The Effect of Product Innovation and Service Innovation towards Marketing Performance  
(Case Study on Plastic Producer in Surabaya)

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ABSTRACT: Purpose – The purpose of this paper is the effect of product innovation and service innovation toward marketing performance, case study on plastic producer. Design/methodology/approach – This paper uses a quantitative approach with Partial Least Square (PLS) analysis using the SmartPLS 3.0 program, while the number of samples is 76 respondents as representing each plastic producer. Findings – The results showed that product innovation had a significant effect on service innovation, service innovation had a significant effect on marketing performance, and product innovation had an effect on marketing performance. Practical implications – In general, service innovation and product innovation also play a role as a variable complementary partial mediation on product innovation relationships and marketing performance. Product innovation and service innovation carried out individually in marketing performance. Originality/value – Companies that combine product innovation and service innovation together will gain greater revenue growth and profitability.

KEYWORDS - Product innovation, Service innovation, Marketing performance, Plastic producer

Date of Submission: 17-08-2018  
Date of acceptance: 31-08-2018