

Overview of Digitalization on SME

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Introduction

Digital transformation is crucial for boosting production and efficiency in SME's, according to researchers (SME). Fortunately, there is little evidence that using digitization to cope with the effects of serious catastrophes like COVID-19 is effective. India's SME sector still has a lot of room for the integration of new digital technologies, given the significant potential for higher development. At the end of 2019, a brand-new coronavirus infection (COVID-19) suddenly appeared, and it quickly expanded to become a pandemic. Risks to businesses' survival and expansion, particularly to Small and Medium-sized Enterprises, have increased due to health concerns (SMEs). The COVID-19 outbreak has been detrimental to the economy in numerous ways. Government agencies have placed major restrictions on import and export to fight the illness, making global supply chains extremely susceptible. Second, delays in getting back to work have significantly reduced businesses' capacity for output, and since fixed costs like rent and wages have also stayed constant, this has led to serious financial issues.

Description

The pandemic's decreased pricing have put a tremendous amount of strain on businesses that provide services like food delivery, lodging, and tourism-related activities like cultural identity. The COVID-19 outbreak is expected to cause long-term damage and have a considerable influence on global growth. Digital transformation refers to innovative technologies that facilitate administrative changes, such as information, communication, and communication technology.

Numerous research conducted during the COVID-19 outbreak show the importance of developing technology in crisis management. Big data, Artificial Intelligence (AI), cloud computing, and other developing technology has the Indian government used all to identify pandemics, track viruses, develop treatments, and reinstate jobs. Big data technologies, for instance, may help in the real-time monitoring and search of pandemics. With the use of digital tools, employees can work remotely and with greater flexibility. In recent years, the low-cost industry has faced stiff competition from the global economy. Producing more efficiently, affordably, and of higher quality is no longer sufficient to maintain the level of competition. The business sector must put in place new methods of creative and "Digital" economic development if it hopes to sustain the current lucrative chances for SMEs in the ensuing decades. Instead, then focusing only on the operational manufacturing of items and the associated process management, as in previous industrial revolutions, the digitalization of SMEs should include the entire manufacturing and supplier chain [1-3].

To boost productivity and address global issues like sustainability, resource conservation, and energy use, SME digitization must be a success. Data sharing

helps everyone engaged in the production process work more efficiently. The supply chain is made more flexible, open, and global while the client is given more individualized characteristics. The fourth industrial revolution's return to individuality needs to be realized at that point. As a result, it must be possible to produce the most recent version in lower batch sizes and respond promptly and effectively to customer requests. Mass customization refers to consumer production of personalized goods at a cost comparable to mass-produced commodities. A production built on the industry 4.0 idea offers a framework for replacing traditional systems that are concentrated on centralized decision-making procedures and stringent restrictions in particular value-added metrics. SME frameworks are replaced with flexible, reconfigurable production and distribution systems that offer decision-making processes that are responsive and collaborative. SME development is recognized as a key factor in India's economic success.

SMEs must adapt to these technology advancements and recognize their value in helping them enter new markets and expand their business. SMEs directly impact national economies and are responsible for 80% of economic growth. DT offers employers a fantastic opportunity to get around its drawbacks, despite this. There are different restrictions on accessibility, connectivity, and pricing. Enabling numerous elements to make it easier for agribusiness to accept innovations via the internet, smartphones, digital skills, and other interconnected devices. Indigenous SME/MSME are important to the economy of the country and face fierce competition from foreign corporations. Businesses have started to move in a certain direction because of benefits like increased productivity and income, gaining market share, creating brand awareness at a low cost, quick reviews that help businesses implement the necessary changes by clients, aids in evaluating the situation and making decisions, and more satisfied customers. The digital revolution is, however, significantly hampered by several problems [4,5].

Conclusion

The initial cost of installation and reengineering is high, and the results are not entirely measurable, therefore businesses are unwilling to invest. SMEs are essential for advancing technical innovation, increasing employment, and preserving social order. However, SMEs are significantly more susceptible to public crises than other businesses due to their resource deficit. To lessen the threat of public crises on SMEs, the research that is now available has looked at the roles of production recovery, corporate social responsibility, and community involvement.

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