ABSTRACT

This study examines the influence of the factors that influence competitive advantage on business performance (Studies at Batik MSMEs in Semarang City). Data obtained from the Cooperative and UMKM Office of Semarang City records that the number of batik UMKM in Semarang City is only 30. This problem is a serious problem because of the decline in the number of Batik MSMEs and annual turnover, therefore it will be further investigated.

Using the Explanatory Mix Method Research. The purpose of this study was to analyze the influence of the variables of Entrepreneurship Orientation, Market Orientation, Intellectual Capital, Product Innovation and Competitive Advantage on Business Performance. This study used a sample of all Batik UMKM owners in the city of Semarang. The purposive sampling method was used in this research as a data method, the determination of the number of samples was 30 and 30 questionnaire forms collected from respondents and interviews were conducted to 5 owners of Batik UMKM in Semarang City. The analysis technique used to analyze the data that has been obtained is the Structural Equation Mode partial least square (SEM-PLS) technique using the AMOS application.

The hypothesis in this study. H1: Entrepreneurial orientation has a positive effect on Competitive Advantage. H2: Market Orientation has a positive effect on Competitive Advantage. H3: Intellectual Capital has a positive effect on Competitive Advantage. H4: Product Innovation has no positive effect on Competitive Advantage. H5: Entrepreneurial orientation has no positive effect on business performance. H6: Market Orientation has no positive effect on Business Performance. H7: Intellectual Capital does not have a positive effect on business performance. H8: Product innovation has no positive effect on business performance. H9: Competitive Advantage has a positive effect on Business Performance

Keywords: Entrepreneurship Orientation, Market Orientation, Intellectual Capital, Product Innovation, Competitive Advantage, Business Performance

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