

# Guidelines for the Development of Small and Medium-Sized Enterprises in the Trade Sector within the Eastern Economic Corridor under the Transformation of the Digital Economy Era

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Received: 2025-8-25; Revised: 2025-10-31; Accepted: 2025-10-31

## Abstract

SMEs in the trade sector create works, occupations, and income. It's the key part to stimulate the country which are facing operational challenges due to the transition into digital era. This effects a decline in the number of entrepreneurs. This research aims to identify guidelines for the development of SMEs in the trade sector to be able to operate its business during the ongoing changes.

This research is quantitative research by collecting survey data from entrepreneurs operating SMEs in the trade sector. The research instrument is a questionnaire using Multivariate statistical techniques for the Second-order Confirmatory Factor Analysis (S-CFA) and followed by a Structural Equation Model (SEM).

The developed structural equation model demonstrated a good fit with the empirical data, with  $p$ -value = 0.149, CMIN/DF = 1.109, GFI = 0.964, and RMSEA = 0.015, all statistically significant at the 0.001 level, meeting the established criteria. Regarding the analysis of variables within the newly developed model, the overall influence analysis revealed that: Change leader had the strongest direct influence on organization management = 0.77. Organization management had a direct influence on personal potential = 0.67. Change leader directly influenced Product Innovation = 0.64. Personal potential had a direct influence on customer experience = 0.54. Product innovation had a direct influence on customer experience = 0.36. Change leader had a direct influence on personal potential = 0.25. Personal potential had a direct influence on product innovation = 0.22, respectively.

This research can be used to formulate strategic guidelines for the trade sector as well as other business sectors to adapt to the changes in the digital era. The strategies mentioned in this study are important factors that help organizations to remain competitive and sustain their presence in the market.

**Keywords:** Structural Equation Model, Small and Medium-sized Enterprises (SMEs), Trade Sector

## Introduction

The economy system in Thailand has business unit as a key mechanism driving gross domestic product (GDP), such as small and medium-sized enterprises (SMEs) and large

corporations and state-owned enterprises (SOEs). Each of type involves different roles within the economy. Especially SMEs, which are considered as a significant part to develop the country and distribute income to local communities. According to Kruasom & Khumhome (2025), SMEs account for more than 78% of employment and contribute approximately 37.4% of the total GDP. SMEs also represent the largest group of SOEs, making up as much as 99.7% of all SOEs. A survey by the Office of Small and Medium Enterprise Promotion (2024) reported that, in 2022, there were 1,335,629 SMEs in the trade sector—making it the largest number among a total of 3,187,378 SMEs nationwide. Pinudom & Johnson (2019) also stated that SMEs involve in stimulate economy by creating jobs, distributing income, and increase competitive ability of the country for many years. In the present, economy and industry sector are being replaced by digital economy driven by data, knowledge, and innovation from technological advancements. Bukht & Heeks (2018) mentioned that Thai government has focused on the development of the digital economy to help the country escape the middle-income trap and transition into a value-based economy. This led to the launch of the Thailand 4.0 and Digital Thailand initiatives in 2016, aimed at steering the country out of the “middle-income trap” and toward a value-driven economy. The initiative supported the SMEs to prepare for the full digital transformation by building a strong digital ecosystem. Although Thailand’s digital economy has been growing steadily, the digital inequality between urban and rural areas remains a major obstacle to inclusive development. For instance, urban areas may benefit from “First World” digital infrastructure, while many rural areas still lack access to basic digital systems—amounting to “Third World” digital infrastructure.

According to Paweehirunkrai & Pankham (2025), SMEs faces with big challenges to be survived in the world economy. With 67% of worldwide SMEs executives specified that their primary concerns were business survival and expansion. Although creating jobs are approximately 70% of global GDP, SMEs continue to struggle with main issues such as low profit, difficulty in scaling up, and challenges in expanding into new markets. Furthermore, they are also faced with complex economic, social, political, and technological environments. These issues are more critical in Thailand. As stated by Naruetharadhol, et.al. (2022), many SMEs are lack of resources or the necessary knowledge and capabilities which lead to difficulty in business operation as well as cannot implement business model effectively. As a result, these significantly impact entrepreneurs, some fail to adapt in time and are forced to shut down. The survey of Department of Business Development (2024) revealed the number of SMEs in trade sector ceasing operations is rising: 19,325 businesses in 2021, 21,880 in 2022, and 23,380 in 2023. According to Thansettakij (2024), the Office of Small and Medium Enterprise Promotion has set strategic directions to support and drive SMEs growth. The goals are to promote and develop no fewer than 1,148,872 entrepreneurs, generating economic value over 48,548 million baht through policy-making, promotion plans, and operational strategies.

