

ABSTRACT

The purpose of this research is to analyze the influences of market orientation, entrepreneurial orientation, and competitive advantage to be able to improve business performance. Respondents in this research are catering businesses in Semarang. The model in this research were analyzed by using *Structural Equation Modeling* (SEM).

Results of data processing full model showed that the value of *Chi-Square* 117,655; *CMIN / DF* 1,201; *Degree of Freedom* 98; *Probability* 0,086; *GFI* 0,898; *AGFI* 0,858; *CFI* 0,988; *TLI* 0,985; and *RMSEA* 0,040. This means that the model has met the criteria *Goodness of Fit*. Results of the analysis showed that only four of five hypotheses were accepted. Entrepreneurial orientation has a positive and significant impact on competitive advantage and business performance. As well as the competitive advantages that have a positive and significant impact on business performance. Market orientation has a positive and significant impact on competitive advantage, but no significant effect on business performance.

The conclusion of this research is to improve the performance of its business, catering business should not only pay attention to the entrepreneurial orientation and a competitive advantage. If businesses are able to meet any customer demand, always trying to improve its ability to cope with the competitors, as well as coordination in its work, it can improve business performance.

Keywords: Market Orientation, Entrepreneurial Orientation, Competitive Advantage and Business Performance