

Obstacles and Perceptions Regarding AIS Non-Adoption Among Micro Enterprises

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ABSTRACT

The increasing importance of digital technologies has encouraged businesses to adopt Accounting Information Systems (AIS) to improve financial management, operational efficiency, and decision-making. Despite the recognized benefits of AIS, many micro enterprises continue to rely on manual accounting practices. This study aimed to examine the obstacles and perceptions regarding the non-adoption of Accounting Information Systems among micro coffee businesses in Barangay Marulas, Valenzuela City. Specifically, the study sought to determine the firmographic profile of the respondents, identify the barriers affecting AIS adoption, and assess perceptions toward AIS based on the Diffusion of Innovation (DOI) Theory. The study employed a quantitative descriptive

research design. Data were collected from thirteen (13) purposively selected micro coffee businesses that were not currently using an Accounting Information System. A structured questionnaire administered through Google Forms served as the primary data collection instrument. Descriptive statistical tools, including frequency, percentage, mean, and standard deviation, were used to analyze the collected data. The findings revealed that most respondents were newly established businesses operating for less than one year and employing one to three workers. Financial constraints, technical expertise, technological infrastructure, and behavioral resistance were all identified as moderate barriers to AIS adoption. Despite these challenges, respondents demonstrated positive perceptions regarding the usefulness and ease of use of AIS. Business owners generally agreed that AIS could improve financial accuracy, increase operational efficiency, support decision-making, and be relatively easy to learn and operate. The study concludes that AIS non-adoption among micro coffee businesses is primarily influenced by organizational and resource-related constraints rather than negative attitudes toward technology. The positive perceptions exhibited by respondents indicate potential readiness for future AIS adoption if financial, technical, and infrastructural barriers are addressed. The study recommends the implementation of training programs, financial assistance initiatives, digitalization support mechanisms, and awareness campaigns to encourage the adoption of AIS among micro enterprises.

Keywords: Accounting Information System, AIS Adoption, AIS Non-Adoption, Technology Acceptance Model, Micro Enterprises, Coffee Businesses, Financial Constraints

INTRODUCTION

Micro, Small and Medium Enterprises (MSMEs) are important in the Philippine economy in relation to employment generation, entrepreneurship development and economic growth. Out of these enterprises, the smallest are micro enterprises, which generally have small size of enterprises, simple structure, owner management, and are deeply dependent on local markets and the owners' resources. They tend to be smaller and less well resourced than larger companies, which puts them at a higher risk of economic and operational difficulties (OECD, 2023). Likewise, Wilson et al. (2022) defines micro enterprises as a business that is tightly integrated in its local community where the owner is actively involved in the business, decision making, and customer relations. These businesses are not only good for the economy, but also for their contribution to local employment and entrepreneurship and community development. Micro enterprises account for the majority of registered business establishments in the Philippines and are also an important source of local economic activity.

In recent years, the food and beverage sector has experienced substantial growth, particularly in the coffee industry, as café culture continues to expand among Filipino consumers. The increasing popularity of coffee consumption, coupled with relatively low capital requirements, has encouraged many entrepreneurs to establish micro coffee businesses in urban communities such as Valenzuela City.

Despite the increasing number of coffee industries, operating a micro business remains highly challenging due to intense market competition, changing consumer preferences, rising operational costs, and limited organizational resources. To remain sustainable and competitive, business owners must effectively manage their financial resources and maintain accurate records of transactions, expenses, revenues, and cash flows. Effective financial management enables entrepreneurs to evaluate business performance, make informed decisions, comply with regulatory requirements, and identify opportunities for growth and expansion.

However, many micro coffee businesses continue to rely on manual accounting practices such as handwritten records, notebooks, spreadsheets, and informal bookkeeping systems. While these methods may be sufficient during the early stages of business operations, they often become inefficient as transaction volumes increase. Manual accounting systems are more susceptible to recording errors, duplication of entries, delayed financial reporting, and difficulties in retrieving information. Such limitations can negatively affect managerial decision-making and reduce the overall efficiency of business operations.

The emergence of digital technologies has transformed financial management practices across organizations of different sizes. One of the most important technological innovations in accounting is the Accounting Information System (AIS). An AIS is an integrated system designed to collect, process, store, and report financial information in a timely and accurate manner. Through automation, AIS enables organizations to improve recordkeeping accuracy, reduce human errors, generate financial reports efficiently, and support strategic decision-making. Previous studies have consistently demonstrated that AIS contributes to improved organizational performance, operational efficiency, and financial transparency.

Despite these benefits, the adoption of Accounting Information Systems among micro enterprises remains relatively low, particularly in developing economies. Many small business owners encounter various challenges that limit their ability to implement digital accounting systems. These challenges include financial constraints associated with software acquisition, hardware procurement, and employee training; limited technical expertise needed to operate digital systems; inadequate technological infrastructure such as unstable internet connectivity and insufficient digital devices; and behavioral resistance arising from preference for traditional methods and fear of change.

Moreover, research studies in recent years have shown that the features of an innovation and the attitudes of potential adopters have significant roles to play in determining the adoption of a technology. The study by Awa and Ojiabo (2024) based on the Diffusion of Innovation (DOI) Theory revealed that the factors that influence the adoption of an innovation are the key characteristics of the innovation: relative

advantage, compatibility, complexity, trialability, and observability. Relative advantage is the degree to which the innovation is perceived to be better than the current way of doing things; compatibility is the degree to which the innovation is compatible with existing values, experiences and business practices; complexity is the perceived difficulty of using the innovation; trialability is the opportunity to experiment with the innovation before full implementation; and observability is the degree to which the benefits of the innovation are visible to others. These perceptions need to be explored because positive perceptions of these innovation characteristics can mean readiness to adopt Accounting Information Systems when the current barriers are overcome, especially among the non-adopters.

Within Barangay Marulas, Valenzuela City, numerous micro coffee businesses continue to rely on manual accounting practices despite the availability of affordable digital accounting solutions. While previous research has extensively examined technology adoption among SMEs, limited empirical evidence exists regarding the factors contributing to AIS non-adoption among micro coffee businesses. Furthermore, few studies have focused specifically on the anticipated perceptions of business owners who have not yet implemented AIS.

Given this research gap, the present study seeks to examine the obstacles and perceptions associated with the non-adoption of Accounting Information Systems among micro coffee businesses in Barangay Marulas, Valenzuela City. Specifically, the study investigates financial constraints, technical expertise, technological infrastructure, and behavioral resistance as potential barriers to adoption. Likewise, the study explores the anticipated perceptions of usefulness and ease of use of AIS based on the Technology Acceptance Model.

