

# A NEW THEORETICAL MODEL OF CREATING SUSTAINABLE COMPETITIVE ADVANTAGE OF CIGAR INDONESIA PRODUCED IN JEMBER

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## A NEW THEORETICAL MODEL OF CREATING SUSTAINABLE COMPETITIVE ADVANTAGE OF CIGAR INDONESIA PRODUCED IN JEMBER

### ABSTRACT

The empirical studies had showed a research gap, which known as the Sustainable Competitive Advantage (SCA) paradox of marketing performance and information systems. This study aimed (1) to analyze the relationship of each indicator with information system variables and marketing performance that contribute to the creation of excellence for Indonesian cigars produced in Jember; (2) to analyze and examine the causal relationship between information system variables and marketing performance on sustainable competitive advantage, and (3) to find a new theoretical model for the creation of a Sustainable Competitive Advantage for Indonesian cigars produced in Jember. It was a survey research type, and used for explanatory or confirmatory purposes, namely to explain the influence between variables or the causal relationship between variables through hypothesis testing. It used a census or complete numeration method. The analysis technique used is confirmatory factor analysis and path analysis. The results showed that information systems have a direct, positive, and significant effect on marketing performance, and through marketing performance, information systems also have a significant and positive effect on sustainable competitive advantage. Marketing performance also has a direct, positive, and significant effect on the Sustainable Competitive Advantage of Indonesian cigars produced in Jember. The role of the information system in companies producing export cigars is at the stage of reaching the consumer and the strategic position or priority scale of the information system is the Strategic Information System (SIS).

**Keywords:** *Business Strategy, Information Systems, Jember Cigars, Marketing, Sustainable Competitive Advantage*

### INTRODUCTION

The Tobacco Products Industry (IHT) is one of the manufacturing sectors that able to give a big contribution to foreign exchange earnings, namely through the export of cigarettes and cigars. In 2018, the export value of cigarette and cigar products reached US \$ 931.6 million or around Rp. 13.2 trillion. It is estimated that in 2019, the value will continue to increase, reaching US \$ 961.7 million or around Rp.13.6 trillion (Chandra, 2019). Throughout 2019, cigarette excise revenues exceeded Rp.153 trillion or higher than the acquisition in 2018 of Rp. 147 trillion. The cigarettes and cigars excise revenue last year contributed 95.8% to the national excise.

Jember is the number one best cigar producing region in Indonesia and the second in the world after Cuba. It is also known as a tobacco city that able to produce the best quality

tobacco (PTPN X, 2014; Rachman & Kadarwati, 2020). Indonesian cigars produced by Jember have several well-known brands, such as Jember Cigar, Habano, Bali Djanger, Bali Legong, Don Agosto, and Cadenza.

Cigars from Jember have long been known and demanding in the Asian and European markets. The demanding for Jember cigars until the end of 2019 had reached 20,000-21,000 sticks per month from each importing country. The most requests came from Bremen, China, Malaysia, Thailand and Greece. Currently, the demanding is starting to spread in several countries, namely Poland, Turkey, Japan and Moldova. This condition provides an opportunity to increase its competitive advantage, especially in meeting export market demand (Budiarto, 2007). However, the Indonesian cigar business still has weaknesses in creating a competitive advantage. This phenomenon is interesting for further study. This empirical studies show that there is a research gap, known as the Sustainable Competitive Advantage (SCA) paradox of marketing performance and information systems, which raises a problem, namely the unclear role of information systems and marketing performance in their contribution to creating Sustainable Competitive Advantage (Nuryanto & Winarto, 2018). This study will answer the research gap and the phenomenon of the Indonesian cigar business produced in Jember using a discovery-oriented approach.

This study aimed to analyze the relationship of each indicator with information system variables and marketing performance that contribute to the creation of a sustainable competitive advantage. It also aimed to analyze and examine the causal relationship between information system variables and marketing performance on sustainable competitive advantage, and to find a new theoretical model for the creation of a Sustainable Competitive Advantage for Indonesian cigars produced in Jember.

