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AGILITY AND DIGITAL CAPABILITIES AS DRIVERS OF COMPETITIVE ADVANTAGE: A CASE STUDY OF THAI SMES DISTILLERIES

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Abstract

This investigation explores the structural linkages between agile frameworks, digital readiness, and the achievement of sustained competitive advantage among Thai SME-sized spirits producers. As traditional industries adapt to the digital era, the ability to respond quickly to change and integrate digital tools has become essential for sustained competitiveness. The investigation centers on three primary internal determinants: digital literacy, digital transformation, and organizational agility. Utilizing a structured survey, empirical data were gathered from 190 SME distilleries across Thailand and subsequently analyzed through Partial Least Squares Structural Equation Modeling (PLS-SEM). Findings reveal that organizational agility serves as the most

potent direct driver of competitive advantage, with digital transformation also yielding a positive impact. While digital literacy is a crucial precursor to digital transformation, its influence on competitive advantage—both direct and indirect—did not reach statistical significance. These conclusions imply that digital competencies are inadequate on their own; they must be leveraged via agile frameworks to bolster strategic responsiveness. This study extends existing research on SME competitiveness by highlighting the importance of combining digital readiness and organizational agility for achieving success, particularly in highly regulated industries such as alcohol production. It also provides practical insights for SME leaders and policymakers.

Keywords:

SMEs, Competitive Advantage, Organizational Agility, Digital Transformation, Digital Literacy, Thailand

1. Introduction

Small and medium-sized enterprises (SMEs) in Thailand are a key driver of the national economy, particularly within the food and beverage sector. Among them, the local distillery industry is facing significant challenges, including strict regulations, rising competition, and shifting consumer preferences. In this fast-changing environment, the ability to adapt quickly and use digital tools effectively has become essential for business success (Teece et al., 2016; OECD, 2021).

Doz and Kosonen (2010) define organizational agility as a company's ability to react promptly to environmental shifts, evolving buyer requirements, and outward constraints. At the same time, digital capabilities such as digital literacy and digital transformation allow businesses to improve operations, make better decisions, and engage customers through technology (Ng, 2012; Vial, 2019). These internal capabilities are often seen as key drivers of competitive advantage, especially in resource-constrained environments like SMEs (Barney, 1991; Zahra & George, 2002).

Focused on the Thai distillery industry, this research explores how competitive advantage is shaped by digital capabilities and organizational agility. The study adopts a case-based survey methodology, utilizing Partial Least Squares Structural Equation Modeling (PLS-SEM) to analyze the interplay between essential internal determinants and strategic success. Furthermore, the findings provide actionable recommendations for policymakers and SME executives aimed at enhancing operational flexibility and business resilience through agile and digital integration.

2. Literature Review

2.1 Digital Literacy and Digital Transformation

Digital literacy is defined as the proficiency of organizations or personnel in leveraging electronic resources and modern technologies within commercial operations. According to Ng (2012), this encompasses competencies in web-based communication, fundamental data analytics, and the resolution of digital challenges. In SMEs, digital literacy is essential for adopting new technologies and supporting daily operations, especially in industries that are beginning to modernize, such as distilling.

Digital transformation, on the other hand, involves a broader change where businesses integrate digital technologies into their core processes to increase efficiency, flexibility, and

customer engagement (Vial, 2019). It goes beyond simply using digital tools and requires rethinking business models and workflows. Studies have shown that digital transformation can lead to stronger strategic positioning and higher customer satisfaction (Kane et al., 2015; Vial, 2019).

Digital literacy supports digital transformation by giving business owners and employees the confidence and knowledge to implement and manage digital systems (Park & Kim, 2020). In SMEs, where resources are often limited, this foundational skill is a critical enabler of digital change.

2.2 Organizational Agility

As conceptualized by Doz and Kosonen (2010), organizational agility denotes a business's proficiency in detecting environmental shifts and executing swift, efficient responses. This includes being able to make fast decisions, shift resources, and reconfigure strategies. Agility is especially important for SMEs in volatile markets or heavily regulated industries, where the ability to adapt can determine success or failure.

