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Digital transformation toward sustainable development in Vietnamese small and medium enterprises

Tang My Sang
Faculty of Finance and Accounting, Ho Chi Minh City University of Economics and Finance, Vietnam
sangtm@uef.edu.vn

Abstract. *Digital transformation is not just a fad, it is also a significant opportunity for businesses to streamline processes, provide customers with value, and boost productivity. The research was conducted to understand the impact of digital transformation on the firm performance of Vietnamese small and medium enterprises. The number of survey samples is 930 and the SEM method is used to process data using SmartPLS 4.0 software. Research results show that digital transformation has a positive impact on business performance. The research results also confirm the mediating role of digital innovation and the moderating role of CSR for customers. This study clarifies the connection between digital information and firm performance in Vietnamese small and medium-sized enterprises, diversifying the results of business performance analysis. Additionally, businesses can use the research findings as a springboard to develop strategies for deploying digital activities that contribute to sustainable development.*

Keywords: CSR, digital transformation, innovation, performance, sustainability.

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Introduction

Digital transformation is a key element in determining the success and longevity of businesses (Sumarliah & Al-hakeem, 2023). The capacity to adapt and take advantage of the opportunities from digital transformation is becoming important for business performance (Khin & Ho, 2019). Many scholars have shown that there are several factors that determine a company's effectiveness, including digital transformation, digital innovation and customer social responsibility (Masoud & Basahel, 2023; Almaazmi et al., 2021; Wang & Yan, 2023; Su, 2023).

Digital transformation boosts firm performance, it enables them to optimize workflows through automation, and use data for smarter decision-making (Almaazmi et al., 2021; Khin & Ho, 2019; Masoud & Basahel, 2023). This helps increase productivity and reduce wasted time and resources (Nwankpa & Roumani, 2016). Digital transformation also allows businesses to provide better customer experiences through applications and online platforms, creating greater satisfaction and honesty (Wang & Yan, 2023).

The fact that digital transformation fosters creativity and innovation is a more significant issue. The advent of digital transformation like artificial intelligence (AI), Internet of Things (IoT), and blockchain help to create new goods and services (Almaazmi et al., 2021; Wang & Yan, 2023). This enables businesses to gain a greater competitive edge (Masoud & Basahel, 2023).

Additional factors, such as social responsibility to customers, have an impact on the process of digital transformation and product improvement (Su, 2023). Businesses must fulfill their social responsibility by making research and development investments to produce products that are focused on sustainability, which can lead to continuous production process improvement.

In Vietnam, digital transformation has created many opportunities for businesses to optimize costs and increase operational efficiency (Nguyệt et al., 2021). After the Covid-19 pandemic, the digitalisation trend of businesses has changed positively. However, small and medium-sized enterprises in Vietnam are not properly aware of the role of digital transformation, leading to the digital transformation process taking place slowly compared to developed countries (Nam & Lan, 2021).

Through reviewing previous studies, it can be seen that digital transformation has a positive impact on digital innovation (Nwankpa & Roumani, 2016; Masoud & Basahel, 2023). Digital innovation has an impact on firm performance (Masoud & Basahel, 2023). The impact of digital transformation on digital innovation is regulated by CSR for customers (Wang & Yan, 2023). These results are mainly carried out abroad. In Vietnam, a few recent studies have investigated the impact of digital transformation on business operations, focusing on issues such as business efficiency (Nhi et al., 2022; Nga et al., 2023). But the research subjects are businesses in general or private businesses, there is no research focusing on understanding small and medium enterprises. In addition, studies in Vietnam only show the direct impact of digital transformation on financial performance but do not show non-financial effects and do not clarify the intermediary relationship of digital innovation. This is a research gap.

The results of this research aim to clarify the impact of digital transformation on firm performance under the mediated impact of digital innovation and the moderator of CSR for customers. This study contributes to the current literature in several ways and differs from previous studies on firm performance in various aspects. Firstly, this study will provide empirical evidence in Vietnam as an emerging economy regarding corporate governance. Secondly, this research can offer a more profound understanding of the influence that digital transformation, digital innovation, and CSR for customer have on the performance of small and medium-sized businesses, which are critical to the economy. Thirdly, the study's findings also make the case for giving stakeholders some management advice on how to raise company performance by tying operations to gains for clients.

