

**FROM TRADITIONAL TO DIGITAL:
DIGITAL TRANSFORMATION STRATEGY FOR MICRO AND SMALL BUSINESSES
IN THE STREET FOOD SECTOR IN THE CITY OF BANDUNG**

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Abstract

Digital transformation has become an important strategy for micro and small enterprises (MSEs) to increase competitiveness in the digital economy era. However, many micro business actors still face various challenges in adopting digital technology, especially related to digital literacy, limited resources, and understanding of digital marketing strategies. This study aims to analyze the digital transformation process in micro and small businesses in the street food sector in Bandung, a city known as one of Indonesia's culinary destinations with high street food diversity. This study uses a qualitative case study approach. The research data were obtained from students' field assignments in the digital entrepreneurship course, in which students conducted observations and semi-structured interviews with micro-business actors to identify problems related to digital business transformation. The data were analyzed using a thematic analysis to identify problem patterns and digital transformation strategies that emerged from various micro-business cases. The study's results show that most business actors still rely on traditional methods such as word-of-mouth promotion and direct sales. Some businesses have begun adopting digital technologies such as social media, instant messaging, and digital payments, but their use remains partial and has not been integrated into a comprehensive business strategy. This study also found that student involvement through project-based learning can act as a catalyst in digitizing micro businesses. This study contributes to the literature on digital transformation in micro enterprises by highlighting the importance of digital literacy, digital marketing strategies, and collaboration between universities and local business actors in supporting the business transformation process towards a digital ecosystem.

Keywords: *digital transformation, micro and small businesses, digital entrepreneurship, street food, Bandung.*

1. INTRODUCTION

Micro and small enterprises (MSEs) have an important role in the Indonesian economy, especially in creating jobs, improving community welfare, and encouraging local economic growth. This sector is the backbone of the national economy due to its large number and significant contribution to the community's economic activities. In recent years, the development of digital technology has brought major changes in the way businesses are run, including in micro and small businesses. Digital transformation enables businesses to expand market access, improve operational efficiency, and strengthen customer interactions across various digital platforms.

Digital transformation is the process of integrating digital technology across business activities, including marketing, operations, and business models. Various digital technologies, such as social media, marketplaces, and digital payment systems, have provided new opportunities for small businesses to increase competitiveness in an increasingly competitive market. A number of studies show that adopting digital technology can improve the performance of small businesses by increasing market access, improving business process efficiency, and enhancing adaptability to changing business environments (Verhoef et al., 2021; Vial, 2019). In

addition, the development of digital entrepreneurship has also encouraged the emergence of new business models that are more flexible and innovative in creating value for customers (Kraus et al., 2019; Sahut et al., 2021).

However, the adoption rate of digital technology in micro businesses still faces various challenges. Many business actors still have limitations in digital literacy, access to technology, and understanding of digital marketing strategies. This condition causes most micro businesses to still rely on traditional business methods, such as word-of-mouth promotion, direct sales, and reliance on the business's physical location. In fact, changes in consumer behavior that increasingly rely on digital technology require business actors to adapt quickly to these developments.

This phenomenon is also seen in the culinary sector, especially among street food businesses growing in major cities across Indonesia. The city of Bandung is known as one of the creative cities with a very diverse culinary wealth, and is a popular culinary tourism destination. Street food is an important part of Bandung's culinary identity and contributes significantly to local economic activity. Many microbusiness actors develop culinary businesses with innovative products and affordable prices. However, most street food business actors still run their operations traditionally and have not fully utilized digital technology in their operations.

Various studies on digital transformation in small and medium enterprises have shown that adopting digital technology can increase business competitiveness. However, most research focuses on small businesses that already have a relatively high rate of technology adoption or on formal business sectors with more established organizational structures. Research specifically examining the digital transformation process in micro businesses that continue to use traditional business practices, especially in the informal sector such as street food, remains relatively limited. In addition, most previous studies used a survey-based quantitative approach that emphasized the level of technology adoption, thereby lacking a deep understanding of the real problems faced by micro entrepreneurs in the digitalization of their businesses.

