# RESOURCES, UNIQUE CAPABILITY AND COMPETITIVE ADVANTAGE BASED ON DISTRIBUTION SERVICE APPROACH

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## ABSTRACT

The competitive strategy in the poultry distribution company in Jakarta indicates low company of resource and unique capability. The point of this watchfulness is to determine the weight of resource and unique capability to competitive strategy. Quantitative methods are used in this study. Population is the employees of the poultry distribution company in Jakarta with more than 2.000 people. Sampling technique used is purposive sampling with the number of samples of 58 people. Data collection technique uses questionnaires and regression analysis. Finding on the research results shows that there are positive and significant influence of resource on unique capability and positive and significant influence of resource on competitive strategy, and also the influence of resource on unique capability to competitive strategy.

Keyword: Competitive Strategy, Unique Capability, Resouce and Poultry Distribution Company

## **INTRODUCTION**

The consumption of animal food in Indonesia tends to increase continuously due to the increase of population and income levels, as well as the price of chicken meat which is relatively cheaper than other meats and the development of the agro-industry sector that supports poultry farm, such as the opening of more restaurants and supermarkets, the increasing of public awareness of the fulfillment of nutrition, the increasing needs of meats in certain occasions such as weddings, the high selling price of the meat during fasting month such as Eid al-Fitr or Christmas, and the developing of e-commerce that makes it easier to buy and sell food products that are marketed using digital platforms, so that they can serve the wider community quickly and facilely (PDSIP, Ministry of Agriculture, 2018).

The factors that influence the demand for chicken products in DKI Jakarta, according to Daryanto (2010), are: a) a large concentrated population in the DKI Jakarta area is a big market driven in consuming chicken meat from main supplier areas; b) urban and industrial growth which attracts urbanization of the population to DKI Jakarta area is a factor affecting the demand for chicken meat products; c) per capita income growth in the Jabodetabek area, which is estimated at US \$ 4000/capita/year or three to four times the national average, will increase the high demand for chicken meat output in this region; d) product development and promotion have resulted in various processed chicken meat-based products that can fulfill the phenomenon of market segmentation; and e) supermarket revolution as shown by the annual growth of minimarkets (15%), supermarkets (7%) and hypermarkets (25%) in Indonesia. This is able to increase the demand for chicken meat products which are classified as high economic value commodities.

Meat producing in DKI Jakarta province generally has increased to meet the animal products demands from the people of DKI Jakarta province and its surroundings, causing a higher

output volume compared to the total demands. The increase of output quantity will have an impact on competition in seizing the market for these products, and so it causes each chicken products distributor company to do a competitive advantages to maintain and improve the company's performance.

Output and demand imbalances have impact on both the phenomenon of rising and falling prices. The phenomenon of lack of supply of chicken meat causes goods to be difficult to obtain and prices to have sharp fluctuations. The phenomenon of the spike in prices of chicken meat once touched the price of IDR 35,000/kg. When the supply exceeds the demand, the phenomenon of chicken meat decreases to lower the cost of output. This behavior is due to rapid price changes that does not go hand-in-hand with the changing on the output side and the stagnating of the distribution channels of chicken meat. Wheelen, et al., (2015) stated that competitive advantage focuses on increasing the competitive position of a product or service from a business unit or company in a particular industry or market segment where they compete. Competitive strategy is a strategy to fight all competitors with an advantage.

According to Omerzel & Gulev (2011) one of the factors that a company has and plays a role in creating competitive advantage is the company's internal resources, which are important keys in creating competitive advantage. Then Omerzel & Gulev (2011) take Fahl's opinion which internal resources consisting of tangible and inconceivable assets can be turned into competences.

Apart from resources, another variable that can affect competitive advantage is unique capabilities. According to Simonceska (2012), unique capabilities are the advantages and characteristics of a company and its exploitation efforts to encourage companies to create certain products that are superior in competition in the market. Likewise, Wheelen, et al., (2015) describe that unique capabilities are the superior capacities of a company that can provide the greatest benefit to its customers. Research conducted by Mariam & Ramli (2019), has confirmed the findings of Ningsih, et al., (2012); Rentala, Anand & Shaban, (2014) on an Indian pharmaceutical industry who concluded that unique capabilities have a positive and significant effect on competitive strategies.