Literature review

Digital transformation and Digital innovation

Digital transformation refers to business changes on digital technology platforms. This is a comprehensive effort to modify key processes and services (Sumarliah & Al-hakeem, 2023). The results of digital transformation initiatives center on growing the user base, meeting user needs, and developing new service delivery models. This change brings about distinctive

modifications to business operations, business procedures, and value creation (Nwankpa & Roumani, 2016).

The development of marketable products, procedures, or business models using digital technology is known as digital innovation (Khin & Ho, 2019). By utilizing digital technology and digitization techniques, it is possible to create new products, platforms, and services as well as new customer experiences and other value pathways (Almaazmi et al., 2021). Digital innovation is either embodied in or facilitates a new product, procedure, or business model that is thought to be innovative, and that requires the adopter to make significant changes (Sumarliah & Al-hakeem, 2023).

The primary motivation behind digital transformation is to boost revenue, cut expenses, and enhance firm performance (Li et al., 2022). Consequently, in order to accomplish the shared objective, digital transformation will encourage digital innovation (Appio et al., 2021). Innovation's marginal cost is significantly lowered by digital transformation. Furthermore, there is a significant reduction in both depreciation and intermediate link costs. Consequently, each product's marginal cost drops as well. Because of these lower expenses, companies will invest more in digital innovation (Juhász et al., 2022).

In competitive strategy, satisfying individualized customer needs is becoming more and more crucial. By using digital technology, businesses can meet customer needs more quickly and take advantage of their diverse and potential customer base (Belhadi et al., 2021). Enterprises that adeptly leverage digital transformation can introduce novel offerings and enhance their innovation productivity. Digital innovation is then further encouraged by digital transformation (Almaazmi et al., 2021). Previous research results have shown that digital transformation has an impact on digital innovation (Li & Fei, 2023; Juhász et al., 2022). The following research hypothesis is then put forth:

H1. Digital innovation is positively impacted by digital transformation.

Digital innovation and firm performance

Firm performance represents success or failure in achieving the business's operating goals (Marino-Romero et al., 2023), and is expressed through financial and non-financial indicators. Based on the organizational efficiency perspective, financial performance is measured through the profitability index. To further support this argument, Masoud and Basahel (2023) showed that this index is also expressed through other indicators such as competitiveness, customer retention level, and market share.

Compared to non-technological innovations, technological innovations have a greater influence on the performance and success of businesses (Bhat & Sharma, 2022). Digital innovation encourages the development of new products built on cutting-edge technologies, adding value and giving companies a stronger competitive edge (Khin & Ho, 2019). Effective digital innovation tends to improve new product development, strengthen brand image, produce better goods and services, and boost dependability for businesses (Li & Fei, 2023). The performance of the company is then improved by digital innovation (Chen et al., 2023).

In an increasingly competitive and uncertain business environment, digital innovation is one of the ways to help businesses survive and grow (Wang & Yan, 2023; Onea, 2020). Innovation improves organizational efficiency, adds potential value, and brings intangible resources to the company. Companies with a higher ability to innovate are better

at meeting customer needs and can develop more capabilities to achieve better performance (Sumarliah & Al-hakeem, 2023).

Some previous studies have shown that digital innovation impact on firm performance (Su, 2023; Sumarliah & Al-hakeem, 2023; Wang & Yan, 2023). The following study hypothesis is then suggested:

H2. The performance of businesses is positively impacted by digital innovation.

Digital transformation and firm performance

Through improved internal management effectiveness, more flexibility in operations, and faster response to external environment changes, digital transformation improves firm performance (Chen et al., 2023). Digital transformation also helps businesses, especially small and medium-sized enterprises, achieve greater flexibility and efficiency in operations (Juhász et al., 2022). It also helps optimize production processes, create higher value for the innovation ecosystem and promptly respond to market needs. Successful domestic businesses can more easily enter the global market thanks to the combination of open borders, globalization, and digital transformation (Chen et al., 2023).

