ROLE OF CORE ELEMENTS OF ORGANIZATIONS IN CONDUCTING DIGITAL TRANSFORMATION IN FASHION SMEs
(Case Study of Yogyakarta and Klaten Fashion SMEs)

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Abstract: The speed of the development of information and technology in the current 4.0 Industrial Revolution however cannot be dammed again coupled with the existence of the Covid-19 outbreak. This has an effect on changes in the patterns of consumer behavior and their lifestyle, especially in shopping. So the company is required radically to change their model business in creating and adjusting values. Many companies have adopted a digital transformation strategy to change the way they create and adjust value. Therefore, the formulation of digital strategies must identify the business elements of the company model that must be modified in accordance with the new strategy, along with the scope of the digital transformation. This study examined how the role of the organization's core elements in transforming in the Fesyen SMEs in Yogyakarta and Klaten. The aim is to analyze the core elements of the organization used in carrying out digital transformations to keep the company's competitive advantage, using a qualitative approach with the method of case study, using small and medium enterprises in fashion, such as leather bags, batik, sports jerseys, and typical Muslim clothes Boutique as a research object. The data collection techniques by means of interviews (in depth, structured and open), observation and so on. And data analysis used is descriptive analysis. The results showed that the role of the core elements of the organization had an effect on carrying out digital transformation in the 4 small and medium businesses in Yogyakarta and Klaten.

Keywords: *Digital Transformation, Core Organizational Elements, Implementation of Digital Transformation*

1. Introduction

Micro, Small and Medium Enterprises (MSMEs) have an important role in supporting the economy in Indonesia. MSMEs themselves are one of the real sectors that play an important role in the economic development of a country (Khurana et al., 2021). In addition, Shafi et al., (2020)explained that MSMEs are the backbone of the economy throughout the world that has a significant contribution, especially in Indonesia. This is in accordance with MSME data from the Ministry of Cooperatives.

Table 1.1 Development of Indonesian MSMEs 2015-2018:

Indicator	2015	2016	2017	2018
Number of MSMEs (units)	59.260.000	61.650.000	62.922.617	64.194.057
Labor (person)	123.230.000	112.890.000	116.431.224	116.978.631
Constant GDP (Rp. Trillion)	1.655.43	5.171.06	5.445.56	5.721.14
GDP current prices (Rp.Trillion)	6.228.29	7.009.28	7.820.28	8.573.98
Non-oil exports (Rp. Trillion)	185.98	255.13	301.62	293.84
Investment Price (Rp. Trillion)	1.818.75	2.057.97	2.377.41	2.546.54
MSME productivity per business unit (unit)	27.930.000	83.880.000	86.220.000	124.300.000
MSME Productivity per Labor (unit)	13.430.000	45.830.000	46.500.000	68.320.000

Source: Ministry of Cooperatives and SMEs, 2018

The number of MSMEs above shows a continuous increase from 2015 to 2018. This data clearly shows that the role of MSMEs has a very strategic role, because of its great potential in driving people's economic activities, and at the same time being the main source of income for most Indonesians. . However, in its journey, MSMEs have their own challenges to develop. The number of players in the same industry trying to provide various offers, ultimately causing the resources and products offered to be relatively the same. In addition, the dynamic business environment is rapidly changing, causing the superior resources and capabilities offered to become obsolete. This is triggered by the rapid flow of changes in digital technology in the industrial revolution 4.0 which is an unavoidable part of today's business reality. Then, a shorter learning curve in finding the latest innovations or technologies, as well as changes in environmental factors that are difficult to predict (Kristinawati, Jann, & Tjakraatmadja, 2017: Khanzode et al., 2021).

This fast-changing business environment has resulted in SMEs having to radically change their business model strategies and start utilizing technology into their business scope in order to survive and create corporate value. According to Correani et al., (2020), currently requires all business people to start involving the role of digital transformation into their business scope in order to survive and thrive. If you look far back before the COVID-19 pandemic occurred, many platforms appeared everywhere that were engaged in service providers. Like the emergence of Gojek, Grab, and similar businesses, the previously established companies/individuals (taxi, ojek base, vehicle rental, etc.) become new competitors because of the ease of service they provide to consumers.

