

# The role of digitalization in the business turnover of women owned textile MSMEs in traditional markets: Evidence from Klewer market, Surakarta



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## ABSTRACT

Women-owned Micro, Small, and Medium Enterprises (MSMEs) in Indonesia play a crucial role in economic development. Yet, they still face challenges such as limited market access, capital, and digital literacy. Despite high female participation, their contribution to GDP remains stagnant, highlighting the need for more effective empowerment strategies. This study aims to examine the role of digitalization—including e-commerce, social media, digital bookkeeping, and digital payment methods—on the business turnover of women entrepreneurs in Klewer Market, Surakarta. This study contributes to the literature on women's entrepreneurship by providing empirical evidence from a traditional market context, highlighting both the opportunities and limitations of digital adoption. Quantitative methods were employed, utilizing survey data from 150 women-owned MSMEs selected through purposive sampling. Multiple linear regression using Ordinary Least Squares (OLS) was applied to assess the effect of digitalization on turnover. The results indicate that three aspects of digitalization—e-commerce, social media, and digital payments—have a positive and significant effect on business turnover, while digital bookkeeping has no significant impact due to low adoption. Most entrepreneurs still operate with low turnover, and only a few achieve higher revenues, indicating an unequal distribution of the benefits of digitalization. E-commerce expands market reach, social media strengthens customer relationships, and digital payments improve efficiency and accountability. However, gaps in digital and financial literacy continue to have broader impacts. In conclusion, digitalization is a strategic tool for improving women's business performance, but its success requires stronger digital literacy and technical support to ensure inclusive benefits in traditional markets.

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## 1. Introduction

Micro, Small, and Medium Enterprises (MSMEs) play an important role in national economic development, particularly in creating jobs and reducing poverty in developing countries such as Indonesia (Dalton & Angela, 2023). According to Kamar Dagang dan Industri Industri (2023) revealed the number of MSMEs has reached 66 million, with more than 57 percent located in Java. MSMEs contribute around IDR 9,580 trillion to the Gross Domestic Product (GDP) and employ around 117 million workers, which accounts for 97 percent of the total workforce in Indonesia. In this economic structure, women play a crucial role as key actors in MSMEs, especially in the micro and small-scale sectors. Approximately 60 percent of micro and small MSME actors are women,

reflecting their significant contribution to the household and national economy (Ministry of Finance, 2022). However, women's contribution to GDP over the last five years has remained relatively stagnant, at around 37 percent (Table 1). This indicates an economic contribution gap despite the high level of women's participation.

**Table 1.** Women's Income Contribution (2018-2022)

Year	Women's Income Contribution (percent)
2018	36.70
2019	37.10
2020	37.26
2021	37.22
2022	37.17

Source: BPS Indonesia (2024)

Women entrepreneurs continue to face challenges, including limited access to markets and capital, and inadequate digital literacy. In the Industry 4.0 era, digitalization is a strategic solution to these challenges. Using digital technologies such as e-commerce, social media, digital bookkeeping, and digital payment methods can improve business efficiency and expand market reach (Wijoyo et al., 2020; Permata Ayunda et al., 2023). Previous studies have shown that e-commerce can expand market access and reduce operational costs, while social media can build interactive relationships between sellers and consumers, thereby fostering loyalty (Jia et al., 2021). Digital payment methods have also been shown to speed up transaction processes and improve financial accountability for MSMEs (Purba et al., 2024). Although digitalization offers potential benefits for women entrepreneurs, its adoption among small business owners remains limited. This is due to low levels of technological literacy and the persistence of manual record-keeping practices (Putri & Saharsini, 2024). This is particularly true in traditional markets, particularly MSME hubs like Klewer Market, which continue to face specific challenges. This situation has created a gap in the effectiveness of digitalization in the MSME sector.

Recent studies also show that Indonesia's readiness for digital transformation is uneven across demographic and socioeconomic groups. Prakosa et al (2024) found that components of the Indonesia Industry 4.0 Readiness Index correlate strongly with demographic characteristics and socioeconomic conditions, indicating that digital readiness varies significantly across regions and population groups. This implies that not all businesses are equally ready to adopt digital innovations, especially those in the traditional and informal sectors. This gap is particularly relevant for women-owned MSMEs in Indonesia, many of which operate with limited digital literacy and limited access to technology. Consequently, the national digital divide is reflected in micro-business environments such as traditional markets.