Business competition has become increasingly intense under the transformation of the digital economy era. Operating business with traditional approach may no longer be sufficient

for sustaining and growing businesses. Therefore, the researcher is interested in studying guidelines for the development of SMEs in trade sector within the EEC under the transformation of the digital economy era. The goal is to enhance their competitiveness and promote long-term sustainable growth.

### **Research Objectives**

1. To develop a structural equation model for the development guidelines of SMEs in the trade sector within the EEC under the transformation of the digital economy era.

2. To examine the goodness-of-fit of a structural equation model for the development guidelines of SMEs in the trade sector within the EEC under the transformation of the digital economy era.

### **Concepts and Theories**

#### **Change Leader Theory**

Change leader must possess a forward-looking vision, be able to use technology to drive the organization toward sustainable success by focusing on innovations and development of future skills within the team. Gilli, et.al. (2023) stated that in digital era, change leader must have clear vision, digital expertise, adaptability, openness to employee feedback, a willingness to support their teams, and the ability to stimulate employees' creativity for sustainable development of the organization. Gonfa (2019) mentioned that the four key characteristics of a change leader includes: Idealized influence, intellectual stimulation, inspirational motivation, and individualized consideration. According to Jabeen (2022), change leader must be able to enhance employees' capabilities, inspire and motivate them, and develop their skills for creativity. Good change leader will support and allow employees to be a part of organizational development.

#### **Organizational Management Theory**

Organizational management is a process focusing on planning and set strategies to achieve the goal. According to Khan (2021), organizational management involves many factors such as organizational structure, organizational culture, environment, organizational strategies, cultural process, employees, technologies, resources, knowledge management, and leadership. Therefore, Curado & Vieira (2019) said that simple organizational structure allows managers to communicate with employees directly. This creates employee engagement and participation. In accordance with Kumar, et.al. (2012), organizations that continually generate new knowledge, encourage knowledge sharing among employee, or integrate new knowledge with existing knowledge, will gain a valuable resource.

#### **Product Innovation Theory**

Product innovation has a significant role in organizational survival because it's the factor for gaining competitive advantage. Yusuf (2022) mentioned product innovation can be measured by four dimensions: New product, product development, product design, and product form. Canbul & Çemberci (2023) highlighted product development is a key factor help increase product quality to meet the evolving trends of the market. Ramachandran (2020)

pointed out that the innovation used in business operation will gain greater competitive advantage than others. Thus, developing new products requires an innovation-driven mindset, which enables organizations to create sustainable value.

### **Personal Potential Theory**

Personal potential help develop organizations to adapt for the changes in the digital era. Bolzani & Luppi (2021) defined personal potential includes: Personality, attitudes, social roles, and self-image. These elements are shaped by knowledge, skills, and experience. According to Asurakkody & Kim (2020), enhancing personal potential through knowledge sharing among employees leads to creative behaviors. Sharing knowledge is a tool to stimulate and transform ideas into innovation. Gunartin, et.al. (2023) mentioned that personal potential must have a service skill, including attentive customer care, prompt problem-solving, good interpersonal communication, clear and confident responses, and the ability to provide accurate and complete information.

### **Customer Experience Theory**

Customer experience refers to the response of emotion and feeling towards the use of product and service. Harder (2022) mentioned that customer experience is the process of reactions including emotion, thought, behavior, and social through an interaction with product. This influences on customer's attitude and decision-making. Similarly, Millard (2006) said customer experience can be both positive and negative emotion while they are having interaction with a product, service or a representative of the provider. Harris (2022) stated that providing trustworthy service and high-quality products create lasting impressions and build long-term customer loyalty. This is positive customer experiences.

