

THE INFLUENCE OF MARKET ORIENTATION, CREATIVITY, AND PRODUCT INNOVATION ON THE COMPETITIVE ADVANTAGE OF CULINARY MSMEs IN PADANG CITY

PENGARUH ORIENTASI PASAR, KREATIVITAS, DAN INOVASI PRODUK TERHADAP KEUNGGULAN BERSAING UMKM KULINER DI KOTA PADANG

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ABSTRACT

This research aims to determine and analyze the influence of market orientation, creativity, and product innovation partially and simultaneously on the competitive advantage of culinary food MSMEs in Padang City. The research method used is descriptive quantitative. The sampling technique used was purposive sampling using a sample of 97 respondents, and data collection methods using observation, questionnaires, and literature study. The data analysis techniques used are multiple regression analysis, t-test, F-test, and coefficient of determination. Based on multiple regression analysis, it is found that $Y = 3.320 + 0.207 X_1 + 0.097 X_2 + 0.487 X_3 + e$. The results of the t-test showed that market orientation, creativity, and product innovation had a partially positive and significant effect on the competitive advantage of culinary food MSMEs in Padang City. The results of the F Test showed that market orientation, creativity, and product innovation had a significant influence on the competitive advantage of culinary food MSMEs in Padang City. The resulting determination value was 72.9%, and the remaining 27.1% was influenced by other variables outside this research, such as service quality factors.

Keywords: Market Orientation, Creativity, Product Innovation and Competitive Advantage

ABSTRAK

Penelitian ini bertujuan untuk mengetahui dan menganalisis pengaruh orientasi pasar, kreativitas, dan inovasi produk secara parsial dan simultan terhadap keunggulan bersaing UMKM makanan kuliner di Kota Padang. Metode penelitian yang digunakan adalah deskriptif kuantitatif. Teknik pengambilan sampel yang digunakan adalah purposive sampling dengan jumlah sampel sebanyak 97 responden, dan metode pengumpulan data menggunakan observasi, kuesioner, dan studi literatur. Teknik analisis data yang digunakan adalah analisis regresi berganda, uji t, uji F, dan koefisien determinasi. Berdasarkan analisis regresi berganda diperoleh $Y = 3,320 + 0,207 X_1 + 0,097 X_2 + 0,487 X_3 + e$. Hasil uji t menunjukkan bahwa orientasi pasar, kreativitas, dan inovasi produk berpengaruh positif dan signifikan secara parsial terhadap keunggulan bersaing UMKM kuliner makanan di Kota Padang. Hasil Uji F menunjukkan bahwa orientasi pasar, kreativitas, dan inovasi produk mempunyai pengaruh yang signifikan terhadap keunggulan bersaing UMKM makanan kuliner di Kota Padang. Nilai determinasi yang dihasilkan sebesar 72,9%, dan sisanya sebesar 27,1% dipengaruhi oleh variabel lain diluar penelitian ini seperti faktor kualitas pelayanan.

Kata Kunci: Orientasi Pasar, Kreativitas, Inovasi Produk dan Keunggulan Kompetitif

INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) are one of the foundations that play an important role in driving the national economy. MSMEs are considered a sector resistant to the global financial crisis because their access is mostly conventional. In Indonesia itself, sMSMEs continue to show an increase from year to year, this indicates that MSMEs are the sector

most interested in by the Indonesian people. Based on data from the Ministry of Cooperatives and SMEs, the number of MSMEs in Indonesia is currently at 65 million with a contribution to GDP of 61.07 percent or Rp. 8,573.89 trillion rupiah. One of the MSMEs that has an important role in the national economy is MSMEs in the culinary sector. Culinary MSMEs in Indonesia account for 70

percent of culinary business actors spread across Indonesia.

Culinary MSMEs can be said to be businesses that will never die, this is because culinary products or food and drinks are a primary need for every community in Indonesia. Culinary MSMEs are businesses where business actors offer products in the form of food and drinks. Culinary MSMEs do not only concern home-based businesses, but street vendors, frozen food, catering, various snacks, and cafe shops are also included in culinary MSMEs. From here it can be seen that culinary MSMEs are the most promising businesses that will always exist from time to time. Because in essence humans also need food and drink for survival.