Klewer Market is one of the largest textile markets in Indonesia, where the majority of business owners are women. This market records a daily financial turnover of approximately IDR 5 billion and employs more than 10,000 workers (Pertiwi & Rahman, 2022). With such scale, digitalization has significant potential to transform the economic landscape of this traditional market. Klewer Market provides a strategic context for examining how digital technology can expand market access, improve business efficiency, and support the financial performance of women entrepreneurs in traditional markets. However, few studies have specifically explored how digitalization impacts the financial performance of women entrepreneurs in traditional markets like Klewer Market.

Although digitalization offers significant potential to improve the performance of women-owned MSMEs, its implementation remains uneven, particularly in traditional markets where business practices remain largely conventional. Studies such as Wijoyo et al (2020), Permata Ayunda et al (2023), Purba et al (2024), Jia et al (2021) predominantly examine digital transformation in formal or online-based firms, with a focus on e-commerce and digital payments in urban contexts. However, how digitalization impacts business performance in traditional markets, where most women entrepreneurs still rely on conventional sales practices and manual bookkeeping, has not been a primary focus.

This situation indicates a research gap regarding how digitalization impacts women's business performance in informal and traditional environments. Therefore, this study focuses on examining how four aspects of digitalization—e-commerce, social media, digital bookkeeping, and digital

payment methods—influence business turnover among women entrepreneurs in Klewer Market, Surakarta. This research aims to fill this empirical gap and contribute to the development of more inclusive digital empowerment strategies for women-owned MSMEs.

## 2. Literature Review

### 2.1. MSMEs and Women Entrepreneurs

Micro, Small, and Medium Enterprises (MSMEs) have long been recognized as the backbone of the Indonesian economy, contributing approximately 61 percent of national GDP and employing over 97 percent of the workforce (BPS, 2022). Beyond their economic role, MSMEs also serve as an inclusive vehicle for empowering marginalized groups—particularly women entrepreneurs, who constitute the majority of microbusiness owners in Indonesia. Women's involvement in MSMEs not only supports household income but also improves the welfare of local communities and contributes to gender-inclusive growth (Minniti & Naudé, 2010; Brush et al., 2019). However, persistent gender gaps persist in access to capital, technology, and managerial training, making women-owned MSMEs more vulnerable to external shocks (Kusumaningtyas & Nurcahyo, 2018; OECD, 2021).

At the regional level, women's dominance in MSME participation is particularly evident in Central Java, where they constitute the majority of business owners. Data from the Central Java Cooperatives, SMEs, and Industry Agency shows that 11.857 MSME owners in Surakarta are women, compared to 6.108 men. One of the city's most dynamic centers of female entrepreneurship is Klewer Market, a traditional textile center that generates daily financial turnover of several billion rupiah, which can double during major holidays or the start of the new school year (Putri & Saharsini, 2024). The significant participation of women in Klewer Market demonstrates the strategic contribution of female entrepreneurs to household welfare and regional economic resilience.

Despite these contributions, many women entrepreneurs in Klewer Market still rely on conventional practices—manual bookkeeping, cash-based transactions, and word-of-mouth marketing—which limit their ability to compete in an increasingly digital marketplace (Rahayu & Day, 2017). Limited financial and digital literacy further limits the adoption of e-commerce, social media marketing, and digital payment systems. Therefore, women entrepreneurs in traditional markets need not only access to technology but also targeted capacity-building programs that align with their time constraints, educational backgrounds, and market realities (Al-Dajani & Marlow, 2013; Hossain et al., 2023).

### 2.2. Digitalization and Business Performance

Digitalization represents the transformation of business processes through the adoption of digital technologies that improve efficiency, productivity, and decision-making (Brynjolfsson & McAfee, 2014). For MSMEs, digital tools act as enablers that expand market reach, simplify operations, and facilitate data-driven management (Kraus et al., 2019; Scuotto et al., 2020). In developing countries like Indonesia, digital transformation is seen as a strategic path to competitiveness, resilience, and inclusive growth (Mou et al., 2017).

