

**THE INFLUENCE OF PRODUCT DIFFERENTIATION STRATEGIES, DIGITAL MARKETING
AND PRODUCT INNOVATION ON COMPETITIVE ADVANTAGE IN THE SDRA.WEAR
MUSLIM FASHION BUSINESS**

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Abstract

The Muslim fashion industry in Indonesia continues to grow in line with the increasing demand for apparel that aligns with Islamic religious and cultural values. Competition in this market has intensified with many local brands offering attractive designs. To survive and excel in this competition, Muslim fashion businesses must implement product differentiation strategies, digital marketing, and product innovation. This study aims to (1) analyze the significant influence of product differentiation strategies on competitive advantage, (2) examine the significant influence of digital marketing on competitive advantage, and (3) analyze the significant influence of product innovation on competitive advantage. The research employs a quantitative method using multiple regression analysis to examine the collected data, with instruments including surveys or questionnaires. The population of this study consists of SDRA.WEAR customers who have made purchases and provided online reviews. The sample was selected using convenience sampling, targeting 60 respondents who were easily accessible and willing to participate. The results of this study indicate that (1) there is no significant positive influence of the product differentiation strategy on competitive advantage in the Muslim fashion business SDRA.WEAR, (2) digital marketing significantly and positively influences competitive advantage, and (3) product innovation also has a significant impact on competitive advantage in the Muslim fashion business SDRA.WEAR.

Keywords: MuslimFashion, Product Differentiation Strategy, Digital Marketing, Product Innovation, Competitive Advantage.

INTRODUCTION

Fashion has become an inseparable part of human life in various parts of the world. In this modern era, the development of fashion has made rapid progress that cannot be ignored. In Indonesia, interest in fashion has reached an extraordinary level, involving not only consumers but also producers. Various types of fashion are available to meet the diverse needs of the market (Ashari et al., 2022). Fashion can be divided into several types based on user preferences. One of the dominant trends in Indonesia is an elegant and simple style. Fans of this style tend to prefer versatile clothing that can be worn on various occasions and has durability relevant to every fashion era.

The Muslimah fashion industry has rapidly developed in recent years in response to the increasing demand for clothing that aligns with religious and cultural values (Rahmanidinie & Faujiah, 2022). In an increasingly competitive environment, fashion companies must adopt the right strategies to differentiate themselves and remain relevant in the ever-changing market. The Muslimah fashion industry has become one of the rapidly growing sectors in recent years, including in Indonesia.

This development is in line with the increasing awareness of cultural and religious identity among consumers, which drives the demand for clothing that aligns with Islamic cultural and religious values (Rahmanidinie & Faujiah, 2022). The more Muslim fashion brands develop, the stronger the competition between brands will become (Firmansyah et al., 2019). Businesspeople must formulate the right strategies to face competitors. The increasing level of competition can be influenced by the business location. For example, if there are several stores selling products in the same category in a shopping center, each store must have a differentiator to enhance its competitive advantage. Intense competition in any industry will cause each company to strive to utilize all resources to create a strong competitive advantage (Firmansyah et al., 2019).

Indonesia is now in the 13th position as the largest exporter of Muslim clothing in the world, despite the fact that this country has the largest Muslim population in the world. This achievement demonstrates the great potential of Indonesia's Muslim fashion industry, although it still lags behind countries like China, Bangladesh, and Vietnam in terms of global market dominance. Svida Alisjahbana, CEO of CGM Group which oversees Jakarta Fashion Week (JFW), stating that Indonesia is entering a phase of maturity in terms of creativity in the realm of Muslim fashion. Many new designers have emerged with fresh and diverse ideas, helping to make Indonesian Muslim fashion increasingly popular not only domestically but also in international markets.

According to data from the Central Statistics Agency (BPS), in the first semester of 2022, the value of Muslim fashion exports reached USD 2.85 billion, an increase of 39.86% compared to the same period the previous year. This increase follows a growth trend that has been evident since 2021, when Muslim fashion exports rose by 12.49% to USD 4.68 billion. Additionally, according to the State of the Global Islamic Economy Report 2021-2022, Indonesia's Muslim fashion industry ranked 3rd in the world. This

reflects significant progress, although there are still major challenges to becoming a market leader in this global industry.

