decision-making and the way choices are framed within the entrepreneurial context (Green, 2015). Given their complex nature, as discussed by Bolinger and Brown (2015), it is evident that productivity levels tend to be lower (Sapovadia, 2015). In order to establish their identities, individuals often resort to narratives that highlight their failures (Castello et al., 2016), which can be attributed to a lack of effective management skills. The success of rural entrepreneurship is often hindered by global competition and poor business performance (Gosavi & Samudre, 2016). The challenges faced by rural entrepreneurs can be attributed to certain attitudes and resource limitations. These factors are further compounded by policies that do not adequately address the specific needs and abilities of entrepreneurs. Research has shown that a lack of experience and unfavourable market conditions contribute to the failure of ventures. Additionally, the fear of failure has a significant impact on entrepreneurship, affecting both its development and sustainability in the market (Abbasi et al., 2021; Games & Sari, 2020).

Additional studies suggest that limitations on specific resources, such as financial resources, and the insufficient training and education of entrepreneurs in rural areas, may contribute to their lack of success (Prasad & Naveena, 2021). Furthermore, factors such as restricted investment capacity, age, confidence, and the utilisation of media are also associated with the outcomes of rural entrepreneurship (Celbiş, 2021; Czakon et al., 2024). As evident in the literature, there is a significant amount of interest in rural enterprises and their outcomes. This research specifically examines the rural context of the Chimborazo province in Ecuador, which is considered pioneering and relevant due to the lack of previous investigations in this sector.

METHODOLOGY

The research utilises a non-experimental approach and involves gathering cross-

sectional data by conducting a survey among 320 rural entrepreneurs in the Chimborazo province of Ecuador. The aim is to include the entire population registered in rural municipal governments. The surveys are conducted in a supervised manner, specifically, face-to-face at the entrepreneur's residence. The questionnaire was designed using a variety of question types, including dichotomous, structured, Likert scale, and open-ended questions. Its validity was confirmed through the use of Cronbach's Alpha, which yielded a value of 0.81. This validation process ensures the reliability of both the instrument and the collected data. It is important to mention that the University's ethics commission granted permission for the data collection, as this research involves individuals in rural areas. The study utilises both qualitative and quantitative methods. Initially, the study problem is described, followed by a quantitative analysis of the findings using descriptive correlational analysis.

In order to analyse and validate the hypotheses, researchers often utilise the structural equation model. This statistical methodology allows for the examination and establishment of relationships between intricate variables (Reisinger & Turner, 1999). The IBM SPSS Amos software was utilised to construct and analyse the proposed model. Various constructs were applied to establish interconnections, with a focus on identifying the study variables. In the study, the measurement equations are specified to represent the relationship between the latent variable and its indicators. In addition, the structural equation that combines the various measurement equations into one equation for the study variable is displayed.

Determinants of rural entrepreneurship as a latent variable

Measurement equations:

- Rural Entrepreneurship $= \lambda P1 * P1(\text{observable}) + \varepsilon P1$
- Rural Entrepreneurship $= \lambda P2 * P2(\text{observable}) + \varepsilon P2$
- Rural Entrepreneurship $= \lambda P3 * P3(\text{observable}) + \varepsilon P3$
- Rural Entrepreneurship $= \lambda P4 * P4(\text{observable}) + \varepsilon P4$
- Rural Entrepreneurship $= \lambda P5 * P5(\text{observable}) + \varepsilon P5$
- Rural Entrepreneurship $= \lambda P6 * P6(\text{observable}) + \varepsilon P6$
- Rural Entrepreneurship $= \lambda P7 * P7(\text{observable}) + \varepsilon P7$
- Rural Entrepreneurship $= \lambda P8 * P8(\text{observable}) + \varepsilon P8$
- Rural Entrepreneurship $= \lambda P9 * P9(\text{observable}) + \varepsilon P9$
- Rural Entrepreneurship $= \lambda P10 * P10(\text{observable}) + \varepsilon P10$
- Rural Entrepreneurship $= \lambda P11 * P11(\text{observable}) + \varepsilon P11$
- Rural Entrepreneurship $= \lambda P12 * P12(\text{observable}) + \varepsilon P12$
- Rural Entrepreneurship $= \lambda P13 * P13(\text{observable}) + \varepsilon P13$
- Rural Entrepreneurship $= \lambda P14 * P14(\text{observable}) + \varepsilon P14$
- Rural Entrepreneurship $= \lambda P15 * P15(\text{observable}) + \varepsilon P15$
- Rural Entrepreneurship $= \lambda P16 * P16(\text{observable}) + \varepsilon P16$

- Rural Entrepreneurship = λ P17 * P17(observable) + ε P17
- Rural Entrepreneurship = λ P18 * P18(observable) + ε P18
- Rural Entrepreneurship = λ P19 * P19(observable) + ε P19
- Rural Entrepreneurship = λ P20 * P20(observable) + ε P20
- Rural Entrepreneurship= λ P21 * P21(observable) + ε P21
- Rural Entrepreneurship = λ P22 * P22(observable) + ε P22
- Rural Entrepreneurship = λ P23 * P23(observable) + ε P23
- Rural Entrepreneurship = λ P24 * P24(observable) + ε P24
- Rural Entrepreneurship = λ P25 * P25(observable) + ε P25
- Rural Entrepreneurship = λ P26 * P26(observable) + ε P26
- Rural Entrepreneurship = λ P27 * P27(observable) + ε P27
- Rural Entrepreneurship = λ P28 * P28(observable) + ε P28
- Rural Entrepreneurship = λ 29 * P29(observable) + ε P29
- Rural Entrepreneurship = λ P30 * P30(observable) + ε P30
- Rural Entrepreneurship= λ P31 * P31(observable) + ε P31
- Rural Entrepreneurship = λ P32 * P32(observable) + ε P32
- Rural Entrepreneurship = λ P33 * P33(observable) + ε P33
- Rural Entrepreneurship = λ P34 * P34(observable) + ε P34
- Rural Entrepreneurship = λ P35 * P35(observable) + ε P35
- Rural Entrepreneurship = λ P36 * P36(observable) + ε P36
- Rural Entrepreneurship = λ P37 * P37(observable) + ε P37
- Rural Entrepreneurship = λ P38 * P38(observable) + ε P38
- Rural Entrepreneurship = λ P39 * P39(observable) + ε P39
- Rural Entrepreneurship = λ P40 * P40(observable) + ε P40

Structural equation for Determinants of rural entrepreneurship:

Rural Entrepreneurship= λ1 * P1 + λ2 * P2 + λ3 * P3 + λ4 * P4 +λ5 * P5 + λ6 * P6 + λ7 * P7+ λ8 * P8 + λ9 * P9 + λ10 * P10…+ λ40 * P40 + ε.

The structural equation formulation combines the various measurement equations into a single equation that represents the underlying structure, which is then integrated into the model.

RESULTS

Descriptive Statistics

The descriptive statistics indicate that the means of the variables fall within the range of 1 to 4, suggesting that the data is primarily concentrated towards the lower and intermediate values. These findings indicate a leaning towards lower or moderate responses on the scale employed. Regarding the variables that represent monetary amounts, they are connected to the minimum values. The standard deviations, ranging from 0 to 2 for most variables, indicate that the data show a moderate level of dispersion.

This suggests that the responses are relatively consistent, with the exception of variable P11, which exhibits a higher standard deviation of (3.3), indicating greater variability. Regarding the asymmetry, the variables display positive values ranging from 0 to 2, suggesting a distribution that is mostly symmetrical with a slight bias towards the right. On the other hand, variables P11 and P35 exhibit negative values of asymmetry, with values of (-0.87) and (-0.1) respectively. This suggests a left-skewed distribution. These findings serve as the foundation for the subsequent statistical research techniques.

