THE INFLUENCE OF CREATIVITY AND INNOVATION ON COMPETITIVE EXCELLENCE ON CV. TORY CATERING BANDUNG (SMEs)

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ABSTRACT

This research aims to analyze the influence of creativity and product innovation on competitive excellence CV. Tory Catering in Bandung.

The research uses quantitative research methods with observation data collection techniques, interviews, questionnaires, library studies, and library reviews. Data analysis techniques using SPSS 16 use are data normalization test analysis, Pearson Product Moment correlation, determination coefficient, correlation analysis, and multiple linear regression analysis.

From the results of the study conducted by the authors on CV. Tory Catering to find out the influence between creativity and product innovation on competitive excellence, the authors conducted a survey of questionnaires distributed to consumers as many as 120 respondents with decent results use as many as 92 respondents. The results showed that multiple linear regression analyses showed a positive coefficient value of 0.655, indicating a positive influence between creativity and innovation on competitive excellence.

Keywords: creativity, product innovation & competitive excellence, SMEs

INTRODUCTION

The food business's success achieved when the company can quickly react to new market conditions and customer needs. Also, the company can continuously find creative solutions and continuous improvement in producing products [9]. Product innovation can use as one strategy for achieving a competitive advantage. Product innovation will create various product designs, thereby improving alternative options, increasing the benefits or value received by customers, ultimately enhancing its quality according to its expectations [15].

The goal of creativity is to have an edge in a product compared to competitors. If a company does not own and develop imagination, it will not grow and be left behind by other companies. To win in a competition, an entrepreneur must have high creativity [10]. Therefore, product creativity and product innovation are essential for the company to grow and compete with other companies.

Competitive excellence is key to staying afloat in the global era. Many factors determine the advantages of competing, one of which is by innovating products. Product innovation explains that product innovation impacts rapid technological

change, and high product variation will determine competitive excellence. Rapid technological advances and increased competition levels require each company to innovate products that will ultimately improve its competitive advantage continuously [6].

In the modernization era, humans also by a practical and comfortable lifestyle. One of them is the need for food, whenever one needs it for its daily survival.

Catering businesses have been around for decades, various catering businesses that have integrated into the community environment. Several home catering businesses have expanded and catered to several weddings in large sizes (Kompas Cybermedia January 9, 2007). With the growing demand for catering services, entrepreneurs are more interested in open catering businesses so that competition is increasingly rapid.

This research discusses the influence of creativity and product innovation on the competitive excellence of products. The research background formulated research problems: how the influence of creativity and product innovation on the excellence of competing products on CV. Tory Catering in Bandung.

LITERATURE REVIEW

Rockler (LP3I Bandung entrepreneurrial training material, 2004) in innovative teaching strategies defines creativity as awareness to gain a new perspective and bring something new.

Business/organizational creativity as a combination of expertise, creative thinking skills, and motivation [3].

There are several attributes applied in creativity put forward are as follows:

Some attributes for innovative products are authenticity at the level of product novelty, level of transformation, and

work worth worthiness concerning the quality aspect, the idea of the extent to which the product already meets the desired requirements.

Innovation

The innovation required is entrepreneurs' ability to add value or benefit value to a product by paying attention to "market-oriented" or marketed [1].

The increasing value of a product's use or benefits increases the product's selling power in consumers' eyes because there is an increase in economic value for the product for consumers [2].

Innovation is the process of finding or implementing something new into a new situation [24]. This novelty concept is different for most people because of its relative nature. What is considered new by a person or context can be old for others in another context?
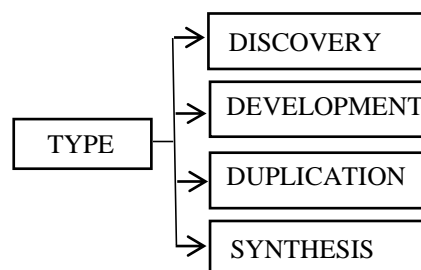

Figure 1. Types of product innovations

Competitive Advantage

Competitive advantage is to position the product line more effectively than competitors, maintaining the position of market resources against competitors.

Competitive advantage established by creating superior customer value and competitive advantage. Competitive excellence is reviewed from the customer side as "The advantages of competing in terms of competitors and customers, competing is not only a thought but also a strategy and process [4]."

