

Challenges, Requirements and Strategies in Digital Business for MSMEs: A Systematic Literature Review

Cabaran, Keperluan dan Strategi terhadap Perniagaan Digital Usahawan SME: Kajian Literatur Sistematik

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ABSTRACT

The current digital age is ushering in significant changes in how Micro, Small and Medium Enterprises (MSMEs) operate, particularly in competition and collaboration. This systematic literature review aims to examine the significance of Digital Business Entrepreneurs (DBEs) as drivers of collaborative value networks within Micro, Small and Medium Enterprises (MSMEs). This paper synthesizes a comprehensive understanding of the challenges, requirements, and strategies associated with DBEs in the context of MSMEs by analyzing 150 research journal articles. The research demonstrates that DBEs have emerged as a subject of considerable academic interest, eliciting various viewpoints regarding their consequences on MSMEs. The investigation encompasses various settings within MSMEs, introducing prospects and obstacles resulting from the incorporation of digital business entrepreneurs. The paper makes a valuable contribution to the literature by addressing this research gap regarding the transformative capacity of DBEs in the MSMEs sector. The literature review identifies eight strategies, nine challenges, and eight requirements for digital business entrepreneurs. These findings provide entrepreneurs and managers with actionable insights as they navigate the digital landscape. Furthermore, delineating five prospective research trends provides scholars with a strategic guide, ensuring sustained relevance in this ever-evolving domain. Practical challenges faced by administrators of MSMEs involved in digital business entrepreneurship are also emphasized, offering practical advice for making sound decisions. This extensive evaluation functions as a valuable asset for individuals involved in digital business entrepreneurship,

scholars, and practitioners in the field. It promotes a nuanced understanding of digital business entrepreneurs' obstacles and prospects when operating within micro, small, and medium enterprises.

Keywords: Digital business entrepreneurs, Micro, Small and Medium Enterprises (MSMEs), challenges, requirements, strategies

INTRODUCTION

Digital technologies have assumed critical importance for the survival and prosperity of micro, small, and medium enterprises (MSMEs) in the dynamic business environment. Entrepreneurs in the digital business realm encounter a multitude of obstacles while navigating this intricate domain. Despite the increasing focus on digital technologies as critical enablers for MSMEs, there remains a significant research gap in understanding how these enterprises can effectively navigate the intersection of limited resources and rapidly evolving technological landscapes. Current literature often addresses either the challenges or the strategies independently, but rarely does it provide a comprehensive, integrative approach that considers the unique constraints faced by MSMEs. Additionally, there is a paucity of research that explores the role of digital literacy in mediating the adoption of new technologies, particularly in resource-constrained environments. This gap highlights the need for studies that not only identify effective strategies for overcoming these challenges but also examine how MSMEs can build digital literacy and leverage limited resources to sustain competitive advantage in the digital economy. These challenges encompass constrained resources, inadequate digital literacy, and the adoption of novel technologies. By directly addressing these gaps, the review aims to provide a comprehensive understanding of the strategies and requirements essential for MSMEs to thrive in the digital business landscape, thereby offering valuable insights for both practitioners and policymakers. This review seeks to provide practitioners and policymakers with a comprehensive understanding of the current state of research in this field and to offer them insightful observations.

Definition of Digital Business Entrepreneurship

Digital business entrepreneurship refers to the systematic undertaking of building, developing, and overseeing novel digital business ventures that use digital technology and platforms to capitalize on emerging business prospects and generate value. Ratten (2006) in Nasidi et al., (2022) defines digital business entrepreneurship as the use of digital technologies, such as the Internet, mobile apps, and social media platforms, to facilitate the development of novel goods, services, and business models. This concept highlights the significance of using digital technology to stimulate entrepreneurship and innovation in the ever-changing and fast-paced digital business landscape.