The urgencies of this research include: (1) Jember is the number one best cigar producing region in Indonesia and the second best in the world after Cuba; (2) cigar exports made a major contribution to foreign exchange earnings, reaching Rp.13.6 trillion in 2019; and (3) cigarette and cigar excise revenues contributed 95.8% to the national excise. The scope of the research includes: (1) This research was conducted limited to export cigars producing companies in Jember, so that the results of this study cannot be used as a basis for generalization; and (2) other variables in marketing research, such as market orientation, organizational learning, customer value, and market networks that may contribute to the process of creating Sustainable Competitive Advantage were not considered in this study.

## **LITERATURE REVIEW**

### **a. Information Systems**

According to Laudon & Laudon (2005), information systems are integrated to produce information and manage knowledge to support management functions, make organizational decisions and redesign the organization. The information system is analogous to a demanding from industrial society, when the need for fast and inexpensive data processing and communication facilities is defined. On the other hand, the information technology is an answer from the industrial world (supply) to this demand in the form of creating new products (Indrajit, 2001).

Based on the various explanations that have been stated, the role of information systems is quite important, namely as a consideration for managers in making decisions. The

fast, precise, accurate, and up to date information not only assist managers in making quality decisions, but can further improve marketing performance.

According to Kotler (1996), nowadays there are three developments have led to the need for a marketing information system to be greater than in the past, namely: (1) in line with the company's efforts to expand its geographic market coverage because the company managers need more information, faster than before; (2) in line with the increase in buyers' income, the sellers must develop and manage information systems well, especially marketing research; and (3) in line with increasing brand use, product differentiation, advertising, and sales promotion, sellers must develop information systems.

There have been several previous studies on information systems, particularly discussing their effects on competitive advantage and marketing performance. Research by Alimin et al., (2012), Sirait (2014), and Setiawan (2015), found that information systems have a significant effect on competitive advantage. The information technology investments made by companies can support the process of creating marketing performance. Information systems play an effective role in strengthening management quality which will later be able to create marketing performance and increase community participation (Indrajit, 2001; Qiao et al., 2019; Ritter et al., 2001).

#### **b. Marketing Performance**

Marketing performance is an effort to measure the level of strategic performance resulting from sales volume, sales growth rate and customer growth rate (Manan & Ridzwian, 2019; Voss & Voss, 2000). According to Virvilaite et al., (2011), company performance is not only from standard decisions but also from the adequacy of decisions taken. The research results of Khajehasani et al., (2019) concluded that the level of marketing performance is an important instrument for creating and sustainable competitive advantage.

#### **c. Sustainable Competitive Advantage**

The literature on competition acts as a prelude for developing the conception of competitive advantage. Smalley & Fraedrich (1995) were among the first to admit that companies must strive to have unique characteristics in order to differentiate from competitors. In addition, sales strategy and market share also affect increased performance (Breazeale, 2016; Daniel, 2020). A competitive strategy by considering internal and external synergies is a means to achieve long-term goals (Fitriadi et al., 2013). This argument forms a solid basis for the success of sustainable competitive advantage. Many things can be done by management to achieve a sustainable competitive advantage. According to Aghazadeh (2015), to achieve Sustainable Competitive Advantage is to develop core competencies, which are termed by Hill & Jones (2010) as distinctive competencies, namely a series of unique strengths that enable an organization to achieve a level of efficiency, quality, innovation, or customer response which is able to create superior value and sustainable competitive advantage. Sustainable Competitive Advantage is the long-term benefit of implementing a unique value-creative strategy that competitors do not simultaneously implement. Company resources and capabilities are a source of sustainable competitive advantage. Only resources and capabilities that have criteria of valuable, rare, in-imitable, non-substitutable, exploited by company (VRISE) can be a source of sustainable competitive

advantage. Sustainable Competitive Advantage can be measured from imitability (the level of difficulty to be replicated), durability (the level of time it can keep competitors away), and the level of ease of matching strategic assets. Sustainable Competitive Advantage can result in a consistent increase in marketing performance (Augusty, 2000; Kurniawan et al., 2019).

