

ABSTRACT

The creative economy industry in the country continues to experience a significant increase, this is evidenced that Indonesia's creative economy plays an important role in gross domestic product (GDP) which is in the top three in the world after the United States with the Hollywood industry and Korea with K-Pop. Micro, small and medium enterprises or MSMEs also play a very important role in the movement and growth of the Indonesian economy. as a developing country with a very large population, the small and medium-sized business sector has helped the government in terms of employment. One part of the creative industry or sub-sector of the creative industry which is currently developing very rapidly in Indonesia is the fashion industry. The fashion industry, which is classified as a creative industry, is currently developing very quickly as part of a lifestyle in fashion. At this time, it has become a separate trend for the people of Indonesia. The growing needs and demands from consumers have encouraged business actors in Indonesia to continue to innovate in fashion trends and try to understand the demands of a very dynamic-minded market.

The purpose of this study was to determine the effect of product innovation, market orientation, and learning orientation on the business performance of MSMEs in the fashion sector in the Trunojoyo Street area, Bandung city.

This study uses quantitative methods and the data collection method used in this study is the distribution of questionnaires. The sampling technique used in this study is a probability sampling technique with a saturated sample technique where the sample in this study is the entire population taken, namely all fashion SMEs in the Trunojoyo street area, Bandung, amounting to 100 SMEs.

The results of this study indicate that the market orientation variable has no significant effect on business performance and the product innovation agility variable is able to mediate between market orientation and learning orientation on business performance variables.

Keywords: *Product Innovation, Market Orientation, Learning Orientation, Business Performanc .*