

## **ABSTRACT**

*This study aims to investigate the significance of innovation in enhancing the competitive advantage of PT GSI. In an increasingly competitive business environment, it is essential for companies to continuously innovate to maintain their market position. Therefore, a deep understanding of the role of innovation in creating competitive advantage is crucial for the success of the company. This research employs a qualitative approach by conducting interviews and document analysis with executive staff of PT GSI who are directly involved in the implementation of innovation within the company. The collected data was then analyzed to identify patterns and key findings related to the impact of network innovation on competitive advantage. The research findings indicate that the network innovation strategy implemented by PT GSI has a significantly positive impact on enhancing the company's competitive advantage. Respondents reported that network innovation has helped improve relationships with customers and business partners, as well as providing significant added value to the company. These findings underscore the importance of continuously promoting innovation in the business model and maintaining strong relationships with customers and business partners to remain competitive in the market.*

**Keywords:** *Network innovation, competitive advantage, innovation strategy, PT GSI, business.*