

ABSTRACT

The adoption and use of digital technology are considered one of the most promising transformations for sustainability, and sustainable culinary MSMEs are seen as key players in addressing major social and environmental challenges. This study aims to explain the role of digital technology in value creation, value delivery, and value capture within the business models of sustainable culinary MSMEs.

The researcher examines the adoption and use of digital technology in the business models of 15 culinary MSME owners operating sustainably, as well as the MSME Office of Sleman Regency, using a qualitative case study approach. This study is essential for understanding how digital technology can be utilized for product innovation, time efficiency, and better financial management. The role of the MSME Office is also crucial in encouraging business owners to adopt digitalization.

The findings of this study reveal that all 15 culinary MSME owners have implemented digitalization in value creation, value delivery, and value capture. However, some business owners still rely on manual bookkeeping. Additionally, the MSME Office has adopted digital technology to facilitate communication and outreach with culinary MSME owners in Sleman Regency.

These findings indicate challenges in the full adoption of digital technology, particularly in innovation, product introduction and financial management. Overall, this study provides valuable insights for culinary MSMEs and relevant stakeholders regarding the potential of digitalization to enhance business sustainability and support more adaptive and efficient business model innovation.

Keywords: *Digital Technology, Culinary MSMEs, Business Model Innovation*