Maroon Journal De Management

The Contribution of Digital Entrepreneurial Competence to the Business Growth of Women-Owned SMEs in the Fashion Industry in Yogyakarta

Krisdayanti[1], Susilawati[1], Irwandi Saputra[1]

[1]*Fakultas Ekonomi dan Bisnis, Universitas Indonesia*

Corresponding Author: Krisdayanti
E-mail: krisdayanti@gmail.com

Article Info	Abstract
	The rapid growth of digital technology has significantly reshaped the business landscape, creating both opportunities and challenges for small and medium-sized enterprises (SMEs). For women entrepreneurs, particularly those in the creative fashion industry, digital competence is increasingly recognized as a key determinant of competitiveness and sustainability. This study aims to examine the contribution of digital entrepreneurial competence to the business growth of women-owned SMEs in the fashion sector in Yogyakarta. A quantitative research design with a survey method was employed, involving 120 respondents who own and manage fashion SMEs. Data were collected through structured questionnaires measuring four dimensions of digital entrepreneurial competence— digital literacy, digital innovation, online networking, and digital tools utilization alongside indicators of business growth, including sales performance, customer base expansion, and brand recognition. The data were analyzed using multiple regression techniques. The findings reveal that digital entrepreneurial competence has a significant positive effect on business growth, with digital tools utilization and digital literacy emerging as the strongest predictors. The regression model explains 62% of the variance in business growth, suggesting that digital competence is a critical driver of success for women-owned SMEs. These results highlight the importance of strengthening digital capabilities through training programs, capacity-building initiatives, and supportive policies tailored to women entrepreneurs. The study contributes to a deeper understanding of the role of digital skills in SME development and offers practical recommendations for enhancing women's participation in the digital economy.

INTRODUCTION

The digital technology has significantly transformed the modern business landscapes and the way businesses are conducted, structured and maintained in the ever growing globalized economy. Although digital transformation has become a strategic option, it has developed into a structural requirement, especially among the small

and medium-sized enterprises (SMEs) that are often limited in terms of their capital access, market orientation, and organizational abilities (Usman et al., 2024; Omol, 2024; Xia et al., 2024). Such technologies help SMEs to streamline operations, expand market presence, increase customer interaction and create new business models, which have not been accessible to smaller businesses before. In that regard, the ability of the entrepreneurs to efficiently utilize digital tools has become a decisive factor of the performance of firms and their competitiveness over the long term (Oyeyemi et al., 2024; Sutrisno et al., 2023; Satjaharuthai & Lakkhongkha, 2023; Aidara et al., 2021; Ngoasong, 2018).

This revolution is especially relevant in creative sectors like fashion industry where value generation is closely associated with branding, visibility, aesthetics and consumer contact. Digital platform integration, social media, and e-commerce integration allow re-configuring the conventional fashion value chains, which allows designers and producers to interact more closely with consumers, co-create value, and respond quickly to market trends (Gupta et al., 2024; Murugesan et al., 2024; Hernando Velasco et al., 2024). In addition, the digital spaces also enable new kinds of storytelling and cultural expression making fashion entrepreneurs combine creativity with technology. Digital competence is thus a necessary thing among fashion SMEs that struggle to survive and succeed in a very competitive and dynamic market (Wulandari et al., 2025; Hokmabadi et al., 2024).

In emerging economies, including Indonesia, SMEs have a central role in economic growth as they contribute greatly to gross domestic product and job creation (Kurniadi et al., 2024; Fitriadi et al., 2024). Women entrepreneurs have become critical economic players in this sector especially in the creative industries that resonate with cultural background and locality. Fashion industry in the city of Yogyakarta is no exception as they have been using the traditional aspects of batik in modern methods of designing and manufacturing. Women in this area who own fashion SMEs are able not only to enhance an economic activity but also preserve the cultural values but adjust to the changing preferences of consumers (Strydom & Kempen, 2021; Akoh, 2020).

Despite the significant role of women owned small and medium-enterprise (SME) firms in terms of economic growth and cultural retention, these firms are still faced by structural constraints that limit their expansion capabilities. These barriers consist of restricted access to formal financing, restricted membership in business networks, and persevering gender-related challenges across the entire business ecosystems. Digital technologies are being widely hyped as one of the tools that can alleviate such constraints by reducing entry barriers, allowing business operations to be flexible and providing easier access to larger markets and networks (Massa et al., 2023; Yaqub & Alsabban, 2023). However, the efficiency of digitalisation in promoting the development of SMEs significantly depends on the level at which entrepreneurs have the necessary skills to plan and strategically use digital tools (Telukdarie et al., 2023; Teng et al., 2022; Opoku et al., 2024).

