

Dynamic Capabilities, Digital Transformation, and Sustainable Performance in Culinary SMEs: The Moderating Role of Customer Pressure in Samarinda

Dita Ananda^{1*}; Wira Bharata²

^{1,2}Department of Business Administration, Faculty of Social Science and Political Science, Mulawarman University
Samarinda, Indonesia 75119
¹ditaananda631@gmail.com; ²wrbharata@fisip.unmul.ac.id

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Abstract - This research investigated the role of dynamic capabilities, specifically sensing, seizing, and reconfiguring, in driving digital transformation. It also examined its impact on sustainable performance, while incorporating customer pressure as a moderating variable. Using a quantitative approach and the Partial Least Squares Structural Equation Modeling (PLS-SEM) method, data were collected from 312 respondents representing 13 culinary brands in Samarinda that have adopted the Esensi Solusi Buana (ESB) application. The results indicate that dynamic capabilities significantly enhance digital transformation, thereby improving sustainable performance. Customer pressure is found to moderate the relationship between dynamic capabilities and digital transformation, exhibiting a unique moderation pattern: it weakens the influence of sensing and reconfiguring capabilities, yet strengthens the effect of seizing capabilities. This asymmetric moderating effect represents a novel contribution, as it reveals a shift in the direction of relationships not commonly reported in previous studies. Moreover, this research offers additional novelty by being the first to test an integrated model of dynamic capabilities, digital transformation, sustainable performance, and customer pressure specifically within ESB-enabled culinary businesses. Theoretically, the study enriches the existing literature by demonstrating how external, customer-driven pressures interact with organizational capabilities in the context of digital transformation. In practice, the findings provide strategic insights for culinary businesses seeking to optimize their

digitalization efforts, manage customer expectations, and enhance long-term sustainability.

Keywords: Dynamic Capabilities, Digital Transformation, Sustainable Performance, Customer Pressure

I. INTRODUCTION

Sustainable performance has become a major concern for businesses, particularly Small and Medium-sized Enterprises (SMEs) and those in the culinary industry, as they face rapid market changes, rising customer expectations, and increasing pressure to operate efficiently. Although many firms have adopted digital tools, their sustainable performance often remains unstable, indicating that digital transformation alone may not guarantee long-term business continuity (Gun et al., 2024; Teng et al., 2022). This condition highlights the need to understand which organizational capabilities enable digital transformation to support sustainable performance effectively. SMEs, particularly in the culinary sector, face rapid market changes, evolving customer expectations, and increasing operational pressures. These conditions create an urgent need for SMEs to adopt digital transformation strategies to remain competitive, improve efficiency, and ensure long-term sustainable performance. Customer Pressure acts as an important moderating factor influencing how dynamic capabilities, namely sensing, seizing, and reconfiguring, affect digital transformation. External demands from customers can either strengthen or

*Corresponding Author

weaken the effectiveness of these capabilities, thereby shaping how firms respond to market opportunities and achieve sustainable performance.

Prior research suggests that dynamic capabilities—sensing, seizing, and reconfiguring can help firms adapt and achieve better sustainability outcomes. However, existing findings on how these capabilities influence digital transformation, and whether digital transformation directly improves sustainable performance, remain inconsistent (Kwiotkowska, 2024; Zonipi, 2024). These mixed results highlight a research gap. To address this gap, this research examines how dynamic capabilities drive digital transformation and contribute to sustainable performance in culinary businesses in Samarinda, with customer pressure considered a key moderating factor.

The basic paradigm of dynamic capabilities reflects efforts to enhance an organization's value and characteristics of to compete its rivals (Gayer et al., 2022; Xu et al., 2024). Previous literature suggests that competitive advantage increases when a company can develop certain dynamic capabilities effectively (Munir et al., 2023). Therefore, changes and adjustments to competitive advantage represent an appropriate form of adaptation for some companies to sustain their businesses (Patrício et al., 2021), including food companies in Kenya (Kitenga et al., 2020) and manufacturing companies.

