

Building Competitive Advantages and Its Implications on Sales

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Abstract—The purpose of this study is to determine (1) Influence Diversity of products, brands and packaging to competitive advantage in MSE of Opak in Sumedang regency. (2) Influence of product, brand and packaging Diversity on sales result at MSE of Opak in Sumedang Regency. (3) The Influence of Competitive Advantage to the Sales Result of MSE of Opak in Sumedang Regency. The research method used is descriptive survey method and explanatory survey, the analysis unit is MSE of Opak entrepreneurs in Sumedang Regency with sample size of 30 entrepreneurs, while the analytical method used is path analysis. Based on the results of analysis and data processing, then produced a finding as follows (1) The diversity of products, brands and packaging effect on competitive advantage in MSE of Opak in Sumedang Regency, but when viewed partially, Brand dominant influence on competitive advantage than Diversity and Packaging. (2) The diversity of product, brand and packaging influences on sales of MSE of Opak in Sumedang Regency, but when viewed partially, it turns out that the dominant packaging influences on Sales than the diversity and the brand. (3) Competitive advantage effect on sales outcomes in MSE of Opak in Sumedang Regency, so if the company is able to increase the competitive advantage, then the sales will increase.

Keywords—*product; brand; packaging; competitive advantage; sales*

I. INTRODUCTION

The potential for the industrial sector in West Java up to the year 2006 has cumulatively reached 186,215 companies, consisting of Large Industries (IB) 3,967 business units of companies and Small and Medium Industry (IKM) 182,248 business units of the company. The embedded investment is Rp. 76.909.112, 49 (in a million), with details of Large Industry (IB) of Rp. 70,230,861.89 (in a million) and Small and Medium Industry (IKM) of Rp. 6,678,250.60 (in million). While the labor absorbed as much as 3,346,863 people, of that number Large Industries, absorb as many as 1.326.769 people, Small Industries as many as 1020,094 people.

IKM Opak in Sumedang Regency is faced with the problem of maintaining and increasing the sales revenue. In strategic marketing, failure to maintain and increase sales results (sales) is the very disturbing performance of the company. This is reasonable because the sales results are an important component of the company's performance. If this happens then, the company will have difficulty in maintaining and developing internal resources and its superiority (product,

brand and packaging diversity). Companies that cannot maintain and develop internal resources and their superiority are threatened with bankruptcy. The existence of IKM Opak in Sumedang Regency is highly dependent on some strengths that exist on the market in which IKM operates, in particular, the power to always have a diversity of products, brands, and packaging.

The company's continuity depends on its resources and what strategy is chosen in empowering these unique internal resources to respond to external threats and opportunities. This is very relevant to the effort to maintain and improve the sales (sales). But at this time after experiencing the 1997 economic crisis as described above, in general, IKM experiences a significant decline, even many who closed the business. This is allegedly the low value of the offered product because it is unable to perform a competitive advantage.

II. LITERATURE REVIEW

A. Product Diversity

The product, offering, and brand. Products related to value is a set of benefits offered to consumers to satisfy their needs. Value and satisfaction. The suitability between the performance of the product and the demands of consumers will form the satisfaction with the consumers concerned. In this case, consumer satisfaction involves the performance components of the product it buys and its market or expectations for the product. The level of customer satisfaction depends on the suitability between the two components.

The product mix, as one element of the marketing mix, is the overall product and the item offered for sale. According to Kotler the product mix of a company has four important dimensions, namely: width (total product line), length (number of items from product line), depth (number of versions of each product offered) and consistency (product consistency with market target, production, distribution and others) [1]. The four dimensions of this product become a grip on the preparation of product strategy.

Products that vary/vary will provide many choices for consumers. Kotabe and Czinkota argue that the more diverse a product that has the same basic functions the higher the level of competition of these products because consumers will more freely choose the product by his wish [2].

Different products will also inspire producers to continue to develop their products, as they become more aware of the variety/product variation which is generally preferred by consumers so that producers can predict what kind of product that must be produced according to consumer preferences.