The concept of digital entrepreneurial competence has therefore gained increasing buzz in academic and policy-making circles. Digital entrepreneurial competence refers to a collocation of knowledge, skills, and attitudes that enable entrepreneurs to identify opportunities, innovate and create value by making effective use of digital technologies (Singh & Dwivedi, 2022; Lam et al., 2025). This competence consists of a variety of interdependent dimensions, such as digital literacy, digital innovation, the ability to network online, and the ability to practically apply digital tools, whether in marketing, operations, and customer relationship management (Ikenga & Egbule, 2024; Şalvarlili, 2024; Diawati, 2024). In the case of women entrepreneurs, the concept of digital competence is especially relevant, as it provides

2

an opportunity to overcome the conventional limitations of mobility, scale, and access to information.

Although the concept of digital entrepreneurial competence is widely recognized as a driver to SME growth, there is empirical data that its creation and influence are unequal. There are examples of women-owned SMEs that are able to grow their businesses by using social media and e-commerce platforms and digital marketing strategies; there are also examples of those that cannot translate digital adoption into growth results. Digital literacy differences, confidence in the use of technology, and access to training and institutional support are some of the factors that lead to performance differences among SMEs that operate in similar market conditions. All these discrepancies provoke important questions about what aspects of digital entrepreneurial competence are highest stakes in business development and how these dimensions relate to each other in particular socio-economic situations.

Previous studies have emphasised the affirmative relationship between digitalisation and SME performance, and the importance of digital tools in increasing efficiency, innovation, and market access. Digital entrepreneurship studies indicate that digital literacy allows entrepreneurs to make the best decisions, evaluate digital opportunities, and respond to technological change, and digital innovation can help entrepreneurs create new products, services, and business models (Usman et al., 2024; Omol, 2024). Online networking has, likewise, been found to be an information, resource, and collaboration opportunity that may enhance competitiveness; specifically, small firms having limited physical networks (Ikenga & Egbule, 2024; Giordino et al., 2025; Fatmawati & Garad, 2022).

Although such contributions have been made, much of the existing literature is still disjointed and place-based with little concentration on women-owned SMEs in creative industries in developing areas. Studies often consider digital competence as an umbrella concept without breaking it down into its particular aspects and assessing how each has a proportionate contribution to business development. In addition, there is a dearth of empirical research that concomitantly incorporates digital literacy, innovation, networking, and digital tool use in a single analytical model, especially with regard to the Indonesian context. As such, little is known about how all these competencies together and individually affect the growth pathways of women-owned fashion SMEs

Yogyakarta Fashion Industry is a relevant but under-researched context in which to discuss the gap. The strong cultural identity and the increasing digital penetration in the region presents opportunities and challenges to women entrepreneurs. Although digital platforms provide a wider market scope than local boundaries, strategic competence is far much-needed than mere adoption. The role of the various aspects of digital entrepreneurial competence in promoting business development in this regard is thus critical in developing specific interventions and support systems.

It is against this background that this study attempts to investigate the role of digital entrepreneurial competence in the business development of women owned SMEs in the fashion industry of Yogyakarta. In particular, the study examines the relationship between digital literacy, digital innovation, online networking, and the use of digital tools and financial and non-financial measurements of business growth, such as sales results, growth in customer base, and brand recognition. Through a quantitative methodology and the testing of such relationships in an empirical way, the study is expected to offer credible evidence about the role of digital competence in the development of entrepreneurial performance.

METHODS

This study adopts a quantitative research design with a survey approach to examine the contribution of digital entrepreneurial competence to the business growth of women-owned SMEs in the fashion industry in Yogyakarta. The quantitative method is considered appropriate since the study aims to objectively measure and statistically test the relationship between entrepreneurial digital competence and business growth. By applying this approach, the study seeks to provide empirical evidence on how digital skills and capabilities support the development and sustainability of women's fashion enterprises.

The population of this research consists of women entrepreneurs who own and manage small and medium-sized enterprises (SMEs) in the fashion sector in Yogyakarta. To select participants, purposive sampling is employed with specific inclusion criteria: the business must fall into the SME category, the owner must be female, and the business must have integrated or attempted to integrate digital tools such as social media, e-commerce platforms, or digital marketing strategies into its operations. A sample size of approximately 100 to 150 respondents is targeted in order to ensure adequate representation and statistical power for the analysis.