Dynamic capabilities are not limited to large companies but also apply to the SME sector. Findings from previous research indicate that an SME in Yogyakarta possesses dynamic capabilities that support digital transformation. In contrast, some SMEs require additional factors to drive the success of the digital transformation they are implementing (Iqbal et al., 2022). Conversely, other studies provide empirical evidence that digital transformation is a determinant of having dynamic capabilities (Wang et al., 2024). Thus, digital transformation and dynamic capabilities together have a beneficial impact on companies (Guo et al., 2020).

Dynamic capabilities are not a single construct but consist of interrelated dimensions—sensing, seizing, and reconfiguration that enable firms to purposefully adapt to environmental change (Guo et al., 2020). Sensing capability enables organizations to systematically scan their external environment, identify emerging technologies, and recognize market shifts that require digital responses. Firms with strong sensing capability are better equipped to detect digital opportunities early and determine when digital initiatives should be undertaken (Al-Moaid & Almarhdi, 2024). Seizing capability supports firms in evaluate, select, and commit to the most valuable digital initiatives. When opportunities are identified, seizing capability helps organizations mobilize resources and develop digital strategies that create value (Amaya et al., 2024). This indicates that seizing acts as a mechanism that channels identified opportunities into concrete digital transformation actions. Finally, digital technology enables companies to more easily

reconfigure existing resources to sustain their business during crises and to be more flexible in creating new opportunities. Thus, hypotheses are proposed.

- H1a : Sensing capability has a significant effect on digital transformation.
- H2a : Seizing capability has a significant effect on digital transformation.
- H3a : Reconfiguring capability has a significant effect on digital transformation.

Dynamic capabilities are considered a form of innovation that companies undertake to adapt to changing environments. This adaptation process involves various challenges, one of which is pressure. The presence of pressure places companies under pressure, indirectly encouraging innovation (Huang et al., 2023). Customer pressure acts as a strategic external driver, compelling organizations to transform information, adapt processes, and digitalize operations. Accordingly, higher customer pressure amplifies the effectiveness of sensing, seizing, and reconfiguring capabilities in driving digital transformation, thereby supporting the moderating hypotheses developed in this study (He et al., 2023). This highlights that, in the process of adaptation, companies must consider important factors that may act as barriers, including pressure. Thus, hypotheses are proposed.

- H1b : Customer pressure strengthens the effect of sensing capability on digital transformation.
- H2b : Customer pressure strengthens the effect of seizing capability on digital transformation.
- H3b : Customer pressure strengthens the effect of reconfiguring capability on digital transformation.

The combination of dynamic capabilities and digital transformation possessed by a company can result in sustainable performance (Xu & Hou, 2024). For example, a primary technology solution provider had to adapt and undergo digital transformation to maintain its business continuity during the COVID-19 pandemic. A company, PT Esensi Solusi Buana, developed an application, named ESB, as a solution for businesses, particularly in the culinary sector, to manage their operations and enhance profitability by leveraging digital technology. ESB offers a variety of software products to support all aspects of F&B business operations, including Point of Sale (POS), Enterprise Resource Planning (ERP), ordering systems, customer loyalty programs, and supply chain management. Thus, hypothesis is proposed.

- H4 : Digital transformation has a significant impact on sustainable performance.

The integrated cloud-based F&B software

solution allows business actors to monitor the entire business process using a single application. The implementation of this integrated platform enables culinary businesses to manage their performance more effectively, minimize operational costs, and help increase online orders. To date, such platforms have been adopted by more than 13 thousand brands and continue to grow, including several major market players. The presence of these integrated software platforms clearly illustrates the implementation of digital transformation and the dynamic capabilities organizations possess in achieving sustainable performance.

The selection of the application in Samarinda is based on the fact that city's significant increase in the use of digital services, particularly in the business and culinary sectors (Irianto et al., 2025). The application has become one of the most widely adopted platforms for enhancing operational efficiency, making Samarinda a relevant context for evaluating its effectiveness and impact. Moreover, the platform's extensive collaboration with numerous well-established brands across Indonesia further demonstrates its reliability and proven performance. This broad network of successful partnerships underscores the importance of adopting software for MSMEs in Samarinda, as it provides a trusted digital infrastructure that supports business growth and operational excellence.