## RESEARCH METHODS

This study is a survey research type, and was used for explanatory or confirmatory purposes, namely to explain the influence between variables or the causal relationship between variables through hypothesis testing. The research was conducted in Jember, East Java with the consideration that Jember is the number one best cigar producing area in Indonesia and the second best in the world after Cuba. This research used the census or complete enumeration method, which carried out on all export cigars producing companies in Jember, namely PTPN X Industrial Unit Bobbin, PT MangliDjaya Raya, and PT Bin Sigar, or in other words this research did not use samples then the sampling technique in this study was also not necessary. The variables in the study were classified as follows: (1) information system (SIN) as the first exogenous variable; (2) marketing performance (KIP) as the first endogenous variable (Y1), and at the same time as an intervening variable that affects Sustainable Competitive Advantage (KBB) and is influenced by information systems (SIN); and (3) Sustainable Competitive Advantage (KBB) as the second endogenous variable (Y2) which is influenced by information systems (SIN) and marketing performance (KIP).

The information systems (SIN) are measured by using instruments developed by Wilson, in Indrajit (Indrajit, 2001), namely: (1) information sources; (2) frequency of decisions; (3) time scale; (4) time horizon; (5) reach; and (6) the nature of the decision.

Indicators for measuring marketing performance (KIP) in the study used instruments developed by (Voss & Voss, 2000), namely: (1) the final results achieved by the company from the sales of products produced by the company (calculated as a whole from total achieved); (2) an increase in the number of sales from year to year or; and (3) increase or decrease in the number of customers which can increase or decrease each year, which will increase the profit or loss for the company. Sustainable Competitive Advantage (KBB) is measured by using instruments developed by Hall (1993), namely: (1) imitability (the level of difficulty to be imitated); (2) durability (the level of duration can keep competitors away); and (3) the level of ease to match the strategic assets owned by the company. The information system variables, marketing performance, and Sustainable Competitive Advantage are measured by using a Likert scale or summated ratings method, and the measurement results are in the form of data with an interval scale.

Primary data collection was carried out through direct interviews with all management of the export cigar producing companies in Jember Regency. The questions have been systematically compiled and guided using a questionnaire that was valid (positive correlation coefficient and greater than 0.30) and reliable (having a Cronbach Alpha value greater than 0.60). Secondary data comes from information / data held by relevant agencies, as well as literature books, scientific journals and / or various forms of publications as listed in the Bibliography.

The analysis technique used in this research was confirmatory factor analysis and path analysis. Confirmatory factor analysis was used to determine the loading factor for each

indicator of information system variables, marketing performance, and sustainable competitive advantage. Path Analysis was used to analyze and test the causal relationship between information system variables and marketing performance on sustainable competitive advantage, and to find new theoretical models for the creation of a Sustainable Competitive Advantage for Indonesian cigars produced in Jember. The research flow diagram is shown in Figure 1.

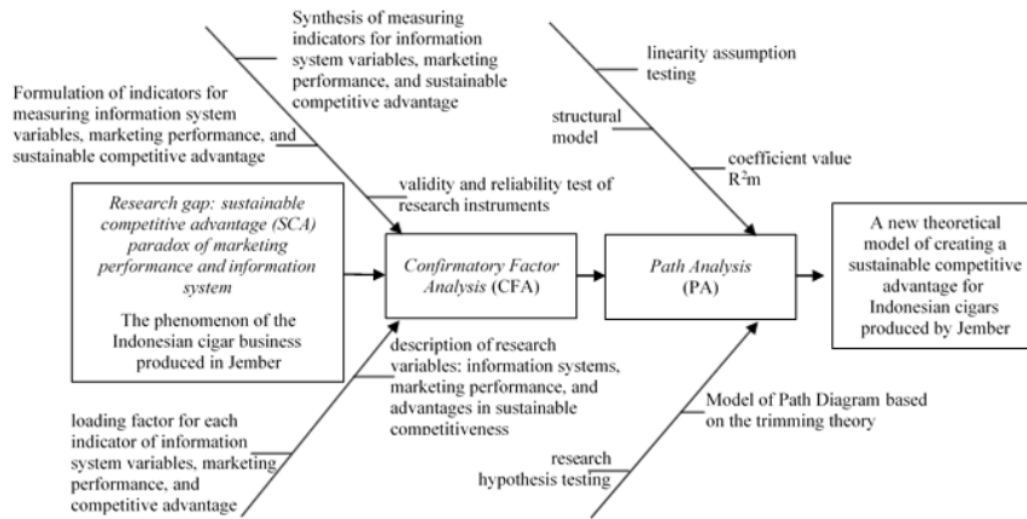


Figure 1. Research Roadmap

## RESULT

### a. Validity and Reliability of Research Instruments

The population of this study were all companies producing export cigars in Jember, East Java, namely PTPN X Unit Industri Bobbin, PT Mangli Djaya Raya, and PT Bin Sigar. The results of the validity and reliability tests are shown in Table 1.

