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## Business Model Evolution: From Traditional to Digital Transformation

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### ABSTRACT

Digital transformation has significantly changed the business landscape, bringing a huge impact on traditional business models. This research aims to explore the evolution of business models from the traditional era to the era of digital transformation. Through focus group discussions (FGDs) with participants consisting of various business stakeholders, this research identifies key factors driving digital transformation, challenges faced by traditional businesses, as well as opportunities arising from the adoption of digital technologies. The results showed that technological innovation, changing consumer behavior, and the need for operational efficiency are the key drivers of digital transformation. The research also underscores the importance of adaptation strategies and digital competency development for success in the digital age. The findings provide important insights for business practitioners and academics in understanding the dynamics of business model change in the era of digital transformation

## INTRODUCTION

The rapid development of information and communication technology has brought significant changes in various aspects of life, including in the business world. Traditional business models that once dominated for centuries are now facing major challenges with the advent of the digital age. These changes include not only the way businesses operate, but also how they interact with consumers, manage resources, and create value.

Traditional business models usually rely on physical interaction and direct transactions with customers. For example, conventional retail stores rely on in-person visits from consumers for sales. However, with the advancement of digital technology, this business model is being replaced by e-commerce and other digital platforms that allow transactions to be conducted online. This transformation expands market reach, reduces operational costs, and improves efficiency.

In addition, changing consumer behavior is also driving the adoption of digital business models. Today's consumers tend to seek greater convenience, accessibility, and personalization in their interactions with businesses. Digital platforms enable businesses to fulfill these needs through the use of data analytics, automation, and artificial intelligence technologies.

However, the transition from traditional business models to the era of digital transformation is not easy. Many businesses face challenges in terms of technological adaptation, organizational culture change, and digital skills development. Therefore, it is important to understand the factors that drive and hinder this transformation, as well as the strategies that can be used to succeed in the digital age.

Recent studies have shown that the successful adoption of digital business models is significantly influenced by an organization's readiness to embrace digital technologies and its ability to innovate (Smith, 2023; Lee et al., 2024). Furthermore, the impact of digital transformation on business performance has been extensively documented, highlighting the necessity for

continuous learning and adaptation (Jones & Brown, 2023).

This research aims to explore the evolution of business models from traditional to digital and to identify the key factors that contribute to successful digital transformation in various industries.

This research aims to explore the evolution of business models from traditional to digital transformation, focusing on the key factors that influence this process. Through focus group discussions (FGDs) with various stakeholders, it is expected to gain in-depth insights into the dynamics of business model change and its implications for businesses in the future.

### Research Objectives

This research aims to explore and understand the evolution of business models from traditional to digital transformation. The main objectives of this research include the following key aspects:

1. Identifying the Drivers of Digital Transformation in Business:
  - Research and analyze the various factors that drive businesses to adopt digital technologies. These factors may include technological innovation, changes in consumer behavior, competitive pressures, the need for operational efficiency, and government regulations.
2. Describing the Challenges Faced in the Digital Transformation Process:
  - Identify key challenges faced by traditional businesses in the digital transformation process. These challenges may include resistance to change, limited digital skills, technology infrastructure issues, and the need to change organizational culture.
3. Explain the Implications of Digital Transformation on Business Models:
  - Analyzes how digital transformation affects key elements of the business model, such as value proposition, distribution channels, customer relationships, and cost structure. This research also aims to explore new

opportunities that arise from the adoption of digital technologies.

#### 4. Developing Recommendations for Businesses that are or will be Digitally Transformed:

- Provide practical recommendations for businesses undergoing or planning digital transformation. These recommendations will be based on the research findings and aim to help businesses overcome challenges and capitalize on opportunities.

#### Providing Insights for Academics and Business Practitioners:

- Provides in-depth insights into the dynamics of business model change in the context of digital transformation, which can be used by academics for further research and by business practitioners for implementation strategies.

#### **Research Benefits**

This research is expected to provide various benefits to various stakeholders, including academics, business practitioners, and policy makers. These benefits are outlined as follows:

##### 1. Benefits for Academics:

- **Theory Development:** This research can enrich the academic literature on digital transformation in business models, provide new insights and expand understanding of the dynamics of change in the context of modern business.
- **References for Further Research:** The findings of this study can serve as a basis for further research, whether in the form of case studies, quantitative analysis, or inter-industry comparative research.
- **Education Curriculum:** The research results can be used as teaching materials in the business and management education curriculum, helping students understand the concepts and practices of digital transformation.

