

The Influence of Motivation, Creativity, and Digital Literacy on Gen Z MSMEs Success in West Kalimantan.

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ABSTRACT

This study aims to examine the influence of entrepreneurial motivation, creativity, and digital literacy on the success of Micro, Small, and Medium Enterprises (MSMEs) managed by Generation Z in West Kalimantan. Generation Z, born and raised in the digital era, possesses unique characteristics in business management, particularly in terms of mindset and technology adoption. This research adopts a quantitative approach with a causal associative design. A total of 100 MSME actors were selected using purposive sampling, with criteria including Generation Z individuals who have operated their businesses for a minimum of six months. The research instrument used was a structured questionnaire developed based on indicators for each variable. The data were analyzed using multiple linear regression with the help of SPSS 27 software. This study is expected to contribute both theoretically and practically to the development of youth-based entrepreneurship and serve as a reference for policymaking in strengthening MSME capacity in the digital era. The main focus of the research is to identify how internal entrepreneurial factors such as motivation and creativity, along with digital readiness, support business success among Generation Z entrepreneurs.

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1. INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) play a pivotal role in the national economy, serving as a vital engine for employment, income distribution, and regional economic development. In Indonesia, MSMEs contribute approximately 61.1% to the national Gross Domestic Product and absorb over 97% of the labor force (Ministry of Cooperatives and SMEs, 2023). In West Kalimantan specifically, MSMEs constitute a significant economic pillar, with 164,364 registered units spread across the province as of early 2024 (DiskopUKM Kalbar, 2024). The majority of these businesses operate in the wholesale and retail trade sector, which accounts for 54.04% of total MSMEs, reflecting strong community engagement in entrepreneurship and a direct response to household-level consumer needs.

Alongside this structural role, there has been a growing involvement of Generation Z those born between 1997 and 2012 in entrepreneurial activity. Characterized by their digital nativeness, high adaptability, and strong desire for financial independence, Gen Z is increasingly seeking alternative career paths outside traditional employment. According to Deloitte Southeast Asia (2023), 49% of Gen Z respondents in ASEAN expressed interest in starting their own businesses within the next five years, with a strong inclination toward digital platforms such as social media, e-commerce, and online marketplaces. In West Kalimantan, this trend is evident in the proliferation of youth-driven businesses in areas like Pontianak, Kubu Raya, and Singkawang, where digital-savvy young entrepreneurs have launched ventures ranging from fashion retail and creative services to culinary enterprises, primarily using digital platforms for promotion and customer engagement.

While various studies have explored individual factors such as entrepreneurial motivation (Dewi & Devi, 2024), creativity (Nurbadillah et al., 2025), and digital literacy (Farhan et al., 2022) in the context of business success, most of these studies have examined the variables separately rather than as an integrated framework. Previous research indicates that entrepreneurial motivation encourages business owners to persist in facing challenges, take calculated risks, and maintain business sustainability, which ultimately contributes to MSMEs success (Heriberta et al., 2024; Dewi & Devi, 2024). Creativity enables entrepreneurs to develop innovative products, create differentiation, and respond effectively to changing market demands, thereby improving business performance and competitiveness (Nurbadillah et

al., 2025). Likewise, digital literacy supports business growth by expanding access to digital markets, improving operational efficiency, and facilitating the adoption of digital technologies in business activities (Farhan et al., 2022). However, despite the acknowledged importance of these factors, existing studies have largely focused on their independent effects and rarely examined their simultaneous influence on MSMEs success, particularly among Generation Z entrepreneurs. Furthermore, empirical evidence from less-urbanized regions such as West Kalimantan remains limited, as most previous studies have been conducted in urban and economically developed areas. This creates a research gap regarding how entrepreneurial motivation, creativity, and digital literacy collectively contribute to the success of Generation Z-owned MSMEs within a regional context characterized by varying levels of digital readiness and business development.

This research seeks to fill that gap by comprehensively examining the simultaneous influence of three critical variables entrepreneurial motivation, creativity, and digital literacy on the success of MSMEs operated by Generation Z in West Kalimantan. By focusing on a specific generational cohort in a region with unique digital and economic characteristics, this study offers new insights into the intersection between psychological, creative, and technological competencies in youth-led entrepreneurship. The findings are expected to contribute both theoretically and practically to the discourse on MSMEs development, particularly in shaping youth-focused entrepreneurship policies, training programs, and digital empowerment strategies that are contextually grounded and future-oriented.