On the other hand, the literature on digital entrepreneurship also rarely examines the potential involvement of higher education institutions in supporting the digital transformation of micro businesses through an experiential learning approach. In fact, interaction between students and local business actors through field learning activities can provide opportunities to identify business problems directly and design digital solutions that are relevant and applicable for micro business actors.

Although the literature on digital transformation in small and medium-sized businesses continues to grow, most research still focuses on small businesses with a relatively high level of technological readiness or on formal business sectors with more established organizational structures. Research specifically examining the digital transformation process in microenterprises in the informal sector, such as street food, remains relatively limited. In addition, most previous studies used a quantitative survey approach that emphasized the level of technology adoption, thereby providing limited contextual understanding of the real problems faced by business actors in their daily practices. Therefore, this study seeks to fill this gap by exploring the digital transformation process in micro businesses in the street food sector through a qualitative approach based on field observation and interviews with business actors.

Given the research gap, this study aims to explore digital transformation strategies for micro and small businesses in the street food sector in Bandung. This research uses a qualitative approach, utilizing empirical data from students' field assignments in digital entrepreneurship courses, in which students conduct observations and interviews with micro business actors to identify problems related to digital business. By examining the experiences and challenges faced by business actors in the field, this research is expected to provide a more contextual understanding of the transformation from traditional to digital businesses in micro businesses.

This study also identifies a gradual pattern of digital technology adoption in micro businesses in the street food sector, from simple social media use to the integration of digital platforms for marketing and transactions. The study's findings show that the digital transformation process in microenterprises is influenced not only by access to technology but also by digital literacy, entrepreneurial readiness, and support from the local ecosystem. In addition, this study highlights the potential role of universities as facilitators of digital transformation through project-based learning activities that involve students in identifying problems and designing digital solutions for micro-business actors.

2. LITERATURE REVIEW

A number of studies show that digital transformation in small businesses is not only about adopting technology but also about changing business models and marketing strategies to help them adapt to the dynamics of the digital market. Verhoef et al. (2021) emphasize that digital transformation involves fundamental changes in business processes and in how value is created for customers. Meanwhile, other research shows that small businesses often face obstacles in the digitalization process, including limited digital literacy, limited access to technology, and limited human resources (Pratono, 2020; Setiawan et al., 2023). In the context of micro-enterprises, digital transformation often occurs gradually, starting with the adoption of simple technologies such as social media for promotion or instant messaging for customer communication.

2.1 Digital Transformation in Micro and Small Enterprises

Digital transformation is an organizational change process that involves using digital technology to improve business performance and create new value for customers. In the context of micro and small businesses, digital transformation is not only about technology but also about changes in entrepreneurial mindsets, marketing strategies, and business models. Several studies show that the use of digital technology can improve the performance of small businesses by increasing market access, improving operational efficiency, and strengthening customer relationships. Digital platforms such as social media, marketplaces, and digital payment applications offer small businesses opportunities to compete in a broader market. However, the adoption of digital technology in microenterprises remains relatively low. Limited knowledge, digital skills, and limited capital are often inhibiting factors in the digital transformation process.

2.2 Digital Marketing in Culinary Businesses

Digital marketing has become a key strategy for the growth of culinary businesses, especially for attracting consumers who actively use social media. Platforms such as Instagram, TikTok, and Google Maps are important means for culinary businesses to promote their products to potential customers. Research shows that product visualization, customer reviews, and creative content can increase consumer interest in culinary products. In addition, the use of food delivery service platforms provides culinary businesses with opportunities to increase sales without relying solely on physical locations. In the context of the street food business, digital marketing can help business actors increase their business visibility and reach a wider range of consumers.

