The Influence Of Product Innovation, Marketing Innovation And Process Innovation On Performance Of Food Business Msmes In Lengkong District, Bandung City, West Java

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Abstract
The contribution of MSMEs to the Indonesian economy is significant. Equalising the economic status of small persons is one of the duties carried out by MSMEs. In this case, MSMEs can be located in various areas, even in remote areas, so that people do not need to go far to the city to find a decent living. One of the MSMEs developing in Bandung is Food MSMEs in Lengkong. Finding out how product innovation, marketing innovation, and process innovation affect the performance of MSMEs is the main goal of this study.

Keywords: product innovation, marketing innovation, process innovation, MSMEs performance.

I. INTRODUCTION

One of Indonesia's top priorities for economic development is the growth of MSMEs. The foundation of the people's economy, this industry works to alleviate poverty and create jobs in addition to addressing the issue of income inequality and between business actors. By strengthening the regional economy and national economic resilience, the growth of microenterprises can increase the economic sector's base and significantly accelerate structural change (Fibriyani, 2018).

Small or micro businesses have experienced a lot of development because they are considered the simplest businesses and the company's operational processes are the closest or affordable to consumers. Because of this, and supported by innovative ideas from small business actors on the market, products produced by small businesses are often the choice for consumers. The success of small businesses that are currently developing is also heavily influenced by the variety of products. offered by small business actors and also small business actors tend to understand more about consumer desires (Situmorang, 2018).

II. LITERATURE REVIEW

A. Innovation Strategy

Plans for expansion, new product lines, services, or business models that shake up the industry and provide substantial new value for clients, businesses, and consumers are all examples of strategic innovation. (Kalay, 2015).

Product Innovation

The product's innovative dimensions are as follows (Fanreza, 2022):

1. Innovation in technology refers to changes made to existing products or processes and new inventions.
2. Innovation design is a process that is sometimes referred to as perencanaan or design regarding changes that impact evelopment.

B. Marketing Innovation

The dimensions of marketing innovation are (Tavassoli & Karlsson, 2015):

1. Pricing strategy
2. Promotional activities
3. Market orientation

C. Process Innovation

The indicator of the innovative process is (Ahmad, 2023):

1. Cost

Cost is the total cost of production

2. Quality

One measure of product quality is how well it satisfies buyers' requirements.

3. Time

Time is the accuracy of production and marketing schedules.

D. Performance

Many small and medium-sized enterprise (MSME) performance indicators are listed below (Siswanti, 2020):

1. An increase in sales, which makes sales the principal source of income for the business. If expenses stay the same, the increase in revenue will lead to a growth in the company's assets.

2. Customer growth: Since customers are the ones who decide how many products are sold, a rise in the number of customers suggests that there are more market segments that have the potential to boost sales.

3. Growth in profits: Profits are a source of new firm capital, and rising earnings show that a business is effectively managing its finances and employing its money.

In light of the above, the following model is used in this study:

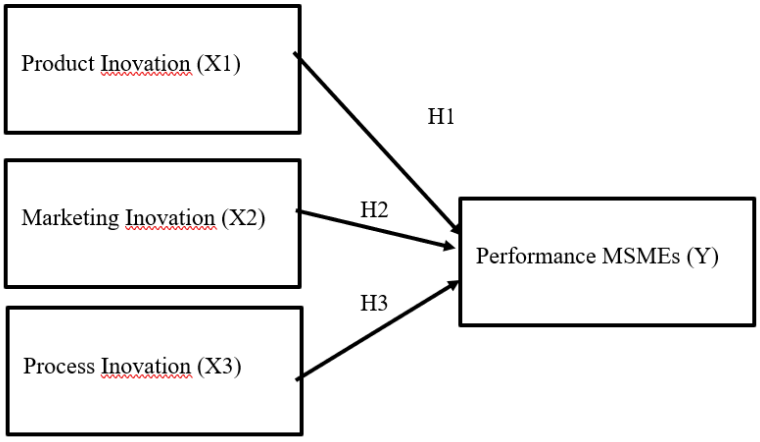

Figure 1. Research Framework

This research states its hypotheses as follows:

H1: Process innovation has a significant positive effect on the performance of MSMEs in the Food Business in Lengkong District, Bandung City.

