

ABSTRACT

This study focuses on developing a digital strategy framework to help MSMEs in Indonesia strengthen their sales ecosystem, especially in the context of digitalization and the industrial era 5.0, specifically in the VUCA (Volatility, Uncertainty, Complexity, and Ambiguity) era. The main challenge faced by MSMEs is value disruption which has reduced sales figures. Although several business frameworks such as the Business Model Canvas (BMC) have been implemented, this Framework needs to be adjusted to be more relevant to the specific needs of MSMEs in Indonesia. Of course, it is necessary to design an appropriate framework and measure results that are iterative. This study uses a qualitative method with a constructive ground theory approach through observation and interviews to understand the basic needs of MSMEs. The proposed framework, namely the Digital Innovation Business Model Canvas (DI-BMC), is designed flexibly and iteratively, allowing MSMEs to evaluate and change strategies periodically. This framework is not only useful for initial business planning, but also as a tool for developing sustainable strategies. The results of this study are expected to provide solutions in dealing with digital disruption and help MSMEs take advantage of opportunities in various sectors such as trade, industry, and education. The results of the study were evaluated using expert judgment and self-evaluation results so that they can strengthen the measurement of strategy in business. The results of this study are explained in the results of the DI-BMC design showing the results of the instrument and measurement of the strategy. This strategy is expected to be able to increase the competitiveness and productivity of MSMEs in Indonesia.

Keywords: *Business Framework, DI-BMC, SMEs*