SUMMARY

GENA BIJAKSANA. Strategy to Increase the Competitive Advantage of Container Shipping Industry Operating in Indonesia. Supervised by ARIEF DARYANTO, TRIDOYO KUSUMASTANTO, dan NIMMI ZULBAINARNI.

Indonesia is an archipelagic country that relies on sea as a trade in goods trade. Indonesia's container shipping industry has a strategic role in that context in terms of economic growth and welfare distribution. The comparative advantage of Indonesia is the strategic geographical position and the momentum of global trade that began to shift to Asia. Despite having a competitive advantage, Indonesia's container shipping industry still has the low competitiveness. Inefficient transport costs and low logistic performance ratings are clear indicators that the competitive advantage of Indonesia's container shipping industry require further studied.

This research has a novel, specific, and in-depth study of strategies to increase the competitive advantage of the container shipping industry. The paradigm used is Market Based View. The focus of this research is the strategy of increasing the competitive advantage by using MBV paradigm of strategic management. While the locus is specific in the Indonesian container shipping industry, including the ocean going and domestik container shipping industry.

This study uses the MBV paradigm and encourages the implementation of strategies at the state tingkatan, industry tingkatan and down to enterprise tingkatan. It is done by making Sustainable Supply Chain Management (SSCM) a mediative factor and service capability as an enhancer of industrial competitive advantage. The MBV paradigm tends to be more comprehensive in view of strategic management, as it involves both internal and environmental or market aspects. Previous research by Yang & Lirn (2017), Kuo et al. (2017), Panayides and Cullinane (2017), and Greeve (2009) tend to the RBV paradigm and choose a fragmentation strategy approach.

This study takes the focus of a study on strategies to increase the superiority of industrial competitive advantage. While this research locus is the container shipping industry in Indonesia, including the ocean going and domestik. Studies on previous container shipping industry such as Kuo et al. (2017). Yang and Wong (2016) Magni (2014), Lirn et al. (2013). Yang et al. (2009) is still focused on strategy at the company tingkatan and its orientation is not on the competitive advantage. As for, Lee et al. (2014) use the MBV paradigm to mapping competitiveness at the country tingkatan but only for the shipping industry in general, and not specific to the container shipping industry and only aims to compare one country and others.

This research combines a combined approach and methodology that is quantitative (CR₄ and HHI Market Concentrations, descriptive statistics for perceptual models and SEM-PLS) and qualitative (in-depth interview with experts). This study involves responses from 103 respondents and 3 experts who are actors and service users involved in research located in Indonesia. This research develops a model of perception based on a typical indicator to measure the competitive advantage of Indonesian container shipping industry. The study also refines the Diamond Model by incorporating latent variables at the industry tingkatan ie SSCM and at the enterprise tingkatan ie Service Capability as a result is the Diamond
Model + SSCM and Diamond Model + Service Capability. Previous research has tended to be limited in single methodology. In addition, this study also involves experts in in-depth interviews and focus group discussions to examine every Indonesian-owned regulation currently related directly or indirectly to the competitiveness of the national container shipping industry.

The findings of this study confirm that today the Indonesian container shipping industry is still not competitive. Of the six competitive advantage parameters compiled in this study, cost efficiency, industry reputation, and the number of flagged vessels are three indicators with the lowest perceptual value of competitive advantage. This study also proves that the role of SSCM and service capability as a mediated latent variable has a significant and positive influence on the competitive advantage of the cruise shipping industry.

This study also constructs a new theory of sustainable supply chain management performance optimization. This theory explains the significance of the influence of four latent variables of technology, sustainable market orientation and fair trade system towards sustainable supply chain management performance. The "Technology" variable is confirmed to play a role as a performance leveraging variable in SSCM so as to generate industrial competitive advantage. In addition, this research also goes deeper at the micro level in container shipping companies. The results of this study confirm the role of operational capability that is more dominant than the marketing capability to improve the competitive advantage of container shipping companies.

Keywords: competitive advantage, Indonesia, services capability, shipping container, SSCM