2. LITERATURE REVIEW

2.1 Theory of Planned Behavior (TPB)

The theoretical foundation of this study is based on the Theory of Planned Behavior (TPB) proposed by Ajzen (1991), which explains that individual behavior is driven by behavioral intentions formed through attitudes, subjective norms, and perceived behavioral control. In the context of entrepreneurship, entrepreneurial motivation reflects an individual's positive attitude toward business activities and serves as an internal drive to initiate and sustain entrepreneurial efforts (Dewi & Devi, 2024). Creativity represents an entrepreneur's ability to generate innovative ideas, develop unique products, and create value that enhances business competitiveness (Nurbadillah et al., 2025). Meanwhile, digital literacy reflects the capability to effectively access, understand, and utilize digital technologies for business activities, including marketing, communication, and decision-making processes (Farhan et al., 2022). MSME success is reflected not only through financial performance but also through business sustainability, adaptability, and competitiveness in a dynamic business environment (Zimmerer et al., 2020). Therefore, integrating entrepreneurial motivation, creativity, digital literacy, and MSMEs success within the TPB framework provides a comprehensive perspective for understanding the factors influencing the success of Generation Z entrepreneurs in West Kalimantan.

2.2 Hypothesis Development

2.2.1 The Influence of Entrepreneurial Motivation on MSMEs Success

A study conducted by Dewi & Devi (2024) found that entrepreneurial motivation has a positive and significant influence on the success of micro and small enterprises. Entrepreneurs with strong motivation tend to be more persistent, have a clear vision, and are more capable of taking risks and enduring business challenges. This aligns with the Theory of Planned Behavior (Ajzen, 2020), which asserts that an individual's attitude toward a behavior such as the desire to become an entrepreneur greatly influences their behavioral intention and subsequent action. Strong entrepreneurial motivation reflects a positive attitude toward entrepreneurial activity and forms a critical foundation for business intent. Similarly, Lestari and Sari (2021) emphasized that the motivation for financial independence and personal development is a key driver for young individuals to initiate and manage their own businesses. Furthermore, highly motivated entrepreneurs are more resilient in the face of challenges, increasing their likelihood of achieving business success. Based on these considerations, the following hypothesis is proposed:

H1: Entrepreneurial motivation has a positive and significant effect on the success of MSMEs managed by Generation Z in West Kalimantan.

2.2.2 The Influence of Creativity on MSMEs Success

Creativity plays a vital role in developing unique products and business strategies. According to Amabile and Pratt (2016), creativity is a driving force behind innovation, which is essential in a competitive and dynamic business environment. Raharja et al. (2021) found that entrepreneurs with high levels of creativity can create added value for their businesses, which in turn improves overall performance. A study by Nurbadillah et al. (2025) also showed that creativity among younger generations, including Gen Z, drives them to build strong brand identities, differentiate their products, and adopt more engaging marketing strategies. In this context, creativity becomes a source of competitive advantage in responding to rapidly changing markets, particularly within digital environments. Therefore, the hypothesis proposed is:

H2: Creativity has a positive and significant effect on the success of MSMEs managed by Generation Z in West Kalimantan.

2.2.3 The Influence of Digital Literacy on MSMEs Success

In today's digital era, digital literacy has become a critical prerequisite for business success, especially for online-based enterprises. According to UNESCO (2019), digital literacy encompasses not only technical skills but also critical understanding, ethics, and data-driven decision-making. (Farhan et al., 2022) emphasized that young MSMEs actors with high digital literacy are more capable of expanding market reach, improving customer engagement, and streamlining operations. In line with this, Santosa (2020) found that the effective use of social media and e-commerce platforms by MSMEs can significantly increase revenue, strengthen customer relationships, and enhance brand visibility in digital markets. Based on this review, the following hypothesis is proposed:

H3: Digital literacy has a positive and significant effect on the success of MSMEs managed by Generation Z in West Kalimantan.