In the context of SMEs, agility helps firms deal with changing regulations, consumer behaviors, and economic uncertainty (Sherehiy & Karwowski, 2014). Research has shown that agile firms are better at launching new products, adjusting marketing strategies, and managing crises. Agility can also enhance the effectiveness of digital transformation by making firms more flexible and open to change (Teece et al., 2016).

2.3 Competitive Advantage and Internal Capabilities

Competitive advantage refers to the ability of a firm to perform better than its competitors by offering superior value, lower cost, or better customer experience (Porter, 1985). In today's digital economy, internal capabilities such as agility and digital readiness are increasingly important sources of competitive advantage (Barney, 1991).

For enterprises in highly regulated sectors like the distillery industry, where barriers to entry are steep and building consumer confidence is paramount, leveraging internal competencies is often a more viable path to success than competing on scale or price alone. By integrating digital transformation with organizational agility, these SMEs acquire the necessary capabilities to streamline their internal processes, deepen customer relationships, and ensure rigorous adherence to industry regulations. In regulated industries like distilling, where market entry is limited and consumer trust is important, gaining competitive advantage through internal strength is often more realistic than through price or scale. The synergy between organizational flexibility and digital

advancement empowers Thai SMEs to optimize their production efficiency, foster better consumer relations, and ensure consistent alignment with legal mandates.

3. Conceptual Framework and Hypotheses

Synthesizing the theoretical foundations outlined above, the current study develops a conceptual model that examines how digital capabilities and agility influence competitive advantage in Thai SME distilleries. The model focuses on three key internal factors: digital literacy (DL), digital transformation (DT), and organizational agility (AGIL), and how they contribute to the development of competitive advantage (CA).

Digital literacy is conceptualized as a fundamental competency that empowers organizations to integrate and utilize technological resources efficiently. This skill set is anticipated to facilitate digital transformation by equipping the workforce with the necessary expertise to navigate modern systems and operational workflows (Ng, 2012; Park & Kim, 2020). Consequently, the implementation of digital transformation is projected to foster a superior market position by optimizing operational productivity, enriching customer journeys, and bolstering innovation potential (Vial, 2019; Kane et al., 2015).

The following hypotheses are proposed:

Hypotheses

- H1: A higher level of digital literacy is expected to significantly foster the digital transformation process.
- H2: Digital literacy serves as a foundational element that positively contributes to a firm's competitive advantage.
- H3: Successful digital transformation is hypothesized to enhance the overall competitive positioning of the organization.
- H4: The capacity for organizational agility plays a vital role in accelerating digital transformation initiatives.
- H5: Organizational agility is anticipated to be a direct and potent driver of sustained competitive advantage.
- H6: Digital transformation is expected to mediate the relationship between digital literacy and competitive advantage.

- H7: The impact of organizational agility on competitive advantage is hypothesized to be partially channeled through digital transformation.

4. Research Methodology

4.1 Research Design

Centered on the Thai SME distillery sector, this investigation utilizes an empirical, quantitative framework to decipher how digital literacy and transformative technological adoption, coupled with enterprise agility, synergistically drive a firm's superior market positioning. Data were gathered through a cross-sectional survey targeting business owners and managers. The study is grounded in a positivist perspective, focusing on hypothesis testing and the empirical validation of the proposed conceptual model using statistical techniques.

4.2 Sample and Data Collection

This study directs its focus toward the Thai small and medium-scale distillery sector, specifically targeting enterprises that manage indigenous or provincial brands. Participants were identified through a purposive sampling strategy, ensuring that the data were obtained from key strategic leaders and decision-makers possessing comprehensive insights into their organization's digital frameworks and long-term objectives.

To ensure broad and reliable data acquisition, a meticulously designed survey instrument was administered through a hybrid approach, combining digital distribution with face-to-face engagements. In total, 190 valid responses were collected. The sample size is considered appropriate for structural equation modeling using the Partial Least Squares (PLS-SEM) method, as recommended by Hair et al. (2019). However, when applying Yamane's formula, the required sample size was lower than the minimum recommendation by Bryman (2001), who suggested that the sample should not be fewer than 185 cases. Therefore, this study included the entire population of distilleries, as well as their senior executives, to ensure sufficient statistical power and representation.

