

## Identifying the Challenges of Small and Medium Enterprises (SME) Business Model in the Path of Digital Transformation during the COVID-19 Pandemic

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### Abstract

The aim of this study was to identify the challenges of the business model of small and medium enterprises in the path of digital transformation during the COVID-19 pandemic. This study is categorized as an applied and exploratory research which was carried out by a survey. In order to screen and investigate on the components extracted from the literature, the fuzzy Delphi method was used by a Delphi panel consisting of 30 experts and experts in the field of research who were selected by the purposeful sampling method. In the next step, in order to ensure the factorial structure and the validity of the constructs, and the overall fit of research model, field method was used. Then, for distribution of questionnaires, a survey of 162 senior managers of small and medium companies in Tehran was carried out. Smart PLS software was used to analyze the data. The findings indicate 22 sub-components in the 6 main components of change challenges, market, and financial, organizational, individual and environmental challenges. The results also showed that the factor of "lack of necessary infrastructure" has the highest priority, "lack of government support during the Pandemic" and "lack of intangible resources (experience, knowledge, flexible manpower) for digital transformation" is in the next ranks.

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**Keywords:** Digital Transformation, Business Model, Small and Medium Enterprises (SME), COVID-19;

### 1. Introduction

Today, digital technology is of particular importance for company managers or people who want to boost their business and attract many customers to their business (Ahmadizad, Shafie and Mahmoudi, 2019). With the advent of digital technologies, classic business models are disappearing and being replaced by new business models, which are

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