



Identifying Enablers of Digital Transformation in Small and Medium-Sized Enterprises (SMEs): A Systematic Literature ReviewK. A. V. U Perera^{1*}, M. J. M Razi² ¹ Faculty of Graduate Studies, University of Kelaniya, Sri Lanka² Faculty of Commerce and Management Studies, University of Kelaniya, Sri Lanka*Corresponding Author: kavuperera@gmail.com

ABSTRACT

This study conducts a systematic literature review of 139 articles published between 2018 and 2023, focusing on the enablers of digital transformation in small and medium-sized enterprises (SMEs). Digital transformation enhances operational efficiency, customer experience, market reach, innovation, and data-driven decision-making. This research identifies key success factors by examining internal and external enablers, including leadership, employee skills, financial and technological resources, market dynamics, regulatory frameworks, and consumer behaviour. While existing literature reviews often focus on large enterprises or take a generic approach, this study addresses the gap by exploring the unique characteristics and challenges faced by SMEs. It offers originality through a targeted investigation of SME-specific enablers, bridging the disparity between SME needs and broader digital transformation research. By synthesising recent literature, the study provides fresh insights into this underexplored area. The abstracts of the selected articles were analysed using a qualitative synthesis approach, offering a comprehensive understanding of SME-specific factors. The study also evaluates the distribution of articles by research methodologies and publication dates to track evolving trends. It emphasises the importance of strong leadership, resource capabilities, and external market insights in crafting effective digital strategies, supporting SMEs to achieve sustainable growth in the digital era.

Keywords: Digital Transformation, External Factors, Internal Factors, Small and Medium Enterprises (SMEs).

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INTRODUCTION

In the current evolving and dynamic business environment, the paradigm of digital transformation has become one of the necessities, specifically for Small and Medium-sized Enterprises (SMEs). For SMEs, adapting technologies and enabling digital transformation is more than just being competitive in the industry or business domain (North et al., 2018). Unique qualities provide opportunities and challenges for SMEs, such as limited resources, limited budgets, lack of knowledge, etc. (Del Giudice et al., 2021). These qualities and unique challenges are also considered one of the main reasons SMEs adopt digitalisation. In the past decade, the interest towards digital transformation and technological advancement has grown since disruptive changes are not occurring at the organisational level but have an impact towards societal, environmental and global level implications (Fitriasari, 2020).

"Using digital technologies to create value-added products and processes in organisations and integrate them into business processes, organisational structures, and working models" is what is meant by "digital transformation" (North et al., 2018, p.3). This discussion is expanded upon by researchers, emphasising the critical role that digital technology plays in digital transformation, which starts the development of a new corporate identity. Lack of expertise, knowledge, and understanding has prevented many SMEs from attempting the journey toward digital transformation (Omrani et al., 2024). Senior leaders—nine out of ten—have acknowledged and deliberated on the organisation's requirement for digital transformation. According to the studies, it was also clear that, on average, only one of every eight digital transformation initiatives would succeed in reaching its goals (Tarutè et al., 2018a).

Despite the recognised importance of digital transformation, SMEs often struggle with its implementation due to a lack of expertise, knowledge, and understanding (Omrani et al., 2024). Furthermore, while senior leaders acknowledge the need for digital transformation, research indicates that only a fraction of digital transformation initiatives succeed in achieving their goals (Tarutè et al., 2018). This highlights a significant gap in our understanding of the factors and enablers that contribute to successful digital transformation in SMEs.

Previous research has predominantly focused on digital transformation within large enterprises, often applying a 'one-size-fits-all' approach that overlooks the unique characteristics and challenges faced by SMEs, such as limited resources, budgets, knowledge and more. Consequently, it is important to identify the specific enablers to assist SMEs in overcoming their digital transformation challenges. Moreover, the difference viewed between the high need for digital transformation and the very low percentage of successful implementations elicits the need to identify those factors that lead to successful digital transformation in SMEs. Closing this gap can offer practical implications for guiding SMEs towards a more subtle level of adopting digital transformation practices.