The elements included in competitive advantage can be seen from the products or services marketed, the location, sale price

of the product, and the promotions performed. The product is one element of competitive advantage.

RESEARCH METHODOLOGY

The research method used is the quantitative research method. This method referred to as the positivistic method. Based on the philosophy of positivism. There are two variables used in this study, namely independent variables, i.e., the free variables in this study are creativity (Variable X_1) and innovation (Variable X_2) on the CV. Tory Catering in Bandung and the dependent variable or variable bound in this study is competitive advantage (Variable Y). In this study, the authors used a population of 120 from customer data of CV. Tory Catering Bandung in 2017 and after the calculations using the average. The sample size is 92 customer questionnaires on the CV tory Catering in Bandung based on the solving formula.

The authors' data collection technique in this study is to conduct field research that includes observations on CV. Tory Catering in Bandung, Interviews to owners and sections that the author deems necessary to interviewed, questionnaires distributed to 92 customers of CV. Tory Catering in Bandung and library research conducted by researchers to gather information relevant to topics or issues that will or are the research.

FINDINGS AND DISCUSSION
Inference Analysis
Test Data Normality
Normality tests used to determine whet her a variable is distributed normally or not and aim to determine how much data is distributed generally in the variables used in this study. Data normality test results, shown below:

Table 1. Sample Kolmogorov-Smirnov Test

		Creativity	Innovation	competitive advantage
N		92	92	92
Normal Parameters	Mean	16.78	16.78	16.75
	Std. Deviation	2.117	2.117	1.981
Most Extreme Differences	Absolute	.122	.122	.116
	Positive	.122	.122	.093
	Negative	-.102	-.102	-.116
KolmogorovSmirnov Z		1.175	1.175	1.116
Asymp. Sig. (2tailed)		.127	.127	.165

Source: Process author data by using SPSS version 16 (2017)

Based on the table above, normality data seen from the Kolmogorov-Smirnov Test value obtained that the variables' significance level is average. The evidence from the SPSS output re sult of the degree of significance (Asymp. Sig) for the creativity variable of 0.127, the value of relevance (Asymp. Sig) variable innovation of 0.127 and the value of energy (Asymp. Sig) variable competitive advantage of 0.165 shows the data in the customarily distributed research sample at a 5% error rate.

Pearson Product Moment correlation

Here is an analysis that aims to find out the correlation value between variables X_1 (creativity) and X_2 (innovation) to variable Y (competitive advantage) by using software SPSS 16 looks like the table below:

Table 2. PPM correlation results
Correlations

		Creativity	Innovation	competitive advantage
Creativity	Pearson Correlation	1	1.000**	.700**
	Sig. (2tailed)		.000	.000
	N	92	92	92
Innovation	Pearson Correlation	1.000**	1	.700**
	Sig. (2tailed)	.000		.000
	N	92	92	92
competitive advantage	Pearson Correlation	.700**	.700**	1
	Sig. (2tailed)	.000	.000	
	N	92	92	92

Correlation & determination coefficient

The determination coefficient (R-Square) used to determine the percentage size (%) influence of creativity and product innovation on product competitive excellence on a CV. Tory Catering in Bandung. Calculation of determination coefficient using SPSS 16 as follows: The influence of creativity and product innovation on competitive excellence.

Table 3. Correlation Test-Determination of creativity and innovation to competitive

Model Summary^b

Model	R	R-Square	Adjusted R-Square	Std. an error of the Estimate
1	.753^a	.670	.503	1.534

a. Predictors: (Constant), creativity, innovation
b. Dependent Variable: competitive_advantage excellence

Source: Process author data by using SPSS version 16 (2017)

Based on the calculation results above, the value of the determination coefficient between creativity and product innovation against competitive excellence is 0.670 or equal to 67.0%. This figure shows that competitive product advantage was influenced by creativity and product Innovation by 67.0%, while 33.0% influenced by other factors not studied by the authors.