B. Product Brand

Brand Name (brand name) is part of a spoken brand (Kotler & Keller: 2006; 404) [3]. Factors that make the brand image strong, namely: (1) Product quality; (2) Consistent advertising; (3) Brand personality, meaning brand can project a certain personality [4]. The brand name is, perhaps, the single most important element found on the packaging. It introduces the product and differentiates it from its competitors. Brand name and package graphics work together to communicate and position their brand image. According to Lamb, Hair, McDaniel; Kotler & Keller says that the most effective brand names have several features, namely: (1) Easy to remember [3,5]. According to Mowen because humans have limited capacity in the short-term memory so that commercial messages are easy to understand, should make short and clear commercial messages; (2) Easy to pronounce; (3) Easy to recognize; (4) Short / Short. It must be different from others or unique; (5) Describe the product; (6) Describe the use of the product, (7) Describe the benefits of the product, (8) Have a positive connotation; (9) Strengthening the desired product image; (10) by law the interests are protected both in domestic and foreign markets [6].

Strong brands are branding that have high brand equity, Martinez and Leslie argue in the journal of consumer marketing, that brand equity is "a set of assets (and liabilities) associated with the symbols and names of a brand that add (or subtract) the value provided by a product or service to a company or a corporate customer." [7].

C. Product Packaging

Packaging is the most important component of a product as a communication device. The growth of supermarkets and many other retail stores have necessitated that "wrappers" regard marketing functions of the traditional role of only loading and protecting the product. One function of packaging is to encourage brand associations with advertising into the minds of consumers. Packaging has further functions as: (1) Closing the sale; (2) Giving appeal to consumers; (3) Present value of the consumer (Customer Value) [4]. The most important packaging functions are: (1) Loading and protecting the product; (2) Promoting products; (3) ease of storage, use, and convenience; (4) Facilitate recycling and environmental destruction.

Labeling/labeling is the activity of labeling the product or the packaging of a product [3]. Labels may be just a simple label affixed to the product or a carefully designed graph that is part of the package. Labels can show only brand name or are equipped with detailed information. The label function according to Lamb, Hair, McDaniel; Kotler & Keller, namely: (a) Label as promotional (promotional label) or persuasive labeling more focused on promotional theme or logo; (b) The label identifying the product (identify label) or informational labeling is a label designed to help consumers make a choice

on an appropriate product and reduce the inconsistency to consumer expectations after they purchase, for example, the inclusion of Halan from the MUI or the Health of the Agency POM as information that the product is a product worth consuming; (c) Labels may classify products (grades label) [3,5].

D. Competitive Advantages

A company's marketing strategy is aimed at winning the competition in the target market. A competition will be won if the marketing strategy of the producer can create a competitive strategy that has a competitive advantage. As argued by Porter [8], competitive strategy is a combination of the goals the company stands for with the tools (policies) used to achieve that goal or the search for a favorable position in a market as a place of competition. "In choosing a competitive strategy, there are two factors to consider are the attractiveness of a market to provide long-term profit rates and relative positioning in a market. Thus, the goal of a competitive strategy is to find a firm's position in a market that allows a firm to protect itself against competitive pressures or influence pressure positive.

The market appeal to a company in competition is determined by five competing forces: the threat of entry of new entrants, threats from replacement products, bargaining power of buyers, bargaining power of suppliers, and competition among competing competitors [8]. In turn, the relative position of an enterprise in a market determines the rate of return. To win the competition, a company can create two basic competitive advantages: overall cost leadership and differentiation. These two basic advantages, when linked to market coverage, can result in three generic strategies: cost leadership and differentiation for a broad segment and focus for a narrow segment. Directly competitive advantage through marketing can be gained from the differentiation and focus on the segment.

As for the customer focus strategy is emphasized on the narrow competition options of a goods market. The company will serve a small segment to the exclusion of others to have an advantage in that segment. Focus strategy can be done in two ways, namely the focus on cost and focus on differentiation in the target segment. Specifically, the focus on differentiation seeks to explore the specific needs of consumers in a segment. By serving an exclusive market segment, the company will achieve competitive advantage to enable a company to achieve marketing performance.

E. Sales Results

Sales are one of the company's performance. The performance of a company is a level of work achieved by the company in an operational period compared to the predetermined targets, standards, and criteria. Meaning of performance according to is a work achievement. Understanding work performance according to Peter and Yeni Salim is the work obtained in carrying out tasks assigned to a person or work unit organization/company [9]. Performance appraisal or work performance can also be used for organization/company. Performance appraisal of the company aims to find out the operational effectiveness of the company. Performance appraisal is the periodic determination of the

operational effectiveness of the company, the organization, and employees based on predetermined targets, standards, and criteria.