Several studies consistently assert that Sensing Capabilities the ability to detect and evaluate new market and technological opportunities positively and significantly influence the success of Digital Transformation (DT) initiatives (Saeedikiya et al., 2024; Guo et al., 2020). Conversely, other findings report inconsistencies or a lack of support for this relationship (Kwiatkowska, 2024). This empirical gap highlights the need for context-specific validation. In the highly dynamic and customer-centric culinary industry of Samarinda, continuous sensing of new consumer preferences and digital platform trends (e.g., food delivery apps and social media marketing) is paramount. This makes Sensing Capability a crucial prerequisite for initiating relevant DT efforts.

Inconsistencies are also observed in the effect of seizing capabilities, defined as the capacity to mobilize resources and implement change to exploit sensed opportunities on DT. While some research reports a positive and significant impact (Amaya et al., 2024), others find the relationship to be non-significant (Kwiatkowska, 2024). This distinct difference creates a theoretical void regarding its universal applicability. Considering the fast-paced nature of the culinary sector, which demands rapid adaptation to changing consumer demands and swift execution of digital strategies (e.g., integrating a new POS system or scaling online operations), this research posits that the ability to act swiftly (seizing) is vital for successful DT outcomes. Thus, this research hypothesizes a positive influence.

Prior studies report mixed findings regarding the direct effect of digital transformation on sustainable

performance (SP). Although several studies support a positive and significant relationship (Gun et al., 2024; Teng et al., 2022), recent findings suggest that the impact is often indirect and requires a mediating factor (Zonipi, 2024). Specifically, Zonipi (2024) highlights the necessity of Digital Organizational Culture as a mediating factor, in the context of one cement factory in Indonesia.

To address the theoretical gap in the mechanism by which digital transformation influences sustainable performance, and to introduce a contextually relevant variable for the culinary industry, this study proposes customer pressure as a key mediating factor. In the modern market, customer expectations are increasingly focused on sustainability, such as ethical sourcing and reduced waste. Such pressure drives firms to adopt digital transformation, such as using digital tools to optimize resource or adapt transparent sourcing, which subsequently leads to improved sustainable performance. The research predicts that digital transformation will positively influence sustainable performance and that customer pressure will strengthen this relationship.

Thus, a gap remains regarding the relationship between digital transformation and sustainable performance. The objective of this study is to analyze how dynamic capabilities influence digital transformation, which ultimately contributes to sustainable performance. This study focuses on several brands that use the ESB application developed by PT Esensi Solusi Buana, as discussed previously.

By identifying discrepancies between previous research findings and current conditions, the researcher aims to further examine the influence of dynamic capabilities dimensions on digital transformation among culinary businesses in Samarinda, with customer pressure serving as a moderating variable in the relationship between dynamic capabilities, digital transformation, and sustainable performance.

II. METHODS

This study applies a quantitative approach with an associative method. This approach is used to examine the relationship between independent variables (dynamic capabilities), which include the processes of sensing opportunities, seizing, and reconfiguring resources, and the dependent variable of digital transformation, as well as its subsequent influence on sustainable performance.

The customer pressure variable serves as a moderating variable that influences the relationship between dynamic capabilities and digital transformation initiatives. This design is selected to statistically determine the pattern of causal relationships and interactions among the variables, including digital transformation and its subsequent impact on sustainable performance.

This study uses 18 indicators, based on a literature review of several previous studies that

examined the dimensions of dynamic capabilities theory—namely sensing, seizing, and reconfiguring capabilities in relation to digital transformation and sustainable performance.

Numerous references are identified from previous studies. However, the researcher adjusted the indicators used in this study by considering the similarities and differences across previous studies.

Based on previous research, the researcher adopt a number of indicators that remain relevant to the current research, taking into account the urgency and prevailing conditions of these variables in their implementation to the research object. Therefore, it is important to determine the research indicators accurately.

Table 1 outlines the constructs (variables) used in the research model namely dynamic capabilities (sensing, seizing, reconfiguring), digital transformation,

sustainable performance, and customer pressure, along with the specific measurement indicators adopted from relevant literature. These indicators form the basis for constructing the questionnaire instrument used in the data collection process, with each indicator is measured using a 5-point Likert scale (1 = strongly disagree to 5 = strongly agree).