Multiple linear regressions

Here is an analysis using multiple linear regression methods to see the relationship between more than one free and one-bound variable. In this study, there are two free variables, namely creativity (X_1) and innovation (X_2), and one bound variable, namely competitive excellence (Y). The results of the analysis using SPSS software

Table 4. Multiple linear regresion-coefficients

Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	T	Sig.
1 (Constant)	5.758	1.193		4.82 8	.00 0
Creativity	.655	.071	.700	9.29 0	.00 0
Innovation	.655	.071	.700	9.29 0	.00 0

From the table above, the regression model formed are: 5,758+0.655 X_1 - 0.655. From the model, it concluded that there is a positive influence between creativity and competitive excellence. Means that if creativity increases by 1 unit, then the competitive advantage will increase by 0.655 units. At the same time, innovation has a positive effect also on competitive excellence. Means that if innovation increases by 1 unit, then the competitive advantage will increase by 0.655 units. Shows that the right innovation and creativity will increase the competitive advantage of customers CV. Tory Catering in Bandung.

Hypothesis
The T-Test (Partial Test)

To conduct a hypothesis test, running a statistical test t (signification test) and the significance test between the variables studied was performed by comparing the calculated t-value against the t-table by looking at the t distribution value. The results of the statistical test calculation using SPSS version 16 are as follows:

The influence of creativity and product innovation on competitive excellence.

Table 5. T-Test Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	T	Sig.
1 (Constant)	5.758	1.193		4.82 8	.000
Creativity, Innovation	.703	.054	.753	9.33 4	.000

a. Dependent Variable:
1. competitive_advantage

Based on the table above, noted that the value of t-count is 9,334 while the t-table is used n-2 provision at a significant level of α of 5% (an error rate of 5% or 0.05) while the test-free degree is n–k = 92 –3 = 89. 1,662. It turns out that the t-count is larger than the t-table or t-count > t-table or 9334> 1,662. Then the H-table is rejected. Ha is accepted, meaning there is a relationship between creativity and product innovation with competitive excellence, which means accepted research hypothesis can conclude that creativity and product innovation have a positive effect on competitive Excellence.

CONCLUSION

Based on the research results on the influence of creativity and product innovation on the competitive excellence of product on CV. Tory Catering in Bandung drawn from conclusion: 1) Creativity applied to CVs. Tory Catering in Bandung is a thematic menu (nusantara, traditional, and international cuisine every day are different), impressive packaging such as lunch box character; 2) Product innovation applied to CV. Tory Catering in Bandung is to produce healthy food products, always develop flavours on products with good taste for consumption, change the menu every day on CV. Tory Catering does not mimic other caterers; the variety of flavours does not mimic that of different caterers; 3) Based on the results of correlation coefficients conducted by the authors on CV. Tory Catering, showing a figure of 0.699, means a positive influence between creativity and competitive excellence. Indicates that there is a close relationship between creativity simultaneously and competitive excellence; 4) Based on the results of correlation coefficients conducted by the authors on CV. Tory Catering, showing a figure of 0.700, means a positive influence between innovation and competitive excellence. Indicates that there is a close relationship between simultaneous innovation and competitive excellence; 5) Based on the results of multiple linear regression analysis conducted by the author on CV. Tory Catering, showing a value of 0.655, means a positive influence between creativity and innovation on competitive excellence. Indicates that the right innovation and creativity will increase the competitive advantage of customers CV. Tory Catering in Bandung; 5) The company conducts efforts to address various problems. As for what the company does is make menu changes following popular cuisine trends, improve monitoring of product quality standards before production, conduct skills training on employees. So it can create brilliant ideas for more creative and innovative catering products.

Advice

Based on the conclusions that have been made by the author, the author then gives useful suggestions on the influence of product creativity and product innovation on the advantages of competing on the CV. Tory Catering in Bandung, among others: 1) CV. Tory Catering in Bandung must make changes to the menu by creating new menus by following famous cuisine among the community; 2) CV. Tory Catering in Bandung needs to improve product quality standards before production produced to compete better; 3) CV. Tory Catering in Bandung needs to conduct training and seminars to increase employees' knowledge to open the thinking to create innovative products and new menus; 4) CV. Tory Catering in Bandung needs to add and equip facilities in the production section, such as more advanced cooking tools to produce dishes faster and conduct special cooking training for each employee or make recruitment specialist for it to cook with a more variety of maximum taste for competitive excellence. So it can create brilliant ideas for more creative and innovative catering products will increase the competitive advantage.

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