Based on the explanation above, the authors conducted a study that would analyze the influence of unique resources and capabilities on the competitive advantage of companies engaged in chicken products distribution in DKI Jakarta.

#### LITERATURE REVIEW

#### Resources

According to Pearce & Robinson (2015), based on RBV, each company is fundamentally different because each has a unique collection of resources consisting of tangible assets, inconceivable assets, and the organization's capability to utilize these assets. Obvious assets are facilely identifiable assets, which are often put up on a ventures stability sheet, which include: output facilities, crude ingredients, revenue resources, real property, and computers. Inconceivable assets are intangible and invisible venture assets but very important for creating competitive advantage, such as: trade name, venture prestige, comity morale, technical knowledge, patents and trademarks, and accumulated comity experience. Meanwhile, organizational capability is a skill, namely the ability and how to combine assets, people, and processes to convert inputs into outputs.

The Resource-Based Model, Hitt, Ireland & Hoskisson (2015) assume that each comity is a aggregation of unique resources and aptitude. The uniqueness of its resources and aptitude is the fundamental for the venture's tactics and its proficiency to generate above regular returns. Resources are input to the ventures output process, such as capital equipment, individual employee skills, patents, finance, and talented managers. In general, venture resources are classified into three cluster, namely: material, human resources, and comity capital.

Hitt, Ireland & Hoskisson (2015) categorize venture resources into obvious assets and inconceivable assets. Obvious assets are assets that can be monitored and projected such as: output instrumentation, fabrication amenities, allocation centers, and formal reporting structures. Inconceivable assets are assets hidden in the history of the venture, which are accumulated experiences, and are relatively difficult for competitors to analyze and imitate.

As for Wheelen, et al., (2015), he states that venture resources are comity assets which are the elementary comity instruments consisting of obvious assets, such as factory buildings, instrumentation, finance, area; human assets in terms of number of personnels, expertise and encouragement; and inconceivable assets, such as technology (patents and copyrights), civilization, and dignity. Meanwhile, capability is the company's proficiency to exploit its resources which consist of routines and business processes that regulate the interaction between resources to convert inputs into outputs.

Kaul (2009) quotes the opinion of Peteraf & Barney (2003) which states that venture resources are seen as a good aggregation of resources that create opportunities for generation-rental and limit the scope of the venture. The company's resources are allocated in a series of exploration and exploitation activities in several domains through a strategic decision-making process at the corporate level. Where the venture evaluates the results expected from these resources' exploration activities.

#### **Unique Capabilities**

Unique capabilities are the combination of individual obvious resources and inconceivable resources that are used to complete the tasks of producing, distributing, and providing services for products and services that the venture provides to its customers for the purpose of creating value for them. (Hitt, Ireland & Hoskisson, 2015).

Makadok (2001) defines unique capabilities as specific resources owned by the venture and implanted to increase the productivity of other resources within the venture. Simonceska (2012) underlines that unique capabilities are the advantages and characteristics of the venture and its exploitation efforts to encourage companies to create certain products that are superior in competition in the market. Meanwhile, according to Wheelen, et al., (2015), unique capabilities are related to core aptitude which are the company's superior expertise that can provide the greatest benefit to customers.

Hitt, Ireland & Hoskisson (2015) based on the RBV mode presume that each comity is a aggregation of unique resources and aptitude. The uniqueness of these resources and aptitude is the fundamental for the company's tactics and proficiency to generate above regular returns. Resources are input to the company's output process, such as capital instrumentation, individual personnel skills, patents, finance, and talented managers.

The company's unique capability is the most elementary foundation that a company must have in order to compete with other companies. Capability can be defined as a combination of people, practices, technology and company infrastructure that collectively represent the organization's proficiency to create value from stakeholders through a specific part of its operations (Neely et al., 2002).

#### **Competitive Advantage**

Hubbard & Beamish (2011) state that enterprise tactics is related to how an comity positions its enterprise more competitively compared to other similar industries. Another definition of competitive advantage was put forward by Thompson, et al., (2014) where the competitive advantage of a company is related to game planning from management to compete successfully, namely specific efforts to serve customers, strengthen market positions, face maneuvers from

competitors, respond to movements in market conditions, and to achieve certain types of advantages.