Data collection is carried out through structured questionnaires distributed directly to respondents and also through online channels. The questionnaire is divided into two main sections. The first section measures digital entrepreneurial competence, covering aspects such as digital literacy, the ability to recognize opportunities through digital platforms, digital innovation, online networking, and the capacity to manage digital tools for marketing and operational activities. The second section assesses business growth through financial and non-financial indicators, including sales growth, market expansion, employee growth, customer base enlargement, and increased brand recognition.

The data obtained from the survey will be analyzed using multiple regression analysis, or alternatively Structural Equation Modeling (SEM), in order to test the extent to which digital entrepreneurial competence contributes to business growth. Descriptive statistics will first be used to provide an overview of respondent characteristics and the profile of their businesses. In addition, reliability and validity tests will be conducted to ensure the accuracy and consistency of the measurement instruments. In terms of research ethics, all respondents will be fully informed about the objectives and scope of the study before their participation. They will be assured that their responses will remain confidential and that their involvement is entirely voluntary. Furthermore, participants will retain the right to withdraw from the study at any point without facing any negative consequences.

RESULTS AND DISCUSSION

This section presents the results of the study on the contribution of digital entrepreneurial competence to the business growth of women-owned SMEs in the fashion industry in Yogyakarta. Data were obtained from 120 respondents who met the inclusion criteria. The findings are organized into three parts: respondent profile, descriptive statistics, and regression analysis.

Respondent Profile

The majority of respondents were women aged between 26–40 years, with most of them having run their fashion SMEs for more than 3 years. In terms of digital adoption, almost all respondents utilized social media platforms, especially Instagram and TikTok, as their primary marketing channels.

Table 1. Respondent Profile (n=120)

Characteristic	Category	Frequency	Percentage
Age	20–25 years	18	15.0%

4

	26–40 years	74	61.7%
	>40 years	28	23.3%
Years in Business	<3 years	35	29.2%
	3–5 years	52	43.3%
	>5 years	33	27.5%
Digital Tools Used	Instagram & TikTok	98	81.7%
	E-commerce Platforms	86	71.7%
	Website	42	35.0%

The demographic and business-related characteristics of the respondents provide important contextual information for interpreting the empirical findings. As shown in Table 1, the majority of respondents were women entrepreneurs aged between 26 and 40 years, accounting for 61.7 percent of the total sample. This age group represents the most economically active segment of the entrepreneurial population and is often associated with higher adaptability to technological change and digital innovation. A smaller proportion of respondents were aged over 40 years, while the youngest group, aged 20 to 25 years, constituted the smallest share of the sample. These age distributions suggest that women-owned fashion SMEs in Yogyakarta are predominantly managed by individuals in their prime productive years, which may influence their openness to adopting digital tools and strategies.

In terms of business experience, most respondents had been operating their enterprises for more than three years. Specifically, 43.3 percent had managed their businesses for between three and five years, while 27.5 percent had more than five years of experience. This indicates that a substantial proportion of the sampled SMEs had moved beyond the initial start-up phase and entered a more stable stage of operation. Such experience is particularly relevant in studies of digital entrepreneurship, as prior research suggests that accumulated business experience can enhance entrepreneurs' ability to strategically integrate digital technologies into their operations (Usman et al., 2024). Meanwhile, 29.2 percent of respondents had been in business for less than three years, reflecting the continued emergence of new women-led fashion enterprises in the region.

Regarding digital adoption, the results reveal a high level of engagement with digital platforms among the respondents. As presented in Table 1, social media platforms such as Instagram and TikTok were the most widely used digital tools, with 81.7 percent of respondents reporting their use as primary marketing channels. This finding reflects broader trends in the fashion industry, where visual-based platforms play a central role in branding, customer engagement, and trend dissemination (Gupta et al., 2024). In addition, 71.7 percent of respondents utilized e-commerce platforms, indicating a growing reliance on online marketplaces to reach customers beyond local geographic boundaries. A smaller proportion of respondents, 35.0 percent, reported using dedicated websites, suggesting that while advanced digital infrastructure is present, many SMEs still prioritize more accessible and cost-effective platforms.

