ABSTRACT

The growth of micro, small, and medium enterprises (MSMEs) in the culinary sector in Bandung City has been quite varied over the past five years. This variation is due to internal and external factors, which impact the sustainability of MSMEs in Bandung City, particularly those in the culinary sector. This study aims to determine the extent of the influence of Business Model Innovation, Product Diversification, and Government Assistance on the sustainability of micro, small, and medium enterprises (MSMEs) in the culinary sector in Bandung City.

This research uses a quantitative and descriptive causal method with the analysis unit being culinary MSME actors in Bandung City who have minimal involvement. This study uses a Likert scale of 1-5 with 170 respondents from the culinary MSME sector in Bandung City. The analysis in this study employs structural equation modeling (SEM) and uses the SmartPLS 0.3 software as an analytical tool. The results of this study indicate that business model innovation has a positive and significant effect on the sustainability of the culinary business in Bandung City, product diversification has a positive and significant effect on the sustainability of the culinary business in Bandung City, and government assistance has a positive and significant effect on the sustainability of the culinary business in Bandung City.

Keywords: Business model innovation, Product diversification, Government assistance, Business sustainability.