4.3 Measurement of Variables

To ensure the empirical rigor of this study, all latent constructs were operationalized through established measurement scales derived from extant literature, subsequently refined to align with the specific operational nuances of Thai SME distilleries. Specifically, Digital Literacy (DL) was assessed by synthesizing the frameworks of Ng (2012) and Park & Kim (2020) to capture organizational proficiency in technological navigation. The dimension of Digital Transformation (DT) was formulated based on the conceptualizations of Vial (2019) and Kane et al. (2015),

emphasizing the depth of technological integration within core business processes. Furthermore, Organizational Agility (AGIL) was measured through an adaptation of the Doz & Kosonen (2010) scale to evaluate strategic responsiveness to environmental shifts. Lastly, Competitive Advantage (CA) was operationalized by integrating the classic paradigms of Porter (1985) and Barney (1991), encompassing multifaceted indicators such as operational efficiency, market-oriented responsiveness, and distinct product differentiation.

4.4 Data Analysis Technique

The empirical data were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) via the SmartPLS platform, a methodology particularly effective for exploratory studies and research involving moderate sample sizes. This technique facilitates a concurrent assessment of both the measurement model focusing on reliability and validity and the structural model for testing the proposed hypotheses. To ensure internal consistency, the study utilized Cronbach’s alpha and composite reliability metrics, while convergent validity was confirmed through average variance extracted (AVE) values. Furthermore, the significance of the hypothesized paths was determined based on path coefficients, t-statistics, and p-values, all of which were validated using a bootstrapping procedure with 10,000 resamples to ensure statistical robustness.

5. Data Analysis and Results

The following analysis details the empirical findings derived from the evaluation of both measurement and structural models. Utilizing Partial Least Squares Structural Equation Modeling (PLS-SEM), the research systematically assessed the conceptual framework through a multi-stage process. This involved verifying internal consistency reliability and convergent validity, confirming discriminant validity between constructs, and ultimately conducting hypothesis testing to determine the significance of the proposed relationships.

Table 5.1 *Statistical Validation of Latent Constructs: Reliability and Average Variance Extracted (AVE) Analysis*

	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)
AG	0.869	0.877	0.906	0.659

CA	0.911	0.923	0.926	0.586
DL	0.916	0.929	0.934	0.703
DT	0.885	0.893	0.910	0.594

The statistical properties concerning the measurement model’s integrity are detailed in Table 5.1, which summarizes the parameters for convergent validity and construct reliability across the four primary latent variables: Agility (AG), Competitive Advantage (CA), Digital Literacy (DL), and Digital Transformation (DT). This evaluation utilized a multi-dimensional approach, incorporating Cronbach’s alpha, composite reliability (rho_a) (rho_c), and average variance extracted (AVE) as key performance indicators. The empirical results confirm that all constructs possess robust internal consistency. Specifically, the Cronbach’s alpha coefficients ranging from 0.869 to 0.916 notably surpass the conventional 0.70 benchmark suggested by Hair et al. (2019) . Furthermore, both composite reliability metrics (rho_a) (rho_c), exceeded 0.87 for every variable, reinforcing the conclusion that the selected indicators provide a stable and consistent representation of their respective theoretical frameworks.

In terms of convergent validity, all AVE values exceeded the recommended cutoff of 0.50 (Fornell & Larcker, 1981), confirming that a substantial portion of the variance in each construct is explained by its indicators. Notably, Digital Literacy (DL) showed particularly strong convergence with an AVE of 0.703, followed by Agility (0.659), Digital Transformation (0.594), and Competitive Advantage (0.586).

Having satisfied all necessary psychometric criteria for construct consistency and accuracy, the current measurement model is deemed suitable for progressing to the evaluation of the hypothesized structural paths.

Table 5.2: Heterotrait-Monotrait (HTMT) Ratios of Constructs

	AG	CA	DL	DT
AG				
CA	0.810			
DL	0.626	0.579		
DT	0.791	0.703	0.597	

Table 5.2 details the Heterotrait-Monotrait (HTMT) ratios utilized to evaluate the discriminant validity among the four latent constructs: Agility (AG), Competitive Advantage (CA), Digital Literacy (DL), and Digital Transformation (DT). As a rigorous and widely endorsed metric in PLS-SEM research, the HTMT approach offers a more precise assessment of construct distinctiveness compared to traditional methods. Following the established benchmarks, HTMT coefficients remaining below the 0.85 threshold indicate that the constructs are empirically unique from one another. The results from this investigation demonstrate that all calculated ratios are within these permissible limits. Specifically, the HTMT correlation between AG and CA was recorded at 0.810, while the relationship between DT and CA stood at 0.703. Notably, the lowest observed ratio was between DL and CA at 0.579, further confirming that each variable represents a conceptually and statistically distinct boundary. These results confirm that discriminant validity is established, meaning that each construct measures a unique concept, and there is no significant overlap among the variables.