In relation to the company's efforts to be competitive in its market, there are several strategies that can be carried out, as stated by Hitt, Ireland & Hoskisson (2015); companies can select five enterprise strategies to construct and preserve the company's strategic area against rivals, which consist of: expense leadership, divergence, focused expense leadership, focused divergence, and integrated expense leadership/divergence.

The reason companies need to apply competitive advantage (competitive strategy), can be traced based on the opinion Wheelen, et al., (2015) that stated that the competitive advantage (competitive strategy) is intended for companies to compete on the fundamental of the lowest expense (price), or whether companies must differentiate their products and services beyond the expense fundamental, such as quality or service. In addition, the company must also be able to compete directly with major rivals to become the biggest and most sought after in the market, or should the company focus on a niche that can satisfy a small but profitable segment of the market.

Porter's three generic competitive advantages according to Wheelen, et al., (2015) aims to outperform other companies in an industry, where the three generic strategies include overall expense leadership, divergence, and focus.

- Cost leadership: the proficiency of a company or enterprise unit to design, manufacture and market products more efficiently than its rivals.
- Differentiation: the proficiency of a company to provide superior and unique value to buyers in terms of product quality, special features, or after-sales service.
- Focus: the company's proficiency to provide superior and unique value to certain groups of buyers, certain market segments, and certain geographic markets.

With regard to Porter's generic tactics, competitive advantage can be achieved by implementing several generic strategies based on expense and divergence.

#### **Cost Leadership**

Cost leadership is a competitive advantage (competitive strategy) by implementing lower expenses aimed at the broad mass market and requires an aggressive arrangement in terms of efficiency of amenities used, expense reduction, tight expense management and control of overhead expenses, avoid customer purchases and implementation of expense minimization in the areas of R&D, services, sales force, advertising, and so on.

#### Differentiation

Differentiation is aimed at a broad mass market and involves the creation of a unique product or service. In this tactics, the company creates a unique product that differentiates it from rivals' products.

#### **Cost Focus**

Cost focus is a competitive advantage (competitive strategy) by applying low expenses that focus on a particular group of buyers or specific geographic markets and trying to serve certain niches that are exclusive to others.

#### **Differentiation Focus**

Like the expense focus, the focus of divergence also concentrates on certain groups of buyers, certain product segments, or certain geographic markets.

As Wheelen & Hunger (2012); Pearce & Robinson (2014) reveal a generic tactics as a essence idea of how a corporation can best compete in a business. Based on the pattern developed by Porter (2006); Pearce & Robinson (2015), many planners believe that any long- term tactics must come from the corporation's means to seek competitive advantage based on one of three generic tactics:

- Endeavor for overall minimum expense leadership in the industry
- Endeavor to create and market unique outputs for diverse customer groups through divergence.
- Seeks to have a special appeal to one or more groups of consumers or industrial buyers, with a focus on expense or divergence issues.

Proponents of generic tactics believe that each of the option can yields above regular returns for a corporation in an industry. However, their success was based on very different reasons. The dimensions used in measuring competitive advantage (competitive strategy) generally use Porter's concept, namely in the form of expense leadership tactics, divergence and focus tactics. As stated in the research journal Hsieh & Chen (2011), the concept of competitive advantage (competitive strategy) is a derivative of Porter's Generic Classification (1980,1985) which consists of overall expense leadership tactics, divergence, or focus carried out to achieve superior performance. Meanwhile, Miles & Snow (1984) classify enterprise tactics which consist of the type of defender, prospector, and analyzer.

#### Hypotheses

This study examines the effect of resources on competitive advantage through unique capability as a mediating variable. Based on the Resource-Based Model, Hitt, Ireland & Hoskisson (2015) presume that each comity is a aggregation of unique resources and aptitude. The uniqueness of its resources and aptitude is the fundamental for the company's tactics and its proficiency to generate above regular returns. Resources are input to the company's output process, such as capital instrumentation, individual personnel skills, patents, finance, and talented managers. In general, company resources are classified into three cluster, namely: material, human resources, and comity capital.