The relationship between digitalization and business performance has been widely documented. The adoption of e-commerce enables MSMEs to reach a wider market, reduce reliance on physical stores, and achieve cost efficiencies in marketing and distribution (Permata Ayunda et al., 2023). Similarly, social media serves as a low-cost and interactive marketing channel, enabling entrepreneurs to strengthen brand visibility and customer relationships (Wijoyo et al., 2020; Jia et al., 2021). Digital payment systems, such as QRIS, e-wallets, and mobile banking, are increasingly used by Indonesian MSMEs to facilitate cashless transactions, improve cash flow management, and enhance transaction security (Handayani & Soeparan, 2022; Purba et al., 2024).

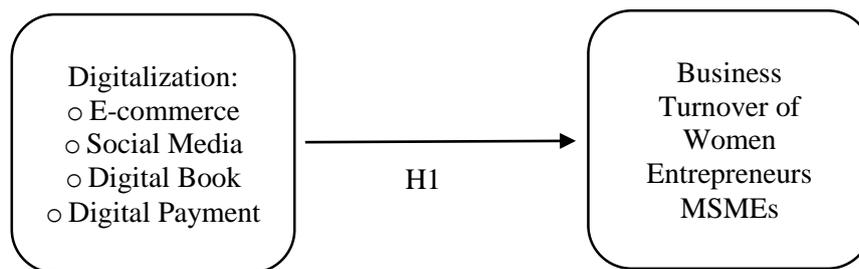
However, despite this progress, several studies emphasize that digital adoption among women entrepreneurs remains uneven. A study from Pertiwi & Rachman (2022) finds that while women entrepreneurs tend to adopt communication and marketing technologies relatively quickly, they are slower to adopt managerial technologies such as accounting and inventory applications due to limited digital and financial literacy. Similarly, Putri & Saharsini (2024) highlighted that time constraints, dual household roles, and a lack of confidence in using new tools reduce women's consistency in implementing digital systems in their businesses. In traditional markets such as Klewer Market, this finding is highly relevant. The social and informal nature of market transactions means that

interpersonal trust and direct negotiation remain dominant, while digital applications are considered secondary support rather than core business systems. This context helps explain why marketing technologies (social media and e-commerce) and transaction tools (digital payments) are more readily accepted than management innovations such as digital accounting. As Rogers (2003) suggests, technologies that are easily observable and provide immediate benefits tend to spread more quickly than those that require higher skills or long-term behavioral changes.

### 2.3. Conceptual Framework and Critical Gaps

Although previous studies have consistently proven that digitization contributes positively to MSME performance, several critical gaps remain. First, most previous studies have focused on formal or urban business contexts (Rahayu & Day, 2015; Mou et al., 2017; Kraus et al., 2019; Scuotto et al., 2020; Wijoyo et al., 2020; Permata Ayunda et al., 2023), while traditional markets, such as Klewer Market in Surakarta, which is dominated by informal transactions and female entrepreneurs, remain under-explored. Second, the existing literature (Wijoyo et al., 2020; Permata Ayunda et al., 2023; Handayani & Soeparan, 2022) mostly focuses on the adoption of marketing and payment technologies, with little attention given to digital bookkeeping as a managerial innovation that improves accountability and financial control (Pertiwi & Rachman, 2022; Putri & Saharsini, 2024).

Based on the Diffusion of Innovations Theory from Rogers (2003), this study assumes that women entrepreneurs' decisions to adopt digital tools depend on the perceived relative advantage, compatibility, complexity, and safety of each technology. In the context of the Klewer Market, digital payment systems were adopted more quickly due to their high reliability and immediate benefits, while digital accounting spread more slowly due to its perceived higher complexity and lower compatibility with daily practices.