The population consists of culinary brands using the ESB application in Samarinda, with a sample size of 312 respondents. The sampling technique is stratified probability sampling. The population is selected based on specific characteristics, namely culinary brands using the ESB app in Samarinda, which were randomly selected, resulting in 13 brands: Mie Gacoan, Shihlin, Reddog, Ropopang, Kedai Njah Besar, Ecologico, Manna Gelato, Helena Corp, Long April, My Kopi O, and Ong Kopitea. An equal number of respondents is then selected for each brand, with

Table 1 Research Constructs, Indicators, and Supporting References

Construct	Indicator	References
Sensing Capabilities	Market survey, experimentation, keeping up with science and technology	Teece, 2022
Seizing Capabilities	Changes in consumption practices, local competitiveness, loyalty of corporate commitment	Teece, 2022
Reconfiguring Capabilities	Making price changes, innovation, marketing method updates.	Teece, 2022
Digital Transformation	Digital technology use in daily operations, increased work efficiency from digital adoption, changes in customer service due to application.	Novianti & Bharata, 2022; Amaya et al., 2024
Sustainable Performance	Economic performance, environmental performance, social performance.	Tze San, Latif, & Di Vaio, 2022
Customer Pressure	Increased awareness of environmental issues, customer opinions on products, customer awareness in reusing products	Lestari et al., 2021

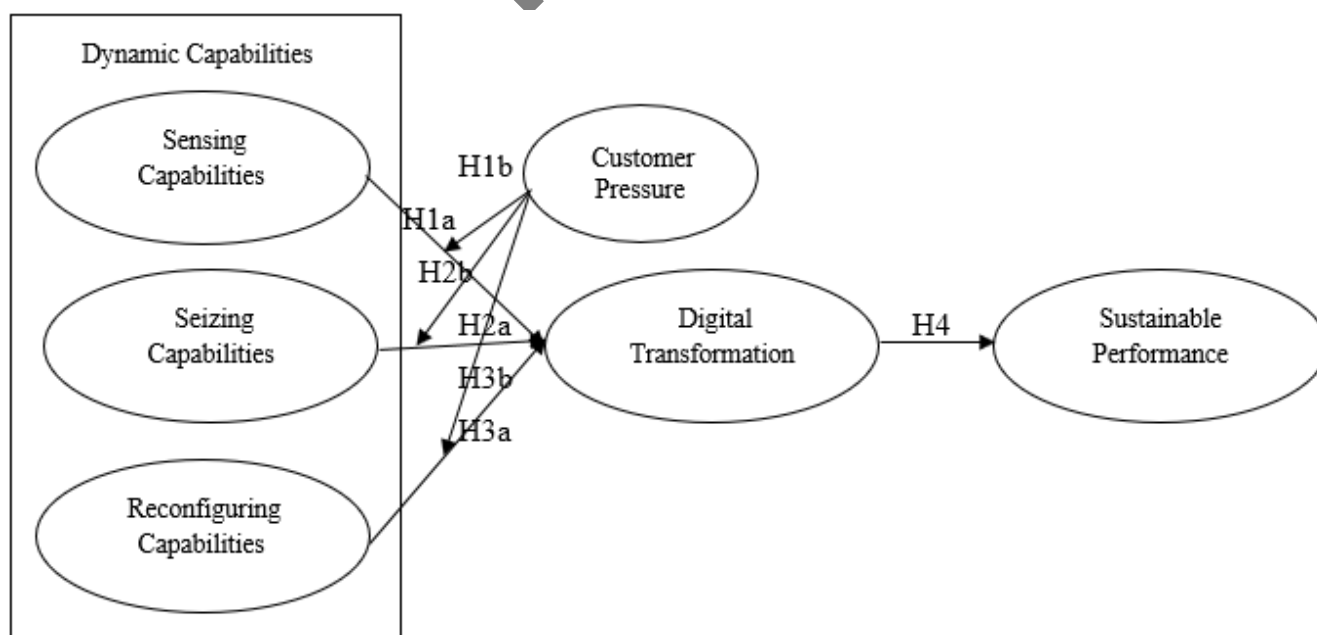


Figure 1 Conceptual Framework of Dynamic Capabilities, Digital Transformation, and Sustainable Performance

24 respondents per culinary brand. These brands are treated as individual strata using a stratified random sampling technique to ensure equal representation across all units.