Digital transformation for management activities includes leapfrogging, innovation, and convergence (Appio et al., 2021). Sharing is a key feature of digital technology (Khin & Ho, 2019). With these features, digital technology helps businesses cut information costs by minimizing information asymmetry between supply and demand. Digital transformation can also improve internal communication, which lowers needless conflict in management and production procedures (Li & Fei, 2023).

In an increasingly competitive business landscape, innovation is recognized as a key factor in helping companies seek to create value and sustainable competitive advantage. In particular, innovation is divided into two levels including improvement (Nwankpa & Roumani, 2016). Digital transformation has more impact on business operations in the long term than in the short term (Sumarliah & Al-hakeem, 2023).

Digital transformation also helps businesses improve products and services provided to customers, increase customer satisfaction and reduce sales costs (Wang & Yan, 2023). Through improved communication, transparency, and monitoring, digital integration among suppliers and partners in the supply chain also contributes to a decrease in transaction costs and agency costs (Sumarliah & Al-hakeem, 2023).

Companies with stronger innovation capabilities show an ability to adapt to changing business environments and improve performance (Nwankpa & Roumani, 2016). Previous research results have shown that digital transformation has a direct impact on firm performance (Sumarliah & Al-hakeem, 2023; Masoud & Basahel, 2023; Appio et al., 2021), in particular profitable. It has been demonstrated that efficiency in non-financial activities has a significant impact, perhaps even a greater impact than efficiency in financial activities (Wang & Chen, 2022). The next study hypothesis suggested is the following:

H3. The performance of businesses is positively impacted by digital transformation.

Mediating role of digital innovation

In addition to the direct effect, it has been discovered that digital innovation also has an indirect effect on firm performance (Masoud & Basahel, 2023). The ability of businesses to

improve technology will change the impact of digital transformation on firm performance because technological innovation influences the development of new products or business processes.

Therefore, even though digital transformation is one of the key elements that businesses can use to boost operational efficiency, the capacity for digital innovation affects this relationship. This result was also shown in research by Wang and Yan (2023) and Masoud and Basahel (2023). The study hypothesis is then suggested:

H4. Digital innovation plays a mediating role in the impact of digital transformation on firm performance.

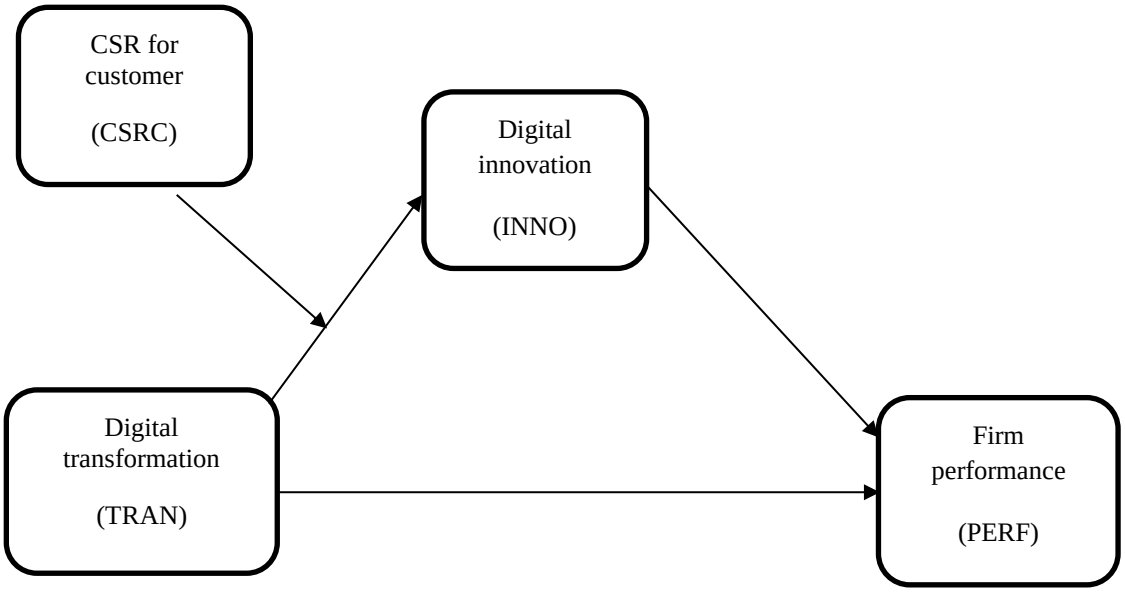
The regulatory role of CSR for customers