Descriptive Statistics

The study measured two main constructs: Digital Entrepreneurial Competence (DEC) and Business Growth (BG). Digital competence was assessed in terms of digital literacy, innovation, networking, and digital tool utilization. Business growth was measured through indicators such as sales growth, customer base, and brand recognition.

Descriptive statistical analysis was conducted to assess the overall levels of digital entrepreneurial competence and business growth among the respondents. As shown in Table 2, the mean scores for all dimensions of digital entrepreneurial competence

5

fall within the moderate-to-high or high categories, indicating that women entrepreneurs in the fashion industry generally possess a relatively strong digital capability base.

Table 2. Descriptive Statistics

Variable	Mean	Std. Deviation	Category
Digital Literacy	4.21	0.61	High
Digital Innovation	4.05	0.68	High
Online Networking	3.89	0.72	Moderate–High
Digital Tools Utilization	4.32	0.57	High
Business Growth (Overall)	4.18	0.64	High
- Sales Growth	4.12	0.66	High
- Customer Base Expansion	4.24	0.59	High
- Brand Recognition	4.17	0.62	High

Digital literacy recorded a high mean score of 4.21 with a standard deviation of 0.61, suggesting that respondents generally perceive themselves as capable of understanding and using digital technologies for business purposes. This finding aligns with the increasing digital penetration among SMEs and supports previous studies emphasizing the importance of digital literacy as a foundational competence for entrepreneurial performance (Omol, 2024). Digital innovation also exhibited a high mean score of 4.05, reflecting respondents' engagement in developing new products, marketing approaches, or operational processes through digital means.

Online networking demonstrated a slightly lower mean score of 3.89, although it still falls within the moderate-to-high category. This suggests that while respondents actively use digital platforms for communication and promotion, there may be relatively less emphasis on building strategic digital partnerships or collaborative networks. Prior literature has noted that online networking requires not only platform usage but also strategic intent and relational capabilities, which may take longer to develop, particularly among SMEs (Ikenga & Egbule, 2024).

Among the four dimensions of digital entrepreneurial competence, digital tools utilization recorded the highest mean score of 4.32 with a relatively low standard deviation of 0.57. This indicates a strong and consistent use of digital tools such as social media, e-commerce platforms, and digital payment systems across the sample. The prominence of this dimension reflects the practical orientation of women entrepreneurs toward tools that directly support sales, marketing, and daily operations, a pattern also observed in studies of digital entrepreneurship in creative industries (Diawati, 2024).

Business growth, measured as an overall construct, also exhibited a high mean score of 4.18. The individual indicators of business growth reveal similarly positive trends. Sales growth achieved a mean score of 4.12, customer base expansion recorded 4.24, and brand recognition scored 4.17. These results suggest that respondents generally perceive their businesses as experiencing favorable growth outcomes, particularly in terms of market reach and brand visibility. The strong performance in customer base expansion and brand recognition is consistent with the widespread use of digital platforms, which are known to enhance market exposure and customer engagement in the fashion sector (Hernando Velasco et al., 2024).

Regression Analysis

Multiple regression analysis was conducted to test the effect of digital entrepreneurial competence on business growth. The results show that all dimensions of digital competence positively and significantly influence business growth.

To examine the extent to which digital entrepreneurial competence contributes to business growth, multiple regression analysis was conducted with business growth as the dependent variable and the four dimensions of digital entrepreneurial competence as independent variables. The results of the regression analysis are presented in Table 3.

Table 3. Regression Results

Predictor Variable	Beta (β)	t-value	Sig. (p)
Digital Literacy	0.241	2.98	0.004 **
Digital Innovation	0.198	2.52	0.013 *
Online Networking	0.172	2.11	0.037 *
Digital Tools Utilization	0.306	3.75	0.000 **
R² = 0.62			

*Significant at $p < 0.05$, **Highly significant at $p < 0.01$

The regression model explains 62 percent of the variance in business growth, as indicated by an R^2 value of 0.62. This level of explanatory power suggests a strong overall relationship between digital entrepreneurial competence and business growth among women-owned fashion SMEs. Such a result reinforces existing literature that positions digital competence as a central driver of SME performance in digitally mediated markets (Usman et al., 2024; Xia et al., 2024).

Among the independent variables, digital tools utilization emerged as the strongest predictor of business growth, with a standardized beta coefficient of 0.306 and a significance level of $p < 0.01$. This finding indicates that effective and consistent use of digital tools has a substantial impact on sales performance, customer expansion, and brand recognition. The prominence of this dimension reflects the practical realities faced by SMEs, where direct engagement with digital platforms often yields immediate and tangible business benefits.

