

THE ROLE OF ORGANIZATIONAL CULTURE IN ENCOURAGING PRODUCT INNOVATION AND MARKETING PERFORMANCE OF FAST-FOOD BUSINESS ACTORS IN KENDARI CITY

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ABSTRACT

This study aims to understand how organizational culture plays a role in driving product innovation and improving marketing performance in fast-food businesses in Kendari City. A qualitative approach using phenomenological methods was used, through in-depth interviews, observations, and document analysis with 12 informants consisting of business owners, managers, and supervisors. The results show that the culture of innovation in this business is formed by openness to employee ideas, an attitude of accepting failure as a means of evaluation, and the speed in implementing new ideas. Furthermore, customer orientation is a crucial factor that drives product customization and increases loyalty through rapid response to consumer needs. A family-like culture also strengthens closer working relationships, thereby increasing employee commitment and loyalty. On the other hand, a major challenge identified is the limited capacity of human resources in utilizing digital marketing, despite the existence of a culture of knowledge sharing that facilitates internal learning processes. Overall, organizational culture proves to be a crucial foundation linking product innovation and marketing performance in fast-food businesses in Kendari City.

Keywords: organizational culture, product innovation, marketing performance

INTRODUCTION

The development of fast food businesses in Indonesia in recent years has shown a continuously increasing trend. (Herispon 2024) This phenomenon is inseparable from changes in people's lifestyles that increasingly prioritize practicality, the increasing number of urban residents, and advances in digital technology that facilitate the ordering process and provide services to consumers. (Darmawan and Rizqullah 2026) . Simultaneously, business competition in the culinary sector is also increasingly fierce because it involves various business actors, ranging from large-scale franchise companies to small and medium-sized enterprises operating locally. (Alamanda and Anggadwita 2024) . This condition encourages every business actor to continue to innovate and adjust their marketing strategies to