

THE ROLE OF ORGANIZATIONAL AGILITY MEDIATION ON INFLUENCE OF COMPETITIVE ADVANTAGE IN THE MSMES FASHION SECTOR IN DENPASAR CITY BASED ON DIGITALIZATION AND INNOVATION CAPABILITY

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Abstract: Micro, Small and Medium Enterprises (MSMES) in the local fashion sector are currently being heavily linked to the imposition of a strict ban on the import of used clothes by the government. The thrifting entrepreneur is called as one of the competitors of the local fashion product industry. Besides thrifting, fast fashion is also another competitor of the MSMES fashion sector. It shows that the conditions of the industry in the fashion sector have a considerable competitive threat and are very dynamic in nature. The local fashion sector must be able to have a competitive edge over its competitors. Maintaining a competitive advantage helps MSMEs in the fashion sector to outperform its competitors by producing superior or lower-cost products and services, thereby resulting in increased sales. The development of this model integrates the capabilities of innovation, digitalization, and organizational agility to be able to develop competitive advantages. The previous framework of competitive advantage on MSMES is still very rarely done by integrating digitization, innovation capability and organisational Agility. Based on the state of the art, the researchers want to develop a model that integrates innovation capacity, digitalisation, and organizational agility as a model of development of competing excellence on the MSMES local fashion sector in Denpasar City.

Keywords: MSMEs, Digitalization, Innovation Capability, Organizational Agility, Fashion