Digital literacy also demonstrated a significant positive effect on business growth, with a beta coefficient of 0.241 and a significance level of $p < 0.01$. This result underscores the importance of foundational digital knowledge in enabling entrepreneurs to make informed decisions, evaluate digital opportunities, and adapt to technological changes. Without adequate digital literacy, the benefits of digital tools may not be fully realized, regardless of their availability.

Digital innovation showed a positive and statistically significant relationship with business growth, although its effect size was smaller compared to digital tools utilization and digital literacy. With a beta coefficient of 0.198 and a significance level of $p < 0.05$, this finding suggests that innovation contributes to growth by enabling differentiation and responsiveness to market trends, even if its impact is more gradual and long-term in nature.

Online networking also exhibited a positive and significant effect on business growth, with a beta coefficient of 0.172 at the $p < 0.05$ level. While this dimension had the weakest influence among the four predictors, its significance indicates that digital relationships and networks still play an important role in supporting SME growth. This aligns with prior research emphasizing that online networking facilitates access to information, resources, and collaborative opportunities, particularly for women entrepreneurs operating within constrained physical networks (Ikenga & Egbule, 2024).

The findings of this study provide strong empirical support for the argument that digital entrepreneurial competence is a critical determinant of business growth among women-owned SMEs in the fashion industry in Yogyakarta. The results demonstrate that digital competence is not merely an auxiliary capability but

functions as a central mechanism through which women entrepreneurs enhance their competitiveness, expand market reach, and strengthen brand presence in an increasingly digitalized business environment. By examining multiple dimensions of digital entrepreneurial competence simultaneously, this study offers a nuanced understanding of how different digital capabilities contribute to SME growth within a specific socio-cultural and industrial context.

One of the most salient findings is the strong explanatory power of the regression model, which accounts for 62 percent of the variance in business growth. This level of explanatory strength suggests that digital entrepreneurial competence plays a dominant role in shaping growth outcomes for women-owned fashion SMEs. This finding reinforces prior studies that emphasize the strategic importance of digital transformation for SME sustainability and performance, particularly in creative industries where competition is intense and product differentiation is closely linked to digital visibility (Usman et al., 2024; Xia et al., 2024). The result also indicates that, within the Yogyakarta context, digital competence may outweigh other traditional growth determinants such as physical location or scale, highlighting a structural shift in how value is created and captured by small businesses.

The propensity of women entrepreneurs towards the use of digital tools proves to be the most significant predictive of firm growth, which indicates the presence of a pragmatist orientation toward technology that would provide an immediate operational and market advantage. Wide usage of social-media networks, as well as e-commerce stores, provides first-hand contact with customers, reduces the cost of transaction, and eliminates the barrier of geographic boundaries. This empirical fact supports previous literature that digital technologies can be used to implement scalable and flexible strategies that allow SMEs to level the playing field with bigger market players, particularly in visually oriented industries like fashion (Gupta et al., 2024; Hernando Velasco et al., 2024). The strong influence of this construct shows that practical, field-specific digital competencies will probably cause faster growth of compared dimensions as abstract, or strategic capabilities.

The digital literacy is also a strong and influential predictor of commercial development, which is why it is a key capability that should be considered as a resource to ensure proper interaction with digital infrastructures. Women entrepreneurs who have been more digitally literate can evaluate platform algorithms, process analytics and redefine marketing strategies based on consumer behaviour. This fact confirms the argument that the access to digital tools on its own is not sufficient but unless one knows and understands how to use them, the benefits of digitalisation may not be realised (Omol, 2024). The digital literacy within a female-owned SME serves as an empowering tool by reducing the dependency on external intermediaries and enhancing strategic autonomy.

The magnitude of effects of digital innovation on firm growth is relatively low, though it is positive and statistically significant, which suggests that innovation has the effect by slower and long-term mechanisms. Digital innovation is generally an experimental, learning, and capital cost undertaking that might not produce immediate and measurable growth. Still, the statistical value shows that those entrepreneurs who investively seek new digital means of product development, promotion, or communication with customers stand more chances to remain competitive in the long term. These findings are consistent with the perception that innovation is a dynamic capability, which enhances organisational flexibility as opposed to immediate performance benefits (Usman et al., 2024). Innovation in creative industries like fashion is also limited by the production capabilities and financial resources that can smooth out the effect of innovation on the growth in the short term.