Confirmatory Factor Analysis

In order to conduct the confirmatory factor analysis of the data, the KMO test is initially utilised using the SPSS software. This test assesses the suitability of the data for the confirmatory factor analysis, providing an indication of the significance of the observed variables. Table 1 presents the results of the KMO and Bartlett test, indicating that the KMO value is 0.74. This value surpasses the minimum threshold of 0.50, which is necessary to determine the viability of the confirmatory factor analysis. The Bartlett test, on the other hand, showed a value of 0.000, which is lower than the significance level of 0.05. This result provides support for the importance of the factor analysis. The data has been found to be adequate for further testing, indicating a strong correlation between the observed variables. This supports the inclusion of confirmatory factor analysis.

Table 1: Try KMO and Bartlett

Proposed assessment intervals for Kaiser-Meyer-Olkin		
1.00 KMO> 0.70	Well	
0.70 KMO> 0.50	Not very acceptable	
0.50 KMO 0.00	Bad	
Try KMO and Bartlett		
Kaiser-Meyer-Olkin measure of sampling adequacy		.740
Bartlett's test of sphericity	Approx. Chi squared	235.156
	Gl	66
	Next.	.000

Note: Own elaboration based on surveys applied and processed in SPSS Statistic and Amos Graphics.

Structural Equation Model

The model proposed for the study of structural equations focusses on the observable or determining variables that are connected to the rural entrepreneurship variable. It is built upon confirmatory factor analysis. The main goal is to analyse the impact of the indicator variables on the outcome of rural entrepreneurship, whether it is successful or not. The model depicted in Figure 1 illustrates the correlation between the study variables.
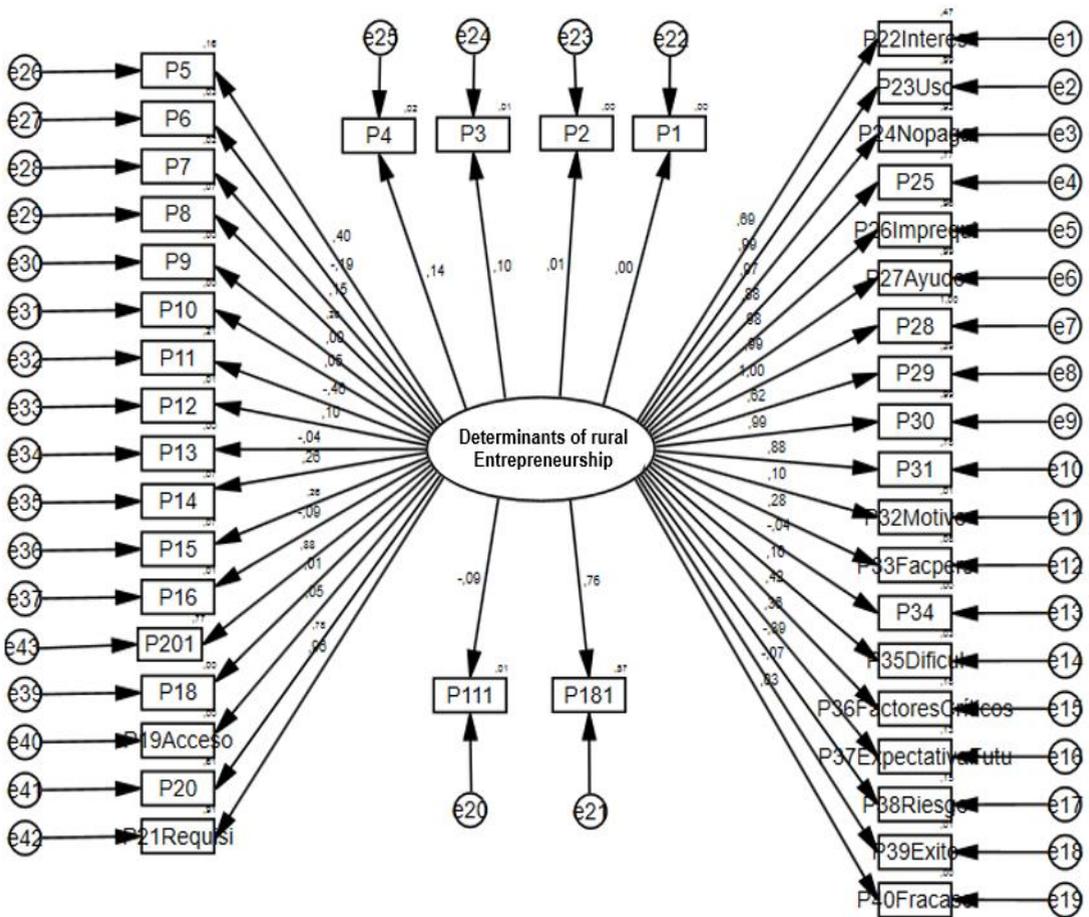
Figure 1: Structural equation model.
Note: Own elaboration based on surveys applied and processed in SPSS Statistic and Amos Graphics.

The figure illustrates the relationships and outcomes that indicate the significant impact of various factors on rural entrepreneurship in Chimborazo. These relationships have values greater than 0.0, with the most influential variables being P21 (0.9), which relates to microcredit requirements, P23 (0.99), which represents resource utilisation in entrepreneurial activities, and P28 (1.00), which signifies the income generated by rural entrepreneurship.

Hypothesis Testing Of Model Relationships

In the relationship test of the structural equation model, the p value is utilised to assess the significance of the relationships between the variables included in the model. It is crucial for the p value to be less than 0.05, indicating that the relationship between the variables is statistically significant, see Table 2.

Table 2: Hypothesis testing, model Relationship

			Estimate	HE	C.R.	Q
P22	<---	Determinants_EmpreRural	1.000			
P23	<---	Determinants_EmpreRural	10.270	.609	16.868	***
P24	<---	Determinants_EmpreRural	9.573	.583	16.428	***
P25	<---	Determinants_EmpreRural	17.023	1.135	15.000	***
P26	<---	Determinants_EmpreRural	22.231	1.335	16.658	***
P27	<---	Determinants_EmpreRural	25.182	1.493	16.871	***
P28	<---	Determinants_EmpreRural	6.225	.368	16.909	***
P29	<---	Determinants_EmpreRural	24.667	2.269	10.871	***
P30	<---	Determinants_EmpreRural	12.297	.730	16.849	***
P31	<---	Determinants_EmpreRural	31.321	2.073	15.108	***
P32	<---	Determinants_EmpreRural	.655	.367	1.785	.074
P33	<---	Determinants_EmpreRural	1.286	.257	4.998	***
P34	<---	Determinants_EmpreRural	-.229	.332	-.688	.492
P35	<---	Determinants_EmpreRural	.680	.232	2.927	.003
P36	<---	Determinants_EmpreRural	1.591	.213	7.472	***
P37	<---	Determinants_EmpreRural	.521	.081	6.433	***
P38	<---	Determinants_EmpreRural	-1.371	.200	-6.864	***
P39	<---	Determinants_EmpreRural	-.295	.231	-1.275	.002
P40	<---	Determinants_EmpreRural	.069	.148	.466	.041
P111	<---	Determinants_EmpreRural	-.541	.336	-1.610	.107
P181	<---	Determinants_EmpreRural	44485.193	3391.800	13.116	***
P1	<---	Determinants_EmpreRural	.051	1.076	.048	.006
P2	<---	Determinants_EmpreRural	.076	.355	.214	.830
P3	<---	Determinants_EmpreRural	1.086	.591	1.837	.066
P4	<---	Determinants_EmpreRural	2.064	.835	2.472	.059
P5	<---	Determinants_EmpreRural	6.010	.859	6.999	***
P6	<---	Determinants_EmpreRural	-1.957	.589	-3.324	***
P7	<---	Determinants_EmpreRural	1.722	.651	2.644	.008
P8	<---	Determinants_EmpreRural	709.597	152.795	4.644	***
P9	<---	Determinants_EmpreRural	-.002	1.275	-.002	.999
P10	<---	Determinants_EmpreRural	.434	.497	.872	.383
P11	<---	Determinants_EmpreRural	-19.446	2.381	-8.166	***
P12	<---	Determinants_EmpreRural	1.779	1.025	1.735	.083
P13	<---	Determinants_EmpreRural	-.509	.698	-.729	.466
P14	<---	Determinants_EmpreRural	3.375	.721	4.682	***
P15	<---	Determinants_EmpreRural	733.203	156.800	4.676	***
P16	<---	Determinants_EmpreRural	-1.463	.962	-1.521	.128
P18	<---	Determinants_EmpreRural	.042	.196	.216	.829
P19	<---	Determinants_EmpreRural	.157	.176	.894	.037
P20	<---	Determinants_EmpreRural	47619.270	3536.525	13.465	***
P21	<---	Determinants_EmpreRural	7.420	.456	16.273	***
P201	<---	Determinants_EmpreRural	230.079	15.312	15.026	***