2.3 Digital Entrepreneurship

Digital entrepreneurship refers to entrepreneurial activities that use digital technology as the primary driver of value creation, business model development, and customer interaction. In contrast to conventional entrepreneurship, digital entrepreneurship enables business actors to develop more flexible, adaptive businesses.

Previous research shows that the success of small businesses is greatly influenced by the ability of entrepreneurship to develop business models that are adaptive to changes in the business environment. The study emphasizes the importance of entrepreneurial leadership and business model innovation in maintaining the sustainability of small businesses amid economic and social changes (Ariatin, 2023; Ariatin, 2024). In the context of digital transformation,

businesses need to combine traditional business practices with digital technology to create new value for customers.

3. RESEARCH METHODOLOGY

This study uses a qualitative case study approach. This approach was chosen to better understand the experiences and challenges faced by micro-business actors in the digital transformation process. This research involves several micro businesses in the street food sector operating across several culinary areas in the city of Bandung. The research data were obtained through field observation and semi-structured interviews conducted by students in the framework of digital entrepreneurship course assignments. Students identify various problems faced by business actors related to the use of digital technology in their business activities, including marketing, transactions, and customer communication. The data obtained was then compiled and analyzed by the researcher using a thematic analysis approach to identify problem patterns and digitalization strategies proposed by students. This approach enables the research to obtain an empirical picture of the digital transformation process of microenterprises in the context of daily business.

Data Collection

The research data were obtained from students' field assignments in the digital entrepreneurship course. In this assignment, students are asked to identify problems faced by micro businesses related to business digitalization.

Data collection methods include

a. Observation

Students made direct observations of micro-business activities, especially street-food vendors in the city of Bandung. Observations are conducted to understand how business actors run their operations, develop marketing strategies, and interact with customers.

b. Interview

Students conduct semi-structured interviews with micro business owners to identify the challenges they face in adopting digital technology, including marketing, payment systems, and online platforms.

Data Analysis

The data obtained from observations and interviews were then analyzed using a thematic analysis approach. The analysis process involves identifying problem patterns arising from various micro businesses observed by students.

These problems are then categorized into several main themes, such as: Digital Literacy, Digital Marketing, Use of online platforms, Adoption of digital payments.

4. RESEARCH RESULTS

Based on field observations and interviews with business actors, this study also finds that most micro street food businesses are still in the early stages of digitalization. Many business actors still use traditional business practices with limited technology. However, some businesses are beginning to adapt to the development of digital technology through the use of social media for promotion, instant messaging applications for customer communication, and digital payment systems. These differences in characteristics show that the digital transformation process in micro businesses does not occur uniformly but is influenced by the level of digital literacy, technological readiness, and the experience of business actors in using digital platforms.

Table 1.
Differences in the Characteristics of Micro and Small Businesses

Aspects	Micro Enterprises	Small Business
Scale of the business	Very small, usually a family business	Larger than micro businesses but still limited
Number of Workforce	1–4 people	5–19 people
Business capital	Capital is very limited, often coming from private capital	Capital is larger and can come from loans or investments
Management system	Simple management, often without formal bookkeeping	Start having a business management and recording system
Technology	The technology used is still very simple	Start using more modern technology
Market access	Generally local markets or neighborhoods	Start reaching a wider market
Marketing strategy	Relying on direct or word-of-mouth promotions	Start leveraging digital media and a more structured marketing strategy

Micro and small businesses have different characteristics, especially in terms of business scale, workforce size, and the level of technology use in business activities. Micro businesses are generally managed simply by individuals or families with a limited number of workers and relatively small business capital. In contrast, small businesses are growing in scale and are adopting more structured business management systems, including operational management and marketing strategies. These differences in characteristics also affect the level of readiness of businesses to adopt digital technology, with micro businesses more likely to face limitations in the digital transformation process than small businesses.