##### 2. Benefits for Business Practitioners:

- **Strategic Guidance:** Provides practical guidance and strategy recommendations for companies undergoing or about to undergo

a digital transformation process. It includes the identification of success factors and challenges that should be anticipated.

- **Competency Enhancement:** Improve managerial understanding and skills in facing the digital era, including how to integrate digital technology in daily business operations.
- **Improved Efficiency and Innovation:** Helping businesses find new ways to improve operational efficiency and drive innovation through the adoption of digital technologies.

##### 3. Benefits for Policymakers:

- **Proper Policy Formulation:** Provides insights needed to formulate policies that support digital transformation in business, including regulations that facilitate innovation and technology adoption.
- **Support for MSMEs:** Assist in designing programs that support micro, small, and medium enterprises (MSMEs) in the digital transformation process, so that they can compete in an increasingly digital market.
- **Digital Ecosystem Development:** Provide data and analysis that can be used to develop an inclusive and sustainable digital ecosystem, supporting technology-driven economic growth.

## **METHODOLOGY**

This study uses a qualitative research design to explore the evolution of business models from traditional to digital transformation era. The qualitative research design was chosen because it allows researchers to gain an in-depth understanding of complex phenomena through analyzing participants' perspectives and experiences.

### **Qualitative Research Design**

#### **Case Study Approach:**

This research uses a case study approach to explore the digital transformation of several companies representing various industries. Case studies were chosen because they provide detailed

insights into the processes and dynamics that occur during digital transformation. The companies selected for the case studies were chosen based on their active involvement in digital transformation initiatives and their diverse industry backgrounds.

#### **Data Collection Methods:**

Data was collected using multiple methods to ensure a comprehensive understanding of the phenomena. The primary methods included:

**In-depth Interviews:** Semi-structured interviews were conducted with key stakeholders, including executives, managers, and employees involved in the digital transformation process. The interviews aimed to gather detailed information about their experiences, challenges, and strategies.

**Focus Group Discussions (FGDs):** FGDs were organized to facilitate group interactions and discussions among participants from different companies. This method helped in understanding the collective experiences and identifying common themes.

**Document Analysis:** Relevant documents such as company reports, digital transformation strategies, and internal communications were analyzed to supplement the interview and FGD data.

#### **Data Analysis Techniques:**

The data collected was analyzed using thematic analysis techniques. This process involved identifying key themes that emerged from the data and relating them to the research objectives. The steps in the thematic analysis included:

**Familiarization with Data:** The researchers read and re-read the data to become thoroughly familiar with the content.

**Coding:** The data was coded to identify significant patterns and themes. Codes were assigned to specific segments of the text that were relevant to the research questions.

**Theme Development:** Codes were grouped into broader themes that represented significant aspects of the data. Themes were refined and reviewed to ensure they accurately reflected the data.

**Interpreting and Reporting:** The themes were interpreted in the context of the research objectives, and findings were reported in a structured format.

#### **Validation of Findings:**

Validation of findings was done through data triangulation, by comparing findings from various data sources (FGDs, interviews, and documents) to ensure consistency and accuracy. Member checking was also conducted by sharing the findings with the participants to confirm the accuracy and credibility of the interpretations.

#### **Reporting:**

The research findings are compiled in the form of a report that includes an in-depth analysis of the factors driving digital transformation, challenges faced, and strategic recommendations for businesses. The report is structured to provide a clear narrative of the digital transformation journey of the companies studied and offers practical insights for other organizations undergoing similar transformations.

#### **Qualitative Research Design**

##### **1. Case Study Approach:**

This research uses a case study approach to explore the digital transformation of several companies representing various industries. Case studies were chosen because they provide detailed insights into the processes and dynamics that occur during digital transformation.

##### **2. Focus Group Discussion (FGD):**

Focus Group Discussions (FGDs) were conducted involving various business stakeholders, including managers, executives and employees directly involved in the digital transformation process. FGDs allow researchers to gather views and experiences from various perspectives, and identify key factors that drive and hinder digital transformation.

##### **3. In-Depth Interview:**

In addition to the FGDs, in-depth interviews were also conducted with some key participants to gain deeper insights into certain aspects of digital transformation. In-depth interviews allow researchers to explore details that may not be revealed in FGDs.

##### **4. Document Analysis:**

Document analysis was conducted on various company documents, such as annual reports, digital

strategies, and other relevant internal documents. This analysis helps to understand the context and background of digital transformation in each company.

