ABSTRACT

The world fashion movement has become very impressive in its development every year, this industry has a very fast pace as well as significant business opportunities, The fashion market has been experiencing growth driven by several selling factors such as the increase in the use of online shopping devices, the development of quality and innovation in every line. With the existence of competition, the company must implement product innovation and product quality to compete. Product innovation will create innovative product designs that are diverse, thus increasing alternative choices and quality in increasing the benefits or value that customers receive, so that Compass can increase its competitive advantage with its competitors.

This research uses quantitative methods with descriptive-causality research types. Sampling was carried out using non-probability techniques with purposive sampling, namely sampling units selected based on certain considerations with the aim of obtaining sampling units that have the desired characteristics. with a total of 400 respondents. The data analysis technique used is descriptive analysis and multiple linear regression analysis.

Translated with DeepL.com (free version)With research objectives To find out how much influence product innovation has on the competitive advantage of compass partially, to find out how much influence product quality has on the competitive advantage of compass partially, to find out how much influence product innovation and product quality have on the competitive advantage of compass simultaneously.

The results of this study, Product Innovation has a considerable and significant effect on Competitive Advantage, Product Quality has a considerable and significant effect on Competitive Advantage, and The effect of product innovation and product quality simultaneously on competitive advantage is 55,2% and the remaining 44,8% is influenced by variables outside this study.

Keywords: *Innovation, Quality, Competitive Advantage, Entrepreneurial*