This Systematic Literature Review (SLR) aims to address this gap by synthesising existing literature to identify the internal and external enablers of digital transformation, specifically within SMEs. By analysing 139 articles published between 2018 and 2023, this study seeks to provide a comprehensive understanding of the factors that influence the adoption of digital processes in SMEs and the methodologies employed in this research area.

The central research question guiding this study is: "What are the internal and

external enablers of digital transformation in small and medium-sized enterprises (SMEs)?” This question is crucial for understanding how SMEs can overcome inherent challenges and leverage digital transformation to enhance their competitiveness and sustainability. The study focuses on three research objectives, the first aims to identify and classify the drivers of digital transformation in SMEs. Second, it examines the coverage and diversity of the methods reported in the literature, such as qualitative, quantitative, mixed and systematic literature reviews (SLRs), looking for patterns, biases and opportunities for further methodological diversification. Finally, it analyses the year-wise distribution of the articles to understand trends, changing research priorities, and how scholarship in the area of digital transformation in SMEs has evolved over time.

The paper embarks on a systematic literature review to explore comprehensively the journey of digital transformation within SMEs while focusing on the factors and enablers for digital transformation. Additionally, the paper aims to determine the distribution of journal articles among different research methodologies, including mixed methods, qualitative methods, quantitative methods, and SLRs. This understanding can guide future researchers in selecting appropriate study methodologies, ensuring a balanced and robust research landscape. Moreover, identifying the predominant research methods helps recognise methodological biases or trends, which can inform efforts to diversify research approaches.

Furthermore, the paper analyses the distribution based on publication years, providing a sequential overview of the research landscape. This analysis is significant as it indicates trends and the evolution of interest in digital transformation within the specified period, helping scholars and practitioners identify emerging themes, shifts in focus, and the potential impact of technological

advancements and economic changes on research priorities. SMEs are considered as the backbone of the global economy; for example, according to Central Bank of Sri Lanka’s annual report 2022 in Sri Lanka, SMEs comprise more than 75% of enterprises and account for more than 20% of exports, 45% of employment, and 52% of Gross Domestic Production. As a result, it is essential to study SMEs and provide help with knowledge for digital transformation for SMEs.

The importance of digital transformation for any business in any business domain is quite evident. It can boost operational efficiencies and improve customer satisfaction, creating new markets and growth opportunities. Policymakers, corporate executives, and academics committed to promoting innovation and expansion in the SME sector must comprehend the dynamics of this transition (Rassool & Dissanayake, 2019). The systematic literature review highlights more insights and thoughts with critical takeaways for different practitioners.

LITERATURE REVIEW

Digital Transformation (DT) is considered one of the most essential contexts in any organisation and institute in the modern dynamic world. Digitalised technologies transform the experience of businesses, consumers and citizens of a country that would experience the digitalised services and processes (Parra-Sánchez & Talero-Sarmiento, 2023). According to Gartner (2024), digital transformation can refer to anything from IT modernisation (for example, cloud computing), to digital optimisation, to the invention of new digital business models. In the context of this stated definition, modernisation is adopting and implementing digitalised technologies to transform and change traditional businesses and their business models. SMEs are characterised by their

limited resources, flat hierarchies, and ability to adapt quickly. However, these very features also pose challenges when adopting digital transformation strategies (Berger & Udell, 2006). Digital transformation involves not only automating existing processes but also redesigning them to enhance efficiency and effectiveness (Bharadwaj et al., 2013). DT also makes a major impact on stakeholders in regard to improving customer experience, engagement and satisfaction as a whole (Henriette et al., 2015). In all these aspects, leadership plays a vital and critical role in setting the driving vision and the culture while fostering changes as enablers to ensure alignment of the digital initiatives with the organisational level goals and objectives (Kraus et al., 2022).