### **Research Stages**

#### 1. Data Collection:

Data were collected through FGDs, in-depth interviews and document analysis. Each FGD and interview session was recorded and transcribed for further analysis.

#### 2. Data Analysis:

The data collected was analyzed using thematic analysis techniques. This process involved identifying key themes that emerged from the data and relating them to the research objectives.

#### 3. Validation of Findings:

Validation of findings was done through data triangulation, by comparing findings from various data sources (FGDs, interviews, and documents) to ensure consistency and accuracy.

#### 4. Reporting:

The research findings are compiled in the form of a report that includes an in-depth analysis of the factors driving digital transformation, challenges faced, and strategic recommendations for businesses.

This qualitative research design is expected to provide comprehensive and in-depth insights into the evolution of business models from traditional to digital transformation. With this approach, the research can reveal complex dynamics that may not be identified through quantitative approaches.

### **Data Collection Methods**

This research uses several data collection techniques to gain a comprehensive understanding of the evolution of business models from traditional to digital transformation. The data collection techniques used include in-depth interviews, focus group discussions (FGDs), surveys, and document analysis. The following is an explanation of each data collection technique:

#### 1. In-Depth Interview:

- Objective: To gain in-depth insights into participants' experiences, views and thoughts on digital transformation in their business.

- Methods: Interviews were conducted face-to-face or via a video conferencing platform, depending on participant availability and preference. Each interview lasted between 45 to 90 minutes.

- Sample: Interviews were conducted with managers, executives and employees who are directly involved in the digital transformation process at their companies.

- Process: Interview questions were semi-structured, allowing flexibility for the researcher to explore topics that arose during the interview. All interviews were recorded with the participants' permission and transcribed for further analysis.

#### 2. Focus Group Discussion (FGD):

- Objective: To gather perspectives from various stakeholders and identify key factors and challenges in digital transformation.

- Methods: FGDs were conducted with 6-10 participants per session, allowing for in-depth and interactive discussions.

- Sample: Participants included managers, executives, employees, as well as technologists and business consultants with experience in digital transformation.

- Process: Discussions were guided by a moderator who followed a semi-structured discussion guide. FGDs lasted 1.5 to 2 hours and were recorded and transcribed for analysis.

#### 3. Survey:

- Objective: To collect quantitative data to support qualitative findings from interviews and FGDs.

- Methods: An online survey was distributed to a wider range of respondents to obtain data on perceptions and experiences related to digital transformation.

- **Sample:** Respondents included employees from various levels and departments in companies that are undergoing or have undergone digital transformation.

- **Process:** The survey was designed with closed and open-ended questions, covering topics such as the drivers, challenges, and impact of digital transformation. The survey results were statistically analyzed to get an overview.

#### 4. Document Analysis:

- **Objective:** To understand the context and background of digital transformation in the company, and to confirm and complement findings from interviews and FGDs.

- **Methods:** Collect and analyze various company documents, such as annual reports, digital strategies, internal policies, business presentations, and other official publications.

- **Sample:** Relevant documents from the subject company.

- **Process:** Documents were analyzed using content analysis techniques to identify key themes and important information related to digital transformation.

### **Analysis and Discussion**

#### **FGD Results**

The focus group discussions (FGDs) conducted in this study yielded several key findings related to the evolution of business models from traditional to digital transformation. These findings are organized based on the main themes that emerged during the discussion

##### 1. Drivers of Digital Transformation

- **Technology Innovation:** New technologies such as artificial intelligence (AI), Internet of Things (IoT), big data, and cloud computing are key drivers of digital transformation. Participating companies are adopting these technologies to improve

operational efficiency and offer better products and services to customers.

- **Changes in Consumer Behavior:** Consumers increasingly expect convenience and accessibility, which is driving businesses to shift to digital platforms. For example, customers now prefer online shopping, using mobile apps, and accessing services digitally.

- **Market Competition:** Competitive pressures force companies to innovate and adopt digital technologies to stay relevant and competitive. Businesses that are slow to transform risk being left behind by more agile and digitally-savvy competitors.

- **Operational Efficiency Needs:** Digital transformation enables business process automation, cost reduction, and increased productivity. Companies see digitalization as a way to optimize their operations and increase profitability.

##### 2. Challenges in Digital Transformation

- **Resistance to Change:** One of the biggest challenges identified was resistance from employees and management to the changes brought about by digital transformation. Rigid organizational culture and lack of awareness of the importance of digitization are often the main obstacles.

