

Entrepreneurial Value Proposition Proficiency Diagnosis: A KAP Model Dimension

Ishmael Obaeko IWARA¹

DOI: 10.24818/mer/2024.03-06

ABSTRACT

The persistently high attrition rates of small, medium, and micro enterprises in most economies globally hinge significantly on challenges stemming from lack of business dynamism and intense competition. This study explores the entrepreneurial proficiency of entrepreneurs in value proposition skills, a pivotal resource in mitigating homogeneity-related business failures. Utilising the KAP framework, variables within knowledge (awareness, comprehension and competence), attitudes (perception, intention and consistency), and practices (target audience, differential offerings and customer value) were scrutinised across cohorts (gender, location and support status). Through a non-parametric analysis of a data structure obtained from conducting a 5-Likert type scale survey with 648 entrepreneurs, the findings explain that while awareness of the value proposition is notably high across respondents, supported entrepreneurs outshine their unsupported counterparts. Comprehension and competence, however, exhibit comparatively lower values, particularly among unsupported entrepreneurs and despite a positive perception, the intention and consistency levels regarding the value proposition concept are sub-par across all groups. In terms of practice, factors such as target audience and differential offerings, are below average, emphasising the need for strategic and pragmatic interventions. The result indicates an overall deficiency in value proposition proficiency, stressing targeted soft and hard entrepreneurial skills interventions to foster not only value proposition acumen but market positioning, entrepreneurial resilience and enterprise efficacy in the competitive business landscape.

KEYWORDS: *Business dynamism, entrepreneurship efficacy, KAP framework, market positioning, stiff competition, sustainable SMMEs, Value proposition proficiency.*

JEL CLASSIFICATION: *D4, M21, Q2, O31, R2.*

1. INTRODUCTION

Entrepreneurial discourse within the South African terrain has burgeoned significantly in response to the nation's dynamic economic landscape, with entrepreneurship recognised as a critical driver of economic development and sustainability (Gumbi & Mnkandla, 2015; Peprah & Adekoya, 2020; Ramsuraj, 2023; Snyman, 2012). To begin with, South Africa grapples with distinctive issues, including economic disparities and soaring unemployment rates. Currently, obtaining employment in the country poses difficulties, particularly, for overqualified individuals resulting from limited opportunities (Gwala, Mthethwa & Jili, 2023; Terrance, 2023). This makes entrepreneurship an alternative pathway for addressing these socio-economic challenges. In the fourth quarter of 2023, the nation's official unemployment rate clocked an unprecedented 32.1 percent (Statistics South Africa (STATS SA), 2024), placing it among the countries across the globe, with the highest overall unemployment levels. The labour market's vulnerability is particularly severe for individuals aged 15–34 (the

¹ University of Venda, South Africa, ishmael.iwara@univen.ac.za.

youth), as per STATS SA (2024) survey report. The fourth quarter of 2023 saw a noteworthy increase in the total number of unemployed youths, rising by 87,000 to reach 4.7 million. Simultaneously, there was a decrease of 97,000 in the number of employed youths, totalling 5.9 million. Consequently, this shift resulted in a 0.9 percentage point increase in the youth unemployment rate, surging from 43.4 percent in Q3: 2023 to 44.3 percent in Q4: 2023. In light of the significant contributions of successful businesses to global economic prosperity, employment security, income generation and poverty reduction (Lukhele & Soumonni, 2021; Iwara, 2020), Gumbi and Mnkandla (2015) maintain that such venturing presents a pragmatic solution panacea to South Africa's critical and persistent issues of high unemployment rates and its associated challenges, thus, concerted efforts are critically imperative to fully harness the entrepreneurial potential in the country.

Scholars have extensively interrogated various facets of Small, Medium and Micro-Scale Enterprises (SMMEs), scrutinising the effects of contextual factors, such as finance limitations, regulatory framework and policy imperatives, socio-cultural dynamics on entrepreneurial activities, among a myriad of other concerns (Chukwuneme, Olaniyi & Innocent, 2023; Enwereji, 2023; Nxele & Hoque, 2023; Serame, 2019). These researchers have also delved into distilling complexities, as well as the interplay between knowledge, experience and entrepreneurial success within small and medium-sized venture landscapes (Gwija, Eresia-Eke & Iwu, 2014; Kimanzi, 2020). Similarly, an enquiry into the multifaceted role of successful entrepreneurship in economic growth, specifically job creation, innovation, and poverty alleviation is well observed (Urbano, Toledano & Ribeiro-Soriano, 2019). The persistent and escalating interest in entrepreneurship within the academic community, and the deepening research focus on its impact on economic growth highlight the critical urgency to comprehend the dynamics of entrepreneurship and to foster an entrepreneurial ecosystem in South Africa and economies globally striving to mitigate socioeconomic challenges.

Without a doubt, South Africa, through public-private partnership has made concerted efforts to bolster entrepreneurship, particularly locally-driven innovation within the country. Several entities exist in this regard. For instance, the National Youth Development Agency (NYDA), the Small Enterprise Development Agency (SEDA), and the Small Enterprise Finance Agency (SEFA) among several other bodies were strategically positioned to foster entrepreneurial capacity development initiatives and assist both local entrepreneurs and SMMEs reach potential (South African Government, 2021). Beyond these efforts, emphasis on more investments to strengthen the country's entrepreneurship initiatives, especially enterprise and supplier development programs in the interest of start-ups and existing businesses have been made (State of the Nation Address (SONA), 2023), stifling discourse on how to establish frontiers and favourable entrepreneurial ecosystem that allows a successful nurturing of SMMEs in the country. Similarly, a concerted effort to engage with existing businesses, cultivate sustainable growth models and generate additional employment opportunities was observed in the said SONA (2023), however, despite the mounting emphasis, South Africa continued to encounter high attrition rates of SMMEs, consequently, limiting its potential contributions to the nation's economy. This shortfall is unsettling, creating windows for thought as to where the country went wrong with its entrepreneurial endeavours.

More concerning, recent statistics reveal that five out of seven enterprises in South Africa fall out within their inaugural year, despite government efforts and initiatives, as well as private sector collaborations aimed at enhancing SMMEs efficacy (BusinessTech, 2023). Nkwinika and Mashau (2020), Iwara (2020), and Sitharam and Hoque (2016) argued from a stiff competition perspective, resulting from homogenous offerings and a lack of business

dynamism. These scholars maintained a standpoint that intense competition is a critical challenge in South Africa's entrepreneurship landscapes, and remains a major contributor to SMME failures, thus, raising curiosity about entrepreneurs' proficiency in value proposition acumen. This perspective, while not dismissing other influential obstacles like limited finance, harsh business environmental conditions, and policy and regulations, substantiates the magnitude to which value proposition skills should be inherent, presenting a critical gap for empirical exploration. A value proposition, defined as the unique benefits, solutions and worth a business offers to its customers, differentiates an entrepreneurial endeavour from its competitors (Osterwalder & Pigneur, 2010). Ideally, entrepreneurial endeavours require innovation as entrepreneurs must navigate through different stages to maintain competitiveness, especially in a perfectly competitive environment (Huggins & Williams, 2011). According to Kraus et al. (2021), entrepreneurial ventures, piloted by innovative individuals, maintain a central role in instigating positive change and enhancing growth when the necessary conditions for success are in position. This dynamic interplay between entrepreneurial activity and innovation emphasises their innate connection, essential in propelling economic and social progress in any society. A well-crafted value proposition is pivotal for entrepreneurial success, as it succinctly articulates the distinct worth and benefits that entrepreneurs' products or services offer to customers, distinguishing their offerings from competitors.

Value proposition addresses the critical question – *In an ideal entrepreneurial environment where homogeneity precedes, why should the customer prefer your product over others?* – an important challenge entrepreneur striving to edge their counterparts, especially in a perfectly competitive entrepreneurship landscape, must address to thrive. These can be showcased on a business website, expressed through branding and/or packaging, and demonstrated in action. According to Iwara (2024), an effective value proposition is characterised by its appeal, clarity, credibility, and exclusivity, ensuring consistent messaging across the entrepreneur's venture. An understanding of this definition will enable entrepreneurs to design a compelling value proposition that can effectively differentiate their business from counterparts, attract high-quality leads towards efficacy, gain market share over others, enhance operational efficiency, and increase returns. In essence, the narrative from Iwara (2024) illustrates that a robust value proposition is a key driver of business efficacy.

Deriving from the KAP (Knowledge, Attitudes, and Practices) Model, the extent to which entrepreneurs in South Africa, demonstrate value proposition skills in their entrepreneurial endeavours was examined in this study. Although the research is primarily focused on Limpopo Province, its methodologies and insights have both national and global relevance, thus, applicable to areas globally to either mitigate entrepreneurial homogeneity and stiff competition, encourage innovation, foster business dynamism and build efficacious ventures. The subsequent section of this paper unpacks the significance of the study and delves into the theoretical discourse and conceptual underpinnings of the value proposition concept, shedding light on the role of distinctive entrepreneurial offerings within a perfectly competitive market. Following this, the research methods are detailed, succeeded by a comprehensive discussion of findings and concluding with recommendations based on findings that emerged from the empirical enquiry.