In addition to differences in characteristics between micro and small businesses, the study also identifies fundamental differences between traditional business practices and those that have adopted digital technology. In the context of micro businesses in the street food sector, most actors still operate in a traditional way, relying on direct customer interaction, word-of-mouth promotion, and cash transactions. This business model generally relies on strategic business locations and on social relationships with regular customers. However, the development of digital technology has encouraged the emergence of a more open and flexible business model, enabling business actors to leverage various digital platforms to expand market reach, increase visibility, and streamline transaction processes. Therefore, understanding the differences in characteristics between traditional and digital businesses is important for assessing the extent to which micro enterprises have adapted to technological developments, as well as how the digital transformation process is unfolding in their business practices.

Table 2.
The Difference Between Traditional Business and Digital Business Characteristics

Aspects	Traditional Business	Digital Venture
Business model	Direct transaction-based	Based on digital platforms
Marketing	Offline and word-of-mouth promotions	Digital marketing through social media and online platforms
Market reach	Limited to the physical location of the business	Can reach a wider market
Customer interaction	Direct interaction at the business site	Interaction through digital media and applications
Payment system	Cash	Digital payment (QRIS, e-wallet, transfer)
Business management	Manual and simple	Using digital technology for operations
Branding strategy	Limited to customer experience	Leveraging digital content and online branding

The main difference between traditional and digital businesses lies in how business actors use technology to conduct their activities. Traditional businesses generally rely on direct customer transactions and marketing strategies based on word-of-mouth and strategic business locations. On the other hand, digital businesses use various technology platforms to support marketing activities, transactions, and customer interactions. The use of social media, online food ordering platforms, and digital payment systems allows businesses to reach a wider market and increase operational efficiency. Therefore, the transformation from traditional to digital businesses involves not only the use of technology but also changes in marketing strategies and business models adopted by business actors.

This research identifies several main problems related to the business digitalization process. These problems are then categorized into several themes: digital literacy, marketing strategies, the use of digital platforms, and payment systems. A summary of the research findings is presented in Table 3.

Table 3.
Problems and Strategies for Digital Transformation of Street Food MSEs in Bandung

Theme Findings	Problems Found	Current Business Practices	Proposed Digital Transformation Strategy
Digital Literacy	Business actors have a limited understanding of the use of digital media for business	Promotions are only carried out directly or through regular customers	Training on the use of social media for business promotion
Traditional Marketing	Promotions still depend on physical location and word-of-mouth	Relying on customers coming directly to the location	Use Instagram, TikTok, and Google Maps to increase business visibility
Utilization of Online Platforms	Many businesses are not yet registered on food delivery service	Sales are only done offline	Business registration on platforms such as GoFood, GrabFood, or

	platforms		ShopeeFood
Payment System	Some business actors still use cash payments	Transactions are made in cash without digital payment alternatives	Implementation of digital payments using QRIS
Product Branding	The product does not yet have a clear visual identity or branding	Products are sold without a logo or business identity	Simple logo creation and attractive packaging design
Digital Content	Digital promotion does not yet use engaging visual content	Only post product photos without a content strategy	Creation of short video content for promotion on social media

Table 3 shows that most business actors are still in the early stages of the digital transformation process. The most dominant problem is the limitations of digital literacy and the reliance on traditional marketing strategies. However, some businesses have begun adopting digital technology on a limited basis, such as using social media for promotion and digital payment systems. This shows that digital transformation in micro businesses is gradual and influenced by the readiness of business actors to utilize digital technology.

4.1 Low Digital Literacy

Many street food business actors lack an adequate understanding of how to use digital technology to support their businesses. Most business actors are still running their businesses conventionally without making optimal use of digital media. In some cases observed, business actors use mobile phones only for personal communication, while the potential of these devices as marketing or business management tools has not been fully realized. This shows that access to technology is not always followed by the ability to use it productively in business activities.