Importance of Digital Business Entrepreneurship in Micro, Small, and Medium Enterprises (MSMEs)

The role of digital business entrepreneurship is vital in fostering the development and success of micro, small, and medium companies (MSMEs). Micro, Small, and Medium Enterprises (MSMEs) encounter a multitude of obstacles in the current era of digitalization, such as restricted resources, financial limitations, and inadequate availability of information and technology. Nevertheless, adopting digital business entrepreneurship may provide these firms with substantial prospects for expansion and competitiveness. According to the findings of Fauzi and Sheng (2020) digital business entrepreneurship enables micro, small, and medium enterprises (MSMEs) to access a broader range of customers, extend their market coverage, and enhance their operational effectiveness. Additionally, as stated by Teoh et al. (2023) digital entrepreneurship allows MSMEs to take advantage of emerging digital technologies, such as e-commerce platforms and digital marketing tools, to improve their products and services, streamline their operations, and establish unique competitive advantages. Thus, MSMEs need to acknowledge the significance of digital business entrepreneurship, allocate resources, and implement strategies to effectively harness its potential.

Purpose of the Systematic Literature Review

The objective of a systematic literature review (SLR) in the realm of digital business entrepreneurship in micro, small, and medium-sized enterprises (MSMEs) is to provide a thorough amalgamation and examination of current research about the subject matter. The SLR helps entrepreneurs acquire a more profound comprehension of the obstacles, requirements, and tactics pertinent to their digital commercial endeavors. Through a methodical examination and synthesis of existing information, entrepreneurs may identify deficiencies in the literature, suggest new avenues for study, and formulate successful methods to traverse the intricacies of digital company entrepreneurship (Sisarwal, 2023). This guarantees that entrepreneurs possess precise and pertinent knowledge to make well-informed judgments and amplify the triumph of their digital company endeavors.

To successfully handle the issues encountered by digital business entrepreneurs in micro, small, and medium-sized enterprises (MSMEs), it is essential to establish the relevant needs and solutions. A vital prerequisite is the need for entrepreneurs to possess a robust technical groundwork and proficiency in digital literacy, empowering them to comprehend and traverse the digital terrain. Dwivedi et al. (2021) assert that digital company owners must acquire a complete awareness of the digital tools and platforms at their disposal to successfully manage their firms and adjust to evolving market dynamics. In addition, Barrane et al. (2020) stress the importance of efficient communication and cooperation in digital business entrepreneurship, underscoring the need for entrepreneurs to develop unambiguous communication channels with both consumers and stakeholders.

The literature review on the use of technology in business entrepreneurship demonstrates various advantages such as time savings, cost reduction, increased productivity, customer satisfaction, and competitive advantages (Pfister & Lehmann, 2021). Digital entrepreneurship, which fosters innovation, is influenced by entrepreneurs, entrepreneurial processes, and the relevant environment (Satakina, 2020). This field is rapidly expanding and involves various disciplines, necessitating comprehensive research that is relevant to practice (Zaheer et al., 2019). Furthermore, a systematic literature review on digital business highlights the necessity for organizations to align their business strategies with digital realities (Reis et al., 2018). This alignment necessitates clear digital business strategies that relate to digital transformation through digital transformation strategies (Brown & Brown, 2019). The integration of digital technology across all business sectors, known as digital transformation, significantly impacts business models, operational processes, and customer experiences (Gebayew et al., 2018).

METHODOLOGY

The Scopus database was utilized to retrieve pertinent articles about digital business and business entrepreneurs in micro, small, and medium enterprises. Scopus is recognized for its comprehensive indexing, making it an ideal source for retrieving high-quality, relevant articles. The keywords used in the search, such as "digital business," "entrepreneurs," and "micro, small, and medium enterprises (MSMEs)," were carefully chosen to ensure a focused search that captures the intersection of digital technology and entrepreneurship within the MSME sector. These keywords were selected to reflect the core themes of the research, ensuring that the search results would be relevant to the challenges, requirements, and strategies pertinent to MSMEs operating in the digital economy. Table 1 presents the initial constraints imposed on the search results. The search was limited to publications from English-language journals that have been published. During the initial screening, the search yielded 33.4 million results.

Table 1: Initial constraints in Scopus search.

