

ABSTRACT

This research was conducted to determine the effect of product quality and product innovation on competitive advantage on Xiaomi smartphones. The purpose of this study is to determine and analyze how product quality and product innovation are given to customers, how competitive advantage is given to quality and innovation, how much influence product quality and product innovation partially and simultaneously on competitive advantage. Xiaomi Smartphones.

This research uses quantitative methods with descriptive-causality research. Sampling was carried out using non-probability sampling techniques with saturated sampling type, with the number of respondents as many as 100 people. The data analysis technique used is descriptive analysis and multiple linear regression analysis.

Based on the results of simultaneous and partially hypothesis research, product quality and product innovation have a significant effect on competitive advantage on Xiaomi Smartphones. Based on the calculation of the coefficient of determination, the value is 63.4%. This means that the effect of product quality and product innovation (independent) on competitive advantage (dependent) is 63.4%, while the remaining 36.6% is influenced by other factors not examined in this study. For example, product creativity variables that affect competitive advantage researched by Kurniasari (2018) and marketing performance variables that affect competitive advantage researched by Sherlin (2016).

The conclusion of this study is that product quality and product innovation have an effect on competitive advantage on Xiaomi Smartphones which are included in the good category, but there are several things that need to be improved, namely improving product quality to avoid product failure and increase innovation. making it difficult for other competitors to imitate. .

Keywords: Product quality, product innovation, competitive advantage