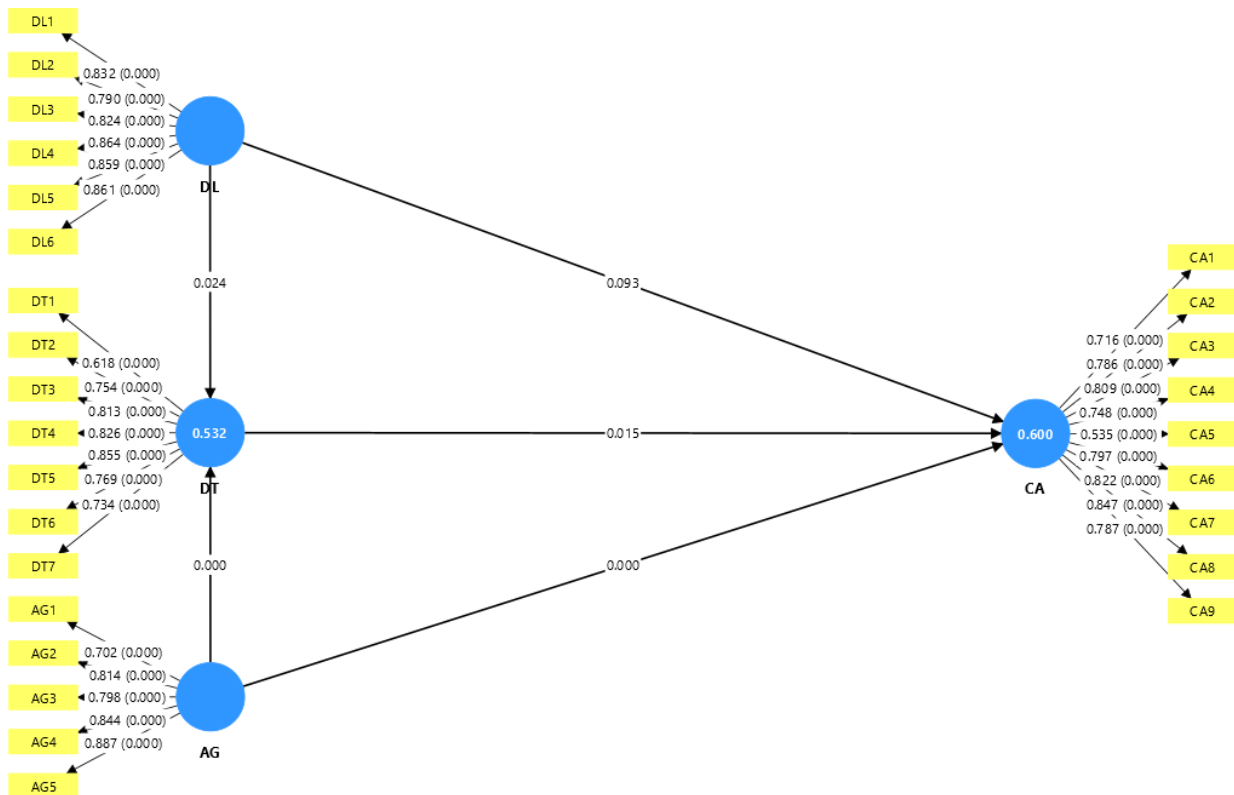


Figure 5.1 Structural Path Assessment: Standardized Estimates and Probability Values for the Research Hypotheses

Figure 5.1 depicts the finalized structural model, illustrating the interplay between the latent variables Digital Literacy (DL), Digital Transformation (DT), Agility (AG), and Competitive Advantage (CA) alongside their respective standardized path coefficients and significance levels (p-values). The statistical evaluation provides a comprehensive overview of the hypothesized linkages within the proposed framework, yielding several critical insights