In fact, companies in the developing world the most important focus on marketing is on production or operation, so it seeks how to increase output and not to meet customer wants and needs [10]. Performance is multidimensional and therefore performance measurement using a single measurement dimension is not capable of providing a comprehensive understanding. Therefore, performance measurement should use or integrate multiple measurement dimensions [11]. But according to Wetson and Brigham states that profitability ratios can provide an overview of general company performance. In this study the company's performance is used as a measure is the result of sales (sales), because the problem faced by the company is a decline in net profit continuously over the last five years (1998-2003) whereas opportunities are increasing [12]. Also, the company's sales results can be used as a measure of further business development programs [13].

F. Research Hypotheses

- The diversity of products, brands, and packaging affects the competitive advantage of IKM Opak in Sumedang Regency.
- The diversity of products, brands, and packaging affects the sales results from IKM Opak in Sumedang District.
- Competitive advantage effect on sale results in IKM Opak in Sumedang Regency.

III. METHOD

A. Method Used

The research method used is descriptive survey method and explanatory survey method. The type of investigation used is causality, the type of research that states the existence of a causal relationship between independent variable to dependent variable, which becomes independent variables, in this case, is the diversity of products, brands, and packaging. Intervening variables that are excellence competitive, as well as the dependent variables, are the result of sales. The unit of analysis of this study is an organization which means, IKM Opak in Sumedang District which saw unit. Judging from the time horizon, this research is cross-sectional, that is information from some population (respondent sample) is collected directly at the scene empirically, with the aim to know the opinion of some population to the object under study.

B. Variable Operationalization

The principal problem studied are sourced in two things namely product diversity, brand, and packaging as independent variables (variables X1, X2, and X3), competitive advantage as an intervening variable (variable Y). Sales Results as Non-Free Variable (Z).

C. Source and How to Determine Data / Information

The population of Small and Medium Industry Company Opak In Sumedang Regency is 20 companies (preliminary survey, January 2007) which are the sampling frame. However, because the unit of analysis is Small and Medium Industry of Opak Products In Sumedang Regency in this study the population size is relatively small, so to maintain the validity and reliability of the measurement in this study is taken by census (parametric), ie all members of the population made respondents are Small and Medium Industries Opak In Sumedang Regency all 20 companies.

D. Data Collection Technique

Sources of data obtained using the following techniques:

- Interview with the company, in this case, the manager, as a direct communication technique to obtain the necessary data and addressed to the company or represent it.
- The questionnaire used to cover data from the company.
- Observation observes the activities of the company related to the problem of study.

IV. RESULTS AND DISCUSSION

A. The Influence of Product Diversity, Brand, and Package on Excellence Competing on IKM Opak In Sumedang District

To reveal the influence of a variable or set of variables against other variables can be used Path Analysis (Path Analysis) that has been developed, Sewall Wright. In the analysis of this path, the magnitude of the influence of a variable on other variables, both direct and indirect can be known. Before deciding on the magnitude of the influence of a variable on other variables, the first tested the hypothesis, either testing as a whole or individually.

To determine whether Product Diversity (X1), Brand (X2) and Packaging (X3) simultaneously affect the competitive advantage (Y) IKM Opak In Sumedang District, conducted by using path analysis and software used is SPSS release 12.T he steps taken are to calculate the correlation between variables, so obtained as the table below.

TABLE I. INTERRELATED CORRELATION MATRIX

	X1	X2	X3
X1	1,000	0,656	0,433
X2	0,656	1,000	0,587
X3	0,433	0,587	1,000

Source: SPSS output results

Based on the above table is a correlation matrix between variables that indicate the magnitude of the relationship between each variable either dependent or independent. The proportion of the path diagram is three independent variables (X) that have relationships between variables, and each independent variable (X), and the correlational relationship of the variable outside (X) residue to the dependent variable Y.