**Figure 1.** Conceptual Framework Model

Based on these reasons, the conceptual framework of this study considers digitization as a multidimensional construct, which includes e-commerce, social media, digital payments, and digital bookkeeping, that affects business turnover among female entrepreneurs in Klewer Market. Digitization is expected to increase marketing reach and operational efficiency, which in turn will improve business performance (see Figure 1). Based on the literature review and the empirical context of Klewer Market, the hypotheses proposed in this study are H<sub>1</sub>: Digitalization has a positive effect on the business turnover of women-entrepreneurs MSMEs in Klewer Market.

### 3. Method

This study aims to analyze the role of digitalization in the turnover of micro and small businesses (MSMEs) owned by women in Klewer Market, Surakarta City. This study was conducted in 2024, using primary data obtained from a survey of 150 respondents, all of whom were women involved in micro and small businesses in Klewer Market. The estimated number of MSMEs owned by women in Klewer Market is around 1.000 business actors, based on field observations and informal information from market managers. Although the exact number cannot be formally verified due to the dynamic nature of traditional market activities, this estimate is considered reasonable given the scale of Klewer Market as one of the largest textile centers in Indonesia. To determine the appropriate and statistically reliable sample size, this study used Cochran's formula for large populations. This method was chosen because it provides an estimate of the minimum sample size required when the characteristics of the population are not known with certainty. The calculation was performed using Cochran's formula for large populations from Esperanza (2024) as follows:

$$n^0 = \frac{Z^2 * p * q}{e^2} \quad (1)$$

Where the parameters are a 95 percent confidence level ( $Z = 1.96$ ), the proportion of the population estimated to have the characteristic of interest ( $p$ ) is 0.5, the complementary proportion ( $q = 1 - p = 0.5$ ), and the margin of error ( $e$ ) is 8 percent or 0.08. By substituting these values into the formula, we obtain:

$$n^0 = \frac{(1.96)^2 * (0.5) * (0.5)}{(0.8)^2} = \frac{3.8416 * 0.25}{0.0064} = \frac{0.9604}{0.0064} = 150.06$$

To ensure clarity and consistency in measurement, all variables used in this study are explained through their operational definitions or in [Table 2](#) as follows:

**Table 2.** Operational Definitions

Variables	Unit of Measurement
Ln_Turnover	The amount of turnover of woman entrepreneurs in Klewer Market
Ecom	D = 1 if women entrepreneur use E-commerce D = 0 if women entrepreneur not use E-commerce
SocMed	D = 1 if women entrepreneur use social-media D = 0 if women entrepreneur not use social-media
Digibook	D = 1 if women entrepreneur use digital book D = 0 if women entrepreneur not use digital book
Digipay	D = 1 if women entrepreneur use digital payment D = 0 if women entrepreneur not use digital payment

Source: primary data

To ensure data quality, the questionnaire used in this study was tested for validity and reliability before being distributed to the entire sample. Validity testing was conducted using the Pearson product-moment correlation between each item's score and the total construct score. Items with a correlation coefficient greater than 0.30 and a significance value ( $p < 0.05$ ) were considered valid ([Sugiyono, 2019](#)). Reliability testing was conducted using Cronbach's Alpha to measure the internal consistency of items in each construct. A Cronbach's Alpha value greater than 0.70 indicates that the instrument is reliable and consistent ([Gujarati and Porter, 2009](#)). The preliminary test involving 30 female entrepreneurs in Klewer Market produced Cronbach's Alpha values ranging from 0.74 to 0.86 on the digitalization dimension (e-commerce, social media, digital accounting, and digital payments). These results confirm that the measurement instruments used in this study are valid and reliable for further analysis. To analyze the relationship between these variables, multiple linear regression with the Ordinary Least Squares approach was used ([Gujarati and Porter, 2009](#)). The regression model in this study was formulated in the following equation:

$$Ln\_Turnover = \alpha_0 + \beta_1 Ecom + \beta_2 socmed + \beta_3 digibook + \beta_4 digipay + \varepsilon \quad (2)$$

Where *Ln\_Turnover* represents the total monthly turnover of female entrepreneurs in Klewer Market, measured using natural logarithm (Ln) to address heteroscedasticity and smooth the data distribution; *Ecom* refers to the platform used by female entrepreneurs to market their products; *Socmed* indicates the channel used to advertise their textile products; *Digibook* refers to the tool used to record financial transactions; and *Digipay* indicates the method used to conduct transactions with customers.