This study aims to explore and analyze the potential of SMEs in utilizing technology based on Digital Transformation. Exploration is specifically carried out on SMEs in Yogyakarta and Klaten which are engaged in the fashion sector. This is done by considering the breadth of the research scope, so there needs to be a scope limitation, in addition, the business environment and the capabilities of SMEs that allow researchers to obtain relevant field data to describe business model strategies and the use of technology based on digital transformation. Considering that digital transformation in the realm of Fashion SMEs has not been widely studied, therefore as an effort to help Fashion SMEs to continue to develop and innovate, the author tries to raise the theme of this research to become a reference for SMEs, especially in the fashion sector in designing digital transformation strategies so that they are right on target and effective in realizing them.

2. Underlying Theory
Digital Transformation
According to Kaplan & Haenlein, (2010) Digital transformation is a change caused or influenced by the use of digital technology in every aspect of human life. Digital transformation can produce distinct advantages for companies, such as helping to create products and services that are more efficient and consistent with customer needs (Tresp et al., 2016), can provide shorter marketing time and innovation processes and create a related digital ecosystem (Urbinati et al., 2020). In addition, digital transformation also supports interconnection between various existing industries by integrating companies into new opportunities in order to create and adapt corporate value (Nambisan, 2017).

However, the implementation of digital transformation does not always run easily, many companies also fail because the digital transformation process is not as expected. From the findings of previous research obtained from (Hess et al., 2016; Matt et al., 2015) Currently, there are many examples of companies that cannot keep up with the new digital era and managers still lack clarity about strategic considerations in their digital transformation efforts. Historically, companies' technological advances have been plagued by failed attempts to focus solely on technology without considering the broader strategic decision area (Kane et al. 2015). Correani et al., (2020) mentions that the factors that cause the failure of digital transformation are first, the inaccuracy of strategy formulation and strategy implementation. Second, the lack of considering important aspects of change management, especially employees and customers. Third, developing inappropriate strategies in utilizing digital technology effectively (Cozzolino et al., 2018).

Several other research results were revealed by Smith et al., (2010) which explained that determining the scope of transformation is the starting point for implementing an effective digital transformation strategy. As well as clearly defining the strategy, what strategy the company wants to achieve is very important to maintain focus on digital transformation goals and ensure the consistency of the formulated strategy. In contrast to the results of research by K. Osmundsen, J. Iden, and B. Bygstad, (2018) digital transformation is not only about strategy, but also talks about 4 factors driving digital transformation: (a) regulatory changes (b) changes in the competitive landscape (c) shift/change to digital form of industry (d) change in consumer behavior and expectations.

Then Correani et al., (2020) in their research clearly defining what the company wants to achieve is very important to maintain focus on digital transformation goals and ensure the consistency of each building block with the formulated strategy, as for the important elements of a digital transformation strategy, namely; (a) Scope (Scope of Strategy) (b) Internal and External Data (c) People (Human Resources) (d) Partners. These elements can be used to reconsider which elements will be utilized in building and maintaining the company's competitive advantage in creating value. Because digital transformation does not only force companies to adopt new technologies, but also in formulating strategies, changing the way they work, roles and responsibilities, as well as company capabilities.

Understanding SMEs in Digital Transformation
In this all-digital era, digital transformation is very important for a company, where transformation is a process of applying technology or systems into a business model that can be run by SMEs. According to Kane, G.C., (2017) Digital transformation arises from the combination of personal and corporate IT which includes in the transformational effects of new digital technologies such as social media, mobile, analytics, cloud, and Internet of

Things (SMACIT). A deeper view of digital transformation is put forward by Hess et al, (2016) where digital transformation is as a result of the use of technology that can facilitate the company's performance from the external side, with a focus on improving the consumer experience in purchasing products produced through improvements through existing digital technology. . Internally, it will affect the business model process, organizational structure, decision making, and even lead to a completely new business model.

3. Metode

Case Study Design

This research uses a case study approach design which is used to observe in detail the phenomenon under study. This method is considered appropriate for developing an understanding of how phenomena develop in an organizational context (Yin et al., 2015). Furthermore, Eisenhardt et al., (1989) suggest that the case study method using qualitative analysis is also considered the most relevant approach for theory development through observations that occur in the field.