Table 1. Test Results of the Validity and Reliability of Research Instruments

Variable	Correlation Coefficient	Cronbach Alpha	Information
Information Systems	0.55	0.76	Valid and Reliable
Marketing Performance	0.62	0.64	Valid and Reliable
Sustainable Competitive Advantage	0.75	0.73	Valid and Reliable

Table 1 shows that the research instrument is valid and reliable. The correlation coefficient for information system variables = 0.55, marketing performance = 0.62, and Sustainable Competitive Advantage = 0.75 are positive and greater than 0.30. The Cronbach Alpha value for information system variables = 0.76, marketing performance = 0.64, and Sustainable Competitive Advantage = 0.73 is greater than 0.60.

#### b. Description of Research Variables

Table2. The Results of the Descriptive Analysis of Information Systems Variables

Indicators	N	Minimum	Maximum	Average
SIN1	15 (=3x5)	4.20	5.20	4.40
SIN2	15 (=3x5)	4.20	4.80	4.26
SIN3	15 (=3x5)	4.20	5.00	4.39
SIN4	15 (=3x5)	4.20	5.00	4.26
SIN5	15 (=3x5)	4.20	4.80	4.31
SIN6	15 (=3x5)	4.20	4.70	4.22
Information Systems	15 (=3x5)	4.20	4.92	4.31

Information:

SIN1 = Information sources

SIN2 = Frequency of decision

SIN3 = Time scale

SIN4 = Time horizon

SIN5 = Reach

SIN6 = Experience a decision

Table 2 shows that the research respondents perceive the role of the information system for companies producing export cigars is good, with an average score is 4.31. The indicator for measuring information system variables that considered the best is information sources (SIN1) with an average score of 4.40, while those who responded less well than others were decision natural (SIN6) with an average score of 4.22.

Table 3. The Results of the Descriptive Analysis of Marketing Performance Variables

Indicators	N	Minimum	Maximum	Average
KIP1	15 (=3x5)	4.20	5.20	4.37
KIP2	15 (=3x5)	4.20	5.40	4.40
KIP3	15 (=3x5)	4.20	5.00	4.46
Marketing Performance	15 (=3x5)	4.20	5.20	4.41

Information:

KIP1 = Volume of sales

KIP2 = Sales growth rate

KIP3 = Customer growth rate

Table 3 shows that the research respondents perceive that the marketing performance of companies producing export cigars is good, with an average score of 4.41. The indicator for measuring the marketing performance variable that considered the best is the customer growth rate (KIP3) with an average score of 4.46, while the one that responded less well than others was the sales volume (KIP1) with an average score of 4.37.

Table 4. The Results of the Descriptive Analysis of the Variable of Sustainable Competitive Advantage

Indicators	N	Minimum	Maximum	Average
KBB1	15 (=3x5)	4.00	5.10	4.40
KBB2	15 (=3x5)	4.00	5.20	4.28
KBB3	15 (=3x5)	4.00	5.00	4.22
Sustainable Competitive Advantage	15 (=3x5)	4.00	5.10	4.30

Information:

KBB1 = Imitability (difficulty level to imitate)

KBB2 = Durability (the old rate can keep competitors away)

KBB3 = The level of ease with the strategic assets owned by the company

Table 4 shows that the research respondents perceive the Sustainable Competitive Advantage of companies producing export cigars is good, with an average score of 4.30. The indicator for measuring the variable of Sustainable Competitive Advantage that considered the best is imitability (level of difficulty to be imitated) (KBB1), while what responded less well than others is the level of ease of equaling strategic assets owned by the company (KBB3) with an average score of 4.22.