Customer social responsibility (CSR) for customers refers to business activities intended to benefit customers (Ahn & Kwon, 2020). These activities are increasingly important in operational strategies to maintain sustainable development (Liu et al., 2020). One of the responsible activities is to meet customer needs in the best way, which requires businesses to continuously improve. Responsibility activities have been found to influence the improvement of corporate performance (Su, 2023).

Corporate sustainability and digitalisation are becoming more and more significant to businesses, societies, and policymakers worldwide, according to earlier research (Forcadell et al., 2020). Improved products and services for customers are made possible by digitalisation for businesses. Furthermore, these goods and services are becoming more tailored to individual needs in terms of quality (Chen et al., 2023). In a cutthroat market, corporate social responsibility (CSR) for consumers can give companies a competitive edge and, as a result, change how digital transformation and innovation are related to one another and ultimately lead to improved firm performance (Su, 2023). Digitalisation and business sustainability can complement one another and enhance outcomes. Therefore, the following hypothesis is proposed:

H5. CSR for customers has a moderating role in the influence of digital transformation on digital innovation.

The goal of the research is to understand the influence of digital transformation on firm performance under the mediating effect of digital innovation and the moderating effect of CSR for customers. Based on previous research mainly research by Nwankpa and Roumani (2016), and research by Masoud and Basahel (2023), the proposed research model is shown in Figure 1.



Methodology

Research design and data collection

The research method used in this study is quantitative. This approach assists in describing and analyzing the connections between digital innovation, CSR for customers, and firm performance. The research sample is employees and managers working at small and medium-sized enterprises in Vietnam.

This study uses a convenience sampling method. Because the study uses a linear structural model to analyze the multidimensional relationship between many variables in the model, the author based it on the suggestion of Comrey and Lee (2013). According to Comrey and Lee (2013), sample sizes of 50 and 100 are insufficient for linear structural modeling, 200 is satisfactory, 300 is acceptable, 500 is excellent, and 1000 is ideal for running linear structural models. Based on the research of Comrey and Lee (2013), the author determined the sample size of this study to be 930.

To ensure the validity of the questionnaire, the designed questionnaire was consulted by five researchers in the field of digital transformation and five managers at small and medium-sized enterprises to ensure that it was valid and to gain valuable input on questions. Through interviews with 10 experts, the questions in the questionnaire were adjusted to fit the research context.

Before conducting the official survey, a pilot test was carried out to make sure all respondents understood the survey questions. The questionnaire was distributed to 30 people in three areas including Ho Chi Minh City, Hanoi, and Da Nang. The results showed that all participants understood the questionnaire well. Therefore, there is no need to adjust any items or question order.

Measurements of variables

The survey consists of two parts. The first group of questions concerns the basic personal information of respondents. The second part includes 21 questions representing 4 factors (Table 1) and uses a 5-level Likert scale. The scale for the four factors was taken from

previous studies and used in designing the questionnaire. In particular, the scale for measuring digital transformation variables is based on the research of Masoud and Basahel (2023), digital innovation is taken from the research of Khin and Ho (2019), firm performance is taken from the research of Masoud and Basahel (2023), CSR for customers is taken from the research of Liu et al. (2020).

