

Change or Destroy: The Digital Transformation of Indonesian MSMEs towards Achieving a Sustainable Econom

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[https://doi.org/10.35609/gcbssproceeding.2022.2\(9\)](https://doi.org/10.35609/gcbssproceeding.2022.2(9))

ABSTRACT

The development of digital technology brings changes in every aspect of human life, including MSMEs, which are the main actors in the world economy. In Indonesia, 99.9% of the economic sector is run by MSMEs. The midst of all the limitations of MSMEs in carrying out digital transformation exposes MSMEs to the choice to be able to transform and accelerate technology as a strategy to be able to maintain their business or fail in their business. One form of digital transformation in MSMEs is through the use of online media as a means of supporting their business. Human behavior has changed into the Era of Society 5.0, making social media and technology a human need. This study aims to examine: (1) the level of acceptance of MSMEs towards online media, (2) the use of online media by MSMEs, (3) the choice of online media used by MSMEs, and (4) the impact of using online media on MSMEs. This research was conducted descriptively-quantitatively through the distribution of questionnaires to MSME actors in several cities in Indonesia. The data obtained were analyzed using the scoring method. The results of the study show that: (1) MSME actors are very receptive to the use of online media as a means of digital transformation, (2) the majority of MSME actors choose to use online media in running their business, (3) WhatsApp, Facebook and Instagram are the most popular online media used by Indonesian MSME actors, and (5) the use of online media makes MSMEs able to maintain their business in the midst pandemic.

Keywords: Digital Transformation, Msmes, Social Media, Post-Pandemic, Sustainable Economic