Online networking is the weakest but statistically significant in terms of its effect on organisational growth. The result of this implies that despite the impact of digital networks on the performance of SMEs, their impact is probably indirect and conditional on the quality of relationships instead of on the frequency of interaction. The accessibility to information, suppliers, collaborators and customers is made through online networking, but the strategic value of these connections depends on trust, reciprocity and interest congruence. Earlier studies show that SMEs, especially those owned by women, face challenges in turning online relationships into the real business results due to the lack of time, resources, or trust in participating in the network (Ikenga & Egbule, 2024). The relatively small impact of this construct suggests that networking functions require additional development and institutionalization in order to achieve its potentials.

The descriptive results also put the realized relationships into perspective by stating that the respondents are characterized by a relatively high degree of digital competence and concomitant business growth. The high average scores of the digital tools utilisation and digital literacy indicate that there is a gradual normalisation of the digital practices among women in business in Yogyakarta. This trend suggests that the digital adoption has gone beyond an area of early adopters and is now, a common business practice among the fashion SME sector. In addition, the strong performance in customer base and brand awareness supports the claim that digital channels are key determinants of market visibility and consumer interaction, and this is an important success factor of fashion related business.

Hypothetically, the results make a contribution to the literature on digital entrepreneurship because they empirically support a multidimensional model of digital entrepreneurial competence. By not treating digital competence as a wholesome construct, the study demonstrates that its constituent elements impact the growth of the business in diverse ways. This subtle insight brings out the need to outgrow dichotomous assessments of digital adoption in favour of a more disaggregated assessment of digital capabilities and its resultant performance consequences. Also, the findings provide empirical evidence to dynamic capability models, which preempt the functions of knowledge, innovation, and adaptability to navigate digitally mediated worlds.

Notably, the research provides substantive information on entrepreneurship by women in the developing economies. Digital entrepreneurial competence seems to act as a buffering mechanism on the structural constraints that women entrepreneurs are historically facing, including limited access to the physical markets and formal networks of business. By means of the use of digital platforms, women-owned SMEs will be able to bypass certain institutional and socio-cultural constraints, thus promoting increased involvement in economic activity. However, the noted diversity of the influences of specific digital competencies implies that the empowerment of digitalisation is not an unavoidable occurrence but rather depends on how competent development is profound and of high quality.

In practice, the results have a distinct policy implication and capacity-building efforts. The strong impact of the use of digital tools and digital literacy proposes that learning programmes should focus on experiential, application-based learning aimed at enhancing the level of performance of entrepreneurs using digital tools to find an effective application. Though high-level competencies, like digital innovation and online networking, are still relevant, the benefits can be maximised only under the condition that they are based on a solid base of simple digital skills. As a result, policymakers and support institutions ought to consider implementing a gradual process of digital capacity building where the initial step aimed at developing digital literacy and application of tools should be followed by the next step of more strategic-based competencies.

9

In addition, the fact that the influence of online networking is relatively less emphasizes the need to have established platforms and facilitated networks that facilitate meaningful collaboration between women entrepreneurs. Provision of access to digital platforms might not suffice without other support systems that will foster trust, mentorship, and group learning. On a comparable note, digital innovation can require specific incentives such as exposure to technology, capital, or a joint enterprise with imaginative and technology-driven institutions.

Despite its contributions, the findings are to be interpreted in the context of a number of limitations. The cross-sectional type is limiting in terms of the ability to draw causal conclusions, and self-reported measurement can result in perceptual bias. In addition, the fact that the focus is on one geographic and industrial situation may narrow down generalisability. However, the limitations do not affect the value of the study; instead, they shed light on the possible direction of future studies to use longitudinal designs, comparative methods, or qualitative studies to develop a deeper understanding of the concept of digital entrepreneurial competence in various situations.

CONCLUSION

This study concludes that digital entrepreneurial competence plays a decisive role in driving the business growth of women-owned SMEs in the fashion industry in Yogyakarta. The empirical findings demonstrate that competencies related to digital tools utilization and digital literacy exert the strongest influence on growth outcomes, while digital innovation and online networking also contribute positively, albeit to a lesser extent. These results highlight that effective engagement with digital technologies is not solely a matter of access, but fundamentally depends on the depth and quality of entrepreneurial competence. By disaggregating digital entrepreneurial competence into its key dimensions, the study provides a more nuanced understanding of how digital capabilities shape SME performance in a creative industry context. The findings underscore the importance of targeted capacity-building initiatives and supportive policies that prioritize practical digital skills while progressively fostering innovation and network development. Despite contextual limitations, this research contributes to the growing literature on digital entrepreneurship and women's SMEs by offering evidence that strengthening digital competence is essential for enhancing competitiveness, sustainability, and inclusive economic participation in the digital economy.

