

ABSTRACT

This study aims to examine the impact of supply chain agility, differentiation strategy, and resilience capability on the competitive advantage of garment SMEs in Pekalongan. The main research issue is how competitive advantage can be achieved through supply chain agility, both directly and indirectly, via intervening variables such as differentiation strategy and resilience capability.

The population in this study consists of Small and Medium Enterprises (SMEs) in the garment sector in Pekalongan. A non-probability sampling technique was used, specifically purposive sampling, with sample criteria including SME owners or managers in the garment sector in Pekalongan who have been operating for more than 2 years and have a minimum of 4 employees. Data was collected using questionnaires distributed directly and online via Google Forms. The Structural Equation Model (SEM) with AMOS 24 was employed to analyze 204 questionnaire responses.

From the hypothesis testing conducted in this study, several conclusions were obtained. First, there is a significant effect of resilience capability on competitive advantage. Second, differentiation strategy significantly affects competitive advantage. Third, there is an insignificant effect of differentiation strategy on resilience capability. Fourth, supply chain agility has a significant effect on resilience capability. Finally, supply chain agility significantly affects differentiation strategy.

Keywords: *Supply Chain Agility, Differentiation Strategy, Resilience Capability, Competitive Advantage*