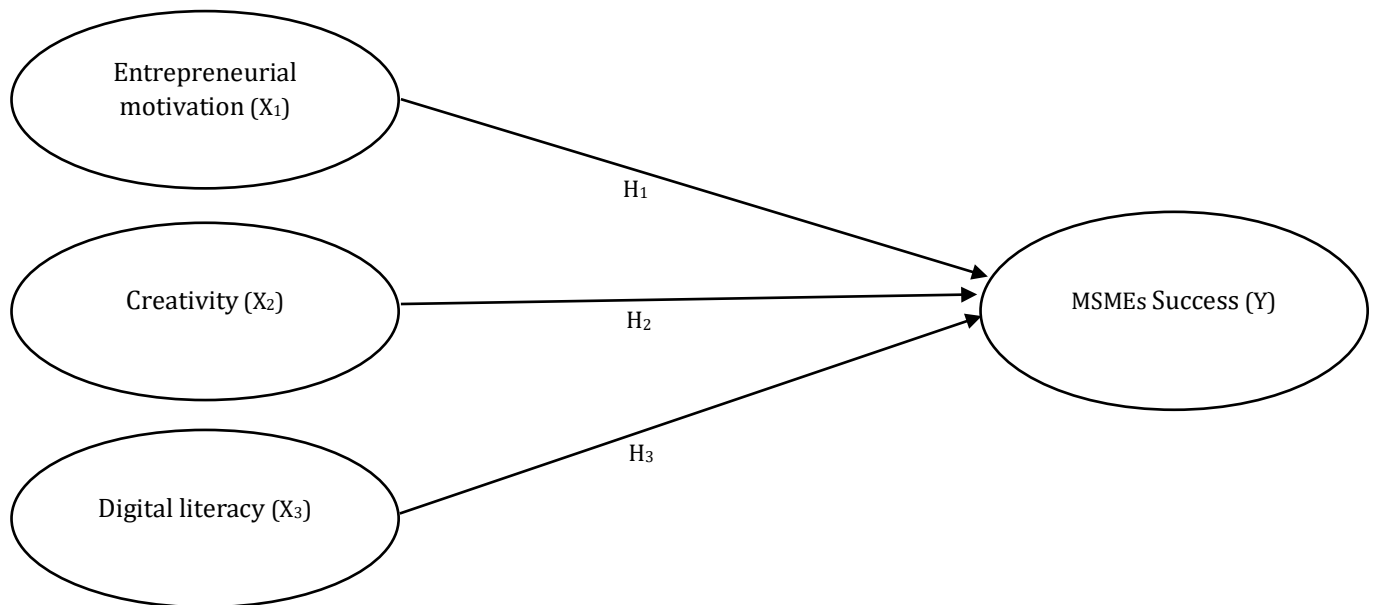


Figure 1: Research Model

3. METHODOLOGY

3.1 Research Design

This research employs a quantitative approach with a causal associative design, which aims to determine the effect of independent variables entrepreneurial motivation, creativity, and digital literacy on the dependent variable, MSME success. Quantitative methods are appropriate for hypothesis testing using numerical data, allowing statistical generalization (Sugiyono, 2021). The study is explanatory in nature, as it seeks to explain the causal relationships between variables using empirical evidence. Multiple linear regression analysis was used as the main technique to assess the influence of each variable on business success among Generation Z entrepreneurs in West Kalimantan.

3.2 Data Collection Method

Primary data were collected through the distribution of a structured questionnaire to 100 respondents selected using purposive sampling. This technique was chosen based on specific criteria: (1) respondents must be Generation Z (aged 18-27), (2) actively manage an MSME in West Kalimantan, (3) have operated their business for a minimum of six months, and (4) utilize digital tools such as social media or e-commerce platforms. The total sample size was determined using Slovin's formula with a 10% margin of error, ensuring representativeness and feasibility. This formula is commonly used in social science research when the exact population size is known but limited time or resources prevent complete enumeration (Ghozali, 2018).

3.3 Research Instrument

The instrument used in this study was a closed-ended questionnaire consisting of Likert-scale items ranging from 1 (strongly disagree) to 5 (strongly agree). The measurement indicators were adapted from validated constructs in previous studies. Entrepreneurial motivation was measured through indicators such as the desire for business independence, achievement orientation, willingness to take risks, and persistence in running a business (Dewi & Devi, 2024). Creativity was assessed through the ability to generate new ideas, develop innovative products or services, solve business problems creatively, and adapt to market changes (Nurbadillah et al., 2025). Digital literacy was measured by indicators including the ability to access digital information, utilize social media and digital platforms, evaluate online information critically, and apply digital tools for business activities (Farhan et al., 2022). Meanwhile, MSME success was

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measured through indicators such as business growth, sales performance, customer satisfaction, profitability, and business sustainability.