West Sumatra is a province that is famous for its delicious and rich culinary delights, so it is not surprising that culinary MSMEs are developing in the province of West Sumatra. Of the many cities in West Sumatra, Padang City is one of the areas where culinary MSMEs are developing rapidly. Various culinary MSMEs can easily be found in the city of Padang and culinary MSMEs are one of the most popular businesses in the city of Padang. Culinary MSMEs in the city of Padang also have their places, such as along the road along Padang beach, GOR H. Agus Salim, and around campuses in the city of Padang.

Then for Padang City itself, the data on the number of MSMEs from 2018 to 2022 is as follows:

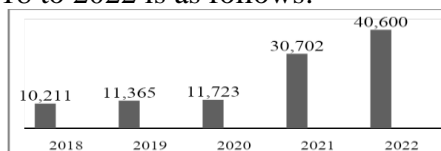


Figure 1. Data on the number of MSMEs in Padang City

Source: Padang City Cooperatives and MSMEs Department (2023)

Figure 1 shows MSME data for the last five years at the Padang City

Department of Cooperatives, Small and Medium Enterprises. In 2018 the number of MSMEs in Padang City amounted to 10,211 units, in 2019 there were 11,365 units, and in 2020 there were 11,723 units. In 2021, the growth of MSMEs in Padang City will increase rapidly to 30,702 and will continue to increase to 40,600 in 2022. And this number will increase in 2023 now, with the rapid increase in MSMEs becoming an economic potential for the area in Padang City.

Food and beverage culinary MSMEs are businesses that provide ready-to-eat food that can be served in a matter of minutes without taking a long time to cook. Many people like fast food because it is practical and can be found anywhere. The culinary business has several advantages, such as being easily accepted by the wider community, a variety of products, flexible business locations, and opportunities for creativity and innovation. The culinary food business also has a large market opportunity, especially because of the pandemic which has made many people prefer fast food because it is practical and people's awareness of healthy living has increased the demand for healthy food. Included in culinary dishes are meatballs, fried rice, ampera, satay, iced tea, salad, rujak, and others.

In the city of Padang, food and beverage MSMEs have many fans and continue to experience rapid development. This is because it is easy to find culinary delights that are available in almost all areas of the city of Padang. The culinary delights in the city of Padang also have a lot of variety so that everyone can enjoy and choose according to their tastes. With the large number of culinary enthusiasts in the city of Padang, culinary MSMEs in the city of Padang continue to experience rapid growth, especially after Covid 19 is over.

The following is data on Culinary MSMEs in Padang City in the last three years.

Table 1. Data of Padang City Culinary Food MSMEs

No	Subdistrict	Culinary Serves		
		2020	2021	2022
1.	West Padang	921	1,837	1,963
2.	East Padang	557	802	1,413
3.	North Padang	410	620	930
4.	South Padang	875	1,313	1,538
5.	Nanggalo	660	737	740
6.	Koto Tengah	679	890	1,891
7.	Kuranji	912	1,216	1,904
8.	Pauh	726	835	884
9.	Lubuk Kilangan	118	235	501
10.	Lubuk Begalung	827	1,142	1,486
11.	Bungus	251	337	671
Amount		6,936	9,964	13,921

Source: Padang City Cooperatives and MSMEs Department (2023)

Table 1, it shows data on Culinary MSMEs for the last three years at the Department of Cooperatives, Small and Medium Enterprises in Padang City with a total of 30,821 business actors spread out. In 2020 the number of culinary food MSMEs was 6,936 business actors, in 2021 there were 9,964 and in 2022 culinary food MSMEs experienced a rapid increase to 13,921 business people. It can be seen that each sub-district has increased every year. This significant increase was caused by the Covid-19 pandemic which has ended. This has resulted in many people being interested in opening a culinary business.