H2: Marketing innovation has a significant positive effect on the performance of MSMEs in the Food Business in Lengkong District, Bandung City.

H3: Product innovation has a significant positive effect on the performance of MSMEs in the Food Business in Lengkong District, Bandung City.

III. RESEARCH METHODOLOGY

A. Research Methodology

This study employs quantitative methods that are based on current theories and methodologies. Because the research's data is numerical and based on statistical analysis, the approach is known as the quantitative technique. Additionally, a confirmation or verification can be performed using this method (Sugiyono, 2022).

1. Data Collection Tools

Tabel 1.Operasional Variabel

Variable	Definition Operational	Indicator	Item	Measurement
MSME Performance (Y)	Performance is the degree of success or accomplishments the business has made over a specific time frame. A company's performance has a significant impact on how it develops. If performance is defined as the sum of the work done, the outcomes of the work, and the actions taken and the methods used, Wahyudiati (2017)	Sales Growth 2. Customer Growth 3. Profit Growth (Siswanti, 2020)	1) My MSME is experiencing sales growth 2) My MSME is experiencing customer growth 3) My MSME customers consist of various levels of society 4) My MSME is experiencing profit growth	Likert Scale
Product Innovation (X1)	Product innovation strategy involves the proper presentation or administration of one that is new in the market or has been completely improved with respect to its attributes or work. (Tavassoli & Karlsson, 2015).	1. Technical innovation 2. Design innovation (Gelora et al., 2018)	1) MSMEs always add updates to the menu / products 2) MSMEs develop existing products to become better products 3) MSMEs improve the quality of components and materials used to make products 4) MSMEs have original products or flagship products	Likert Scale
Marketing Innovation (X2)	Implementing new marketing techniques and models that will drastically alter product positioning, pricing, packaging, or design is known as marketing innovation strategy (Tavassoli & Karlsson, 2015).	1. Pricing strategy 2. Promotional activities	1) A feedback channel is in place at the company to receive client concerns, which are then used to enhance the service. 2) Through promotions and corporate social responsibility, the company's marketing approach helps customers feel like	Likert Scale

		3. Market orientation (Tavassoli, 2015)	they're a part of the company. 3) Diverse target markets are used by the company, which also innovates. 4) The firm oftenly introduces innovative product offers	
Proccess Innovation (X3)	New implementations or significantly enhanced technique development or delivery are also examples of process innovation. Change strategy or hardware is incorporated into basic process advancement procedures (Tavassoli & Karlsson, 2015).	1. Cost 2. Quality 3. Time (Ahmad, 2025)	1. Production costs incurred are in accordance with the planned budget 2. My MSME products have a quality that can meet consumer needs 3. My MSME has punctuality in production 4. My MSME has punctuality in marketing products	Likert Scale

Source: Data processed by Researcher (2022)

B. Population and Sample

Sugiyono (2021) states that researchers select products or individuals with certain quantities and attributes to form a population. This population is then used for generalisation purposes. The total number of Indonesians who have the opportunity to become MSMEs Food Business District Lengkong, which is approximately 86 MSMEs.

$$n = \frac{N}{1 + Nd^2} \quad (1)$$

Where:

n = number of samples

N = population size

D = accuracy or percentage of inaccuracy determined due to sampling errors that can still be tolerated or expected, this research uses an error rate of 10% (Umar, 2014: 79).

Based on the formula above, the following is the sample calculation in this study:

$$= \frac{86}{1 + 86\ (0{,}05)^2}$$

$$n = \frac{86}{1{,}215}$$

$n = 70{,}79$

The result is 71, as computed using the Slovin formula. Accordingly, 71 participants were considered the bare minimum for this study's sample size.

C. Data Collection and Sources

Researchers get primary data by asking people to fill out questionnaires, participate in focus groups or panels, or interview experts in the field. Reprocessing is required for the data derived from this raw data.