2. STRATEGIC IMPORTANCE

This study constitutes a substantial contribution to the development of effective and targeted strategies, and policy interventions towards sustainable enterprising, with a specific focus on

the imperatives of value proposition in South Africa and beyond. This contribution is particularly pivotal, given the characteristics of South Africa's entrepreneurial environment, especially at the small and micro-scale levels, which mirrors the dynamics of a perfectly competitive market marked by notably high rates of homogeneity (Joel & Oguanobi, 2024; Kativhu et al., 2021; Sitharam & Hoque, 2016). In various sectors, including manufacturing, retail and services, numerous micro and small businesses operate within similar industries, offering comparable products or services. While this homogeneity strengthens competitiveness, it simultaneously poses challenges for entrepreneurs striving to distinguish their offerings and attract a distinct group of customer base. A compelling value proposition becomes paramount for success in this crowded marketplace. This viewpoint aligns seamlessly with Kaplan and Norton (2001) who assert that a well-crafted value proposition is fundamental for business differentiation, influencing customer perceptions and choices, and motivating market purchases. Drawing from these arguments, it is appropriate to reach an inference that amid a multitude of comparable entrepreneurial offerings, a unique value proposition surfaces as a crucial advantage for entrepreneurs aspiring to carve out a distinctive niche for their ventures.

The paper is relevant as it intersects with multiple SDGs. Notably, Goal 8, which centres on – ‘Decent Work and Economic Growth’ - thereby accentuating the instrumental role of entrepreneurship, particularly through micro-, small-, and medium-sized enterprises, in spearheading job creation and fostering economic growth. Similarly, Goal 9, - Industry, Innovation, and Infrastructure - stresses entrepreneurship as a catalyst for driving innovation and technological advancements, essential components for maintaining resilient industries and nurturing economic development. Furthermore, the discourse on value proposition and business efficacy in this paper holds an exceptional place, especially in a country such as South Africa that is currently confronted with elevated unemployment rates. A positive correlation between successful enterprises and meaningful job creation in South Africa was observed in diverse theoretical and empirical discourses (Enaifoghe & Ramsuraj, 2023; Gumbi & Mnkandla, 2015; Mzanywa & Madzivhandila, 2023; Nyika, Muzekenyi, Akbar, Moodley & Nzimande, 2024; Ragolane, 2024). This finding necessitates that the country's policymakers place greater emphasis on mapping out pragmatic strategies and support mechanisms tailored to the needs of entrepreneurs in the country.

3. VALUE PROPOSITION: A THEOCRATICAL DISCOURSE

The value proposition, a linchpin in marketing and business strategy, stipulates the unique offerings that a product or service delivers to consumers. Defined by Osterwalder and Pigneur (2010) as a compilation of benefits and values pledged by a venture as able to fulfil customer needs and expectations, inherently tackles the implicit query from consumers: *Why should I opt for your product or service over others?* This value proposition transforms into a fount of competitive advantage, setting the offering unique in a saturated market. The question arises: *Do South African local entrepreneurs effectively embed the value proposition concept into their ventures, and if not, what potential pathways exist for its integration into their entrepreneurial endeavours?*

A systematic literature synthesis in South Africa revealed a conspicuous knowledge gap concerning the degree to which mainstream locally-owned enterprises exhibit a value proposition in their entrepreneurial pursuits, particularly SMMEs across diverse sectors (see Table 1). The existing literature predominantly centres around renewable energy value proposition (Balanco, 2015; Bussmann, 2016; Gauché, von Backström & Brent, 2013) and the

employee value proposition (Paadi et al., 2019; Parreira, 2007; Phungula et al., 2022; Sibenya, 2023; Swanepoel & Saurombe, 2022; Theys & Barkhuizen, 2022). At the national level, a substantial amount of research around entrepreneurial value proposition tends to specialise in distinct enterprise categories. For instance, Jasen van Rensburg and Van Niekerk (2010) distils the differentiated value proposition for cement producers, Gumbi and Mnkandla (2015) interrogated the value proposition of cloud computing vendors for SMMEs; Van der Merwe et al. (2015) systematically scrutinised product lifecycle value proposition, Beneke and Carter (2015) focuses on the consumer value proposition of private branded breakfast cereals, Rakosa (2018) delineated the bank value proposition business strategy; while Musara and Nieuwenhuizen (2021) examined the value propositions of successful foreign-owned SMEs. Without dismissing the significance of other contributing factors, the current study, assumes uniqueness in gauging the concept's prevalence across mainstream enterprises, laying a comprehensive context for interventions that foster enterprise efficacy and bolster sustainable SMMEs across sectors.

Table 1. Literature synthesis of value proposition empirical discourse in South Africa

Author	Focus	Issues	Remarks
Sibenya, 2023.	<i>Employee value proposition for females.</i>	<i>Deficit supply of African females in industries such as the mining sector</i>	<i>Financial rewards, career development, and association are important components for consideration.</i>
Theys & Barkhuizen, 2022.	<i>Employment value proposition for academic staff.</i>	<i>Lack of employer branding methods for universities.</i>	<i>Fringe benefits/incentives and remuneration, leadership and managerial support, and occupational health and safety affect the desirability of the employer brand.</i>
Phungula et al., 2022.	<i>Employee value proposition on normative commitment.</i>	<i>Understanding employee commitment towards organisations' growth trajectory.</i>	<i>Work, rewards, and opportunity positively correlate with normative commitment.</i>
Swanepoel & Saurombe, 2022.	<i>Employee value proposition in the retention of teachers.</i>	<i>Talented teachers' retention.</i>	<i>Lack of clear and differentiated value proposition, as well as communication to staff members.</i>
Musara & Nieuwenhuizen, 2021.	<i>Value propositions of successful foreign-owned SMEs.</i>	<i>Foreign-owned SMEs succeed more than their local counterparts.</i>	<i>Customer interaction, business processes, and product-based value propositions accentuate businesses' success.</i>
Paadi et al., 2019.	<i>Employee value proposition for graduate interns.</i>	<i>The interplay between graduate interns' absorption and organisational retention.</i>	<i>Functional, financial and psychological components are paramount mechanisms.</i>
Rakosa, 2018.	<i>Bank value proposition business strategy.</i>	<i>Banking industry disruption by the information age, sluggish economic growth and new entrants.</i>	<i>Bank reactivity, price sensitiveness, enhancement of business case methodology and environmental scanning to improve the bank's position in the market are paramount.</i>
Bussmann, 2016.	<i>The value proposition for paraffin replacement.</i>	<i>Household air pollution presents a major social and environmental problem.</i>	<i>Fluid biofuel alternatives, based on waste vegetable oils can replace paraffin.</i>

Author	Focus	Issues	Remarks
Balanco, 2015.	<i>The value proposition for converting food waste to energy.</i>	<i>Anaerobic digestion of bio-waste into bio-energy lacking recognition.</i>	<i>A continues value proposition system for converting waste from food manufacturing companies into biogas and fertiliser.</i>
Beneke & Carter, 2015.	<i>Consumer value proposition of private label branded breakfast cereals.</i>	<i>A gap in knowledge as to the way consumers cognitively assess brands.</i>	<i>Consumers take cognisance of value through price, risk and quality, while loyalty to existing brands has a minimal effect.</i>
Gumbi & Mnkandla, 2015.	<i>The value proposition of cloud computing vendors to SMMEs.</i>	<i>SMMEs high failure rate, resulting in unemployment.</i>	<i>Limited knowledge of the basic key terms and concepts of cloud computing.</i>
Van et al., 2015.	<i>Product lifecycle value proposition.</i>	<i>Product quality and time-to-market issues.</i>	<i>A crucial need for a strategic shift from a product-centric entrepreneurial typology to a customer-centric orientation, using good engineering.</i>
Gauché et al., 2013.	<i>Solar power value proposition.</i>	<i>Energy over-reliance on coal and other unsustainable conventional resources with risk implications.</i>	<i>Concentrating on solar power presents a sustainable and dispatchable energy technology that could domestically meet electricity needs.</i>
Jasen van Rensburg & Van Niekerk, 2010.	<i>Differentiate value proposition for cement producers.</i>	<i>Issues around classifying products as commodities/ the luxury of focusing only on sales strategies.</i>	<i>Value differentiation is a viable marketing strategy in the cement industry as customers attach different levels of importance to different value attributes.</i>
Parreira, 2007.	<i>Employee value proposition in breweries.</i>	<i>Cost implications around retention of employees.</i>	<i>Employer branding strategy and total employment offering present a pivotal pathway.</i>

Source: author's consolidation based on literature synthesis

4. THE KAP MODEL: A CONCEPTUAL FRAMEWORK

The KAP model, known for its versatility and mixed-methodological approach to solving complex issues using predefined questions in standardised questionnaires, has proven to be a valuable problem-diagnostic tool applicable across various scientific fields. Its unique ability to generate both qualitative and quantitative information for empirical analysis makes it particularly adept at exploring the intricacies of complex phenomena, as demonstrated, for example, in public health research (Adugna et al., 2022; Sibiyi & Gumbo, 2013; Yousaf et al., 2020). The dynamism, multifaceted nature, and flexibility align the framework seamlessly with its potential application in evaluating entrepreneurs' comprehension and application of value proposition in any context, including South Africa; mirroring its success in the health sector. Notably, its adaptability is evident in forming baselines for future assessments in the entrepreneurial landscape, enabling the mapping of benchmarks for the current state of value proposition awareness and practices.

The applicability extends beyond health into economic, social and cultural contexts (Chakravartty, 2018; Gupta et al., 2016; Moitra et al., 2021; Pillay, 2005), making it an invaluable tool in the South African entrepreneurial sphere, where cultural influences, local circumstances, and demographics such as gender dynamics, educational background, and socioeconomic classification are crucial (Irene et al., 2021; Nambiar et al., 2020). This adaptability positions a KAP survey as a robust option for investigating the magnitude

entrepreneurs in South Africa manifest value proposition in their entrepreneurial endeavours. Consequently, the KAP framework provides a theoretical and empirical foundation for the current study (Fig. 1), offering a comprehensive background that elucidates interconnected dimensions within the value proposition concept, including awareness, comprehension, competence, perception, intention, consistency, target audience, differential offerings, and customer value.