With the fourth industry revolution, many new technologies such as Artificial Intelligence (AI), cloud computing, automation, Internet of Things (IoT), etc., have given unique advantages and opportunities for organisations to gain a competitive advantage and improve their competitiveness by implementing a massive transformation on the business (Jeansson & Bredmar, 2020). Compared with big organisations, it is evident that SMEs have a slower approach to adopting digitalisation due to factors such as limitations in finances, human capital, openness to changes, etc. (Gudergan & Mugge, 2017). To meet the digitisation requirement and bring the culture from top to bottom, visionary and supportive leadership is one of the most critical factors. (Parra-Sánchez & Talero-Sarmiento, 2023)

While digital transformation is considered and agreed upon as a critical factor for all organisations, irrespective of their size, having proper clarity and a clear view of this phenomenon would make it easier for practitioners. Digital transformation could be broadly categorised into three elements

(Teng et al., 2022a). Firstly, digital transformation is based on new technologies such as analytics, AI, automation, etc. Secondly, digital transformation focuses on changing business processes or creating a new business model. Thirdly, digital transformation would influence human life, such as customer experience, improved touchpoints, etc. (Zoppelletto et al., 2023). With these possible notions, digital transformation could be considered a company's processes, models, activities and competencies. Businesses undertake the transformation on these factors while rethinking how to provide a better experience to customers while value-creating. (Tarutè et al., 2018)

Digitisation and Digitalisation

The digitisation process started in the 1950s when International Business Machines Corporation (IBM) announced their machines by converting manual records to binary 0s and 1s. Businesses previously used to keep records on paper, either handwritten or typed, which was considered data being saved in an analogue method. Keeping printed photographs is also regarded as analogue storage of data. When information needs to be shared, the recipient needs to receive the documents and work using them physically. Organisations understood that storing and managing data in a digitalised data set is more convenient and accessible for work, and they started the digitisation process. (Banerji, 2022)

Now that all the data is available and accessible instantly through electronic media, since the documents are no longer in cabinets and drawers, the efficiency has increased for individual workers and organisations. The era of digitalisation began to emerge, and better decisions were made using digital data to improve the business's overall performance. If a customer service agent receives a call

about an inquiry on a product using digital data, the agent could support the customer with the investigation and provide a custom-made solution for the client based on the customer's requirement. Since the provided service is fast and accurate, the customer's experience is positive, resulting in a positive response towards the organisation (Kraft et al., 2022).

METHODOLOGY

A systematic literature review was conducted to identify and analyse the enablers of digital transformation in SMEs. The study focused on articles published between 2018 and 2023 to ensure a comprehensive and up-to-date understanding of the subject. Google Scholar was selected as the primary database due to its broad coverage of academic publications across various disciplines. Although Google Scholar has limitations, such as indexing quality and the lack of peer-reviewed filters, it was chosen for its extensive reach. To address these limitations, a rigorous set of inclusion and exclusion criteria was applied.

The search strategy involved using the keywords 'digital transformation' and 'SME' with advanced search filters applied to the stated period and restricted to English-language articles. Initially, 190 articles were identified. After removing 12 duplicates and articles with missing or incomplete data, 178 articles remained. These articles were then screened for relevance, removing 17 articles not related to SEMs, enabling a key focus on those specifically related to SMEs rather than large enterprises or general digital transformation topics. The remaining 161 articles were further filtered based on the ABDC journal ranking, excluding 22 articles that did not meet the quality threshold. Only articles published in journals with at least an ABDC ranking were included to maintain academic rigor and credibility. To ensure the selection of

high-quality and relevant literature, a rigorous and systematic approach was adopted to justify the final selection of 139 articles. The inclusion and exclusion criteria were carefully designed to focus exclusively on articles addressing the enablers of digital transformation within SMEs.

The abstracts of the selected articles were meticulously reviewed to extract key themes and insights. The qualitative synthesis approach utilised in this study involved a systematic process of coding and thematic analysis. Initially, the abstracts of all 139 articles were reviewed to identify recurring themes, categorised under predefined and emergent themes relevant to internal and external enablers of digital transformation. The coding process followed an inductive approach to capture new insights. This methodological rigour strengthens the credibility of the synthesis, ensuring that the findings provide a comprehensive and nuanced understanding of the enablers of digital transformation in SMEs.

