



## Business Actors' Perceptions Of The Use Of Digital Platforms For Business Development In East Ciputat District

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**Abstract.** This study aims to analyze in depth the perceptions of business actors regarding the use of digital platforms for business development among MSMEs in East Ciputat District, grounded in the increasing importance of digital transformation highlighted in the literature, particularly through the Technology Acceptance Model and the Diffusion of Innovation framework, which emphasize perceived usefulness, perceived ease of use, and organizational readiness as key determinants of technology adoption, therefore employing a qualitative descriptive approach through in-depth interviews, field observations, and documentation with purposively selected MSME actors engaged in digital activities, and analyzing the data using the interactive model of Miles, Huberman, and Saldaña to identify patterns of perception, utilization dynamics, and emerging challenges, with the findings indicating that business actors generally hold positive perceptions of digital platforms due to their ability to expand market reach, enhance marketing effectiveness, strengthen customer engagement, and improve operational efficiency, although these perceptions are accompanied by constraints such as limited digital literacy, technical barriers, low confidence in content creation, and difficulties in maintaining consistent online management, thereby leading to the conclusion that digital platforms have become a strategic necessity rather than an optional tool for MSME sustainability and competitiveness in East Ciputat District, and that their optimal utilization requires systematic capacity-building, continuous mentoring, and ecosystem strengthening to ensure long-term digital adoption and business growth.

**Keywords:** MSMEs, digital platforms, business development, user perception, East Ciputat, digital transformation.

### INTRODUCTION

Digital transformation has become a central force reshaping global economic systems, where the adoption of information and communication technologies is no longer merely supportive but has evolved into a strategic foundation for business sustainability across sectors. This paradigm shift significantly influences the ecosystem of micro, small, and medium enterprises (MSMEs), which constitute a vital pillar of Indonesia's national economy. MSMEs are increasingly required to adapt to changing consumer behaviors that prioritize speed, convenience, transparent access to information, and seamless digital transactions. As

competition intensifies and market dynamics evolve, the integration of digital platforms has emerged as a strategic necessity for MSMEs to expand market reach, enhance operational efficiency, and strengthen their overall competitiveness. The urgency of digital adoption accelerated considerably during the COVID-19 pandemic, which disrupted traditional business operations and compelled MSMEs to seek alternative mechanisms for maintaining business continuity. Restrictions on physical activities pushed business actors to utilize digital platforms such as social media, online marketplaces, delivery applications, and integrated business tools. Many MSMEs that were previously reluctant to engage in digital transformation began to recognize the importance of technology as a means of survival and adaptation. This shift marked a critical turning point, illustrating that digitalization is no longer optional but fundamental to sustaining business operations in an increasingly technology-driven economy.

In East Ciputat District, South Tangerang City, the digital ecosystem continues to grow, supported by increased smartphone penetration, improved internet accessibility, and the widespread use of social media. These conditions create a favorable environment for the digital advancement of local MSMEs. Various business actors in this region have begun leveraging platforms such as Instagram, TikTok, WhatsApp Business, Shopee, and Tokopedia for marketing, customer engagement, and sales operations. However, the adoption of digital platforms has not occurred uniformly across all MSMEs. Variations in educational background, age, digital literacy, business scale, and technological readiness create disparities in the ability and pace at which MSMEs embrace digital transformation. This disparity reflects a broader digital divide, which remains a major challenge in ensuring inclusive digitalization. While some business owners demonstrate high enthusiasm due to the tangible benefits of increased sales, broader market exposure, and improved customer service, others struggle with limited digital literacy, inadequate content-creation skills, low confidence in using digital features, and technical constraints such as outdated devices or unstable internet connectivity. These challenges influence not only the level of digital adoption but also the overall competitiveness of MSMEs in a rapidly evolving market environment. Perceptions of business actors thus play a critical role in shaping the success of digital adoption. According to the Technology Acceptance Model (TAM), perceived usefulness and perceived ease of use significantly influence an individual's intention to adopt a technology. Similarly, the Diffusion of Innovation theory highlights that adoption is shaped by the characteristics of the innovation, the attributes of the user, and the surrounding social context. Understanding MSME perceptions is therefore essential not only for assessing their digital readiness but also for identifying appropriate intervention strategies that support their transition into digital-based business processes.