The development of food and beverage MSMEs in the city of Padang means that business actors must be careful in facing increasingly fierce competition in the same field. Business actors are required to rack their brains to find ways to ensure that the business they run can survive. Not a few actors fail to understand consumers, competitors and the existing market. Therefore, we need a way to keep the business attractive to consumers. One of the obstacles often experienced by business actors is a lack of understanding of market orientation.

Market orientation is a company's ability to create customer value based on customer and competitor intelligence (Lekmat, et.al, 2018:231). According to Lindgren, et.al (2020:14) market orientation is the activity of systematically collecting ongoing information about customers and competitors. Business actors must be able to understand what customers need so they can create *customer value* and create market strategies with information on competitors' strengths and weaknesses.

With the implementation of a systematic market orientation, it must also be accompanied by continuous creativity in running the business. Creativity has an important role in maintaining a business. Many business people have achieved success because of their ideas and ingenuity in seeing product developments. To understand creativity, you need a creative person who is open to experience, confident, brave to take risks, serious, persistent, independent in taking risks, accepting the opposite, and responsive to existing opportunities.

Currently, many companies are innovating every process and business activity. Product innovation is an effort to create new products that are carried out to improve, improve, and develop products produced so far. Innovation in a product can occur due to feedback from customers, a combination of things that previously existed, and the discovery of a new product. To attract consumers' interest in buying the products offered, a product innovation that is well developed and in line with what is happening currently is needed, as well as a good price perception to attract consumer satisfaction (Fauzi, et al 2022: 3693).

With so many business actors running the same business, there will be

intense competition. For the business to continue to exist, something is needed that is different from competitors that have more value for consumers. Therefore, a competitive advantage is needed so that consumers can differentiate and choose which products can provide more value. According to Danang (2015: 168), competitive advantage is the ability of a business entity to provide more value than its competitors and this value brings benefits to customers.

Based on the explanation that has been given, it can be seen that culinary food MSMEs in the city of Padang are still not perfect. Therefore, researchers are interested in further research regarding food culinary MSMEs in the city of Padang which will later be presented in the form of a scientific work entitled **"The Influence of Market Orientation, Creativity and Product Innovation on Competitive Advantage in Food Culinary MSMEs in Padang City"**.

Theoretical Basis Micro, Small and Medium Enterprises (MSMEs)

The government has regulated it in the Law on MSMEs, namely RI No. 20 of 2008 which states that MSMEs aim to grow and develop their businesses to build a national economy based on just economic democracy. According to the Central Statistics Agency (BPS), it provides an understanding based on the quantity of labor. Small businesses are businesses that have a workforce of 5 to 19 people, while medium businesses are businesses that have a workforce of 20 to 99 people.

According to Law Number 20 of 2008 concerning Micro, Small, and Medium Enterprises, these are:

1. Micro Business is a productive business owned by an individual and/or individual business entity that

meets the Micro Business criteria as regulated in this Law.

2. Small businesses are productive economic businesses that stand alone and are carried out by individuals or business entities that are not subsidiaries or branches of companies that are owned, controlled, or become part, either directly or indirectly, of medium or large businesses that meet the criteria for small businesses. as intended in this Law.
3. Medium Enterprises are productive economic enterprises that stand alone and are carried out by individuals or business entities that are not subsidiaries or branches of companies that are owned, controlled, or become part either directly or indirectly with Small Businesses or Large Businesses with total net assets or results in annual sales as regulated in this Law.

According to Law Number 20 of 2008, the criteria for Micro, Small, and Medium Enterprises are as follows:

1. Micro Business Criteria:
 - a. Have a net worth of a maximum of IDR 50,000,000.00 (fifty million rupiah) excluding land and buildings for business premises; or
 - b. Have annual sales of a maximum of IDR 300,000,000.00 (three hundred million rupiah).
2. Small Business Criteria:
 - a. Have a net worth of more than IDR 50,000,000.00 (fifty million rupiah) up to a maximum of IDR 500,000,000.00 (five hundred million rupiah) excluding land and buildings for business premises; or
 - b. Have annual sales results of more than IDR 300,000,000.00 (three hundred million rupiah) up to a maximum of IDR 2,500,000,000.00 (two billion five hundred million rupiah).
3. Medium Enterprise Criteria

- a. Have a net worth of more than IDR 500,000,000.00 (five hundred million rupiah) up to a maximum of IDR 10,000,000,000.00 (ten billion rupiah) excluding land and buildings for business premises; or
- b. Has annual sales results of more than IDR 2,500,000,000.00 (two billion five hundred million rupiah) up to a maximum of IDR 50,000,000,000.00 (fifty billion rupiah).