Table 1. Scale of variables in the research model

Construct	Code	Item	Sources
Digital transformation (TRAN)	**TRAN1**	The management of our business is knowledgeable about the tools used for digital transformation.	Masoud and Basahel (2023)
	TRAN2	Our company's management has a distinct vision for how it will use digital transformation in the future.	
	TRAN3	The management of our company is in favor of using digital transformation.	
	TRAN4	Our company's operations now heavily rely on digital transformation.	
	TRAN5	Our business is naturally undergoing digital transformation.	
	TRAN6	The digital transformation benefits our company.	
Digital innovation (INNO)	**INNO1**	In comparison to our competitors, the quality of our digital solutions is higher.	Khin and Ho (2019)
	INNO2	Compared to our competitors' offerings, the features of our digital solutions are superior.	
	INNO3	Our digital solutions' applications are completely distinct from those of our rivals'.	
	INNO4	Our digital solutions' product platforms set us apart from our rivals.	
	INNO5	Our latest digital innovations are only slight upgrades to current goods.	
	INNO6	At the time of their launch, some of our digital solutions were unheard of.	
Firm performance (PERF)	**PERF1**	In comparison to major competitors, our product or service is competitive.	Masoud and Basahel (2023)
	PERF2	Compared to major competitors, our customer retention rate is competitive.	
	PERF3	Our growth in profitability is comparable to that of our top rivals.	
	PERF4	Comparing us to our main rivals, our market share is competitive.	
CSR for the customer (CSRC)	**CSRC1**	Our business creates procedures to address customer complaints.	Liu et al. (2020)
	CSRC2	Customers are treated honestly by our business.	
	CSRC3	Customers can receive complete information about our company's goods and services from our employees.	
	CSRC4	Customers' satisfaction with our products and services is a key performance indicator for our business.	
	CSRC5	Our business tries to understand the needs of the customers.	

Statistical data analysis

The goal of this research is to understand the impact of digital transformation on firm performance under the mediated impact of digital innovation and the moderator of CSR for

customers. In order to better understand the target variable, firm performance, this research will examine the relationships between the model's variables. Therefore, using the PLS-SEM method is most appropriate (Hair et al., 2014). The author used SmartPLS 4.0 software to process the data. The measurement model and the structural model are the two stages in the evaluation process of the model.

Evaluate the measurement model

According to research by Ringle and Sarstedt (2016), the reliability and validity of each item must be assessed, as well as the factor loadings. A measure is considered reliable when it gives consistent results and the value must be equal to or greater than 0.7 for each item's loading.

Additionally, for composite reliability, Cronbach's Alpha values should be between 0.6 and 0.9. Furthermore, convergent validity is the degree to which the new scale relates to other variables and measures of a construct. The average variance extracted (AVE) is a popular measure for establishing convergent validity. An AVE value greater than 0.5 indicates that the construct explains more than half of the item's variation. To evaluate the discriminant validity of the model, cross loadings and HTMT criteria were calculated.

Evaluate the structural model

The model is evaluated by calculating the degree of difference between the dependent variables. Path coefficients and coefficients of determination are the basic measures used to estimate the structural model. In particular, the path coefficient describes the strength of the relationship between an independent variable and a dependent variable. The coefficient of determination is a statistic that shows the proportion of the variation for a dependent variable that is explained by an independent variable or variables in a regression model. This coefficient describes how much variation in one variable explains the variance in the other variable. Additionally, the multicollinearity phenomenon of the model is verified using the VIF coefficient (Hair et al., 2016).

Research results

Measurement model evaluation

Composite Reliability and Cronbach's Alpha were used to evaluate scale reliability (Hair et al., 2011). The results in Table 2 show that all scales have values higher than the recommended 0.6 (Hair et al., 2011). Average Variance Extracted (AVE) and Outer Loading were used to evaluate the scales for convergent validity. The results show that all scales are higher than 0.5 (Hair et al., 2011). Additionally, all of the correlations between the variables are outperformed by the square root of the AVE for each latent variable (Table 3). The outcome guarantees discriminant validity (Fornell & Larcker, 1981).