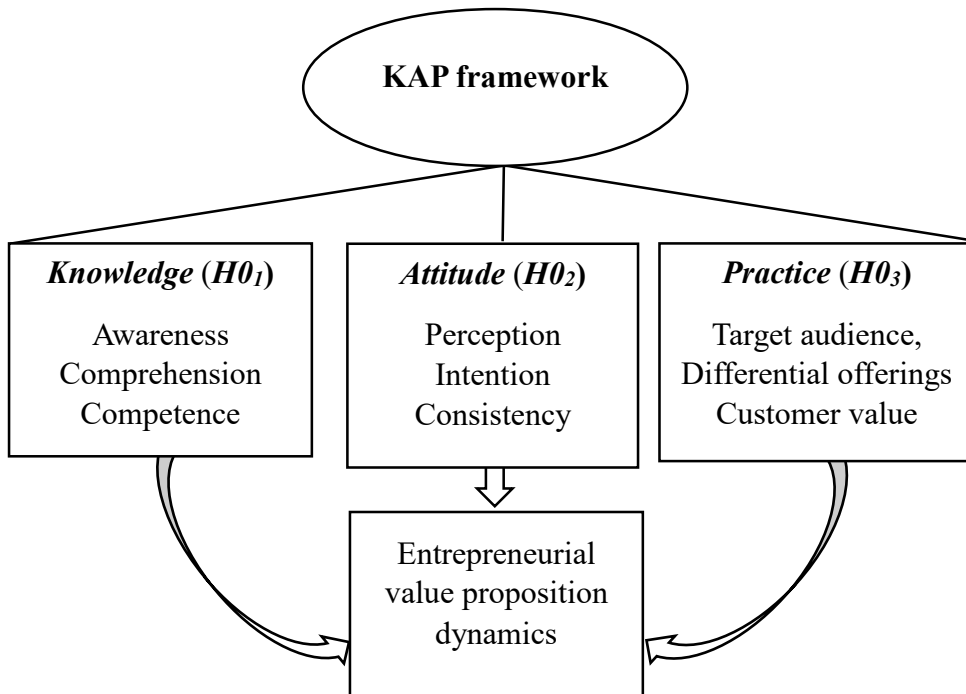


Figure. 1 KAP Conceptual Framework

Source: author’s synthesis

Three hypotheses, in line with KAP’s philosophy have been formulated, seeking to map out the extent to which South African local entrepreneurs' value proposition knowledge, attitudes, and practices are inherent in their entrepreneurial strategies, and how they vary among categories. The KAP framework lays the foundation for a comprehensive analysis of entrepreneurial value proposition skills among the country’s entrepreneurs based on the articulated hypotheses below:

H0₁: There is no significant difference in the level of knowledge about value proposition among South African local entrepreneurs.

H0₂: There is no significant difference in the attitudes towards value proposition among South African local entrepreneurs.

H0₃: There is no significant difference in the practical implementation of value proposition among South African entrepreneurs.

4.1 Knowledge Hypotheses (H0₁)

In analysing H0₁, the focus centres on unravelling entrepreneurs' knowledge about value proposition within the KAP framework; this corresponds to variables like awareness, comprehension, and competence. Firstly, awareness evaluates the degree to which entrepreneurs are cognisant of value proposition concepts in their entrepreneurial endeavours. Secondly, comprehension unpacks the entrepreneurs’ depth of understanding, and thirdly, competence which delves into gauging their ability to effectively utilise and implement the knowledge acquired.

The approach of inquiry followed in this study aligns with influential works like Porter (2017) and Ries and Trout (1986), unravelling the crucial role of a profound understanding of the value proposition concept in entrepreneurial efficacy. Porter (2017) emphasise the strategic nature of differentiation, stressing that entrepreneurs, armed with a nuanced comprehension and insight of value proposition, can carve unique positions in the entrepreneurial market environment through distinctive offerings, thus, fostering brand loyalty and a competitive advantage necessary for delivering an efficacious venture. Porter's sentiments conform with arguments from Ries and Trout (1986). The latter projects the notion that the human mind is a crowded space with numerous competing messages. Thus, in an ideal market environment with several competing elements, a brand must have a position in the minds of consumers to stand out. This position may include being the fastest, first, or cheapest of all in its category. The core narrative in this enquiry revolves around value proposition, that is, effectively positioning a product, service, or brand in the mind of the consumer towards fostering competitive advantage and business efficacy.

Accordingly, Osterwalder and Pigneur (2010) pioneered the Business Model Canvas, a crucial discovery dwelling on the centrality of a value proposition in crafting a resilient business structure. Similarly, Blank and Dorf (2012), in their work on lean startup methodology in the field of marketing, typify the essential characteristics and the iterative process of refining a value proposition based on customer feedback - a dynamic approach aligning with real-world applications. Based on the theoretical and empirical foundations from existing studies on value proposition, this study contributes to the ongoing discourse on the concept by providing a nuanced exploration into the interconnected dimensions of awareness, comprehension, and competence within the KAP framework. The aim is to provide more insight and enrich understanding of how entrepreneurs can harness the concept's intrinsic attributes to position a competing, resilient and thriving business framework amidst stiff competition.

4.2 Attitude Hypotheses (H0₂)

Examining H0₂, delves into entrepreneurs' attitudes toward the value proposition concept in entrepreneurial pursuit, evaluated through ingredients such as perception, intention, and consistency. Perception measures how entrepreneurs view value proposition as an integral mechanism of entrepreneurial efficacy. Intention gauges entrepreneurs' commitment towards the assimilation of the concept, while consistency explains the stability of attitude towards the concept over time.

The H0₂ enquiry dimension finds legitimacy in, and reflects theoretical foundations laid by scholars like Fauzi and Soehari (2020) and Prahalad and Hamel (1999), whose findings concludes that, in entrepreneurship, a positive attitude and unwavering intention towards value proposition are critically imperative. Attitudes and intentions are integral resources contributing to a venture's competitive advantage (Fauzi & Soehari, 2020); they foster employee morale and drive innovation, which combined, improves customer satisfaction, and creates a resilient business culture that effectively adapts to both challenges and opportunities. Positive attitudes toward adaptability and innovation, coupled with a consistent intention to provide unique value for consumers, drive strategic resource development and utilisation.

The argument on entrepreneurial attitude reflects Prahalad and Hamel (1999). These scholars established a perspective, showcasing a notion that only through consistent and positive orientation toward value proposition a business can unlock its potential, sustain competitive advantages, and thrive in the expected threshold. This orientation resides within value

creation strategies, focusing on adaptability, brand loyalty, cost efficiency, customer needs, differentiation, and innovation. These standpoints are reflected seamlessly in Chesbrough (2010), and Blank and Dorf (2012) who substantiated that a positive attitude builds a creative mindset and competence, and unwavering intentions foster commitment and resilience. These attributes combined, ultimately lead to a competitive advantage in business, strategically positioning an entrepreneur to navigate entrepreneurial uncertainties more effectively and thrive. Drawing insights from the existing discourse on entrepreneurial attitude, value proposition, and venture success, this study delves into the interconnected dimensions of perception, intention, and consistency within the broader KAP framework, deepening our understanding of how entrepreneurs' behaviour influences efficacy.

4.3 Practice Hypotheses (H0₃)

H0₃ probes into the practical implementation of value proposition orientations through target audience, differential offerings, and customer value. These variables signify the tangible application of the concept in actual business practices (Anderson et al., 2006; Kim & Mauborgne, 2005; Smith & Colgate, 2007). Target audience scrutinises entrepreneurs' adeptness at identifying and catering to specific consumer segments. This showcases the practical application of value proposition principles in actual market settings. Differential offerings gauge the innovative strategies entrepreneurs implemented to distinguish entrepreneurial offerings, reflecting business dynamism – an intrinsic component of a value proposition. Customer value interacts with the degree to which entrepreneurs successfully deliver mutually beneficial offerings to customers, demonstrating the ultimate litmus test of effective value proposition implementation.

The theoretical foundations of H0₃ reflect the seminal works by Blank and Dorf (2012) and Rappa (2004). The former emphasizes a lean startup methodology, prioritising the iterative implementation of a value proposition based on continuous market surveys. Blank and Dorf's (2012) findings highlight the iterative nature of entrepreneurship, reinforcing the notion that sustained entrepreneurial success hinges on the agility and adaptability of implementation strategies. Similarly, Rappa's (2004) position on the discourse substantiated and contends the significance of aligning offerings with customer needs and creating differential advantages. The latter accentuates the idea that differential offering is critical for market positioning and competitive advantage. Eisenmann, Ries and Dillard's (2008) research on “The lean startup movement” and Osterwalder and Pigneur's (2010) business model generation provide additional layers of support and strengthen the need for value proposition implementation. Eisenmann et al. (2008) illustrate the merit of differential offerings based on rapid prototyping and experimentation in implementation, aligning with the ethos of lean startup methodology. Using minimal resources, entrepreneurs can quickly adjust business strategies based on market feedback and validated learning, thereby conforming offerings to the existing realities of grassroots customers. Ultimately, this practice minimises the risk of failure and increases the chances of startup success.