Market Orientation

Market orientation is something important for companies in line with increasing global competition and changes in customer needs where companies realize that they must always be close to their markets. Market orientation is a measure of behavior and activities that reflect the implementation of marketing concepts (Tjiptono and Chandra, 2017:37). Market orientation must be applied to bring improvement to the company because market orientation is a process of activities related to customers by continuously searching for customer desires. Orientation is important in today's market, companies will be more faced with emerging consumer needs and new competitors than existing competitors, therefore companies must be skilled at paying attention to customers and competitors so that market orientation practices will work correctly (Kotler et al., 2021:445). Market orientation is a significantly important factor that enables companies to understand the market and develop product and service strategies to meet customer and market needs.

Market Orientation Indicator

According to Sari (2019:23), there are three indicators of market orientation:

1. Customer Orientation

Customer orientation is a business approach that prioritizes customer needs and desires as the main priority.

2. Competitor Orientation

Competitor orientation is the understanding of the company and the strengths, weaknesses, and capabilities of its competitors.

3. Market Information

is data collected that contains information about the market environment, including prices, production, demand, and general market conditions.

Creativity

Creativity according to Wiyono (2020:20) is the skill to create new ideas and find new methods of seeing problems and opportunities. Creativity can also be interpreted as a person's skill in creating ideas by thinking creatively to create something new. So that the ideas found can solve the problems that exist in society and create opportunities to generate profits from the business.

According to Riany (2020:95), creativity is the ability to develop and combine new ideas that have been sourced from customers to form creativity that can influence competitive advantage. According to Sutapa (2017: 154), creativity is the ability to explore new ideas and obtain new methods for solving problems.

Creativity Indicators

According to Iriwati (2021:3), creativity is having curiosity, optimism, flexibility, finding solutions to problems, being original, and liking imagination. So the indicators are as follows:

1. Want to know

Curiosity is the desire to try new products and the desire to find useful information.

2. Optimistic

Optimism is everything that makes someone believe and believe in what they have. Optimism about the products offered and optimism about capabilities.

3. Flexible

Flexibility is a person's way of adjusting themselves to the level of adaptation to change and receiving input from outside.

4. Looking for a solution

Finding solutions is where someone can solve problems and find good solutions to implement.

5. Imagine

Imagination is one way of thinking ability to create a picture of something that can advance the business.

6. Dare to take risks

Dare to take risks is the ability to make decisions and take actions that are happy to face challenges and accept the possibility of failure.

Product Innovation

According to Andini, et al (2022:354), innovation is very important in efforts to increase sales because one of the goals of innovation is to create something unique and interesting for the products being sold and has its differences from business competitors operating in the same field. According to Tri and Wardani (2022:87), innovation aims to provide added value to the product, but this is not necessarily a guarantee that the product will be in demand by the market and consumers. Even innovations or ideas are sometimes not considered an added value for consumers.

According to Kotler (2016:454), product innovation is the result of various processes that are combined and influence each other. By innovating products, it is hoped that it can improve consumer purchasing decisions. Rapid

technological progress and high levels of competition require every company to continuously innovate products which will ultimately increase the company's competitive advantage (Husley and Hult in Djuniardi, et al. 2022: 83).

Product Innovation Indicators

According to Kotler and Armstrong (2016:454), there are three indicators of product innovation as follows:

1. Product Quality

Product quality is the ability of a product to carry out its functions which include durability, reliability, and accuracy.

2. Product Variants

Product variants are the development of a product so that it produces various choices ranging from size, price, appearance, and other attributes.

3. Product Style and Design

Product design is a process carried out by companies in creating new products and has various characteristics that support the product, such as being attractive, strong, and having certain characteristics that make consumers feel interested.