The fashion industry continues to compete, as seen in the aspect of Indonesia's population, which is predominantly Muslim, nearly 80%, and the increasing demand for trends in Muslim women's clothing. Not only that, the creativity of a local designer has resulted in clothes that look fashionable while still respecting religious values. The potential in the Muslim fashion market is very wide open, but the competition both domestically and globally is also becoming increasingly fierce. Therefore, national fashion players must be able to capture change, creativity and innovation, increasing productivity, and strengthening the brand to win both local and global markets.

The balance between consumer needs and business sustainability becomes the key to success in navigating the dynamic world of the Muslimah fashion industry. To face these challenges, just like the diverse consumers, it is necessary to adjust a good strategy such as diversity standards within a brand. This can be achieved by seeking differentiation from other Muslimah fashion industries, managing and distributing effectively, and certainly requiring unique and different marketing to gain its own awareness, as well as innovation that must pay attention to current needs and trends.

To achieve competitive advantage in the Muslimah fashion industry in Indonesia, three main factors become crucial: differentiation strategy, digital marketing, and product innovation. Previous research has shown that the implementation of product differentiation strategy, digital marketing, and product innovation has a significant impact on the company's competitive advantage. For example, research by Talambanua (2023) found that companies implementing product differentiation strategy, digital marketing, and product innovation have a higher competitive advantage than their competitors. This shows how important it is competitive advantage in maintaining the company's position in a competitive market (Talambanua et al., 2023). This also plays an important role in the Muslimah fashion industry.

Competitive advantage is the company's ability to enhance its capabilities and resources, then analyze internal strengths and weaknesses to evaluate and improve its business performance (Maryani & Chaniago, 2019). In addition, this also includes a company's ability to achieve better results than other competitors, such as increasing market share, increasing profits, or strengthening market position. In the fashion industry, where competition is very tight, competitive advantage becomes the main key to attracting consumer attention and maintaining market share. Competitive advantage shows the extent to which a company can differentiate itself from its competitors. In this study, competitive advantage is the main focus to see how the implementation of product differentiation strategies, Digital Marketing, and product innovation can influence a company's position in the Muslimah fashion market competition. Differentiation strategies allow companies to offer unique products, whether through

attractive designs, high-quality materials, or Islamic values combined with global trends, thus enhancing the brand.

can build a strong identity in the market. Differentiation strategy is a series of integrated actions taken to produce goods or services (at an acceptable cost) that customers perceive as different in ways that are important to them (Maryani & Chaniago, 2019). Product differentiation strategy allows companies to offer unique and exclusive products that cannot be found elsewhere.

Product differentiation strategy has become one of the important approaches in efforts to create a competitive advantage for Muslimah fashion companies. (Rahmanidinie & Faujjah, 2022). By offering unique and exclusive products, the company can attract the attention of consumers who are looking for a special and different shopping experience from others. Thus, this research aims to identify the extent to which the implementation of product differentiation strategies, Digital Marketing, and product innovation can influence the competitive advantage of SDRA.WEAR in the Muslimah fashion industry.

Digital Marketing also plays an important role in expanding reach and building closer relationships with consumers. Through social media platforms like Instagram and TikTok, companies can leverage influencers, creative content, and marketing data to enhance interactions with customers, which ultimately strengthens their competitive position. Digital Marketing is essentially a marketing method that using a tool in electronic devices This enables the presence of an interaction with customers and business actors includes aspects of buying and selling and also optimizing the development potential of a business (Rizaldi & Putranto, 2020).

Digital Marketing has become an essential aspect in the modern era today, and it is inseparable from various strategies in modern business to achieve a competitive advantage. Strategies in Digital Marketing can expand market opportunities and foster interactions with consumers. Thus, Digital Marketing not only increases brand visibility and exposure but also enables companies to create closer relationships with consumers by making information more accessible and enhancing their competitive advantage in the market (Irfani et al., 2020).

Product innovation is key to maintaining brand relevance, where the development of products that align with trends, new technologies, and eco-friendly concepts not only attracts new consumers but also strengthens the loyalty of existing customers. With the synergy of these three factors, companies in Indonesia can gain significant competitive advantages in the midst of a competitive market. In previous research, Hurley & Hult (1998) stated that innovation occurs when new ideas and products are implemented. Consumer needs and demands become a motivation for entrepreneurs. to develop and create products that meet consumer needs and preferences (Lorensa & Hidayah, 2022).

Product innovation in the sense of developing new products, altering existing product designs, or using new production techniques and methods, with a focus on existing markets for existing products, and differentiating through features and functions not offered by other offerings. By continuously developing unique designs and motifs, as well as launching new products that align with consumer trends and needs, companies can remain relevant and appealing in an ever-changing market. Product innovation allows companies to continually develop unique designs and motifs that meet consumer trends and needs. The development of product innovation will enhance the business's ability to produce high-quality product variants. Business actors are required to understand what is happening in the market and know what consumers currently need. (Ashari et al., 2022).