In addition, the limitations of digital literacy are evident in business actors' limited understanding of digital marketing strategies, social media account management, and the use of digital platforms to expand the market. Some business actors even consider that using digital technology requires complex technical skills or high costs. This perception makes some business actors reluctant to try or explore various digital platforms that are actually relatively easy to use. This condition shows that increasing digital literacy is an important factor in encouraging digital transformation in micro businesses, especially in the street food sector, where most still operate on a family scale.

4.2 Reliance on Traditional Marketing

Most micro businesses still rely on traditional tactics such as word of mouth, strategic business locations, and the presence of regular customers who are already familiar with their products. This marketing strategy has indeed become a common practice among street food businesses because it is considered effective at attracting customers to the business location. Many businesses rely on the crowd of locations or reputations built through customer experience to sustain their business.

However, this reliance on traditional marketing also limits market reach. Without digital marketing support, it is difficult for micro businesses to reach consumers outside their business location. This is becoming increasingly important in the digital era, where many consumers are seeking information about food and culinary destinations on social media and other digital platforms. Without a digital presence, street food businesses risk missing out on attracting new

customers who are looking for culinary references online. Therefore, integrating digital marketing strategies is important to expand market reach and increase the visibility of micro businesses amid increasingly competitive culinary markets.

4.3 Partial Adoption of Digital Technologies

Several business actors have begun to take advantage of digital technology, including using Instagram for promotion, ordering through instant messaging applications such as WhatsApp, and using digital payment systems such as QRIS. The adoption of this technology shows that some business actors have begun to realize the benefits of digital technology in supporting their business activities, especially in facilitating communication with customers and speeding up the transaction process.

However, the use of digital technology is still partial and has not been integrated into a more systematic business strategy. For example, social media use is often limited to uploading product photos without consistent content planning or a clear marketing strategy. Similarly, instant messaging applications are generally used only to receive orders from known customers. This condition shows that, even though digital technology has begun to be adopted, its use remains basic and has not been fully leveraged to support business development more strategically. Therefore, a more structured approach is needed to help businesses better integrate digital technology into their business models.

4.4 Solutions Proposed by Students

Through field assignments in digital entrepreneurship courses, students propose several digitalization strategies for micro business actors. The proposals include creating special social media accounts for businesses, registering businesses on food delivery service platforms, using short video content for product promotion, and implementing a digital payment system. The solutions proposed by students generally focus on digital technologies that are easily accessible and do not require large investments, which aligns better with the conditions of micro businesses.

In addition to providing practical recommendations, student involvement in field observation activities offers business actors a new perspective on the potential for business development through digital technology. In some cases, discussions between students and business actors yielded simple yet applicable ideas, such as creating short video-based promotional content or managing more structured social media accounts. This shows that interaction between students and business actors can be an effective means of encouraging digital transformation in micro businesses. This project-based learning approach not only provides students with practical experience but also helps local business actors identify business development opportunities in the digital era.

4.5 Stages of Digital Transformation in Street Food Micro Businesses

Based on observations and interviews with micro business actors in the street food sector in the city of Bandung, this study finds that the digital transformation process does not occur directly but rather unfolds gradually through several stages of adaptation. Most businesses start the digitalization process by using the simplest, most accessible digital technologies, such as social media and instant messaging, to communicate with customers. Along with increased understanding and experience with digital technology, business actors are beginning to adopt additional digital platforms to support marketing activities and business transactions.

In the early stages, business actors generally continue to run their businesses conventionally, relying on traditional marketing and direct customer interaction. In the next stage, business actors begin to use social media for product promotion, though its use remains limited to uploading product photos or simple information about the menu. The next stage is marked by the use of more diverse digital platforms, such as food delivery services and digital payment systems, which make it easier for customers to transact. At a later stage, business actors begin to

integrate these various digital technologies into a more structured business strategy, for example, by using digital content consistently to build business branding and expand market reach.