Competitive Advantage

According to Kotler and Armstrong (2014:322), competitive advantage is an advantage over competition that is obtained by offering consumers more value. According to Darmanto, *et al* (2015:18), competitive advantage is the capability possessed by a business or business in a strategy to gain more profits than its competitors in a similar industry. Competitive advantage in principle grows from the values or benefits created by the company for its buyers. Customers prefer to buy products that have more

value than they expected. However, this value will be compared with the price offered and product purchases will occur if the customer considers the product price to be by the value offered (Aprizal, 2018: 47).

Competitive Advantage Indicators

According to Arianty, et al (2016:165), indicators of competitive advantage can be seen from several aspects, including the following:

1. Differentiation Advantages
Differentiation advantage is a difference regarding everything regarding various elements in a product that creates superior value in the eyes of consumers compared to its competitors.
2. Advantages Cost/low price
Cost advantage is a way to create products at lower prices compared to competitors so that later they can capture a better market share.
3. Advantages of entering the market
The advantage of entering the market is the company's advantage in distributing products to consumers according to the desires, needs, abilities, or responses of customers, thereby creating market leadership.

Research Hypothesis

Based on the conceptual framework stated above, the following hypothesis is formulated:

- H₁ = It is suspected that market orientation has a significant influence on the competitive advantage of culinary food MSMEs in Padang City.
- H₂ = It is suspected that creativity has a significant influence on the competitive advantage of culinary food MSMEs in Padang City.
- H₃ = It is suspected that product innovation has a significant influence on the competitive

advantage of culinary food MSMEs in Padang City.

- H₄ = It is suspected that market orientation, creativity, and product innovation both have a significant influence on the competitive advantage of culinary food MSMEs in Padang City.

RESEARCH METHODS

This research uses quantitative methods, which are based on the philosophy of positivism. This method is used to research certain populations or samples, collecting data using quantitative data analysis research instruments to test established hypotheses. This type of research is quantitative descriptive, which is a method used to describe or analyze research results but is not used for broader conclusions (Sugiyono, 2018). This research aims to analyze the influence of market orientation, creativity, and product innovation partially and simultaneously on the competitive advantage of culinary food MSMEs in Padang City. The sampling technique used was *purposive sampling* using a sample of 97 respondents, and data collection methods using observation, questionnaires, and literature study. The data analysis techniques used are multiple regression analysis, t-test, F-test, and coefficient of determination.

RESULTS AND DISCUSSIONS

Multiple Linear Regression Analysis

Based on the multiple linear regression analysis carried out, can be seen in Table 2 below:

Table 2. Multiple Linear Regression Results

Model	Coefficients ^a				
	Unstandardized Coefficients		Standardized Coefficients		Sig.
	B	Std. Error	Beta	t	
1 (Constant)	3,320	1,347		2,465	,016
Market Orientation	,207	,071	,220	2,900	,005
Creativity	,097	,041	,208	2,364	,020
Product Innovation	,487	,085	,513	5,732	,000

a. Dependent Variable: Competitive Advantage

Source: Primary Data Processed Results (2024).

In Table 2, it can be explained that the form of the multiple linear regression equation model for the influence of market orientation, creativity, and product innovation on competitive advantage is as follows:

1. Based on the variable regression equation above, it can be seen that the constant obtained is 3.320. This means that if the independent variables in the form of market orientation, creativity, and product innovation have a value of 0, then the competitive advantage of Culinary Serving MSMEs in Padang City (Y) has a value of 3,320 units.
2. The regression coefficient value of the market orientation variable (X_1), is 0.207. This means that if the other independent variables remain constant and market orientation increases by one unit, then the competitive advantage of Culinary Food MSMEs in Padang City will increase by 0.207 units.
3. The regression coefficient value for the creativity variable (X_2), is 0.097. This means that if the other independent variables remain constant and creativity increases by one unit, then the competitive advantage of Culinary Food MSMEs in Padang City will increase by 0.097 units.
4. The regression coefficient value of the product innovation variable (X_3), is 0.487. This means that if the other independent variables remain constant and product innovation increases by one unit, then the competitive advantage of Culinary Food MSMEs in Padang City will increase by 0.299 units.