When measuring things in a survey, likert scales are used. According to Sugiyono (2022), respondents' opinions and perspectives on social problems may be captured using the Likert scale.

Tabel 2. Design for Using a Likert Scale

Answer Scale	Score
Strongly agree	5
Agree	4
Simply agree	3
Don't agree	2
Strongly Disagree	1

Source:(Sugiyono, 2022)

D. Secondary Data

A secondary data source is one that gives data collectors access to information indirectly. Documentary data, or secondary data, are typically records, notes, or historical reports that have been assembled from both public and private archives.

E. Data analysis technique

1. Descriptive Analysis
   a. This research uses a questionnaire with five answers that must be selected and considered appropriate according to the respondents.
   b. Add together all of the respondent scores for each variable or subvariable to get the overall score.
   c. Take the average of all the scores and divide it by all the variables and subvariables.

The researcher utilised descriptive statistics, such as the frequency distribution, in SPSS 25 to explain the responses of the respondents.

2. Classic assumption test

Since not all data can be used with regression analysis, it is vital to validate traditional assumptions prior to applying regression analysis in order to prevent biased estimations. The multicollinearity, heteroscedasticity, and normality tests make up the traditional assumption test in this study.

3. Normality test

The normalcy test is used in regression models to find out whether the residual or confounding variables follow a normal distribution (Ghozali, 2018). A significant number more than 0.05 indicates that the data is consistently distributed, while a value less than 0.05 indicates that the data is not consistently distributed.

4. Heteroscedasticity Test

The heteroscedasticity test, according to Ghozali (2018), determines if the variances of the residuals of two regression observations differ. The absence of change in the residual variance between observations is known as heteroscedasticity, whereas its presence indicates homoscedasticity.

5. Multicollinearity Test

To find out if the independent variables in the regression model were associated, researchers apply the multicollinearity test (Ghozali, 2018).

6. Linearity Test

The linearity test finds out if the dependent and independent variables are significantly related in a linear fashion (Sugiyono and Susanto, 2015). The test might be conducted using a linearity test. If the linearity significance value is less than 0.05, researcher may assume that the connection between the independent and dependent variables is linear.

F. Hypothesis test

1. t test

Ghozali (2018) states that the t-statistic essentially reveals the relative contribution of each independent variable to the variance of the dependent variable. This study aimed to address the topic of how MSMEs were impacted by product, marketing, process, and IT advancements.

2. F test

The F test will show any interactions between the dependent and independent variables in the model (Ghozali, 2018). Investigating the potential impact of product, marketing, process, and information technology innovations on MSMEs was the primary goal of this study.

3. Coefficient of Determination

By characterising the variance of the dependent variable, the coefficient of determination reveals how well the model fits the data. According to Noorani (2018), the coefficient of determination is given a value between 0 and 1. The coefficient of determination formula that describes the magnitude of the effect of variable X on variable Y (Sugiyono, 2021)

$$Kd = R2 \times 100\% \quad (3)$$

Information:
Kd = Determinant Coefficient Value
r2 = Correlation Coefficient Value

IV. RESULTS AND DISCUSSION

G. Descriptive Statistical Analysis

Categorize the collected information into five answer options: SD, D, QA, A, and SA. The purpose of this descriptive statistical study is to characterize the impact of product, marketing, and process innovation on the performance of food MSMEs in Lengkong Sub-district, Bandung City, as perceived by the respondents.