The questionnaire was divided into four sections, each representing one research variable. Before data analysis, the instrument underwent validity and reliability testing. Items with a corrected item-total correlation above 0.195 and Cronbach's alpha above 0.70 were considered valid and reliable (Hair et al., 2022). This procedure ensured that the instrument accurately and consistently measured the intended constructs relevant to the behavior and performance of Generation Z entrepreneurs in the digital era.

4. RESULTS

4.1 Demographic Characteristics

This study involved 100 respondents consisting of Micro, Small, and Medium Enterprise (MSME) actors from Generation Z and other age groups in West Kalimantan. Based on the respondent profile, it can be concluded that the majority of MSME actors in this study belong to Generation Z, with 58% being under the age of 25, and the majority being female (54%). Most of the respondents are early-stage entrepreneurs, with 40% having run their businesses for less than one year. The most common business sector is food and beverage (37%), followed by services (26%), fashion (25%), and handicrafts (12%). These characteristics indicate that MSMEs managed by young entrepreneurs, particularly those from Generation Z, have strong potential for growth in creativity-based and digitally driven enterprises, although they are still in the early stages of business developme.

Tabel 1. Demographic Characteristics

Category	Description	Frequency	Percentage
Gender	Male	46	46%
	Female	54	54%
	Total	100	100%
Age	< 25 Years	58	58%
	25 – 39 Years	35	35%
	40 – 54 Years	6	6%
	> 55 Years	1	1%
	Total	100	100%
	< 1 Year	40	40%
Length of Running Business	1 – 3 Years	34	34%
	3 – 5 Years	17	17%
	> 5 Years	9	9%
	Total	100	100%
	Food/Beverages	37	37%
Business Sector	Fashion	25	25%
	Handicrafts	12	12%
	Services	26	26%
	Total	100	100%

Source: Data Processing, 2025

4.2 Validity and Reliability

To ensure that the instrument used in this study was both accurate and consistent in measuring each research variable, a validity and reliability test was conducted. The validity test was performed using the Corrected Item-Total Correlation method, where each item is considered valid if it exceeds the minimum threshold of $r > 0.195$ (based on $df = n-2$, $\alpha = 0.05$).

Tabel 2. Validity and Reliability

Variable	Items	Correlation	Cronbach's Alpha
Entrepreneurial motivation	MK.1	0.517	0.881
	MK.2	0.572	0.880
	MK.3	0.450	0.883
	MK.4	0.498	0.882
	MK.5	0.581	0.879
Creativity	KR.1	0.526	0.881
	KR.2	0.569	0.880
	KR.3	0.487	0.882
	KR.4	0.526	0.881
	KR.5	0.552	0.880
Digital Literacy	LD.1	0.269	0.888
	LD.2	0.412	0.884
	LD.3	0.379	0.885
	LD.4	0.531	0.881

MSMEs Success	LD.5	0.384	0.885
	KU.1	0.526	0.881
	KU.2	0.527	0.881
	KU.3	0.591	0.879
	KU.4	0.596	0.879
	KU.5	0.483	0.882

Noted: Valid if the Corrected Item-Total > 1.95; Data is reliable if Cronbach's Alpha > 0.7; Independent Variables: Entrepreneurial Motivation, Creativity, Digital Literacy; Dependent Variable: MSMEs Success.

The results showed that all items for each variable entrepreneurial motivation, creativity, digital literacy, and MSME success had corrected item-total correlation values above 0.195. This indicates that all items are statistically valid and capable of measuring the intended constructs. Meanwhile, the reliability test was carried out using the Cronbach's Alpha coefficient, where a score of $\alpha > 0.70$ indicates that the instrument has good internal consistency. The results demonstrated that the entrepreneurial motivation variable had a Cronbach's Alpha of 0.881, creativity scored 0.880, digital literacy reached 0.888, and MSME success achieved 0.879. These results confirm that all research instruments are reliable and consistently measure their respective variables. These findings support previous methodological standards (Ghozali, 2018; Nunnally & Bernstein, 2019), which emphasize the importance of using valid and reliable instruments to obtain trustworthy research outcomes. Therefore, the instrument used in this study can be declared both valid and reliable.