Hypothesis Testing t-Test Results

The t-test is used to see the partial or individual influence of each independent variable on the related variable. The t-test is carried out by looking at the significant column for each independent variable with a significance level of < 0.05 and comparing the calculated t and t table values based on the t-test carried out which can be seen in Table 3 below:

Table 3. t-test Results

Model	Coefficients ^a				
	Unstandardized Coefficients	Std. Error	Standardized Coefficients	t	Sig.
1					
(Constant)	3,320	1,347		2,465	,016
Market Orientation	,207	,071	,220	2,900	,005
Creativity	,097	,041	,208	2,364	,020
Product Innovation	,487	,085	,513	5,732	,000

a. Dependent Variable: Competitive Advantage

Source: Primary Data Processed Results (2024).

Based on the results of the research that has been carried out, it can be explained as follows:

1. The market orientation variable (X_1) has a positive and significant effect on competitive advantage (Y) in Culinary Serving MSMEs in Padang City. This can be seen from the significant value of $0.005 < 0.05$, the t table value $df = n - k = 97 - 4 = 93$, and the t table value is 1.661, so the calculated t value $> t_{table}$ ($2.900 > 1.661$), then H_0 is rejected and H_1 accepted.
2. The creativity variable (X_2) has a positive and significant effect on competitive advantage (Y) in Culinary Serving MSMEs in Padang City. This can be seen from the significant value of $0.020 < 0.05$, the t table value $df = n - k = 97 - 4 = 93$, and the t table value is 1.661, so the calculated t value $> t_{table}$ ($2.364 > 1.661$), then H_0 is rejected and H_2 accepted.
3. The product innovation variable (X_3) has a positive and significant effect on competitive advantage (Y) in

Culinary Serving MSMEs in Padang City. This can be seen from the significant value of $0.000 < 0.05$, the t_{table} value $df = n - k = 97 - 4 = 93$, the t_{table} value is 1.661, so the calculated t value $> t_{\text{table}}$ ($5.732 > 1.661$), then H_0 is rejected and H_3 accepted.

F Test Results

According to Sugiyono (2018:24), this test is used to find out whether the independent variables together have a significant effect on the dependent variable. So the calculated F value can be compared with the F_{table} with a significant value level of < 0.05 with a certain degree of confidence $df_1 = k - 1$ with $df_2 = n - k$. The F test is as follows:

Table 4. F Test Results

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1040,937	3	346,979	83,227	,000 ^b
	Residual	387,723	93	4,169		
	Total	1428,660	96			

a. Dependent Variable: Competitive Advantage

b. Predictors: (Constant), Market Orientation, Creativity, Product Innovation

Source: Primary Data Processed Results (2024).

Based on the test results in Table 4, it can be seen that the calculated F is 83.227 with the F_{table} value $df_1 = k - 1$ ($4-1=3$) and $df_2 = n - k$ ($97 - 4 = 93$) of 2.70 and the significance level is $0.000 < 0.05$, then H_0 is rejected and H_4 is accepted. So it can be concluded that the market orientation variables (X_1), creativity (X_2), and product innovation (X_3) together have a significant effect on the competitive advantage variable (Y) in Culinary Serving MSMEs in Padang City.

Coefficient of Determination Test Results (R^2)

The coefficient of determination essentially measures the extent of the ability to explain variations in the dependent variable. The coefficient of determination value is between zero and one. Based on the coefficient of

determination test carried out, it can be seen in Table 4.18 as follows:

Table 5. Coefficient of Determination Test Results

Model Summary ^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,854 ^a	,729	,720	2,042

a. Predictors: (Constant), Market Orientation, Creativity, Product Innovation
b. Dependent Variable: Competitive Advantage

Source: Primary Data Processed Results (2024).