The findings of this study are expected to contribute to a better understanding of the challenges faced by micro coffee businesses in adopting digital accounting technologies. The results may assist business owners, policymakers, local government units, educational institutions, and software developers in formulating programs and strategies that encourage digital transformation and improve financial management practices among micro enterprises. Ultimately, the study seeks to support the long-term sustainability, competitiveness, and technological advancement of micro coffee businesses within the Philippine business environment.

Literature Review

This review of related literature explores the concepts of Accounting Information Systems (AIS), the barriers to AIS adoption among micro enterprises, and the Diffusion of Innovations (DOI) Theory, highlighting their relationship and significance to the non-adoption of AIS among micro coffee businesses. Financial constraints, limited technical expertise, inadequate technological infrastructure, and behavioral resistance to change are recognized as key factors that influence the decision of micro enterprises to delay or reject AIS adoption. To establish a theoretical foundation for the study and examine how these barriers, together with business owners' perceptions of innovation characteristics, influence AIS non-adoption, this section presents relevant local and foreign literature, previous studies, and the theoretical framework supporting the research.

Note. Adapted from *Diffusion of Innovations Theory, Principles and Practice*, by J. Dearing and J. Cox

Theoretical Framework

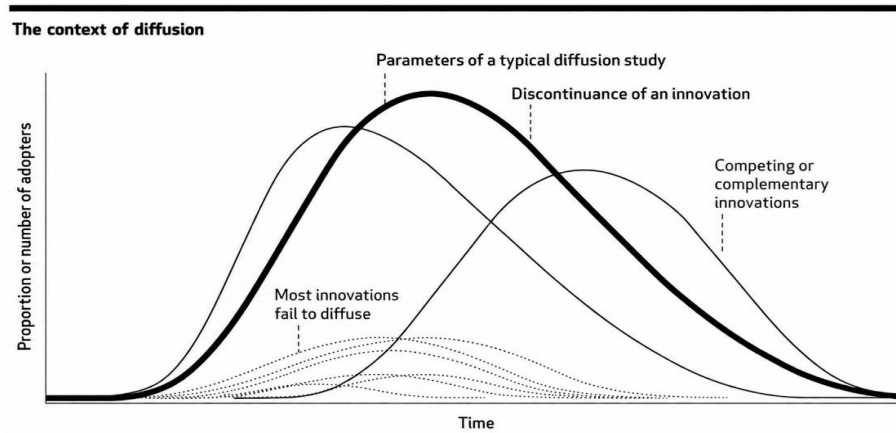


Figure 1. *Diffusion of Innovations Theory*

This study is based on the Diffusion of Innovations (DOI) Theory created by Everett M. Rogers (2003). The theory provides an understanding of how new ideas, technologies or innovations are introduced and incrementally accepted in a social system over time. Rogers' (2003) five characteristics of an innovation that affect the decision to adopt are relative advantage, compatibility, complexity, trialability and observability.

Relative advantage is the degree to which an innovation is perceived as being better than the alternative. The potential benefits of an Accounting Information System (AIS) such as the ability to provide more accurate financial records, fast production of reports, improved decision-making, and more efficient operations may increase the likelihood that a micro coffee business will adopt an AIS in this study. Furthermore, compatibility is the degree to which an innovation is in line with the values, experiences, and ways of operation of the potential adopter. Business owners are more likely to adopt AIS if they believe that they don't have to make major changes to their business to adopt the system. In addition, complexity is the level of perceived difficulty of understanding and using the innovation. If AIS is believed to be hard to implement or a technology that the owner will need to learn, the owner may be hesitant to use AIS. This misperception is directly related to the barrier of limited technical expertise, one of the barriers discussed in this study. Moreover, trialability is the chance to experiment with or try an innovation before committing to it. You can help ease business owners' fears about the effectiveness and ease of use of AIS by offering them free trials, demos, or pilot implementations. Lastly, observability is the extent to which the results or effects of the innovation are visible. The attitude and perception of the business owners could be influenced if the other similar micro enterprises are successful in implementing AIS then they are more likely to consider their implementation in their business enterprise.

The Diffusion of Innovations Theory serves as a suitable basis for this study as it describes how business owners process new technologies in order to decide whether or not to invest in them. This research examines the largely unadopted situation of micro coffee businesses without Accounting Information Systems (AIS) and how the characteristics of the innovation, coupled with the barriers that already exist in the organization, such as financial problems, limited technical resources, lack of adequate technological infrastructure, and behavioral resistance to change, can influence the decision to delay or reject its adoption. Hence, the theory is used to analyze the challenges of non-adoption of AIS and the perceptions of non-adopters on AIS, thus the study's objective of examining the factors affecting the non-adoption of AIS by the micro coffee businessmen from Barangay Marulas, Valenzuela City.

Conceptual Framework

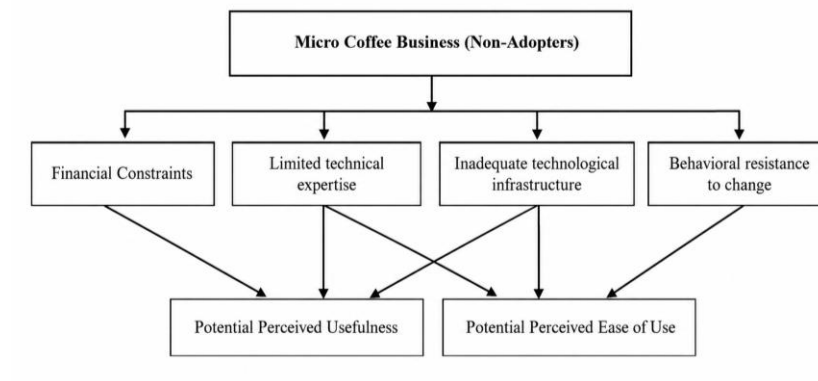


Figure 2. *Factors Influencing the Non-Adoption of Accounting Information Systems (AIS) among Micro Coffee Businesses*

The research paradigm illustrates the key variables examined in this study, which centers on micro coffee businesses in the Philippines that have not adopted Accounting Information Systems (AIS). It presents the conceptual framework showing how selected factors relate to the condition of AIS non-adoption. The paradigm is organized into three major components:

Variable Discussion

Financial Constraints

Financial constraints involve the financial resources which a business can allocate for new technologies, equipment and organizational improvements. Financial constraints may affect the technology choices of micro enterprises as financial resources are generally used for daily operation, inventory, human resource, etc., of the enterprise. Therefore, many times investments in Accounting Information Systems (AIS) are deferred even if they have long-term benefits.

Financial capability significantly affects small and medium-sized enterprises (SMEs) intentions to use accounting technologies according to Nguyen and Nguyen (2022). In general, small companies are less likely to invest in a digital accounting system, even when they believe that it is beneficial. Likewise, expenses associated with the implementation, including software licensing, hardware upgrades, employee training, maintenance, and software subscription, impose further costs that hinder the use of technology in micro businesses.

