## **ABSTRACT**

At present the company's ability to carry out digital transformation has become a necessity in order to remain competitive in the digital era, including those of MSMEs. But the ability of this company cannot be generalized, so the purpose of this study is to find out the inhibiting factors that occur in Wellborn as a clothing company that is already superior to Proshop who has just begun digital transformation to find out every obstacle experienced by each company.

To find out the inhibiting factors of digital transformation, in this study there are 4 main factors including, (1) Human Resources (HR), (2) technology, (3) the relationship of IT with business processes, and (4) digital leadership. In HR factors have variables namely trust and commitment, and technological factors with IT expertise and IT strategic role. Thus making 6 variables to be analyzed, (1) trust, (2) commitment, (3) IT expertise, (4) IT's strategic role, (5) IT's relationship with business processes, and (6) digital leadership. This research method uses qualitative, with data collection methods using in-depth interviews with 3 speakers each from Proshop and Wellborn.

The results showed that Wellborn did not have an inhibiting factors in implementing digital transformation, because it already has a strong team and the support of external parties to solve problems. In contrast to Proshop, the barriers that occur indicate 2 of the 6 variables studied are the factors that influence in digital transformation in Proshopo namely, (1) IT expertise, and (2) strategic role.

Keywords: Digital transformation, Clothing, MSME, the inhibiting factors of digital transformation.