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ABSTRACT

This research aims to thoroughly investigate the impact of competitive advantage on the marketing performance of businesses. Companies possessing a competitive advantage consistently demonstrate an understanding of changes in market structure and the ability to choose effective marketing strategies. Competitive advantage can be achieved through various means, such as offering high-quality products or services, establishing uniqueness compared to competitors, or targeting specific market segments. Recognizing how to sustain a competitive advantage is a key factor in a company's success in a competitive environment. In summary, the roles of competitive advantage in the marketing performance of business actors include its impact on company performance, increasing business profits, influencing financial performance, affecting work performance, and shaping buyer decisions.
INTRODUCTION

In the present era, it is imperative for all businesses to possess the ability to comprehend their position, identify opportunities, and make informed decisions to enhance sales (Emir & Santoso, 2023). Examining the components of the income statement reveals that profit or loss is determined by subtracting expenses from sales or revenue (Mayasari Ginting et al., 2023). Consequently, for a company to achieve a profit in alignment with its plan, it is essential to boost sales while simultaneously minimizing expenses (Nainggolan, 2018). The primary means of boosting profits is through sales or revenue generation. As a result, companies need to identify avenues to enhance their sales, such as offering high-quality products, diverse product options to cater to customer preferences, ensuring product availability and accessibility, and maintaining competitive pricing (Purwatiningsih, Nofryanti Nofrayanti, 2023). In the current era of intensifying global competition, businesses are compelled to develop products with robust competitiveness and competitive pricing to remain competitive in the market (Irmadiani, 2016).

Small and Medium Enterprises (SMEs) play a crucial and determining role as a driving force in domestic trade movements and economic progress. Particularly in the context of regional and national economic recovery amid the global crisis that has affected nearly all countries worldwide, SMEs are poised to be significant contributors. With the implementation of the Asean-China Free Trade Area (AFTA), domestic trade is anticipated to mitigate the impact of the crisis and compete effectively with products or goods from China. Presently, SMEs have made substantial contributions to regional and national income, underscoring their pivotal role in fostering competitive economic development (Purwanto & Mela, 2021). In order to sustain and enhance the company's performance, it is essential for business entities to optimize all available resources. This entails not only relying on tangible assets but also maximizing their intangible assets. This shift encourages entrepreneurs to transition from labor-centric business models to knowledge-driven business approaches (S. M. Putri et al., 2020).

As per Mulyani's statement (Silalahi & Simanjuntak, 2021) business actors must be able to improve themselves in order to maintain and improve their marketing performance. According to Winata in (Hermawan & Hariyanto, 2022) The assessment of overall business performance involves evaluating the outcomes of the business's marketing performance, and it requires a strategy to attain the business or organizational objectives. In this study, the strategy employed is a competitive advantage strategy. According to (Ziliwu & Simanjuntak, 2021) Operating a business with strong performance necessitates the implementation of a competitive advantage strategy.

Moreover, as participants in business, entrepreneurs need to possess a competitive edge to endure and prosper in the current market. Competitive advantage is fundamental to the performance of entrepreneurs and stems from the value they can deliver to their customers (Mugiyatna, Mombang Sihite, 2023). Several ways that contractors as construction service providers must know, including getting projects, making profits from the implementation of these projects, and maintaining the sustainability of their company. The sustainability of the construction services business requires management that has a clear business development orientation by paying attention to customer needs, maximising resources, utilising technological advances and continuing to develop innovations (Suryati & Murwaningsari, 2022).

The era of the industrial revolution 4.0 makes the world of business and industry more sophisticated and competitive. The impact of information technology for companies to gain a competitive advantage. In addition, the main benefits that organisations can plan to obtain are; efficient customer service, less process costs, short cycle times, and more (C. D. A. Putri & Damayanti, 2020). In today's competitive and fast-growing marketplace customer needs vary widely and manufacturers tend to produce a variety of different products to meet the needs of each customer and decision-making on
supply chain management which includes purchasing, production, distribution, scheduling, and inventory control, becomes more complicated (Claudya et al., 2020).

From the aforementioned data, the aim of this article is to conduct a thorough investigation into the influence of competitive advantage on the marketing performance of entrepreneurs. The approach for this article will involve a comprehensive review of literature or library research to delve deeper into the pertinent issues. The anticipated outcome of this article is to serve as a point of reference for researchers interested in scrutinizing the primary role of competitive advantage on the marketing performance of entrepreneurs.

