

ABSTRACT

This study aims to analyze Fore Coffee, one of Indonesia's leading coffee startups, established in 2018. With an innovative concept and a vision to enhance customer experience, Fore Coffee has expanded its reach to over 200 outlets across 45 cities in Indonesia and Singapore. The purpose of this research is to examine the influence of product innovation on the competitive advantage of Fore Coffee in Bandung. Given the intense competition within the coffee industry, product innovation serves as a key strategy for Fore Coffee to attract customers and maintain their loyalty.

Data was collected through an online questionnaire distributed to 385 respondents who had purchased Fore Coffee beverages at least once in Bandung. The collected data was analyzed using descriptive analysis and classical assumption tests, including normality and heteroscedasticity tests. Furthermore, simple linear regression analysis, t-test, and the coefficient of determination were conducted to test the hypothesis.

The results show that all indicators of the product innovation and competitive advantage variables fall into the fairly good category. These findings indicate that respondents' perceptions of both variables are positive. Moreover, the hypothesis testing reveals that product innovation has a significant effect on the competitive advantage of Fore Coffee in Bandung. The magnitude of this influence is 44%, indicating that product innovation plays an important role in shaping the company's competitive advantage.

Keywords: Product Innovation, Competitive Advantage