### c. Results of Confirmatory Factor Analysis

The following tables show the loading factor value for each indicator of each research variable.

Table 5. Loading Factor for each indicator of Information System Variables

Indicators	Loading Factor
SIN1	0.87
SIN2	0.78
SIN3	0.42
SIN4	0.65
SIN5	0.82
SIN6	0.55

Information:

SIN1 = Information sources

SIN2 = Frequency of decision

SIN3 = Time scale

SIN4 = Time horizon

SIN5 = Reach

SIN6 = Experience a decision

Table 5 shows that the strongest indicator as a measure of information system variables is information sources (SIN1) with a loading factor value of 0.87, while the weakest indicator as a measure of information system variables is the time scale (SIN3) with a loading factor value of 0.42.

Table 6. Loading Factor for each Indicator of the Marketing Performance Variable

Indicator	Loading Factor
KIP1	0.72
KIP2	0.87
KIP3	0.88

Information:

KIP1 = Volume of sales

KIP2 = Sales growth rate

KIP3 = Customer growth rate

Table 6 shows that the strongest indicator as a measure of marketing performance variables is the customer growth rate (KIP3) with a loading factor value of 0.88, while the weakest indicator as a measure of marketing performance variables is sales volume (KIP1) with a loading factor value of 0.72.

Table 7. Loading Factor for each Indicator of the Sustainable Competitive Advantage Variable

Indicator	Loading Factor
KBB1	0.85
KBB2	0.78
KBB3	0.81

Information:

KBB1 = Imitability (difficulty level to imitate)

KBB2 = Durability (the old rate can keep competitors away)

KBB3 = The level of ease with the strategic assets owned by the company

Table 7 shows that the strongest indicator as a measure of the variable of Sustainable Competitive Advantage is imitability (the level of difficulty to be replicated) (KBB1) with a loading factor value of 0.85, while the weakest indicator as a measure of the variable of Sustainable Competitive Advantage is the level of durability (KBB2) with a loading factor value of 0.78.

#### d. Path Analysis Results

##### 1. Testing the Assumptions Underlying Path Analysis

The assumptions underlying the path analysis are: (1) the influence between variables in the structural model - information systems on marketing performance, information systems

12 on sustainable competitive advantage, and marketing performance on sustainable competitive advantage - is linear; (2) between  $\varepsilon_1$  are mutually independent or independent, between  $\varepsilon_1$  and  $\varepsilon_2$  with exogenous variables independent of each other, and the direction of the causal effect of the endogenous variables is unidirectional, or in other words the recursive model according to the conceptual framework of the study; (3) endogenous variables in the interval measuring scale (the numbers presented indicate levels, consecutive numbers have the same interval,  $\alpha_{16}$  do not have an absolute (zero) base point); (4) the research instrument was valid (positive correlation coefficient and greater than 0.30) and reliable (Cronbach Alpha value was greater than 0.60); and (5) the model is correctly specified based on the relevant theories and concepts.

The approach used refers to the parsimony<sup>29</sup> concept, which is when all the models used<sup>28</sup> as the basis for testing are significant or non-significant, it means that the model is said to be linear or significant linear functions. The model specifications used as the basis for testing are linear, quadratic, cubic, inverse, logarithmic, power, S, compound, growth<sup>8</sup> and exponential models. The results of testing the linearity assumption for each influence between variables are presented in Table 8.

Table 8. Test Results of Linearity Assumptions

<i>Variable Independent</i>	<i>Variable Dependent</i>	Test result ( $\alpha = 0.05$ )	Results
Information Systems	Marketing Performance	Significant Linear Model	Linear
Information Systems	Sustainable Competitive Advantage	Significant Linear Model	Linear
Marketing Performance	Sustainable Competitive Advantage	Significant Linear Model	Linear

Based on Table 8, it is found that all forms of influence<sup>9</sup> between variables in the structural model are linear. Thus the linearity assumption in the path analysis is fulfilled.

The assumptions of the recursive model (between  $\varepsilon_1$  independent or independent, between  $\varepsilon_1$  and  $\varepsilon_2$  with exogenous variables independent of each other, and the direction of the causal effect of the endogenous variables is unidirectional) has been fulfilled according to the conceptual framework of the study, and this also explains that the model assumptions are specified (identified) correctly based on the relevant theories and concepts have also been fulfilled.