**METHODS**

The approach used in crafting this scientific article involves qualitative methods and conducting a thorough review of literature or library research. This entails examining relevant literature in line with the discussed theory, particularly focusing on the influence of competitive advantage on marketing performance for business professionals. In qualitative research, the literature review should align with the methodological assumptions and be employed inductively, ensuring it does not unduly influence the researcher's inquiries. The primary rationale for undertaking qualitative research is its exploratory nature (Pandjaitan, D., & Ahmad, 2017).

With its explorative nature in exploring various sources of literature, it is hoped that the results of this research will find many results of previous research references and reference books to support the complexity of research results in literature.

The initial method of analysis carried out in this literature research method is to start with research material which is sequentially considered from the most relevant, relevant, and quite relevant. Other ways can also be, for example, by looking at the year of research starting from the most recent, and gradually backward to the older years.

Membaca abstrak dari setiap penelitian lebih dahulu untuk memberikan penilaian apakah permasalahan yang dibahas sesuai dengan yang hendak dipecahkan dalam penelitian.

Read the abstract of each study first to assess whether the problems discussed are in line with those to be solved in the study.

To avoid being trapped in plagiarism, researchers should also note the sources of information and include a bibliography. If the information comes from other people's ideas or research results.

Then the last is to make notes, quotes, or information arranged systematically so that research can easily search again if needed at any time.

**RESULTS AND DISCUSSION**

Considering the primary discourse and the article's objective, which is the impact of competitive advantage on marketing performance for small enterprises, key discoveries regarding the influence of competitive advantage on the marketing performance of these businesses include:

**A. The Impact of Competitive Advantage on the Performance of a Company**

Competitive advantage plays a crucial role in assessing a company's performance. It encompasses various aspects such as financial outcomes, market share, and return on investment. Additionally, it influences business strategies and innovation, ultimately impacting organizational performance. Research has shown that competitive advantage affects alliance performance, core competency, and organizational success. Moreover, it is integral in achieving sustainable growth and long-term market performance. Furthermore, it has been identified as a key factor in the success of e-commerce companies, emphasizing its significance in modern business environments (C. D. A. Putri & Damayanti, 2020). The concept of competitive advantage asserts that a company excels in something compared to its rivals. When a company possesses highly sought-after attributes or can do something its competitors cannot, it gains a competitive advantage. Securing and upholding a competitive advantage is vital for an organization's
performance and long-term prosperity. Attaining a competitive advantage can determine the success or failure of an organization (Irmadiani, 2016). Competitive advantage significantly impacts the performance of a company (Hermawan & Hariyanto, 2022). The variables of competitive advantage have a considerable impact on company performance (Irmadiani, 2016).

B. The Contribution of Competitive Advantage to Enhance Business Profits

The second function of Competitive Advantage is its potential to boost business profits and overall business performance. This finding is supported by research conducted by (Nainggolan, 2018). According to the research, competitive advantage is essential for companies to thrive in the competitive business landscape. Offering high-quality products, exceptional services, diverse product options, easy accessibility, and competitive pricing are crucial factors that enable a company to outperform its rivals.

Some proponents of the importance of competitive advantage in enhancing business profits include (Egim & Putri, 2022). The hypothesis of this study suggests that competitive advantage has a partially significant influence on increasing the profit of CV. Songket Aina Silungkang in Sawahlunto. The key to winning in market competition lies in a company's ability to excel in competitive environments. A company achieves excellence in competition when the industry or market creates economic value and multiple companies are engaged in similar activities. It is believed that a company's competitive advantage significantly affects its marketing performance, thereby enhancing business profits. These findings are supported by the results of the research conducted by (Romadhani et al., 2022). The study indicates that the impact of competitive advantage significantly influences profitability, which in turn has a notable effect on firm value. Moreover, it suggests that competitive advantage plays a substantial role in determining dividend policy and its subsequent impact on firm value. Ultimately, the research underscores the significant influence of competitive advantage on firm value, encompassing its direct and indirect effects through profitability and dividend policy.

