

ABSTRACT

The COVID-19 pandemic has caused economic disruption that has forced MSME players, especially in the service sector, to immediately adapt through digital innovation. Bandung, as one of the centers of creative economy, shows a trend of accelerating digitalization, but not all business players are able to keep up. Young entrepreneurs are important actors in this process because they are considered more adaptive to technology, even though they still face various obstacles.

This study aims to explore the experiences, challenges, and perspectives of young entrepreneurs regarding government policy support in the digitalization process of MSMEs in the service sector in Bandung during the economic crisis.

The research was conducted using a descriptive qualitative approach. Data was collected through interviews with young entrepreneurs who own digital service MSMEs and analyzed using thematic analysis techniques. Validation was conducted through data and source triangulation.

The results of the study indicate that the acceleration of digitalization during the pandemic has created new opportunities, but has also posed significant challenges such as limited digital skills, lack of technological literacy, and high online market competition. Government support in the form of training and access to capital is considered important, but has not yet fully addressed the real needs of young entrepreneurs.

In conclusion, digital innovation is key to MSME adaptation amid economic disruption, but the success of transformation depends heavily on the readiness of business actors and government policies that are more targeted and responsive to challenges on the ground.

Keywords: Digital innovation, digital service MSMEs, young entrepreneurs, pandemic, government policies, and economic disruption.