From this study, financial considerations may deter the micro coffee business owners from using AIS as resources are more likely to be used for business operations than technological investments. Therefore, financial constraints could be one factor in the persistence of manual accounting systems in the face of operational benefits provided by AIS.

Limited Technical Expertise

Limited Technical Expertise is a deficiency in the knowledge, skills and competencies required to effectively understand, use and maintain digital technologies like Accounting Information Systems. Technical skills: computer literacy, knowledge of accounting, software knowledge, and skills to troubleshoot basic technical problems. If a business owner does not have such skills, he or she might find AIS challenging to learn and use.

To implement digital technologies, digital competence of business owners and employees is important (OECD, 2025). But, many SMEs say that lack of digital skills and limited knowledge on

technological tools are still important barriers to technology use. The above challenges are more pronounced with micro enterprises, where the owner may have to undertake several roles and where he/she may not have undergone formal training in accounting information systems.

Micro coffee enterprises may lack technical skills and may not be as confident as other enterprises in adopting AIS, and thus may rely more heavily on traditional bookkeeping systems. This means that the business owners might be reluctant to use digital accounting systems because of the complex system, the implementation process, and the training required.

Inadequate Technological Infrastructure

Technological infrastructure is the lack of technological resources that are required for the effective implementation and operation of Accounting Information Systems. The resources are: reliable internet connection, computer hardware, software applications, electricity and other digital facilities needed to adopt the technology. The lack of these resources can greatly affect an organization's ability to implement digital accounting systems.

Infrastructure constraints still constrain digital transformation of small businesses, especially in developing and emerging economies, according to the World Bank (2022). Limited internet connectivity, outdated computer infrastructure and insufficient technological capabilities hinder businesses from integrating digital systems into their routine. Technology readiness has thus now emerged as an important prerequisite for the successful implementation of AIS.

Technology infrastructure in the study context refers to the capacity and connectivity needed to put the system in place. This can include having the proper hardware, software, and infrastructure, such as computers, servers, and printers. Micro coffee business owners might be less inclined to adopt AIS if they do not have the necessary technological infrastructure to implement it. Insufficient digital resources can make the adoption of AIS expensive, inefficient, or even impractical. If there are no digital methods of accounting available, business owners might still be using manual methods.

Behavioral Resistance to Change

Behavioral resistance to change is a challenge from the individual's side to change to new technologies, processes, or methods that they have not been sure or comfortable about, are afraid of change, have not been used to, or perceive as risky. In technology adoption, resistance usually happens when people feel that the currently existing technology is enough or when they feel that the new technology will be complicated to understand and/or to use.

The resistance to change has been an important factor that has been identified as an influence on technology adoption decisions. People who are used to the manual accounting system may not be willing to abandon the old system and adopt a computer-based system, due to fears of complexity, implementation risks and potential disruption to daily business. These perceptions can make them less likely to consider using new and novel approaches to technology, even if they are capable of benefiting the world.

The observed behavioral resistance to change can affect the non-adoption of AIS by the micro coffee business owners. Some business owners find that manual bookkeeping methods are sufficient without the need for an AIS, or that it can be challenging to adopt. Some business owners believe that manual bookkeeping methods are adequate and don't need to implement an AIS, or don't think it's something they can do. Hence, behavioral resistance can prove to be one of the major obstacles for the adoption of Accounting Information Systems (AIS) in micro enterprises.

Statement of the Problem

Most coffee businesses in Barangay Marulas, Valenzuela City, continue to operate without adopting Accounting Information Systems (AIS), relying instead on manual accounting methods such as handwritten records, basic spreadsheets, or informal tracking practices. While these methods may be sufficient for small-scale operations, they often lead to financial inefficiencies, including errors in recording

transactions, delayed financial reporting, and difficulties in monitoring cash flow and expenses. Over time, these limitations can affect decision-making, reduce operational efficiency, and potentially hinder business growth and sustainability.

The continued reliance on manual systems may be influenced by several interrelated factors. Financial constraints limit the ability of business owners to invest in accounting software, hardware, and training. Limited technical expertise may create uncertainty about the ability to operate and manage digital systems effectively. In addition, inadequate technological infrastructure, such as lack of reliable internet access, insufficient devices, or unstable electricity, can further discourage the adoption of AIS. Behavioral resistance also plays a role, as business owners and staff may prefer familiar manual methods or perceive new systems as complex and disruptive to existing routines.

Despite these challenges, it remains unclear how micro coffee business owners perceive AIS in terms of its potential usefulness and ease of use. Understanding these anticipated perceptions is important, as they can influence future adoption decisions. Even if businesses have not yet implemented AIS, their expectations regarding its benefits and usability may determine their willingness to adopt such systems once existing barriers are reduced.

In this context, the present study seeks to describe the obstacles and anticipated perceptions associated with the non-adoption of Accounting Information Systems among micro coffee businesses. By examining financial, technical, infrastructural, and behavioral factors alongside perceived usefulness and ease of use, the study aims to provide a comprehensive and evidence-based understanding of why AIS has not yet been adopted in this sector.

This study aims to examine the non-adoption of Accounting Information Systems (AIS) among micro coffee businesses in Barangay Marulas, Valenzuela City. Specifically, it seeks to answer the following questions:

1. Firmographic Profile of Micro Coffee Businesses

What is the firmographic profile of the micro coffee businesses in terms of:

- 1.1 Years of operation;
- 1.2 Number of employees?

2. Obstacles to AIS Adoption

To what extent do the following factors act as barriers to AIS adoption:

- 2.1 Financial constraints;
- 2.2 Limited technical expertise;
- 2.3 Inadequate technological infrastructure; and
- 2.4 Behavioral resistance to change?

3. Perceptions Toward AIS

What are the anticipated perceptions of micro coffee business owners regarding:

- 3.1 Perceived Usefulness (PU) of AIS;
- 3.2 Perceived Ease of Use (PEOU) of AIS?

METHODS

This study adopts a quantitative approach to examine the factors associated with the non-adoption of Accounting Information Systems (AIS) among micro coffee businesses in the Philippines. The methodology is structured to systematically gather numerical data describing business characteristics, perceived barriers, and anticipated perceptions toward AIS, thereby enabling an objective assessment of patterns related to non-adoption.

Research Design

The study utilizes a descriptive research design, which is appropriate for investigations that aim to characterize phenomena as they naturally occur without manipulating variables or establishing causal relationships. This design is particularly suitable for the present study because its primary objective is to document and analyze the existing conditions associated with the non-adoption of Accounting Information Systems (AIS) among micro coffee businesses rather than to test hypotheses or determine cause-and-effect relationships. Through this approach, data are systematically collected and quantitatively summarized to provide an accurate representation of business characteristics, perceived barriers, and anticipated perceptions regarding AIS. Specifically, the design facilitates structured documentation of financial constraints, technical expertise, technological infrastructure, and behavioral factors, alongside anticipated perceptions, namely perceived usefulness and perceived ease of use. Employing a descriptive framework ensures that the findings reflect the respondents' actual conditions and viewpoints, thereby enhancing the objectivity and reliability of the results.