4.3 Classical Assumption

4.3.1 Normality Test

The normality test aims to determine whether the residuals in the regression model are normally distributed. The test was conducted using the One-Sample Kolmogorov-Smirnov Test on the unstandardized residuals. Based on the output table, the Asymp. Sig. (2-tailed) value is 0.052, which is greater than the significance level of 0.05. This indicates that the residuals are normally distributed, as the condition is fulfilled. If the significance value (p-value) is greater than 0.05, the data is considered to be normally distributed. Therefore, it can be concluded that the assumption of normality is met, and the regression model is appropriate for further analysis.

Table 3. One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		100
Normal Parameters ^{a,b}	Mean	0.000000
	Std. Deviation	0.49093606
Most Extreme Differences	Absolute	0.088
	Positive	0.051
	Negative	-0.088
Test Statistic		0.088
Asymp. Sig. (2-tailed) ^c		0.052

Source: Data Processing, 2025

4.3.2 Multicollinearity Test

The multicollinearity test is conducted to determine whether there is a correlation among the independent variables in the regression model. One method for detecting multicollinearity is by examining the Tolerance and Variance Inflation Factor (VIF) values; however, other indicators such as partial and part correlations can also serve as preliminary references. Based on the results, all variables have Tolerance values greater than 0.10 and VIF values less than 10. This indicates that there is no multicollinearity in the regression model. Therefore, all independent variables are free from multicollinearity issues and can be used simultaneously in the regression model to test their influence on the success of MSMEs.

Table 4. Linear Regression Analysis Output

Model	Unstandardized Coefficients		Standardized Coefficients		t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta				Tolerance	VIF
1 (Constant)	0.946	0.479			1.975	0.051		
Entrepreneurial motivation	0.314	0.105	0.304		2.979	0.004	0.638	1.568
Creativity	0.395	0.112	0.359		3.510	0.001	0.633	1.580
Digital Literacy	0.034	0.096	0.031		0.354	0.724	0.849	1.178

Source: Data Processing, 2025

4.3.3 Autocorrelation Test

The autocorrelation test aims to determine whether there is a correlation between the residuals of one observation and those of another within the regression model. One commonly used method to detect autocorrelation is by examining

the Durbin-Watson (DW) value. Based on the SPSS 27 output shown in the Model Summary table (5), the Durbin-Watson value is 1.573. Since this value falls between 1.5 and 2.5, it can be concluded that there is no autocorrelation present in the regression model used.

Table 5. Durbin-Watson Test Output

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.603 ^a	0.364	0.344	0.49855	1.573

Source: Data Processing, 2025

4.3.4 Heteroscedasticity Test

The heteroscedasticity test aims to determine whether there is an unequal variance of residuals in the regression model. One method used is the Glejser test, which involves regressing the absolute values of residuals on the independent variables. Based on the results shown in the table (6), the significance values indicate that there is a sign of heteroscedasticity in the entrepreneurial motivation variable, as its significance value is less than 0.05. Meanwhile, the creativity and digital literacy variables do not show symptoms of heteroscedasticity, as their significance values are greater than 0.05. However, because only one independent variable indicates heteroscedasticity while the others do not, the deviation is considered limited. According to Hair et al. (2022), minor violations of regression assumptions do not necessarily invalidate the model, particularly when the sample size is adequate and the results are interpreted with caution. Therefore, the regression model in this study can still be used for further analysis, although the potential impact of heteroscedasticity should be acknowledged and discussed when interpreting the findings.

Table 6. Linear Regression Analysis of Residuals Output

Model	Standardized Coefficients		t	Sig.
	Beta			
1	(Constant)		2.096	0.039
	Entrepreneurial motivation	0.263	2.125	0.036
	Creativity	-0.212	-1.705	0.091
	Digital Literacy	-0.125	-1.160	0.249

a. Dependent Variable: Abs_RES

Source: Data Processing, 2025

4.4 Hypotheses Test

4.4.1 F-Test

The F-test is used to determine whether all independent variables simultaneously have a significant effect on the dependent variable. The F-test is conducted to assess the overall significance of a regression model by testing whether all predictor variables jointly influence the dependent variable (Sugiyono, 2020). In this study, the independent variables entrepreneurial motivation, creativity, and digital literacy collectively show a statistically significant influence on the success of MSMEs, as indicated by the significance value ($p < 0.05$). This means that the regression model is feasible for explaining variations in MSME success.