A total of 24 respondents are selected from each brand to achieve a balanced sample distribution and to meet the minimum sample requirement for PLS-SEM analysis. According to Hair et al. (2021), the minimum sample size should be at least ten times the number of indicators of the most complex construct. Therefore, assigning an equal number of respondents per brand helps prevent disproportionate representation and reduces sampling bias.

Data collection is conducted directly through interviews or discussions with respondents, followed by the distribution of a prepared questionnaire via Google Forms. Subsequently, data are analyzed using the PLS-SEM technique with SMART PLS 4, including tests of the outer model, inner model, and research hypotheses.

A total of 18 indicators are used in this study, adapted from previous related studies and tailored to the research's needs. During the initial testing using the software, the algorithm is assessed in the Outer Model test, which included the Convergent Validity test. The measurement criteria specified that the outer loading value must exceed 0.70, and the AVE value must exceed 0.50. If the test results met these criteria, the model was considered valid.

For the Discriminant Validity test, the cross-loading value is required to be higher than that of other variables. In terms of Composite Reliability, it is considered reliable if the value exceeds 0.70. Following this, several tests are conducted in the inner model evaluation, namely R-Square, F-Square, and Q-Square (Predictive Relevance). Finally, in the hypothesis testing, the hypotheses are considered significant if the t-statistic value exceeded the specified criteria and the p-value was less than 0.05.

III. RESULTS AND DISCUSSIONS

Based on the research conducted, the respondents in this study are classified according to the demographic characteristics presented in Table 2. The majority of respondents are women, most of whom are aged 20-21 years old. Regarding educational background, most respondents were high school graduates or held equivalent qualifications. Most respondents had been using the ESB application for 4-11 months and are employed as managers.

Table 2 presents the demographic distribution of the 312 respondents sampled from 13 different culinary brands in Samarinda that have implemented the ESB application. The characteristics detailed include the respondents' age, gender, educational attainment, duration of ESB application usage (in months), and their current job title/position.

In assessing the convergent validity, the measurement criteria require that the outer loading

value exceed 0.70 and an AVE value exceed 0.50. Based on Table 3, all variables have outer loading values greater than 0.70 and an AVE value greater than 0.50. Thus, this study has a valid convergent validity. Table 3 presents the Outer Loading values for each measurement indicator in the PLS-SEM model. All values exceed the 0.70 threshold, confirming that each indicator validly represents its intended latent construct and thereby establishing Convergent Validity.

Table 4 presents the Composite Reliability and Average Variance Extracted (AVE) values for all constructs. The Composite Reliability values, all exceeding 0.70, confirm the constructs' reliability. In other hand, all AVE values greater than 0.50 confirm the constructs' convergent validity. Furthermore, Table 4 shows that the composite reliability value in this study exceeds 0.70. Therefore, this study has good reliability.

Table 2 Respondent Demographic Characteristics

Characteristics	Frequency	Percentage
Age:		
18-19	16	5,13%
20-21	104	33,33%
22-23	88	28,21%
24-25	64	20,51%
26-27	8	2,56%
28-29	16	5,13%
30-31	16	5,13%
Gender:		
Male	144	46,15%
Female	168	53,85%
Education:		
High School	144	46,15%
D3	48	15,38%
S1	120	38,46%
Using Time Apps (month):		
4-11	168	53,83%
12-19	48	15,38%
20-27	56	17,95%
28-35	16	5,13%
36-43	8	2,56%
44-48	16	5,13%
Job:		
PIC	8	2,56%
Cashier	64	20,51%
Head Office	24	7,69%
Manager	8	2,56%
SPV	104	33,33%
IT	8	2,56%
Waiter	32	10,26%
Barista	40	12,82%
All-round	24	7,69%

Table 3 Outer Loading

	X1	X2	X3	Y1	Y2	Z
X1.1	0.876					
X1.2	0.913					
X1.3	0.860					
X2.1		0.883				
X2.2		0.875				
X2.3		0.821				
X3.1			0.957			
X3.2			0.937			
X3.3			0.861			
Y1.1				0.904		
Y1.2				0.904		
Y1.3				0.784		
Y2.1					0.899	
Y2.2					0.895	
Y2.3					0.836	
Z1						0.701
Z2						0.799
Z3						0.866

(Source: Output of SmartPLS 4.0)