Initial findings reveal that Digital Literacy (DL) exerts a statistically significant and positive influence on Digital Transformation (DT), evidenced by a path coefficient of 0.532 ($p = 0.024$). This outcome corroborates the essential function of digital awareness and expertise in streamlining the adoption of new technologies within the SME context. Furthermore, the strength of this relationship suggests that when managers and staff possess elevated digital competencies, it acts as a primary catalyst for the widespread integration of advanced digital tools and organizational processes

Nevertheless, the direct pathways from Digital Literacy (DL) to Competitive Advantage (CA) ($\beta = 0.093$, $p > 0.05$) and from Digital Transformation (DT) to CA ($\beta = -0.015$, $p > 0.05$) lacked statistical significance. These results demonstrate that possessing digital expertise or implementing technological shifts does not, in isolation, guarantee a direct enhancement of a firm's competitive position within the current framework. Such findings imply that although these digital competencies are vital, their evolution into meaningful strategic outcomes may be contingent upon their integration with broader organizational elements. This underscores the perspective that digital assets require synergy with other internal dynamics to effectively drive market differentiation.

In stark contrast, Organizational Agility (AG) exhibits a robust and highly significant positive influence on Competitive Advantage (CA), as evidenced by a path coefficient of 0.535 ($p < 0.001$). This result underscores the pivotal role of a firm's adaptive capacity—specifically its ability to swiftly detect and react to market fluctuations—as a primary mechanism for attaining superior business performance. Within the specific landscape of Thai SMEs, agility emerges as a more instantaneous and powerful catalyst for driving competitive differentiation compared to digital factors alone. These findings suggest that the ability to remain flexible and responsive is the most critical internal determinant for sustaining a market edge in the local distillery industry.

Collectively, the proposed framework accounts for 60.0% of the variance observed in Competitive Advantage (CA), indicating a robust and moderately high level of explanatory power. These findings underscore the premise that Organizational Agility, rather than digital

competencies in isolation, serves as the fundamental anchor for elevating the strategic positioning of SMEs within Thailand’s distillery industry. This highlights a critical strategic shift, where the ability to remain operationally fluid and market-responsive outweighs the mere adoption of technological tools in securing a sustainable edge.

Table 5.3 *The Direct and Indirect Effects among Four Key Constructs*

Hypothesis	Path	Path Coefficient	Sample Mean	Standard Deviation	t-Statistics	P-Value
H1	Digital literacy → Digital Transformation	0.223	0.232	0.100	2.224	0.026
H2	Digital literacy → Competitive Advantage	0.128	0.131	0.080	1.606	0.108
H3	Digital Transformation → Competitive Advantage	0.236	0.230	0.102	2.313	0.021
H4	Agile → Digital Transformation	0.578	0.579	0.079	7.314	0.000
H5	Agile → Competitive Advantage	0.503	0.507	0.096	5.221	0.000
H6	Digital literacy → Digital Transformation → Competitive Advantage	0.053	0.051	0.032	1.634	0.102
H7	Agile → Digital	0.136	0.134	0.064	2.140	0.032

	Transformation → Competitive Advantage					
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The structural model was analyzed to evaluate the direct and indirect effects among four key constructs: Digital Literacy (DL), Digital Transformation (DT), Agility (AG), and Competitive Advantage (CA). Table 3 summarizes the outcomes of hypothesis testing, reporting path coefficients along with their corresponding t-values and p-values.

The empirical findings for H1 reveal a statistically significant and positive influence of digital literacy on the digital transformation process. ($\beta = 0.223$, $t = 2.224$, $p = 0.026$), supporting the proposed relationship and suggesting that higher levels of digital skills and awareness among SME stakeholders significantly enhance the likelihood of adopting digital tools and processes. This affirms that digital literacy serves as a foundational capability for enabling transformation.

In terms of H2, the empirical evidence indicates that the direct linkage between digital literacy and competitive advantage lacks statistical significance suggesting that possessing digital knowledge does not, in isolation, guarantee a superior market position. ($\beta = 0.128$, $t = 1.606$, $p = 0.108$). This suggests that while digital literacy is important, it may not directly influence competitive positioning unless it leads to actual digital integration and transformation.