Limiting type	
Stage of publication	Final
Type of Document	Article
The kind of source	Journal
Language	English

Table 2: Shows the Scopus Searches for The Terms (*PLANDENT* = *platform* AND *Entrepreneurs*).

Search	Keywords (title-abstract-keywords)	Journal title	Hits	Act	Abstract Hits
1.	*PLANDENT*		492366		
2.	*PLANDENT* AND	MSMEs	64135		
3.	*PLANDENT* AND	AND Service	41819		
4.	*PLANDENT* AND	MSMEs	25366		
5.	*PLANDENT* AND	Service	201	Continue	45
6.	*PLANDENT* AND	MSMEs	352		
7.	*PLANDENT* AND	Service	62	Continue	
8.	*PLANDENT* AND	Digital AND	31	Continue	66
9.	*PLANDENT* AND	Service	69	Continue	
10.	*PLANDENT* AND	MSMEs	78	Continue	32
11.	*PLANDENT* AND	Service	221	Continue	
12.	*PLANDENT* AND	MSMEs	98	Continue	12
13.	*PLANDENT* AND	Service	134	Continue	
14.	*PLANDENT* AND	MSMEs	256	Continue	77
15.	*PLANDENT* AND	Service	25		
16.	*PLANDENT* AND	MSMEs	554	Continue	
17.	*PLANDENT* AND	Digital AND	15		
18.	*PLANDENT* AND	MSMEs	167	Continue	55
19.	*PLANDENT* AND	Service	1457		
20.	*PLANDENT* AND	Digital AND	68	Continue	
21.	*PLANDENT* AND	Service	248		54
22.	*PLANDENT* AND	MSMEs	43	Continue	
23.	*PLANDENT* AND	Service	354		
24.	*PLANDENT* AND	Digital AND	56	Continue	
		Service	Final hits		487
		MSMEs	Final hits		265
		Digital AND	without		
		MSMEs	duplicates		
		Service			
		Digital AND			
		service			

An additional restriction was implemented whereby the search was limited to papers that contained variations of the keywords "entrepreneurs" and "platform" in the title, abstract, or Enumeration of important terms/keywords. To ensure that all possible variations of the term "each" were retrieved, the wildcard (*) was employed. The search query stipulated that outcomes must contain either "entrepreneurs" or "platform" and included the term "PLANDENT." As shown in Table 2, the number of views exceeded 570,000. Approximately 300 thousand searches were undertaken about the term "platform," whereas the term "entrepreneurs" garnered 271 thousand inquiries in total.

Following that, the search results were refined by including additional keywords (MSMEs, service, and digital), with the (*) wildcard being employed to include all possible variations of the terms. MSMEs, for instance, were categorized as entrepreneurs. A subsequent search was performed utilizing the keywords entrepreneurs or service in conjunction with the term "PLANDENT," which led to a reduction in the number of search outcomes to slightly more than 72,000.

Considering the substantial volume of search outcomes about the term "entrepreneurs" within scholarly journals that center on subjects including energy, nature, ecology, natural materials, and environments, an extra stratum of limitations was imposed on the search criteria. The focus of subsequent inquiries was directed towards more pertinent publications. By designating seven additional keyword categories—knowledge, management, planning, development, product, service, and company—the journal's relevance was established. These were utilized for journal-title searches. See queries 5 through 24. The following are the exact keywords that were employed.

- Knowledge – The administration, systems, and technology of data and knowledge.
- Management – The administration of activities and processes.
- Planning – The administration of long-term plans and objectives.
- Development – The administration of novel concepts and procedures.
- Product – The administration of goods and manufacturing.
- Service – The administration of services and the provision process.
- Company – The administration of overall business operations.

