

ABSTRACT

This research aims to analyze the influence of the implementation total quality management and innovation quality through competitive advantage to improve firm performances. The problem raised in this research is that the performance of coffee shops in Semarang is still not as expected

In this research, populations were owner or manager of coffee shop who were operational coffee shop at least 1 year and The providing of service like dine in and take away. Using the technique of non probability was used as the technique of sampling on this research. taking samples are use the technique of purposive sampling The Method of collection data in research use in the research of questionnaire that was spread to respondents. 152 data questionnaire were analysis by structural equation model (SEM) with amos 26.

The result of research show that the hypothesis of this study were several conclusion. First, competitive advantage has positive effect on firm performance ; second the implementation of total quality management has positive effect on firm performance ; third, the implementation of total quality management has positive effect on competitive advantage,. Fourth, innovation quality has positive effect on firm performance; Innovation quality has positive effect on firm performance

Keywords : Implementation Total Quality Management, Innovation Quality, Competitive advantage, firm performances