Looking at the results of the observation on the SDRA.WEAR business, this venture has a vision aimed at becoming a preferred center for Muslimah fashion with elegant designs, exclusive collections, quality, and incorporating local wisdom as well as a commitment to sustainability. With this commitment to sustainability, SDRA.WEAR creates clothing designs that will not fade over time.time or era (timeless), then SDRA.WEAR plays an important role in enhancing differentiation and innovation for its products.

In facing the increasingly tight competition in the Muslimah fashion industry in Makassar City, SDRA.WEAR needs to adopt effective strategies to remain relevant and competitive. Makassar, as the business and trade center in Eastern Indonesia, has become a highly competitive market, with an increasing number of brands offering Muslimah fashion products with fresh and innovative designs. Therefore, SDRA.WEAR must focus on differentiation strategies, digital marketing, and product innovation to distinguish itself from its competitors.

Differentiation strategy is very important for SDRA.WEAR in creating product uniqueness. By presenting elegant and timeless designs along with local wisdom values, SDRA.WEAR is able to attract consumers who seek products with value beyond just a temporary trend. On the other hand, Digital Marketing also serves as a tool for the Company to achieve effective marketing. By optimizing marketing through social media and other online platforms, SDRA.WEAR can expand its market reach and enhance brand awareness more effectively.

In addition, product innovation is the key to maintaining competitiveness in the ever-changing market. By introducing products that not only unique but also of high quality, SDRA.WEAR can maintain consumer loyalty and attract new market segments. Innovation in materials, design, and product functionality has become one of the determining factors for this company's success in facing challenges in the competitive Muslimah fashion industry in Makassar.

This study aims to analyze the influence of differentiation strategies, Digital Marketing, and product innovation on the competitive advantage of SDRA.WEAR in the city of Makassar. It is hoped that the results of this research can provide valuable insights for the company in its efforts to maintain its market position and continue to develop amidst increasingly dynamic competition.

RESEARCH METHOD

This research uses a quantitative approach in the data collection and analysis process. The quantitative approach was chosen because it allows researchers to objectively measure the variables being studied through numerical data. Through this approach, researchers can identify patterns, trends, and relationships between variables more deeply, which can then be analyzed using statistical methods. Quantitative research aims to test hypotheses by directly measuring variables and providing a more detailed picture of the relationships between variables based on empirical data. This approach is very useful in uncovering cause-and-effect relationships and producing conclusions that can be generalized (Sugiyono, 2018).

In this case, the research will use surveys through questionnaires to collect data on product differentiation strategies, Digital Marketing, product innovation, and competitive advantages in the SDRA.WEAR Muslimah fashion business.

Population is the total number of all units or elements that researchers are interested in studying. The population can consist of organisms, individuals or groups of people, communities, organizations, objects, events, or reports (Silalahi, 2012). Population can be distinguished into target population and sample population. The target population is the population that is intended to be addressed and simultaneously determines the boundaries or scope of generalization of the research results.

Based on the explanation above, the population in this study consists of all customers who have ever purchased products from SDRA.WEAR. Meanwhile, the target population of this study is SDRA.WEAR customers who are still actively providing reviews and are also active on social media. The number of customers included in that category is 125 customers.

After the population is determined, the next step is how to determine the sample size from that population. In this study, the researchers chose to use the convenience sampling method for sample selection. The convenience sampling technique was also considered due to the limitations of time and available resources (Lavrakas, 2013). Considering the research objective is to collect relevant data quickly and efficiently, this method allows researchers to more easily reach respondents who are willing to participate. With this approach, researchers can access individuals who are actively engaged in interactions on social media and e-commerce platforms, which are considered more representative in providing insights into satisfaction and perceptions of the SDRA.WEAR products.

RESULTS AND DISCUSSION

1. The Influence of Product Differentiation Strategy on Competitive Advantage in the Muslimah Fashion Business SDRA.WEAR

The results of the multiple linear regression analysis test show that the product differentiation strategy does not have a significant effect on competitive advantage in the Muslimah fashion business SDRA.WEAR. This is indicated by the t-value of 0.594 with $p = 0.555$ where $p > 0.05$. Since $p > 0.05$, H_0 is accepted and H_1 is rejected. In conclusion, the product differentiation strategy does not significantly affect the competitive advantage of the SDRA.WEAR Muslimah fashion business (rejected).