Case Study Company

In this study, the authors chose SMEs or creative industries in the fashion sector as the object of research. The fashion SMEs are the creative industries of Jogja t-shirt fashion, batik fashion, leather bag fashion, and Muslim fashion which will be described in table 3.4 as follows:

Table 2.1 Four Case Study SMEs

Company/SME	Kenes Leather	Batik Purwanti	Alito Sportwear	Butik Sasmaya
Since	2012	1968	2013	2011
Total manpower	16 people	21 people	19 people	10 people
Product	Leather bag	Hand Batik & Stamp	Sports Jersey	robe
	Name Tags/ Id Cards,	Batik dress	T-shirts	Tunic
	Belt	Batik fabric	Polo Shirt	Blazer
	Purse	Skirt	Shirt	Abaya
	Tote bag	prayer rug	Sock	Hijab
	Waistbag	Pillow case	Etc	Dress
	Men's Clutches	Sheet		Veil
	Accessories & Shoe Care	Etc		Etc
	Etc			
Market destination	Domestic and foreign	Domestic and foreign	Domestic	Domestic
Implemented Digital Transformation	Website, e-mail Instagram, Facebook, and online shopping,	Whatsapp, Instagram, Facebook and online Shopping,	Website, Twitter Instagram, Facebook, and online Shopping, e-mail	Website, Twitter Instagram, Facebook, and online Shopping, e-mail

Data collection

According to (Yin 2011), "the implementation of data collection there are six sources, namely: documents, archive records, interviews, direct observation, participant observation,

and physical devices". This research uses the interview process, archive recording, and direct observation of the field. The data that has been collected will be followed by triangulation of data to check data from various sources in various ways and at various times. There are source triangulation, data collection triangulation, and time triangulation.

4.   Result and Discussion
Result

From the results of the analysis that has been carried out, it can be concluded that the concept of a digital transformation can be applied by Fashion SMEs by using a strategy, data, people and partners which can later help companies to survive and achieve a change that they will make.

Table 3.1 Summary of Implementation of Core Elements in Digital Transformation in Four Yogyakarta and Klaten Fashion SMEs

Indicator	Kenes Leather SMEs	Batik Purwanti SMEs	Alito Sportwear SMEs	Butik Sasmaya SMEs
Organizational Core Elements: Strategy				
Purpose (Measurable strategy)	••••	•••	••••	•••
Visible Progress (Technology culture awareness)	••••	••••	••••	••••
Emotional (Emotional Intelligence)	••••	•••	••••	•••
Organizational Core Elements: Data				
Internal	•••	•	•••	••
External	••	••	••	••
Organizational Core Elements: People				
Innovation Skill	••••	••••	••••	••••
	••••	••••	••••	••••
Leadership Skill	••••	••••	••••	••••
Organizational Core Elements: Partners				
Between non-competitors	••••	••••	••••	••••
Between competitors	••	•••	•••	•
Joint ventures	•	•	••••	•
Between Buyers-Suppliers	••••	••••	••••	••••

Notes: •: Not doing, ••: Weak, •••: Moderate, ••••: Strong

   To understand how digital transformation can be implemented effectively in 4 Fashion SMEs, the author identifies that the starting point of implementing an effective digital transformation strategy is to define the scope of the transformation, and clearly define what the company wants to achieve in order to maintain focus on digital transformation goals. In fact, the findings show that the core elements of the organization have an important role in Kenes Leather SMEs, Batik Purwanti SMEs, Alito Sportwears SMEs, and Sasmaya Boutique SMEs in carrying out digital transformation. The following are some of the advantages of each SME that uses the role of core elements in carrying out digital transformation:

