ABSTRACT

This research was conducted based on the existence of a research gap between the relationship between entrepreneurial orientation and business performance, which still provides inconsistent results in previous studies. The purpose of this research is to build contextual models and provide answers to existing research motives. There are 245 respondents who are culinary MSME owners and actors in Kudus Regency. The data analysis method used in this study is SEM (Structural Equation Model) with AMOS, which produces five hypotheses with a positive and significant influence: entrepreneurial orientation ability on product innovation capability, product innovation capability and customer relationship management ability on competitive advantage, product innovation capabilities and competitive advantage on business performance.

Keywords: Entrepreneurship orientation, Product innovation capability, Customer relationship management capability, Competitive advantage, Business performance