These findings show that digital transformation in micro businesses is a gradual learning process influenced by the level of digital literacy, technological readiness, and business actors' experience in using digital platforms. Thus, efforts to encourage digital transformation in micro businesses need to take into account these adaptation stages so that the digitalization strategy implemented aligns with the capacity and needs of business actors.

Table 4.
Stages of Digital Transformation of Street Food MSEs in Bandung

Stages	Features	Internship Digital
Stage 1: Traditional Business	Businesses still rely on offline marketing and in-person interaction	Word-of-mouth promotion
Tahap 2: Digital Awareness	Business actors are starting to get to know digital media	Use of WhatsApp for customer communication
Stage 3: Digital Adoption	Digital technology is starting to be used for promotion	Use of Instagram or social media
Tahap 4: Digital Integration	Digital technology is used in various aspects of business	Food delivery platform and QRIS
Tahap 5: Digital Strategy	Digital technology is part of business strategy	Digital content and online branding

Table 4 shows that the digital transformation process in micro businesses in the street food sector occurs gradually rather than instantaneously. Most business actors are still in the early stages of digitalization, namely the traditional business stage and the digital awareness stage. At this stage, business actors are beginning to understand the use of digital technology for customer communication, but have not used it strategically for business development. This shows that digital literacy is an important factor in determining the readiness of business actors to progress to the next stages of digital transformation.

In the next stage, the digital adoption stage, business actors begin using social media to promote products and communicate with customers. However, the use of digital technology at this stage remains limited and has not been integrated into a more systematic marketing strategy. The next stage is the digital integration stage, where business actors begin to use platforms such as food delivery services and digital payment systems to support business operations. At a more advanced stage, digital technology is not only used as a promotional tool but also becomes part of a structured business strategy, for example, through consistent digital content management to build brand and expand market reach.

These findings show that digital transformation in micro businesses is a learning process that develops gradually as business actors gain experience and understanding of digital technology. Therefore, the digitalization assistance program for micro enterprises should be designed in stages, taking into account the level of readiness of business actors to adopt digital technology.

Discussion

The results of the study show that the digital transformation process in micro businesses in the street food sector tends to unfold gradually and is not uniform across business actors. Most business actors are still in the early stages of digitalization, namely, using digital technology to a limited extent for marketing activities or customer communication. The adoption of more

complex digital technologies, such as integrating food ordering platforms or adopting structured digital marketing strategies, remains relatively rare. These findings show that digital transformation in micro businesses is influenced not only by the availability of technology but also by the readiness of business actors to understand and utilize technology strategically.

The results of this study align with previous studies that show that digital literacy and technology readiness are important factors in the digital transformation of small businesses. Without adequate knowledge and skills support, business actors will struggle to use digital technology optimally.

In the context of Bandung's street food sector, digital transformation is also tied to the dynamics of the city's culinary tourism. The presence of a digital platform can help increase the visibility of local culinary businesses and strengthen Bandung's identity as a culinary tourism destination.

In addition, this study also shows the potential role of universities in supporting the digital transformation of micro businesses. Through project-based learning activities, students can act as facilitators, helping business actors identify problems and design simple yet effective digital solutions.

This collaborative approach between universities and local business actors can serve as a model of entrepreneurial learning, providing students with practical experience while also having a real impact on local economic development.

The findings regarding the stages of digital transformation show that the adoption of technology in micro businesses does not occur instantaneously but rather through a gradual adaptation process influenced by the level of digital literacy and the readiness of business actors to use technology.