This research aligns with the study by Wulandari & Murniawaty (2019), which shows that differentiation does not affect competitive advantage if the products are standard products. This indicates that in certain contexts, product differentiation may not be sufficient to create a significant competitive advantage (Wulandari & Murniawaty, 2019). In another study, it was also stated that product differentiation can increase consumer appeal, but the results vary depending on consumer perception of the product. This research supports the idea that in certain contexts, differentiation may not be sufficient to create significant competitive advantage (Ernawati & Ali, 2024). It is also noted that in some cases, differentiation does not always guarantee a strong competitive advantage if the products are considered standard (Sari & Jufri, 2022). The product differentiation strategy in the SDRA.WEAR Muslimah fashion business does not significantly affect competitive advantage due to several factors. First, the saturated market makes similar products difficult to stand out (Puspita & Safrianti, 2022). Second, consumers may prioritize price over product uniqueness, making differentiation efforts less relevant (Syaifudin, 2021). Moreover, if the product quality does not meet expectations or the brand is not well-known enough, consumers will not appreciate the differences (Haridah et al., 2021). Lastly, in the highly competitive fashion industry, many competitors also implement similar differentiation strategies, making it difficult for a single company to achieve a significant advantage (Satyarini, 2016).

Although the results of the statistical tests indicate that product differentiation strategies do not have a significant impact on competitive advantage, an in-depth interview with the owner of SDRA.WEAR, Suci Dwi Rahayu Arwin, provides additional relevant perspectives. Based on the market research conducted, it was found that although SDRA.WEAR products meet the standards of Muslim women's fashion and feature designs that combine modern elements with Islamic values, customers tend to be more attracted to the quality of materials and more competitive prices. The design differentiation offered is indeed quite well-known, but it is not always the main reason customers choose this brand over competitors. Some customers like the stylish and contemporary design, but they also highlight that factors such as price or material quality have a greater influence on their purchasing decisions. "Moreover, the

increasingly fierce competition from other brands offering similar designs at more affordable prices or better material quality poses a significant challenge." This makes the differentiation strategy relied upon by sdra.wear not strong enough to attract new customers widely. Although design differentiation has succeeded in retaining customers in certain segments, this advantage is felt to be less sustainable because it has not been supported by additional innovations such as improved material quality or superior customer service.

The owner of sdra.wear also mentioned that customer loyalty and increased sales are the main indicators of success. However, the data shows that although initial customers were attracted to the unique designs offered, many later switched to other brands after a few purchases. The main challenge faced is creating differentiation elements that are truly accepted and valued by the market. Thus, a reevaluation of the differentiation strategy becomes important to create clearer added value, especially by considering dominant factors such as price and product quality.

Looking at the research (Firmansyah et al., 2019), if the test results show that product differentiation strategy significantly affects competitive advantage in the fashion business, the company can enhance its competitiveness by strengthening the product's distinctive features that set it apart from competitors. This can encourage greater investment in research and development to create unique products, as well as formulate more aggressive marketing strategies to emphasize that uniqueness (Haridah et al., 2021).

To enhance competitiveness in a context where product differentiation is not enough to create a competitive advantage, companies can take several strategic steps. First, focus on product innovation by creating unique features that meet consumer needs, making the product more attractive (Pilo, 2024). Additionally, it is important to improve product quality to be better than competitors, by using high-quality materials and good production processes (Somanathan, 2024). Brand development is also very crucial; building brand image a strong one will make consumers appreciate your product more. Additionally, offering different product variations can help reach a wider market segment. Finally, implementing aggressive marketing strategies, such as online advertising and collaborations with influencers, will highlight the uniqueness of the product and attract consumer attention (Somanathan, 2024). With these steps, the company can enhance its competitiveness even though its products are considered standard.

2. The Influence of Digital Marketing on Competitive Advantage in the Muslimah Fashion Business SDRA.WEAR

Digital marketing has a significant positive influence on competitive advantage in the Muslimah fashion business SDRA.WEAR. The t-value = 2, with p = 0.005 indicates that $p < 0.05$, thus the hypothesis is accepted. The decision $p < 0.05$ means H_0 is rejected

and H1 is accepted. Digital marketing has a significant positive influence on competitive advantage in the Muslimah fashion business SDRA.WEAR. (accepted).