H3 was supported, demonstrating a significant path from digital transformation to competitive advantage ($\beta = 0.236$, $t = 2.313$, $p = 0.021$). This highlights that organizations that embrace digital transformation are more likely to improve operational efficiency, innovation capabilities, and responsiveness to market demands.

The empirical results provide strong evidence for H4, as agility exerts a robust and highly significant influence on digital transformation ($\beta = 0.578$, $t = 7.314$, $p < 0.001$). This finding suggests that organizations characterized by high levels of agility possess a superior capacity for executing digital initiatives. It appears that organizational agility serves as a vital enabler of change readiness and iterative learning, both of which function as indispensable precursors to a successful digital transition.

The findings also reveal a robust and direct influence of organizational agility on competitive advantage ($\beta = 0.503$, $t = 5.221$, $p < 0.001$), supporting H5. This result confirms that being agile significantly fosters a firm's market differentiation by enabling more rapid response

cycles, operational flexibility, and a high degree of strategic adaptability. Consequently, the ability of a business to remain fluid in its operations serves as a primary driver for sustaining a superior competitive position within the industry.

Regarding the mediating role of digital transformation, the analysis for H6 reveals that the indirect influence of digital literacy on competitive advantage did not reach statistical significance ($\beta = 0.053$, $t = 1.634$, $p = 0.102$). This outcome suggests that although DL serves as a precursor to DT, the transmission of this effect to CA through the digital transformation pathway remains insufficient in the current model. Such a non-significant result may stem from the moderate intensity of the relationship between digital literacy and transformation, indicating that a more robust integration of digital initiatives is required to translate foundational skills into a distinct competitive edge.

The empirical data provide validation for H7, demonstrating that digital transformation serves as a significant mediator in the link between agility and competitive advantage ($\beta = 0.136$, $t = 2.140$, $p = 0.032$). This outcome reinforces the premise that agility functions as a dual-action mechanism: it not only elevates competitiveness directly but also operates indirectly by catalyzing the development of superior digital capabilities. Taken together, the conceptual model identifies organizational agility as the primary engine driving both technological evolution and strategic success. Conversely, while digital literacy remains a foundational asset, its capacity to meaningfully impact firm performance is contingent upon its seamless integration into more comprehensive digital strategies. These insights underscore that the synergy between a flexible organizational culture and focused digital growth is fundamental to maintaining a sustainable market edge within volatile environments, a finding particularly relevant for Thai SMEs operating in traditional sectors like the distillery industry.

6. Discussion

The empirical findings of this research provide a nuanced understanding of the strategic pathways available to Thai SME distilleries for bolstering their competitive advantage amidst an increasingly complex digital and regulatory environment. Integrating the Resource-Based View (RBV) with Dynamic Capabilities Theory, this study illuminates how internal assets specifically Digital Literacy (DL), Digital Transformation (DT), and Organizational Agility (AG) interact to determine a firm's long-term Competitive Advantage (CA). By framing these variables within

established theoretical lenses, the analysis offers a robust explanation of how traditional spirit producers can navigate modern market shifts through the synchronization of their internal competencies.

The empirical evidence reinforces the premise that Digital Literacy acts as a vital cornerstone for successful Digital Transformation ($\beta = 0.532, p < 0.05$). This finding aligns with the scholarly perspectives of Vial (2019), who posited that a firm's proficiency in technological integration and deployment is inherently tied to its internal digital capabilities. Essentially, the results highlight that for Thai SME distilleries, possessing a baseline of digital knowledge is not merely an asset but a functional necessity that facilitates the broader adoption of innovative digital frameworks. However, despite this strong linkage, DL did not have a significant direct impact on CA, and neither did DT, suggesting that while digital capabilities are essential enablers, they do not alone guarantee strategic differentiation. These findings highlight a possible capability–performance gap, where digital initiatives may not yet be fully aligned with market or customer value delivery.