1. **Kenes Leather SMEs**

Table 3.2
Kenes Leather's core elements in Digital Transformation

Indicator	Implementation	Purpose	Finding
Purpose (Measurable strategy)	Conduct research and analysis of products that will be of interest	Maintaining Product Quality	"I always make observations with several research and development teams, besides that, I also conduct weekly evaluations with several employees on products that are in demand and will be created by the company".
Visible Progress (Technology culture awareness)	Keeping up with the current technological developments that are developing	Simplify marketing and sales	"Since the establishment of Kenes Leather, I have realized that technological developments that are currently developing must be followed in order to facilitate the running of the company. And I also continue to convey this to my employees so that they continue to develop with existing technology."
Emotional (Emotional Intelligence)	Changed its marketing strategy through social media	Make it easier for customers to shop	"To maintain customer loyalty, the author wants to provide more service so that they are loyal to Kenes Leather products. Coupled with changes in Government regulations caused by COVID-19, customers prefer to shop simply and safely."
Internal Data	Data from Website, Instagram, and Facebook	Analyze sales and products that are in high demand in the long term	"The data collected will be processed by the research and development team. From the sales results, it can be used to read customer interest in determining the preferred long-term product.
External Data	Through input from employees, customers and observations	Analyze products that customers are interested in	"From the results of input from employees and observations from customers, the writer will evaluate it with a special team to create a new and unique model".
Innovation Skills	Continue to innovate in product manufacturing, marketing,	Read the opportunities and threats for the company	"I always invite my employees to be sensitive to the changing business environment in order to grow and create more value for the

	managing HR		company".
Leadership Skills	Using the family system at work	Can provide loyalty to the company	"The work culture in Kenes Leather itself uses a family system. I apply that so that they feel comfortable working here and can help the company in creating value".
Management Skills	Making the decision to adapt	Adjusting the business competition that occurs	"With the changes in regulations implemented by the government due to the COVID-19 pandemic, my company and I took the initiative to aggressively carry out online marketing"
Between non-competitors	Collaborating with Government and several exhibition organizers in big cities	Establish relationships and relationships for sales to all Overseas / International	"Meanwhile, I only focus on sales in big cities in Indonesia. However, I am still looking for a network that can go international with the Kenes Leather brand, because some time ago they were offered to go international but with another company brand."
Between competitors	Small SMEs that have the same field as home tailors	Recycle small pieces of leather	"Kenes Leather doesn't create the slightest amount of waste, bro, because the leftover pieces of leather are bought by small SMEs that produce leather patchwork bags, which I then buy again in finished form."
Joint ventures	-	-	-
Between Buyers-Suppliers	Raw material supplier	Maintaining Product Quality	"To maintain the quality of the author's product, I work with several suppliers and suppliers of raw materials that the author has trusted. So that the resulting product remains of high quality."

To gain customer advantage or trust, Kenes Leather SMEs identify data in digital marketing applications or platforms that can drive a certain action, infer relevant knowledge and promote products and services. UKM Kenes Leather with its internal data obtained through the Website, Instagram, and Facebook as well as the Marketplace which is used to read customer interests/likings in the products created. Meanwhile, external data was obtained through input from employees, consumers and observations made by the reset and product development team of Kenes Leather UKM. This data after being collected will be analyzed and then later developed to create superior products that are of interest to customers.

2. **Batik Purwanti SMEs**

Tabele 3.3
Purwanti Batik's core elements in Digital Transformation

Indicator	Implementation	Purpose	Finding
Purpose (Measurable strategy)	Relying on the advantages of batik products, stamped batik, and batik printing	Maintaining Product Quality	"The strategy that I apply is not grandiose, what I apply is to maintain the quality of Purwanti Batik Products. Considering that this batik was left by my mother, I want to maintain and preserve its quality, with this quality, customers will definitely be satisfied and happy to wear it."
Visible Progress (Technology culture awareness)	Adding a dedicated employee for online marketing	Make it easier for customers to shop and online marketing process	"Technological developments that are increasingly developing make me need to add a marketing team that can and understands in marketing products and at the same time becomes an admin to reply to customer orders. I do this in order to help me in online sales."
Emotional (Emotional Intelligence)	Receive orders according to customer requirements	Provide more services so that they are loyal to Purwanti Batik products	"With so many customer requests to be able to make batik according to their expectations, I finally opened orders according to customer requests. I do this so that they are loyal to the batiks made by Batik Purwanti".
Internal Data	-	-	-
External Data	Through input from employees and some observations of the Director	Analyze products that customers are interested in	"In designing Purwanti Batik, I usually make observations on trending batik models and some input from my employees. So I get new ideas in creating product designs".
Innovation Skills	Doing online marketing, analyzing products that customers are interested in	Simplify marketing and sales	"Due to the ongoing COVID-19 pandemic, I have to design batik as attractively as possible so that the writer's market segment likes writers' batiks. Besides that, it will also make it easier to offer online."
Leadership Skills	Accompany employees to remain professional in any given job	Minimize errors that occur	"Every day I monitor my employees who make batik so that the designs I create are appropriate. Because batik is not an easy thing, you have to be observant and painstaking. In addition, I also receive input from my employees if they have problems at work."
Management Skills	Adapting to changes in regulations issued by the government	Maintaining company continuity	"Dalu Batik Purwanti often holds performances at the Gallery and opens tour packages to learn batik, but to this day due to the ongoing COVID-19