The steps to calculate path analysis (path analysis) are as follows:

$$P_{Yxi} = \sum_{j=1}^k CR_{1j} r_{YX_j} \quad I = 1,2$$

And the overall effect of X1, X2, and X3

$$R^2_{YX_1, X_2, X_3} = \sum_{i=1}^k P_{IX_i} r_{IX_i} = 0.568$$

While the coefficient of the other variable path of the variables X1, X2 and X3 are determined through:

$$P_{X1Y1} = \sqrt{1 - R^2_{YX_1, X_2, X_3}} = 0.657$$

Mean that the influence of variables X1, X2, and X3 together to the variable Y of 0.568 or 66.8% variables X1, X2 and X3 together affect Y, and the remaining 0.432 or 43.2% influenced other variables not included in the study.

Based on the theoretical framework that there is a positive influence over Product Diversity, Brand and Packaging on Competitive Advantage will then test the overall hypothesis with the following form:

1) *Hypothesis testing simultaneously*: To determine whether the independent variables, namely Product Diversity (X1), Brand (X2) and Package (X3) simultaneously affect the competitive advantage (Y) IKM Opak in Sumedang Regency, where the hypothesis statistics can be expressed in the following form:

Ho: $P_{Yx1}=P_{Yx2}=0$

Product Diversity (X1), Brand (X2) and Package (X3) simultaneously have no effect on Competitive Advantage (Y).

H1: At least there is a $P_{Yxi} \neq 0$

Product Diversity (X1), Brand (X2) and Packaging (X3) simultaneously affect the competitive advantage (Y).

Testing the hypothesis is done through the statistical test F, with the provision accept Ho if $F_{hitung} < F_{tabel}$, reject Ho if $F_{hitung} > F_{tabel}$. From the calculation using SPSS software obtained the following results:

TABLE II. SIMULTANEOUS TESTING

Alternative Hypothesis	Fcount	Ftable (5%)	Conclusion
(X ₁ , X ₂ , and X ₃) simultaneously affect Y	7.011	3.23	Significant

Source: calculation results through SPSS

Based on the results of the calculation, it turns out that F count of 7.011 is greater than ttable 3.23 ($F_o > F_*$: (k, n-k-1) (7.011 > 3.23), so the hypothesis accepted or H0 rejected. That means individual testing for hypothesis can continue:

2) *Individual hypothesis testing*: Individual testing is done when testing simultaneously rejecting the null hypothesis means at least one coefficient path is not equal to zero. This test is used to know or test the influence of each independent variable whether individually significant or not. Since the overall test resulted in significant tests, further analysis was performed by individual testing (partial testing).

$H_o = P_{Yxi} = 0$

$H_1 = P_{Yxi} > 0$

Test statistics for each hypothesis

$$t_{oi} = \frac{P_{IX_i}}{\sqrt{\frac{(1 - R^2_{YX_1, X_2, X_3}) Cr_{ii}}{n - k - 1}}}, \quad i = 1, 2, 3$$

Rejected H_o , if $t_{oi} > t_{1-\alpha} (n-k-1)$

TABLE III. TESTING HYPOTHESES X1, X2 AND X3 TO Y

Path Coefficient		Tcount	Ttable	Conclusion
P_{Yx1}	0.326	3.346	1.645	Ho is rejected There is a positive effect of Product Diversity on Competitive Advantage
P_{Yx2}	0.420	3.765	1.645	Ho is rejected There is a positive Brand effect on Competitive Advantage
P_{Yx3}	0.343	3.758	1.645	Ho is rejected There is a positive effect of Packaging on Competitive Advantage

Source: calculation results

Based on the result of calculation of coefficient value of variable path (X1), (X2) and (X3) to (Y), obtained by using SPSS release 12 for windows program, thus according to decision rule, count prices fall in area H0 rejected meaning a significant path coefficient, so the path diagram does not change. Conceptually it can be explained that all aspects of Product Diversity, Brand aspect, and Packaging aspect positively affect the competitive advantage IKM Opak in Sumedang District.