The assumption of endogenous variables in the interval measuring scale has been fulfilled. It is based on the convention that the input path analysis data is in the form of factor scores resulting from confirmatory factor analysis, where the factor scores are standard normally distributed. Furthermore, the assumption of observed variables measured without error (valid and reliable measurement instruments) has also been fulfilled, as has been explained in the previous description.

## 2. Structural Model

Path analysis was performed with standardize regression using SPSS Rel software. 22.00. The results of the direct effect path coefficient test are presented in Table 9.

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Table 9. Path Coefficient of Direct Effect

Independent Variable	Dependent Variable	Standardize coefficient	p	Information
Information Systems	Marketing Performance	0.343	0.020	Significant
Information Systems	Sustainable Competitive Advantage	0.412	0.312	Non-significant
Marketing Performance	Sustainable Competitive Advantage	0.826	0.006	Significant

17  
Table 9 shows that the effect of marketing performance on Sustainable Competitive Advantage is quite significant (with a small risk of error, approaching  $p = 0.000$ ), namely with a value of  $p = 0.006$ , followed by the effect of information systems on marketing performance with a value of  $p = 0.020$ . Table 9 also shows that marketing performance has a dominant effect on Sustainable Competitive Advantage with a direct influence path coefficient of 0.826 or the path from marketing performance to Sustainable Competitive Advantage is a path that has a stronger effect, then the path from information systems to Sustainable Competitive Advantage is followed by 0.412 and the system information towards marketing performance of 0.343.

Testing the indirect effect is carried out by looking at the results of the pathway test, if all the paths that traversed are significant then the indirect effect is also significant, and if there is at least one path that non-significant then the indirect effect is said to be non-significant. The path coefficients of the indirect effect are presented in the Table 10.

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Table 10. Path Coefficient of Indirect Effect

Independent Variable	Intervening Variables	Dependent variable	Standardize coefficient	Information
Information Systems	Marketing Performance	Sustainable Competitive Advantage	0.283 *)	Significant

Information: \* =  $0.343 \times 0.826$

Based on the results of the path coefficient test as in Tables 9 and 10, the path analysis is in the form of a simultaneous system of equations, namely:

$$ZKIP = 0.343 ZSIN$$

$$ZKBB = 0.412 ZSIN$$

$$ZKBB = 0.826 ZKIP$$

$$ZKBB = 0.412 ZSIN + 0.826 ZKIP$$

## e. Model Validity Testing

### 1. Total Coefficient of Determination (R<sup>2</sup><sub>m</sub>)

The total diversity of data that can be explained by the model is measured using the formula:  $R^2_m = 1 - (Pe_1)^2 - (Pe_2)^2 - (Pe_3)^2$ ;  $Pe_i = \sqrt{1 - R^2_{2i}}$ , thus  $R^2_m = 0.889$ , meaning that the diversity of data that can be explained by the model is 88.90%, or in other words the information contained in the data, 88.90% can be explained by the model. Meanwhile, 11.10% was explained by other variables that were not included in the model and error.

### 2. Trimming Theory

Based on the trimming theory, non-significant pathways are removed, so that a new model is obtained which supported by empirical data. The model in the form of a path diagram based on the trimming theory is shown in Figure 2.

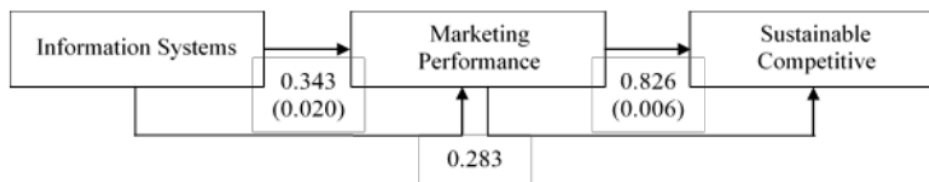


Figure 2. A New Theoretical Model of Creating a Sustainable Competitive Advantage for Indonesian Cigars from Jember production in the form of a path diagram based on the trimming theory

Figure 2 shows that information systems have a direct, positive and significant effect on marketing performance, and through marketing performance, information systems also have a significant and positive effect on sustainable competitive advantage. Marketing performance also has a direct, positive, and significant effect on the Sustainable Competitive Advantage of Indonesian cigars produced in Jember.