			pandemic, I have taken the initiative not to close the gallery in Bayat, and continue to aggressively conduct marketing through online shops. so that employees who work here can still get income.
Between non-competitors	Collaborating with several village officials in developing a batik tourism village	Establish relationships and relationships to become a famous batik tourism village	"The village government also supports and helps batik craftsmen in this village to become a known batik village, they build road infrastructure to make it easier for tourists who come here".
Between competitors	UKM/community of batik craftsmen in Klaten Regency	To develop	"I work with several batik artisans/communities in Klaten Regency where every month a meeting is held to discuss the development of Batik which is trending and is in demand by customers".
Joint ventures	-	figure out and unify the vision of introducing Indonesia's cultural heritage	-
Between Buyers-Suppliers	- Supplier of basic materials used	-	"Batik Purwanti always maintains the quality of the products made, because the author cooperates with suppliers and suppliers of raw materials that the author has trusted".

Sasmaya boutique which uses more external data in analyzing customers such as input from several business colleagues, customers, and sales data. The reason why this Sasmaya Boutique UKM has not carried out data management and big data development is because to do so requires people who are experts in their fields and this of course requires greater costs, so Sasmaya Boutique for the time being only focuses on uploading the latest products and utilizing 50 agents and active resellers spread throughout major cities in Indonesia. These two SMEs utilize the data with their respective strategies that have ensured their consistency in creating corporate value.

3. **Alito Sportwear SMEs**

Table 3.4
Alito Sportwear's core elements in Digital Transformation

Indicator	Implementation	Purpose	Finding
Purpose (Measurable strategy)	Maintaining product quality by continuously making new innovations	Maintain customer loyalty so they want to come back	"So far, my friends and I have always tried to maintain the quality of Alito Sportwear products. Because this is an important thing that customers prioritize besides price. Besides that, I also continue to invite my employees to continue to make new innovations in order to continue to exist in the market."
Visible Progress (Technology culture awareness)	Carry out the process of delivering company values or benefits through social media	Facilitate marketing and provide more service to customers	"My main base is that I graduated from a technology university, starting from that I realized that in order to keep up with a market that continues to grow, I have to use technology that is widely used by society today, such as Facebook, Instagram, and others that aren't just Tiktok."
Emotional (Emotional Intelligence)	Take advantage of the COVID-19 pandemic opportunity by offering masks and bicycle jerseys	Take the opportunity to create value for the company	"To maintain the stability of the company, I try to capture the opportunities that exist. Like the COVID-19 pandemic, I took advantage of this momentum to create masks and jerseys for people who like cycling to keep their immune system healthy."
Internal Data	Data from whatsapp, Website, Instagram, and Facebook	Analyze data to make marketing easier	"I use this collected data to read market segments that are in demand by the public, from here I can create opportunities for companies, besides that I can also give messages to my customers about Alito Sportwear's new products".
External Data	Input from employees, and from some customers	Evaluate product design and product quality	"From the results of input from customers and employees, the author will use it as an evaluation material so that the author's product models are loved and exist in the market".
Innovation Skills	Invest to create more added value for the company	Creating added value for the company	"In order to keep the financial regulations of the author's company running, I invested it in the restaurant "Burjo". I do this in order to create more value for the company in dealing with the COVID-19 pandemic."