Next will be tested significance (significance) correlation coefficient between variables X1, X2, and X3 with the following hypothesis:

TABLE IV. CORRELATION TESTING BETWEEN VARIABLES X

Correlation coefficient	Testing t	t table	Conclusion	
r_{X1X2}	0.656	2.585	1.96	Ho Rejected
r_{X1X3}	0.433	2.785	1.96	Ho Rejected
r_{X2X3}	0.587	3.221	1.96	Ho Rejected

Source: SPSS Output

From the result of correlation test for X and Y variables, there is a direct relationship between product variety variables, Brand and Packaging to Competitive Advantage, a complete diagram of the causal relationship of variables X1, X2 and X3 to Y is as follows:

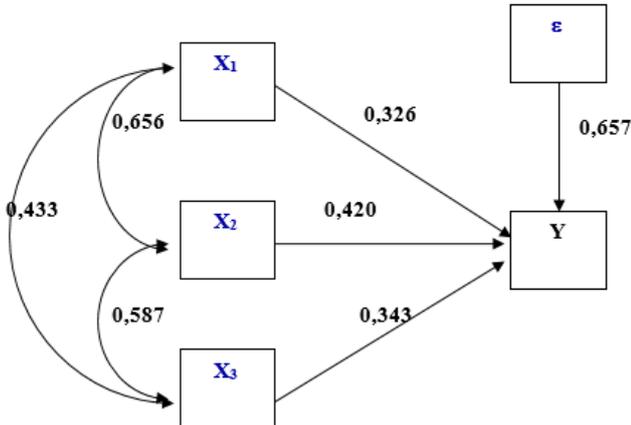


Fig. 1. Line chart effects of product diversity (X1), brand (X2) and packaging (X3) on competitive advantage (Y).

From the structural image of the causal relationship between variables with the values of the above structure parameters, the influence of the variable causes of the variable, then the effect of Product Diversity, Brand, and Packaging to Competitive Excellence IKM Opak In Sumedang District is:

TABLE V. EFFECTS OF VARIABLES X1, X2, AND X3 TO Y AND INFLUENCES OUTSIDE SUB VARIABLES X1, X2, AND X3

Interpretation of Path Analysis		
Description	Influence	%
Influence X1, X2, X3 to Y	0.568	56.8
Influences Beyond X1, X2, and X3	0.432	43.2
Amount		100

Source: Results of Statistical Processing of SPSS Program

From the test results can be seen that the diversity of products, Brand and Packaging effect on the competitive advantage of 56.8%, while the rest of 43.2% influenced by other factors not examined by the author. However, when seen partially Brand more dominant influence competitive advantage than Diversity and Packaging. This product diversity will prolong the maturity stage of the product life cycle, so that products that have the same brand but each period always changing the shape and addition of services from the product, it will prolong the maturity of the product, such as the ever-changing mobile phone product type and type in every year, although the same function will maintain the appeal to the product of the eyes of consumers and prevent consumer boredom in one brand of the product.

Different products will also inspire producers to continue to develop their products, as they become more aware of the variety/product variation which is generally preferred by consumers so that producers can predict what kind of product that must be produced according to consumer preferences.

At the time of the introduction to a product concept several decades ago, the quality of the product was based on the producer's point of view, so that the producer made a product of first studying the taste of its consumers.

But at present, product quality is appropriately defined as the requirements of a product to satisfy the needs of the product or customer by comparing the product of the competition and to the best product on the market. Product quality is measured through continuous improvement in the process/product and product or customer user satisfaction, using the quality measure based on the customer's point of view.

Product quality is determined through product design and is achieved through effective control techniques, as well as providing satisfaction over the life of the product. Product quality can also be said to be part of every function of all stages of the product life cycle. Management is responsible for quality.

B. The Effect of Product Diversity, Brand, and Packaging on Sales Results on IKM Opak In Sumedang District

To reveal the influence of a variable or set of variables against other variables can be used Path Analysis (Path Analysis) that has been developed, Sewall Wright. In the analysis of this path, the magnitude of the influence of a variable on other variables, both direct and indirect can be known. Before deciding on the magnitude of the influence of a variable on other variables, the first tested the hypothesis, either testing as a whole or individually.

To know whether the independent variables of Product Diversity (X1), Brand (X2) and Package (X3) simultaneously affect the Sales Result (Z) IKM Opak In Sumedang District, conducted by using path analysis and software used is SPSS release 12. The steps taken are to calculate the correlation between variables, so obtained as the table below.