Moreover, this design is appropriate for exploratory contexts involving small business sectors where baseline data remain limited, as it allows for the generation of empirical profiles that may serve as a foundation for future analytical or experimental studies. By adopting this methodological approach, the study provides a systematic and evidence-based portrayal of the current state of AIS non-adoption among micro coffee businesses.

Research Locale

This study was conducted in Barangay Marulas, Valenzuela City, an urban community comprising a residential area and an urban center. In the last few years, the area has had a significant rise in small-scale entrepreneurial ventures, especially in food and beverage. Out of these trends, micro coffee businesses have been most prominent, appearing in the form of kiosks, cafés, and coffee businesses at home. This type of venture is being patronized by a wide range of people such as students, workers, and people living around the area. This is indicative of the strong trend towards affordable and readily available coffee products in the community.

The researchers chose the site because it is easily accessible and close to Our Lady of Fatima University (OLFU)–Valenzuela Campus. This made it possible for the researchers to conduct data gathering from the area, such as site visits and direct distribution of the surveys, with little wait. The location made it possible to coordinate with the business owners to explain the responses, check data completion, and establish connections. Rapport is an important aspect of small business community research, as the business owners need to be willing to share with the researchers.

Further establishing Barangay Marulas as a fitting case study for an investigation of the non-adoption of the Accounting Information Systems (AIS) is the evident proliferation of micro coffee businesses in the area. The conditions for multiple small businesses in the same locality are both positive and ideal for the study of financial management and related technologies. The parameters for the study are large enough to capture the reality of the entrepreneurs affected by the burdens and the consistencies of the costs and the benefits of the AIS for their businesses.

In spite of the increased number of coffee businesses in the area, no records or databases compiled by the local government have documented the number of micro coffee businesses in Barangay Marulas. The absence of documentation is a micro enterprise studies reality, as many small businesses, especially those unregistered, are not statistically apparent. In the data collection period, the researchers undertook field surveying to map, list, and count the coffee businesses in the barangay. In doing so, they documented approximately 17 micro coffee businesses.

This researcher-created listing was the first step in determining the study's population and sampling frame, serving as a method to guarantee that the data accurately depicts the current status of micro coffee businesses in the area. By using direct observation and verification, the study captures information that is current and pertains to a specific context that could be absent in a secondary source. This directly

captures the validity and reliability of the micro coffee businesses in the region. Therefore, Barangay Marulas is a suitable context to investigate the barriers of the non-adoption of AIS amongst micro coffee businesses and to understand the challenges that micro entrepreneurs confront in comparable urban settings.

Population and Sampling

The study employed purposive sampling due to the absence of an official population registry and the need to ensure that only respondents who met the specific inclusion criteria were selected. This sampling technique was deemed most appropriate because the research required participants who possessed particular characteristics essential to the investigation, namely that the business qualified as a micro enterprise, operated within Barangay Marulas, Valenzuela City, and had not adopted an Accounting Information System (AIS). Based on Google Maps and other online business listings, only thirteen (13) coffee businesses were identified as operating within Barangay Marulas, Valenzuela City. After verification, all thirteen establishments satisfied the eligibility requirements and agreed to participate in the study. Because the identified coffee businesses within the barangay all met the specified inclusion criteria, the entire accessible population was included in the study. While a complete enumeration or census approach could have been considered given the relatively small number of establishments, the respondents were deliberately selected based on the predetermined inclusion criteria; thus, purposive sampling remained the most appropriate sampling technique.

The resulting sample represents the entire accessible population of qualified micro coffee businesses within the locale. Given the small and geographically confined population, a sample size of thirteen was considered adequate for a quantitative descriptive design, as the primary aim was to provide a detailed account of the existing obstacles and anticipated perceptions related to AIS non-adoption within the specified setting rather than to produce statistically generalizable findings. Nonetheless, because no official population list exists and the study is limited to a single barangay, the results should be interpreted as context-specific and may not be generalized to other areas of Valenzuela City or to broader populations.

Research Ethics

The conduct of this study has been approved by the Institutional Review Board of Our Lady of Fatima University and shall strictly adhere to the ethical principles of respect for persons, beneficence, and non-maleficence. The study likewise complies with Republic Act No. 10173, otherwise known as the Data Privacy Act of 2012, concerning the protection of personal information. Informed consent will be obtained from all participants through a Google Form that outlines the purpose of the study, procedures, potential risks and benefits, and confidentiality measures. Participants will be given the opportunity to ask questions and must indicate their consent before participation. All collected data will be anonymized and stored in password-protected devices accessible only to the authorized researchers.

The data will be retained for one month and will thereafter be securely deleted or shredded. As a gesture of gratitude for their voluntary participation, respondents will receive a small token of appreciation after completing the survey. This incentive is provided solely as acknowledgment and does not constitute compensation nor influence participation. The provision of this token is ethically acceptable as it is minimal in value, non-coercive in nature, and does not affect participants' freedom to decline or withdraw from the study at any time.

Research Instrument

The major tool of this research is the prepared questionnaire, aiming to gather data on the challenges and perceptions associated with the non-acceptance of AIS among the micro coffee industry in Barangay Marulas, Valenzuela City. The questionnaire was designed to reflect the study's framework. All attempts were made to ensure rigorous alignment of the objectives and respective measurement variables.

Content and section of the instrument describe the major concerns of the study, and these were covered to the greatest extent possible. These include the perceived ease and usefulness of the system, and the financial, infrastructural, and behavioral concerns. Content alignment of the instrument variables speaks to the instrument's validity and the systems of practice being investigated to the greatest extent possible. The instrument's validity remains intact to the extent of the variables being investigated.

To ensure ease of administration and collection of the study, the questionnaire was launched through the use of Google Forms. 60 respondents. The use of an online platform also enhanced data management and consolidated data faster and eliminated manual entry errors.

To maintain clarity, logical structure and systematic data collection, the questionnaire has been divided into three sections. The first section helps build a firmographic profile of the respondents which includes years in operation, size of the firm, and other basic information about the respondent's business. This section provides contextual data which is critical to the interpretation of responses within the limits of size, age, and operational capacity of the micro coffee businesses.

The second section investigates the barriers to adoption of AIS. Response items that focus on the barriers to the adoption of accounting information systems that are caused by the lack of financial resources, limited technology, lack of sufficient technological infrastructure, and behavioral resistance are included. Each of these impediments is measured through different indicators. For example, in the case of financial limits, response items that focus on the price of the software, training, and hardware are included, and in the case of skilled technology, the emphasis is on knowledge limits and computer skills. This study seeks to capture a comprehensive view of the observable barriers in the adoption of digital accounting systems by the micro coffee businesses.

