ABSTRACT

Integrated Service Center for Cooperatives and Micro, Small and Medium Enterprises Subang, hereinafter called PLUT KUMKM Subang is an institution that provides comprehensive and integrated non-financial services for cooperatives and micro, small and medium enterprises in an effort to improve production performance, marketing performance, access to finance, human resource development (HR) through enhancing entrepreneurial capacity.

The purpose of this study is to measure the influence of impact of variables on Cultural Innovation in Marketing Innovation, Marketing Innovation for Product Innovation, Marketing Innovation for Product Innovation, Marketing Innovation for Market Performance, Product Innovation for Market Performance, and Culture Innovation for Market Performance Variables.

This research's method is using quantitative approach. Data collection was conducted at UMKM which was built by PLUT-KUMKM in Subang with 200 respondents. This research uses probability sampling method with cluster sampling type. This research uses structural equation model (SEM) and using likert scale with 21 statements.

The results of this study indicate significant variables of Cultural Innovation on Marketing innovation, significant marketing innovation on product innovation, and significant marketing innovation on market performance. Non-influential variables are the innovation culture for product innovation, product innovation and innovation culture for market performance.

This research is expected to benefit UMKM assisted by PLUT-KUMKM in Subang in order to improve the culture of innovation, marketing innovation and product innovation in marketing.

Keywords: *UMKM, SEM, Culture Innovation, Marketing Innovation, Product Innovation, Market Performance.*