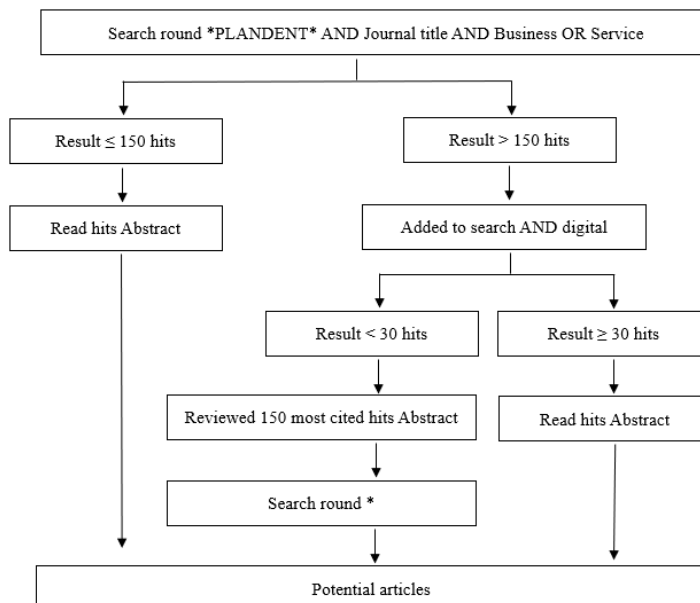


Figure 2: Illustrates the Sequential Processes Involved in the Searching Process

The sequential phases of the search procedure are illustrated in Fig. 2. The queries were classified into two distinct categories: those producing no more than 150 responses and those producing 150 results or more. A relevance assessment was conducted on the journal abstracts of the initial set (≤ 150) about the present research. To examine the second set, an additional search was performed utilizing the term "digital" in the titles and abstracts of more than 150 results. The results obtained from this subsequent investigation were additionally classified into two categories: those with forty or fewer instances and those with forty or more instances.

The results obtained for the initial cohort (≤ 30) were deemed invalid. In an alternative approach, the abstracts of the 150 papers that were referenced most frequently in the initial search were assessed for relevance before the digital keyword was incorporated. A comprehensive analysis was conducted on the abstracts of all articles in the second group (those exceeding 30) to ascertain their relevance to this research. A total of 298 pertinent articles were acquired in their entirety after the completion of every stage of the search process. After removing duplicate entries, the total value was reduced to 253. An assessment was conducted on each of these publications to determine whether they addressed any of the aforementioned research inquiries. Upon eliminating items that were considered irrelevant, the total number of valuable articles was reduced to 115. 28 articles were devoted to knowledge, 14 to management, 18 to planning, 8 to development, 19 to products, 15 to services, and 16 to company, as classified by journal title.

Despite conducting an exhaustive search of the literature, it is improbable that every significant work will be uncovered. Nevertheless, it is critical not to disregard these endeavors. Therefore, the digital company sector's specialist knowledge and possible articles about entrepreneurs were determined and analyzed using snowball sampling. Instead of a specific criterion for inclusion or exclusion, the snowball sampling procedure for selecting and evaluating literature was predicated on a thorough reading and comprehension of potential works. By identifying the subject matter experts and familiarizing oneself with their scholarly works and citations, it became possible to discern and implement several innovative keywords. Additional research was conducted on Scopus and Google Scholar utilizing particularized terms including digital twins, industrial internet platforms, smart business, MSMEs 4.0, and digital servitization. By employing snowball sampling, an additional 33 articles that were both novel and relevant to the inquiry were identified. As a result, a total of 149 articles were incorporated into the research.

FINDINGS AND DISCUSSIONS

To make the findings more nuanced and applicable to different scenarios, it is essential to discuss some of the identified challenges, such as the lack of digital skills, in relation to specific contexts or types of MSMEs. For instance, MSMEs in rural areas may face distinct challenges related to digital skills compared to those in urban settings, where access to training and resources might be more readily

available. Similarly, micro-enterprises with limited staff and resources may struggle more with adopting new technologies than medium-sized enterprises with slightly more capacity. By contextualizing these challenges, the review can offer more targeted insights and recommendations, making the findings more relevant and actionable for various types of MSMEs across different environments.

The candidate papers underwent a comprehensive examination, and any findings contained within were classified according to the three research queries concerning Challenges, Requirements, and Strategies. A significant accumulation of relevant findings was observed. A second examination was conducted on each item classified under each research topic, and several papers underwent a second analysis. This document contains the identified Challenges, Requirements, and Strategies that were collected during the evaluation process to facilitate an effective DBE implementation within the organization.