Osterwalder and Pigneur (2010), in their systematic framework for business model innovation, further shed light on the practicality and benefits of integrating value proposition considerations into a broader business strategy. As previously observed, the benefits of implementing value proposition considerations span meaningful customer base, business dynamism, market positioning, competitive advantage, and entrepreneurial efficiency, among a myriad of other factors. Weaving together these theoretical and empirical strands, the hypothesis amplifies insights on how entrepreneurs can navigate the complex terrain of practical value proposition implementation. It added to contemporary entrepreneurship

discourse by presenting a holistic picture of how target audience, differential offerings, and customer value intertwine to shape the real-world impact of value proposition in entrepreneurial practices.

5. METHODOLOGY

5.1 Study area

This study was carried out in areas of Limpopo Province, one of South Africa's eight provinces, located in the country's northernmost region. It shares borders with Botswana, Mozambique, and Zimbabwe. The province consists of five districts, namely Capricorn, Mopani, Sekhukhune, Vhembe, and Waterberg, contributing approximately 9.8% to the country's total population of 59.62 million (Stat SA, 2020). It ranks fifth in both population and surface area, covering 125,754 km². Named after the Limpopo River that flows along its northern border, the province is known for its agricultural richness, biosphere reserve, cultural heritage, scenic landscapes, and wildlife. Limpopo is predominantly rural, although its major cities and towns, such as Ellisras, Louis Trichardt, Makhado, Messina, Polokwane, Thabazimbi, Thohoyandou, Tzaneen, and Warmbath, serve as business hubs. The province's climate supports double harvesting seasons, making it the country's leading producer of various crops in the agricultural market.

5.2 Research design

In this study, a quantitative research design was used to diagnose the value proposition skills of entrepreneurs within local enterprises in Limpopo province. The choice of this study research design lies in its potential to quantify and rank concepts among enterprises, thus, offering insights for targeted interventions. Prior to the sampling and data collection exercise, community entry procedures were followed including area mapping, stakeholder consultation, ideation and tool formulation. In the process, three research assistants were enlisted and trained accordingly in the direction of participatory community-led action research. Informed consent forms, outlining the research essence, participants' rights, and the voluntary nature of involvement, were disseminated two weeks before the actual data collection engagements. This enables participants to acquaint themselves and make an informed decision to either participate or decline.

5.3 Sampling technique and sample

At present, there is a lack of a comprehensive national database containing both formal and informal SMMEs in South Africa, Limpopo province is not exempt. As a result, there are limitations in determining the actual sample size statistically. Against this shortfall, the study's approximation for the actual sample size relied on prior entrepreneurship-related explanatory research conducted in the country (Farrington & Matchaba-Hove, 2011; Fatoki, 2021; Kativhu et al., 2021), and on Cronbach's alpha assumption of sample reliability. Through purposive and snowball sampling techniques, a total of 700 local entrepreneurs with at least three experiences of operating SMMEs in Polokwane, Sheshego, Tzaneen, Bungeni, Malamulele, Thohoyandou, and Tswinga areas of the province, were sampled. This approach was deemed ideal given that the purposive sampling technique enables the selection of research stakeholders with the most ideal qualification from the population for surveys, thus, eliminating possible extraneous data and/or outlier noise. Similarly, snowball sampling was appropriate for accessing hard-to-reach research stakeholders who, however, met the inclusion criteria. In this premise, taking advantage of the networks of initial research participants was useful in identifying additional entrepreneurs in their category. The entrepreneurs who participated emerged from diverse sectors, spanning - agriculture, mining,

manufacturing, electricity, gas & water, construction, trade & accommodation, transport & communication, finance & business, and community services.

The participants’ demographics accentuate a balanced distribution in terms of gender, with 51.7% female and 48.3% male participants (see Table 2). Geographical distribution indicates a near-equal split between urban and rural participants, with approximately 51% residing in urban areas and 49% in rural areas. In terms of support, there was a slightly higher representation of unsupported entrepreneurs, amassing 52.5% of the participants, compared to 47.5% who reported being supported. This observation could align with the fact that in South Africa, there exists a vibrant informal business sector that plays a pivotal role in its economy, even though the activities are not well-noted in the country’s Gross Domestic Product (GDP) (SME South Africa, 2022). Similarly, business formality is a prerequisite for accessing support from most entrepreneurial-support stakeholders in the country. Therefore, enterprises in the informal economy barely receive support. This demographic diversity provides a comprehensive foundation for comparing value proposition considerations across various groups of entrepreneurs.

Table 2. Participant demography (n=648)

Groups		Frequency	Percent
Gender	Female	335	51.7
	Male	313	48.3
Location	Urban	328	50.6
	Rural	320	49.4
Support status	Supported	308	47.5
	Unsupported	340	52.5

Source: Author’s consolidation based on primary data

5.4 Data collection

In line with the three value proposition constructs, a self-developed questionnaire with a 5-point Likert-type scale of three sub-scales each was distributed to entrepreneurs who had willingly agreed to take part in the study (see Appendix 1). This scale, range '1' which represents the lowest rank and '5' indicates the highest, aimed to gauge the presence of the concept’s parameters within each construct in entrepreneurs’ enterprises. Of 700 structured questionnaires distributed, 679 surveys were completed, although 31 were deemed void, resulting in 648 responses for analysis.

Using the IBM Statistical Package for the Social Sciences (SPSS) version 18, Cronbach's Alpha reliability analysis and Kolmogorov-Smirnov Tests of Normality were fitted to determine the data structure adequacy and the appropriateness of the quantitative data analytical instrument. The software manipulated the One-Sample Wilcoxon Signed Rank Test for the knowledge (awareness, comprehension & competence), attitude (perception, intension & consistency), and practice (target audience, differential offerings & customer value) variables, employing a test value of 3.0 as the hypothesised median score to gauge the presence of value proposition parameters among entrepreneurs. In addition, the Levene Statistic Test of Homogeneity of Variance was conducted before the variables were computed into three main parameters - knowledge, attitude & practice, and subjected to the Mann-Whitney U Test to explore differences between observed independent groups such as gender, location, and support status.

6. RESULTS

6.1 Test of reliability

Table 3 presents the findings obtained from conducting the Cronbach's Alpha reliability analysis performed on a scale comprising 9 items (variables), with a sample size of 648. The calculated Cronbach's Alpha coefficient, designed to examine the internal consistency among the scale variables, was reported at 0.810. This substantial value signifies a high degree of internal consistency, indicating a strong correlation among the variables on the scale. In essence, these variables collectively and reliably measure a shared underlying construct. A reliability coefficient of 0.810 surpasses the widely accepted threshold of 0.70 (Kennedy, 2022), providing affirmation of the scale's reliability. The list-wise deletion method was applied, and no instances were excluded, emphasising the completeness of responses for all variables in the analysis.

Table 3. Cronbach's Alpha reliability scale (n=648)

Case Processing Summary			
		N	%
Cases	Valid	648	100.0
	Excluded ^a	0	0.0
	Total	648	100.0
Reliability Statistics	Cronbach's Alpha	0.810	
	N of Items	9	

a. Listwise deletion based on all variables in the procedure.

Source: Author's consolidation based on primary data

6.2 Tests for normality

Table 4 presents the outcomes of the Kolmogorov-Smirnov Test, a quantitative method utilised to assess the normality of the 648-sample size in the analysis. The results indicate that the data structure for the nine variables, distributed across three parameters, does not adhere to normal distribution. The underlying assumption of normality posits that if the P-value of the Kolmogorov-Smirnov Test exceeds 0.05, the data is considered normally distributed (Hatem et al., 2022; Masuku, 2014). Conversely, when the P-value falls below 0.05, it illustrates a significant departure from a normal distribution, as indicated in Table 4. Consequently, a non-parametric approach to data analysis was adopted for the study.

Table 4. The Kolmogorov-Smirnov Tests of Normality(n=648)

Parameters	Variables	Variance	Std. Dev	Skewness	Kurtosis	Stats	Sig.
Knowledge	<i>Awareness</i>	1.797	1.340	-0.429	-1.018	0.202	<0.001
	<i>Comprehension</i>	1.978	1.406	0.430	-1.127	0.195	<0.001
	<i>Competence</i>	1.738	1.318	0.793	-0.594	0.249	<0.001
Attitude	<i>Perception</i>	1.817	1.348	-0.598	-0.866	0.229	<0.001
	<i>Intension</i>	1.650	1.284	0.584	-0.694	0.207	<0.001
	<i>Consistency</i>	1.341	1.799	0.557	-0.918	0.207	<0.001
Practice	<i>Target audience</i>	1.978	1.406	0.492	-1.078	0.212	<0.001
	<i>Differential offerings</i>	2.062	1.436	0.465	-1.164	0.210	<0.001
	<i>Customer value</i>	1.891	1.375	0.297	-1.161	0.181	<0.001

a. Lilliefors Significance Correction

The significance level is 0.005.

Source: Author's consolidation based on primary data

6.3 One-Sample Wilcoxon Signed Rank Test

Table 5 illustrates the median scores obtained from conducting a One-Sample Wilcoxon Signed Rank Test for the variables within the knowledge, attitude, and practice parameters. In terms of knowledge, the observed median scores for the awareness variable (4.00, $p=0.01$) significantly exceed the hypothesised median score (3.00) at below a 5% level of statistical significance. This suggests that most participants possess substantial awareness and familiarity with the value proposition concept; however, concerning the comprehension variable (2.0, $p<0.01$) and competence variable (2.0, $p<0.01$), the median scores fall below the hypothesised median score (3.0) at below a 5% level of statistical significance. The findings imply that, while entrepreneurs generally exhibit awareness of the value proposition concept, a significant portion lack the necessary comprehension and competence, revealing a potential gap in their ability and skills to fully comprehend and effectively demonstrate these crucial aspects of the concept in their entrepreneurial practices.