REFERENCES

Aidara, S., Mamun, A. A., Nasir, N. A. M., Mohiuddin, M., Nawi, N. C., & Zainol, N. R. (2021). Competitive advantages of the relationship between entrepreneurial competencies and economic sustainability performance. *Sustainability*, *13*(2), 864. https://doi.org/10.3390/su13020864

Akoh, A. (2020). Barriers to the growth of micro tailoring businesses in Nigeria: assessing socio-economic and socio-cultural environments. *Society and Business Review*, *15*(4), 397-414. https://doi.org/10.1108/SBR-06-2019-0081

Diawati, P. (2024). Outpacing competitive challenges in the online market: An effective digital entrepreneurship approach. *MALCOM: Indonesian Journal of Machine Learning and Computer Science*, *4*(2), 563–569. https://doi.org/10.57152/malcom.v4i2.1278

Fatmawati, I., & Garad, A. (2022). An analytical study of the relationship between network capability and e-marketing to achieve the competitive advantage of MSEs. *The Implementation of Smart Technologies for Business Success and*

Sustainability: During COVID-19 Crises in Developing Countries, 3-12. https://doi.org/10.1007/978-3-031-10212-7_1

Fitriadi, A., Sudarmiatin, S., & Wardana, L. W. (2024). Micro, small, and medium enterprises (MSMEs): Catalysts for inclusive economic development in Indonesia. *Nusantara Economics and Entrepreneurships Journals*, 342–355. https://doi.org/10.59971/necent.v2i3.61

Giordino, D., Troise, C., Vanhaverbeke, W., & Culasso, F. (2025). Stakeholder engagement processes for the made in Italy small-and medium-sized enterprises: Value co-creation in the stakeholder network. *Business Ethics, the Environment & Responsibility*, *34*(4), 1033-1050. https://doi.org/10.1111/beer.12696

Gupta, V. P., Sharief, S., & Rani, S. (2024). Digital fashion and social media influencer in Industry 5.0. In *Illustrating digital innovations towards intelligent fashion: Leveraging information system engineering and digital twins for efficient design of next-generation fashion* (pp. 125–147). Springer Nature Switzerland. https://doi.org/10.1007/978-3-031-71052-0_4

Hernando Velasco, A., Matsumoto, M., Dominguez-Santos, S., & Lacasa, P. (2024). Digitalization of cultural industries: Evidence from the official Spider-Man movie TikTok account. *Convergence.* https://doi.org/10.1177/13548565241253904

Hokmabadi, H., Rezvani, S. M., & de Matos, C. A. (2024). Business resilience for small and medium enterprises and startups by digital transformation and the role of marketing capabilities—A systematic review. *Systems*, *12*(6), 220. https://doi.org/10.3390/systems12060220

Ikenga, U. G., & Egbule, C. N. (2024). Strategic model for effective digital entrepreneurship for small business. In *New strategy models in digital entrepreneurship* (pp. 53–70). IGI Global. https://doi.org/10.4018/979-8-3693-3743-1.ch004

Kurniadi, A., Sudarmiatin, S., & Wardana, L. W. (2024). The role of MSMEs in local economic improvement and labor absorption in Indonesia. *Nusantara Economics and Entrepreneurships Journals*, 333–341. https://doi.org/10.59971/necent.v2i3.60

Lam, B. Q., Tran, H. Y., Nguyen, K. A., Nguyen, K. T., & Minh, P. (2025). Digital competence and digital entrepreneurial intention: A social cognitive approach. *Entrepreneurial Business and Economics Review (EBER)*, *13*(2), 139-153. https://doi.org/10.15678/EBER.2025.130208

Massa, S., Annosi, M. C., Marchegiani, L., & Messeni Petruzzelli, A. (2023). Digital technologies and knowledge processes: new emerging strategies in international business. A systematic literature review. *Journal of Knowledge Management*, *27*(11), 330-387. https://doi.org/10.1108/JKM-12-2022-0993