TABLE VI. INTERRELATED CORRELATION MATRIX

	X1	X2	X3
X1	1,000	0,656	0,433
X2	0,656	1,000	0,587
X3	0,433	0,587	1,000

Source: SPSS output results

Based on the above table is a correlation matrix between variables that indicate the magnitude of the relationship between each variable either dependent or independent. The proportion of the path diagram is three independent variables (X) that have relationships between variables, and each independent variable (X), and the correlational relationship of variables outside (X) residues to the dependent variable (Z). The steps to calculate path analysis (path analysis) are as follows :

$$P_{Yxi} = \sum_{j=1}^k CR_{1j} r_{Yx_j} \quad I = 1,2$$

And overall influence X1, X2, and X3

$$R^2_{Y|X_1, X_2, X_3} = \sum_{i=1}^k p_{YX_i} r_{YX_i} = 0.653$$

While the coefficient of the other variable path of the variables X1, X2 and X3 are determined through:

$$p_{X1Y} = \sqrt{1 - R^2_{Y|X_2, X_3}} = 0.589$$

Mean that the influence of variables X1, X2, and X3 together to the variable Y of 0.653 or 65.3% variables X1, X2 and X3 together affect the Z, and the remaining 0.347 or 34.7% influenced by other variables not included in the study

Based on the theoretical framework that there is a positive influence over Product Diversity, Brand and Packaging to Sales Results will then test the overall hypothesis with the following form:

1) *Hypothesis testing simultaneously*: To determine whether the independent variables, namely Product Diversity (X1), Brand (X2) and Packaging (X3) simultaneously affect the sales results (Z) IKM Opak In Sumedang District, where the hypothesis statistics can be expressed in the form as follows:

Ho: Pyz1=Pyz2= 0

Product Diversity (X1), Brand (X2) and Package (X3) simultaneously do not affect Sales results (Z).

H1: At least there is a Pyzi * 0

Product Diversity (X1), Brand (X2) and Packaging (X3) simultaneously affect sales results (Z).

Testing the hypothesis is done through the statistical test F, with the provision accept Ho if Fcount < Ftable, reject Ho if Fcount > Ftable. From the calculation using SPSS software obtained the following results:

TABLE VII. SIMULTANEOUS TESTING

Alternative Hypothesis	Fcount	Ftable (5%)	Conclusion
(X1, X2, and X3) simultaneously affect Y	10.020	3.23	Significant

Source: calculation results through SPSS

Based on the result of the calculation, it turns out that Fcount 10.020 is bigger than ttable (Fo > F *: (k, n-k-1) (10.020 > 3.23), so the hypothesis accepted or H0 is rejected. That means individual testing for a hypothesis can continue:

2) *Individual hypothesis testing*: Individual testing is done when testing simultaneously rejecting the null hypothesis means at least one coefficient path is not equal to zero. This test is used to know or test the influence of each independent variable whether individually significant or not. Since the

overall test resulted in significant tests, further analysis was performed by individual testing (partial testing).

Ho = Pyxi = 0

H1 = Pyxi > 0

Test statistics for each hypothesis

$$t_{oi} = \frac{p_{YX_i}}{\sqrt{(1 - R^2_{Y|X_1, X_2, X_3}) C_{Y_{ii}}}} \quad , i = 1, 2, 3$$

Declined Ho, if t_{oi} > t_{1-α (n-k-1)}

TABLE VIII. TESTING HYPOTHESES X1, X2 AND X3 TO Y

Path Coefficient		T _{count}	t _{table}	Conclusion
Pyx1	0.262	3.337	1.645	Ho rejected There is a positive effect of Product Diversity on Sales results
Pyx2	0.239	3.046	1.645	Ho rejected There is a positive influence of Brand on Sales results
Pyx3	0.477	3.614	1.645	Ho rejected There is a positive effect of Packaging on Sales results

Source: calculation results

Based on the results of the calculation of the coefficient value of the variable paths (X1), (X2) and (X3) to (Z), obtained by using SPSS release 12 for windows program, thus according to the decision rule, tcount prices fall in H0 rejected meaning a significant path coefficient, so the path diagram does not change. Conceptually can be explained that all aspects of Product Diversity, Brand aspect, and Packaging aspect positively affects IKM Opak Sales Outcomes in Sumedang District.

Next will be tested significance (significance) correlation coefficient between variables X1, X2, and X3 with the following hypothesis:

Declined Ho if t_{count} > t_(1-α/2;n-k-1) using the distribution t table obtained (as per SPSS Release 12 attachment).