The qualitative synthesis approach helps integrate and analyse multiple studies' findings to understand insights. In the context of this study, qualitative synthesis enables the extraction and analysis of themes related to the enablers of digital transformation in SMEs, offering a structured and comprehensive understanding of the factors influencing their digital journeys.

As shown in Figure 1, the Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA) framework was employed to ensure a transparent and rigorous selection process, with the PRISMA flow diagram illustrating the stages of identification, screening, eligibility, and inclusion. The thematic analysis was conducted in several stages. First, the abstracts of the 139 selected articles were reviewed and coded according to predefined themes related to internal and external enablers of

digital transformation, such as leadership, employee competencies, financial and technological resources, market dynamics, and regulatory frameworks. This coding process involved both inductive and deductive approaches: inductive to allow new themes to emerge from the data and deductive to categorise the data according to established concepts from the literature. Once the themes were identified, they were analysed to determine how frequently they appeared across the articles and how they interrelated. This analysis provided a comprehensive understanding of the key factors influencing digital transformation in SMEs.

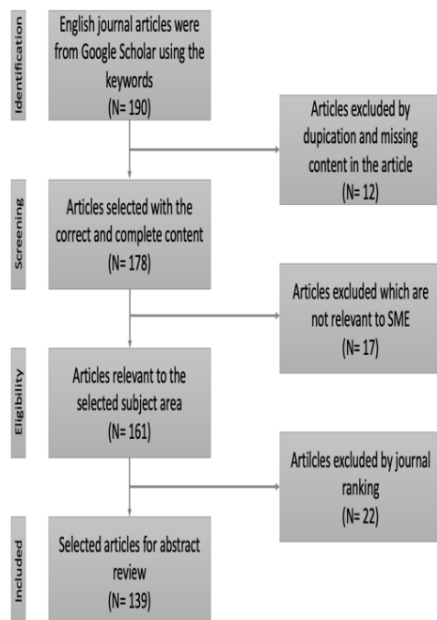


Figure 1: PRISMA Inclusion and Exclusion Criteria

In addition to thematic analysis, the study also examined the distribution of articles based on research methodologies (mixed methods, qualitative, quantitative, and systematic literature reviews) and publication dates. This meta-analysis component provided insights into the evolving research trends in the field of

digital transformation in SMEs. By understanding the methodological approaches and temporal trends, the study not only synthesised existing knowledge but also identified gaps and potential areas for future research. This approach not only ensured the reliability and relevance of the selected articles but also provided a transparent and structured methodology aligned with the study's objectives.

This study ensures a robust and transparent review process by incorporating the abstracts into the analysis and elaborating on the methodology, particularly the application of the PRISMA framework and thematic analysis. The use of Google Scholar, while unconventional, was justified through rigorous selection criteria, and the inclusion of abstracts in the thematic analysis provided a structured approach to managing and synthesising the data effectively.

RESULTS AND DISCUSSION

Findings of the systematic literature review on digital transformation in small and medium-sized enterprises (SMEs) are delved into in different aspects. It is structured to present the key themes from the reviewed studies, analyse the implications of these findings, and discuss their relevance to the broader context of SME digital transformation. Critically examining the patterns and trends identified in the literature provided a comprehensive understanding of the factors that drive or impede digital transformation in SMEs.

As per Figure 2, looking at the composition and distribution of the research methods of the analysed 139 articles, the majority, with 53 articles, were done with the qualitative method, while the quantitative method is the second highest with 48 articles. 24 articles used a systematic literature review,

whereas the lowest was for the mixed method, with 14 articles. The percentages and counts between qualitative and quantitative methods show that the area of digital transformation could be researched using both methods, based on the exact area and the researcher's expertise. A considerable amount of systematic literature reviews also shows that the subject area of interest is an interesting phenomenon that many new researchers are interested in and focus on. This method is vital for creating a comprehensive understanding of the field, guiding future research directions, and informing policy and practice.