Leadership Skills	Creating a comfortable and happy work atmosphere but still professional	Make work without coercion	"In running this business, I try to create a comfortable and professional work atmosphere so that those who work in this company can work professionally and comfortably in carrying out their assigned tasks. I also teach them to learn entrepreneurship, skills, the use of developing technology in the face of business competition".
Management Skills	Well-organized management system arrangement	Make it easier to divide work tasks	"During the running of this company, I tried to arrange a good management system so that the tasks assigned were in accordance with what was planned by the company"
Between non-competitors	Government of the Regional Cooperatives and SMEs Office of Sleman Regency	Establish relationships and trainings for MSMEs	"To establish a relationship, the author also collaborates with DISKOP & UKM Sleman mas, in order to get information on the development of UMKM in Yogyakarta. Apart from that, they are also able to participate in the trainings programmed by them."
Between competitors	Jersey Community Jogja-Solo-Semarang and some Convection and screen printing in Yogyayakarta	A means to expand the Alito Sportwear network	"The author also has the JOGLO-SEMAR Jersey network, this community was formed to complement each other, obtain information related to changes occurring, and strengthen networks in the textile industry. The routine event before the COVID-19 pandemic was playing futsal and continued discussions together."
Joint ventures	With college classmate	Strengthen assets and expand network	"I can run Alito Sportwear this big with friends or seniors of my class who always help both in terms of material and non-material".
Between Buyers-Suppliers	- Raw material supplier	Maintaining Product Quality	- "To maintain the quality of the author's products, Alito Sportwear cooperates with several suppliers and suppliers of raw materials that the author has trusted. So that the resulting product remains of high quality."

SMEs Alito Sportwear in its marketing strategy uses many accounts with different names, this account will be created as a support account to spam or buyers to the main account. This strategy has been carefully planned by the owners and employees of Alito Sportwear with the aim of making potential customers believe that this company is in great demand and used by customers.

As a result, this strategy was successful and made Alito Sportwear SMEs gain profits and new customers.

4. **Butik Sasmaya SMEs**

Table 3.5
Sasmaya Boutique's core elements in Digital Transformation

Indicator	Implementation	Purpose	Finding
Purpose (Measurable strategy)	marketing mix or digital marketing and conventional marketing	Maximizing product marketing	"To attract customers to want to buy the products produced, the author conducts marketing in two ways, online and offline sales. The goal online is to reach more markets and offline is to instill trust in customers."
Visible Progress (Technology culture awareness)	Using technology that is developing and in demand by customers	To convey product value	"In doing marketing online, the author uses digital technology such as social media which is in great demand by customers such as Website, Facebook, Instagram, Twitter, Market place, Shopee, Toko Pedia and many others.".
Emotional (Emotional Intelligence)	Doing marketing through active resellers and organizational networks	Making sales with marketing channels	"The author is not only aggressively doing marketing through social media websites and the available marketplace is through active resellers. The author created this system to expand the marketing network and help people who want to learn entrepreneurship".
Internal Data	Data from whatsapp, Website, Instagram, and Facebook	to manage the business so that it continues to grow in the future	"The author also uses WA, WEB, Instagram, and Facebook to manage and market the author's products, but currently there is a shortage of writers who have not been able to take advantage of the data collected"
External Data	Through the Director's observations and input from business colleagues	Choose and determine the product you want to market	"In running a business, the author also uses some of the data obtained to analyze threats and opportunities. I use this data to manage management, product selection, and delivery processes so that they can continue to grow in the future."
Innovation Skills	Product development with up to date models according to the development of Muslim fashion trends in Indonesia	Attract consumers to buy the product	"With the COVID-19 pandemic, writers have to be more selective and extra careful in carrying out new innovations so that the company continues to create value. Customers are now smart in determining and choosing products, writers as sellers must also be good at reading their interests."
Leadership	Provide training	To meet the	"As a distributor of several premium

