

TABLE OF CONTENT

| | |
|---|-------|
| APPROVAL PAGE | ii |
| DECLARATION OF ORIGINALITY | iii |
| PREFACE | iv |
| TABLE OF CONTENT | v |
| LIST OF FIGURES | vii |
| LIST OF TABLES | viii |
| CHAPTER I – INTRODUCTION..... | 1-13 |
| 1.1 General Overview of Research Product..... | 1 |
| 1.1.1 Rahayu Village | 1 |
| 1.1.2 Hat-crafting Industrial | 2 |
| 1.2 Background..... | 3 |
| 1.3 Problem Statement..... | 12 |
| 1.4 Research Purpose | 12 |
| 1.5 Research Benefit..... | 13 |
| 1.6 Scope of Research..... | 13 |
| 1.7 Writing System | 13 |
| CHAPTER II THEORITICAL REVIEW AND RESEARCH SCOPE .. | 15-28 |
| 2.1 Research Literature | 15 |
| 2.1.1 Value Chain | 15 |
| 2.1.2 Digital Mastery | 17 |
| 2.1.3 Digital Capabillity | 18 |
| 2.1.4 Business Growth..... | 23 |
| 2.2 Conceptual Framework | 24 |
| 2.3 Hypothesis..... | 25 |
| 2.4 Premilinary Research | 26 |

| | |
|--|--------------|
| CHAPTER III – RESEARCH METHODS | 28-54 |
| 3.1 Research Type | 28 |
| 3.2 Measurement Scale | 29 |
| 3.3 Operational Variable | 30 |
| 3.4 Research Stage | 41 |
| 3.5 Population and Sampling | 41 |
| 3.5.1 Population | 41 |
| 3.5.2 Sampling | 41 |
| 3.6 Data Collection Technique | 42 |
| 3.7 Validity and Reliability Test | 42 |
| 3.8 Data Analysis Techniques | 44 |
| 3.8.1 Statistics Analysis Descriptive | 44 |
| 4.0 Classic Assumption Test | 45 |
| 4.1 Multiple Linear Regression Test | 46 |
| 4.2 Determination Coefficient Test (R^2) | 46 |
| 4.3 Hypothesis Testing | 47 |
| CHAPTER IV – RESEARCH RESULTS AND DISCUSSION | 49-88 |
| 4.1 Respondent Characteristics | 49 |
| 4.1.1 Respondent Characteristics Based On Gender ... | 49 |
| 4.1.2 Respondent Characteristics Based On Age | 50 |
| 4.1.3 Respondent Characteristics Based On Edu | 50 |
| 4.1.4 Respondent Characteristics Based On Job | 51 |
| 4.1.5 Respondent Characteristics Based On Income ... | 52 |
| 4.2 Research Result | 52 |
| 4.2.1 Digital Capability Variable Overview | 52 |
| 4.2.2 Classic Assumption Test | 65 |
| 4.2.2.1 Normality Test | 65 |

| | |
|--|----|
| 4.2.2.2 Multicollinearity Test | 66 |
| 4.2.2.3 Heteroscedasticity Test | 67 |
| 4.2.4 Determination Coefficient Test (R ²) | 70 |
| 4.2.5 F Test | 71 |
| 4.2.6 T Test | 72 |
| 4.2.7 Classic Assumption Test | 74 |
| 4.2.7.1 Normality Test | 75 |
| 4.2.7.2 Multicollinearity Test | 75 |
| 4.2.7.3 Heteroscedasticity Test | 76 |
| 4.2.8 Multiple Regression Analysis Test | 77 |
| 4.2.8 Determination Coefficient Test (R ²) | 78 |
| 4.2.9 F Test | 79 |
| 4.2.10 T Test | 79 |
| 4.3 Discussion..... | 81 |
| 4.3.1 Rahayu Digital Village Condition | 81 |
| 4.3.2 Partial Effect on Independent Variable (X) to Dependent Variable (Y)..... | 87 |
| 4.3.3 Simultaneous Effect on Independent Variable (X) to Dependent Variable (Y) | 88 |

| | |
|--|--------------|
| CHAPTER V – CONCLUSION AND SUGGESTION | 89-90 |
| 5.1 Conclusion..... | 89 |
| 5.2 Suggestions..... | 90 |
| 4.2.1 Theoretical Aspect | 90 |
| 4.2.2 Practical Aspect | 90 |
| REFERENCES..... | 91 |
| ATTACHMENT..... | 95 |