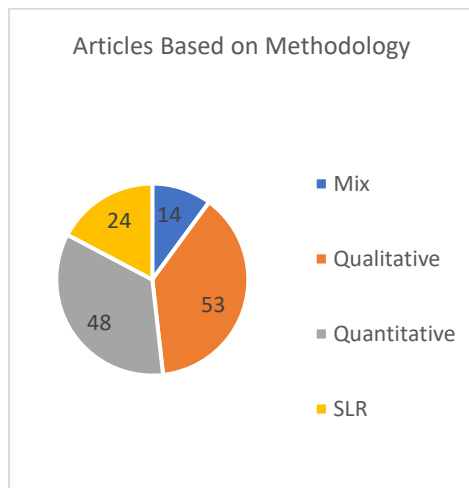


Figure 2: Articles Distribution Based on Methodology

Most studies (53 articles) employ qualitative methods, indicating a strong preference for exploring digital transformation's nuanced and context-specific aspects. This qualitative focus allows researchers to delve deeply into individual cases, providing rich, detailed insights into how SMEs experience and implement digital changes. The second-highest category, with 48 articles, utilises quantitative methods. This substantial number reflects a significant effort to

quantify various aspects of digital transformation, such as measuring the impact of specific technologies or strategies on business performance. Quantitative methods are crucial for establishing generalisable findings and identifying broader patterns and trends within the SME sector.

Based on the years the articles were published, as shown in Figure 3, most articles were between 2020 and 2022, totalling 92 out of the 139 reviewed articles. The lowest number of articles was from 2018, with 7 and the highest was 19 for 2023. The data shows a clear upward trend in articles published annually from 2018 to 2021. The number of articles increased from 7 in 2018 to 33 in 2021, indicating a growing interest and recognition of the importance of digital transformation in SMEs over this period. The peak year for publications was 2021, with 33 articles. This surge likely reflects the heightened focus on digital transformation due to the COVID-19 pandemic, which forced many businesses, including SMEs, to rapidly adopt digital technologies to survive and thrive amidst unprecedented challenges. The increasing number of publications from 2018 to 2021 highlights a growing awareness and prioritisation of digital transformation in the SME sector.

The slight decline between 2021-2023 indicates a potential shift and could be attributed to several factors, such as possible saturation in the discussion area or post-pandemic-related factors. Despite the decline in 2023, the numbers remain significantly higher than the starting point of 2018. This sustained interest indicates that digital transformation remains a critical study area for SMEs, reflecting its ongoing relevance and importance in business. The data suggests areas for future exploration, particularly in understanding the post-pandemic landscape of digital transformation in

SMEs. Researchers might focus on long-term impacts, new challenges, and opportunities arising from digital adoption.

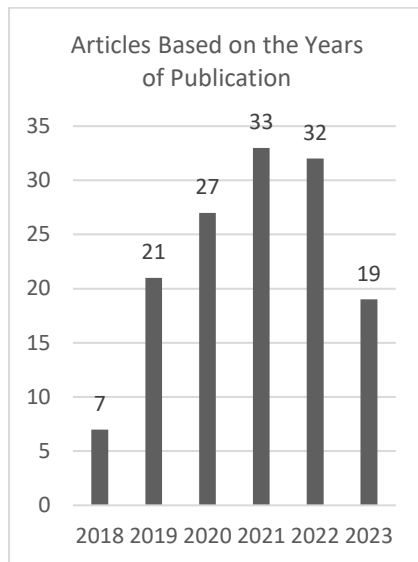


Figure 3: Articles Distribution Based on the Dates

Enablers of Digital Transformation for SMEs

The literature sample analysis highlighted several significant facilitators of the digital transformation in SMEs. For instance, the research that is now in publication has emphasised the importance of the forces and changes in the external environment in driving digital transformation in SMEs. Organisations must start digital transformation projects due to ongoing changes in the technology landscape, rising market demands, client lifestyle changes, and unheard-of occurrences like war and pandemics (Faraz Mubarak et al., 2019). The Author identified and understood about 20 factors and variables influencing digital transformation for SMEs. From the identified areas based on the literature and trends, the six most impactful elements are

discussed, as illustrated in Figure 4 below.

