

ABSTRACT

By 2024, 30 million Go Digital Micro, Small, and Medium-Sized Enterprises (MSMEs) are the goal set by the Indonesian government. E-wallets can be used as a digital payment mechanism for MSMEs, and this is just one approach of digitalization. A smaller area saw a decline in sales for MSMEs in Garut Regency during the COVID-19 pandemic due to a lack of awareness about digitalization. In response, the Garut Regency Government and Bank Indonesia implemented a digitalization program to address the issue with payments. On the other hand, information about the program's impact is lacking. Thus, the purpose of this study is to ascertain how e-wallets impact MSMEs operating in the Garut Regency's culinary industry. Purposively selected as respondents are one hundred MSME culinary actors. This study employs quantitative approaches with a causal descriptive approach and runs multiple linear regression analysis using the Simultaneous Hypothesis Test and Partial Hypothesis Test. It also does classical assumption tests, such as the Normality Test, Multicollinearity Test, and Heteroscedasticity Test. This study demonstrates that e-wallets have a positive and noteworthy impact of 44.8 percent on the business performance of MSMEs in the culinary industry in Garut Regency. Moreover, the culinary MSMEs' business performance in Garut Regency is positively and significantly impacted by only one dimension of e-wallet, Business Resources. However, the culinary MSMEs' business performance in Garut Regency is positively but insignificantly impacted by five other dimensions: Awareness, Human Resources, Technology Resources, Commitment, and Governance. It is recommended to investigate the considerable disparities in the impact of e-wallet aspects on business performance.

Keywords: E-wallet, Business Performance, MSMEs, Culinary Sector, Garut Regency