Given these considerations, East Ciputat District serves as a relevant and strategic location for analyzing how business actors perceive the use of digital platforms for business development. This study employs a qualitative descriptive approach to explore, in depth, the experiences, motivations, and challenges encountered by MSMEs in adopting digital technologies. The findings are expected to enrich academic discourse on MSME digitalization and provide practical insights for policymakers, local governments, educational institutions, and business communities in designing targeted and sustainable digital empowerment programs.

## LITERATURE REVIEW

Digital transformation within the context of micro, small, and medium enterprises (MSMEs) has become a major focus of global research, particularly following the COVID-19 pandemic, which accelerated the adoption of digital technologies across all business sectors. Conceptually, digital transformation refers to the integration of digital technologies that not only alter operational tools but also reshape business models, decision-making processes, and the ways organizations create value (Verhoef et al., 2021). Within the MSME context, this process manifests differently compared to large enterprises due to variations in resource availability, digital literacy levels, and adaptive capacity (Kraus et al., 2021). Therefore, MSME

digital transformation must be understood through a multidimensional perspective encompassing psychological, organizational, technological, and environmental aspects.

Priyono et al. (2020) explain that MSME digitalization occurs in three stages: early digitalization (use of social media), intermediate digitalization (use of marketplaces and digital payment systems), and advanced digitalization (operational automation and data integration). This staged model aligns with the findings of Nambisan et al. (2019), who highlight the importance of a *digital entrepreneurial mindset*, meaning the ability of business owners to view technology not merely as a tool but as a strategic opportunity. Accordingly, the literature emphasizes that MSME digitalization success depends heavily on entrepreneurs' perceptions, motivation, and psychological readiness. Classical literature on technology adoption often refers to the Technology Acceptance Model (TAM) introduced by Davis (1989) and further developed by Venkatesh and Bala (2008). Between 2020 and 2025, TAM remained the dominant framework in studies on MSME digital adoption. Osei and Zhuang (2022) demonstrate that perceived usefulness and perceived ease of use are key determinants encouraging MSMEs to adopt digital technologies for marketing and transactional purposes. Hasan and Al-Haddad (2022) reinforce these findings, revealing that perceived benefits, particularly enhanced customer trust, play a critical role in determining MSMEs' decisions to adopt digital platforms. Conversely, perceived barriers such as limited digital skills act as significant inhibitors that can reduce technology adoption intention.

Beyond TAM, the Diffusion of Innovation theory (Rogers, 2003) is also highly relevant in explaining digital adoption patterns among MSMEs. Marcucci et al. (2021) found that innovation characteristics, such as compatibility, complexity, and trialability, strongly influence the speed at which MSMEs adopt digital technologies. Social and community factors also play an important role in facilitating innovation adoption, especially among MSMEs that rely heavily on local social networks and peer recommendations. From a digital marketing perspective, many studies emphasize the strategic importance of social media platforms such as Instagram, TikTok, and WhatsApp Business in cultivating customer relationships. Alalwan (2020) argues that social media not only broadens market reach but also increases customer engagement through interactive, two-way communication that strengthens consumer loyalty. Similarly, Sfenrianto et al. (2023) highlight that the use of marketplaces such as Tokopedia and Shopee enables MSMEs to increase sales volume while reducing distribution costs. Features such as ratings, customer reviews, and integrated payment systems have been shown to enhance consumer trust in MSME products.