In terms of attitude parameter, while the observed median scores for variables like perception (4.00, $p<0.01$) significantly surpass the hypothesised median score (3.0) at below a 5% level of statistical significance, the variables of intention (Median = 2.00, $p<0.01$) and consistency (Median: 2.0, $p<0.01$) fall below the hypothesised median score (3.0) at below a 5% level of statistical significance. The result interprets that, while entrepreneurs generally have a positive cognitive stance and acceptance of the value proposition concept as being a fundament for steering efficacious venture, the notable lack of intention and consistency among entrepreneurs suggests potential obstacles in translating this positive mindset into persistent and effective application of the concept in their entrepreneurial endeavours.

Regarding practice parameter, the observed median scores for variables like target audience (2.00, $p<0.01$) and differential offerings (2.00, $p<0.01$) fall below the hypothesised median score (3.0) at below a 5% level of statistical significance, while customer value variable (Median = 3.0, $p<0.01$) is equal to the hypothesised median score (3.0) at below a 5% level of statistical significance. This implies that very few entrepreneurs possess a commendable level of entrepreneurial skills in identifying the appropriate customer base for their enterprises, as well as an ability to provide unique innovative offerings tailored to the target audience. The implication often results in homogeneous offerings. Consequently, this leads to market crowding as entrepreneurial endeavours cluster around similar activities in the same geographical space, thus stiffening competition. These are entrepreneurial obstacles, not only deterring efficacy but significantly causing heightened SMMEs attrition rates.

Table 5. One-Sample Wilcoxon Signed Rank Test Summary(n=648)

Parameters	Variables	Test Statistic	Standard Error	Standardised Test Statistic	Hypothesised Median	Observed Median	Sig
Knowledge	<i>Awareness</i>	95638.000	3357.676	8.000	3.00	4.00	<0.001
	<i>Comprehension</i>	42007.000	3370.707	-8.097	3.00	2.00	<0.001
	<i>Competence</i>	27743.000	3523.716	-13.084	3.00	2.00	<0.001
Attitude	<i>Perception</i>	108717.50	3580.957	9.433	3.00	4.00	<0.001
	<i>Intention</i>	33037.500	3176.957	-9.709	3.00	2.00	<0.001
	<i>Consistency</i>	33856.000	3372.638	-10.509	3.00	2.00	<0.001
Practice	<i>Target audience</i>	45921.000	3559.029	8.000	3.00	2.00	<0.001
	<i>Differential</i>	43915.000	3531.509	-8.476	3.00	2.00	<0.001
	<i>Customer values</i>	46504.000	3281.230	-6.153	3.00	3.00	<0.001

The significance level is 0.005.

Source: Author’s consolidation based on primary data

6.4 Levene Statistic Test of Homogeneity of Variance

Table 6 illustrates the Levene Statistics Test of Homogeneity of Variance analysis conducted on different variables across various observed groups. This is a preliminary test for the Mann-Whitney U Test of Two Independent Groups – gender: female and female; location: urban and rural; and support status: supported and unsupported. The comparison across groups depicts that, the p-values exceed 0.05. This indicates an absence of a significant difference in knowledge, attitude, and practice parameters scores between the compared groups in terms of - gender, location, and support. The assumption underlying equal distribution posits that if the P-value of the Homogeneity of Variance Test is less than 0.05, the data significantly deviates from equal distribution (Levene, 1960; Ujian, Abdullah & Muda, 2022). When the P-value surpasses 0.05, however, the data, as presented in the Table, remains unbiased, signifying that the compared groups are symmetrically distributed across the estimated variables. In this instance, therefore, the assumption required for the Mann-Whitney U-Test of equal distribution was satisfied.

Table 6. Levene Statistic Test of Homogeneity of Variance (n=648)

Groups	Parameters	Mean Scores		Median with adjusted df			Sig.
		Female	Male		df1	df2	
Gender	<i>Knowledge</i>	2.696	2.759	2.269	1	645.889	0.132
	<i>Attitude</i>	2.743	2.854	0.158	1	643.352	0.691
	<i>Practice</i>	2.557	2.560	0.127	1	645.542	0.722
Location		Urban	Rural				
	<i>Knowledge</i>	2.736	2.717	0.495	1	645.998	0.482
	<i>Attitude</i>	2.843	2.750	0.060	1	644.204	0.806
	<i>Practice</i>	2.553	2.565	0.225	1	645.638	0.635
Support		Supported	Unsupported				
	<i>Knowledge</i>	2.644	2.801	2.657	1	645.216	0.104
	<i>Attitude</i>	2.747	2.842	0.024	1	645.820	0.878
	<i>Practice</i>	2.486	2.625	0.451	1	645.473	0.502

The significance level is 0.005. a. Lilliefors Significance Correction

Source: Author's consolidation based on primary data

6.5 Mann-Whitney U Test of Two Independent Groups

The Mann-Whitney U Test analysis depicts that there is no statistically significant difference in the mean scores of knowledge, attitude, and practice parameters between the gender groups, as shown in Table 7. The low standard deviations for each variable (female & male) suggest that individual scores within each category are relatively proximate to the mean, indicating a certain level of consistency or agreement among participants in their responses across parameters. For example, even though the distribution of the knowledge parameter in males (Mean Rank = 331.73) exceeds that in females (Mean Rank = 317.75), there is insufficient evidence to substantiate a difference between the ratings of the two genders ($U = 50166.000$, $z = -0.955$, $p = 0.340$, two-tailed). Similarly, there is no significant difference is observed between the ratings of the two gender groups for the attitude parameter ($U = 51166.000$, $z = -0.547$, $p = 0.584$, two-tailed) and practice parameter ($U = 51484.500$, $z = -0.406$, $p = 0.685$, two-tailed). Based on the foregoing result, it can be concluded that there exists a noteworthy degree of agreement or uniformity in participants' responses, contributing to the non-significant findings in the Mann-Whitney U Test. Consequently, the null hypothesis, pointing out that the distribution of the variables measured in the three parameters is the same across gender groups, is retained.

Table 7. Independent-Samples Mann-Whitney U Test (n=648)

Descriptive Statistics				
	Mean	Std. Deviation	Minimum	Maximum
Knowledge	2.726	0.936	1.00	5.00
Attitude	2.499	1.436	1.60	5.00
Practice	2.659	1.375	1.50	5.00
<i>Gender</i>	1.48	0.500	1	2

	<i>Gender</i>	<i>Mean Rank</i>	<i>Sum of Ranks</i>
Knowledge	F*	317.75	106446.00
	M*	331.73	103830.00
Attitude	F*	320.73	107446.00
	M*	328.53	102830.00
Practices	F*	327.31	109650.50
	M*	321.49	100625.50

Test Statistics ^a				
	<i>Knowledge</i>	<i>Attitude</i>	<i>Practice</i>	
Mann-Whitney U	50166.000	51166.000	51484.500	
Wilcoxon W	106446.000	107446.000	100625.500	
Z	-0.955	-0.547	-0.406	
Sig.	0.340	0.584	0.685	

a. Grouping Variable: Gender

The significance level is 0.005.

Source: Author’s consolidation based on primary data

The observed stability around the mean scores and their relatively low standard deviation indicates that the participants, regardless of their location, tended to respond similarly in terms of knowledge, attitude, and practices. The knowledge parameter distribution in the analysis was higher in urban areas (Mean Rank = 327.82) as compared to rural areas (Mean Rank = 321.10), however, the difference between the two locations is not statistically significant (U = 51391.500, z = -0.459, p = 0.646, two-tailed) (Table 8). A parallel pattern is observed in the attitude (U = 48927.500, z = -1.501, p = 0.133, two-tailed) and practice parameters (U = 52333.000, z = -0.062, p = 0.133, two-tailed). Conclusively, there is a noteworthy degree of agreement or uniformity in responses, contributing to the non-significant findings in the Mann-Whitney U Test across locations; therefore, the null hypothesis, asserting that the distribution of the variables measured in the three parameters is the same across categories of location, is retained.

Table 8. Independent-Samples Mann-Whitney U Test (n=648)

Descriptive Statistics				
	Mean	Std. Deviation	Minimum	Maximum
Knowledge	2.7263	0.93616	1.00	5.00
Attitude	2.7263	0.90130	1.60	5.00
Practice	2.5586	0.99405	1.50	5.00
<i>Location</i>	1.49	0.500	1	2

	<i>Location</i>	<i>Mean Rank</i>	<i>Sum of Ranks</i>
Knowledge	U*	327.82	107524.50
	R*	321.10	102751.50
Attitude	U*	335.33	109988.50
	R*	313.40	100287.50
Practices	U*	324.05	106289.00
	R*	324.96	103987.00

Test Statistics ^a				
	<i>Knowledge</i>	<i>Attitude</i>	<i>Practice</i>	
Mann-Whitney U	51391.500	48927.500	52333.000	
Wilcoxon W	102751.500	100287.500	106289.000	
Z	-0.459	-1.501	-0.062	
Sig.	0.646	0.133	0.951	

a. Grouping Variable: Location

The significance level is 0.050.