Table 7. Linear Regression Output for F Test

Model		ANOVA ^a				Sig.
		Sum of Squares	df	Mean Square	F	
1	Regression	13.651	3	4.550	18.307	.000 ^b
	Residual	23.861	96	0.249		
	Total	37.512	99			

a. Dependent Variable: MSMEs Success

b. Predictors: (Constant), Digital Literacy, Entrepreneurial motivation, Creativity

Source: Data Processing, 2025

4.4.2 T-Test

The t-test is conducted to determine the partial effect of each independent variable entrepreneurial motivation, creativity, and digital literacy on the dependent variable, which is MSME success. The t-test is used to evaluate the significance of individual predictor variables in a regression model to understand their specific contribution to the outcome (Sugiyono, 2020).

Table 8. Linear Regression Output For T Test

Model		Coefficients ^a		t	Sig.
		Unstandardized	Standardized		
		Coefficients	Coefficients		
1	(Constant)	B	Beta		
		0.946		1.975	0.051

Entrepreneurial motivation	0.314	0.105	0.304	2.979	0.004
Creativity	0.395	0.112	0.359	3.510	0.001
Literasi Digital	0.034	0.096	0.031	0.354	0.724

Source: Data Processing, 2025

The results of this study show that entrepreneurial motivation has a positive and significant effect on MSME success, indicating that the higher the motivation of business actors, the greater the likelihood of business success. Likewise, creativity also demonstrates a positive and significant influence, suggesting that creative entrepreneurs are more capable of adapting and innovating in their business practices. On the other hand, digital literacy does not have a direct significant effect on MSME success. This implies that although MSME actors may possess digital skills, these abilities alone are not sufficient to directly improve business outcomes without the support of other contributing factors.

4.4.3 R² Test

The coefficient of determination (R Square or R²) is used to measure how much of the variation in the dependent variable (MSME success) can be explained by the independent variables (entrepreneurial motivation, creativity, and digital literacy). An R² value of 0.364 indicates that 36.4% of the variation in MSME success can be explained by these three independent variables. Meanwhile, the Adjusted R² value of 0.344 accounts for the number of predictors in the model and the sample size, providing a more conservative estimate of the model's explanatory power, especially when generalized to a larger population. Therefore, it can be concluded that the regression model has an explanatory power of 36.4% toward MSME success, while the remaining 63.6% is influenced by other factors not included in the model.

Table 9. R Square Value

R Square	Adjusted R Square
0.364	0.344

Source: Data Processing, 2025

5. DISCUSSION

This study aims to analyze the extent to which the variables of entrepreneurial motivation, creativity, and digital literacy influence the success of Micro, Small, and Medium Enterprises (MSMEs). The results of the multiple linear regression analysis indicate that these three variables contribute differently to the success of MSMEs, both simultaneously and partially. First, based on the results of the coefficient of determination (R Square), which is 0.364, it can be concluded that 36.4% of the variation in MSME success is explained by the three independent variables: entrepreneurial motivation, creativity, and digital literacy. This suggests that the model has a moderate predictive power, although it does not fully explain MSME success. The remaining 63.6% is influenced by other factors not included in the model, such as managerial skills, marketing strategy, product quality, access to capital, as well as external influences such as government regulations and market conditions. This finding is in line with recent important research by Malesu & Syrovátka (2025) which identifies the characteristics of entrepreneurs including internal skills and financial access as key factors for the success of MSMEs. Second, the F-test conducted through ANOVA analysis shows that the regression model, which consists of the three independent variables, has a significant simultaneous effect on MSME success, with an F value of 18.307 and a significance level below 0.001. This finding provides statistical evidence that the combination of entrepreneurial motivation, creativity, and digital literacy plays an important role in explaining the differences in success among MSME actors. This result supports the research of (Zahra et al. (2024), who found that adaptability, innovation, and internal motivation are essential indicators for building MSME competitiveness in the face of global competition and accelerating digitalization. Furthermore, based on the partial t-test results, not all independent variables in the model have a significant individual effect on MSME success.

The entrepreneurial motivation variable shows a positive and significant influence on MSME success, with a coefficient value of 0.314 and a significance level of 0.004 (< 0.05). This means that the higher the entrepreneurial motivation of MSME actors, the greater the likelihood of business success. Entrepreneurial motivation includes the drive to start a business, the desire for independence, and the resilience to face challenges. This finding is supported by recent studies by Malesu & Syrovátka (2025), which reveal that six dimensions of motivation in micro-entrepreneurs encourage the growth of small businesses that are growth-oriented. In other words, motivation becomes a fundamental force that drives individuals to continue innovating and developing. Additionally, research on female entrepreneurs in Jambi (Heriberta et al., 2024) shows that motivation, including self-confidence and readiness to take risks, significantly affects the success of micro and small enterprises.