Challenges Faced by Digital Business Entrepreneurs in MSMEs

A deficiency in technical knowledge and expertise is one of the obstacles digital business entrepreneurs in MSMEs face. The effective implementation and management of digital business strategies may be beyond the knowledge and abilities of a significant number of proprietors in MSMEs (Soegoto et al., 2020). This phenomenon may be attributed to insufficient funding for training and development initiatives, coupled with a limited understanding of the significance of digital technologies in the functioning of organizations (Hanelt et al., 2020). Entrepreneurs who lack the requisite technical proficiency might encounter difficulties in formulating well-informed decisions concerning digital business strategies. Such deficiencies could impede operational efficiency and hinder the ability to contend in a marketplace that is progressively becoming more digital.

Challenge 1: Lack of digital skills and knowledge

A major hurdle for entrepreneurs in MSMEs is the widespread lack of digital skills and knowledge. As the world becomes more digital, these businesses must adapt to remain competitive. However, many lacks the expertise to navigate this new environment effectively. This shortfall can hinder their ability to implement digital strategies, limiting growth and competitiveness. It raises important questions: How can MSMEs close this skills gap? Should they focus on training, or perhaps seek partnerships with tech-savvy organizations? The need for digital upskilling is clear, but the methods and resources required to achieve it remain key areas for discussion. Nevertheless, a considerable number of enterprises are deficient in the requisite expertise and competencies to effectively traverse the digital terrain (Litvinenko, 2020).

Challenge 2: Limited financial resources

Financial constraints are another significant challenge for MSMEs in the digital space. Many struggles to secure the necessary funding for technology, marketing,

and human resources, all vital for success. This financial limitation can stifle growth and make it hard to compete with larger businesses. The issue prompts a broader discussion about the financial tools available to MSMEs. Should they look beyond traditional financing methods and explore options like microloans or crowdfunding? Balancing the need for investment with financial risk is crucial, and MSMEs must find innovative ways to overcome these obstacles. Entrepreneurs encounter challenges in competing with larger rivals due to the scalability and growth potential of digital businesses being impeded by this constraint (Combs et al., 2023). Therefore, for digital business entrepreneurs in MSMEs to achieve success, they must devise effective strategies to resolve this obstacle.

Challenge 3: Technological infrastructure constraints

Inadequate technological infrastructure is a significant barrier for MSMEs aiming to thrive in the digital economy. Many lack the necessary resources, such as reliable internet and modern IT systems, to fully implement digital strategies. This limitation can put them at a disadvantage in the competitive digital marketplace. The discussion here focuses on potential solutions: How can MSMEs overcome these infrastructural challenges? Should there be more support from governments and private sectors to improve access to technology, or can emerging solutions like cloud computing provide a workaround? Addressing these infrastructure gaps is critical for MSMEs to advance in the digital landscape.

Challenge 4: Market competition and customer acquisition

In the highly competitive digital market, acquiring and retaining customers is a major challenge for MSMEs. They must differentiate themselves, price competitively, and deliver excellent customer service to survive. This raises questions about the best strategies for success: How can MSMEs use digital marketing more effectively to reach and retain their target audience? Is continuous innovation the key to maintaining a competitive edge? The balance between immediate sales efforts and long-term customer loyalty is delicate, and MSMEs must navigate this terrain carefully to stay ahead. Moreover, to compete effectively in the market, Olazo (2022) suggests that MSMEs should concentrate on differentiation, pricing, and customer service. MSMEs must, therefore, continuously innovate and modify to maintain a competitive advantage and retain consumers.