Source: Author's consolidation based on primary data

The concentration of scores around the mean, along with low standard deviations, indicates limited dispersion in how participants scored the three parameters, however, there is a degree of variability in the responses, contributing to significant findings in the Mann-Whitney U Test for the knowledge parameter. The distribution of the unsupported group (Mean Rank = 341.69) surpasses that of the supported group (Mean Rank = 305.52) ($U = 46514.000$, $z = -2.469$, $p = 0.014$, two-tailed) (see Table 9). There is no statistically significant evidence to support a difference between the ratings of the two groups in attitude parameter ($U = 49300.500$, $z = -1.294$, $p = 0.196$, two-tailed) and practice parameter ($U = 48130.500$, $z = -1.786$, $p = 0.074$, two-tailed). Therefore, the null hypothesis, suggesting that the distribution of the variables measured in the three parameters is the same across categories of supported and unsupported groups, is rejected.

Table 9. Independent-Samples Mann-Whitney U Test (n=648)

Descriptive Statistics				
	Mean	Std. Deviation	Minimum	Maximum
Knowledge	2.7263	0.93616	1.00	5.00
Attitude	2.7968	0.90130	1.60	5.00
Practice	2.5586	0.99405	1.50	5.00
Support	1.52	0.500	1	2

	<i>Support</i>	<i>Mean Rank</i>	<i>Sum of Ranks</i>
<i>Knowledge</i>	S*	305.52	94100.00
	N*	341.69	116176.00
<i>Attitude</i>	S*	314.57	96886.50
	N*	333.50	113389.50
<i>Practices</i>	S*	310.77	95716.50
	N*	336.94	114559.50

Test Statistics ^a				
	<i>Knowledge</i>	<i>Attitude</i>	<i>Practice</i>	
Mann-Whitney U	46514.000	49300.500	48130.500	
Wilcoxon W	94100.000	96886.500	95716.500	
Z	-2.469	-1.294	-1.786	
Sig.	0.014	0.196	0.074	

a. Grouping Variable: Support

The significance level is 0.050.

Source: Author's consolidation based on primary data

7. DISCUSSION

The result obtained from this study shed light on a critical aspect of entrepreneurial practice in a perfectly competitive market - the presence or absence of value proposition parameters.

Departing from the conceptual foundations of competitive advantage (Porter, 2017) and strategic market positioning (Ries & Trout, 1986), it becomes evident that despite a commendable level of awareness of the value proposition among entrepreneurs in the study area, there exists a significant gap in the dimensions of comprehension and competence (see the synthesis in Table 10). In a typical entrepreneurial landscape, comprehension of value proposition skills and competence ultimately determine innovation, creativity, and sustained competitive advantage (Fauzi & Soehari, 2020; Kraus et al., 2021). A deficiency in this skill set constitutes reasons for the heightened competition, lack of business dynamism, and SMMEs failure in South Africa. Knowledge, according to Kraus et al. (2021), creates windows for technological changes that can result in organisational growth or even start-up activity. This knowledge is derived from diverse resources, including larger organisations and research institutions. Entrepreneurs that actively cultivate these networks as well as clusters of innovators and creators stand to realise entrepreneurial growth opportunities.

Shifting to attitude, where perception, intention, and consistency constitute the triad, the sub-average levels across groups suggest a potential vulnerability in the entrepreneurial fabric, a shortfall resisting entrepreneurs’ morale, creativity, and innovation, ultimately affecting customer satisfaction, business resilience, and competitive advantages. This position finds legitimacy in Fauzi and Soehari (2020), Kaplan and Norton (2001), and Yodchai et al. (2022) who convey that positive attitude toward adaptability, creativity and innovation, coupled with a consistent entrepreneurial intention to provide differential and unique offerings to consumers, drive strategic resource development, utilisation and success in entrepreneurship. Kaplan and Norton (2001) and Yu et al. (2018) substantiate that companies can sway purchase intention through unique offerings and positive brand equity. The lack of these attributes, conversely, highlights the setback in SMME performance in the study area. This shortfall calls for a more comprehensive, vibrant, and strategic approach to building an entrepreneurial ecosystem that showcases positive attitudes towards value proposition considerations.

In the context of practice, the below-average standings of variables, such as targeted audience and differential offerings, coupled with the mean-level customer value, denote a notable deficiency in the implementation and actualisation of value proposition skills. Theoretical discourse on business model innovation (Osterwalder & Pigneur, 2010) and customer value creation (Smith & Colgate, 2007) emphasise the significance of these crucial entrepreneurial value proposition aspects in achieving sustained business success. As noted, the recurrent pattern observed across groups stresses the systemic nature of these deficiencies, potentially contributing to the observed challenges SMMEs in South Africa grapple with (Bushe, 2019; BusinessTech, 2023; Peprah & Adekoya, 2020). To mitigate this shortfall, a pragmatic pathway, including heightened education, sensitisation, and skills training focusing on value proposition imperatives, is required.

Table 10. Result Synthesis (author’s consolidation)

Parameters	Variables	Remark	Gender		Location		Support	
			Female	Male	Urban	Rural	Supported	Unsupported
<i>Knowledge</i>	<i>Awareness</i>	Exceed average	E	E	E	E	E*	E
	<i>Comprehension</i>	Below average	B	B	B	B	B	B*
	<i>Competence</i>	Below average	B	B	B	B	B	B*
<i>Attitude</i>	<i>Perception</i>	Exceed average	E	E	E	E	E*	E

Parameters	Variables	Remark	Gender		Location		Support	
	<i>Intension</i>	Below average	B	B	B	B	B	B*
	<i>Consistency</i>	Below average	B	B	B	B	B	B
<i>Practice</i>	<i>Target audience</i>	Below average	B	B	B	B	B	B
	<i>Differential</i>	Below average	B	B	B	B	B	B
	<i>Customer value</i>	Equal average	A	A	A	A	A	A

Note: B = Exceed average, A = Average, B=Below average, (*) = Outperformed

Source: Author's consolidation based on primary data

8. CONCLUSION

The observable challenges confronting SMMEs in South Africa, particularly, the high attrition rates attributed to stiff competition and a lack of business dynamism, motivated this exploration enquiry into entrepreneurs' proficiency in value proposition skills. Drawing from the KAP framework, this study examined parameters spanning knowledge (awareness, comprehension, competence), attitudes (perception, intention, consistency), and practices (target audience, differential offerings, customer value) across diverse groups of entrepreneurs in terms of - gender, location, and support status. In terms of knowledge, the awareness of the value proposition is notably rich across all examined cohorts; however, it was discerned that supported entrepreneurs demonstrate a superior level, in comparison to their unsupported counterparts. On the contrary, the aspects of comprehension and competence reveal comparatively lower values, falling below the average for all examined groups, and unsupported entrepreneurs, however, outperform their counterparts. With regards to attitudes, while the perception of the value proposition concept exceeds the average, the facets of intention and consistency, however, persistently manifested sub-average levels across all scrutinised groups. Shifting to practice parameter, variables like targeted audience and differential offerings demonstrated low values below-average standings, with customer value hovering around the mean. This consistent pattern was conspicuous across the compared groups. Based on the empirical findings, it was concluded that value proposition proficiency among entrepreneurs in the study area is below the anticipated threshold, necessitating strategic and pragmatic interventions. This includes targeted education and radical entrepreneurial soft and hard skills to fortify the resilience and success of SMMEs in the fiercely competitive South African entrepreneurial sphere. In addition, a context-specific framework for building entrepreneurial value proposition proficiency in the country may influence valorisations.

ACKNOWLEDGMENTS

The author gratefully acknowledges the local entrepreneurs in Limpopo Province who participated in this study. This research was supported by the National Research Foundation of South Africa (Reference: PSTD23032988088).

REFERENCES

- Aduugna, B., Merera, O., Negash, W., Abdulkadir, O., & Mohammed, Y. (2022). Knowledge, Attitude and Practice (KAP) assessment on lifestyle, public health measures practiced by society and their impact to contain COVID-19 transmission among afar community in selected parts of afar region, Ethiopia. *Infection and Drug Resistance*, 15, 1277-1287. <https://doi.org/10.2147/IDR.S349019>.
- Anderson, J. C., Narus, J. A., & Van Rossum, W. (2006). Customer Value Propositions in Business Markets. *Harvard Business Review*, 84(3), 1-10. <https://pluginfile.php/1368967>.
- Balanco, T.O. (2015). *A continuous value proposition: waste created by food manufacturing companies and the conversion of bio-waste into biogas and fertiliser* (Doctoral dissertation, University of Pretoria).
- Beneke, J., & Carter, S. (2015). The development of a consumer value proposition of private label brands and the application thereof in a South African retail context. *Journal of Retailing and Consumer Services*, 25, 22-35. <https://doi.org/10.1016/j.jretconser.2015.03.002>.
- Blank, S., & Dorf, B. (2012). *The Startup Owner's Manual: The Step-By-Step Guide for Building a Great Company*. K & S Ranch.
- Bushe, B. (2019). The causes and impact of business failure among small to micro and medium enterprises in South Africa. *Africa's Public Service Delivery and Performance Review*, 7(1). doi/abs/10.4102/apsdpr.v7i1.210.
- BusinessTech. (2023). *South Africa has one of the highest business failure rates in the world: analysts*. May 3, 2023. Retrieved from <https://businesstech.co.za/news/business/487503/south-africa-has-one-of-the-highest-business-failure-rates-in-the-world-analysts/>, on February.19.2024.
- Bussmann, J. (2016). *Developing an Innovative Value Proposition to Replace Paraffin in South African low-income communities*. (Master's dissertation, Wageningen University).
- Chakravartty, A. (2018). Is it Heuristics in Use or 'Ritualistic and Instrumentalist' in Purpose? Neoliberal Philosophy and the Use of KAPS (Knowledge, Attitude and Practise Surveys) in a Least Developed Nation. *The Open Public Health Journal*, 11(1), 243-274. <https://doi.org/10.2174/1874944501811010243>.
- Chesbrough, H. W. (2010). Business Model Innovation: Opportunities and Barriers. *Long Range Planning*, 43(2-3), 354-363. <https://doi.org/10.1016/j.lrp.2009.07.010>.
- Chukwuneme, E.P., Olaniyi, A.T., & Innocent, B. (2023). South African government palliative funds for SMMEs during COVID-19: challenges of implementation and suggestions for improvement. *Journal of Accounting, Finance and Auditing Studies* 9(2), 18-45. DOI: 10.32602/jafas.2023.011.
- Do Paço, A., Ferreira, J.M., Raposo, M., Rodrigues, R.G., & Dinis, A. (2013). Entrepreneurial intentions: is education enough? *International Entrepreneurship and Management Journal*, 11, 57-75. <https://doi.org/10.1007/s11365-013-0280-5>.
- Eisenmann, T., Ries, E., & Dillard, S. (2008). Hypothesis-Driven Entrepreneurship: The Lean Startup. *Harvard Business School Entrepreneurial Management Case*, 812-095. <https://doi.org/pluginfile.php/7633986>.
- Enaifoghe, A., & Ramsuraj, T. (2023). Examining the Function and Contribution of Entrepreneurship through Small and Medium Enterprises as Drivers of Local Economic Growth in South Africa. *African Journal of Inter/Multidisciplinary Studies*, 5(1), 1-11. https://hdl.handle.net/10520/ejc-ajims_v5_n1_a19.
- Enwereji, P.C. (2023). Navigating the hurdles: The internal and external challenges of Small, Medium and Micro Enterprises (SMMEs) in South Africa. *African Journal of Development Studies*, 13(4). <https://doi.org/10.31920/2634-3649/2023/v13n4a11>.