## **Conceptual Framework and Research Hypotheses**

Based on the research objectives and related literature, the conceptual framework and research hypotheses can be defined into seven items as follows:

H1: Change leader has an influence on organization management.

H2: Change leader has an influence on personal potential.

H3: Organization management has an influence on personal potential.

H4: Personal potential has an influence on product innovation.

H5: Change leader has an influence on product innovation.

H6: Personal potential has an influence on customer experience.

H7: Product innovation has an influence on customer experience.

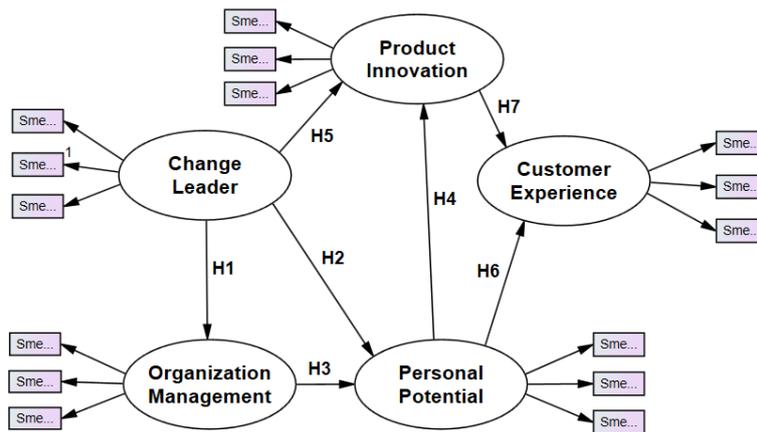


Figure 1 Conceptual Framework

## Research Methodology

1. Population: comprised 65,845 small and medium-sized enterprises (SMEs) in the trade sector within the Eastern Economic Corridor. This includes 15,450 businesses in Chachoengsao Province, 35,147 businesses in Chonburi Province, and 15,248 businesses in Rayong Province (Office of Small and Medium Enterprise Promotion, 2024).

2. The researcher determined a sample size of 506 participants. A sample of at least 500 was considered highly appropriate for factor analysis, path analysis, and Structural Equation Model with a 95% confidence level and a 5% margin of error (Comrey and Lee, 2016). The sampling method was cluster sampling, where the population was divided into three subgroups according to the three provinces which are Chachoengsao, Chonburi, and Rayong. Each group had similar characteristics. The researcher used simple random sampling to select samples in proportion to each subgroup (Silpcharu, 2017).

3. The research instrument was questionnaire, which was developed by the researcher, based on documents and relevant literatures. It included checklist items and rating scale questions based on a 5-point Likert scale, providing appropriate response options (Joshi, Kale, Chandel & Pal, 2015). The questionnaire was reviewed by three experts to determine content validity using the Index of Item-Objective Congruence (IOC), which ranged between 0.60 and 1.00, meeting accepted standards (Rovinelli & Hambleton, 1997). The researcher conducted a pilot test with 30 SME entrepreneurs in the trade sector within the EEC whose characteristics were similar to the target sample. Moreover, the researcher also assessed the reliability of the questionnaire, with item discrimination values ranging from 0.61 - 0.76, and the overall reliability of the questionnaire was 0.96. It can be concluded that the questionnaire is highly reliable and meets accepted standard criteria (Nunnally, 1978).

4. Data collection: The researcher collected data from 506 SME entrepreneurs in the trade sector within the EEC. The questionnaire was qualified for completeness and accuracy before coded and recorded into a computer system for statistical analysis.

5. Data analysis: The researcher conducted a Second-order Confirmatory Factor Analysis (S-CFA) and developed a Structural Equation Model (SEM) using statistical software for social sciences (AMOS).

