

ABSTRACT

Micro, Small, and Medium Enterprises (MSMEs) have a very important role in the Indonesian economy and dominate the national economic structure. In increasingly fierce competition, a business needs to have strong competitiveness to gain an advantage over other competitors, especially in the culinary sector such as Ayam Geprek in Bandung City. The purpose of this study was to determine the effect of product innovation on competitive advantage.

This study uses a descriptive quantitative approach as the main method. The sampling method uses non probability sampling method through convenience sampling technique. The main data source in this study was obtained through distributing questionnaires distributed to 385 consumers of Ayam Geprek Jumbo 777 in Bandung City. The analysis techniques applied in this study include descriptive analysis and simple linear regression.

The results of this study indicate that product innovation has a positive and significant effect on competitive advantage by 55.8% at Ayam Geprek Jumbo 777 in Bandung City. The results of this study are expected to contribute, both theoretically and practically, by highlighting the importance of product innovation in increasing the competitive advantage of MSMEs, especially in the culinary sector.

Keywords: *Product Innovation, Competitive Advantage, MSMEs, Culinary*