

ABSTRACT

The main objective of this study is to identify the relationship between market orientation and business performance. Therefore, this research is to develop a research model about market orientation affecting business performance. This study used 150 respondents of Coffee Shop owners in Solo Raya. The technique used is purposive sampling. The data collection method uses a questionnaire by distributing google forms, then distributed online. Hypothesis testing in the study used a Structural Equation Model (SEM) which focuses on Analysis of Moment Structures (AMOS).

The findings of this study indicate that the higher the market orientation, the higher the ability of coffee shop business innovation. Meanwhile, the higher the entrepreneurial orientation, the higher the ability to innovate the coffee shop business, then the higher the entrepreneurial orientation, the higher the attractiveness of the coffee shop business product. Then the higher the ability to innovate, the higher the attractiveness of the coffee shop business product. Then the higher the ability to innovate, the higher the business performance of the coffee shop business. Then the last one, the higher the attractiveness of the product, the higher the business performance of the coffee shop business.

Keywords: Market Orientation, Entrepreneurial Orientation, Innovation Capability, Product Attractiveness, Business Performance.