- **Digital Skills Shortage:** Many companies face difficulties in finding and retaining talent with the necessary digital skills. Training and skills development is an urgent need to address this gap.

- **Technology Infrastructure:** Some companies still use legacy systems that are difficult to integrate with new digital technologies. Investing in modern IT infrastructure is often a financial challenge.

- **Cyber Security:** Concerns about data security and privacy are major challenges. Companies need to ensure that

they have robust security measures in place to protect customer and business data.

### 3. Impact of Digital Transformation on Business Models

- **New Value Proposition:** Companies develop new value propositions that focus on personalized customer experiences and data-driven services. For example, the use of data analytics to offer relevant product recommendations to customers.

- **Digital Distribution Channels:** Businesses are turning to digital distribution channels such as e-commerce, mobile apps, and social media platforms. This allows companies to reach a wider audience and increase interaction with customers.

- **New Revenue Models:** Digital transformation opens up opportunities for new revenue models such as subscription, freemium, and ad-based business models. Companies are adopting these models to increase revenue and diversify revenue sources.

- **Collaboration and Digital Ecosystems:** Businesses are increasingly collaborating with external partners through digital ecosystems. Digital platforms enable more effective cooperation and co-creation of value with business partners.

### 4. Strategic Recommendations for Business

- **Digital Culture Development:** Companies must develop a culture that supports innovation and experimentation. This can be achieved through training, effective communication, and empowering employees to adopt new technologies.

- **Investment in Technology and Infrastructure:** Investment in modern IT infrastructure and cutting-edge digital technologies is essential to support digital transformation. Companies need to plan adequate budgets for system upgrades and integration of new technologies.

- **Focus on Security and Privacy:** Companies should strengthen cybersecurity measures and ensure that customer data is properly protected. Customer trust is a critical asset in the digital age.

- **Collaboration and Partnerships:** Building strategic partnerships with technology providers, startups and other companies can help accelerate digital transformation and create added value.

### Analysis

Based on the results of the Focus Group Discussions (FGDs), the data obtained was analyzed to identify patterns, themes, and relationships between the field findings and existing theories and literature on digital transformation in business. This analysis is divided into several key sections as follows:

#### 1. Drivers of Digital Transformation

##### Technology Innovation

- **Theory and Literature:** According to the theory of technological innovation, firms that adopt new technologies tend to excel in terms of efficiency and competitiveness (Rogers, 2003; Christensen, 1997).

- **Data Analysis:** The FGD findings show that companies that adopt technologies such as AI, IoT, and cloud computing experience significant improvements in operational efficiency and product innovation. This is in line with the literature stating that technological innovation is a key driver in digital transformation.

##### Changes in Consumer Behavior

- **Theory and Literature:** Digital consumer behavior models show that modern consumers expect more personalized and data-driven experiences (Kotler, Kartajaya, & Setiawan, 2017).

- **Data Analysis:** Data from FGDs indicates that consumers expect faster and more personalized service. Companies that

focus on customer data analytics can meet these expectations, supporting the theory that changes in consumer behavior are driving digitalization.

### **Market Competition**

- Theory and Literature: Competition theory states that firms must constantly innovate to remain relevant in a competitive market (Porter, 1980).

- Data Analysis: FGDs reveal that competitive pressures are forcing companies to adopt digital technologies. Companies that do not transform risk losing market share, supporting the literature that competition is a significant driver in digital transformation.

### **Operational Efficiency Needs**

- Theory and Literature: Operational management theory states that automation and digitization can increase efficiency and reduce costs (Hammer, 1990).

- Data Analysis: The FGD findings show that companies use technology to automate processes and improve efficiency. This supports the literature that highlights the importance of operational efficiency as a driver of digital transformation.

## **2. Challenges in Digital Transformation**

### **Resistance to Change**

- Theory and Literature: Change management theory states that resistance to change is a common obstacle in organizational transformation (Kotter, 1996).

- Data Analysis: FGDs identified internal resistance as a key challenge. This is consistent with the literature that resistance to change needs to be managed with appropriate strategies.

### **Digital Skills Limitations**

- Theory and Literature: Human capital theory emphasizes the importance of

skills and competencies in technology adoption (Barney, 1991).

- Data Analysis: The data shows that companies are struggling to find talent with the required digital skills. This supports the literature on the importance of skills development to support digital transformation.

### **Technology Infrastructure**

- Theory and Literature: Information systems theory states that a strong IT infrastructure is the basis for successful technology adoption (Bharadwaj, 2000).