The third section explores participants' perceptions toward Accounting Information Systems (AIS), specifically looking at potential perceived usefulness (PU) and potential perceived ease of use (PEOU). As the participating companies have not yet integrated AIS into their systems, the items are developed to capture what the participants expect rather than what they have experienced. Participants are expected to determine if they value AIS for improving the precision and reliability of financial statements, productivity, and the quality of management decisions, and whether the system would be easy to learn and use. This allows the study to determine readiness for adoption and the value and usefulness of AIS despite the participants' current absence of adoption.

Additional steps were undertaken to improve the instrument's quality. The questions were written with simplicity and clarity in mind to achieve understandable responses from those with no background in accounting or information systems. Also, The questionnaire was validated by a professional with expertise in research to ensure its content validity, clarity, relevance, and appropriateness in measuring the variables of the study. The validator carefully reviewed each questionnaire item and provided comments and recommendations for improvement. The necessary revisions were incorporated to enhance the accuracy, comprehensibility, and suitability of the instrument prior to its administration to the respondents. This consideration was critical, especially in the case of micro enterprises, where the respondents' education and technical background may vary. The structured questionnaire was, therefore, reliable and sufficiently efficient to provide the necessary data to describe the effects of the obstacles and the perceptions related to the adoption of Accounting and Information Systems (AIS) among micro coffee enterprises.

Data Collection

Data for this study were collected from micro coffee businesses located in Barangay Marulas, Valenzuela City, which have not adopted Accounting Information Systems (AIS). A structured questionnaire was utilized as the primary data collection instrument. The survey was administered through Google Forms to ensure convenience, accessibility, and efficient collection of responses. This method allowed respondents to complete the questionnaire at their own pace using mobile phones, tablets, or computers, thereby minimizing disruption to their business operations.

The questionnaire was distributed through a face-to-face and online survey to thirteen (13) purposively selected micro coffee businesses that met the inclusion criteria: (1) operating within Barangay Marulas, Valenzuela City; (2) classified as a micro enterprise; and (3) not currently using an Accounting Information System (AIS). This approach ensured that only respondents relevant to the objectives of the study were included.

Prior to answering the questionnaire, respondents were provided with an informed consent statement explaining the purpose of the study, the voluntary nature of their participation, and their right to withdraw at any time without penalty. They were assured that all information gathered would be treated with strict confidentiality and used solely for academic research purposes. No personally identifiable information was required in the survey to protect respondent anonymity.

All responses were automatically recorded and stored in a secure Google Forms database accessible only to the researchers. The collected data were subsequently downloaded and stored in a password-protected electronic file for analysis. Access to the dataset was restricted solely to the researchers to maintain confidentiality and prevent unauthorized use. Upon completion of the study and final approval of the research manuscript, all electronic data will be permanently deleted from the researchers' devices and Google Drive storage within two weeks to ensure proper disposal and to uphold data privacy, confidentiality, and ethical research standards.

The gathered data were organized and prepared for analysis using descriptive statistical tools such as frequency counts, percentages, and mean scores. These statistical measures were used to describe the firmographic characteristics, identified barriers, perceived usefulness, and perceived ease of use of AIS among the selected micro coffee businesses.

Data Analysis

The data collected through the Google Forms questionnaire were organized, coded, and analyzed using descriptive statistical methods. As the study seeks to describe the obstacles and anticipated perceptions related to AIS non-adoption among micro coffee businesses, statistical treatments such as frequency distributions, percentages, weighted means, and standard deviations were employed to summarize the responses.

For the business profile variables, frequencies and percentages were computed to present the distribution of respondents according to enterprise characteristics such as business size, years of operation, and location. This provides contextual grounding for interpreting patterns in the responses concerning AIS adoption barriers.

The analysis focuses on identifying patterns, trends, and descriptive characteristics among micro coffee businesses that have not adopted AIS. Results are presented through tabular, graphical, and narrative formats to provide a systematic descriptive account of financial, technical, infrastructural, and behavioral barriers, as well as anticipated perceptions toward AIS adoption.

This descriptive analytical approach, implemented using IBM SPSS Statistics and Microsoft Excel as the primary statistical tools, enables the study to systematically compute frequencies, percentages, weighted means, and standard deviations and to organize the results into tabular and graphical presentations. Utilizing these statistical software applications facilitates accurate data summarization, efficient numerical analysis, and clear visualization of response patterns. Through this method, the study is able to portray the current status of AIS adoption obstacles and perceptions without inferring causal relationships, thereby highlighting factors that may potentially influence future adoption decisions among micro coffee businesses in Barangay Marulas, Valenzuela City.

Likert Scale

To describe the perceptions and identified barriers related to the non-adoption of Accounting Information Systems (AIS) among micro coffee businesses, the researchers employed a Likert scale to

measure subjective constructs such as financial constraints, technical capability, technological infrastructure readiness, behavioral resistance, and anticipated perceptions of AIS based on the Technology Acceptance Model (specifically perceived usefulness and perceived ease of use).

Respondents indicated their level of agreement with each statement using a four-point scale ranging from 1 (Strongly Disagree) to 4 (Strongly Agree), deliberately excluding a neutral midpoint to minimize central tendency bias and encourage participants to express a definitive opinion. The scale was utilized to quantify attitudes, assess perceived obstacles, and capture respondents' evaluations of the potential benefits and usability of AIS. This approach enabled the systematic measurement of subjective responses and facilitated statistical analysis of patterns in perceptions related to AIS non-adoption.

Table 1 . *Likert Scale*

Rating	Verbal Interpretation	Range
4	Strongly Agree	3.26 – 4.00
3	Agree	2.51 – 3.25
2	Disagree	1.76 – 2.50
1	Strongly Disagree	1.00 – 1.75

RESULTS

Firmographic Profile

Table 2. *Distribution of Respondents According to Years of Operation (n = 13)*

Years of Operation	Frequency	Percentage (%)	Cumulative (%)
Less than 1 year	7	53.8	53.8
2–3 years	3	23.1	76.9
3–5 years	3	23.1	100.0
Total	13	100.0	—

As shown in Table 2, the majority of respondents (53.8%) have been operating for less than one year, indicating that most micro coffee businesses are still in the start-up stage. Only 23.1% have been operating for 2–3 years and another 23.1% for 3–5 years. This distribution highlights that the sample is largely composed of newly established enterprises that are still in the process of stabilizing their operations and establishing their presence in the market. At this stage, business owners are typically focused on building a customer base, generating consistent revenue, and ensuring the continuity of daily operations.