Research conducted by Lai, et al., (2008), showed that unique resources and aptitude have a positive and significant relationship, it is similar to the findings of Yongyi, Jinan & Anlan (2017) which explain the positive and significant effect of resources on aptitude. So that based on the explanation described above, a hypothesis can be formulated for research as follows:

#### H1: There is a positive and significant effect of resources on unique capabilities

According to Wittmer, Martin & Tekleab (2010) in their research, resources directly have a positive and significant relationship to competitive advantage, it is similar to the results of the investigation conducted by Sachitra & Chong (2016). Based on the explanation above, the hypothesis for the study was formulated:

#### H2: There is a positive and significant effect of resources on competitive advantage.

Albertini (2013); Samad, Azis, Jaidi & Masoud (2016) concluded that the company's unique capabilities have a positive and significant effect on competitive advantage. This is consistent with research conducted by Aslan, et al., (2011), then research conducted by Utami & Lantu (2014) that unique capabilities have a positive and significant effect on competitive advantage. Based on the explanation above, the hypothesis for the study is formulated as follows:

H3: There is a positive and significant effect of unique capabilities on competitive advantage.

According to the research conducted by Wittmer, Martin & Tekleab (2010), it is explained that there is a positive and significant effect between Resources and Competitive Advantage through unique capabilities as "mediating variable". Based on the explanation above, a hypothesis can be formulated for research as follows:

H4: There is a positive and significant effect of resources on competitive advantage through unique capabilities

#### **Conceptual Framework**

The conceptual framework used in this study is based combination of concepts from Omerzel & Gulev (2011); Whellen, et al., (2015) models, as follows:



FIGURE 1 CONCEPTUAL FRAMEWORK

#### **METHODS**

#### Sampling and Data Collection

This study examined chicken meat distributor companies in DKI Jakarta Province using a quantitative approach. The quantitative approach emphasizes the numerical assessment of the phenomenon being studied. Quantitative research is more systematic, planned, structured, vivid from the beginning to the end of the study. This quantitative approach is used to identify all concepts that are the research objectives (Malhotra, 2010). Quantitative research seeks to test a theory by detailing specific hypotheses and then collecting data to support or refute the theory.

Data was collected with the help of special instruments designed to assess behavior, and the information is analyzed using statistical procedures and hypothesis testing.

This type of research is explanatory research. According to Singarimbun (1995), explanatory research is a study that explains the causal relationship between research variables and hypothesis testing. In explanatory research, the approach used in this research is the survey method, which is research conducted to obtain facts about the phenomena that exist in the object of research and seek actual and systematic information.

Based on the research objectives, the quantitative research method that used were descriptive research and causality. Malhotra (2010) states that descriptive research is research that aims to describe the characteristics of a variable, where this research requires clear specifications regarding who, what, when, where, why and how of a study.

This type of descriptive research is a survey method. Surveys are generally conducted to make generalizations from in-depth observations. Survey research is divided into census surveys and sample surveys. Census surveys are conducted to obtain data from each individual in a population. Census surveys are usually carried out when the population is relatively small and easy to reach. Meanwhile, the sample survey was conducted to obtain data on a small part of the population.

After descriptive research, it was continued with causality research to test the truth/facts/principles of existing knowledge in chicken distributor companies in DKI Jakarta Province. "Causality research is used to obtain evidence of the caused and effect (causal)

relationship" (Malhotra, 2010). So with descriptive research and causality where data was collected from the field, the method used was a descriptive survey method. According to Singarimbun (1995), the survey method is the aggregation of data on objects in the field by taking sample of a population using a questionnaire as a mean of collecting elementary data.

Observations in this study used time horizons are cross section/one shot, meaning that the information or data obtained was the result of research conducted at a certain time, namely in 2018. Creswell (2010) says that explanatory research can be done to test hypotheses by draws a random sample from a population.

The unit of analysis according to Sekaran (2010) is "the unit of analysis refers to the aggregation level of the data collected during the subsequent data analysis stage". So that the unit of analysis in this study is a chicken meat distributor company in DKI Jakarta Province, with the observation unit, namely the management of the chicken meat distributor company in DKI Jakarta Province.

In the context of allocation management theory, chicken meat distributors in this category are relatively unique when compared to chicken distributors in other cluster. An important uniqueness lies in the strong support of local governments, both on the supply and demand side. The distinctive character of these regional chicken meat distributors is expected to be a source of novelty for the contribution of this research to the theory of competition in the chicken meat distributor enterprise, especially in the chicken meat distributor enterprise in an integrated economic area/zone such as the MEA.