Challenge 5: Legal and regulatory barriers

Legal and regulatory challenges add another layer of complexity for MSMEs in the digital space. Navigating intellectual property laws, adhering to data protection regulations, and managing tax obligations across different jurisdictions can be daunting. These obstacles often slow down progress and require entrepreneurs to be both knowledgeable and strategic. The literature identifies several significant challenges that entrepreneurs face in this context. For example, copyright and intellectual property laws can be complex to navigate, leading to potential infringement concerns. The discussion here involves exploring ways to streamline

compliance: Are there sufficient resources to help MSMEs manage these legal requirements? Can regulations be simplified to better support small businesses in their digital endeavors? Finding efficient ways to address these legal and regulatory challenges is essential for MSMEs to grow and succeed in the digital economy. The expansion and progress of digital enterprises are impeded by legal and regulatory obstacles, necessitating that entrepreneurs develop tactics to navigate and adhere to them efficiently (Bagale et al., 2021).

Requirements for Successful Digital Business Entrepreneurship in MSMEs

In the context of digital business entrepreneurship among MSMEs, several prerequisites must be fulfilled. Entrepreneurs must possess an initial and fundamental comprehension of digital technologies and the possible ways in which they can be implemented within business environments (Kraus et al., 2018). Entrepreneurs who possess such knowledge are capable of effectively capitalizing on the opportunities that arise from digital technologies and developing groundbreaking digital business models (Perifanis & Kitsios, 2023). Additionally, it is imperative for entrepreneurs to possess entrepreneurial skills, including but not limited to adaptability, a propensity for risk-taking, and creativity, to effectively recognize and pursue opportunities in the digital realm (Heidemann Lassen et al., 2018). Furthermore, enterprise software and small and medium-sized enterprises (MSMEs) must establish strategic alliances and collaborations with technology providers, business advisors, and other relevant parties to gain access to the resources, expertise, and knowledge required for digital transformation (Shaposhnikov, 2023). In conclusion, it is imperative for entrepreneurs to cultivate an atmosphere that promotes digital innovation and fosters a mentality that values ongoing education and experimentation (Jardim, 2021). This is due to the ever-changing nature of digital business environments, which necessitates perpetual flexibility and adaptation.

Requirements 1: Digital Literacy and Skill Development

Digital literacy and skill enhancement are vital for MSME entrepreneurs aiming to succeed in today's tech-driven business world. Rahman et al. (2022) highlight the need for a blend of technical, cognitive, and social-emotional skills to effectively use digital tools. But how can MSMEs ensure continuous skill development amidst their daily operational challenges? Should there be more structured programs from educational institutions or perhaps more support from government bodies? The ongoing need to adapt to the fast-evolving digital landscape raises the question of how entrepreneurs can keep pace while balancing other business demands. Stakeholders, including MSME associations, play a crucial role in promoting initiatives that enhance digital skills, but the challenge lies in making these programs accessible and practical for all entrepreneurs.

Requirements 2: Access to Funding and Financial Support

Securing funding remains a persistent challenge for digital entrepreneurs in MSMEs. Traditional lenders often hesitate due to the lack of collateral and tangible assets (Rita & Wahyudi, 2019), pushing entrepreneurs to explore alternative financing options like venture capital and crowdfunding. However, these alternatives also come with their hurdles, such as the need to demonstrate strong market potential and a solid business model to attract investors. This scenario raises important questions: How can MSMEs better position themselves to secure funding? What strategies can they adopt to make themselves more appealing to investors? Access to financial support is essential, but navigating the complex landscape of funding options requires a strategic approach, and this discussion is central to the growth of digital MSMEs.

Requirements 3: Upgrading Technological Infrastructure

For MSMEs, keeping technological infrastructure up to date is not just a need but a strategic imperative. With the rapid evolution of consumer demands and digital business environments, enterprises must continually invest in advanced technologies. Kurniawan et al. (2022) suggest that upgrading hardware and software can enhance operational efficiency and employee collaboration. But what are the most cost-effective ways for MSMEs to achieve these upgrades? Should they prioritize specific technologies like AI and cloud computing, or focus on a holistic upgrade of their IT systems? The discussion here revolves around how MSMEs can balance the need for cutting-edge technology with the constraints of their budgets, ensuring they remain competitive without overextending their resources.