Table 4 Results of Construct Reliability and Validity Tests

	Cronbach's alpha	(rho_a)	(rho_c)	(AVE)
Sensing Capabilities	0.859	0.870	0.914	0.780
Seizing Capabilities	0.827	0.855	0.895	0.740
Reconfiguring Capabilities	0.908	0.943	0.942	0.845
Digital Transformation	0.833	0.859	0.900	0.750
Sustainable Performance	0.849	0.852	0.909	0.769
Customer Pressure	0.719	0.808	0.833	0.626

Table 5 R-Square

	R-square
Digital Transformation	0.849
Sustainable Performance	0.361

(Source: Output of SmartPLS 4.0)

Table 5 presents the R-Square (R²) values for the endogenous variables digital transformation and sustainable performance. The R² value indicates the proportion of variance in each endogenous variable that is explained by its respective predictor

variables (Dynamic Capabilities, Customer Pressure, and Digital Transformation) in the structural model. Furthermore, Table 5 shows that the R-Square value for the digital transformation variable is higher than that for the sustainable performance variable.

Table 6 F-Square

	Digital Transformation	Sustainable Performance
X1	0.417	
X2	0.686	
X3	0.369	
Y1		0.566
ZxX1	0.144	
ZxX2	0.068	
ZxX3	0.911	

(Source: Output of SmartPLS 4.0)

Table 6 presents the F-Square (F²) values, which quantify the substantive impact (effect size) of each predictor, including the moderating effect, on the endogenous variables digital transformation and sustainable performance. The magnitude of F² is used to assess the practical significance of the relationships within the model. Furthermore, Table 6 presents the F-Square values for two different measurement conditions incorporating moderating effects. Given the conditions, all variables in this study have a strong influence (García-Cruz et al., 2024).

Table 7 presents the results of the hypothesis testing obtained from the PLS-SEM bootstrapping procedure. The results include the Path Coefficient (O), which indicates the direction and strength of the relationships; the T-Statistic, which assesses statistical significance; and the P-Values, which determine the acceptance or rejection of the research hypotheses at the specified significance level. In Table 7, based on the bootstrapping calculations, the results are consistent with the previous data, showing the path coefficients that explain the results of the hypothesis testing in this study.

The finding indicates that sensing capabilities have a significant and positive effect on digital transformation. The original sample (O) value of 0.345, with a t-statistic of 9.855 (> 1.96/2.018) and a p-value of 0.000 (< 0.05), supports the acceptance of this hypothesis. This indicates that a company's ability to sense changes and market identify market opportunities significantly contributes to its digital transformation efforts. This finding is consistent with previous research by Purbiyati and Setyawati, (2023), which emphasizes the importance of sensing capabilities in maximizing the benefits of digital transformation. For culinary business operators in Samarinda, this means that conducting market surveys, understanding consumer preferences, and

Table 7 Hypothesis Testing Results (Path Coefficient, T-Statistic, and P-Value)

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/ STDEV)	P values
SC-> DT	0.345	0.345	0.035	9.855	0.000
SZ -> DT	0.500	0.499	0.052	9.572	0.000
RC -> DT	-0.336	-0.334	0.033	10.267	0.000
DT -> SP	0.601	0.603	0.033	18.283	0.000
CP x SC -> DT	-0.205	-0.204	0.029	7.103	0.000
CP x SZ -> DT	0.711	0.705	0.047	15.267	0.000
CP x RC-> DT	-0.202	-0.197	0.036	5.681	0.000

(Source: Output of SmartPLS 4.0)

keeping pace with technological developments (e.g., implementing ESB applications) are crucial for adaptation and competition.

The influence of seizing capabilities has been shown to have a positive and significant effect on digital transformation. With an original sample (O) value of 0.500, a t-statistic of 9.572 ($> 1.96/2.018$), and a p-value of 0.000 (< 0.05), the second hypothesis is accepted. This finding indicates that a company's ability to effectively capitalize on opportunities and implement new ideas drives digital transformation. These findings are consistent with previous studies of (Amaya et al., 2024) and (Saedikiya et al., 2024) as well as (Novianti & Bharata, 2022), who emphasize the importance of Seizing Capabilities in enhancing performance through digital adoption. Food business operators in Samarinda demonstrate the ability to manage strategic decisions, identify market opportunities, and build consumer commitment to digital transformation, particularly through the use of ESB applications.