The independent variable is the independent variable that is able to influence other variables (dependent variable), while the intervening variable (mediator) is the variable that is able to bridge the influence of the independent variable on the dependent variable. A mediator variable is said to mediate the effect of the independent variable on the dependent variable if the independent variable has a significant effect on this variable, and the intervening variable also has a significant effect on the dependent variable on the dependent variable on the dependent variable also has a significant effect on the independent variable is included in the model (Singarimbun, 1995).

Based on the research objectives, there are 4 (four) independent variables, namely: resources, technology adoption, enterprise environment, innovation management; 1 (one) dependent variable, namely the competitive advantage model and 1 (one) intervening variable, namely unique capabilities. Variable operationalization defines the research variables into concepts, indicators and scales which are then poured into a research instrument. Table 1 describes in detail the variables, variable concepts, indicators and scales of this research variable.

TABLE 1 OPERATIONAL OF VARIABLES						
Variabel/Sub Variabel	Dimention Indicator		Measurement Scale			
	Tangible Asset	Tangible Asset Value	Ordinal			
Resources	Intangible Assets	Intangible Assets	Ordinal			
Resources	Organizational Capabilities	Opportunity Filling Ability	Ordinal			
Unique Capabilities	HR assets	Assets in the form of human resources/employees	Ordinal			
	Competence Understanding of Business		Ordinal			
Competitive advantages	Cost Leadership	Amount of cost that is efficient and cheap	Ordinal			
	Product Differentiation	Product excellence	Ordinal			
auvantages	Faster strategy	On Time Service	Ordinal			
	Sou	arce: various literatures				

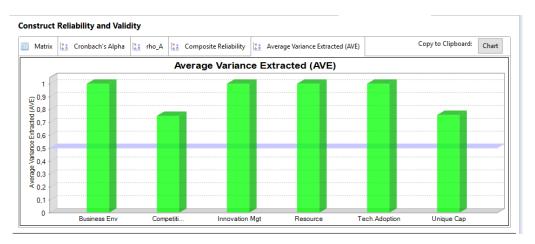
Based on the primary and secondary data needed in research and by looking at the concept of this variable, the data collection techniques used can be obtained using the following techniques: (1) Questionnaire, is a list of questions that is the result of operational variables and is used to collect data and information directly from the object under study. (2) Interviews, conducted to collect information from informants in a more in-depth manner. (3) Observation, is the activity of observing directly so that more accurate information is obtained about the actual condition of the object under study.

The unit of analysis as well as the population in this study is a chicken meat distributor company in DKI Jakarta Province. Based on the results of secondary data, it is known that there are 216 chicken distributor companies in DKI Jakarta Province (DKI Jakarta Province Food Security, Marine and Agricultural Service, 2018). The sample that used in this research were the owners of chicken meat distributors from DKI Jakarta Province. The sampling method was based on purposive sampling, meaning that the sample was taken based on certain conditions determined by the researcher (Sugiono, 2009). The criteria that the writer used as a reference in determining the population taken as a sample (respondents) in this study were the management of a chicken meat distributor companies that are in DKI Jakarta Province with a enterprise length of more than 10 years, and the amount of chicken meat supplies between 1-5 tons per day. So that the total sample of this research is 58 respondents from the management of chicken distributor companies in DKI Jakarta Province.

#### **Analysis Technique**

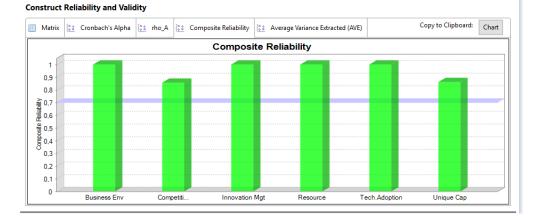
#### Validity & Reliability Test

The results of the discriminant validity, which are shown in Figure 1, show that the AVE value is good because all variable constructs are>0.5. These results indicate that all constructs can be said to be reliable.



#### FIGURE 2 AVE VALUE Source: Processed Data

The AVE value is supported by the Composite reliability value shown in Figure 3, it appears that the CR value is higher than the limit line 0.7.



#### FIGURE 3 COMPOSITE RELIABILITY VALUE

Given that these variables have shown valid and reliable conditions, the testing phase continues to bootstrapping

The data collected were analyzed using the software "Smart PLS" (Partial Least Square) version 3.2.8.m3 and SPSS version 2. 0 which is done with computer media.