C. The Influence of Competitive Advantage on Financial Performance

In his research (Nurhayati et al., 2019) The researcher emphasized that the competitive advantage of a company can act as a mediator in the correlation between intellectual capital and company performance. This is attributed to the necessity for a company to establish unique advantages compared to its competitors in its business operations. This concept aligns with the Resource-Based Theory, which was initially developed by (Vorhies & Morgan, 2005). The effective management of resources is essential for a company to gain a competitive edge. Subsequently, the study carried out by (Ristiani & Wahidahwati, 2021) It was mentioned that achieving a competitive advantage is possible when a company efficiently and effectively manages its resources. In the context of industrial competition, the creation of a product with distinctive characteristics is essential to differentiate it from those of other companies. These product distinctions can significantly influence consumer interest in purchasing the company's products, thereby augmenting sales value and subsequently enhancing the company's financial performance. Therefore, it can be inferred that an increase in the company's competitive advantage directly impacts the level of its financial performance. In a study carried out by (Subagyo & Lahagu, 2016), (Kusuma & Suwandi, 2022), (Nurhayati et al., 2019), (Nurhayati et al., 2019) dan (Lia Febriyanti, Maidani, 2022) The research indicated that competitive advantage significantly and positively influences financial performance.

This is also reinforced by research conducted by (Isa & Deviana, 2018) This research emphasizes that competitive advantage serves as a mediator in the correlation between intellectual capital (IC) and a company's financial performance. Mediating variables, also known as intervening variables, play a role in mediating the relationship...
between exogenous variables and endogenous variables. The findings of the study demonstrate that intellectual capital has a direct impact on financial performance and an additional indirect effect. This indirect effect operates through the pathway from intellectual capital to competitive advantage as an intervening variable and subsequently to financial performance.

D. The Impact of Competitive Advantage on Employee Performance

The influence of competitive advantage on the performance of employees significantly affects an individual's or group's business. This is due in part to the increase in resources available to entrepreneurs, which subsequently impacts the direction of their business strategy. Several research findings have investigated the impact of competitive advantage on employee performance, yielding important insights into this relationship. (Azzahra, n.d.) The assertion posits that the performance of cooperatives owned by cooperatives in South Tangerang is positively and substantially influenced by Competitive Advantage. This is attributed to various facets of competitive advantage perceived by cooperative personnel as influential factors driving enhanced performance. These factors encompass the favorable market conditions for the company's growth, collaborative efforts between cooperatives and promising customers, effective market penetration by cooperatives, and the continual rise in goodwill potential as perceived by the majority of cooperative customers.

Numerous additional research findings are associated with the impact of competitive advantage on employee performance, including (Ganadi & Emilisa, 2022) This posits that a crucial rationale for strategically examining human resource management practices lies in the emergence of the systemic integration concept within the function. This concept hinges on the idea that the human resource management function is an interconnected and interacting element, both influencing and being influenced by its surrounding context. According to this perspective, numerous relationships and mutual influences exist among the human resource management function, the knowledge management process, and the attainment of Sustainable Competitive Advantages in organizations (Widjaja & Devie, 2014), (Hariyanto & Hermawan, 2015) and (Ziliwu & Simanjuntak, 2021) Demonstrates that strategic human resource management facilitates the stages of knowledge generation, dissemination, and application. This is accomplished by aligning skilled and knowledgeable individuals with suitable positions, fostering creativity and motivation among employees, ultimately leading to organizational innovation. The sharing of knowledge within the workforce is instrumental in attaining Sustainable Competitive Advantages, ensuring high performance, and enhancing overall organizational effectiveness.

The findings from the aforementioned study regarding the impact of competitive advantage on the marketing performance of businesses are further substantiated by (Irmadiani, 2016) Hence, competitive advantage is influenced by factors such as market orientation. Alongside market orientation, environmental adaptability, characterized by the ability to flexibly handle changes and challenges in the external environment, also contributes to enhancing competitive advantage. Competitive advantage denotes a company's capability to achieve economic benefits surpassing those of competitors within the same industry. The environment plays a role in shaping marketing performance, and a company's success is evident in how it addresses environmental pressures within a competitive market. Therefore, in promoting batik products, it is crucial to take into account both market orientation and environmental adaptability.