This study finds that reconfiguring capabilities have a negative and significant relationship with digital transformation. The path coefficient of -0.336 with a t-statistic of 10.267 ($> 1.96/2.018$) and a p-value of 0.000 (< 0.05) indicates that the higher levels of reconfiguring capabilities are associated with lower levels of digital transformation, and vice versa. This finding is distinctive, as it contradicts the research by Putritamara et al. (2023), who identified a positive relationship. This negative direction may indicate that continuous internal reconfiguration efforts without clear implementation can hinder progress in digital technology adoption.

Recent studies highlight that for digital transformation to succeed, organizations must not only reconfigure technological systems but also foster a supportive organizational culture and employee readiness for change (Purnawan, 2025). Without such cultural and human-factor alignment, structural reconfiguration alone may disrupt workflows or fail to generate the expected benefits of digital adoption (Awad & Martín-Rojas, 2024). However, companies in Samarinda that use ESB show that efficient reconfiguration (e.g., through an integrated

ESB system) can ultimately facilitate operations and updates, even though a statistically direct negative relationship is found.

The analysis results show that customer pressure weakens the significant influence of sensing capabilities on digital transformation. Although sensing capabilities have a direct positive effect, the interaction t-statistic value of 7.103 ($< 1.96/2.018$) and p-value of 0.000 (< 0.05) indicate a negative moderating effect. This means that high customer pressure can reduce the effectiveness of sensing capabilities in driving digital transformation. This finding is relevant because customer pressure often focuses on instant solutions, which may divert organizational attention away from identifying long-term trends (Lestari et al., 2021). In practice, some culinary brands in Samarinda are even reconsidering the use of ESB due to segments of consumers who are not yet familiar with technology.

The influence of customer pressure reinforces the substantial impact of seizing capabilities on digital transformation. Although the interaction of t-statistic value is 15.267 ($> 1.96/2.018$), the p-value of 0.000 (< 0.05) indicates a positive moderating effect. This means that high customer pressure motivates companies to be more effective in seizing opportunities and implementing new ideas in the context of digital transformation. This pressure encourages culinary businesses in Samarinda to adapt to digital technologies (such as online transactions and ordering systems through ESB) to meet the customers' demands, which are increasingly shifting toward digital systems.

The moderating effect of customer pressure on the relationship between reconfiguring capabilities and digital transformation indicates that customer pressure weakens the significant influence of reconfiguring capabilities on digital transformation. With a t-statistic of 5.681 ($> 1.96/2.018$) and a p-value of 0.000 (< 0.05), the moderating effect is negative. Given the direct negative influence of reconfiguring capabilities on digital transformation, this result implies that higher customer pressure reduces the negative barrier of reconfiguring capabilities on digital transformation. This suggests that customer pressure may force companies to reconfigure resources in a more directed and practical manner that better supports digital

transformation, despite the overall negative direct relationship. The use of ESB applications in culinary business in Samarinda, which reduce operational constraints, is evidence of how customer-driven reconfiguration can lead to improved digital efficiency.

The impact of digital transformation on sustainable performance. The results clearly show that digital transformation has a positive and significant impact on sustainable performance. The original sample (O) value of 0.382, t-statistic of 18.283 (far > 1.96/2.018), and p-value of 0.000 (< 0.05) support the acceptance of this hypothesis. This confirms that adopting digital transformation provides significant benefits for business sustainability, financially, environmentally, and socially. These findings are consistent with the study by Abdullah et al., (2024). Culinary brands in Samarinda that implement ESB demonstrate improved financial performance, increased operational efficiency, and support for environmentally friendly practices (e.g., reducing paper usage), all of which contribute to sustainable performance.

Overall, these findings align with Dynamic Capabilities Theory, which emphasizes the need to adapt to changes in the modern economy, particularly through digital technology. Sensing and seizing capabilities are crucial for driving digital transformation, although reconfiguring capabilities require further interpretation in light of the negative findings. The role of customer pressure as a moderator also varies, weakening some relationships while strengthening others, thereby highlighting the complexity of market dynamics. Ultimately, digital transformation has proven to be a crucial driver of sustainable performance in the Samarinda culinary sector.