Table 2. Results of scale evaluation

Variable	Item	Outer Loading	CR	Cronbach's alpha	AVE
Digital transformation (TRAN)	TRAN1	0.811	0.907	0.907	0.684
	TRAN2	0.841			
	TRAN3	0.868			
	TRAN4	0.860			
	TRAN5	0.850			
	TRAN6	0.724			
Digital innovation (INNO)	INNO1	0.882	0.925	0.923	0.726
	INNO2	0.874			
	INNO3	0.865			
	INNO4	0.869			
	INNO5	0.887			
	INNO6	0.725			
Firm performance (PERF)	PERF1	0.779	0.769	0.767	0.589
	PERF2	0.728			
	PERF3	0.810			
	PERF4	0.750			
CSR for the customer (CSRC)	CSRC1	0.750	0.870	0.865	0.650
	CSRC2	0.829			
	CSRC3	0.858			
	CSRC4	0.805			
	CSRC5	0.785			

Source: Author's estimation.

Table 3. Discriminant validity Fornell-Larcker criterion

	CSRC	INNO	PERF	TRAN
CSRC	**0.445**			
INNO	0.344	**0.380**		
PERF	0.521	0.478	**0.301**	
TRAN	0.351	0.332	0.062	**0.573**

Source: Author's estimation.

Results of structural model evaluation

To test the multicollinearity phenomenon of the model, the VIF index was used. The results show that the VIF coefficients of all variables have values less than 3, indicating that there is no multicollinearity phenomenon.

Table 4. Paths analysis results

Paths	β-Value	S.D	t-value	p-value	f^2
CSRC -> INNO	0.241	0.039	6.188	0.000	
CSRC -> PERF	0.062	0.016	4.058	0.000	
INNO -> PERF	0.259	0.033	6.414	0.000	
TRAN -> INNO	0.279	0.047	5.983	0.000	0.060
TRAN -> PERF	0.212	0.018	6.069	0.000	0.063
CSRC x TRAN -> INNO	0.049	0.023	2.144	0.032	
CSRC x TRAN -> PERF	0.016	0.008	2.089	0.038	

Source: Author's estimation.

Table 4 results show that all hypotheses are accepted. Regarding the direct impact, the results show that CSRC has a significant influence on INNO with path coefficient β = 0.241, p = 0.000. CSRC has a positive and significant impact on PERF with β = 0.062, p = 0.000. INNO has a positive effect on PERF, β = 0.259, p = 0.000. TRAN has a positive effect on INNO, β = 0.279, p = 0.000. TRAN has a positive effect on PERF, β = 0.212, p = 0.000.

In addition, the results also show that CSRC has a moderating effect on the relationship of TRAN with INNO, β = 0.049, p = 0.000. CSRC also has a moderating effect on the relationship of TRAN with PERF, β = 0.016, p = 0.000 (Figure 2).