Note: Own elaboration based on surveys applied and processed in SPSS Statistic and Amos Graphics

According to Table 2, it can be observed that most of the assessed relationships satisfy the predetermined criteria. Nevertheless, there are several exceptions that fail to meet these criteria. Specifically, variable P32 has a p-value of (0.074), which exceeds the usual threshold for statistical significance. Similarly, the variables p34 and p111 have values of 0.49 and 0.107, respectively, which suggests that there is no statistical significance. In addition, the p values for variables P2 and P3 are 0.83 and 0.66, indicating a weak relationship. As a result, these variables are not considered relevant to the model. The value of P4, 0.059, may not be sufficient when considering other factors in the analysis. Similarly, variables P9 and P10, with values of 0.99 and 0.38 respectively, fail to meet the required level of significance.

Additional variables, namely P12 (0.083), P13 (0.46), P16 (0.12), and P18 (0.82), also exhibit values above the acceptable threshold, suggesting the absence of a statistically significant relationship. Based on the high p values, it was determined that these relationships should be removed from the model. Their inclusion does not contribute significantly to the improvement of the analysis and may unnecessarily complicate it. Hence, the variables p32, p34, p111, p2, p3, p4, p9, p10, p12, p13, p16, and p18 are excluded to enhance the precision and robustness of the final model. The decision to focus on relationships that demonstrate clear statistical significance is made in order to maintain a parsimonious and statistically sound model.

Optimizing Model Relationship Hypothesis Testing

Table 3 displays the relationship test of the adjusted model, excluding non-contributing relationships. This table presents an analysis of the significant relationships among the remaining variables, aiding in a more precise comprehension of the structure of the optimised structural equation model (Oladele & Nubong, 2022; Teunen et al., 2022).

Table 3 displays the relationships between the variables, specifically highlighting the p values below 0.05. This indicates the statistical significance of these connections in the final model. The model's robustness and validity have been enhanced by eliminating non-contributing relationships. The variable P40, with a value of (0.044), is highlighted as it is close to the threshold and remains significant for the structural equation model (Idan, 2022; Muthuswamy & Sudhakar, 2023).

Final Model

Figure 2 presents the final structural equation model, which visually represents the strength of each indicator in relation to the rural entrepreneurship variable. This visualisation enhances our understanding of the underlying structure in the model.

Table 3: Hypothesis testing optimization, model relationships.

			Estimate	HE	C.R.	Q
P22	<---	Determinants_RuralEntrepreneurship	1.000			
P23	<---	Determinants_RuralEntrepreneurship	10.272	.609	16.859	***
P24	<---	Determinants_RuralEntrepreneurship	9.575	.583	16.419	***
P25	<---	Determinants_RuralEntrepreneurship	17.031	1.136	14.997	***
P26	<---	Determinants_RuralEntrepreneurship	22.236	1.336	16.649	***
P27	<---	Determinants_RuralEntrepreneurship	25.188	1.494	16.862	***
P28	<---	Determinants_RuralEntrepreneurship	6.227	.368	16.901	***
P29	<---	Determinants_RuralEntrepreneurship	24.666	2.270	10.866	***
P30	<---	Determinants_RuralEntrepreneurship	12.301	.730	16.841	***
P31	<---	Determinants_RuralEntrepreneurship	31.330	2.075	15.102	***
P33	<---	Determinants_RuralEntrepreneurship	1.286	.257	4.996	***
P35	<---	Determinants_RuralEntrepreneurship	.680	.232	2.924	.003
P36	<---	Determinants_RuralEntrepreneurship	1.590	.213	7.466	***
P37	<---	Determinants_RuralEntrepreneurship	.521	.081	6.429	***
P38	<---	Determinants_RuralEntrepreneurship	-1.371	.200	-6.860	***
P39	<---	Determinants_RuralEntrepreneurship	-.295	.231	-1.273	.003
P40	<---	Determinants_RuralEntrepreneurship	.069	.148	.463	.044
P181	<---	Determinants_RuralEntrepreneurship	44493.52	3393.78	13.110	***
P1	<---	Determinants_RuralEntrepreneurship	.051	1.076	.047	.006
P5	<---	Determinants_RuralEntrepreneurship	6.009	.859	6.995	***
P6	<---	Determinants_RuralEntrepreneurship	-1.960	.589	-3.327	***
P7	<---	Determinants_RuralEntrepreneurship	1.722	.651	2.644	.008
P8	<---	Determinants_RuralEntrepreneurship	709.183	152.842	4.640	***
P11	<---	Determinants_RuralEntrepreneurship	-19.448	2.382	-8.164	***
P14	<---	Determinants_RuralEntrepreneurship	3.373	.721	4.678	***
P15	<---	Determinants_RuralEntrepreneurship	732.773	156.848	4.672	***
P19	<---	Determinants_RuralEntrepreneurship	.157	.176	.893	.037
P20	<---	Determinants_RuralEntrepreneurship	47625.75	3538.64	13.459	***
P201	<---	Determinants_RuralEntrepreneurship	230.158	15.323	15.021	***
P21	<---	Determinants_RuralEntrepreneurship	7.423	.456	16.266	***

Note: Own elaboration based on surveys applied and processed in SPSS Statistic and Amos Graphics.

The final structural equation model emphasises the significant relationships, demonstrating a strong interdependence between the variables. This approach enables the identification of the most significant connections, which forms a strong foundation for comprehending the underlying relationships. The final map of structural equations recognises the variables as crucial factors within the model, but it's important to note that certain key variables significantly impact the success or failure of rural enterprises. P5 is valued at 0.49, suggesting that the level of education plays a significant role in determining the success of entrepreneurship. P21, with a value of 0.96, represents the requirements needed to access microcredits. P22, with a value of 0.7, refers to the interest rates involved. P23, with a value of 0.99, represents the venture's utilization. Lastly, P28, with a value of 1.00, is closely tied to the income generated by the venture.