#### RESULT

#### **Descriptive Data**

Descriptive statistical data analysis is used to provide an overview or description of data. In this study, the descriptive statistics used were the mean and standard deviation. The mean value shows the regular respondent's assessment of the variable under study, while the standard deviation shows the variation of the respondent's answer. The table below shows the descriptive results of the data from all the variables studied.

DF	TABLE 2   DESCRIPTIVE STATISTIC RESULTS OF ALL VARIABLE DATA PROCESSING							
No	Variable	Ν	Minimum	Maximum	Mean	Std. Deviation		
1	Resources	58	3,00	6,00	5,287	0,603		
2	Unique Capabilities	58	3,00	6,00	4.255	0,557		
3	Competitive advantages	58	3,00	6,00	4.919	0,564		
	Source : Processed Data , 2019							

The table above illustrates the magnitude of the mean and standard deviation for the measured variables. The mean value shows the average respondents' assessments of the statement submitted, while the standard deviation describes the amount of deviation of the respondents' responses to the average of the statements submitted in the research questionnaire. The researcher collected data by asking respondents to fill out a statement using a 6 Likert scale starting from number 1 which shows strongly disagree to number 6 which shows strongly agree.

In the measurement indicator regarding resources, a mean value of 5.287 with a minimum value of 3.00 and a maximum value of 6.00 was obtained where previously respondents were asked to answer questions using 6 Likert scales, namely values from 1 to 6, number 1 indicates strongly disagree while 6 strongly agree. If the mean value is 5.287, it means that the respondents' answers

to the question posed are close to the mean value of 5 or slightly agrees with the deviation of the respondents' answers to the average (standard deviation) of 0.603.

In the measurement indicator regarding unique capabilities, a mean value of 4.255 with a minimum value of 3.00 and a maximum value of 6.00 was obtained where previously respondents were asked to answer questions using 6 Likert scales, namely values from 1 to 6, number 1 indicates strongly disagree while 6 strongly agree. If the mean value is 4.255, it means that the respondents' answers to the question posed are close to the mean value of 4 or neutral with the deviation of the respondents' answers to the average (standard deviation) of 0.557.

In the measurement indicator regarding competitive advantage, the mean value is 4,919 with a minimum value of 3.00 and a maximum value of 6.00 where previously respondents were asked to answer questions using 6 Likert scales, namely values from 1 to 6, number 1 indicates strongly disagree while 6 strongly agree. If the mean value is 4,919, it means that the respondents' answers to the question posed are close to the mean value of 5 or agrees with the deviation of the respondents' answers to the average (standard deviation) of 0.564.

The results of observations show that there are several problems faced in the development of chicken distributors that lead to a lack of output divergence, such as shortages of supply, overlapping regulations, lack of creativity and innovation in producing new products, lack of technology use.

#### **Company's Resources**

Company's resources in this study are obvious assets, inconceivable assets and comity aptitude that can influence the company's strategic choices, with dimensions referring to the opinion of Wheelen, et al., (2015). Organizational aptitude include competence, internal enterprise processes and commitment. Based on the survey results, descriptive statistical analysis of resources was produced as follows:

TABLE 3 DESCRIPTIVE STATISTICAL ANALYSIS OF RESOURCES					
Pernyataan	N	Minimum	Maximum	Mean	Std. Deviation
SD1	58	3,00	6,00	5.551	0,609
SD3	58	3,00	6,00	5.051	0,722
Source : processed data, 2019					

In the measurement indicators regarding resource statements 1 to resource 3, the highest mean or average value was obtained in the statement of resource 1 or tangible assets of 5,551 with a minimum value of 3.00 and a maximum value of 6.00 where previously respondents were asked to answer questions by using the 7 Likert scale, namely the value from 1 to 7, number 1 indicates strongly disagree while 7 strongly agrees. If the mean value is 5.551, it means that the respondents' answers to the question posed are close to the value agreed with the deviation of the respondents' answers to the average (standard deviation) of 0.609.

