

Competitive Advantages of PT Temas Line Jakarta: A Case Study

Sutikno KHUSUMO

Institut Bisnis dan Informatika Kwik Kian Gie Jakarta, Magister Management Study Program, Indonesia, Sutikno.khusumo77@gmail.com, <https://orcid.org/0009-0001-4433-9255>

Abdulah RAKHMAN

Institut Bisnis dan Informatika Kwik Kian Gie, Management Study Program, Jakarta, Indonesia, abudulah.rakhman@kwikkiangie.ac.id, <https://orcid.org/0000-0003-3085-8262>

Abstract

This study examines the impact of internal resources, innovation strategies, and market orientation on competitive advantage at PT Temas Line Jakarta, employing Resource-Based View (RBV), Dynamic Capabilities, and Porter's Five Forces as theoretical frameworks. Using a quantitative approach, data were collected through a structured survey and analyzed using multiple regression analysis. The findings reveal that market orientation is the strongest predictor of competitive advantage, followed by innovation strategies and internal resources. These results highlight the importance of aligning organizational capabilities with market dynamics to sustain competitiveness in the shipping industry. The study contributes to strategic management literature and offers practical recommendations for firms to enhance competitiveness through resource optimization, innovation-driven strategies, and market responsiveness.

Keywords: Competitive Advantage, Internal Resources, Innovation Strategies, Market Orientation, Shipping Industry

1. INTRODUCTION

One critical and urgent issue that demands attention in understanding the competitive advantages of PT Temas Line Tbk is the increasing pressure of global maritime competition and technological disruption, which necessitates a strategic alignment of internal resources, innovation strategies, and market orientation. First, the maritime shipping industry is undergoing rapid transformation due to technological advancements and regulatory shifts, compelling firms to adopt digitalization, automation, and sustainability practices to remain competitive (Stopford, 2009). Second, empirical research underscores the importance of leveraging internal resources, such as human capital, technology, and financial assets, as a foundation for building competitive strength, yet many firms struggle with effectively optimizing these resources to sustain market leadership (Barney, 1991; Teece, Pisano, & Shuen, 1997). Third, studies have demonstrated that a strong market orientation, including customer responsiveness and competitor intelligence, significantly enhances a company's ability to navigate uncertain market conditions and strengthen its strategic position, yet PT Temas Line and similar firms still face challenges in fully integrating market-driven strategies to maximize competitive outcomes (Narver & Slater, 1990; Porter, 1985). These factors indicate that while internal strengths, innovation, and market adaptability are fundamental drivers of competitive advantage, their alignment within a rapidly evolving maritime landscape remains a strategic challenge requiring urgent and integrated solutions.

Despite extensive research on competitive advantage in the maritime shipping industry, a critical gap remains in understanding the integrated role of internal resources, innovation strategies, and market orientation in sustaining long-term competitiveness. Existing studies primarily explore these factors in isolation—RBV research emphasizes internal resources but often overlooks their dynamic reconfiguration in response to market changes (Barney, 1991; Wernerfelt, 1984), while the Dynamic Capabilities framework highlights adaptability but lacks empirical insights into how firms operationalize innovation in highly regulated and capital-intensive industries like shipping (Teece, Pisano, & Shuen, 1997). Additionally, market orientation studies focus on customer-centric strategies but do not fully capture the complexities of the maritime sector, where geopolitical risks, fluctuating trade policies, and port regulations significantly influence market dynamics (Narver & Slater, 1990; Kohli & Jaworski, 1990). This fragmentation in the literature limits a holistic strategic framework that integrates internal resources, innovation, and market adaptation in shaping competitive advantage within a volatile maritime landscape. Addressing this gap is crucial for developing a comprehensive model that guides firms like PT Temas Line in aligning their capabilities with evolving industry challenges and opportunities.