The creativity variable also shows a positive and significant effect on MSME success, with a regression coefficient of 0.395 and a significance level of 0.001. This indicates that MSME actors with higher creativity levels tend to be more successful in developing unique products, innovating production processes, and adapting to changing market needs. This aligns with a study by Prabowo et al. (2025) in West Semarang, which found that creativity had a medium but significant effect on MSME success underscoring the importance of creativity in driving product differentiation and market competitiveness. In MSME settings, creativity goes beyond ideas to practical implementation in daily business activities.

In contrast to the two previous variables, digital literacy in this study did not show a significant effect on MSME success. With a significance level of 0.724 (> 0.05) and a regression coefficient of only 0.034, it can be concluded that the digital capabilities of MSME actors have not yet become a key factor in determining business success. Several recent studies help explain this finding. First, a systematic literature review by Hermansyah et al. (2025) stated that the low level of digital literacy remains a major barrier for MSMEs in optimizing the use of digital technology to enhance operational efficiency, market reach, and business innovation. Second, research by Suyanto et al. (2024) showed that although digital transformation can benefit MSMEs in Indonesia, limited technical skills and infrastructure serve as major constraints to effective implementation. Third, the OECD Digital Economy Outlook (2024) highlighted the persistent gap in digital readiness from infrastructure to user competence particularly among micro and small enterprises. This explains why digital literacy has yet to contribute significantly to improving business performance directly. In addition, a study by Efendi et al. (2023) revealed that MSME actors, especially in the culinary sector, still face considerable challenges in accessing digital training, understanding how to strategically use digital media, and recognizing the importance of digital security. Overall, these findings suggest that while digital literacy holds great potential to support MSME development, its impact on business success largely depends on contextual support such as targeted training, adequate digital infrastructure, and government policies that encourage technology-based MSME empowerment.

The insignificance of this variable suggests that, although digital transformation has become a national agenda, its implementation at the MSME level still requires time, training support, infrastructure development, and greater awareness. This aligns with the World Bank (2022) report, which highlights that digital technology adoption among MSMEs in developing countries remains limited, particularly among micro enterprises. Overall, the findings of this study suggest that internal aspects of MSME actors, particularly motivation and creativity, are the dominant factors influencing business success. Therefore, MSME empowerment strategies should focus more on developing human resource capacity through soft skills training, business mentoring, and the creation of entrepreneurial ecosystems that encourage creativity and innovation. Improving digital literacy remains important, but it should be approached contextually and practically, such as through needs-based training and greater access to digital tools and internet connectivity. By integrating motivational and creative aspects with relevant digital capabilities, MSME actors are expected to increase their long-term business success and competitiveness in the growing digital economy.

6. CONCLUSION

This study aims to analyze the influence of entrepreneurial motivation, creativity, and digital literacy on the success of Micro, Small, and Medium Enterprises (MSMEs) managed by Generation Z in West Kalimantan. Based on multiple linear regression analysis involving 100 MSME respondents, the findings reveal that all three independent variables collectively have a significant influence on MSME success. However, when tested individually (partial analysis), only entrepreneurial motivation and creativity show a positive and significant effect, while digital literacy does not have a significant impact.

These results highlight that internal factors particularly motivational drive and creative ability play a dominant role in determining the success of MSMEs among Generation Z entrepreneurs. Despite being digital natives, many Gen Z entrepreneurs have not yet fully optimized their digital capabilities in business practice. Therefore, empowerment efforts should prioritize strengthening entrepreneurial capacity and creativity, while also improving digital literacy through practical and contextual learning approaches.

Conceptually, this research supports the application of the Theory of Planned Behavior (TPB) in explaining entrepreneurial behavior among young people, with motivation and creativity representing the dimensions of attitude and perceived behavioral control. The findings also provide practical contributions for government institutions and entrepreneurship development agencies in designing effective training and support programs tailored to the characteristics and needs of Generation Z entrepreneurs.

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Conflict of interest

The author declares no conflict of interest related to the conduct or publication of this study.

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