Table 3 shows that the resources of companies engaged in chicken meat allocation are good, based on the acquisition of each dimension median which has reached 5.51 as the highest mean value. These results illustrate that the development of the chicken distributor company resources has been developed, although not optimal. According to Thompson, et al., (2015), company resources and aptitude are fundamental building blocks for a company's competitive advantage. Resources are productive inputs and competitive assets that are owned and controlled by the company. Resources are divided into two cluster, namely obvious resources and inconceivable

resources. Meanwhile, capability is the capacity of a company to perform several internal activities competently.

#### **Unique Capabilities**

The unique capabilities in this study refer to Wheelen, et al., (2015) which are aptitude that come from the company's superior expertise among rivals that can provide the greatest benefit to customers.

TABLE 4 DESCRIPTIVE STATISTICAL ANALYSIS UNIQUE CAPABILITIES						
Statements N Minimum Maximum Mean Std. Deviation						
KU1	58	3,00	5,00	3.931	0,613	
KU2	58	2,00	6,00	4.155	0,650	
KU3	58	3,00	6,00	4.31	0,754	
KU4	58	3,00	6,00	3.965	0,553	
KU5	58	3,00	6,00	4.913	0,639	

In the measurement indicator regarding the statement of unique capabilities 1 to 5 unique capabilities, the highest mean value was obtained in the statement of unique capabilities 5 or competition of 4,913 with a minimum value of 3.00 and a maximum value of 6.00 where previously respondents were asked to answer questions using 6 Likert scales namely the value from 1 to 6, number 1 indicates strongly disagree while 6 strongly agrees. If the mean value is 4,913, it means that the respondents' answers to the question posed is close to the value somewhat agree with the deviation of the respondent's answer to the average (standard deviation) of 0.639.

These results illustrate that the development of the unique capabilities of the chicken distributor company has been developed, although not optimally, according to Makadok (2001) as a specific resource owned by the company and invested in increasing the productivity of other resources within the company. Simonceska (2008) underlines that unique capabilities are the advantages and characteristics of the company and its exploitation means to encourage companies to create certain products that are superior in competition in the market.

#### **Competitive Advantage**

Competitive advantage in this study is a tactics to achieve a competitive area above its rivals, with dimensions referring to the opinion of Pearce and Robinson (2015) and Wheelen and Hunger (2015). The application of competitive advantage is assessed from the aspects of a cost leadership tactics which related to the efficiency and cheapness of operating costs; product divergence related to product excellence, product variety and convenience; as well as a faster tactics that related to market demands, the latest technological trends and competitive movements.

TABLE 5   DESCRIPTIVE STATISTICAL ANALYSIS COMPETITIVE ADVANTAGE						
Statements	Statements N Minimum Maximum Mean Std. Deviation					
SD1	58	3,00	6,00	5.551	0,609	
SD2	58	3,00	6,00	5.258	0,609	
SD3	58	3,00	6,00	5.051	0,722	
Source : Processed data, 2019						

In the measurement indicator regarding the statement of Competitive Advantage 1 to Competitive Advantage 3, the highest mean or average value was obtained in the statement of Competitive Advantage 1 or a cost advantage of 5.551 with a minimum value of 3.00 and a maximum value of 6.00 where previously respondents were asked to answer questions by using 6 Likert scale, namely the value from 1 to 6, number 1 indicates strongly disagree while 6 strongly agrees. If the mean value is 5.551, it means that the respondents' answers to the question posed is close to the value agreed with the deviation of the respondents' answers to the average (standard deviation) of 0.609.

Table 5 shows that the implementation of competitive advantage in chicken meat distributor companies in general have not. These results indicate that the chicken meat distributor companies pay more attention to how to create creativity and competitiveness, compared to students who cannot follow the differentiators of the participants, as well as show products that are not facilely imitated by rivals or with faster tactics.

The results of observations show that there are several problems faced in the development of chicken distributors that lead to a lack of product divergence, such as shortages of supply, overlapping regulations, lack of creativity and innovation in producing new products, lack of technology use.