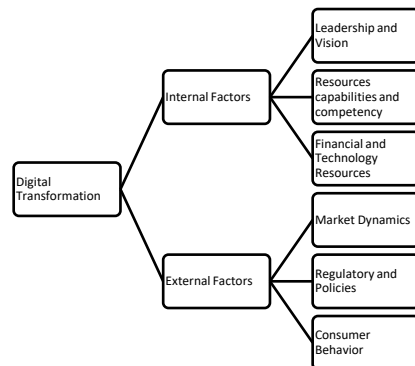


Figure 4: Internal and External Enablers for SME Digital Transformation

Internal Enablers

Internal enablers facilitate digital transformation within small and medium-sized enterprises (SMEs). These factors, rooted within the organisation's structure, culture, and resources, significantly influence the ability to adopt and implement digital technologies effectively. From leadership commitment and strategic vision to the technological infrastructure and workforce capabilities, internal enablers determine how smoothly and successfully an SME can navigate its digital transformation journey (Hoang Tien et al., 2024). Understanding and leveraging these enablers can help SMEs overcome internal barriers, optimise processes, and enhance overall competitiveness in the digital age.

Leadership and Vision are fundamental to the successful digital transformation of small and medium-sized enterprises (SMEs). Effective leadership offers the strategic direction needed for digital initiatives to thrive, fostering an environment conducive to innovation (Candra Pratama et al., 2021). Visionary leaders set clear, actionable goals, identify critical areas for digital investment, and continuously adapt strategies to keep pace

with technological and market changes (Ragazou et al., 2022). They inspire and motivate the workforce, promoting a culture that views digital transformation as an opportunity for growth. This involves encouraging risk-taking, experimentation, and creating a safe space for new ideas. Clear and consistent communication from leaders ensures that all stakeholders understand and are committed to the digital transformation vision, building trust and alignment (Matt et al., 2020). Leaders also proactively address challenges and resistance to change, provide necessary resources, and ensure the organisation has the required skills and capabilities. In essence, leadership and vision drive the strategic direction, motivation, and support essential for navigating the complexities of digital change, enabling SMEs to embrace innovation and achieve long-term success (Lutfi et al., 2022).

Human resource capabilities and competency emerge as crucial determinants of success. Human resource capabilities encompass employees' skills, knowledge, and adaptability, which are essential for navigating digital initiatives' complexities (Kraft et al., 2022b). This includes proficiency in technology, programming, data analysis, digital marketing and cyber security, enabling employees to leverage digital tools effectively (Costa Melo et al., 2023). Adaptability is also essential, as employees must continuously learn and evolve to keep pace with rapid technological advancements. Competency, on the other hand, refers to the ability of employees to apply their skills and knowledge in the digital context. Digital literacy is fundamental, ensuring employees possess the necessary understanding and proficiency to utilise digital technologies proficiently (Kraus et al., 2022). Strong problem-solving skills empower employees to tackle complex challenges inherent in digital

transformation, identifying and resolving issues to drive progress. Additionally, cultivating an innovation mindset encourages employees to explore new ideas and approaches, fostering creativity and driving continuous improvement (Ramdani et al., 2022).

Financial resources and technology infrastructure emerge as critical pillars of support. Financial resources provide the capital necessary for SMEs to invest in digital technologies, covering expenses such as software acquisition, hardware upgrades, and skilled personnel recruitment (Kim, 2021). These resources facilitate the procurement of cutting-edge digital tools and platforms, enabling SMEs to integrate innovative solutions into their business processes effectively. Meanwhile, technology resources encompass the hardware, software, and digital platforms that form the backbone of SMEs' digital infrastructure (Teng et al., 2022b). These resources include computers, servers, cloud services, and IoT devices, enabling SMEs to leverage advanced technologies to enhance productivity, efficiency, and competitiveness. By judiciously allocating financial resources to acquire and optimize technological infrastructure, SMEs can fortify their digital capabilities and position themselves for sustained growth in the digital era (Rupeika-Apoga & Petrovska, 2022).