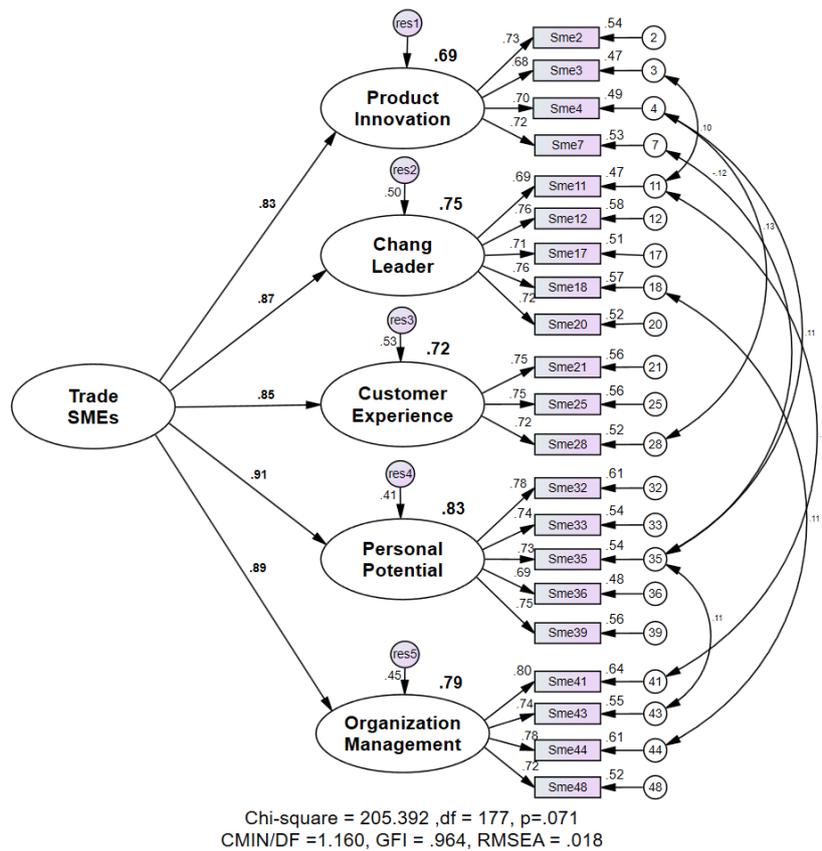
6. Statistical Techniques: The researcher used Multivariate Statistics to test the hypotheses. The analyses included causal path analysis, Confirmatory Factor Analysis to validate the indicators, and Structural Equation Model to assess model fit. The model's goodness-of-fit was evaluated based on the criteria of Arbuckle (2016) as shown in Table 1.

**Table 1** Criteria Used for Evaluating the Data–Model Fit of Structural Equation Model

Evaluating the Data–Model Fit	Criteria
1. CMIN–p	Greater than 0.05
2. CMIN/DF	Less than 2
3. GFI	Greater than 0.90
4. RMSEA	Less than 0.08

## Research Results

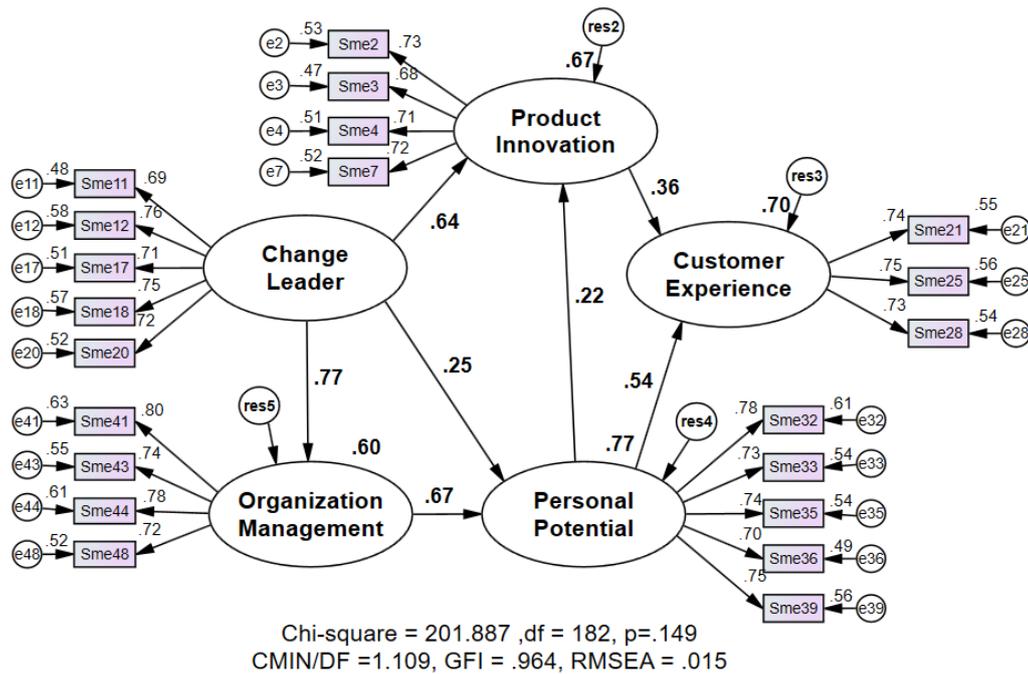
1. The results of the Second Order Confirmatory Factor Analysis (S-CFA) conducted to examine the construct validity of the measurement model before adjustment revealed the following fit indices:  $p = 0.000$ ,  $CMIN/DF = 1.552$ ,  $GFI = 0.931$ , and  $RMSEA = 0.033$ . These results indicated that the model did not yet exhibit a good fit with the empirical data. The researcher adjusted the model by removing observed variables with unsatisfactory values and connecting variables using directional arrows. This was to ensure that the revised components or latent variables align as closely as possible with the empirical data. Results of the confirmatory factor analysis after the modification showed  $p = 0.071$ ,  $CMIN/DF = 1.160$ ,  $GFI = 0.964$  and  $RMSEA = 0.018$ . These results suggest that the revised model fits well with the empirical data, as illustrated in Figure 2.