Requirements 4: Market Research and Customer Segmentation

Market research and customer segmentation are crucial tools for MSME entrepreneurs to understand and meet customer needs effectively. By gathering and analyzing data, businesses can identify trends, understand consumer behavior, and outmaneuver competitors. The ability to segment customers into distinct groups allows for more tailored products and services, which can significantly enhance customer satisfaction. But how can MSMEs, often with limited resources, conduct meaningful market research and segmentation? Should they invest in specialized tools or leverage more traditional methods? The challenge lies in finding the right balance between in-depth research and actionable insights, enabling MSMEs to minimize risks and optimize their marketing strategies effectively. In fact, Beitelspacher and Getchell (2023) emphasize that in the digital business environment, market research and consumer segmentation assist entrepreneurs in minimizing risks, optimizing marketing initiatives, and gaining a competitive edge.

Requirements 5: Compliance with Legal and Regulatory Frameworks

Navigating the complex web of legal and regulatory requirements is a critical aspect of operating a digital business within MSMEs. From privacy and data protection to intellectual property and cybersecurity, the regulations are broad and vary by

region. Entrepreneurs must stay informed and adapt their strategies to remain compliant, as failure to do so can result in severe penalties and damage to their reputation (Gozman & Willcocks, 2019). This discussion raises key questions: How can MSMEs stay updated on the ever-changing legal landscape? Should they invest in legal expertise, or can they rely on automated compliance tools? The balance between legal compliance and business agility is delicate, and entrepreneurs must find ways to meet regulatory demands without stifling innovation and growth.

Strategies to Overcome Challenges and Meet Requirements

Effective strategies for overcoming obstacles and meeting criteria are crucial for the triumph of digital business entrepreneurs in micro, small, and medium enterprises (MSMEs). An effective approach is cultivating a robust entrepreneurial attitude that incorporates qualities such as resilience and flexibility (Linnenluecke & McKnight, 2017). Adopting this attitude allows entrepreneurs to view problems as opportunities for growth and knowledge acquisition, easing the processes of problem-solving and decision-making. Moreover, establishing strategic partnerships with specialists and other small and medium-sized enterprises (MSMEs) can provide access to significant resources and specialized knowledge (Guimarães et al., 2021). Additionally, entrepreneurs can enhance their skills in navigating the digital business environment by investing in continuous learning and skill development through training programs and seminars (Sousa & Rocha, 2019). These techniques enable micro, small, and medium-sized enterprise (MSME) entrepreneurs to overcome obstacles and meet the constantly changing demands of the digital business landscape.

Strategy 1: Collaboration and Networking with MSMEs Experts and Peers

Collaboration and networking are indispensable for MSME entrepreneurs navigating the digital landscape. Diansari (2020) points out that the insights and guidance from experts in the MSME sector can be invaluable, offering not just knowledge but also real-world strategies that have proven successful. But how can entrepreneurs maximize these interactions? Should they focus on formal mentorship programs, or are informal peer networks equally effective? Engaging with peers also presents opportunities for sharing challenges, brainstorming innovative solutions, and forming strategic alliances (Rumijati & Rahman Hakim, 2023). The question arises: What is the best approach to fostering these connections? Is there a need for more structured platforms to facilitate such collaborations, or can organic, grassroots networking suffice? The potential for growth through collaboration is immense, but it requires deliberate effort and strategic engagement.

Strategy 2: Utilizing Government Support Programs and Initiatives

Government support can be a game-changer for MSME digital entrepreneurs, but it often goes underutilized. Chen et al. (2021) highlights that government initiatives—ranging from financial aid to training programs—can provide a crucial lifeline for businesses struggling with the challenges of the digital economy. However, are

MSMEs fully aware of these opportunities, and if not, what can be done to improve access and awareness? Programs like tax incentives and subsidies can ease financial burdens (Coulibaly & Camara, 2022), but the real question is how entrepreneurs can strategically leverage these resources to their maximum benefit. Should there be more emphasis on helping MSMEs navigate the bureaucratic processes involved, or is the focus better placed on tailoring these programs to better meet the unique needs of digital entrepreneurs? The effectiveness of government support hinges on how well these programs align with the real-world challenges faced by MSMEs.