TABLE IX. CORRELATION TESTING BETWEEN VARIABLES X

Correlation coefficient	Test t	t table	Conclusion
rx1x2	0.656	2.585	1.96 Ho Rejected
rx1x3	0.433	2.785	1.96 Ho Rejected
rx2x3	0.587	3.221	1.96 Ho Rejected

Source: SPSS output results

From the correlation test results from variables X and Y, there is a direct relationship between the variables of Product Diversity, Brand and Packaging to Sales Results, a complete diagram of causal relationships variables X1, X2 and X3 to Y is as follows:

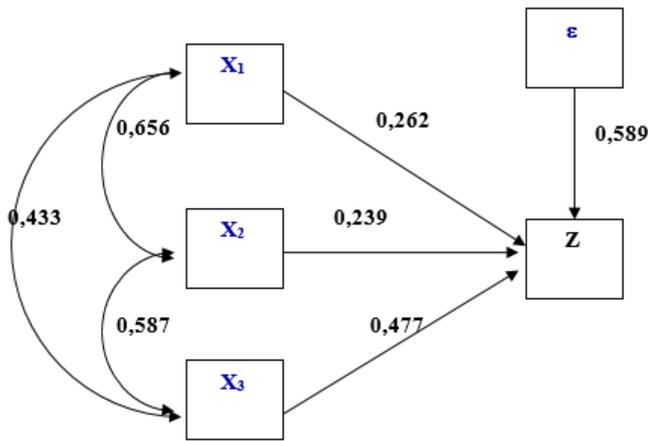


Fig. 2. Line chart Effect of Product Diversity (X1), Brand (X2) and Packaging (X3) on Sales Results (Z)

From the structural picture of the causal relationship between variables with the values of the above structure parameters, then the influence of the variable causes of the variable, then the effect of Product Diversity, Brand, and Packaging to IKM Opak Sales Outcomes in Sumedang Regency is:

TABLE X. INFLUENCE OF VARIABLES X1, X2, AND X3 TO Z AND INFLUENCE OUTSIDE VARIABLES X1, X2, AND X3

Interpretation of Path Analysis		
Description	Influence	%
Influences of X1, X2, X3 to Z	0.653	65.3
Influences Beyond X1, X2, and X3	0.347	34.7
Amount		100

Source: Results of Statistical Processing of SPSS Program

From the test results can be seen that the diversity of products, Brand and Packaging effect on sales results of 65.3%, while the remaining 34.7% influenced by other factors not examined by the author. However, when partially seen packaging more dominant influence Sales Results than brand and Diversity. This can be the result of the above study in line with the theory of Best (2000: 357) that one of the marketing objectives is the result of sales. The results of this sale are one of the important dimensions of marketing performance. Other dimensions are market share, consumer satisfaction, customer loyalty, and profitability. According to Sucherly (1996: 13) marketing is a function that directly determines sales. This study also reinforces the Best's statement (2000: 359) suggests that profits directly affect consumers and sales results.

C. The Influence of Competitive Advantage on Sales Results at IKM Opak In Sumedang District

To reveal the influence of a variable or set of variables against other variables, Pearson Correlation Analysis which has been developed by Sewall Wright. Before deciding on the magnitude of the influence of a variable on these other variables.

To determine whether the free variables of competitive advantage (Y) effect on Sale Results (Z), done by using Pearson Correlation analysis and software used is SPSS release 12. The steps to calculate Pearson Correlation are as follows:

$$P_{Yxi} = \sum_{j=1}^k CR_{ij} r_{yx_j} \quad I = 1,2$$

And overall influence Y

$$R^2_{YX_1, X_2, X_3} = \sum_{i=1}^k P_{YX_i} r_{YX_i} = 0.472$$

While the coefficient of the other variable path outside the variable Y is determined through:

$$p_{z|1} = \sqrt{1 - R^2_{YX_1, X_2, X_3}} = 0.727$$

Mean that the effect of variable Y to variable Z of 0.472 or 47.2%, and the remaining 0.528 or 52.8% influenced by other variables not included in the study.