Despite these benefits, recent research also reveals numerous challenges that hinder MSME digitalization. Ghezzi and Cavallo (2020) note that many MSMEs struggle to allocate time and resources to learning new technologies. Additional barriers identified by Marcucci et al. (2021) include high adoption costs, limited digital-content skills, inadequate internet infrastructure, and resistance to change. These barriers are particularly evident among MSME owners who are older or have lower educational attainment, as reported by Osei and Zhuang (2022). In the Indonesian context, sociocultural factors also influence digitalization. Studies by Sfenrianto et al. (2023) and Kurniawati and Fajar (2021) show that MSME success in adopting digital platforms depends heavily on community support, government programs, training initiatives, and access to adequate digital devices. Thus, a strong digital ecosystem is a critical enabler for driving MSMEs into the digital economy more effectively.

Overall, the literature confirms that MSME perceptions of digital platforms are shaped by four major factor groups: (1) psychological factors perceived benefits and perceived ease of use; (2) technical factors infrastructure, digital skills, and supporting devices; (3) environmental factors community support, regulatory frameworks, and shifting consumer trends; and (4) internal MSME factors business scale, human resource competence, and organizational readiness. A comprehensive understanding of these factors is essential for analyzing how MSME actors in East Ciputat District perceive and utilize digital platforms for business development.

## RESEARCH METHODS

This study employs a qualitative approach with a descriptive research design, as its primary objective is to gain an in-depth understanding of how business actors perceive the use of digital platforms for the development of MSMEs in East Ciputat District. The qualitative approach was selected because it allows the researcher to portray phenomena naturally based on the direct experiences of MSME actors without manipulating variables, while the descriptive nature of the study enables a systematic and factual presentation of field conditions as they truly occur. The research was conducted in East Ciputat District, South Tangerang City, which was purposively selected due to its rapidly growing micro and small business sector and its increasing level of digital adaptation in line with technological advancements and changing consumer behavior.

The research subjects consist of MSME actors operating in the food and beverage, fashion, service, and general trade sectors. Informants were selected using purposive sampling based on specific criteria, such as having operated their business for at least one year, having used or at least being familiar with digital platforms, and being willing to provide detailed information about their experiences and perspectives. The number of informants was determined flexibly following the principle of saturation, whereby data collection was discontinued once the information gathered became repetitive and no new insights emerged. Data collection was carried out through in-depth interviews using semi-structured interview guides that allowed informants to freely articulate their experiences and perceptions while still enabling the researcher to maintain focus on the study's objectives. In addition to interviews, field observations were conducted to examine how business actors actually utilized digital platforms in activities such as marketing, customer communication, and sales transactions. Supporting documentation, including screenshots of digital platforms, photographs of business locations, and business activity records, was also collected to strengthen the validity of the findings.

Data analysis was conducted using the interactive model of Miles, Huberman, and Saldaña, which includes data reduction, data display, and conclusion drawing. All interview data were transcribed verbatim and subsequently coded to identify key themes related to perceptions, challenges, and the impacts of digital platform usage. To ensure data credibility, this study employed source triangulation and methodological triangulation, allowing findings to be cross-verified through multiple sources such as observations, additional interviews, and supporting documents. Overall, the research process was carried out systematically to produce a comprehensive understanding of how MSME actors in East Ciputat District interpret and utilize digital platforms in developing their businesses.

## RESULTS AND DISCUSSION

The findings from in-depth interviews, field observations, and documentation show that MSME actors in East Ciputat District generally perceive digital platforms positively, although variations exist in digital literacy, confidence, and strategic consistency. These results align with Verhoef et al. (2021), who argue that digital transformation reshapes not only marketing channels but also business models and daily operational practices. Most respondents indicated that social media platforms such as Instagram, WhatsApp Business, and TikTok served as their initial point of entry into digital marketing because of their ease of use and minimal financial cost. This is consistent with Alalwan (2020), who emphasizes that social media functions as an accessible and highly interactive tool for small businesses. One respondent explained, *"Instagram is simple for me. I upload photos, and customers immediately ask about prices."*

Respondents utilizing marketplaces such as Shopee and Tokopedia displayed more advanced digital adoption. They described features like automated payments, customer reviews, and structured catalogs as essential for building credibility. This finding mirrors Sfenrianto et al. (2023), who highlight that such features significantly strengthen consumer



trust in digital commerce environments. As one MSME owner stated, *“Customers trust me more because they can see ratings. It makes transactions easier and faster.”*