Tabel 2. Results of Descriptive Statistical Analysis of Product Innovation Variables

No.	Statement	Alternative Option					Total	SkorTotal	Skor Ideal	Category
		STS (1)	TS(2)	CS(3)	ST(4)	SS(5)				
1.	MSMEs always add updates to their menus/products	0	0	12	26	33	71	305	355	Very Good
		0	0	16,9	36,6	46,5	100%	85,91		
2.	MSMEs develop existing products to become better products	0	0	17	24	30	71	297	355	Good
		0	0	23,9	33,8	42,3	100%	83,66		
3.	MSMEs improve the quality of components and	0	0	19	23	29	71	294	355	Good
									82,25	

	materials used to manufacture products	0	0	26,8	32,4	40,8	100	82,81		
4.	MSMEs have original products or flagship products	0	0	19	25	27	71	292	355	Good
		0	0	26,8	35,2	38	100	82,25		
					Total Score					1.188
					Ideal Score					1.420
					Score Percentage					83,66%

Source: Author's Processed Data (2025)

According to the respondents' answers, the product innovation variable had an overall score of 1,188 out of a possible 1,420, or 83.66%, with a good category. It is evident from table 3 analysis results that the product innovation variable has an overall score of 1,188, or 83.66%.

Tabel 3. Results of Descriptive Analysis of Marketing Innovation Variables

No.	Statement	Alternative Option					Total	Skor Total	Skor Ideal	Category
		STS (1)	TS (2)	CS(3)	ST(4)	SS (5)				
		0	0	9	29	33	71	308	355	
1.	MSMEs provide customer criticism and suggestion services to improve services	0	0	12,7	40,8	46,5	100	86,76		Very Good
2.	MSMEs have marketing strategies that make customers feel like they are part of the company through social responsibility and promotions.	0	0	13	37	21	71	292	355	Very Good
		0	0	18,3	52,1	29,6	100	82,25		

3.	MSMEs use innovation and target markets	0	0	17	26	28	71	295	355	Very Good
		0	0	23,9	36,6	39,4	100	83,09		
4.	MSMEs often introduce innovative product offerings	0	0	16	25	30	71	298	355	Very Good
		0	0	22,5	35,2	42,3	100	83,94		
					Total Score					1.193
					Ideal Score					1.420
					Score Percentage					84,01%

Source: Researcher Processed Data (2025)

The following is an explanation for the marketing innovation variable's total score of 1,193 out of an ideal score of 1,420, which had an outcome of 84.01% and was categorised as very good, according to the results of the respondents' responses: Table shows that the marketing innovation variable had a total score of 1,193, or 84.01%, according to the results of the table analysis.

Tabel 4. Results of Descriptive Statistical Analysis of Process Innovation Variables

No.	Statement	Alternative Option					Total	Skor Total	Skor Ideal	Category
		STS (1)	TS (2)	CS(3)	ST(4)	SS (5)				
1.	Production costs incurred are in accordance with the planned budget	0	0	16	30	25	71	293	355	Very Good
		0	0	22,5	42,3	35,2	100	82,53		
2.	MSME products have quality that can meet consumer needs	0	0	9	29	33	71	308	355	Very Good
		0	0	12,7	40,8	46,5	100	86,76		
3.	MSMEs have punctuality in production	0	0	13	37	21	71	292	355	Very Good
		0	0	18,3	52,1	29,6	100	82,25		

4.	My UMKM has punctuality in marketing products	0	0	9	29	33	71	308	355	Very Good
		0	0	12,7	40,8	46,5	100	86,76		
					Total Score					1.201
					Ideal Score					1.420
					Score Percentage					84,57%

Source: Researcher Processed Data (2025)

Responses indicated that the process innovation variable had an overall score of 1,201 out of a possible 1,420, placing it in the very good category with an accuracy rate of 84.57%. Table displays the findings of the analysis, which show that the process innovation variable has a total score of 1,201, or 84.57%.

Tabel 5. Results of Descriptive Analysis of MSME Performance Variables

No.	Statement	Alternative Option					Total	Total Score	Skor Ideal	Category
		STS (1)	TS (2)	CS(3)	ST(4)	SS (5)				
1.	MSMEs experience sales growth	0	0	15	31	25	71	293	355	Very Good
		0	0	21,1	42,7	35,2	100	82,53		
2.	MSMEs experience customer growth	0	0	9	29	33	71	308	355	Very Good
		0	0	12,7	40,8	46,5	100	86,76		
3.	MSME customers consist of various levels of society	0	0	13	37	21	71	292	355	Very Good
		0	0	18,3	52,1	29,6	100	82,25		
4.	MSMEs experience profit growth	0	0	17	26	28	71	295	355	Very Good

	0	0	23,9	36,6	39,4	100	83,09

Total Score	1.189
Ideal Score	1.420
Score Percentage	83,73%

Source: Researcher Processed Data (2025)

After looking at the data from the respondents, it can be seen that the MSME performance variable has a total score of 1,189 out of an ideal score of 1,420, which results in a result of 83.73% in the good category. Here's why: Overall, the MSMEs performance variable has a score of 1,189, or 83.73%, as shown in table 4.4, which displays the findings from the table analysis.