Based on Table 5, it can be seen that the coefficient of determination value is found in the *adjusted R-square value* with a value of 0.729. This means that the variables market orientation (X_1), creativity (X_2), and product innovation (X_3) on the competitive advantage variable (Y) are 72.9 %, and the remaining 27.1 % are influenced by other variables outside this research, namely Service quality factors as explained by Anggara (2022:38), satisfactory service quality will make consumers dependent on the company's products offered. This will encourage companies to improve their performance to improve the quality of the products offered.

Discussion of Research Results

Based on the analysis that has been carried out on each research variable, the researcher provides a discussion of the problems discussed in this research, namely:

The Influence of Market Orientation on the Competitive Advantage of Padang City Culinary MSMEs

Based on the results of hypothesis testing on the market orientation variable (X_1) there is a positive and significant influence on competitive advantage (Y) in Culinary Serving MSMEs in Padang City. This means that if business actors continue to pay attention to market orientation, they can increase the competitive advantage of Culinary

Serving MSMEs in Padang City. Business actors must also pay attention to customer orientation so as not to lose customers and attract new customers to their business. Business actors must not be careless about developments in competition with similar or different types of business, and business actors must be more active in searching for market information so as not to be left behind by competitors.

Therefore, it can be concluded that business actors can offer products that are liked by various groups, but business actors do not yet know what the market wants so many business actors have the wrong target in attracting consumers.

This is also in line with the opinion of Aprizal (2018:22) which states that market orientation is a company culture that can lead to increased marketing performance.

These results are supported by the results of research conducted by Afif Nur Rahmadi, Tantowijauhari, and Bothy Dewandaru (2020) entitled "The Influence of Market Orientation, Innovation, and Entrepreneurial Orientation on Competitive Advantage in SMEs on the Streets of Kediri City". The results of hypothesis testing found that market orientation has a positive and significant effect on the competitive advantage of SMEs in Jalan Kediri.

The Influence of Creativity on the Competitive Advantage of Padang City Culinary Food MSMEs

Based on the results of hypothesis testing on the creativity variable (X_2) there is a positive and significant influence on competitive advantage (Y) in Culinary Serving MSMEs in Padang City. In this case, business actors are expected to have good creativity which can increase their competitive advantage in business. Business actors must have a different way of thinking to create new

products that are different from before, which can attract old and new customers. If business actors can receive input from various parties that can improve it in the future, however, business actors have not been able to put their ideas into business and develop these ideas into new creations.

This is also in line with the opinion of Riany (2020:95), that creativity is the ability to develop and combine new ideas that have that originate from customers to form creativity that can influence competitive advantage.

These results are supported by the results of research conducted by Riany and Dahmiri (2020) entitled "The Influence of Creativity and Product Innovation on the Competitive Advantage of Wedding Organizer Hastina Puspita Decoration, Jambi City". The results of the hypothesis test found that creativity had a positive and significant effect on the competitive advantage of Wedding Organizer Hastina Puspita Decoration, Jambi City.

The Influence of Product Innovation on the Competitive Advantage of Padang City Culinary MSMEs

Based on the results of hypothesis testing on the product innovation variable (X_3), there is a positive and significant influence on competitive advantage (Y) in Culinary Serving MSMEs in Padang City. This can be seen that with product innovation, business actors can have competitive value and be superior to their competitors. Therefore, culinary food MSMEs in Padang City are expected to always develop product innovations and remain in line with what customers want. If business actors continue to innovate products, the business they develop will be different from other businesses. Having distinctive characteristics in a product will leave an attractive impression on

customers which will make customers always remember the product being offered.

According to Ringhard (2018:68), Product innovation is something that can be seen as a product's functional progress that can take the product one step further than its competitors' products.

These results are supported by the results of research conducted by Naufal Afrizal (2021) entitled "The Influence of Product Innovation, Product Creativity, and Market Orientation on the Competitive Advantage of SMEs in the City of Yogyakarta". The results of the hypothesis test found that product innovation has a positive and significant effect on the competitive advantage of SMEs in the city of Yogyakarta.

