

RINGKASAN

Penelitian ini bertujuan untuk menganalisis peran mediasi *Competitive Advantage* dalam pengaruh *Innovation Capability* dan *Digital Marketing Capability* terhadap *MSME's Performance*. Pada penelitian ini, sampel yang digunakan sebanyak 115 responden yang merupakan para pengguna pelaku UMKM durian di Kecamatan Kemranjen. Penelitian ini merupakan jenis penelitian survei dengan pendekatan kuantitatif dan metode pengambilan sampel menggunakan *non-probability sampling* dengan teknik *purposive sampling*. Berdasarkan hasil penelitian yang dilakukan dengan menggunakan *Structural Equation Model* (SEM) yang diolah dengan *software* IBM SPSS AMOS 24. Penelitian ini menunjukkan bahwa *Digital Marketing Capability* berpengaruh terhadap *MSME's Performance*, *Innovation Capability* dan *Digital Marketing Capability* berpengaruh terhadap *Competitive Advantage*, *Competitive Advantage* berpengaruh terhadap *MSME's Performance*, dan *Competitive Advantage* dapat memediasi pengaruh *Innovation Capability* dan *Digital Marketing Capability* terhadap *MSME's Performance*. Namun, *Innovation Capability* tidak berpengaruh terhadap *MSME's Performance*. Berdasarkan hasil tersebut, UMKM durian perlu memperhatikan *Digital Marketing Capability* seperti Whatsapp Business, Facebook, Instagram atau *e-commerce* dan juga inovasi terkait produk, layanan serta operasional UMKM sehingga UMKM dapat memiliki keunggulan bersaing dibandingkan dengan UMKM durian lain dan dapat mendatangkan pelanggan baru yang dapat meningkatkan penjualan UMKM.

Kata kunci: *Innovation Capability*, *Digital Marketing Capability*, *Competitive Advantage*, *MSME's Performance*

SUMMARY

This research aims to analyze the mediating role of Competitive Advantage in the influence of Innovation Capability and Digital Marketing Capability on MSME's Performance. In this research, the sample used was 115 respondents who were MSME users of durian in Kemranjen District. This research is a type of survey research with a quantitative approach and a sampling method using non-probability sampling with a purposive sampling technique. Based on the results of research conducted using the Structural Equation Model (SEM) processed with IBM SPSS AMOS 24 software. This research shows that Digital Marketing Capability influences MSME's Performance, Innovation Capability and Digital Marketing Capability influence Competitive Advantage, Competitive Advantage influences MSME's Performance and Competitive Advantage can mediate the influence of Innovation Capability and Digital Marketing Capability on MSME's Performance. However, Innovation Capability has no effect on MSME's Performance. Based on these results, durian MSMEs need to pay attention to marketing capabilities using online media such as Whatsapp Business, Facebook, Instagram or e-commerce and also innovations related to products, services and MSME operations so that MSMEs can have a competitive advantage compared to other durian MSMEs and can bring in new customers. which can increase MSME sales.

Keywords: Innovation Capability, Digital Marketing Capability, Competitive Advantage, MSME's Performance