Table 3. *Distribution of Respondents According to Number of Employees (n = 13)*

Number of Employees	Frequency	Percentage (%)	Cumulative (%)
1–3 employees	10	76.9	76.9
4–6 employees	3	23.1	100.0
Total	13	100.0	

Table 3 shows that most businesses (76.9%) employ only 1–3 employees, confirming their classification as micro-enterprises. Only 23.1% have 4–6 employees. This distribution reflects a minimal workforce structure, where business operations are typically managed by a small team, often led directly by the owner. In such settings, the owner commonly assumes multiple roles, including overseeing daily operations, handling customer service, managing inventory, and maintaining financial records. This multi-role responsibility reduces the need for specialized personnel, particularly in areas such as accounting and information systems management.

Obstacles to AIS

Table 4. *Financial Constraints (n=13)*

Indicator	Mean	SD	Interpretation
Cost of accounting software prevents adoption	3.000	0.408	Agree
Training expenses are too high	2.846	0.555	Agree
Cost of hardware is a burden	2.538	0.776	Agree
Overall Mean	2.795		Agree (Moderate Barrier)

Micro coffee businesses consider financial constraints to be a moderate barrier to the integration of Accounting Information Systems (AIS). The mean response was 2.795, suggesting the respondents consider financial constraints to be a barrier to the integration of AIS. Among the barriers, affordability of accounting software was highest, resulting in a mean response of 3.000. This suggests affordability is a major barrier to the integration of AIS from a software perspective. There are also severe barriers to integrating other components of AIS, including the cost of training software users, the cost of infrastructure to support the software, and the software itself. The barriers to integrating AIS from a software perspective are severe when costs for other components are also considered.

The cost of integrating AIS ($M = 2.846$) also includes training, which respondents identified as a major financial constraint. The community appreciates the importance of training invested capital. There is also a cost barrier to the integration of AIS from a software perspective, which was poorest among the components, among the North micro-enterprises. This suggests the cost of integrating AIS is a financial constraint among micro-enterprises for the cost of integrating AIS from a software perspective and the cost ($M = 2.538$) of hardware micro-enterprises.

Table 5. *Technical Expertise (n = 13)*

Indicator	Mean	SD	Interpretation
Lack of technical knowledge	2.615	0.506	Agree
Staff lack computer skills	2.462	0.519	Disagree
Uncertainty in accounting procedures	2.462	0.660	Disagree
Overall Mean	2.513		Agree (Moderate Barrier)

The results of the research revealed that the micro coffee businesses have a moderate level of barrier in adopting Accounting Information Systems (AIS) with a mean value of 2.513. The lack of technical knowledge ($M = 2.615$) is also a barrier that makes it difficult to adopt and effectively use a digital accounting system, as most respondents agree. This finding implies that business owners might lack

awareness of the way in which AIS works and the benefits it offers in managing financial information.

But the respondents did not agree that computer skills among staff ($M = 2.462$) and uncertainty of accounting procedures ($M = 2.462$) are large obstacles to the use of AIS. The results suggest that respondents are not aware of computer literacy of employees and accounting procedure as a major problem in implementing an AIS. Overall, the results indicate that although technical knowledge is a concern, the micro coffee business does not consider the uncertainty of accounting procedures and the skills of the employees in handling the computers as the main factors that hinder the use of an AIS.

Table 6. *Technological Infrastructure (n = 13)*

Indicator	Mean	SD	Interpretation
Lack of reliable internet	2.615	0.506	Agree
Lack of devices	2.769	0.599	Agree
Power interruptions	2.769	0.832	Agree
Overall Mean	2.718		Agree (Moderate Barrier)

According to the research, micro coffee businesses face a moderate level of barrier concerning the adoption of Accounting Information Systems (AIS) because of a number of underdeveloped infrastructures, scoring an overall mean of 2.718. Most respondents agree from the data that the lack of specific infrastructures, such as the availability of equipment ($M = 2.769$) and the prevalence of power outages ($M = 2.769$), complicate the process of adopting digital accounting systems. The lack of dependable internet ($M = 2.615$) also contributes to the barriers, however, from the opted answers, it is a less significant concern than other factors. The lack of digital resources is also not a barrier to adopting an AIS-based system. The compiled answers indicate that micro coffee businesses lack digital infrastructures sufficiently and consistently to adopt an AIS-based system.

Table 7. *Behavioral Resistance (n = 13)*

Indicator	Mean	SD	Interpretation
Preference for manual methods	2.538	0.519	Agree
Hesitation to change systems	2.615	0.506	Agree
AIS is complicated	2.692	0.630	Agree
Overall Mean	2.615		Agree (Moderate Barrier)

Behavioral resistance shows a moderate effect as a barrier to the adoption of Accounting Information Systems (AIS) with a mean of 2.615. Most respondents tend to affirm the preference of manual accounting ($M = 2.538$), apprehension of system change ($M = 2.615$), and the assumption that AIS is moderately complicated ($M = 2.692$). Among the three variables, the tendency to assume that AIS is complicated shows the highest mean, which shows the importance of difficulty as the behavioral factor of the adoption barrier.

Anticipated TAM

Table 8. *Anticipated Technology Acceptance Model (TAM) Perceptions*

<i>Perceived Usefulness (n = 13)</i>			
Indicator	Mean	SD	Interpretation
Improves financial accuracy	3.231	0.439	Strongly Agree
Improves efficiency	3.231	0.599	Strongly Agree
Supports decision-making	2.923	0.760	Agree
Overall Mean	3.128		Agree (Positive Perception)
<i>Perceived Ease of Use (n = 13)</i>			
Indicator	Mean	SD	Interpretation
Easy to learn	3.077	0.760	Agree
Requires minimal effort	2.769	0.439	Agree
Tasks are straightforward	3.077	0.494	Agree
Overall Mean	2.974		Agree (Positive Perception)

Table 8 presents the anticipated Technology Acceptance Model (TAM) perceptions of the respondents regarding the adoption of Accounting Information Systems (AIS), measured through the dimensions of Perceived Usefulness (PU) and Perceived Ease of Use (PEOU). Since the respondents have not adopted or used AIS, these findings represent their anticipated pre-adoption perceptions based on their expectations rather than actual experience with the system..

For Perceived Usefulness, the respondents obtained an overall mean of 3.128, interpreted as Agree (Positive Anticipated Perception). Among the indicators, "Improved financial accuracy" (M = 3.231) and "Improved efficiency" (M = 3.231) received the highest mean ratings and were both interpreted as Strongly Agree. These findings indicate that micro coffee business owners recognize the potential of AIS to improve the accuracy of financial records and increase the efficiency of accounting processes. The respondents anticipate that the automation of accounting functions can reduce human errors, improve the reliability of financial information, and streamline routine accounting tasks.

