Product innovation is vital for developing competitiveness of firms from emerging economies. Being recognized as one of emerging economies, Russia however is rather loosing positions in competing on innovative offerings in comparison to other BRIC economies. Moreover, the re-search on drivers of success or failure of product innovations in Russian economy is underrepresented in academic literature. Current paper aims at adding to existing theory on the role of market orientation vs. orientation to the new market segments in driving firm performance with the focus on product innovation capabilities. As suggested by Sawhney et al (2006), we study the role of key innovative offering dimensions – platform and solution innovation – in influencing firm performance outcomes. Our study aims to close the gap by studying the mediating effect of product innovation dimensions on market orientation – performance link on example of Russian economy. The study is based on a quantitative survey of 207 Russian innovative firms with multiple respondents approach, resulting in 331 qualified respondents. Our results demonstrate the difference in effect of orientation towards existing market vs. new customer segments in shaping platform and solution innovation and influencing firm performance.