The model highlights the variables as the most influential factors, highlighting their crucial significance in assessing the performance of rural enterprises in Ecuador.
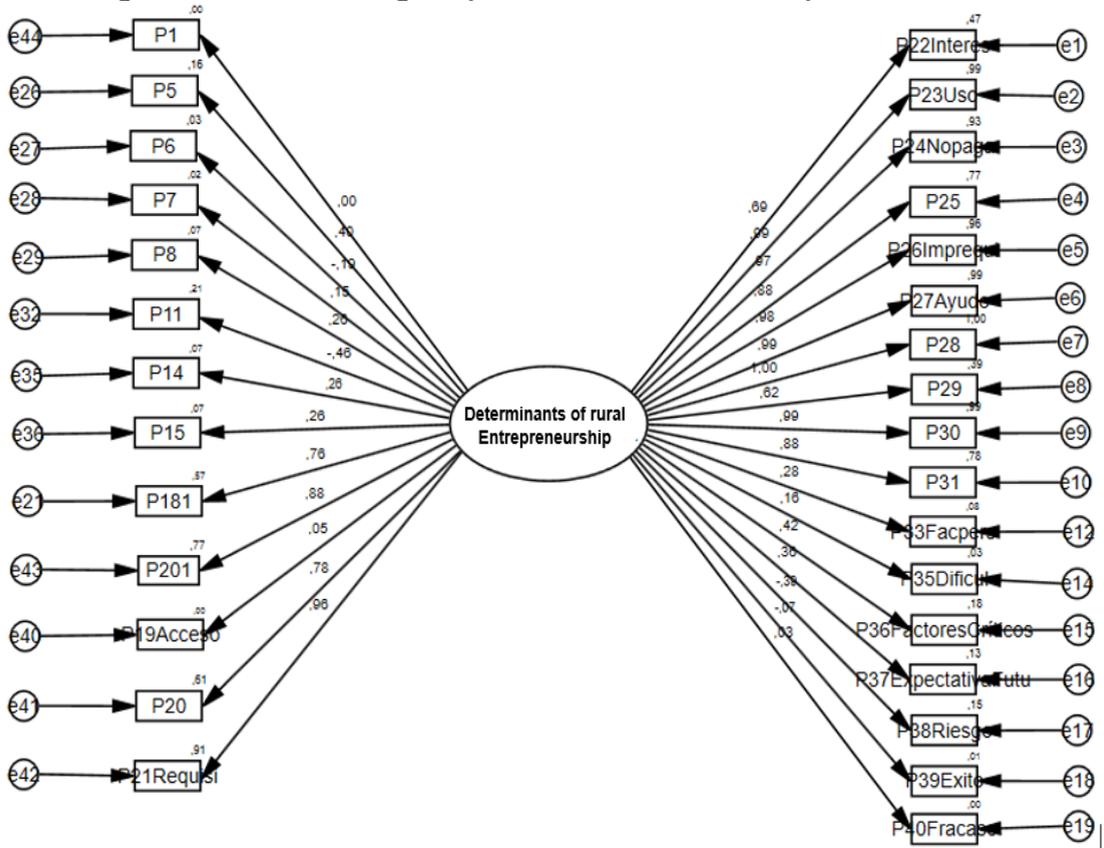

Figure 2: Final structural equation model.
Note: Own elaboration based on surveys applied and processed in SPSS Statistic and Amos Graphics.

Classification of Significant Determinants for Rural Entrepreneurship

Based on the structural equation model, the performance of rural enterprises can be classified according to the key determinants that impact them. The variables have been carefully assessed and classified based on their importance and statistical significance in the model, please refer to Table 4.

This classification process has enabled the identification and prioritization of the factors that have the greatest impact on the success or failure of rural enterprises. The accuracy of this classification offers a clear indication of the factors that range from the least influential, such as variable P1 with a value of (0.00), suggesting that the company's operating time has minimal impact on its success or failure, to the most influential factors, such as variable P28 with a value of (1.0), which is directly linked to the income

generated by the rural entrepreneurship. This highlights the crucial role of income in determining the success or failure of the entrepreneurship.

Table 4: Classification of the determinants for the success and failure of rural entrepreneurship.

Variable	Meaning	Worth	Determinate Assessment
P1	Company operating time	0.00	weak determinant
P5	Education level	0.49	Determine yourself moderate
P6	Family boss	-0.19	Low determinant
P7	Family group	0.15	Low determinant
P8	Monthly income	0.26	Moderate determinant
P11	Location of economic activity	0.46	Moderate determinant
P14	Number of workers	0.26	Moderate determinant
P15	Monthly income in the microbusiness	0.26	Moderate determinant
P181	Microcredit value	0.76	High determinant
P201	Timemonth	0.88	strong determinant
P19	Access to cooperative services	0.05	weak determinant
P20	Amount	0.78	High determinant
P21	Requirements	0.96	strong determinant
P22	Interest rate	0.69	High determinant
P23	Use	0.99	strong determinant
P24	Does not pay on time	0.07	weak determinant
P25	Experience	0.88	strong determinant
P26	Importance of requirements	0.98	strong determinant
P27	Ways to help microcredit	0.99	strong determinant
P28	Income from your business	1.00	strong determinant
P29	Income amount	0.62	High determinant
P30	Microcredit or credit rescheduling	0.99	strong determinant
P31	Repsoli	0.88	strong determinant
P33	Personal or family factors of entrepreneurship	0.28	Moderate determinant
P35	Difficulties in entrepreneurship	0.16	Low determinant
P36	Critical factors of entrepreneurship	0.42	Moderate determinant
P37	Entrepreneurship expectations	0.30	Moderate determinant
P38	Entrepreneurship risk	-0.39	Moderate determinant
P39	Entrepreneurship success	0.07	weak determinant
P40	Entrepreneurship failure	0.03	weak determinant

Note: Own elaboration based on surveys applied and processed in SPSS Statistic and Amos Graphics.

Evaluation for Decision Making

Decisions are made by carefully analysing the interactions between the study variables, using the p value criterion as a guide. If the value is less than 0.05, the relationship between the variables is considered statistically significant within the framework of the structural equation model. This result affirms the validity of the proposed hypotheses, offering a strong foundation for decision making. Next, we will now proceed to contrast the hypotheses in Table 5.

Table 5: Contrast of relationship for the acceptance or rejection of the hypothesis

			Estimate	P Label
P22	<---	Determinants_EmpreRural	1.000	0.000
P33	<---	Determinants_EmpreRural	1.286	0.000
P35	<---	Determinants_EmpreRural	.680	0.003
P36	<---	Determinants_EmpreRural	1.591	0.000
P37	<---	Determinants_EmpreRural	.521	0.000
P38	<---	Determinants_EmpreRural	-1.371	0.000
P39	<---	Determinants_EmpreRural	-.295	0.002
P40	<---	Determinants_EmpreRural	.069	0.041
P111	<---	Determinants_EmpreRural	-.541	0.107
P1	<---	Determinants_EmpreRural	.051	0.006
P2	<---	Determinants_EmpreRural	.076	0.830
P3	<---	Determinants_EmpreRural	1.086	0.066
P4	<---	Determinants_EmpreRural	2.064	0.059
P5	<---	Determinants_EmpreRural	6.010	0.000
P6	<---	Determinants_EmpreRural	-1.957	0.000
P7	<---	Determinants_EmpreRural	1.722	0.008
P8	<---	Determinants_EmpreRural	709.597	0.000
P11	<---	Determinants_EmpreRural	-19.446	0.000
P14	<---	Determinants_EmpreRural	3.375	0.000
P19	<---	Determinants_EmpreRural	.157	0.037
P21	<---	Determinants_EmpreRural	7.420	0.000

Note: Own elaboration based on surveys applied and processed in SPSS Statistic and Amos Graphics

Table 5 presents the relationship between the variable operating time of the company (P1) and Rural Entrepreneurship (H1: 0.006 $p < 0.05$), followed by P2, P3, P4 and Rural Entrepreneurship (H2 and H3: 0. 83 $p > 0.05$), the relationship with P5, P6, P7 and P8 shows that (H4 and H5: 0.00 $p < 0.05$), P11 (H6: 0.000 $p < 0.05$), P14 shows that (H7: 0.00 $p < 0.05$), P19 indicates that (H8: 0.03 $p < 0.05$), P21 (H9: 0.00 $p < 0.05$), P22, P33, P36, P37 , P38 and P39 show that the hypotheses (H10, H11, H12, H13, H14, and H15: 0.000 $p < 0.05$), and finally the variable P40 indicates that (H16: 0.04 $p < 0.05$) . From this analysis, based on the coefficients that are below or above 0.05, the confirmation or rejection of the hypotheses is sought, as shown in Table 6.