**Figure 2** Results of the Second Confirmatory Analysis (S-CFA)

From Figure 2, when considering the factor loadings of each component, it was found that the loadings were all positive, 0.83-0.91, with statistical significance at the .001 level. Personal potential had the highest factor loading at 0.91, followed by organizational management at 0.89, change leader at 0.87, customer experience at 0.85, and product innovation at 0.83, respectively. Each component had the reliability values ( $R^2$ ) ranged 0.47 - 0.64. This shows that all five components can be used as components for guidelines of the development of the small and medium-sized enterprises in the trade sector within the eastern economic corridor under the transformation of the digital economy era. All five components are consistent with the empirical data.

2. Development of the Small and Medium-sized Enterprises in the trade sector within the Eastern Economic Corridor under the transformation of the digital economy era through analysis of the influence of various developed variables, as shown in Figure 3.



**Figure 3** The Path Relationships in the Structural Equation Model

From Figure 3, the examination of the model fit for the Structural Equation Model of the development of the Small and Medium-sized Enterprises in the trade sector within the Eastern Economic Corridor under the transformation of the digital economy era revealed that the empirical data and the model are consistent. The model fit indices were p-value = 0.149, CMIN/DF = 1.109, GFI = 0.964, and RMSEA = 0.015, with statistical significance at the 0.001 level.

**Table 2** Results of Hypothesis Testing for the Modified Structural Equation Model

H	Path	Estimate		R2	Variance	CR.	P	Hypotheses testing result
		Std.	Unstd.					
H1	Change Leader ---> Organization Management	0.77	0.74	0.60	0.09	13.399	***	Supported
H2	Change Leader ---> Personal Potential	0.25	0.25	0.77	0.06	3.847	***	Supported
H3	Organization Management--> Personal Potential	0.67	0.70	0.77	0.06	9.006	***	Supported
H4	Personal Potential ---> Product Innovation	0.22	0.19	0.67	0.07	2.998	***	Supported
H5	Change Leader ---> Product Innovation	0.64	0.59	0.67	0.07	7.983	***	Supported



H	Path	Estimate		R2	Variance	CR.	P	Hypotheses testing result
		Std.	Unstd.					
H6	Personal Potential --->Customer Experience	0.54	0.54	0.70	0.07	7.755	***	Supported
H7	Product Innovation -->Customer Experience	0.36	0.40	0.70	0.07	5.349	***	Supported

\*\*\* Statistically significant at the 0.001 level

Results of hypothesis testing for the modified structural equation model are as follows:

H1: Change leader had a variance of 0.24 and had a direct influence on organization management with a standardized regression weight of 0.77, statistically significant at the 0.001 level. The coefficient of determination ( $R^2$ ) was 0.60, with a variance of 0.09.