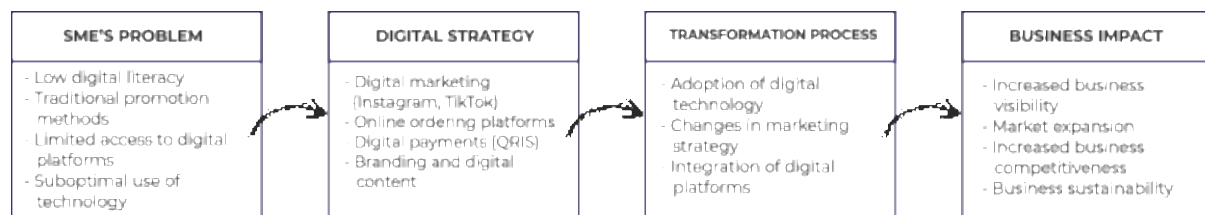


Figure 1

Digital Transformation Model of Street Food MSEs in Bandung

Based on the research results, the digital transformation process in micro businesses in the street food sector can be understood as a gradual process that starts with identifying problems faced by business actors and culminates in an impact on business performance. The research model in Figure 1 illustrates the relationship between micro business problems, the digital strategies implemented, the digital transformation process, and the resulting impact on business development. This model shows that digital transformation does not occur instantly but rather unfolds through adaptation stages influenced by the readiness of business actors to use digital technology.

In the early stages, micro business actors face various problems, including limitations in digital literacy, reliance on traditional promotional strategies, limited access to digital platforms, and the use of suboptimal technology. These problems then encourage the emergence of various digital strategies that can help business actors increase their visibility, such as using social media for digital marketing, registering on online food ordering platforms, implementing digital payment systems such as QRIS, and developing branding and digital content.

The implementation of the digital strategy further accelerates the digital transformation of business actors' operations. This transformation is characterized by the adoption of digital technology in business operations, changes in marketing strategies that are more digital-based, and the integration of various digital platforms to support business activities. In the long term,

this digital transformation process is expected to have a positive impact on business performance, such as increasing business visibility, expanding the market, enhancing business competitiveness, and supporting the sustainability of micro businesses amid digital economy competition.

Thus, this research model shows that digital transformation in micro businesses is not only about the use of technology but also about changing business strategies and increasing business actors' capacity to utilize digital technology effectively.

5. CONCLUSION

This research shows that micro businesses in the street food sector in Bandung are still in the early stages of the digital transformation. Most business actors still rely on traditional methods such as word-of-mouth promotion and direct customer interaction. Nonetheless, some business actors have begun to utilize digital technology such as social media, instant messaging applications, and digital payment systems.

The findings of the study show that digital transformation in micro businesses does not occur instantly but rather through a gradual adaptation process influenced by the level of digital literacy, technological readiness, and the entrepreneurial ability of business actors. In addition, student involvement through project-based learning activities has been proven to help business actors identify business problems and find simple but effective digital solutions.

Thus, digital transformation in micro businesses requires support from various parties, including universities, the government, and the local entrepreneurial ecosystem, to increase digital literacy and innovation capacity of business actors.

Overall, this study shows that digital transformation in micro businesses in the street food sector is not only about technology adoption but also about changes in entrepreneurial mindsets and the ability of business actors to strategically utilize digital technology. This transformation process is gradual and influenced by the level of digital literacy, access to technology, and support from the local entrepreneurial ecosystem. Therefore, efforts to encourage the digital transformation of micro enterprises need to involve various stakeholders, including the government, educational institutions, and the business community, to create an environment that supports the digital capacity development of micro business actors.

Research Implications

a. Implicasi's theorem

This research contributes to the literature on digital entrepreneurship and the digital transformation of microenterprises by showing that the digitalization process is not only about technology adoption but also involves changing entrepreneurial mindsets and business strategies.

b. Practical Implications

For micro business actors, this study's results show that digital transformation can begin with simple steps such as using social media for promotion, adopting digital payments, and registering on online food ordering platforms.

c. Policy Implications

The results of this study also show the importance of digital literacy improvement programs for micro business actors. Local governments and educational institutions can help provide digital training and business assistance programs for MSMEs.

d. Implications of Entrepreneurship Education

This research shows that project-based learning that involves direct interaction with business actors can be an effective approach in digital entrepreneurship education.

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