H. Classical Assumption Test

1. Normality Test

In this research, a normality test was carried out using IBM SPSS 21 and the following results were obtained:

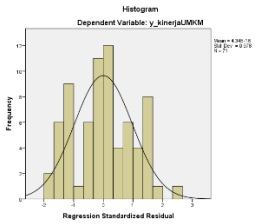

Figure 1. Histogram of MSME Performance Variables (Y)
Source: IBM SPSS 21 Processing Results, 2025

A histogram of the variable (Y) of MSMEs performance has passed the normality test, according to the histogram data in the graphic above. This is because the histogram results create a bell line, which indicates that they follow a normal curve. Thus, the data used can be considered regularly distributed. Additionally, the image has the following diagonal P-plot line:

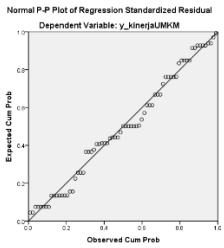

Figure 2. Normal P-Plot of MSME Performance Variable (Y)
Source: IBM SPSS 21 Processing Results, 2025

There is a very even distribution of dots around and perpendicular to the diagonal line in the Normal P-Plot of Regression Standardised Residual picture. Now that researcher made a choice, the data follows a normal distribution, as shown in the P-Plot findings up there. The Kolmogorov-Smirnov test, which requires a significance level (a) of either 0.05 or 5%, is another option for determining normality.

Tabel 7. Results of the One-Sample Kolmogorov-Smirnov Test for Normality

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		71
Normal Parameters[a,b]	Mean	0.0000000
	Std. Deviation	0.09224328
Most Extreme Differences	Absolute	0.089
	Positive	0.089
	Negative	-0.067
Kolmogorov-Smirnov Z		0.749
Asymp. Sig. (2-tailed)		0.629

a. Test distribution is Normal.

b. Calculated from data.

Source: IBM SPSS 21 Processing Results, 2025

Given the Asymp, one may regard the residual variance to have a normal distribution. The sig value for the value of 0.629 is 0.05 displayed in the preceding table. Should the asymp meet, the data pattern will show a straight line. The p-value is higher than 0.05. Depending on the interaction between product, marketing, and process innovation, changes in MSME performance indicators might be favourable or negative.

Heteroscedasicity Test

In testing heteroscedasticity, using the Glejser test method and processed using IBM SPSS 22, the results are as follows:

Tabel 8. Results of Heteroscedasticity Test

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.080	0.050		1.604	0.113
	x1_productinnovation	0.005	0.035	0.059	0.158	0.875
	x2_marketinginnovation	0.012	0.028	0.135	0.412	0.681
	x3_proccessinnovation	-0.019	0.018	-0.203	-1.011	0.316

a. Dependent Variable: Abs_Res

Source: IBM SPSS 21 Processing Results, 2025

The results of the glejser test are not statistically significant, as shown in table 4.6. Since the significance level is higher than 0.05, it follows that the regression model does not include heteroscedasticity.

2. Multicollinearity Test

Researchers conduct a multicollinearity test to determine the value of the intercorrelation between variables. When this test shows a correlation, it means that multicollinearity is present. The solution will be found out by running a multicollinearity test, which involves evaluating the tolerance and VIF values. If the VIF is below 10 and the tolerance is greater than 0.1, we may say that multicollinearity is not present. This is what the multicollinearity analysis turned out to be.