Conversely, the empirical data highlight that organizational agility exerts a robust and statistically significant influence on competitive advantage. ($\beta = 0.535, p < 0.001$). This supports the view that agile organizations those able to rapidly sense and respond to market changes are better positioned to adapt, innovate, and outperform competitors. Agility may act as a catalyst that converts technological investment into meaningful strategic outcomes. Such findings are consistent with prior scholarly works which underscore the importance of agility as a mechanism for steering through market uncertainty, especially in dynamic environments such as the food and drink production sector. (Overby et al., 2006; Tallon et al., 2019).

The non-significant effect of DT on CA, despite being positively signed, suggests that digital transformation in many Thai SMEs might still be in a nascent or fragmented stage, where systems are adopted without full strategic integration. Furthermore, the insignificant indirect path from DL \rightarrow DT \rightarrow CA ($\beta = 0.093, p > 0.05$) reinforces the need for structural alignment and agility to serve as the bridge between capabilities and performance.

In summary, the discussion points to a critical insight: digital capabilities alone are not sufficient. SMEs need to embed agility into their organizational culture to unlock the full value of their digital investments. For Thai SME distilleries, this could involve shortening response cycles,

fostering decentralized decision-making, and integrating real-time customer feedback into product or process innovation.

This study significantly advances both theoretical frameworks and managerial practices by illustrating that within highly regulated and traditional industries, it is the synergy between digital readiness and organizational agility rather than digital transformation as a standalone initiative that fundamentally secures sustainable competitive advantage. These results underscore that for firms in such sectors, a holistic approach combining flexible internal structures with technological preparedness is the primary catalyst for long-term strategic success ⁹

7. Conclusion and Implications

This research explored the intricate dynamics between Digital Literacy (DL), Digital Transformation (DT), Organizational Agility (AG), and Competitive Advantage (CA) within the specific landscape of Thai SME distilleries. Synthesizing the Resource-Based View (RBV) with Dynamic Capabilities Theory, the study's empirical results demonstrate that although digital competencies are foundational, they are insufficient to generate a direct strategic edge without being catalyzed by agility. The analysis identifies agility as the primary and most robust determinant of competitive advantage. In contrast, while digital literacy and transformation initiatives contribute positively to the organizational framework, their standalone influence failed to reach statistical significance, suggesting that their strategic value is optimized only when integrated with high levels of operational flexibility.

These results reinforce the notion that agility serves as a critical link between internal capabilities and market-facing performance. In rapidly changing and highly regulated environments such as the Thai distillery industry, the ability to adapt quickly and respond flexibly is key to maintaining a competitive position.

From a theoretical standpoint, this research provides a more nuanced conceptualization of the interplay between digital competencies and organizational agility as dual-engine drivers of competitive advantage. By articulating the specific mechanisms through which these capabilities interact, the study moves beyond traditional linear models, illustrating that the strategic value of digital assets is contingent upon the firm's underlying adaptive capacity. It extends previous literature by highlighting that digital transformation may not yield strategic benefits unless supported by organizational agility. Furthermore, the non-significant direct effects of digital

literacy and transformation on competitive advantage challenge assumptions that technology adoption alone leads to superior performance.

For practitioners, particularly SME owners and managers in the distillery sector, the findings suggest that investments in digital tools must be accompanied by a culture of agility. This includes fostering rapid decision-making processes, decentralized control, and a proactive approach to market sensing. Policymakers and industry stakeholders should consider supporting SMEs with not just digital literacy training, but also programs that help build agile leadership, flexible operational processes, and innovation readiness.

8. Limitations and Future Research

While this study offers significant contributions, certain limitations warrant consideration. First, the adoption of a cross-sectional approach provides a snapshot of organizational dynamics at a specific moment, which naturally limits the depth of causal inferences. To address this, future investigations should employ longitudinal designs to track the temporal evolution of digital and agile capabilities and their long-term impact on competitive advantage. Furthermore, as the current sample focuses exclusively on SMEs within the Thai distillery industry, the generalizability of the findings to other sectors or geographical contexts may be constrained. Subsequent research is encouraged to test the proposed framework across diverse industrial landscapes or through cross-national comparisons to establish its broader external validity.

Third, the study focused only on a subset of strategic capabilities. Variables such as green innovation, organizational culture, or marketing agility could provide deeper insights when added to the model. Lastly, while the model used validated scales, qualitative approaches such as interviews could enrich understanding of how these capabilities are applied in practice.

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