H2: Change leader had a variance of 0.24 and had a direct influence on personal potential with a standardized regression weight of 0.25, statistically significant at the 0.001 level. The coefficient of determination ( $R^2$ ) was 0.77, with a variance of 0.06.

H3: Organization management had a variance of 0.06 and had a direct influence on personal potential with a standardized regression weight of 0.67, statistically significant at the 0.001 level. The coefficient of determination ( $R^2$ ) was 0.77, with a variance of 0.06.

H4: Personal potential had a variance of 0.06 and had a direct influence on product innovation with a standardized regression weight of 0.22, statistically significant at the 0.001 level. The coefficient of determination ( $R^2$ ) was 0.67, with a variance of 0.07.

H5: Change leader had a variance of 0.24 and had a direct influence on product innovation with a standardized regression weight of 0.64, statistically significant at the 0.001 level. The coefficient of determination ( $R^2$ ) was 0.67, with a variance of 0.07.

H6: Personal potential had a variance of 0.07 and had a direct influence on customer experience with a standardized regression weight of 0.54, statistically significant at the 0.001 level. The coefficient of determination ( $R^2$ ) was 0.70, with a variance of 0.07.

H7: Product innovation had a variance of 0.07 and had a direct influence on customer experience with a standardized regression weight of 0.36, statistically significant at the 0.001 level. The coefficient of determination ( $R^2$ ) was 0.70, with a variance of 0.07.

**Table 3** Observed Variables of the Modified Structural Equation Model

Observed Variables	Guidelines of the development of the SMEs in the trade sector within the EEC under the transformation of the digital economy era	Regression weight	R2
Change Leader			
Sme11	Encourages personnel to learn and develop the organization	0.69	0.48

Observed Variables	Guidelines of the development of the SMEs in the trade sector within the EEC under the transformation of the digital economy era	Regression weight	R2
Sme12	Assigns personnel to suitable positions within the organization	0.76	0.58
Sme17	Plans flexible business strategies to be responsive for changes	0.71	0.51
Sme18	Executives demonstrate clear vision and policies	0.75	0.57
Sme20	Supports the use of technology in product and service development	0.72	0.52
Organization Management			
Sme41	Provides complete tools for operation	0.80	0.63
Sme43	Provides a suitable working environment	0.74	0.55
Sme44	Has an administrative structure and organizational management	0.78	0.61
Sme48	Has a regular personnel development plan	0.72	0.52
Personal Potential			
Sme32	Possess skills, knowledge, and experience for operation	0.78	0.61
Sme33	Shows good interpersonal skills and service-mind	0.73	0.54
Sme35	Performs good collaboration with colleagues	0.74	0.54
Sme36	Personnel participates in creative tasks on a regular basis	0.70	0.49
Sme39	Demonstrate creativity in problem solving	0.75	0.56
Product Innovation			
Sme2	Applies new technologies in product development	0.73	0.53
Sme3	Regularly develops and launches new product to the market	0.68	0.47
Sme4	Offers product variety	0.71	0.51
Sme7	Products meet quality standards	0.72	0.52
Customer Experience			
Sme21	Staffs are available to provide service at all times	0.74	0.55
Sme25	Products are at good quality and are reasonable price	0.75	0.56
Sme28	Provides online selling channels to be convenient for customers	0.73	0.54

3. For the analysis of correlations between variables, the researcher used sample correlations to examine the magnitude and direction of linear relationships between various variables. The correlation coefficient ( $r$ ) between each pair of variables should range between -1 and +1 (Alsaqr, 2021). Based on the empirical data, the correlation coefficients between variables ranged from .34 to .62, which is considered acceptable. It also indicates no issues of multicollinearity as presented in Table 4.