External Enablers

These external enablers include regulatory frameworks, industry standards, technological ecosystems, and strategic partnerships. By leveraging these external enablers, SMEs can access valuable resources, expertise, and opportunities to accelerate their digital transformation journey and enhance their competitiveness in the rapidly evolving market (Corvello et al., 2022). In this context, understanding and effectively

harnessing external enablers are critical for SMEs seeking to navigate the complexities of digital transformation and unlock new avenues for growth and innovation.

Market dynamics encapsulate the complex interactions between buyers and sellers within a market, and for SMEs undergoing digital transformation, comprehending these dynamics is paramount. Several critical facets of market dynamics are particularly pertinent to SMEs embarking on digital transformation journeys (Depaoli et al., 2020). Firstly, understanding shifts in consumer behaviour driven by demographic changes, technological advancements, and evolving preferences allows SMEs to effectively tailor digital strategies to engage target audiences and foster loyalty (Leso et al., 2023). Secondly, SMEs must navigate the ever-changing competitive landscape, characterised by new entrants, market shifts, and disruptive innovations, by monitoring competitors, identifying emerging threats and opportunities, and differentiating through digital capabilities (Parra-Sánchez & Talero-Sarmiento, 2023). Thirdly, staying abreast of rapid technological advancements, such as AI, big data analytics, and IoT, empowers SMEs to leverage emerging technologies, enhancing efficiency, customer experiences, and overall business growth (Ziółkowska, 2021).

Regulatory and policy frameworks are pivotal external factors that substantially influence SMEs' digital transformation journey. These frameworks, spanning regulations, laws, and policies enacted by governmental and regulatory entities at local, national, and international levels, carry significant implications for SME operations (Zhang et al., 2022). Compliance with regulatory requirements is paramount for SMEs, encompassing obligations concerning data protection,

privacy, cybersecurity, and other pertinent areas (Faridi & Malik, 2020). While adhering to these regulations is imperative to mitigate legal risks and preserve customer trust, SMEs often grapple with the complexities of navigating multifaceted and evolving regulatory landscapes, especially given resource constraints (Tarutè et al., 2018). Additionally, considerations surrounding data governance and privacy, shaped by regulations like the General Data Protection Regulation (GDPR), dictate how SMEs handle customer data, necessitating robust governance practices to ensure compliance while harnessing the value of data assets. Furthermore, as SMEs increasingly engage in digital trade and cross-border transactions, adherence to international trade regulations, tariffs, export controls, and trade agreements becomes essential. Navigating these complexities enables SMEs to access global markets and capitalize on international opportunities (Rêgo et al., 2022).

Consumer behaviour is a pivotal facet of market dynamics, profoundly shaping the digital transformation odyssey of SMEs. Comprehending consumer behaviour necessitates probing into the details of preferences, needs, motivations, and purchasing patterns exhibited by target audiences. In digital transformation, various key considerations concerning consumer behaviour hold particular relevance for SMEs (Zahoor et al., 2023). Firstly, initiating digital technologies has revolutionised consumer engagement, prompting an increasing reliance on online channels for product exploration, purchase decisions, and brand interactions (Dąbrowska et al., 2022). SMEs must adapt their digital strategies accordingly, ensuring effective engagement through websites, social media platforms, mobile apps, and other digital avenues. Additionally, consumers' demand for personalised and customised experiences

underscores the importance of leveraging data analytics and customer insights to tailor marketing messages, product offerings, and services. This approach enhances customer satisfaction and fosters brand loyalty (Rupeika-Apoga et al., 2022).