#### 4. Results and Discussion

The adoption of digital economic tools by women entrepreneurs has significantly impacted the expansion of textile product distribution at Klewer Traditional Market, Surakarta. A total of 150 women entrepreneurs at Klewer Market have leveraged technological advances to conduct buying and selling activities with customers. These women entrepreneurs have used several digital economic applications, including e-commerce platforms, product advertising through social media, digital bookkeeping, and transactions through digital payment methods. [Table 3](#) shows that the majority of women entrepreneurs in Klewer Market have begun adopting digital technology in their business operations. The most dominant aspect is the use of digital payment methods, with 114 of the 150 respondents using services such as QRIS, e-wallets, debit cards, and mobile banking. This indicates that digital transactions are more readily accepted due to their practicality and efficiency. E-commerce marketing ranked second with 45 users, followed by social media advertising, used by 44

entrepreneurs. This shows the use of digitalization for businesses in the Klewer traditional market has increased and that the adoption of digitalization is inseparable from buying and selling activities in traditional markets.

**Table 3.** Digitalization of MSMEs by Women Entrepreneurs in Klewer Market

Digitalization of MSMEs	Women Entrepreneurs in Klewer Market
Marketing with E-commerce	45
Advertising in Social Media	44
Digital Book	16
Digital Payment Transactions	114

Source: data processed

Meanwhile, digital bookkeeping was the least adopted aspect, with only 16 women entrepreneurs using it, indicating that financial record-keeping is still largely done manually. This is likely due to low levels of digital and financial literacy among micro-entrepreneurs. Table 4 presents the distribution of monthly turnover among women entrepreneurs. The majority of respondents, 67 individuals (44.7 percent), reported turnover in the range of Rp 1.000.001 to Rp 5.000.000, indicating that most businesses operate on a micro scale with limited revenue.

**Table 4.** Turnover of Women Entrepreneurs at Klewer Market Surakarta

Turnover Range	Number of Women Entrepreneurs
1.000.001 – 5.000.000	67
5.000.001 – 10.000.000	36
10.000.001 – 15.000.000	16
15.000.001 – 20.000.000	15
20.000.001 – 25.000.000	11
25.000.001 – 30.000.000	1
30.000.001 – 35.000.000	3
35.000.001 – 45.000.000	1

Source: data processed

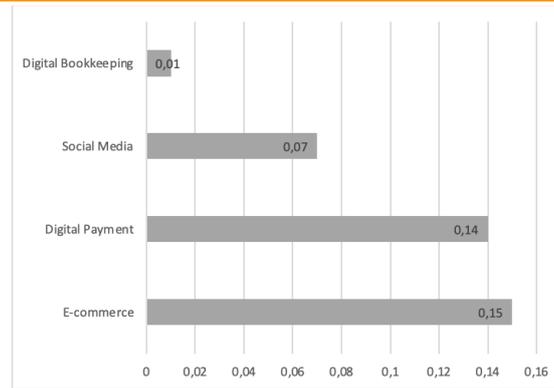
The next group includes 36 entrepreneurs in Table 4 with turnover ranging from Rp 5.000.001 to Rp 10.000.000. Only a small proportion (less than 10 percent) reported turnover exceeding Rp 20.000.000, and only one entrepreneur recorded the highest turnover of Rp 45.000.000. This distribution reflects income disparities, which are likely influenced by the extent to which digital technology has been integrated into each entrepreneur's business operations.

**Table 5.** Result of Multiple Regression

Variables	Coefficient
C	16.640 (0.000)***
Ecom	0.150 (0.000)***
Socmed	0.070 (0.010)**
digibook	0.013 (0.800)
digipay	0.140 (0.000)***

Source: data processed

Table 5 shows that digitalization has a positive effect on business turnover. Three of the four digital economy variables tested showed a statistically significant effect on turnover. The e-commerce variable had a coefficient of 0.15 with a p-value of 0.00, indicating a strong and significant impact on turnover growth. Similarly, digital payments showed a coefficient of 0.14 with a p-value of 0.00, and social media had a coefficient of 0.07 with a p-value of 0.01, both indicating a significant effect. In contrast, digital bookkeeping did not show a significant impact, with a very small coefficient of 0.013 and a p-value of 0.80, well above the significance threshold. This suggests that while digital bookkeeping has potential, its implementation has not yet produced a significant impact due to low adoption rates among women entrepreneurs.