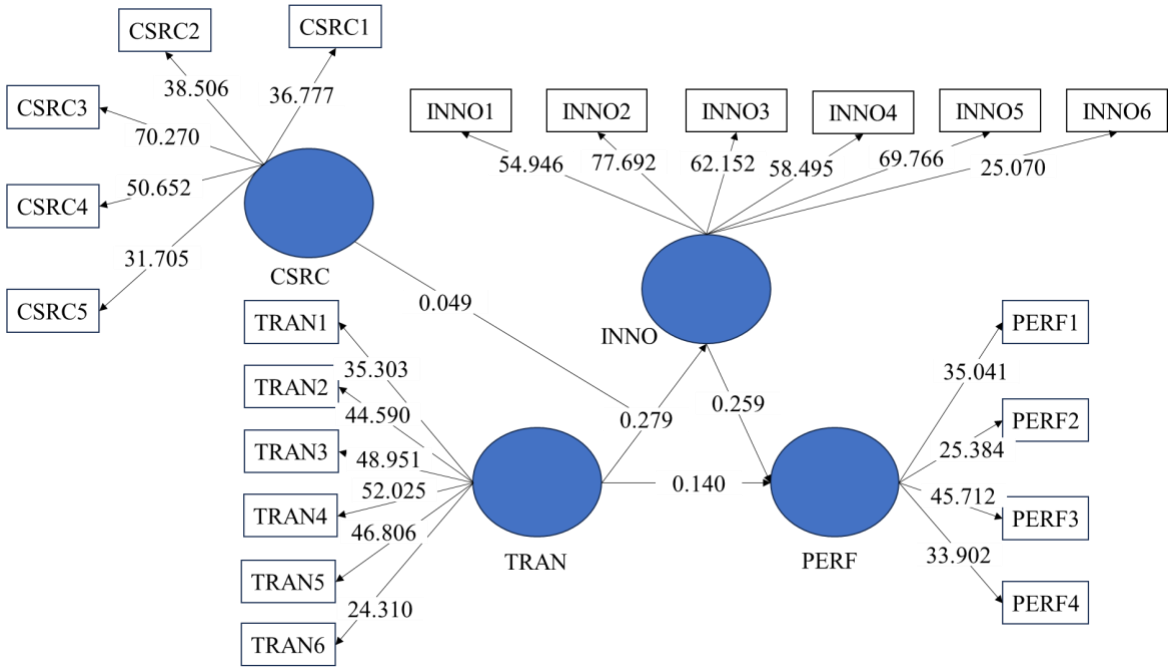


Figure 2. Results of structural model analysis

Source: Author's estimation.

Discussion

Research results show that digital transformation has a positive effect on firm performance. As small and medium-sized enterprises in Vietnam increase digital transformation activities, firm performance increases. This explains that when businesses have a clear strategy for digital transformation, consider it an important activity, and even become familiar with digital transformation, it will help businesses save costs, increase profits, and increase competitiveness. Compared with previous studies, the results of this study have similarities. Previous studies suggest that digital transformation helps businesses quickly adapt to market and customer requirements and improve internal management efficiency. It also helps businesses create sustainable competitive advantages (Masoud & Basahel, 2023; Chen et al., 2023; Appio et al., 2021; Sumarliah & Al-hakeem, 2023).

Research results also show that digital transformation has a positive and significant impact on digital innovation. There are certain similarities between research findings from earlier studies and Vietnamese small and medium-sized businesses. Stemming from the

motive of increasing firm performance, businesses increase digital transformation to promote innovation (Li & Fei, 2023; Appio et al., 2021; Juhász et al., 2022; Khin & Ho, 2019). When businesses increase their digital transformation activities, their digital innovation also increases. Digital transformation activities help businesses improve products and create new applications and utilities for businesses.

The findings also demonstrate how important and positive effects of digital transformation on firm performance are mediated by digital innovation. The effect of digital innovation is to encourage the beneficial effects of digital transformation on business performance. The findings also support the idea that CSR for customers has a moderating impact on the link between digital transformation and firm performance. Digital innovation is based on consumer feedback, is intended to benefit consumers, and aims to enhance the goods and services offered while altering the firm performance of the business. This result is similar to previous studies (Masoud & Basahel, 2023; Wang & Yan, 2023).

This study contributes by elucidating the effect of digital transformation on firm performance in small and medium-sized enterprises in Vietnam, a developing nation where a significant portion of businesses are SMEs. The impact of digital transformation on enhancing business performance through technological advancements has been proven by research. Additionally, CSR for customers of businesses affects how effectively digital applications are used to enhance business performance outcomes. These results contribute to the topic's research's increased diversity. The study's findings also give Vietnamese small and medium-sized businesses a foundation for implementing digital transformation initiatives that prioritize customer responsibility.

Conclusion, recommendations and limitations

Conclusion

Digital transformation has a positive and significant impact on firm performance and digital innovation. Innovation is confirmed to have a mediating role in the impact of digital transformation on firm performance. In addition, research has also confirmed the moderating role of CSR for customers.

The research's findings, when combined, significantly advance the fields of management and strategy development. The findings validate the significance of taking digital transformation into account in business and the critical role that digital innovation and corporate social responsibility for customer play in enhancing firm performance. This outcome gives managers a strong foundation on which to develop strategies and policies that center on CSR for customer, digital innovation, and digital transformation.