The confirmation of the hypotheses enabled us to accept and reject the hypotheses, as indicated in Table 6. This table presents the proposed relationships between the variables of the model. The results of this study provide evidence that the variables examined play a crucial role in determining the success or failure of rural enterprises in Ecuador. Similarly, it has been noted that specific factors have a greater impact, including personal attributes, educational background, family circumstances, venture income, financing considerations, crucial factors, and the geographical location of economic activities.

Table 6: Confirmation of the hypotheses.

	Hypotheses raised	**Compliance**
H1	The longer the company has been in operation, the greater the success of rural enterprises.	ACCEPTED
H2	Registration in the Internal Revenue Service (SRI) is positively related to the success of rural enterprises.	REJECTED
H3	Aspects such as gender, age and marital status of the entrepreneur significantly influence the success of rural ventures.	REJECTED
H4	The higher the level of education of the rural entrepreneur, the greater the success of the ventures.	ACCEPTED
H5	Aspects such as being the head of the household, family group and monthly income significantly influence the success of rural enterprises.	ACCEPTED
H6	The better the location of the economic activity, the greater the success of rural enterprises.	ACCEPTED
H7	The number of workers employed by the rural company is related to the success or failure of the ventures.	ACCEPTED
H8	The greater the services of the cooperatives, the greater the success of rural enterprises.	ACCEPTED
H9	The higher the requirements and interest rates of the loans, the greater the barriers to the success of the ventures.	ACCEPTED
H10	Personal and family factors influence the success or failure of rural ventures.	ACCEPTED
H11	The greater the difficulties for the entrepreneur, the less the success in rural entrepreneurship.	ACCEPTED
H12	The greater the fulfillment of the critical factors, the lower the failure in rural entrepreneurship.	ACCEPTED
H13	The higher the level of expectations, the greater the success or failure of rural enterprises.	ACCEPTED
H14	The higher the risks of entrepreneurship, the higher the level of business failure.	ACCEPTED
H15	The greater the combination of positive factors in the company, the greater the success of rural enterprises.	ACCEPTED
H16	The greater the combination of negative factors in the company, the greater the impact on the failure of rural enterprises.	ACCEPTED

Note: Own elaboration based on surveys applied and processed in SPSS Statistic and Amos Graphics.

DISCUSSION

The findings of this study offer strong evidence in support of the initial hypotheses, with some hypotheses being confirmed and others being disproven. In general, the findings provide evidence in favour of the proposed hypotheses. The analysis conducted using structural equation models uncovers a noteworthy correlation that enables the identification and categorisation of various factors influencing the research. Various factors, including the duration of stay and the availability of financial resources, are crucial in determining the success of rural ventures. Additionally, the geographical location of these ventures is closely tied to their level of success, which aligns with the findings of recent research (Dal Bello et al., 2022; Liu et al., 2021; Romero-Castro et

al., 2023; Shao et al., 2022). Similarly, the proximity to important markets and access to necessary services can greatly enhance the potential of rural businesses (Puzi et al., 2020). The factors that contribute to success in a venture are strongly connected to personal and family dynamics. Specifically, the trust and culture within a family have a significant impact on the success of rural ventures (Betancourt et al., 2021; Prado et al., 2022; Saleh & Alaallah, 2022).

Additional authors concur that education plays a crucial role in determining success for individuals of all genders. Furthermore, they suggest that individuals with higher levels of training are more likely to achieve greater success in their entrepreneurial endeavours (Besser & Miller, 2013; Jurado Paz, 2022; Martini et al., 2020). Education not only imparts vital knowledge and skills, but also plays a crucial role in fostering competencies, skills, and a greater capacity for innovation (Dungey & Ansell, 2022; Römer-Paakkanen & Suonpää, 2023). According to Ranjith (2022), it is crucial to prioritise entrepreneurial education as it plays a significant role in the development of the rural economy. Education among women in rural areas plays a crucial role in establishing a strong foundation for the success of local businesses (Conroy & Low, 2022; Daher et al., 2022; Quispe Fernandez et al., 2023; Rodríguez-Espinosa et al., 2020). In rural ventures, the success achieved is greatly influenced by the experience, risks, and impact of the family. The entrepreneurs who have accumulated experience are able to make more informed and strategic decisions, allowing them to take advantage of opportunities that may not be obvious to those with less experience.

Moreover, the effective management of risks is crucial in rural environments Prado et al. (2022), where the family plays a vital role in providing emotional stability and resources. This factor becomes a determining factor for the sustainability and success of rural ventures (Quispe Fernandez et al., 2023). Additionally emphasised is the duty of assuming the role of the household leader, financial earnings, and the ability to secure funding. In a similar vein, Kumar (2016) highlights that the revenue generated by the venture plays a crucial role in determining the sustainability of the business unit. Additionally, the level of responsibility shouldered by individuals who are the primary providers for their families also contributes to the success of these ventures (Chen & Barcus, 2024; Dungey & Ansell, 2022; Kapsdorferová et al., 2021; Lubis & Pratama, 2022).

Similar to the authors mentioned earlier, this study used structured equations and classified determinants to analyse the factors that contribute to the success or failure of rural enterprises. The findings revealed that the most important factors are education level, family dynamics, location of economic activity, and particularly, access to financial support from institutions. Furthermore, it was noted that the revenue generated from endeavours to address financial obligations is also a significant factor. These findings emphasise the significance of a robust educational background, support from

family, a strategic location, and access to sufficient financing for the long-term success and expansion of rural businesses.

CONCLUSIONS

Through extensive research, experts have identified the key factors that contribute to the success or failure of rural enterprises. These factors, including location, access to financial resources and risks, as well as personal factors like family, education and income, are crucial elements in these types of businesses. The comprehension and effective handling of these factors can be the deciding factor in the outcome of projects in rural areas. Therefore, it will have a positive impact on both the local economy and the well-being of rural communities, fostering a more sustainable form of development.

The use of the structural equation model has been crucial in uncovering the connections between the various factors that impact the success or failure of rural enterprises. This model has enabled us to thoroughly assess the 16 hypotheses put forward, drawing on theory and the multiple factors that impact rural enterprises. The evaluation results have revealed the acceptance and rejection of various hypotheses, shedding light on the crucial relationships and influences of these determinants in the province of Chimborazo, Ecuador. These factors play a significant role in determining the success or failure of rural enterprises. These findings not only enhance our understanding of rural entrepreneurship from an academic perspective, but also offer valuable insights for developing strategies that foster entrepreneurial initiatives in this region.

In the same way, the determinants influencing the success and failure of rural enterprises were classified. The performance factors of these ventures have been identified and categorised through a rigorous analysis and the application of the structural equation model. Key determinants of influence include financing, location, venture income, education, family group, economic income, and personal and family factors. This classification offers a comprehensive understanding of the key factors that should be prioritised to enhance the success of rural enterprises. The study finds that gender does not play a significant role in determining the success of rural enterprises in the Chimborazo province. However, education and the responsibility of being the head of the household are important factors. In a significant percentage of cases, women in rural areas take on the role of leading the household, which can be attributed to high levels of rural-urban migration or migration abroad.