The Influence of Market Orientation, Creativity, and Product Innovation on the Competitive Advantage of Padang City Culinary MSMEs

The test results prove that the variables of market orientation, creativity, and product innovation together have a positive and significant influence on the competitive advantage of culinary food MSMEs in Padang City. It can be concluded that competitive advantage will be better if business actors have good market orientation, creativity, and product innovation, this will advance the business, and competitive advantage is also very important as a benchmark for business actors regarding their business in the market.

Based on this, it can be concluded that not all business actors in the Culinary Serving MSMEs can offer customer-friendly prices. This may be because many business actors are afraid of not getting enough profits, so the advantage of low prices is still not fully achieved. Overall, it can be concluded that good market orientation, creativity,

and product innovation, can increase the competitive advantage of Culinary Serving MSMEs in Padang City.

This is in line with the opinion of Aprizal (2018:47) Competitive advantage in principle grows from the values or benefits created by the company for its buyers. Customers prefer to buy products that have more value than they expected. However, this value will be compared with the price offered and a product purchase will occur if the customer considers the product price to be in line with the value it offers.

CONCLUSION AND SUGGESTION

Based on the results of the research that has been carried out, the following conclusions can be drawn:

1. Market orientation (X_1) has a positive and significant effect on competitive advantage (Y) in Culinary Serving MSMEs in Padang City. This can be seen from the significant value of $0.005 < 0.05$, the t_{table} value $df = n - k = 97 - 4 = 93$, and the t_{table} value is 1.661, so the calculated t value $> t_{table}$ ($2.900 > 1.661$), then H_0 is rejected and H_1 accepted.
2. Creativity (X_2) has a positive and significant influence on competitive advantage (Y) in Culinary Serving MSMEs in Padang City. This can be seen from the significant value of $0.020 < 0.05$, the t_{table} value $df = n - k = 97 - 4 = 93$, and the t_{table} value is 1.661, so the calculated t value $> t_{table}$ ($2.364 > 1.661$), then H_0 is rejected and H_2 accepted.
3. Product innovation (X_3) has a positive and significant influence on competitive advantage (Y) in Culinary Serving MSMEs in Padang City. This can be seen from the significant value of $0.000 < 0.05$, the t_{table} value $df = n - k = 97 - 4 = 93$, the t_{table} value is 1.661, so the calculated t

value $> t_{\text{table}}$ ($5.732 > 1.661$), then H_0 is rejected and H_3 accepted.

4. Market orientation, creativity, and product innovation together have a significant influence on the competitive advantage variable of Culinary Serving MSMEs in Padang City. With a calculated F value of 83.227 with an F table value of $df_1 = k - 1$ ($4 - 1 = 3$) and $df_2 = n - k$ ($97 - 4 = 93$) of 2.70 and a significant level of $0.000 < 0.05$, then H_0 is rejected and H_4 is accepted. So it can be concluded that the market orientation variables (X_1), creativity (X_2), and product innovation (X_3) together have a significant effect on the competitive advantage variable (Y) in the Kuiner Serving MSMEs in Padang City.
5. The coefficient of determination test results are in the *adjusted R-square value* with a value of 0.729. This means that the market orientation variables (X_1), creativity (X_2), and product innovation (X_3) account for the competitive advantage variable (Y) by 72.9%, and the remaining 27.1% are influenced by other variables outside this research.

Suggestion

Based on the conclusions from the research results, suggestions from this research can be put forward as follows:

1. The results of market orientation research on the competitive advantages of Culinary Serving MSMEs in Padang City, it is better for business actors to be quick in searching for market information, which will enable business actors *to update* on developments and know what customers want.
2. The results of creativity research on the competitive advantages of Culinary Food MSMEs in Padang City, MSMEs should be more

creative by developing their imagination in developing new ideas.

3. The results of product innovation research on the competitive advantage of Culinary Serving MSMEs in Padang City, business actors should be able to create new products that have unique and new designs, with new products with unique designs they can attract customers to glance at the products being offered because of this. feels new.
4. The results of research on competitive advantage variables can be seen if the variables of market orientation, creativity, and product innovation jointly influence competitive advantage. However, there are still many things that are considered lacking and must be further improved to increase the competitive advantage of Culinary Serving MSMEs in Padang City.

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