Moreover, the seamless provision of omnichannel experiences is paramount as consumers engage with brands across multiple touchpoints, necessitating consistency in messaging, branding, and customer service across various channels (Dressler & Paunovic, 2021). Furthermore, the impact of consumer-generated content, including online reviews and social media feedback, must be balanced, influencing purchasing decisions and brand perceptions significantly (Jeza & Lekhanya, 2022). SMEs must proactively monitor and respond to consumer feedback, utilising positive reviews to build credibility and addressing negative feedback promptly to mitigate reputational risks. Lastly, staying attuned to evolving consumer trends and preferences is vital, enabling SMEs to anticipate shifts in consumer behaviour and tailor their strategies accordingly to maintain competitiveness and relevance in the market (Priyono et al., 2020). Understanding consumer behaviour equips SMEs with the insights needed to tailor their digital strategies effectively, driving customer satisfaction, loyalty, and sustainable growth in the digital era.

CONCLUSION AND IMPLICATIONS

A comprehensive understanding of the enablers of digital transformation in SMEs has been attained by conducting a systematic literature review of 139 articles from the Google Scholar database from 2018 to 2023. Through the adoption of digital technologies and strategies, SMEs can unlock a myriad of opportunities. Firstly, it fosters increased efficiency and

productivity by streamlining processes, automating tasks, and optimising workflows. Secondly, digital transformation enables SMEs to enhance customer experiences through personalized interactions, tailored offerings, and seamless omnichannel engagement, improving loyalty and satisfaction. Moreover, it facilitates access to global markets, enabling SMEs to expand their reach, forge international collaborations, and compete globally. Additionally, digitalisation fosters a culture of innovation, agility, and adaptability, empowering SMEs to respond swiftly to market changes and customer needs. Furthermore, it facilitates data-driven decision-making by providing access to real-time insights and predictive analytics, enabling SMEs to make informed strategic decisions.

In identifying the enablers of digital transformation in SMEs, it becomes evident that understanding and leveraging internal factors, such as leadership, organisational culture, employee skills, resource allocation, and internal processes, are pivotal for success. Leadership sets the vision and strategy, while organisational culture fosters innovation, collaboration, and adaptability. Employee skills and engagement drive the execution of digital initiatives, supported by appropriate resource allocation and efficient internal processes. Moreover, external enablers, including market dynamics, regulatory frameworks, and consumer behaviour, significantly shape the digital transformation landscape for SMEs. Market dynamics influence consumer behaviour, technological trends, and competitive forces, while regulatory frameworks impose compliance requirements and facilitate digital trade. Understanding consumer behaviour is essential for tailoring digital strategies to meet evolving preferences and needs, ensuring personalized experiences,

omnichannel engagement, and effective feedback management. In conclusion, by comprehensively addressing internal and external enablers of digital transformation, SMEs can navigate challenges, capitalise on opportunities, and drive innovation, growth, and competitiveness in the digital age.

This study, while comprehensive, is not without limitations. First, the reliance on Google Scholar as the primary data source may have limited the comprehensiveness of the literature review, as it may not cover all relevant studies available in other academic databases. Additionally, the focus on articles published between 2018 and 2023 may have excluded earlier seminal works that could provide a broader historical context for understanding digital transformation in SMEs. The analysis primarily relies on qualitative synthesis, which, while effective for capturing insights, may not fully capture the nuances of quantitative data or the complex interplay between different factors influencing digital transformation. Furthermore, the study does not account for regional or industry-specific variations, which could affect the generalisability of the findings.

Future research should aim to address these limitations by incorporating a wider range of databases, extending the temporal scope of the review, and employing mixed methods approaches that combine qualitative and quantitative analyses. Additionally, exploring regional differences and industry-specific challenges in digital transformation could provide more targeted insights, helping SMEs in different contexts navigate their digital journeys more effectively. Additionally, exploring the impact of emerging technologies and conducting longitudinal studies to monitor the evolution of digital transformation efforts over time could offer valuable perspectives.

A deeper investigation into the role of emerging technologies, such as artificial intelligence and blockchain, in enabling digital transformation in SMEs would also be valuable, given the rapid pace of technological change. This study lays the groundwork for future exploration, highlighting the need for a more nuanced understanding of how SMEs can leverage digital transformation to achieve sustainable growth.

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