Test statistics for each hypothesis,

$$t_{oi} = \frac{P_{YX_i}}{\sqrt{\frac{(1 - R^2_{YX_1, X_2, X_3}) C_{r_{ii}}}{n - k - 1}}}, \quad i = 1,2,3$$

Declines H_0 , If $t_{oi} > t_{1-\alpha} (n-k-1)$

TABLE XI. TESTING HYPOTHESIS Y ON Z

Pearson Correlation Coefficient		T _{count}	t _{table}	Conclusion
PYZ	0.687	4.014	1.645	Ho rejected There is a positive influence on Competitive Advantage to Sales Results

Source: calculation results

From the above test a complete diagram of the causal relationship of variable Y to Z is as follows:

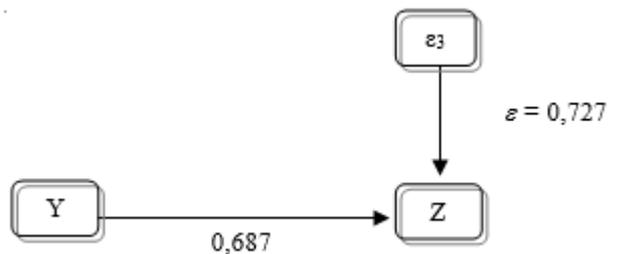


Fig. 3. Causal link diagram competitive advantage (Y) on sales results (Z).

From the structural picture of the causal relationship between variables with the values of the above structure parameters, then the effect of causal variables to the variables result, then the influence of competitive advantage to IKM Opak Sales Outcomes in Sumedang Regency is:

TABLE XII. INFLUENCE OF VARIABLE Y TO Z AND INFLUENCE BEYOND VARIABLE Y

Interpretation of Path Analysis		
Description	Influence	%
The influence of Y to Z	0.472	47.2
Influence Beyond Y	0.528	52.8
Amount		100

Source: Results of Statistical Processing of SPSS Program

From the test results can be seen that the competitive advantage effect on Sale Results of 47.2%, while the rest of 52.8% influenced by other factors not examined by the author. This indicates that to increase Sales Results, there needs to be improvement and improvement factor Competitive advantage because the Competitive advantage is closely related to the increase in Sales Results. Path coefficient indicates a positive and significant value, meaning that if the competitive advantage perceived taxpayers feel satisfied, is expected to increase also Sales Results.

Based on the above description, the competitive advantage has a considerable influence on the increase of Sales Results, as expressed by Kotler & Keller (2006: 133), the value received by customers is as follows: Value received by customers as the difference between total customer values (total value for customer) and total customer cost (total cost for customer) [3]. Total customer values are a collection of benefits expected by a customer of a particular product or service. Total customer cost is a collection of sacrifices that customers expect to happen to evaluate, obtaining, and using the product or service.

The results is states that competitive advantage occurs to three indicators, namely (1) value inflow, i.e., how far business is designed to satisfy customer priorities, but the company can not afford that. (2) Stability, i.e., sustainability value owned by a product, so that it can still follow the shift of customer needs, but the company can not afford. (3) Value Outflow, that is how far a company can design a business according to competitive advantage.

Based on the above theory it is clear that sales will increase if the company can anticipate the shift in value and create value creation as follows:

- The company can design its business to satisfy customers' priorities. (value inflow).
- The company can maintain the sustainability of value. (stability).
- The company can design its business according to the demands of shifting customer needs. (value outflow).

V. CONCLUSION AND RECOMMENDATIONS

A. Conclusion

- The diversity of products, brands and packaging influence the competitive advantage of IKM Opak in Sumedang District, but when viewed partially, it turns out that dominant Brand influences competitive advantage than Diversity and Packaging.
- The diversity of products, brands, and packaging affects the sales results from IKM Opak in Sumedang Regency, but when viewed partially, it turns out that the dominant packaging affects the Sales Results rather than the diversity and the brand
- Competitive advantage effect on sale results in IKM Opak in Sumedang District, so if the company can increase competitive advantage, then the sales will increase.

B. Recommendations

- IKM Opak in Sumedang District is suggested to patenting their superior products so that the brand used is no longer the brand distributor or brand stores, but the IKM manufacturer's brand itself, so will increase the value of the product and ultimately achieve competitive advantage.
- In addition to the brand, it turns out the product packaging also needs to be considered to improve the sales results, so it is advisable to improve the packaging so that it appeals to consumers and shows the characteristics of the product origin Sumedang regency, for example, seen from the color, picture, type of wrappers, tailored to regional characteristics and favored by customers.
- To improve competitive advantage and sales results, the only way is the company (IKM) can deliver superior customer value, the priority that must be considered is the product brand and its copyright, the second product packaging tailored to the characteristics typical of the region.

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