Tabel 9. Multicollinearity Test

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	1.167	0.085		1.972	0.053		
	x1_productinnovation	0.388	0.059	0.390	6.608	0.000	0.105	9.527
	x2_marketinginnovation	0.163	0.048	0.174	3.386	0.001	0.138	7.270
	x3_proccessinnovation	0.483	0.031	0.490	15.461	0.000	0.363	2.752

a. Dependent Variable: y_MSMEs Performance

Source: IBM SPSS 21 Processing Results, 2025

Based on the prior data, it is evident that all of the X-Y variables have VIF values below 10 and tolerance values over 0.1. According to these results, multicollinearity does not exist, proving that the regression model is accurate.

I. Multiple Linear Resgression Analysis

According to Sugiyono (2020), multiple linear regression is a method for describing the functional or causal link between independent and dependent variables. The purpose of this method is to determine the influence of product, marketing, and process innovations on the success of MSMEs.Consequently, the author employs a fundamental model for linear regression analysis as follows: Y'= a + bX1 + bX2 + bX3 is one way to express it.

1. Linearity Test

Sugiyono and Susanto (2015) claim that the linearity test finds whether or not the independent and dependent variables show a significant linear connection. One may get the linearity test by use of a linearity test instrument. If the linearity significance value is less than 0.05 the relevant criteria is that the independent and dependent variables must have a linear connection.

Tabel 10. Linearity Test

Independent variables	Significance	Conclusion
Product innovation	0,081	Linier
Marketing innovation	0,232	Linier
Process innovation	0,126	Linier

Source: IBM SPSS 21 Processing Results, 2025

The results of the linearity test may be seen in the table above; a significance score more than 0.05 (sig>0.05) indicates that all study variables are linear.

Using the SPSS 25 application, we do data processing for multiple linear regression and get these results:

Tabel 11. Results of Multiple Linear Regression Analysis Test

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.167	0.085		1.972	0.053
	x1_productinnovation	0.388	0.059	0.390	6.608	0.000
	x2_marketinginnovation	0.163	0.048	0.174	3.386	0.001
	x3_proccessinnovation	0.483	0.031	0.490	15.461	0.000

a. Dependent Variable: y_MSMEs Performance

Source: Researcher Processed Data (2025)

The following regression equation is derived from the analysis findings shown in the table above, which are based on the multiple linear regression analysis.

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3$$

$$Y = 1.167 + 0.388X_1 + 0.163X_2 + 0.483X_3$$

Based on the regression equation, it can be described as follows:

a. subject to change The performance of MSMEs is 1.167 if product innovation, process innovation, and marketing innovation all have a value of 0 (zero).

b. Product innovation positively affects MSMEs performance (r=0.388), indicating a positive relationship between the two.

c. According to the results, marketing innovation has a positive effect on MSMEs performance (r=0.163).

d. With a correlation of 0.483, we can see that process innovation does indeed correlate positively with MSMEs performance.

J. Hypotesis Test

Hypothesis is a temporary answer to the formulation of research problems. Because the response is based solely on pertinent beliefs rather than on actual data gathered by researchers, it is referred to as transitory. The hypothesis's findings based on the study's t-test, F-test, and coefficient of determination test are as follows:

Partial Test (T-Test)

Here are the results of the t test:

Tabel 12. Partial Test Results (T-Test)

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.167	0.085		1.972	0.053
	x1_productinnovation	0.388	0.059	0.390	6.608	0.000
	x2_marketinginnovation	0.163	0.048	0.174	3.386	0.001
	x3_proccessinnovation	0.483	0.031	0.490	15.461	0.000

a. Dependent Variable: y MSME Performance

Source: Researcher Processed Data (2025)

The following t-values are reported in the table: 1.66827 for the t-table, 6.608 for product innovation, 3.386 for marketing innovation, and 15.461 for process innovation. The data presented above is explained in the following way:

1) A t-count of 6.608>(1.66827) and a significance level of 0.000 <0.05 are associated with the product innovation variable. Thus, it is reasonable to conclude that product innovation (X1) significantly affects the performance (Y) of MSMEs. Lengkong MSMEs' product innovation boosts their performance, which impacts these findings.