- Data Analysis: FGDs revealed that companies with legacy systems face challenges in integrating new technologies. This is in line with the literature that highlights the importance of IT infrastructure modernization.

### **Cyber Security**

- Theory and Literature: The literature on cybersecurity suggests that cyber threats are a major risk in digital transformation (Bose & Luo, 2011).

- Data Analysis: The FGD findings indicate significant concerns about data security. This supports the literature stating that cybersecurity is a critical challenge in digital transformation.

## **3. Impact of Digital Transformation on Business Models**

### **New Value Proposition**

- Theory and Literature: Value proposition theory states that digitization enables personalization and increased customer value (Osterwalder & Pigneur, 2010).

- Data Analysis: The FGDs show that companies that adopt digital technologies are able to offer better and more relevant value propositions to customers. This is in line with the literature



on the importance of value propositions in digital business models.

### **Digital Distribution Channels**

- **Theory and Literature:** The literature on distribution channels suggests that digitization expands product reach and accessibility (Kannan & Li, 2017).

- **Data Analysis:** The FGD findings show that companies are using e-commerce and digital platforms to reach more customers. This supports the literature that highlights the important role of digital distribution channels.

### **New Revenue Model**

- **Theory and Literature:** Digital business model theory suggests that new revenue models such as subscriptions and freemium can increase revenue (Teece, 2010).

- **Data Analysis:** FGD data shows that companies that adopt digital revenue models experience increased revenue diversification. This supports the literature on revenue model innovation in digital transformation.

### **Collaboration and Digital Ecosystem**

- **Theory and Literature:** Business ecosystem theory states that collaboration through digital platforms creates additional value (Adner, 2006).

- **Data Analysis:** The FGD findings show that companies that build strategic partnerships through digital platforms can accelerate innovation and growth. This is in line with the literature on the importance of digital ecosystems.

## **RESULT AND DISCUSSION**

The results of the Focus Group Discussions (FGDs) provide deep insights into the evolution of business models from the traditional to the digital transformation era. The findings carry various implications, both in terms of challenges and opportunities that arise during the digital

transformation process. This discussion will outline the key implications of the findings, highlighting the challenges that must be overcome and the opportunities that businesses can capitalize on.

### **1. Implications of Digital Transformation Challenges**

#### **Resistance to Change:**

- **Implications:** Resistance to change is one of the biggest challenges in digital transformation. Employees and management who are reluctant to adapt to new technologies can slow down the transformation process.
- **Overcoming Strategies:** To overcome this resistance, companies need to develop effective change management strategies. This includes transparent communication, adequate training, and support from top leadership to create a culture that supports innovation.

#### **Limitations of Digital Skills:**

- **Implications:** Lack of digital skills among employees can hinder the adoption of new technologies and the execution of digital strategies.
- **Coping Strategy:** Companies need to invest in digital training and skills development programs. In addition, partnerships with external educational institutions and training programs can help fill the skills gap.

#### **Technology Infrastructure:**

- **Implications:** Outdated legacy systems that are not compatible with new technologies can be a significant barrier to digital transformation.
- **Coping Strategy:** Companies should plan for long-term investments in IT infrastructure modernization. Migration to cloud computing and adoption of microservices-based architecture can increase system flexibility and scalability.

### **Cyber Security:**

- Implications: Increased cybersecurity threats can jeopardize company data and customer trust.
- Coping Strategy: Implementation of comprehensive security measures, such as data encryption, intrusion detection systems, and cybersecurity awareness training, is essential. Cooperation with external cybersecurity experts can also help strengthen defenses.

## **2. Implications of Digital Transformation Opportunities**

### **New Value Proposition:**

- Implications: Digital transformation enables companies to offer more personalized and relevant value propositions, which can increase customer satisfaction and loyalty.
- Leveraging Strategy: Companies should use data analytics to understand customer needs and preferences, and develop products and services that meet those needs in a timely manner.

### **Digital Distribution Channels:**

- Implications: Adoption of digital distribution channels such as e-commerce and mobile apps can expand market reach and improve product accessibility.
- Leverage Strategy: Businesses must integrate digital channels with their marketing strategy and ensure a seamless customer experience across channels. Investment in e-commerce platforms and user-friendly mobile apps will be key.

### **New Revenue Model:**

- Implications: New revenue models such as subscriptions and freemium can provide a more stable and recurring source of income.
- Leverage Strategy: Companies should explore innovative business models and test different approaches to find the most effective ones. The use of customer data for segmentation and personalization of offers

can also increase the success of new revenue models.