Table 4 Correlation Coefficient Statistics

	Sme2	Sme11	Sme39	Sme3	Sme12	Sme48	Sme17	Sme36	Sme25	Sme28	Sme21	Sme35	Sme33	Sme32	Sme4	Sme7	Sme44	Sme43	Sme41	Sme20	Sme18
Sme2	1.00																				
Sme11	0.41	1.00																			
Sme39	0.39	0.40	1.00																		
Sme3	0.50	0.38	0.36	1.00																	
Sme12	0.45	0.53	0.44	0.42	1.00																
Sme48	0.36	0.39	0.46	0.34	0.42	1.00															
Sme17	0.42	0.50	0.41	0.39	0.54	0.40	1.00														
Sme36	0.36	0.37	0.52	0.34	0.41	0.43	0.38	1.00													
Sme25	0.41	0.37	0.45	0.38	0.40	0.38	0.38	0.42	1.00												
Sme28	0.40	0.36	0.44	0.38	0.40	0.38	0.37	0.41	0.55	1.00											
Sme21	0.40	0.36	0.44	0.38	0.40	0.38	0.37	0.41	0.55	0.54	1.00										
Sme35	0.38	0.39	0.55	0.36	0.43	0.46	0.40	0.51	0.44	0.43	0.44	1.00									
Sme33	0.38	0.39	0.55	0.36	0.43	0.45	0.40	0.51	0.44	0.43	0.54	1.00									
Sme32	0.40	0.42	0.59	0.38	0.45	0.48	0.43	0.54	0.47	0.46	0.46	0.58	0.57	1.00							
Sme4	0.52	0.40	0.38	0.49	0.44	0.35	0.41	0.35	0.40	0.39	0.39	0.37	0.37	0.39	1.00						
Sme7	0.53	0.41	0.38	0.49	0.44	0.36	0.42	0.36	0.40	0.40	0.40	0.38	0.38	0.40	0.51	1.00					
Sme44	0.39	0.42	0.50	0.37	0.46	0.56	0.43	0.47	0.42	0.41	0.41	0.50	0.49	0.53	0.38	0.39	1.00				
Sme43	0.37	0.40	0.48	0.35	0.44	0.54	0.41	0.45	0.40	0.39	0.39	0.47	0.47	0.50	0.36	0.37	0.58	1.00			
Sme41	0.40	0.43	0.51	0.37	0.47	0.57	0.44	0.48	0.42	0.42	0.42	0.51	0.50	0.54	0.39	0.39	0.62	0.59	1.00		
Sme20	0.43	0.50	0.42	0.40	0.55	0.40	0.52	0.39	0.38	0.38	0.38	0.41	0.41	0.43	0.42	0.42	0.44	0.42	0.45	1.00	
Sme18	0.45	0.52	0.43	0.42	0.57	0.42	0.54	0.40	0.40	0.39	0.40	0.43	0.42	0.45	0.44	0.44	0.46	0.43	0.46	0.55	1.00

## Discussion

1. Change leader has a direct influence on organization management. From the study, it was found that change leader is the most suitable personnel to handle challenges and drive changes to organizations during the rapid changes in the present. This aligns with Asbari, et.al. (2020) who stated that the key factor for organizational development and smooth operational system is the presence of change leader who provides support to ensure that operations align with the organization's goals. According to Gilli, et.al. (2023), change leader must consider changes or threats that could effect products, services, or organization management.

2. Change leader has a direct influence on personal potential. The study revealed that the leader, who values sustainable organizational development, will support personnel development to become capable, virtuous, and competent individuals. This leads teams to work together effectively. Similarly, Jabeen (2022) mentioned that change leader provides support and opportunities for employees to enhance their performance to improve the organization's outcomes. They focus on empowering employees, inspiring them, motivating them, and supporting skill development to encourage creativity. Khan, et.al. (2023) emphasized that, in general, change leader creates an environment where all members of the organization can grow, learn, and actively contribute to its success.

3. Change leader has a direct influence on Product Innovation. The study found that organizational leaders with vision will give an importance on modern technologies and innovations and regularly improve or develop products to response to the market and consumers' needs. This aligns with Gonfa (2019), who said that change leader will support technologies and innovations. Luiz dos Santos and Vieira Marinho (2018) also mentioned that change leader must be bold in introducing new products, planning marketing strategies,

managing distribution channels, and using data to conduct proactive marketing in order to raise consumer awareness, which leads to increased sales, profits, and market share.

4. Organization management has a direct influence on personal potential. From the study, it was found that organizations with clear management structure, proper job assignments based on position, and regular personnel development policies are more likely to have effective work performance. This is consistent with Loonam, et.al. (2018) who identified that organization structure and processes are communication system and authority that connect groups of people, enabling them to work together and achieve organizational goals. Therefore, according to Rohman, et.al. (2020), support from management and leadership is very important in encouraging knowledge sharing among employees, which contributes to the overall success of the organization.