Skills	and coaching to employees in serving customers	ever-changing market demands	Muslim fashion brands that serve agencies and resellers, the author's company provides training and coaching to employees. This is done by the author in order to provide more services and to meet changing market demands in choosing the product of interest."
Management Skills	Inviting employees to be more active in serving customers such as quick chat replies, consultations, and delivery	Maintain customer loyalty so they want to come back	"To create customer loyalty, I always remind the writer's employees to be fast, responsive in serving customers. Because with good and maximum service, customers will definitely like it and will definitely come back to shop here in the future."
Between non-competitors	Resellers and active agents in big cities in Indonesia as well as several religious organizations	Establish mutually beneficial relationships and cooperation	"The author also works with 50 agents and resellers who are active in selling products, this the author does in order to expand the sales network and help agents/resellers in finding their own profit. So here, in principle, everyone gets feedback in selling Sasmaya Boutique products."
Between competitors	-	-	-
Joint ventures	-	-	-
Between Buyers-Suppliers	Manufacturers of well-known brands in Jakarta, Bandung, Padang, and Medan.	Ease the burden on company performance and expand the network	"The author also collaborates with several well-known brand manufacturers in Jakarta, Bandung, Padang, and Medan. This producer company makes designs for branded Muslim clothes, which the authors then sell and distribute to their agents and resellers."

Sasmaya boutique which uses more external data in analyzing customers such as input from several business colleagues, customers, and sales data. The reason why this Sasmaya Boutique SMEs has not carried out data management and big data development is because to do so requires people who are experts in their fields and this of course requires greater costs, so Sasmaya Boutique for the time being only focuses on uploading the latest products and utilizing 50 agents and active resellers spread throughout major cities in Indonesia. These two SMEs utilize the data with their respective strategies that have ensured their consistency in creating corporate value.

Discussion
The implementation of digital transformation in the 4 Fashion SMEs which are the objects of this research as a whole cannot be said to be ideal when referring to some of the literature. The digital transformation process of fashion SMEs in the core elements of the organization

only includes digitalization. In other words, the four SMEs in this study have just carried out the process of converting from analog to digital which was previously manual in nature and transferred to digital format. If you review Bertola Paola's literature (2018), digitization itself is a stage of the process towards digital transformation. Because digital transformation covers all aspects of business, and its application is not only about utilizing technology, human resources, and business strategies synergize with each other to produce a better business. Therefore, a successful digital transformation requires a successful digitization stage in order to truly succeed in achieving its goals.

There are five skills that must be possessed and managed by organizations to be able to enter the realm of digital transformation as described by Sousa & Rocha et al., (2019) as follows (1) Artificial intelligence (AI) Intelligent software systems that can perform tasks to keep developing (2) Robotization; The latest generation of robotics by implementing AI systems achieves significant advances in productivity and performance improvements. For example, the automation of cars, which allows them to self-regulate, can lead to a reduction in the number of accidents, avoiding human error and concentration lapses.

Then (3) internet of things; IoT will help create and distribute new products and services at an unprecedented level and scale. The next skills are (4) Augmented reality; With the help of advanced AR technology (eg, Adding computer vision and object recognition) information about business products into the real world around them becomes more interactive (eg, geotracking). (5) Digitalization, integrating all business services into digital, computerized and mobile technologies.

In practice, the four SMEs above in practice only take advantage of developing technologies created by other companies. They have not used smart applications like internet of things or intelligent software systems that can perform tasks that are constantly evolving on their own. This may be due to the high cost that must be incurred to use the application. In the end, these four SMEs chose to use technology provided by other companies in order to minimize the company's costs.

5. Conclusion

Empirically, the four SMEs above, if observed, have fulfilled the requirements in carrying out the core elements of the organization such as making a clear strategy scope, managing the data they have, utilizing existing human resources and collaborating with certain parties that can make the organization continue to grow. However, in practice the four SMEs above have only taken advantage of developing technologies created by other companies. So that the four SMEs above only cover digitization by carrying out the conversion process from analog to digital which was previously manual in nature and transferred to digital format. By implication, this research contributes to the study of the implementation of the organization's core elements in carrying out digital transformation in the fashion SME environment. The results of this study prove that the role of the core elements of the organization in carrying out digital transformation can be able to assist companies in creating value for the company and customers. In addition, the results of this study also provide an illustration that the core elements of the organization are needed in carrying out digital transformation in order to build company sustainability.

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