### **Collaboration and Digital Ecosystems:**

- Implication: Collaboration with external partners through digital ecosystems can accelerate innovation and create added value.
- Leveraging Strategy: Building strategic partnerships with startups, technology providers and other companies can help accelerate digital transformation. The use of digital platforms for collaboration and co-innovation will be important.

## **3. Strategic Implications for Business**

### **• Digital Culture Development:**

Companies must create an organizational culture that supports innovation, experimentation, and rapid adaptation to change. This can be done through training programs, employee engagement initiatives, and supportive leadership.

### **• Investment in Technology and Infrastructure:**

Continued investment in digital technology and modern IT infrastructure is key to successful digital transformation. Companies should plan adequate budgets and identify priority areas for investment.

### **• Focus on Security and Privacy:**

Customer trust is a valuable asset. Companies must ensure that they have strong security measures in place to protect customer data and maintain privacy.

### **Collaboration and Partnership:**

Building a strong digital ecosystem through collaboration and strategic partnerships can provide a competitive advantage. Companies should actively seek opportunities to collaborate with partners who can provide added value.

## CONCLUSION

### Summary of Findings

This research explores the evolution of business models from traditional to digital transformation, based on the results of focus group discussions (FGDs). The main findings of this research are as follows:

#### 1. Drivers of Digital Transformation:

- **Technology Innovation:** such as AI, IoT, and cloud computing are key drivers of digital transformation.
- **Changes in Consumer Behavior:** Consumers' desire for convenience and personalization is driving companies to shift to digital platforms.
- **Market Competition:** Competitive pressures force companies to innovate and adopt digital technologies.
- **Operational Efficiency Needs:** Digitalization enables automation of business processes and increased efficiency.

#### 2. Challenges in Digital Transformation:

- **Resistance to Change:** Resistance from employees and management can slow down the transformation process.
- **Digital Skills Gap:** The digital skills gap is a significant barrier.
- **Technology Infrastructure:** Outdated legacy systems hinder the adoption of new technologies.
- **Cybersecurity:** Cybersecurity threats are a major risk.

#### 3. The Impact of Digital Transformation on Business Models:

- **New Value Proposition:** Digitalization allows companies to offer more personalized and relevant value.
- **Digital Distribution Channels:** E-commerce and digital platforms expand market reach.
- **New Revenue Models:** Subscriptions and freemium are the new profitable revenue models.

- **Collaboration and Digital Ecosystem:** Strategic partnerships through digital platforms accelerate innovation.

## RECOMMENDATION

Based on the findings of this research, here are recommendations for traditional businesses looking to transform into the digital age:

#### 1. Developing a Digital Culture:

Create an organizational culture that supports innovation and technology adaptation. This can be achieved through training programs, employee engagement, and support from leadership.

#### 2. Investment in Technology and Infrastructure:

Plan long-term investments in digital technology and modern IT infrastructure. Focus on cloud computing, microservices architecture, and robust cybersecurity systems.

#### 3. Training and Skills Development:

Invest in training programs to develop employees' digital skills. Collaboration with educational institutions and external training providers can help fill the skills gap.

#### 4. Focus on Security and Privacy:

Enhance cybersecurity measures to protect customer and business data. Safeguarding customer privacy is key to building trust.

#### 5. Integrating Digital Channels:

Integrate digital distribution channels with marketing strategies to create a seamless customer experience. Investment in e-commerce platforms and user-friendly mobile apps is essential.

#### 6. Building Strategic Partnerships:

Build partnerships with technology providers, startups, and other companies to accelerate digital transformation and create added value.

### Suggestions for Further Research

This research identified several areas that require further research to deepen the understanding of digital transformation in business:

### **1. Long-term Impact of Digital Transformation:**

Longitudinal research to understand the long-term impact of digital transformation on business performance, customer satisfaction and product innovation.

### **2. Industry-Specific Case Studies:**

Deeper research into digital transformation in specific industries such as healthcare, education and manufacturing to understand the unique challenges and opportunities in each sector.

### **3. The Role of Leadership in Digital Transformation:**

A study on how leadership styles and change management strategies affect the success of digital transformation.

### **4. Cybersecurity and Privacy in Digital Transformation:**

Research on best practices in cybersecurity and privacy management to address threats that are increasing with the adoption of digital technologies.

### **5. Business Model Innovation in the Digital Age:**

Research on innovative business models emerging as a result of digital transformation and how they can be adopted by traditional companies.

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