5. Personal potential has a direct influence on product innovation. The study revealed that personnel with skills, knowledge, and experience in operation can apply new technologies in product development. Khan & Mohiya (2020) stated that training, brainstorming, and employees' ability to think creatively are positively related to the development of product innovation. According to Ramachandran (2020), new product development needs innovative thinking from employees, which allows organizations to truly create sustainable value.

6. Personal potential has a direct influence on customer experience. The study showed that quality personnel with a strong sense of service, who are always ready to assist customers, lead to customer satisfaction, happiness, lasting impressions, and full benefits. This aligns with Tran & Le (2020) who said that employees must have service mind, good interpersonal skill, provide complete information, and solve problems promptly. These create customer impression and good experience. Harris (2022) noted that employee who provides reliable service creates memorable customer experiences, building long-term trust and loyalty.

7. Product innovation has a direct influence on customer experience. Integrating digital technology to develop product enhance efficiency, reduces errors, and increase attraction to customer. It helps respond quickly to market demands. This is consistent with Velangi & Savla (2022) who stated that consumer tends to pay attention to new product. Organizations should always improve their products by focusing on identity to difference themselves from the market which leads to better purchasing experience for consumer. According to Cynthia & Tuti (2023), innovative product increases satisfaction and trust in product, promotes customer loyalty and enhances overall purchasing experience. Lyons, et.al. (2020) added that developing products design to be diversified offers more choice for consumers and expands product lines for new market opportunities.

### **New Knowledge from Research**

This research integrates five components: change leader, organization management, personal potential, product innovation, and customer experience into a unified framework. It reveals new relationships and insights, providing a conceptual foundation for developing SMEs

in the commercial sector toward sustainable growth and competitive advantage in the digital economy era. Guidelines are as follows.

1. Leadership: Leaders should maintain a clear vision, proactively leverage digital technology, and continuously enhance their workforce's potential to drive organizational development.

2. Organizational Management: Establish a systematic management structure, adopt digital tools for organizational growth, and implement ongoing upskilling and reskilling initiatives. Investing in human capital fosters product innovation and enhances customer experience.

3. Product Innovation: Develop innovative products that prioritize variety, quality, and the integration of new technologies to boost customer satisfaction and loyalty.

These guidelines serve as a strategic roadmap for SMEs in the commercial sector to adapt, remain competitive, and thrive in a rapidly changing business environment.

## Conclusions

Among changes in digital economy era, appropriate operations to survive and ability to grow of SMEs in the trade sector under the rapid changes these days, the study revealed as follows:

1. SMEs in the trade sector that seriously apply digital into its operational process can reduce organizational problems and obstacles. This requires change leader who is thinker and developer to set goals and strategies for managing the fast-paced business environment. Such leader listens to problems, collaborates on solutions with team members, and encourages the exchange of innovative ideas to address mistakes. Effective leadership includes assigning roles that match employees' capabilities and providing support to colleagues to ensure smooth operations. This unity and teamwork create collaboration, enhance organizational efficiency, and contribute to positive customer experiences.

2. SMEs in the trade sector that encourage their personnel to be bold, creative, open to innovation, regularly improve operational process, and build a strong learning culture to organizations by providing knowledge resources, expert consultants, and accurate operational manuals will help develop personal potential. This enables better product quality and customer service effectiveness.

## Recommendations

1. A learning culture should be promoted among employees to encourage self-development. Leaders should support employees in applying their knowledge to improve internal operational processes. They should also be open to listening to problems and feedback from employees to identify areas for improvement and implement necessary changes.

2. Modern technologies and innovations should be applied to enhance organizational management efficiency. This will help the organization stay competitive and responsive to the rapidly changing global business landscape.

3. Organizations should implement strategies to retain existing customers while attracting new ones, provide friendly and high-quality customer service, establish effective communication channels with customers to boost sales or organize activities that deliver positive customer experiences. These can build lasting impressions, encourage repeat purchases, and contribute to long-term sustainable growth.

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