It is advisable for local governments to develop policies and strategies that support and incentivise the establishment of businesses in rural areas. These efforts should be complemented by training programs designed to enhance competencies and skills, ultimately leading to improved business creation and sustainability in the market. Exploring avenues for funding through strategic partnerships, including international cooperation, private sector collaborations, and government support, can play a crucial

role in ensuring access to specific resources and markets. This research enables the exploration of studies involving the management, marketing, and competitiveness of rural enterprises in the province of Chimborazo and Ecuador.

The research faced limitations in accessing data, primarily due to the cultural mistrust among the rural population when it comes to sharing data and information. In the case of entrepreneurs, these limitations are particularly evident as they are cautious about sharing information with competitors. However, the lack of support from rural municipal governments indicates that many enterprises struggle to expand and tap into new markets. Ultimately, the team of researchers successfully fulfilled the need to finance and explore the rural area in search of potential ventures.

REFERENCES

Abbasi, M., Jafari, H., & Alizadeh, K. (2021). Factors That Influence Rural Entrepreneurship: Case-Study Evidence from Torbat-E Heydarie, Kadkan District. *Propósitos y Representaciones*, *9*(3), 62. https://dialnet.unirioja.es/servlet/articulo?codigo=8111741

Abilova, E., Zakharova, E., & Davydov, D. (2021). Rural entrepreneurship in the region. E3S Web of Conferences, https://doi.org/10.1051/e3sconf/202125806034

Aggarwal, A. (2018). Rural entrepreneurship development ecosystem–an emerging paradigm of rural socio-economic development. *Available at SSRN 3184127*. https://dx.doi.org/10.2139/ssrn.3184127

Ansari, B., Mirdamadi, S. M., Zand, A., & Arfaee, M. (2013). Sustainable entrepreneurship in rural areas. *Research Journal of Environmental and Earth Sciences*, *5*(1), 26-31. https://www.airitilibrary.com/Article/Detail/20410492-201301-201507200032-201507200032-26-31

Apostolopoulos, N. (2017). Review–Academic influences on rural entrepreneurship: An autobiographical review of Hodge, Gladwin, North and Smallbone. *The International Journal of Entrepreneurship and Innovation*, *18*(1), 73-74. https://doi.org/10.1177/1465750316686247

Avramenko, A., & Silver, J. A. (2010). Rural entrepreneurship: expanding the horizons. *International Journal of Entrepreneurship and Innovation Management*, *11*(2), 140-155. https://doi.org/10.1504/IJEIM.2010.030065

Ayaviri-Nina, D., Cáceres-Guzmán, J., Quispe Fernández, G. M., & Maldonado-Nuñez, A. I. (2023). The Determinants of Success in Entrepreneurship: A Study in the Urban Area of Ecuador. *Sustainability*, *15*(6), 5277. https://doi.org/10.3390/su15065277

Barmon, R. (2011). Rural entrepreneurship-one key to rural revitalisation. . *Indian journal of applied research*. https://doi.org/10.15373/2249555x/may2013/23

Besser, T. L., & Miller, N. J. (2013). Community matters: Successful entrepreneurship

in remote rural US locations. *The International Journal of Entrepreneurship and Innovation*, *14*(1), 15-27. https://doi.org/10.5367/ijei.2013.0104

Betancourt, I. O., Téllez, M. d. C. M., Sánchez, P. M. V., Castro, L. M. L., & Carrasco, J. S. B. (2021). Entrepreneurship as a Mechanism to Strengthen Rural Communities. *European Journal of Business and Management Research*, *6*(2), 107-110. https://doi.org/10.24018/ejbmr.2021.6.2.800

Bolinger, A. R., & Brown, K. D. (2015). Entrepreneurial failure as a threshold concept: The effects of student experiences. *Journal of Management Education*, *39*(4), 452-475. https://doi.org/10.1177/1052562914560794

Boohene, R., & Agyapong, D. (2017). Rural entrepreneurship in African countries: A synthesis of related literature. *Journal of Small Business and Entrepreneurship Development*, *5*(1), 43-54. https://doi.org/10.15640/jsbed.v5n1a5

Brezuleanu, C. O., Brezuleanu, S., & Iațco, C. (2013). Development of labour market and entrepreneurial spirit in rural areas. *Environmental Engineering & Management Journal (EEMJ)*, *12*(4). https://doi.org/10.30638/eemj.2013.085

Burnett, K. A., & Danson, M. (2017). Enterprise and entrepreneurship on islands and remote rural environments. *The International Journal of Entrepreneurship and Innovation*, *18*(1), 25-35. https://doi.org/10.1177/1465750316686237

Castello, I., Barbera, D., & Vaara, E. (2016). Legitimizing entrepreneurship identities through failure narratives. Academy of Management Proceedings, https://doi.org/10.5465/ambpp.2016.15535abstract

Celbiş, M. G. (2021). A machine learning approach to rural entrepreneurship. *Papers in Regional Science*, *100*(4), 1079-1105. https://doi.org/10.1111/pirs.12595

Chai, W. (2022). [Retracted] Analysis on the Social Environment of College Students' Rural Employment and Entrepreneurship. *Computational intelligence and neuroscience*, *2022*(1), 3475897. https://onlinelibrary.wiley.com/doi/abs/10.1155/2022/3475897

Chen, Z., & Barcus, H. R. (2024). The rise of home-returning women's entrepreneurship in China's rural development: Producing the enterprising self through empowerment, cooperation, and networking. *Journal of Rural Studies*, *105*, 103156. https://doi.org/10.1016/j.jrurstud.2023.103156

Cierpial-Wolan, M., & Slusarza, G. (2019). Development of entrepreneurship in valuable natural rural areas. *Economia agro-alimentare: XXI, 3, 2019*, 753-770. https://www.torrossa.com/it/resources/an/4613396

Conroy, T., & Low, S. A. (2022). Opportunity, necessity, and no one in the middle: A closer look at small, rural, and female-led entrepreneurship in the United States. *Applied Economic Perspectives and Policy*, *44*(1), 162-196. https://doi.org/10.1002/aepp.13193

Czakon, W., Klimas, P., Tiberius, V., Ferreira, J., Veiga, P. M., & Kraus, S. (2024). Entrepreneurial failure: Structuring a widely overlooked field of research. *Entrepreneurship Research Journal*, *14*(3), 951-984. https://doi.org/10.1515/erj-2021-0328

Daher, M., Rosati, A., & Jaramillo, A. (2022). Saving as a path for female empowerment and entrepreneurship in rural Peru. *Progress in Development Studies*, *22*(1), 32-55. https://doi.org/10.1177/14649934211035219

Dal Bello, U., Marques, C. S., Sacramento, O., & Galvão, A. R. (2022). Entrepreneurial ecosystems and local economy sustainability: institutional actors' views on neo-rural entrepreneurship in low-density Portuguese territories. *Management of Environmental Quality: An International Journal*, *33*(1), 44-63. https://doi.org/10.1108/MEQ-04-2021-0088

Deakins, D., & Bensemann, J. (2019). Does a rural location matter for innovative small firms? How rural and urban environmental contexts shape strategies of agri-business innovative small firms. *Management Decision*, *57*(7), 1567-1588. https://doi.org/10.1108/MD-07-2017-0658

Dhewanto, W., Ratnaningtyas, S., Permatasari, A., Anggadwita, G., & Prasetio, E. A. (2020). Rural entrepreneurship: towards collaborative participative models for economic sustainability. *Entrepreneurship and Sustainability Issues*, *8*(1), 705. http://doi.org/10.9770/jesi.2020.8.1(48)