For Perceived Ease of Use, the respondents obtained an overall mean of 2.974, interpreted as Agree (Positive Anticipated Perception). The indicators "Easy to learn" (M = 3.077) and "Tasks are straightforward" (M = 3.077) received the highest mean ratings, indicating that respondents generally expect AIS to be understandable, user-friendly, and manageable. These findings suggest that the respondents believe they would be capable of learning and operating the system if given the opportunity and appropriate support.

The indicator "Requires minimal effort" obtained a mean of 2.769, which, although lower than the other indicators, still falls within the Agree category. This finding suggests that while respondents generally expect AIS to be easy to use, they also anticipate that learning and transitioning from manual accounting methods to a computerized system would require some degree of effort. Such expectations are understandable given the respondents' limited experience with digital accounting systems.

DISCUSSION

The results indicated that most of the micro coffee businesses involved were new, over half of the respondents had been in operation for less than one year. This indicates that a lot of these businesses are just beginning or in the process of starting up, so that the entrepreneurs are dedicated to building and maintaining their business. This finding is consistent with Srimulyani and Hermanto (2022) who indicated that many food and beverage micro and small enterprises are still in the developmental phase and entrepreneurs focus their activities on business success and sustainability. They found in the course of their

study that the sector's enterprises need to continuously strengthen their entrepreneurial capabilities and motivation during the early stages of business operation in order to enhance performance and guarantee business survival. Similarly, most of them have 1 to 3 employees, again indicating that they are micro-enterprises. The results confirm the OECD (2023) description of micro enterprises as enterprises which employ few people, have a simple organization and are operated by the owner. Since owners often have more than one role to carry out in their business, such as financial management and record-keeping, this may not be a priority for them when implementing digital accounting.

According to the study, financial constraint is a moderate constraint for the implementation of Accounting Information Systems (AIS) and the availability of accounting software is rated highest in the financial constraints. The result aligns with the study conducted by Nguyen and Nguyen (2022) which confirmed that financial capability plays a crucial role in the small and medium enterprises' decision on using accounting technologies. Limited financial resources businesses are less inclined to invest in digital systems even if it has advantages. Similarly, AI Business and IoT World Today (2023) found that budget constraints continue to be a major obstacle for small businesses to embrace new technology. The small size of the coffee business, training expenses, and the price of software seem to limit investment in AIS and continue to use manual accounting practices for micro coffee businesses.

The results also indicated that the technical expertise is a moderate constraint in the adoption of AIS. The lack of technical knowledge was one of the indicators agreed by the respondents while the staff computer skills and uncertainty in the accounting procedures were not seen as significant barriers. The results are in line with OECD (2025) findings that lack of digital skills, limited understanding of digital tools and lack of technical skills negatively affect the adoption of technology in SMEs. Owners of smaller businesses frequently also have multiple responsibilities, and may not have sufficient time to acquire specialist technological expertise, the OECD added. Therefore, despite the respondents' opinion of them being relatively computer literate, they might not be confident enough and knowledgeable enough to implement and reap the maximum benefits of an Accounting Information System.

Likewise, the findings suggest technological infrastructure is a medium constraint in adopting AIS. Lack of equipment and power outages were seen as major obstacles to digital accounting systems, but unreliable internet connections were not as prevalent. The findings align with the World Bank (2022) who highlighted that infrastructure constraints remain to limit digitalisation in small businesses, especially in developing economies. If businesses lack the technological resources, they might not be able to benefit from accounting technologies to the same extent and may instead find it is more viable to stick with the traditional method of bookkeeping, although the digital alternative exists.

The study also revealed that behavioral resistance moderately affects the non-adoption of AIS. The respondents found that they prefer the manual accounting method, are not willing to change the current accounting methods, and feel AIS is moderately complex. The highest mean was for the perception of difficulty in use of AIS among these indicators. This discovery corroborates previous research on business owners' resistance to new technologies, which indicates that the uncertainty and fear of change, habit of work, and system complexity are major concerns. These perceptions might prevent the micro entrepreneurs from using AIS even if they are aware of the benefits of implementing it.

The respondents had positive perceptions of usefulness and ease of use of AIS, even though some barriers to the use of AIS exist. They concurred that AIS would have a positive impact on the accuracy of financial reporting, increased operational efficiency and facilitated improved financial management. Similarly, they thought that AIS would be easy to learn and use, but recognised that there would be a need for time and effort to get used to moving from manual accounting procedures. The results support the findings of Romney and Steinbart (2021) who highlighted that AIS provides better financial information, automates accounting processes, enhances the reliability of internal control and timely financial reporting for decision making. It is evident from positive perceptions and significant barriers that the respondents' resistance to use AIS is not only a result of doubts about the value or usability of AIS. Rather, it is a

reflection of constraints from the outside that constrain their capacity to adopt the technology. Finances might not allow business owners to invest in software and other tools, and poor technical skills and technological infrastructure can hinder their ability to embrace digital accounting. The respondents are capable of seeing the potential benefits and feel AIS would be manageable to use but these practical issues mean that practical adoption is delayed by the more negative perceptions. This suggests that the provision of increased financial means, technical training and technical support can be as critical as highlighting the benefits of AIS in its adoption by micro coffee companies.

The results also supported the Diffusion of Innovations (DOI) Theory by Rogers (2003). The theory says that the adoption of an innovation is influenced by the potential adopters' perception of the innovation's relative advantage, compatibility, complexity, trialability and observability. The results of this study showed respondents' positive perception of the relative advantage of AIS by agreeing that the development of AIS can make financial accuracy and operational efficiency better. The moderate barriers identified as financial constraints, limited technical expertise, inadequate infrastructure and behavioral resistance suggest that respondents consider AIS as being relatively complex and difficult to implement in their existing business environment. These limitations can either delay or discourage adoption of the innovation, as they may be greater than the perceived benefits.

The DOI Theory also states that innovations are more likely to be adopted if they fit within the current practices of the business and if users are given opportunities to experiment with the innovations prior to their complete adoption. The widespread use of manual accounting among respondents indicates that the use of AIS might not yet be adopted as a means of operation or financial resources. In addition, many Micro coffee companies have never been part of a demonstration, pilot or a trial version of AIS, and are not sure how to use it or if it works. If innovations are not easily observed or trials are limited, there is less confidence in innovation, especially when small businesses have limited resources, according to Rogers (2003). The lack of successful implementation of AIS in similar types of micro enterprises could also be a factor behind their reluctance to use the technology.

The results suggest that the non-adoption of Accounting Information Systems in micro coffee businesses can be attributed to a mix of financial, technical, infrastructural and behavioral factors. Respondents are aware of the advantages and convenience of AIS, but these benefits have not yet been enough to stimulate adoption due to organisational and environmental factors. As per Diffusion of Innovations Theory (Rogers, 2003), innovations tend to be less likely to diffuse, when they are perceived as expensive, complicated and not compatible with current business conditions. The technical training, availability of the AIS products at low cost, and technological infrastructure, and demonstration/trial of the AIS in the coffee business may promote further implementation of AIS in the micro coffee business in Barangay Marulas, Valenzuela City.