**Figure 2.** The Effect of Digitalization Components on Business Turnover

Figure 2 shows e-commerce has the largest standardized coefficient, followed by digital payments and social media, while digital bookkeeping has the weakest impact. This visual summary confirms that marketing and transaction-related technologies contribute most significantly to turnover growth among women entrepreneurs in Klewer Market. The findings of this study indicate that digitalization plays a significant role in increasing the turnover of women entrepreneurs in Klewer Market, Surakarta. Although most entrepreneurs are still classified as micro-enterprises with limited turnover, those who utilize digital technology tend to demonstrate better business performance compared to those who do not. This supports the argument that digital transformation is a crucial strategy for addressing the business challenges faced by women entrepreneurs, as emphasized by [Permata Ayunda et al \(2023\)](#) and [Sugiyanto et al \(2024\)](#). One of the most impactful forms of digitalization for increasing turnover is the use of e-commerce. Platforms like Shopee, Tokopedia, and TikTok Shop enable textile products sold at Klewer Market to reach a wider market with more efficient promotion and distribution costs. These findings indicate that e-commerce expands market access while reducing operational costs. Thus, e-commerce serves not only as a sales channel but also as an inclusive business expansion medium for women entrepreneurs in traditional markets.

Social media also plays an important role as an effective and affordable promotional tool. Platforms such as Instagram and WhatsApp are used to establish direct communication with customers, build trust, and strengthen consumer loyalty. This is consistent with the findings of [Jia et al \(2021\)](#) emphasize the importance of interactive relationships between sellers and buyers in improving the success of small businesses. For women entrepreneurs in Klewer Market, social media serves as a flexible tool that allows them to carry out promotional activities from home or their place of business. Meanwhile, digital payment methods have been widely adopted and proven to be very useful in improving transaction efficiency. The use of QRIS, e-wallets, and digital banking services not only speeds up the payment process but also reduces the risk of miscalculation and loss of cash. As explained by [Purba et al \(2024\)](#), digital payments increase transaction accountability and speed while promoting financial inclusion. In the context of traditional markets such as Klewer Market, ease of transaction is an important aspect due to the high daily trading volume.

Despite the overall benefits of digitization, the adoption of digital bookkeeping remains low and has not had a significant impact on business turnover. This low level of utilization stems from several structural and behavioral barriers. First, most women entrepreneurs still rely on manual record-keeping and are unfamiliar with digital accounting tools ([Putri & Saharsini, 2024](#)). Second, limited financial literacy and access to smartphones or stable internet connections make the effective implementation of these tools difficult. Third, the double burden of managing household and business responsibilities limits their time to learn and implement new systems ([Hazudin et al., 2023](#)). These obstacles indicate that digital transformation in traditional markets cannot be separated from the socio-cultural context. Therefore, improving digital literacy and providing technical assistance are crucial to ensuring the effective and inclusive adoption of digital accounting systems.

Although digitization offers various benefits, the adoption of digital bookkeeping is still very low and does not show a significant effect on business turnover. This condition arises from several structural and behavioral barriers, such as dependence on manual recordkeeping, limited financial and digital literacy, inadequate access to devices or stable internet connections, and the dual responsibilities borne by women in managing household and business tasks. The finding that digital bookkeeping has no significant effect can be explained by the Theory of Innovation Diffusion ([Rogers,](#)

2003), which states that technologies with high complexity and low observability tend to spread more slowly among early adopters. Therefore, improving digital literacy and providing technical assistance are essential to ensure that digital bookkeeping systems can be implemented effectively and have a meaningful impact on business performance.

