

ABSTRACT

The creative economy is one of the leading sectors in national economic development as it relies on creativity, innovation, and intellectual property as its main resources. In Bandung City, Pasar Kreatif The Hallway Space serves as a platform for entrepreneurs in the culinary, fashion, craft, and other creative subsectors. This study aims to determine the influence of product innovation and entrepreneurial orientation on the competitive advantage of creative business actors at The Hallway Space Bandung.

The theories used in this research include product innovation theories by Abdurohim, entrepreneurial orientation theory by Ramli et al., and competitive advantage theory by Fred R. David & Forest R. David.

The research employs a quantitative approach with a descriptive method. The sample consists of 36 business actors from a total of 40 brands, selected through simple random sampling. Data were collected using questionnaires and analyzed using multiple linear regression with the help of the Statistical Package for Social Science (SPSS) to assess both partial and simultaneous effects of product innovation and entrepreneurial orientation on competitive advantage.

The results show that both product innovation and entrepreneurial orientation have a significant effect on competitive advantage, both partially and simultaneously.

Keywords: *Product Innovation, Entrepreneurial Orientation, Competitive Advantage, Creative Economy, Creative Market, The Hallway Space, Pasar Kosambi, Bandung City*