CONCLUSION

This study reports the primary reason for the failure to adopt an Accounting Information System in the micro coffee businesses in Barangay Marulas is more related to the lack of proper structures and resources suited for start-up enterprises, rather than the negative disposition toward technology. The businesses that formed the sample were in the early stages of formation and had little start-up capital, minimal employment, and were designed to deal with the basic survival of the enterprise. Under such circumstances, the owner of the enterprise was confronted with basic operational needs, such as procurement of inputs and payment of rent and utilities, as well as payment for labor. This study is designed to fill business and technology gaps. This is the primary reason why the implementation of an Accounting Information System was delayed. It was not viewed with contempt, but the level of business acceptance was very low.

The primary reason for refusal was financially related. The accounting software, the hardware that

was compatible, and the training were all expensive. Although the micro-enterprise owners in the sample were aware of the positive implications related to automation of routine functions and improved control over resources, the financial means to invest in the automation were lacking. The study confirmed that micro-enterprise owners have little financial means and any expenditure must have a direct impact on survival and improvement of the business. Hence, an Accounting Information System was viewed as a positive and beneficial investment, although for the owner of a micro enterprise, financially and operationally, the investment was delayed. Technical capability is a key issue when determining an organization's adoption decision.

The results reflect a moderate amount of concern over the limited technical knowledge and computer skills of the clients and their staff. The concern reflects the human capital barriers. Specialized employment positions like an accountant or IT are absent in micro coffee businesses. The financial control rests wholly in the hands of the owner (or the few employees). When no one has technical knowledge, computer systems like AIS are thought to be complicated, lengthy, and possibly very risky. Lacking design, training assistance, and easy-to-use systems, users may be afraid to use the systems, and spend more time and effort to manage financial control in the old and manual way. The fear is worsened by the possibility of making an irreversible error with financial control. As a result, the old and manual way is easier, although limited.

These types of barriers are compounded by a lack of reliable systems. For an organization to digitalize systems like AIS, stable electricity, a functioning internet service provider, and a proper computer device are necessary. If the basic elements are not functioning, the digital control systems are not a viable solution. For micro enterprises, gaps in communication and gaps in the control system disrupt the running of the business. These factors make it very difficult to manage a business. For these reasons, business owners who are aware of the undeniable benefits of AIS are discouraged from using it due to the lack of adequate systems.

Noting these limitations, one of the most important findings of the research is the widespread belief of the respondents of the study's usefulness and ease of use. This shows that the resistance to AIS is not because of negative perceptions of technology. Business owners believe that because of the financial accuracy and improved accounting and decision-making processes that AIS brings to the accounting of a business, these systems are not likely to be complex, and hence, they are likely to be adopted in the future. This is further evidenced by the fact that business owners are likely to view AIS as a technology that is useful and easy, and because of this, positive perceptions of usefulness and ease of use are likely to be adopted.

From these findings, it can be assumed that the problem that exists is not cio, but readiness. Owners of the micro coffee business have shown readiness to adopt AIS, but the conditions of the owners' technology, finances, and infrastructure are a disabler. The positive perception and the wide perception of these systems reflect the large divide that exists in the systems of technology in the region and the support of these systems. This user technology divide signals the end of resistance technology and a lack of awareness. This user technology divide signals the end of the need to go to the technology to support the awareness of the technology.

The study asserts the adoption of AIS in micro coffee businesses depends on access to supportive resources and systems which alleviate the complexities in implementation. Adoption rates increase when financial barriers are alleviated through low cost or subsidized options, federal support is available to improve access to reliable infrastructure, and training and support to improve technical capabilities are available. Once financial barriers are alleviated, AIS integration will increase. Therefore, the focus in the micro coffee sector should not be on the value of AIS to business owners, but instead on the financial systems to support AIS and the training to improve technical capacity and supportive systems.

Recommendation

Considering the conclusions drawn from this study, the following action-based recommendations are proposed:

First, micro coffee business owners should begin implementing gradual digital transformation strategies. Instead of immediately investing in comprehensive AIS platforms, owners may start with affordable cloud-based accounting applications, such as QuickBooks Online, Xero, or Wave Accounting, or basic digital bookkeeping tools. A phased implementation approach starting with sales recording, expense tracking, and inventory monitoring can reduce financial strain and build familiarity with digital systems.

Second, business owners should actively participate in digital literacy and financial management training programs. They may coordinate with local business associations, chambers of commerce, or government agencies such as the Department of Trade and Industry (DTI) through its Kapatid Mentor ME (KMME) Program, the Department of Information and Communications Technology (DICT) through its Digital Transformation Centers and Digital Jobs PH Program, or the Technical Education and Skills Development Authority (TESDA) for workshops on basic accounting software usage. Building technical competence will directly reduce perceived complexity and improve confidence in system adoption.

Third, there is a need to enhance the promotion and reach of support measures for micro-enterprises by Local Government Units (LGUs) and MSME development offices. There are several types of assistance programs available, but many micro business owners are not familiar with them. LGUs should focus on enhancing information dissemination by conducting coordinated awareness campaigns through community forums, social media platforms, and municipal websites. They should also organize regular business orientation seminars, workshops, and digital literacy training in collaboration with the Department of Trade and Industry (DTI), educational institutions, and other relevant agencies. Furthermore, LGUs should strengthen partnerships with barangays and local business organizations to identify micro-enterprises within their jurisdictions, distribute informational materials, conduct door-to-door business visits when feasible, and encourage entrepreneurs to participate in available government programs. Establishing dedicated MSME help desks or business assistance centers in municipal or city halls can also provide business owners with accessible guidance on available training, technical assistance, financial support, and digital transformation programs. Promoting greater awareness and accessibility of these initiatives can encourage more micro-enterprises to utilize the available assistance and improve their preparedness to adopt Accounting Information Systems (AIS).

Fourth, financial institutions, microfinance organizations and cooperative lending organizations should include digital readiness programs in their MSME financing programs. These institutions may offer micro-enterprises business loan applications that include optional orientations and/or training on digital financial management and Accounting Information Systems (AIS) use during the loan application or borrower education process. These programs can be held in branch offices, online learning sessions, or with the collaboration of Local Government Units (LGUs) and MSME development offices. The provision of financial support coupled with building digital skills can help business owners better invest in and leverage AIS to enhance their financial management and business sustainability.

Lastly, the future researchers who would follow through towards the conduct of the study are encouraged to conduct longitudinal studies examining the long-term financial performance of micro-enterprises before and after AIS adoption. The future researchers could do this research by expanding through the sample size and comparing adopting versus non-adopting businesses would provide deeper insights into measurable impacts on profitability, operational efficiency, and sustainability.

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