- Farrington, S.M., & Matchaba-Hove, M.T.M. (2011). *The Influence of Entrepreneurial Orientation on Small Business Success*. Retrieved from https://scholar.google.co.za/scholar?cluster=7694415991393517723&hl=en&as_sdt=2005&scioldt=0,5, on December.19.2021.
- Fatoki, O. (2021). Access to finance and performance of small firms in South Africa: The moderating effect of financial literacy. *WSEAS Transactions on Business and Economics*, 18, 78-87. <https://doi.org/10.37394/23207.2021.18.9>.
- Fauzi, M., & Soehari, T.D. (2020). The Effect of Entrepreneurial Attitudes, Innovation and Creativity on Business Success in The Garment Industry (CV. Celbym and Yeiko). *Dinasti International Journal of Management Science*, 2(1), 125-131. <https://doi.org/10.31933/dijms.v2i1.413>.
- Gauché, P., von Backström, T.W., & Brent, A.C. (2013). A concentrating solar power value proposition for South Africa. *Journal of Energy in Southern Africa*, 24(1), 67-76. <https://doi.org/10.1080/16085914.2013.811111>.
- Gumbi, L.N., & Mnkandla, E. (2015). Investigating South African vendors' cloud computing value proposition to small, medium and micro enterprises: a case of the City of Tshwane Metropolitan Municipality. *The African Journal of Information Systems*, 7(4), 1-16. <https://digitalcommons.kennesaw.edu/ajis/vol7/iss4/1>.
- Gupta, R.K., Raina, S.K., Shora, T.N., Jan, R. Sharma, R., & Hussain, S. (2016). A household survey to assess community knowledge, attitude and practices on malaria in a rural population of Northern India. *Journal of family medicine and primary care*, 5(1), 101-107. Doi: 10.4103/2249-4863.184632.
- Gwala, F. N., Mthethwa, R. M., & Jili, N. N. (2023). An Analysis of the Factors, Effects and Experiences Associated with High Graduate Unemployment in the eThekweni Metropolitan Municipality of South Africa. *African Journal of Public Affairs*, 14(1), 122-151. https://hdl.handle.net/10520/ejc-ajpa_v14_n1_a8.
- Gwija, S.A., Eresia-Eke, C., & Iwu, C.G. (2014). The link between entrepreneurship education and business success: evidence from youth entrepreneurs in South Africa. *Journal of Economics*, 5(2), 165-175. <https://doi.org/10.1080/09765239.2014.11884993>.
- Hatem, G., Zeidan, J., Goossens, M., & Moreira, C. (2022). Normality testing methods and the importance of skewness and kurtosis in statistical analysis. *BAU Journal-Science and Technology*, 3(2), 1-5. <https://doi.org/10.54729/KTPE9512>.
- Huggins, R., & Williams, N. (2011). Entrepreneurship and regional competitiveness: the role and progression of policy. *Entrepreneurship & regional development*, 23(9-10), pp. 907-932. <https://doi.org/10.1080/08985626.2011.577818>.
- Irene, B.N., Murithi, W.K., Frank, R., & Mandawa-Bray, B. (2021). From empowerment to emancipation: women's entrepreneurship cooking up a stir in South Africa. In *Women's Entrepreneurship and Culture* (pp. 109-139). Edward Elgar Publishing.
- Iwara, I. O. (2018). Research Model Canvas: A Strategic Response to Graduate Dropout in South Africa. *E-Journal of Humanities, Arts and Social Sciences (EHASS)* 4(14), 89-108. <https://doi.org/10.38159/ehass.20234149>
- Iwara, I.O. (2020). *Towards a model for successful enterprises centred on entrepreneurs' exogenous and endogenous attributes: Case of Vhembe District, South Africa* (Doctoral dissertation, University of Venda).
- Jansen van Rensburg, M., & Van Niekerk, J. (2010). Value differentiation: Creating customised value propositions in the South African cement industry. *Management Dynamics: Journal of the Southern African Institute for Management Scientists*, 19(4), 2-16. <https://doi.org/10.10520/EJC69767>.

- Joel, O. T., & Oguanobi, V. U. (2024). Entrepreneurial leadership in startups and SMEs: Critical lessons from building and sustaining growth. *International Journal of Management & Entrepreneurship Research*, 6(5), 1441-1456. <https://doi.org/10.51594/ijmer.v6i5.1093>.
- Kaplan, R. S., & Norton, D. P. (2001). *The strategy-focused organization: How balanced scorecard companies thrive in the new business environment*. Harvard Business Press.
- Kativhu, S., Iwara, I.O., & Mwale, M. (2021). Exploring threats to youth enterprise resilience in selected areas in Thulamela Local Municipality, South Africa. *African Journal of Development Studies*, 1, 119-144. https://doi.org/10.10520/ejc-aa_affrika1_v2021_nsi1_a7.
- Kennedy, I. (2022). Sample size determination in test-retest and Cronbach alpha reliability estimates. *British Journal of Contemporary Education*, 2(1), 17-29. Doi: 10.52589/BJCE-FY266HK9
- Kim, W. C., & Mauborgne, R. (2005). Blue Ocean Strategy: From Theory to Practice. *California Management Review*, 47(3), 105-121. <https://doi.org/10.1177/000812560504700301>.
- Kimanzi, M. (2020). The role of higher education institutions in fostering innovation and sustainable entrepreneurship: A case of a University in South Africa. *International Journal of Business and Management Studies*, 12(2), 470-485.
- Kraus, S., McDowell, W., Ribeiro-Soriano, D.E., & Rodríguez-García, M. (2021). The role of innovation and knowledge for entrepreneurship and regional development. *Entrepreneurship & Regional Development*, 33(3-4), 175-184. <https://doi.org/10.1080/22797254.2021.1872929>.
- Levene, H. (1960). Robust tests for equality of variances. In Olkin I. (ed.). *Contributions to Probability and Statistics: Essays in Honor of Harold Hotelling*. CA: Stanford University Press.
- Lukhele, N., & Soumonni, O. (2021). Modes of innovation used by SMMEs to tackle social challenges in South Africa. *African Journal of Science, Technology, Innovation and Development*, 13(7), 829-837. <https://doi.org/10.1080/20421338.2020.1834960>.
- Masuku, M. (2014). Assumption and testing of normality for statistical analysis. *Am J Math Math Sci*, 3(1), 169-175.
- Moitra, P., Verma, P., & Madan, J. (2021). Development and validation of a questionnaire measuring knowledge, attitudes, and practices (KAP) to healthy eating and activity patterns in school children (HEAPS). *Nutrition and health*, 27(2), 199-209. <https://doi.org/10.1177/0260106020982356>
- Musara, M., & Nieuwenhuizen, C. (2021). A value proposition mix framework of successful foreign-owned small and medium enterprises in South Africa. *Entrepreneurship and Sustainability Issues*, 9(1), 612-632.
- Mzanywa, Y., & Madzivhandila, T. S. (2023). Are SMMEs Creating Employment Opportunities for the Youth in Townships? Lessons From Hillcrest Township in the Eastern Cape, South Africa. *Journal of Public Administration*, 58(4), 1154-1165. https://hdl.handle.net/10520/ejc-jpad_v58_n4_a18.
- Nambiar, Y., Sutherland, M., & Scheepers, C.B. (2020). The stakeholder ecosystem of women entrepreneurs in South African townships. *Development Southern Africa*, 37(1), 70-86. <https://doi.org/10.1080/0376835X.2019.1657001>.
- Nkwinka, S.E.R., & Mashau, P. (2020). Evaluating the financial challenges affecting the competitiveness of small businesses in South Africa. *Gender and Behaviour*, 18(1), 15151-15162. <https://doi.org/10.10520/ejc-genbeh-v18-n1-a41>.

