

## ABSTRACT

Small and Medium Enterprises (SMEs) is one of the driving forces in economic development. The role of SMEs as economic activities is expected to not only be able to meet market needs in local communities, but also reduce unemployment by providing employment, to increase income and welfare of the community. However, SMEs are currently still having difficulties in utilize technology, human resources and the ability to create innovative products. This condition will have an impact on the competitiveness and sustainability of SMEs in the future. Therefore, this study aims to analyze the influence of technology orientation, entrepreneurial orientation and product innovation on business performance. The research sample of 100 respondents were selected using an accidental sampling method. This study using multiple linear regression analysis and the conclusion that technology orientation and product innovation has a positive and significant effect on the business performance of batik SMEs. Entrepreneurial orientation is not significant in influencing the business performance of batik SMEs. Simultaneously technology orientation, entrepreneurial orientation and product innovation have positive and significant impact on the business performance of batik SMEs.

**Keywords:** Business performance, batik SMEs, technology orientation, entrepreneurial orientation, product innovation, multiple linear regression.