Murugesan, B., Jayanthi, K. B., & Karthikeyan, G. (2024). Integrating digital twins and 3D technologies in fashion: Advancing sustainability and consumer engagement. In *Illustrating digital innovations towards intelligent fashion: Leveraging information system engineering and digital twins for efficient design of next-generation fashion* (pp. 1–88). Springer Nature Switzerland. https://doi.org/10.1007/978-3-031-71052-0_1

Ngoasong, M. Z. (2018). Digital entrepreneurship in a resource-scarce context: A focus on entrepreneurial digital competencies. *Journal of small business and*

Enterprise Development, *25*(3), 483-500. https://doi.org/10.1108/JSBED-01-2017-0014

Omol, E. J. (2024). Organizational digital transformation: From evolution to future trends. *Digital Transformation and Society, 3*(3), 240–256. https://doi.org/10.1108/DTS-08-2023-0061

Opoku, E., Okafor, M., Williams, M., Aribigbola, A., & Olaleye, A. (2024). Enhancing small and medium-sized businesses through digitalization. *World Journal of Advanced Research and Reviews*, *23*(2), 222. https://doi.org/10.30574/wjarr.2024.23.2.2313

Oyeyemi, O. P., Kess-Momoh, A. J., Omotoye, G. B., Bello, B. G., Tula, S. T., & Daraojimba, A. I. (2024). Entrepreneurship in the digital age: A comprehensive review of start-up success factors and technological impact. *International Journal of Science and Research Archive*, *11*(1), 182-191. https://doi.org/10.30574/ijsra.2024.11.1.0030

Şalvarlı, M. U. (2024). Examining entrepreneurial approaches in digital marketing. *European Journal of Business and Management, 16*(10).

Satjaharuthai, K., & Lakkhongkha, K. (2023). The role of entrepreneurs in driving the success of their businesses in the digital era. *International Journal of Professional Business Review: Int. J. Prof. Bus. Rev., 8*(7), 109. https://doi.org/10.26668/businessreview/2023.v8i7.2866

Singh, R., & Dwivedi, A. (2022). Digital Entrepreneurship Competency And Digital Entrepreneurial Intention: Role Of Entrepreneurial Motivation. *Journal of Positive School Psychology*, *6*(6).

Strydom, M., & Kempen, E. (2021). Towards economic sustainability: how higher education can support the business operations of emerging clothing manufacturing micro enterprises. *International Journal of Sustainability in Higher Education*, *22*(7), 1469-1486. https://doi.org/10.1108/IJSHE-05-2020-0152

Sutrisno, S., Kuraesin, A. D., Siminto, S., Irawansyah, I., & Ausat, A. M. A. (2023). The role of information technology in driving innovation and entrepreneurial business growth. *Jurnal Minfo Polgan, 12*(1), 586-597. https://doi.org/10.33395/jmp.v12i1.12463

Telukdarie, A., Dube, T., Matjuta, P., & Philbin, S. (2023). The opportunities and challenges of digitalization for SME's. *Procedia Computer Science*, *217*, 689-698. https://doi.org/10.1016/j.procs.2022.12.265

Teng, X., Wu, Z., & Yang, F. (2022). Research on the relationship between digital transformation and performance of SMEs. *Sustainability*, *14*(10), 6012. https://doi.org/10.3390/su14106012

Usman, F. O., Kess-Momoh, A. J., Ibeh, C. V., Elufioye, A. E., Ilojianya, V. I., & Oyeyemi, O. P. (2024). Entrepreneurial innovations and trends: A global review examining emerging trends, challenges, and opportunities in entrepreneurship. *International Journal of Science and Research Archive, 11*(1), 552–569.

Wulandari, S. S., Diah, M. L. B. M., & Asari, A. (2025). Digital proficiency and entrepreneurial mindset for sme success through market savvy and tech literacy. *Aptisi Transactions on Technopreneurship (ATT), 7*(1), 26-36. https://doi.org/10.34306/att

Xia, L., Baghaie, S., & Sajadi, S. M. (2024). The digital economy: Challenges and opportunities in the new era of technology and electronic communications.

Ain Shams Engineering Journal, 15(2), 102411. https://doi.org/10.1016/j.asej.2023.102411

Yaqub, M. Z., & Alsabban, A. (2023). Industry-4.0-enabled digital transformation: Prospects, instruments, challenges, and implications for business strategies. *Sustainability, 15*(11), 8553. https://doi.org/10.3390/su15118553