E. The Influence of Competitive Advantage on Purchasing Choices

The issue of consumer purchasing choices regarding goods and services stands out as a significant advantage for business individuals or entrepreneurs within their marketing strategies. An influential factor contributing to purchasing decisions is the competitive advantage held by
entrepreneurs, playing a pivotal role in maximizing profits. Additionally, consumer loyalty, rooted in trust towards a particular product or service, is another factor influencing purchasing decisions. Various research outcomes pertaining to the impact of Competitive Advantage on buyer decisions include (Astuti, 2021) This suggests that, according to the findings derived from the analysis of competitive advantage strategies influencing purchasing decisions, these strategies notably impact the choices made by STKIP YPM Bangko students. The analysis yielded a substantial result of 0.636%. Therefore, it can be inferred that the competitive advantage strategy indicator is a crucial factor to consider in consumers’ decisions to purchase OPPO smartphones.

Similarly, the outcomes of the study undertaken by (Roziqin & Rozaq, 2018) indicating that establishing a Branding Image for an institution holds significant importance in shaping a positive perception among both the community and users of educational services. Naturally, several factors contribute to the process of developing a favorable branding image for the institution. Findings from research underscore this perspective (Willianto, 2018) indicated that the cosmetics sector in Indonesia has experienced significant growth, leading to heightened competition within the industry. The increasing number of cosmetic companies has sparked a race to enhance the quality of products and services offered in the market. These companies rely on their brand performance, supported by competitive advantages, to gain consumer trust. This study seeks to examine the impact of Brand performance on Repurchase intention, with Competitive advantage acting as a mediating variable, specifically focusing on Erha Dermatology. The research will involve the distribution of questionnaires to 100 individuals who have utilized products and services from Erha Dermatology within the past three months. The quantitative approach using PLS warp will be employed as the research method.

The act of making purchasing decisions can be influenced by assessing a company's competitive advantage and positioning. This study aimed to ascertain the mediating role of competitive advantage in the impact of positioning on purchasing decisions. The research focused on consumers of Made Ferry Motor in Denpasar City, utilizing a non-probability sampling method with a purposive sampling technique involving 112 respondents. The data analysis employed the path analysis technique. The findings revealed that positioning positively and significantly influences competitive advantage, positioning positively and significantly affects purchasing decisions, competitive advantage positively and significantly impacts purchasing decisions, and competitive advantage significantly mediates the impact of positioning on purchasing decisions. In shaping purchasing decisions, it becomes crucial for company management to identify and establish the competitive advantage the company possesses. Alongside competitive advantage, positioning stands out as a significant factor influencing purchasing decisions. Therefore, it is recommended that management and marketers carefully consider strategies and techniques for positioning the company effectively in the minds of consumers (Swara & Kusumadewi, 2017).

Similarly, the findings of research regarding the impact of Competitive Advantage on buyer decisions are corroborated by (Satria Widiarsa & Sulistyawati, 2018), (Nurfauzi et al., 2023), (Intervening & Fintek, 2021) dan (Sucandrawati & Murdani, 2020) According to the research findings, consumers have a tendency to form a favorable perception of companies that initiate environmentally conscious initiatives. Companies that promote their products in this manner gain a competitive advantage. Possessing a positive image becomes a significant asset for these companies, as it facilitates easy brand recall among consumers, thereby increasing the likelihood of consumers choosing to purchase their products.
CONCLUSION

Competitive advantage refers to a company's capability to surpass the economic profit achievable by competitors within the same industry. Such companies consistently demonstrate the ability to comprehend shifts in market dynamics and effectively select marketing strategies. Competitive advantage can be acquired through diverse approaches, such as offering products or services of minimal quality, presenting distinctiveness compared to competitors, or concentrating on specific market segments. Vital to a company's success in a competitive landscape is the understanding of how to sustain a competitive advantage. In summary, the significance of competitive advantage in influencing the marketing performance of businesses includes: (1) The impact of competitive advantage on corporate performance, (2) The influence of competitive advantage on augmenting business profits, (3) The contribution of competitive advantage to financial performance, (4) The effect of competitive advantage on work performance, and (5) The role of competitive advantage in shaping buyer decisions. Establishing a competitive advantage involves making discerning choices about actions to undertake and those to avoid. Competitive advantage is commonly defined as the consistent ability to generate returns on investment surpassing the industry average. It is characterized by a unique advantage that is challenging for others to replicate. Various methods, such as size, location, or resource access, can be employed to create a competitive advantage. The findings of this research are anticipated to serve as a guide for both researchers and readers, potentially inspiring further investigation by other scholars into aspects closely tied to competitive advantage.

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