Strategy 3: Adopting Innovative Business Models and Technologies

Staying ahead in the digital age requires MSME entrepreneurs to be agile and forward-thinking in adopting new technologies and business models. Khan et al. (2023) stressed the importance of embracing innovations like AI, blockchain, and IoT to drive growth and efficiency. But with so many emerging technologies, how can MSMEs decide where to invest their limited resources? Is there a risk of spreading too thin across multiple technologies, or should the focus be on a few key innovations? The adoption of novel business models, such as the sharing economy or platform-based approaches (Laukkanen & Tura, 2020), also raises questions about the readiness of MSMEs to disrupt traditional sectors. How can they balance the potential rewards of innovation with the risks involved? This discussion revolves around the strategic choices that MSMEs must make to harness technology effectively without overextending their capabilities.

Strategy 4: Implementing Effective Marketing and Branding Strategies

In the crowded digital marketplace, effective marketing and branding are crucial for MSMEs to stand out and succeed. Kumar and Pansari (2016) argue that these strategies are not just about visibility but also about building lasting relationships with customers. However, what are the most effective channels for MSMEs to reach their target audience? Should they prioritize social media, email marketing, or content marketing, or is a multi-channel approach the way forward? Additionally, how can MSMEs create a brand identity that resonates with their audience while differentiating themselves from competitors? The challenge lies in crafting a coherent brand story and maintaining consistency across all touchpoints, which is easier said than done. As MSMEs navigate the complexities of digital branding, the focus should be on authenticity and value creation to foster deep, enduring connections with customers.

Strategy 5: Continuous Learning and Adaptation to Changing Digital Landscape

The digital landscape is constantly evolving, and MSME entrepreneurs must prioritize continuous learning to keep pace. Horváth and Szabó (2019) emphasize that staying competitive requires not just keeping up with technological advancements but also anticipating shifts in customer expectations. But how can MSMEs cultivate a culture of continuous learning without overwhelming their

teams? Should they invest in regular training programs or encourage self-directed learning through online courses and industry events? Moreover, how can MSMEs balance the need for innovation with the risk of change fatigue? Zahoor et al. (2022) suggest that fostering a culture that embraces change is crucial, but this requires leadership that can inspire and guide the organization through periods of transition. The key is finding the right mix of formal education, hands-on experience, and a supportive environment that encourages curiosity and adaptability.

A significant obstacle encountered by digital business entrepreneurs in micro, small, and medium enterprises (MSMEs) is the deficiency of digital competencies among their workforces. Suyanto et al. (2023) found that several micro, small, and medium enterprises (MSMEs) have difficulties in adjusting to the digital business landscape because they lack proficient staff with the requisite technical and digital literacy abilities. The absence of digital skills is a barrier to the execution of digital plans and may restrict the expansion and competitiveness of businesses in the digital economy. To tackle this difficulty, it is necessary for MSMEs to allocate resources towards employee training and development initiatives that specifically target the improvement of digital skills and the enhancement of the workforce's digital capabilities (Suyanto et al., 2023).

CONCLUSION

In summary, this systematic literature review elucidates the obstacles encountered by digital business entrepreneurs operating within micro, small, and medium enterprises (MSMEs). Additionally, it offers valuable perspectives on the prerequisites and approaches necessary to effectively tackle these challenges. Significant obstacles, including inadequate infrastructure, limited resources, and a dearth of technical expertise and skills, have been identified through the review. Entrepreneurs must prioritize forming alliances and partnerships, capitalizing on digital platforms and technologies, and investing in ongoing education and skill development to surmount these obstacles. In addition, organizations and policymakers must help in the form of financial resources, training initiatives, and access to advanced technology and infrastructure. Entrepreneurs can utilize the results obtained from this review as a basis for future investigations and as a manual for navigating the digital business environment in micro, small, and medium enterprises (Cueto et al., 2022). The review emphasizes the importance of digital business entrepreneurship for MSMEs, noting its role in enhancing market reach, operational efficiency, and customer engagement. Looking ahead, the success of digital business entrepreneurship in MSMEs will depend on favorable policies, stakeholder support, and the adoption of innovative business models to drive economic growth and job creation.

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