Dungey, C., & Ansell, N. (2022). 'Not All of Us Can Be Nurses': Proposing and Resisting Entrepreneurship Education in Rural Lesotho. *Sociological Research Online*, *27*(4), 823-841. https://doi.org/10.1177/1360780420944967

Fathi, H., Movahedi, R., Saadi, H., Naderi-Mahdi, K., & Zolikhahi-Saiar, L. (2011). Rural children and their parents' participation in entrepreneurship: The case of villages around Sanandaj City. *African Journal of Agricultural Research*, *6*(31), 6547-6554. https://academicjournals.org/article/article1380973790_Fathi%20et%20al.pdf

Games, D., & Sari, D. K. (2020). Earthquakes, fear of failure, and wellbeing: An insight from Minangkabau entrepreneurship. *International Journal of Disaster Risk Reduction*, *51*, 101815. https://doi.org/10.1016/j.ijdrr.2020.101815

Gladwin, C. H., Long, B. F., Babb, E. M., Beaulieu, L., Moseley, A., Mulkey, D., & Zimet, D. (1989). Rural entrepreneurship: One key to rural revitalization. *American Journal of Agricultural Economics*, *71*(5), 1305-1314. https://doi.org/10.2307/1243127

Gosavi, Y., & Samudre, V. B. (2016). Rural Marketing–Opportunities & Challenges. *IOSR journal of business and management*. https://doi.org/10.9790/487X-1808015964

Green, K. M. (2015). Perceptions and Framing of Risk, Uncertainty, Loss, and Failure in Entrepreneurship. In *Economics: Concepts, Methodologies, Tools, and Applications* (pp. 126-144). IGI Global. https://doi.org/10.4018/978-1-4666-8468-3.ch008

Gretzinger, S., Fietze, S., Brem, A., & Ogbonna, T. U. (2018). Small scale entrepreneurship–understanding behaviors of aspiring entrepreneurs in a rural area. *Competitiveness Review: An International Business Journal*, *28*(1), 22-42. https://doi.org/10.1108/CR-05-2017-0034

Habersetzer, A., Rataj, M., Eriksson, R. H., & Mayer, H. (2021). Entrepreneurship in rural regions: the role of industry experience and home advantage for newly founded firms. *Regional studies*, *55*(5), 936-950. https://doi.org/10.1080/00343404.2020.1826038

Hammer, S., & Frimanslund, T. (2022). Lessons from a rural ecosystem. *Local Economy*, *37*(5), 348-363. https://doi.org/10.1177/02690942221147510

Idan, A. M. (2022). Effect of Oil Prices, Inflate Rate, Energy Consumption, Gross Domestic Product on Stock Market Performance of Iraq Stock Exchange. *Cuadernos de Economía*, *45*(128), 45-52. https://cude.es/submit-a-manuscript/index.php/CUDE/article/view/259

Jurado Paz, I. M. (2022). Rural entrepreneurship strategy as a territorial development: a documentary review. *Económicas CUC*, *43*(1), 257-280. https://www.researchgate.net/publication/373685417

Kapsdorferová, Z., Jacková, S., & Švikruhová, P. (2021). The state and the share of rural women on the agricultural entrepreneurship activities in the Slovak republic. *Slovak Journal of Food Sciences*. https://doaj.org/article/d0f0b48e35064e53bc6091194b3d887a

Khomiuk, N., Voichuk, M., Bilous, O., & Dorosh-Kizym, M. (2022). Marketing support of competitiveness of agricultural enterprises. *Scientific Messenger of LNU of Veterinary Medicine and Biotechnologies. Series Economical Sciences*, *24*(99), 3-9. https://doi.org/10.32718/nvlvet-e9901

Korsgaard, S., Müller, S., & Tanvig, H. W. (2015). Rural entrepreneurship or entrepreneurship in the rural–between place and space. *International Journal of Entrepreneurial Behavior & Research*, *21*(1), 5-26. https://doi.org/10.1108/IJEBR-11-2013-0205

Kumar, S. V. (2016). Rural Development in India through Entrepreneurship: An Overview of the Problems and Challenges. *Anveshana*, *6*(2), 32-52. https://www.proquest.com/openview/b0a4e55578df0cac6f96a22bb9ac607b/1?pq-origsite=gscholar&cbl=2046166

Liu, T., He, G., & Turvey, C. G. (2021). Inclusive finance, farm households entrepreneurship, and inclusive rural transformation in rural poverty-stricken areas in China. *Emerging Markets Finance and Trade*, *57*(7), 1929-1958. https://doi.org/10.1080/1540496X.2019.1694506

Lose, T. (2023). Youth entrepreneurship in a rural context: the motivational impact of community and family factors. . *The business & management review*. https://doi.org/10.24052/bmr/v14nu01/art-08

Lubis, H., & Pratama, K. (2022). HR related antecedes to sustainability reporting in Indonesian public listed firm: The mediating role of employee committeemen. *Cuadernos de Economía*, *45*(128), 87-97. https://doi.org/10.32826/cude.v1i128.710

Lundahl, M. (2010). The failure of community-based entrepreneurship in Haiti. *International Journal of Innovation and Regional Development*, *2*(1-2), 112-

127. https://doi.org/10.1504/IJIRD.2010.029858

Martini, U., Malacarne, K., Pederzolli Giovanazzi, S., & Buffa, F. (2020). Sustainable tourism development in rural and marginal areas and opportunities for female entrepreneurship: Lessons from an exploratory study. *Worldwide Hospitality and Tourism Themes*, *12*(4), 421-430. https://doi.org/10.1108/WHATT-05-2020-0023

Mathur, S., & Tripathi, N. (2014). Rural Preneurship-a Strategy for Stimulating Rural Development.
http://gnanaganga.inflibnet.ac.in:8080/jspui/handle/123456789/6924

Mihail, R., & Dinica, R.-C. (2022). The Socio-cultural context and predisposition towards entrepreneurship in the rural environment. . *Anthropological Researches and Studies*, 304. https://www.ceeol.com/search/article-detail?id=1048156

Minello, F., Alves, L., & Scherer, L. A. . (2012). Factors that lead to business failure: a perspective from entrepreneurs who have experienced failure. . *Base*. https://doi.org/10.4013/base.2013.101.02

Mkhavele, V. A., & Ntshakala, T. (2010). Entrepreneurship in the rural context: Practical reflection on success and innovation. *Risk*, 427. https://web.archive.org/web/20190501142514id_/https://academicjournals.org/journal/AJBM/article-full-text-pdf/545E49759151

Muthuswamy, V. V., & Sudhakar, B. (2023). Market Share Growth Through Technological Convergence: Role Of Innovation Capability. *International Journal of eBusiness and eGovernment Studies*, *15*(1), 421-443. https://doi.org/10.34109/ijebeg.2023150119

Newbery, R., Siwale, J., & Henley, A. (2017). Rural entrepreneurship theory in the developing and developed world. In (Vol. 18, pp. 3-4): SAGE Publications Sage UK: London, England. https://doi.org/10.1177/1465750316686232

Oladele, M., & Nubong, G. (2022). The Contribution of private investment to economic growth and development in south africa. *International Journal of Economics and Finance Studies*, *14*(1), 88-115. https://doi.org/10.34109/ijefs. 202220003

Olaison, L., & Meier Sørensen, B. (2014). The abject of entrepreneurship: Failure, fiasco, fraud. *International Journal of Entrepreneurial Behavior & Research*, *20*(2), 193-211. https://doi.org/10.1108/IJEBR-09-2013-0143

Pato, L., & Teixeira, A. A. C. (2018). Rural entrepreneurship: The tale of a rare event. *Journal of Place Management and Development*, *11*(1), 46-59. https://doi.org/10.1108/JPMD-08-2017-0085