#### **Hypotheses Testing**

TABLE 6 RESULTS OF THE SIGNIFICANCE OF THE PLS MODEL Direct and Indirect Effect					
	Coeficient	P Values	Value		
Resources->Unique Capabilties	0,320	0,008	Positive & Significant		
Resources-> Competitive Advantage	0,409	0,000	Positive & Significant		
Unique Capabilties -> Competitive Advantage	0,138	0,307	Positive but insignificant		
Resources-> Unique Capabilties -> Competitive Advantage	0,155	0,315	Positive but insignificant		
Processed data					

There are four hypotheses proposed in this study and the results of hypothesis testing are presented in the following table:

# **Testing Hypothesis 1: Effect of Resources on Unique Capabilities**

Based on the results of data processing to test the influence of Resources on unique capabilities, it was found that the coefficients value was 0.547 and the p value was 0.008. The coefficient value>0 (positive) and the p value <0.05, which mean that the effect of the two variables in this study is positive and significant. Thus the first hypothesis is accepted.

This means that the resources of a chicken distributor company in DKI Jakarta Province are very important because they affect the unique capabilities that the company will have. These obvious and inconceivable resources will be a big capital for the company to be able to compete with its rivals.

Peteraf & Barney (2003) who reveal that company resources are seen as good collection of resources and create opportunities for generational leases and limit the scope of the company. The company's resources are allocated in a series of exploration and exploitation activities in several

domains through a strategic decision-making process at the corporate level. Where the company evaluates the results expected from these resource exploration activities. These results are in line with the findings of Lai, et al., (2008) and research from Yongyi, Jinan & Anlan (2017), which put up that resources have a positive and significant effect on unique capabilities.

#### **Testing Hypothesis 2: Effect of Resources on Competitive Advantage**

Based on the results of data processing to test the influence of resources on competitive advantage, it was found that the coefficient value was 0.409 and the p value was 0.000. The coefficient value>0 (positive) and the p value <0.05, which indicate that the effect of the two variables in this study is positive and significant. Thus the second hypothesis is accepted. These findings support the research conducted by Wittmer, Martin & Tekleab (2010) who examined this hypothesis by stating that resources have a positive and significant effect on unique capabilities.

This shows that the chicken meat distributor companies must increase their resources in the form of obvious assets, inconceivable assets and the company's proficiency to fill opportunities in the market, if one wants to increase its competitive advantage, such as increasing efficiency to produce products that have minimum or competitive prices, increased product excellence, and timely service.

#### **Testing Hypothesis 3: The Effect of Unique Capabilities on Competitive Advantage**

Based on the results of data processing to test the effect of unique capabilities on competitive advantage, it was found that the coefficient value was 0.138 and the p value was 0.307. The coefficient value>0(positive) and the p value>0.05, which indicate that the effect of the two variables in this study is positive but not significant. Thus the third hypothesis is different from the research results.

These results confirm that the chicken meat distributor companies in DKI Jakarta that have HR assets or personnels and the competencies possessed by these personnels will not be sufficient to be able to influence the increase in the competitive advantage of these Distributors. If companies want to increase output efficiency and the advantages of their products, then unique capabilities are not the main factor in increasing their competitive advantage.

# Testing Hypothesis 4: The Effect of Resources on Competitive Advantage through Unique Capabilities.

Based on the results of data processing to test the effect of resources on competitive advantage, it was found that the coefficient value was 0.155 and the p value was 0.317. The coefficient value>0 (positive) and the p value>0.05, which mean that the effect of the two variables in this study is positive and insignificant. Thus the fourth hypothesis is different from the results of this study.

These results indicate that the existence of personnels and their competencies owned by the company as a unique capability of chicken distributors will not be able to act as a mediating variable to show the indirect effect of company resources in the form of obvious assets and inconceivable assets, on competitive advantage.

#### DISCUSSION AND RECOMMENDATION

Based on the findings and hypothesis testing that have been described, several conclusions can be drawn from the results of this study, namely:

1. There is a positive and significant influence of resources on unique capabilities.

- 2. There is a positive and significant effect of Resources on unique capabilities.
- 3. There is a positive but insignificant effect of unique capabilities on competitive advantage.
- 4. There is a positive but insignificant effect of resources on competitive advantage through unique capabilities.

This study has limited problems that include research objectives, namely to analyze the effect of resources on competitive advantage through unique capabilities. In connection with these findings, the suggestions recommended for further research include:

- Conducting further research at the industrial level and national coverage with the variables in this study.
- Conducting further research by adding Innovative and Firm Performance variables (Shou & Shao, 2017), Knowledge Management (Prasetyaningrum, Purwanto & Minarni, 2019), and Business environment (Mariam and Ramli, 2019).

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