At the same time, the results also pose a number of challenges and opportunities for businesses. Developing precise and efficient digital transformation and CSR policies can boost customer satisfaction, generate competitive advantage, and ultimately enhance overall firm performance. Simultaneously, fostering digital transformation and CSR is crucial for generating long-term value and stimulating company expansion. However, considerable thought and adaptation to the particular business context are needed in order to put this research's findings into practice. Enterprises ought to take into account cultural, regional, and financial aspects to guarantee the adaptability and efficiency of relevant regulations and guidelines.

Recommendations

The performance of businesses is positively and significantly impacted by digital transformation. Promoting digital transformation in businesses is a crucial step toward enhancing customer experience and productivity. The entire organization must be committed to and put forth effort in the complex process of digital transformation. But when done properly, it can be very advantageous for businesses. It is essential to support digital transformation initiatives and have clear action plans to improve business performance:

- Establish digital transformation goals: Begin by stating the business's digital transformation goals in clear terms. This might involve speeding up the automation of processes, enhancing the customer experience, or developing brand-new digitally-based goods and services.
- Analyze the business's current processes to spot areas where digital technology can be improved. This might entail streamlining procedures, automating tedious tasks, and cutting down on paperwork.
- Invest in new technologies like artificial intelligence (AI), machine learning, the Internet of Things (IoT), and blockchain to create value and enhance processes.
- Create a digital culture by making sure that everyone in the company is aware of and supportive of the digital transformation. Training staff members and encouraging a digital mindset at work are necessary for this.
- Data protection and security: Because digital transformation often involves processing and storing critical data, it is important to ensure security and compliance with data security regulations.
- Collaboration and partnerships: Seek out technology partners or other companies with expertise in areas related to digital transformation to leverage their knowledge and skills.
- Monitor and evaluate: Set performance indicators (KPIs) to track digital transformation progress and ensure that it is delivering real value to the business.

The findings also demonstrate that digital innovation is positively and significantly impacted by digital transformation. It has also been established that digital innovation acts as a bridge in this relationship. Businesses develop suitable digital innovation strategies based on their digital transformation strategies. The digital transformation process is ongoing; it is not a one-time project. To maintain growth, always look for fresh chances for innovation and creativity. The innovation process must be customer-centered and take into account how digital technology, including online services, payment methods, and customer care, can enhance the customer experience.

The research results also identify the moderating impact of CSR on customers. These activities can change the impact of Digital Transformation on firm performance. Therefore, businesses need to pay more attention to CSR activities for customers. To promote these activities, businesses can take the following measures:

- Determine the value and goals of social responsibility: Enterprises need to identify their core values and long-term goals in implementing social responsibility. This includes considering how every activity and decision of the business can positively affect customers.

- Develop a social responsibility strategy: establish a clear and detailed social responsibility strategy. This includes defining the area of operation, specific goals, and how to measure performance.
- Promote ethical and ethical standards within the organization: Ensure that the entire organization adheres to ethical standards, creating a socially responsible work environment.
- Apply technology: Use technology to improve processes, optimize resources, and create products and services that benefit customers.
- Share information and interact with customers: create opportunities to interact with customers and listen to their opinions about corporate social responsibility activities. Provides open information about social responsibility projects and progress.
- Measuring and reporting results: To track progress and ensure the effectiveness of social responsibility activities, businesses need to establish a system for measuring and reporting performance results.

By implementing these measures, businesses can promote social responsibility activities, create value for customers, and sustainably maintain operational efficiency.

Limitations

The study has contributed with important research results. However, the research only focuses on small and medium-sized enterprises in Vietnam. This may affect the applicability of the results to other economic contexts. Therefore, the author suggests that future research should expand the scope of the study to include many different economic contexts, to increase the diversity and applicability of the results. This study uses a quantitative approach as the main method, but it is possible to consider using different research methods or a combination of methods to increase the diversity of research approaches. By doing so, the researched problem will be seen from a wider perspective.

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