Polbitsyn, S. (2022). Enhancing state support of entrepreneurship in rural areas. . *Economy of region,*. https://doi.org/10.17059/ekon.reg.2022-4-21

Prado, A. M., Robinson, J. A., & Shapira, Z. (2022). Serving rural low-income markets through a social entrepreneurship approach: Venture creation and growth. *Strategic Entrepreneurship Journal*, *16*(4), 826-852. https://doi.org/10.1002/sej.1442

Prasad, B. V., & Naveena, L. (2021). A study on problems and challenges of rural entrepreneurs in India. *Journal of Management*, *8*(S1), 13-20. https://doi.org/10.34293/management.v8is1-feb.3753

Puzi, M., Ismail, H., & Jaafar, S. (2020). Transgenerational entrepreneurship and survivability in rural economy. IOP Conference Series: Earth and Environmental Science, https://ui.adsabs.harvard.edu/link_gateway/2020E&ES..447a2070P/doi:10.1088/1755-1315/447/1/012070

Quispe Fernandez, G., Giner Pérez, J. M., Ayaviri-Nina, D., & Villa Villa, V. M. (2023). Bibliometric Studies on Rural Female Entrepreneurship: A Metabibliometric Review. https://doi.org/10.36941/ajis-2023-0098

Quispe Fernández, G. M., Ayaviri Nina, V. D., & De la Cruz Fernández, G. M. (2017). Iniciativa del emprendimiento en los entornos rurales: un estudio de los factores culturales. *Revista Venezolana de Gerencia (RVG)*, *22*(78), 191-209. https://biblat.unam.mx/hevila/Revistavenezolanadegerencia/2017/vol22/no78/1.pdf

Ranjith, S., & Sindhuja, M. . (2022). A Study on Issues and Challenges in Rural Entrepreneurship in India. *Shanlax international journal of management*. https://doi.org/10.34293/management.v9is1-mar.4888

Reisinger, Y., & Turner, L. (1999). Structural equation modeling with Lisrel: application in tourism. *Tourism management*, *20*(1), 71-88. https://doi.org/10.1016/S0261-5177(98)00104-6

Rodríguez-Espinosa, H., Ospina-Parra, C. E., Ramírez-Gómez, C. J., Toro-González, I. C., Gallego-Lopera, A., Piedrahita-Pérez, M. A., Velásquez-Chica, A., Gutiérrez-Molina, S., Flórez-Tuta, N., & Hincapié-Echeverri, O. D. (2020). Lineamientos para una metodología de identificación de estilos de aprendizaje aplicables al sector agropecuario colombiano. *Ciencia y Tecnología Agropecuaria*, *21*(3), 1-19. https://revistacta.agrosavia.co/index.php/revista/article/view/1050

Römer-Paakkanen, T., & Suonpää, M. (2023). Entrepreneurship Education with Purpose: Active Ageing for 50+ Entrepreneurs and Sustainable Development for Rural Areas. *Education Sciences*, *13*(6), 572. https://doi.org/10.3390/educsci13060572

Romero-Castro, N., López-Cabarcos, M., & Piñeiro-Chousa, J. (2023). Finance, technology, and values: A configurational approach to the analysis of rural entrepreneurship. *Technological Forecasting and Social Change*, *190*, 122444. https://doi.org/10.1016/j.techfore.2023.122444

Saleh, I. A. M. A., & Alaallah, A. A. (2022). The Impact of Financial and Economic Indicators on the Financial Performance of Islamic Banks in Qatar. *Cuadernos de Economía*, *45*(128), 71-77. https://cude.es/submit-a-manuscript/index.php/CUDE/article/view/265

Sandberg, K. W., & Öhman, G. (2011). Innovative Behaviour of Rural Small Enterprises. *International Journal of E-Entrepreneurship and Innovation (IJEEI)*, *2*(3), 23-34. https://www.igi-global.com/article/innovative-behaviour-rural-small-enterprises/58354

Sapovadia, V. K. (2015). Entrepreneurship failure: Case of low productivity in Nigeria. *Available at SSRN 2589672*. https://dx.doi.org/10.2139/ssrn.2589672

Shao, J., Yu, Z., & Huang, T. (2022). Innovation Service Platform of Small and Medium-Sized Microenterprises Based on Social Perception and Neural Network Algorithm. *Computational intelligence and neuroscience*, *2022*(1), 8700833. https://doi.org/10.1155/2022/8700833

Sharif, N. M., & Lonik, K. A. T. (2014). Entrepreneurship as a catalyst for rural tourism development. SHS Web of Conferences, https://doi.org/10.1051/shsconf/20141201087

Tabares, A., Londoño-Pineda, A., Cano, J. A., & Gómez-Montoya, R. (2022). Rural entrepreneurship: An analysis of current and emerging issues from the sustainable livelihood framework. *Economies*, *10*(6), 142. https://doi.org/10.3390/economies10060142

Tarasovych, L., Yaremova, M., Usiuk, T., Lavrynenko, S., Slobodianyk, A., & Abuselidze, G. (2023). Social marketing: imperatives for rural entrepreneurship. E3S Web of Conferences, https://doi.org/10.1051/e3sconf/202338909049

Teunen, C. J., Nubong, G., & Teunen, C. (2022). An empirical analysis of the growth impact of foreign direct investment in the South African economy. *International Journal of Economics and Finance Studies*, *14*(1), 138-159. https://sobiad.org/menuscript/index.php/ijefs/article/view/984

Utami, D. D., Dhewanto, W., & Lestari, Y. D. (2023). Rural tourism entrepreneurship success factors for sustainable tourism village: Evidence from Indonesia. *Cogent Business & Management*, *10*(1), 2180845. https://doi.org/10.1080/23311975.2023.2180845

Vlachou, C., Iakovidou, O., Sergaki, P., & Menexes, G. (2021). The entrepreneurial environment in Greek rural areas: The entrepreneur's viewpoint. *Sustainability*, *13*(4), 1719. https://doi.org/10.3390/su13041719

Vuković, M., Prvulović, I., & Urošević, S. (2018). Factors of success and motivation of rural entrepreneurship in Eastern Serbia. *Економика пољопривреде*, *65*(3), 1085-1097. https://cyberleninka.ru/article/n/factors-of-success-and-motivation-of-rural-entrepreneurship-in-eastern-serbia

Wang, S., Takada, S., & Nakatsuka, M. (2023). Entrepreneurial Process and a Supportive System for External Entrepreneurs in Poverty-Stricken Rural Areas A Case Study of the West-Dukouyi Village in Shandong Province, China. *Journal of Rural Planning Studies*, *3*(1), 1-8. https://www.jstage.jst.go.jp/article/jrps/3/1/3_1/_article/-char/ja/

Yamakawa, Y., Peng, M. W., & Deeds, D. L. (2010). How Does Experience of Previous Entrepreneurial Failure Impact Future Entrepreneurship? Academy of Management Proceedings, https://doi.org/10.5465/ambpp.2010.54494761

Yomichan, S. (2021). Rural entrepreneurship- 'an answer to removal of rural poverty in India, by inclusion of women and youth. *International Journal of Scientific Research*. https://doi.org/10.36106/1205797

Yu, L., & Artz, G. M. (2019). Does rural entrepreneurship pay? *Small Business Economics*, *53*, 647-668. https://doi.org/10.1007/s11187-018-0073-x

Zhu, H., Chen, Y., & Chen, K. (2019). Vitalizing rural communities: China's rural entrepreneurial activities from perspective of mixed embeddedness. *Sustainability*, *11*(6), 1609. https://doi.org/10.3390/su11061609