In line with the research by Synthia and Almini (2024), it is stated that the utilization of digital marketing through platforms such as Instagram and WhatsApp has proven effective in increasing sales turnover for products. This research highlights the importance of online marketing strategies in reaching consumers and enhancing competitiveness in a competitive market (Sumartini Putri & Almini, 2024). Other research also supports this.

similar to the research by Putri Fatrisia et al. which states that digital marketing strategies have a significant influence on the purchasing decisions of Muslim women's clothing products. The results of the linear regression analysis in the study indicate that there is a strong relationship between digital marketing strategies and purchasing decisions, which in turn impacts competitive advantage (Fatrisia et al., 2014).

These results indicate that digital marketing strategies have an impact on SDRA.WEAR to reach a wider audience through online platforms, enhancing brand and product visibility. By utilizing social media, websites, and email marketing, the company can interact directly with consumers, build stronger relationships, and enhance customer loyalty (Arziel et al., 2023). Additionally, digital marketing improves the customer experience through relevant and engaging content, encouraging consumers to make purchases (Dzulfiqar, 2022). The use of data analysis in digital marketing also enables the company to understand consumer behavior and adjust product offerings according to market needs (Utama, 2024). Thus, digital marketing not only helps create a competitive advantage but also enables SDRA.WEAR to quickly adapt to changes in consumer trends and preferences (Putri, 2022).

Based on the interview results with one of the consumers, namely Atika Abidin, SDRA.WEAR's digital marketing plays a positive role in creating competitive advantages, especially through the Instagram and WhatsApp platforms. Consumers first learned about SDRA.WEAR through Instagram, where the presented content was deemed very interesting and relevant. Posts showcasing stylish and modern Muslimah fashion collections, as well as reviews from influencers, successfully captured their attention. Additionally, SDRA.WEAR consistently provides daily style inspiration through mix-and-match tips for Muslimah fashion, as well as promotions or discounts frequently shared through Instagram Stories and the feed. This approach makes the content feel close to consumers, especially for those who want to look fashionable while still adhering to religious guidelines.

The information provided through Instagram, such as material details, sizes, and fashion styles, helps consumers make purchasing decisions. Clear product photos and styling tutorial videos add value by allowing consumers to envision how the clothing will look when worn. Furthermore, interaction with customer service via WhatsApp is also considered very satisfactory, with quick and friendly responses that create a

comfortable and personal shopping experience. Consumers feel valued due to the easy and quick communication process, compared to competitors who are less responsive.

One of the most appreciated distinguishing factors is how SDRA.WEAR creatively utilizes Instagram, not only to sell products but also to provide value through educational content about Muslimah fashion. Live sessions and special promotions that are frequently held also successfully attract consumer attention. Consumers feel that promotions through Instagram Stories are very much in line with their needs, such as discounts on certain products that can be directly followed up through WhatsApp for more information.

However, consumers provided feedback suggesting that SDRA.WEAR should add more product usage tutorial videos to offer greater inspiration for mixing and matching outfits. Additionally, consumers hope for more frequent updates about new collections on the Shopee platform, so they can directly purchase products through the platform they usually use. With a creative and interactive digital marketing approach, SDRA.WEAR is able to build closer relationships with consumers and strengthen its position in market competition.

3. The Influence of Product Innovation on Competitive Advantage in the Muslimah Fashion Business SDRA.WEAR

Product innovation has a significant positive impact on competitive advantage in the Muslimah fashion business SDRA.WEAR. With a t-value of 4.662 and $p = 0.000$, where $p < 0.05$, this result indicates that product innovation has a very strong impact on enhancing competitive advantage. Since $p < 0.05$, H_0 is rejected and H_1 is accepted. Product innovation has a significant positive impact on competitive advantage in the Muslimah fashion business SDRA.WEAR. (accepted)

Research by R. Suhaimi and Zainol Fata (2023) also explains that product innovation has a significant impact on competitive advantage in the sharia fashion industry. The research results emphasize that product innovation and differentiation are crucial for winning competition in the global market, especially in meeting the ever-evolving needs of consumers (Suhaimi & Fata, 2023). Research by Aidhi (2023) also explains that product innovation significantly affects a company's economic performance, highlighting that innovation can enhance efficiency, product quality, and productivity, and create new and broader market opportunities (Aidhi et al., 2023). This indicates that product innovation has a strong impact on improving a company's competitiveness. There are several reasons why product innovation is very important. First, by presenting new and unique designs, SDRA.WEAR can attract consumer attention and differentiate itself from competitors in a highly competitive market. Additionally, innovation allows the company to meet the ever-changing needs and preferences of consumers (Dewantara Lawitani et al., 2024), thereby increasing customer satisfaction and loyalty. Moreover, innovative products often attract media attention and create positive awareness among consumers, thereby increasing brand

visibility (Nazreina, 2024). Thus, product innovation not only aids in the development of the product itself but also plays a crucial role in creating sustainable competitive advantages (Istifa, 2024).

