

ABSTRACT

This study explores the role of women entrepreneurs in promoting sustainable innovation in the digital era in Micro, Small, and Medium Enterprises (MSMEs) in Jakarta. The study investigates their perceptions of sustainable innovation, the challenges they face, and the role of digital technology in supporting business sustainability in the rapidly digitalizing MSME landscape.

Using a qualitative approach, data were collected through in-depth interviews with women entrepreneurs in Jakarta. The study findings reveal that MSMEs, which are predominantly managed by women, play a significant role in regional economic growth, encompassing 1,151,080 business units. Key sectors include wholesale and retail trade (36.63%), accommodation and food services (29.52%), manufacturing (8.16%), and transportation (6.73%).

Despite challenges such as limited access to capital, the digital divide, gender stereotypes, and lack of skilled human resources, women entrepreneurs demonstrate significant ability to adapt by leveraging digital technologies such as social media, e-commerce, and fintech. These tools enable market expansion, operational efficiency, and the development of innovative products and services.

This study highlights that sustainable innovation is a critical strategy to enhance the resilience of MSMEs in the digital era. This study contributes to the academic discourse on entrepreneurship and innovation while offering actionable recommendations for governments, academics, and women entrepreneurs. Strengthening the synergy between digitalization and sustainable innovation is critical to drive inclusive economic growth and increase women's participation in the digital economy.

Keywords: *Women Entrepreneurs, Sustainable Innovation, Digitalization, MSMEs.*