The findings of this study are generally consistent with previous research. The significant positive impact of e-commerce and social media on turnover supports the findings of [Permata Ayunda et al \(2023\)](#) and [Wijoyo et al \(2020\)](#), who found that digital marketing tools effectively expand market reach and increase MSME revenue. Similarly, the role of digital payments aligns with [Purba et al \(2024\)](#) and [Handayani & Soeparan \(2022\)](#), who highlight that cashless transactions improve financial transparency and efficiency. However, the insignificant impact of digital bookkeeping contrasts with the findings of [Pertiwi & Rachman \(2022\)](#) stated that good financial records can improve MSME performance if supported by adequate training. This discrepancy suggests that the effectiveness of digitalization is contextual: in markets with high levels of informality and low digital skills, digitalization adoption remains partial and uneven. The discussion above emphasizes that digitalization is not a uniform process. While technologies related to marketing and payments provide immediate benefits in terms of sales and efficiency, management innovations such as digital bookkeeping require more intensive literacy support. Therefore, interventions to improve women's business performance must consider both technological and social dimensions, ensuring that digital adoption is inclusive and sustainable.

The disparity in turnover levels among women entrepreneurs also reflects the uneven distribution of digitalization's benefits. While most business owners remain in the low-turnover category, only a small number have achieved higher income levels. This situation highlights the need for policies that encourage inclusive and demand-driven digital adoption. Training programs, technological assistance, and managerial capacity building are crucial steps to enhance the comprehensive impact of digitalization ([Sharma et al., 2023](#); [Hazudin et al., 2023](#)). Overall, the findings of this study confirm that women entrepreneurs have significant potential for growth and development through the adoption of digital technology. However, optimizing digitalization must be accompanied by interventions that strengthen literacy, provide technical support, and ensure equitable access to technology. In this way, digitalization can serve not only as a business tool but also as a sustainable instrument for women's economic empowerment.

Addressing previously identified research gaps, namely the limited empirical evidence on digitalization in traditional markets and the lack of exploration of management technologies such as digital bookkeeping, this study provides clear empirical confirmation that each dimension of digitalization impacts business turnover differently. The significant impact of e-commerce, social media, and digital payment systems suggests that women-owned MSMEs can achieve measurable performance improvements through easily accessible digital tools, while the insignificant impact of digital bookkeeping highlights structural and literacy barriers specific to traditional markets. These findings directly address the research objective by analyzing how the four components of digitalization affect turnover, while also filling an empirical gap by providing evidence from the traditional market context that has been overlooked in previous research.

## 5. Conclusion

This study is important because women-owned micro, small, and medium enterprises (MSMEs) continue to play a crucial role in local economic resilience, particularly in traditional markets where business practices are still dominated by conventional methods. Despite the rapid national digital transformation, a significant gap remains between technology availability and actual adoption among women entrepreneurs, particularly those with limited digital and financial literacy. Klewer Market, one of Indonesia's largest traditional textile centers, clearly illustrates this gap: digital tools are available, but their adoption is uneven. Therefore, understanding how the components of digitalization impact business performance remains essential to promoting an inclusive and gender-responsive digital transformation.

Based on survey data collected from 150 women entrepreneurs in Klewer Market, this study highlights how various forms of digitalization impact their business performance. Findings indicate that the use of e-commerce, social media, and digital payment systems significantly contribute to increasing business turnover. These technologies help women entrepreneurs expand their customer base, communicate more effectively with buyers, and conduct transactions more efficiently. However,

digital bookkeeping has not yet provided significant benefits, primarily because very few entrepreneurs have adopted it, and many still rely on manual record-keeping practices. Overall, this study illustrates that digitalization in traditional markets is developing unevenly: easy-to-use tools that provide immediate benefits are spreading faster, while management tools that require additional skills are lagging.

The implications of this study emphasize the importance of targeted interventions to improve digital, financial, and management literacy among women entrepreneurs. Local governments and market authorities can facilitate digital empowerment by providing accessible training, technical assistance, and infrastructure support, such as stable internet connections and shared online promotional channels. However, this study has several limitations. The use of self-reported turnover data may introduce reporting bias, and the analysis is limited to a single traditional market, thus reducing its generalizability. Future research is recommended to include comparative markets or a longitudinal perspective to capture broader and more dynamic digital adoption patterns among women-owned MSMEs.

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