The results of the interview with the owner of SDRA.WEAR, Suci Dwi Rahayu Arwin, indicate that product innovation has a significant impact on competitive advantage. The product innovations presented provide clear added value for customers, as they not only offer beautiful and sharia-compliant clothing but also practical for everyday use. Through regular market research and active interaction with customers via social media and surveys, sdra.wear listens to customer needs and feedback. One of the identified needs is clothing that is flexible, comfortable, easy to care for, yet still looks elegant for various occasions. This inspires innovation. on sdra.wear products, thus being able to meet customer needs more relevantly.

That innovation strengthens customer loyalty because they feel valued with products designed according to their needs. This product also successfully attracted the attention of a broader market segment, including young women who want to look fashionable without losing their religious values. The indicators of success for this innovation are evident through increased sales, positive feedback from customers, and a higher customer retention rate. In addition, brand awareness in the market has also increased, indicating that sdra.wear's innovative products are well-received by consumers.

Seeing this success, sdra.wear plans to continue innovating by launching more exclusive limited collections and adopting the latest technologies in production, such as the use of environmentally friendly materials and more efficient design technologies. They also want to develop fashion models that can be customized to the customers' desires, creating a more personal and relevant shopping experience. This innovation not only helps sdra.wear strengthen its position in the market but also builds closer relationships with customers, creating a sustainable competitive advantage.

4. The Influence of Product Differentiation Strategy, Digital Marketing, and Product Innovation on Competitive Advantage in the Muslimah Fashion Business SDRA.WEAR

Based on the R and R Square values, it can be concluded that simultaneously, Product Differentiation Strategy, Digital Marketing, and Product Innovation have a significant influence on Competitive Advantage. These results indicate that strategies integrating these three factors can have a significant impact on enhancing competitiveness in the SDRA.WEAR Muslimah fashion business. In the study by Talambanua (2023), it was proven that the variables of Product Differentiation Strategy, digital marketing, and product innovation can significantly influence competitive advantage. In that study, it was stated that the company must understand the needs and desires of customers, including the innovations or updates that need to be implemented, as this is key for the product to be more chosen compared to competitors. When the company successfully implements relevant product innovations

and aligns them with consumer preferences until the product receives appreciation from the market, this will naturally encourage customers to choose that product. The impact is an increase in sales volume, which ultimately strengthens the competitive advantage of the product (Talambanua et al., 2023).

The correlation value (R) of 0.744 indicates a strong relationship between the three independent variables (Product Differentiation Strategy, Digital Marketing, and Product Innovation) and Competitive Advantage. This strong relationship suggests that when there are changes in the three independent variables, Competitive Advantage tends to be significantly affected. The R Square value of 55.4% indicates that the combination of the three independent variables can explain 55.4% of the variation in Competitive Advantage. This means that other factors outside this model contribute 44.6% to Competitive Advantage. Thus, this model is quite good at explaining the existing data variability, although there is room to improve the model by considering additional variables.

CONCLUSION

Conclusion based on the research results obtained as follows:

1. The research results show that the differentiation strategy does not have a significant positive impact on the competitive advantage of SDRA.WEAR. This is due to the saturated market, consumer preferences that are more focused on price, and the product and brand quality that have not yet met expectations. Moreover, similar strategies are widely adopted by competitors, making it difficult to create significant advantages.
2. The research results show a significant positive influence on digital marketing and competitive advantage in the Muslimah fashion business SDRA.WEAR. The influential indicators are the ease of providing feedback, comprehensible content, and attractive product content, which are the most influential in the digital marketing variable.
3. The research results indicate a significant influence of product innovation on competitive advantage in the Muslimah fashion business SDRA.WEAR. The influential indicators are having an innovative design, distinctive features, and various models is the most influential on the product innovation variable.
4. Product Differentiation Strategy, Digital Marketing, and Product Innovation simultaneously have a significant impact on Competitive Advantage, contributing 55.4% in explaining the variation in competitive advantage, while the remaining 44.6% is influenced by other factors outside the model.

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