For culinary businesses in Samarinda, these findings highlight several practical strategies. Managers should strengthen sensing capabilities by continuously monitoring market trends and customer preferences to identify new opportunities for digital adoption. Enhancing seizing capabilities is essential to quickly implement digital initiatives and convert identified opportunities into effective actions, particularly under high customer pressure. Regarding reconfiguring capabilities, companies should manage internal restructuring carefully by aligning technological changes with organizational culture and employee readiness to avoid hindering digital transformation. Leveraging integrated digital platforms such as ESB can improve operational efficiency, service quality, and responsiveness to customer demands, ultimately supporting long-term sustainable performance.

IV. CONCLUSIONS

This study found that there is a significant influence of sensing capabilities on digital transformation. This demonstrates that a company's ability to sense, understand, and interpret changes in the

environment (e.g., market trends, new technologies, and customer needs) is crucial and positively contributes to its digital transformation efforts. The better a company is at "sensing" change, the more effective it is in implementing digital initiatives. There is also a significant influence of seizing capabilities on digital transformation. This indicates that a company's ability to capture and capitalize on identified opportunities (based on sensing capabilities) has a major impact on digital transformation. After sensing opportunities, the ability to design and implement appropriate digital initiatives is crucial to the success of transformation.

The reconfiguring capabilities variable has a significant effect on digital transformation. However, interestingly, the direction of the relationship is negative. These results indicate that, although the ability to reconfigure and adapt organizational structures, processes, and resources strongly influences digital transformation, the effect is negative. This suggests that restructuring or adaptation efforts do not fully support, or hinder, effective digital transformation processes. Alternatively, other factors may contribute to the complexity of the reconfiguration process. Therefore, further research is needed to explore why the direction of this relationship becomes negative.

Customer pressure weakens the significant influence and changes the direction of the relationship between sensing capabilities and digital transformation process. This means that when there is pressure from customers (e.g., demands for better digital services and sustainability), the positive influence of sensing capabilities on digital transformation weakens or may even change direction. This can occur when customer pressure becomes excessive, leading companies to make reactive rather than strategic digitalization decisions, thereby reducing the effectiveness of sensing capabilities in driving planned digital transformation. Conversely, customer pressure strengthens the strong impact of seizing capabilities on enabling digital transformation. This indicates that customer pressure encourages companies to be more effective in capturing and leveraging digital opportunities. When customers demand digitalization, companies are more motivated to implement relevant digital solutions, thereby strengthening the positive impact of seizing capabilities. Meanwhile, customer pressure reduces the strength of the significant impact of reconfiguring capabilities on digital transformation. This means that pressure from customers makes companies less proactive and less effective in restructuring internal processes to support digital transformation. Intense customer demands can distract companies from maximizing internal changes required to adopt digital technology fully, thereby hindering optimal implementation. Overall, this finding demonstrates the dualistic role of customer pressure (strengthening and weakening), which represents a key novelty in the development of dynamic capabilities literature.

Digital transformation has a significant impact on sustainable performance. This is a key finding showing that companies' digital transformation

efforts contribute directly and positively to their sustainable performance. Digitalization enables companies to achieve operational efficiency, product and service innovation, and better market adaptation, which ultimately supports long-term business sustainability. The statistical analysis confirms that dynamic capabilities play a strong role in driving digital transformation. These findings validate the relationships among the key variables under investigation, including dynamic capabilities, digital transformation, sustainable performance, and customer pressure, and demonstrate strong practical significance, not merely statistical significance.

For culinary brands in Samarinda, in this modern economic era, it is crucial to adapt and transform their business operations using digital technology to keep pace with rapid technological developments, where sensing, seizing, and reconfiguring capabilities are needed to identify and manage opportunities so that businesses can compete and survive. This includes continuously innovating business models and operational systems by leveraging digital technologies, such as ESB applications, to improve service and business management while still addressing customer needs and demands to continuously improve performance.

For further research, it is recommended to include additional relevant variables to deepen the understanding of the relationship between digital transformation and sustainable performance, to test other moderating variables beyond customer pressure, and to develop and expand the geographical or industrial scope of the research object and sample size to obtain more data in terms of quality and quantity to enhance the generalization of findings.

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