This research employs an integrative theoretical framework combining the Resource-Based View (RBV), Dynamic Capabilities, and Porter's Five Forces to examine the determinants of competitive advantage at PT Temas Line Tbk. RBV posits that a firm's ability to achieve and sustain competitive advantage depends on the possession and strategic utilization of valuable, rare, inimitable, and non-substitutable (VRIN) resources (Barney, 1991). However, in rapidly evolving industries like maritime shipping, static resource possession alone is insufficient, necessitating the Dynamic Capabilities framework, which highlights a firm's ability to integrate, develop, and reconfigure internal and external competencies to address changing environments (Teece, Pisano, & Shuen, 1997). Furthermore, Porter's Five Forces framework is applied to assess the external pressures that shape competition, including supplier and buyer power, industry rivalry, potential new entrants, and substitute threats, which influence how PT Temas Line leverages its internal strengths and dynamic capabilities to sustain its market position (Porter, 1980). By integrating these perspectives, this study provides a comprehensive understanding of how firms can strategically align their internal resources, adapt to market changes, and navigate competitive pressures to achieve long-term competitive advantage.

The primary objective of this research is to analyze how internal resources, innovation strategies, and market orientation contribute to competitive advantage at PT Temas Line Tbk, utilizing the Resource-Based View (RBV), Dynamic Capabilities, and Porter's Five Forces frameworks. Specifically, this study seeks to (1) evaluate the extent to which internal resources, including human capital, technology, and financial assets, drive competitive advantage (Barney, 1991); (2) examine how innovation strategies, both incremental and radical, impact the firm's ability to differentiate and sustain market leadership (Teece, Pisano, & Shuen, 1997); and (3) investigate the role of market orientation in shaping organizational responsiveness to customer needs, competitor strategies, and industry dynamics (Narver & Slater, 1990). By integrating these theoretical perspectives, the study aims to provide empirical insights into how PT Temas Line can enhance its strategic positioning in the highly competitive shipping industry while addressing existing research gaps on the synergistic effects of these factors in dynamic business environments. The findings of this research will inform strategic decision-making for PT Temas Line and contribute to the broader discourse on sustainable competitive advantage in the maritime sector.

2. LITERATURE REVIEW

2.1. Resource-Based View

The Resource-Based View (RBV) conceptualizes competitive advantage as stemming from a firm's unique internal resources, which are valuable, rare, inimitable, and organized (VRIO) to create sustained performance differentials (Barney, 1991). This theory shifts the focus from industry structure to firm-specific capabilities, emphasizing that organizations that effectively manage their tangible (e.g., financial and physical assets) and intangible (e.g., brand reputation, knowledge, and human capital) resources can achieve long-term success (Wernerfelt, 1984). The categorization of RBV includes: (1) Physical resources, such as infrastructure, equipment, and technology; (2) Human resources, encompassing employees' skills, expertise, and organizational culture; and (3) Organizational resources, including processes, intellectual property, and strategic capabilities (Grant, 1991). While RBV provides a strong foundation for understanding firm-level competitive advantage, critics argue that dynamic market conditions necessitate a complementary perspective, such as Dynamic Capabilities, to account for the adaptability of resources over time (Teece, Pisano, & Shuen, 1997). This study employs RBV to examine how internal resources at PT Teras Line Tbk contribute to its competitive advantage, while integrating Dynamic Capabilities to capture the firm's ability to reconfigure its assets in response to environmental shifts.

2.2. Dynamic Capabilities

The Dynamic Capabilities (DC) framework conceptualizes an organization's ability to adapt, integrate, and reconfigure its internal and external resources in response to changing environments, ensuring long-term competitive advantage (Teece, Pisano, & Shuen, 1997). Unlike the Resource-Based View (RBV), which emphasizes static resource endowments, DC theory highlights organizational agility and responsiveness, particularly in industries characterized by rapid technological advancements and market fluctuations (Eisenhardt & Martin, 2000). The categorization of dynamic capabilities includes: (1) Sensing Capabilities—the ability to identify opportunities and threats in the market (Teece, 2007); (2) Seizing Capabilities—mobilizing resources to capture emerging opportunities through innovation and investment (Ambrosini & Bowman, 2009); and (3) Reconfiguring/Transforming Capabilities—continuously restructuring resources and processes to maintain competitiveness (Winter, 2003). This framework is particularly relevant in highly volatile sectors such as shipping and logistics, where firms like PT Teras Line Tbk must continuously adapt to evolving trade regulations, technological disruptions, and shifting customer demands. By integrating Dynamic Capabilities with RBV, this study examines how PT Teras Line's ability to sense, seize, and transform resources contributes to its competitive positioning.