In terms of business impact, nearly all respondents acknowledged increased sales after adopting digital platforms. This supports Priyono et al. (2020), who found that MSMEs experience measurable performance improvements once they transition from basic to intermediate stages of digitalization. Several respondents described substantial growth during online shopping festivals. One noted, *“During Harbolnas, my sales doubled because Shopee promoted my store.”* However, the study also uncovered notable challenges. Technical barriers such as unstable internet connections and outdated devices hindered effective digital engagement. These challenges align with Hasan and Al-Haddad (2022), who argue that digital barriers are heightened among resource-constrained MSMEs. Psychological barriers were equally significant; older business owners frequently expressed anxiety about making mistakes online. One commented, *“I want to use TikTok, but I'm afraid customers might judge my content.”* Kraus et al. (2021) affirm that self-efficacy strongly influences the digital readiness of small business owners.

Structural barriers were also evident. Several respondents noted that training programs were often one-time events without follow-up, making learning unsustainable. This reflects findings by Marcucci et al. (2021), who stress that continuous learning and ecosystem support are crucial for long-term digital transformation. Despite these constraints, all respondents acknowledged that digital presence has become indispensable after the COVID-19 pandemic. Their perception aligns with Nambisan et al. (2019), who emphasize that businesses unable to cultivate a digital entrepreneurial mindset risk losing relevance in digitally evolving markets. One respondent noted, *“Customers check online first. If your business is not online, they think it's not trustworthy.”*

The results also align strongly with the Technology Acceptance Model (TAM). Respondents who perceived clear benefits—such as higher sales or simplified transactions—exhibited stronger digital adoption, consistent with observations by Osei and Zhuang (2022). Meanwhile, challenges related to ease of use contributed to lower adoption rates among older or less digitally literate respondents, further validating TAM principles. The diffusion patterns observed support Rogers' Diffusion of Innovation Theory. Younger, more educated MSME owners, particularly those active in local business communities, served as early adopters and supported peers through shared learning. This matches findings by Marcucci et al. (2021), who note that social influence and peer learning accelerate MSME digitalization.

Overall, the findings reinforce that digital platforms play a crucial role in MSME business development in East Ciputat District. However, successful adoption depends not only on technology availability but also on literacy, motivation, ecosystem support, and behavioral readiness—elements deeply emphasized in contemporary digital transformation research (Verhoef et al., 2021; Kraus et al., 2021).

## CONCLUSION AND RECOMMENDATION

Based on the findings of this study regarding business actors' perceptions of using digital platforms for MSME business development in East Ciputat District, it can be concluded that most business owners hold a positive view toward the adoption of digital technology, primarily because they experience direct benefits such as increased business visibility, expanded market reach, improved customer communication, and greater efficiency in transaction processes. These positive perceptions are reinforced by the respondents' real-life experiences, in which the use of social media and marketplace platforms has created new sales opportunities that were previously unattainable through conventional marketing methods. Despite these challenges, MSME actors generally recognize that digital platforms are no longer merely complementary tools but have become essential for maintaining competitiveness amid shifting consumer behavior and the rapid development of digital business technologies.

Based on these conclusions, this study suggests that MSME actors in East Ciputat District should continue improving their digital literacy skills through training, workshops, or mentoring programs that can help them build greater confidence in using digital platforms effectively. Local government institutions, educational organizations, and business communities are encouraged to provide stronger support through structured capacity-building programs, particularly for business owners who still experience technical difficulties or are less familiar with digital tools. Additionally, MSME actors need to be more consistent in managing their digital marketing content by presenting product information that is engaging, honest, and relevant in order to build stronger relationships with customers. The development of simple data-driven marketing strategies—such as analyzing customer insights available on social media platforms—is also recommended to help business owners better understand market needs. Finally, future research is recommended to explore additional dimensions such as the quantitative economic impact, the role of gender in digital adaptation, or cross-regional comparisons to enrich the overall understanding of MSME digitalization dynamics in Indonesia.

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