- Nxele, S., & Hoque, M.E. (2023). Factors Hindering Small, Medium, and Micro Enterprise Business Growth in South Africa. In *Advancing SMEs Toward E-Commerce Policies for Sustainability* (pp. 134-151). IGI Global.
- Nyika F., Muzekenyi, M., Akbar, K., Moodley, M. & Nzimande, S. (2024). Economic inclusion of rural small businesses in policy formulation: Strategies for sustainable development in Africa. *International Journal of Development and Sustainability*, 13(1), 51-67.
- Osterwalder, A., & Pigneur, Y. (2010). *Business Model Generation: A Handbook for Visionaries, Game Changers, and Challengers*. John Wiley & Sons.
- Paadi, K., Barkhuizen, N., & Swanepoel, S. (2019). Exploring the building blocks of an employee value proposition for graduate interns. *International Journal of Social Sciences and Humanity Studies*, 11(1), 51-67. <https://dergipark.org.tr/en/pub/ijsshs/issue/44993/558517>.
- Parreira, J. (2007). *An analysis of an employee value proposition* (Doctoral dissertation, North-West University).
- Peprah, A.A., & Adekoya, A.F. (2020). Entrepreneurship and economic growth in developing countries: Evidence from Africa. *Business Strategy & Development*, 3(3), 388-394. <https://doi.org/10.1002/bsd2.104>.
- Phungula, N., Dhanpat, N., & Braine, R.D. (2022). The effect of employee value proposition on normative commitment. *EUREKA: Social and Humanities*, 2, 46-57. <https://doi.org/10.21303/2504-5571.2022.002322>.
- Pillay, M. 2005. *Knowledge, Attitude and Practices (KAP) Survey*. (Doctoral dissertation, Stellenbosch: Stellenbosch University).
- Porter, M. E. (2017). *Competitive advantage: creating and sustaining superior performance*. Skillsoft.
- Prahalad, C. K., & Hamel, G. (1999). The core competence of the corporation. *Harvard Business Review*, 68(3), 79–91.
- Ragolane, M. (2024). Micro, Small, and Medium Enterprises Promoting Sustainable Livelihoods within the South African Context. *Interdisciplinary Journal on Law, Social Sciences and Humanities*, 5(1), 1-15. 10.19184/idj.v5i1.43477.
- Rakosa, K. (2018). *Value proposition as a strategic tool in a South African bank*. (Master's Dissertation, University of Johannesburg).
- Ramsuraj, T. (2023). Assessing the role of entrepreneurship industry and SMEs to economic growth in South Africa. *International Journal of Research in Business and Social Science*, 12(7), 283-291. <https://doi.org/10.20525/ijrbs.v12i7.2730>.
- Rappa, M. (2004). *Managing the Digital Enterprise: Business Models on the Web*. Retrieved from <http://digitalenterprise.org/models/models.html>, on March.12.2021.
- Ries, A., & Trout. J. (1986). *Positioning: The battle for your mind*. McGraw-Hill.
- Serame, M. (2019). *Factors Influencing SMEs' Access to Finance in South Africa*. (Master's dissertation, University of Cape Town).
- Sibanya, A. (2023). *Identifying the shortcomings of an Employee Value Proposition for African females in an energy company operating in South Africa*. (Master's Dissertation, Stellenbosch University).
- Sibiya, J.E., & Gumbo, J.R. (2013). Knowledge, attitude and practices (KAP) survey on water, sanitation and hygiene in selected schools in Vhembe District, Limpopo, South Africa. *International journal of environmental research and public health*, 10(6), 2282-2295. <https://doi.org/10.3390/ijerph10062282>.
- Sitharam, S., & Hoque, M. (2016). Factors affecting the performance of small and medium enterprises in KwaZulu-Natal, South Africa. *Problems and perspectives in Management*, 14(2), 277-288.

- SME South Africa. (2022). *Formal and Informal Business in South Africa*. Retrieved from <https://smesouthafrica.co.za/formal-and-informal-business-in-south-africa/>, on July.13.2023.
- Smith, A. N., & Colgate, M. (2007). Customer Value Creation: A Practical Framework. *Journal of Marketing Theory and Practice*, 15(1), 7-23. <https://doi.org/10.2753/MTP1069-6679150101>.
- Snyman, H. 2012. *Economic growth, entrepreneurship and venture capital in South Africa*. (Master's Dissertation, University of Cape Town).
- South African Government. (2021). *Minister Khumbudzo Ntshavheni: Small Business Development Dept Budget Vote 2021/22*. Retrieved from <https://www.gov.za/speeches/minister-khumbudzo-ntshavheni-small-business-development-dept-budget-vote-202122-25-may>, on July.16.2023.
- Stats SA. (2020). *South Africa - Mid-year population estimates 2020*. Retrieved from <http://www.statssa.gov.za/publications/P0302/P03022020.pdf>, on January.11.2022.
- Stats South Africa. (2024). *Quarterly Labour Force Survey (QLFS) – Q4: 2023*. Retrieved from <https://www.statssa.gov.za/publications/P0211/Media%20release%20QLFS%20Q4%202023.pdf>, on March.04.2024.
- Swanepoel, K., & Saurombe, M. D. (2022). The significance of an employee value proposition in the retention of teachers at selected South African private schools. *South African Journal of Economic and Management Sciences*, 25(1). <https://doi.org/10.4102/sajems.v25i1.4358>.
- Terrance, M. T. (2023). Determinants and Prospects of Graduate Unemployment in South Africa. *African Journal of Development Studies*, 13(4). <https://journals.co.za/doi/epdf/10.31920/2634-3649/2023/v13n4a6>.
- Theys, N.A., & Barkhuizen, E.N. (2022). The development of an employee value proposition framework for the South African water board sector. *SA Journal of Human Resource Management*, 20, 1-14. <https://doi.org/10.4102/sajhrm.v20i0.1944>
- Ujian, K., Abdullah, N.F., & Muda, N. (2022). An Overview of Homogeneity of Variance Tests on Various Conditions Based on Type 1 Error Rate and Power of a Test. *Journal of Quality Measurement And Analysis (Jqma)*, 18(3), 111-130.
- Urbano, D., Toledano., N. & Ribeiro-Soriano, D. (2019). Socio-cultural factors and female entrepreneurship. *Entrepreneurship Theory and Practice*, 43(2), 305-328. <https://doi.org/10.1007/s11365-013-0251-x>.
- van der Merwe, C., Van Rensburg, A. & Schutte, C.S. (2015). An engineering approach to an integrated value proposition design framework. *South African Journal of Industrial Engineering*, 26(1), 59-74. <https://doi.org/10.10520/EJC172210>.
- Yodchai, N., Ly, P.T.M., & Tran, L.T.T. (2022). How the creative mindset affects entrepreneurial success in the tourism sector: the mediating role of innovation capability. *International Journal of Contemporary Hospitality Management*, 34(1), 279-298. <https://doi.org/10.1108/IJCHM-06-2021-0695>.
- Yousaf, M.A., Noreen., M., Saleem, T. & Yousaf., I. (2020). A cross-sectional survey of knowledge, attitude, and practices (KAP) toward pandemic COVID-19 among the general population of Jammu & Kashmir, India. *Social Work in Public Health*, 35(7), 569-578. <https://doi.org/10.1080/19371918.2020.1806983>.
- Yu, M., Liu, F., Lee, J., & Soutar, G. (2018). The influence of negative publicity on brand equity: attribution, image, attitude and purchase intention. *Journal of Product & Brand Management*, 27(4), 440-451. <https://doi.org/10.1108/JPBM-01-2017-1396>.

Appendix 1

Entrepreneurial value proposition proficiency diagnostic tool based on KAP model

This questionnaire was self-developed to facilitate data collection towards an empirical analysis/assessment of entrepreneurs' value proposition proficiency in any entrepreneurial context or location.

Section 1: Background Information

Kindly mark the applicable block with a cross [X] and where necessary, also provide the applicable information.

1. Sex: Female [], Male [], Other []
2. Age: 15 – 35 [], 36 and above []
3. What kind/nature of business do you operate? _____
4. In what sector is your business? _____
5. Where is your business located? Town [], Village []
6. What is the name of village/town where your business is located? _____
7. What year was your business established? _____
8. How many years have you been operating the business? 0 to 2 years [], 3 years above []
9. Have you/your business received any form of entrepreneurship support? Yes [], No []

Section 2: Entrepreneurial value proposition proficiency assessment

10. Kindly score each statement with 1 being *least agreed* while 5 being the *strongest agreed*, depending on how much you know it applies to you.

The following attributes are the reason for your success:

Value Proposition Attributes			Scale				
Parameters	Variables	Questions	1	2	3	4	5
Knowledge	Awareness	You are cognizant of value proposition concept.					
	Comprehension	You have deep understanding of value proposition concepts.					
	Competence	You possess the ability to effectively apply value proposition concept in your business.					
Attitude	Perception	You view value proposition concept as a critical business efficacy driver.					
	Intension	You have applied/intending to apply value proposition concept in your business.					
	Consistency	You have been ardent and apt to value proposition practices in your business.					
Practice	Target audience	Your business seamlessly caters to the need of specific consumer segment(s).					
	Differential offerings	Your business offerings demonstrate heightened innovation and uniqueness compared to counterparts in the same sector and entrepreneurship landscape.					
	Customer value	Your business delivers mutually beneficial functional, monetary, social and psychological values to customers.					

11. Do you have any other comment regarding value proposition concept that may not have been captured in the survey above?

Thank you for your participation