Theoretically, the model in the form of a path diagram based on the trimming theory implies that the information system is an instrument that plays an important role in improving marketing performance. The marketing performance is also an important instrument to increase the Sustainable Competitive Advantage of Indonesian cigars produced in Jember.

### Research Hypothesis Testing Results

1. Information systems have a significant effect on marketing performance is accepted. The standardized path coefficient of direct effect is 0.343 with  $p = 0.020$ , which is significant positive. The findings of this study mean that it supports the hypothesis that the information system has a significant effect on the marketing performance of Indonesian cigars produced in Jember.
2. Information systems have a significant effect on Sustainable Competitive Advantage is accepted. The standardized path coefficient of direct effect is 0.412 with  $p = 0.012$ , which is a significant positive. The findings of this research mean that it supports the hypothesis which states that the information system has a significant effect on the Sustainable Competitive Advantage of Indonesian cigars produced in Jember.

3. Marketing performance has a significant effect on Sustainable Competitive Advantage is accepted. The standardized path coefficient of direct effect is 0.826 with  $p = 0.006$ , which is a significant positive. The findings of this research mean that it supports the hypothesis which states that marketing performance has a significant effect on the Sustainable Competitive Advantage of Indonesian cigars produced in Jepmer.

An important finding of this study is that the role of information systems has a significant effect on marketing performance. The findings of this study support the results of previous studies from Ritter et al., (2001), Bharadwaj et al., (2007), Chehrehpak et al., (2014), and Mu'min et al., (2018) which state that technology and information systems play an effective role in producing a company's marketing performance.

Referring to the five evolutionary stages of the development of the role of an information system through an organization from Primožic et al., (1990), it can be argued that the role of information systems in export cigar-producing companies is already at the stage of reaching the consumer, passing through the reducing costs, leveraging investment, enhancing products and services, and enhancing executive decision making.

Another important finding from this study is that information systems have a significant effect on sustainable competitive advantage. The findings of this study support the results of previous studies from Ismail et al. (2012), Baporikar (2014), Naliaka & Namusonge (2015), and Sofani & Djastuti (2017), which shows that information systems are a potential strategic resource to produce a sustainable competitive advantage.

Referring to the strategic matrix of the role of information systems from Cash et al., (1992), it can be argued that the information system for export cigars producing companies is in a strategic position - significantly has strategic value for the company.

The role of information systems in companies can also be used to determine the priority scale of information systems. According to Money & Twite (1995) in a strategic position, the priority scale of the information system is the Strategic Information System (SIS). The priority scale of the information system is in the position of SIS, if the information system can provide a Sustainable Competitive Advantage for the company so it is the main instrument to beat its competitors. Functionally, the company cannot operate without being equipped with the information system concerned.

This study also found that marketing performance has a significant effect on sustainable competitive advantage. The findings of this study support the results of previous research from Augusty (2000), which states that the level of marketing performance is an important instrument for developing sustainable competitive advantage. The higher the marketing performance is the higher the sustainable competitive advantage.

The contribution of the findings of this study is that the use of marketing performance measurement indicators developed by Voss & Voss (2000) is a sufficiently valid indicator to measure marketing performance and through this approach a framework will be obtained that can be used as a guideline for companies to improve their marketing performance.

## CONCLUSION

Information systems have a direct, positive, and significant effect on marketing performance, and through marketing performance, information systems also have a significant and positive effect on sustainable competitive advantage. Marketing performance

also has a direct, positive, and significant effect on the Sustainable Competitive Advantage of Indonesian cigars produced in Jember. Theoretically, the findings of this study imply that information systems are instruments that play an important role in improving marketing performance. Information systems and marketing performance are also important to increase the Sustainable Competitive Advantage of Indonesian cigars produced in Jember. The role of the information system in companies producing export cigars is at the stage of reaching the consumer and in a strategic position (having strategic value for the company) with the Strategic Information System (SIS) as the priority scale.

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