F Test

In the F test (simultaneous), it must be determined according to the following test criteria:

1) H1 is accepted or Ho is rejected depending on whether the F count is more than the F table and the significance level is less than 0.05. This indicates that the independent variable significantly affects the dependent variable.
2) When the significance level (a) is more than 0.05 and the F-count is less than the F-table, either Ho is accepted or H1 is rejected, suggesting that the independent variable does not significantly affect the dependent variable.

Error rate (α) = 0.05

Numerator degrees of freedom (NI) = K-1 = 4-1 = 3

Denominator degrees of freedom (N2) = n-k-1 = 71-4-1 = 66

The results of the F table according to the equation above are 2.74

Tabel 13. Model Feasibility Test (f Test)

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	23.774	3	7.925	891.436	0.000b
	Residual	0.596	67	0.009		
	Total	24.370	70			

a. Dependent Variable: y_UMKM performance

b. Predictors: (Constant), x3_process innovation, x2_marketing innovation, x1_product innovation

The results of the F test were derived from Table 12, which showed a significance value of 0.000 <0.05 and a F count of 891.436> 2.74. With the rejection of H0 and acceptance of H1, we can say that innovation in products, marketing, and processes all have an impact on MSME performance at the same time.

Results of the Determination Coefficient Test (R2)

The following are the results of the determination coefficient carried out with the help of SPSS 21:

Tabel 14. Results of the Determination Coefficient Test

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.988[a]	0.976	0.974	0.09429

a. Predictors: (Constant), x3_processinnovation, x2_marketinginnovation, x1_productinnovation

b. Dependent Variable: y_UMKMperformance

Source: Researcher Processed Data (2025)

The table shows that the R Squared value of 0.976 indicates that product innovation, marketing innovation, and process innovation all have an impact on the success of Lengkong MSMEs. You can use this equation to find out how big the coefficient of determination is:

Kd = r2 x 100%

Kd = 0,976 x 100%

Kd = 97,6%

According to the data shown above, this number demonstrates that product innovation, marketing innovation, and process innovation have a 97.6% impact on the success of Lengkong MSMEs, while other variables account for the remaining 2.4%.

Discussion Of Research Result

Hypotesis Test (H1): The influence of product innovation has a significant effect on MSME performance

The partial findings of the T Test show that product innovation supports the hypothesis, with a significant value of 0.000 <0.05, a t-count value of 6.608, and a t-table value of 1.66827. The findings of the T Test (partial) show that product innovation greatly enhances the performance of Lengkong MSMEs. This means that H0 is rejected.

Hypotesis test (H2): The influence of marketing innovation has a significant effect on the performance of MSMEs

A t-count value of 3.386, a t-table value of 1.66827, and a significance value of 0.001 <0.05 are the results of the T-Test (partial). These indicate that marketing innovation is a significant factor.

Hypotesis Test (H3): The influence of process innovation has a significant effect on MSME performance

Process innovation is demonstrated to have a significance value of 0.000 <0.05, a t-count value of 15.461, and a t-table value of 1.66827, as shown in the results of the T-Test (partial). Process innovation significantly improves the performance of Lengkong MSMEs, according to the results of the T-Test (partial), which indicate that hypothesis H3 is accepted and hypothesis H0 is rejected.

V. CONCLUSIONS AND RECOMMENDATIONS

1. MSMEs' performance is positively impacted by the product innovation variable. Therefore, the performance value of MSMEs will rise in response to an uptick in product innovation, and fall in response to a downturn in product innovation.
2. MSMEs' performance is positively impacted by the marketing innovation variable. This indicates that micro, small, and medium-sized enterprises (MSMEs) will see an uptick in performance value when marketing innovation yields better results, and a corresponding drop in performance when marketing innovation yields worse results.
3. MSMEs performance is positively impacted by the process innovation variable. This means that micro, small, and medium-sized enterprises (MSMEs) will see an increase in performance value as process innovation outcomes rise and a decline in performance value as process innovation falls.

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