2.3. Porter's Five Forces

The Porter's Five Forces (P5F) framework conceptualizes industry structure and competitive dynamics by analyzing five key forces that shape a firm's ability to achieve and sustain competitive advantage (Porter, 1980). These forces include (1) Threat of New Entrants—barriers to entry such as capital requirements, economies of scale, and regulatory constraints that affect industry competitiveness (Porter, 2008); (2) Bargaining Power of Suppliers—the influence suppliers have over pricing, quality, and availability of inputs, impacting operational costs (Dobbs, 2014); (3) Bargaining Power of Buyers—the ability of customers to demand lower prices or higher value, affecting profitability (Porter, 1980); (4) Threat of Substitutes—the risk posed by alternative products or services that could reduce demand (Grant, 2016); and (5) Industry Rivalry—the intensity of competition among existing firms based on price, innovation, and

market positioning (Hill, Jones, & Schilling, 2014). Categorizing these forces enables firms to develop defensive and offensive strategies—such as cost leadership, differentiation, and strategic partnerships—to mitigate risks and leverage market opportunities (Ghemawat, 1991). In highly competitive and regulation-driven industries like maritime shipping, firms such as PT Temas Line Tbk must continuously assess these forces to navigate market challenges, optimize operational efficiency, and strengthen competitive positioning.

2.4. Internal Resources

Internal resources refer to tangible and intangible assets that a firm owns, controls, and leverages to achieve competitive advantage (Barney, 1991). Within the Resource-Based View (RBV) framework, internal resources are categorized into three primary dimensions: (1) Tangible Resources, including physical assets such as financial capital, infrastructure, equipment, and technology (Grant, 1991); (2) Intangible Resources, which encompass brand reputation, intellectual property, organizational culture, and strategic networks that differentiate a firm from competitors (Hall, 1992); and (3) Human Resources, representing the knowledge, skills, and expertise of employees that drive innovation and operational efficiency (Huselid, 1995). These resources must possess VRIO attributes—valuable, rare, inimitable, and organized—to provide a sustained competitive advantage (Barney, 1991; Peteraf, 1993). Firms such as PT Temas Line Tbk, operating in highly competitive sectors like maritime shipping, must strategically manage these internal resources to enhance efficiency, foster innovation, and build resilience against market disruptions. Effective utilization of internal resources, particularly technological and human capital capabilities, serves as a key driver in strengthening a firm's market position and long-term sustainability (Teece, Pisano, & Shuen, 1997).

2.5. Innovation Strategies

Innovation strategies refer to structured approaches organizations adopt to develop new products, processes, or business models that enhance competitive advantage and long-term sustainability (Teece, 2010). These strategies are categorized into two primary dimensions: (1) Incremental Innovation, which involves continuous improvements to existing products, services, or processes, focusing on enhancing efficiency and customer satisfaction while minimizing risk (Bessant & Tidd, 2015); and (2) Radical Innovation, which represents groundbreaking changes that disrupt industries, create new markets, and redefine competitive landscapes (Christensen, 1997). Organizations implementing incremental innovation prioritize process optimization, cost reduction, and gradual technological advancements, whereas firms adopting radical innovation engage in high-risk, high-reward strategies such as new product development and market expansion (Pisano, 2015). Both innovation types are essential, as incremental innovation sustains competitive positioning while radical innovation fosters long-term industry leadership (Kim & Mauborgne, 2005). In highly competitive industries like maritime shipping, firms such as PT Temas Line Tbk must balance both types of innovation strategies—leveraging incremental innovations to refine logistics and operational efficiency, while investing in radical innovations such as digital transformation and sustainable shipping technologies to remain ahead of industry disruptions (Tushman & O'Reilly, 1996).

2.6. Market Orientation

Market orientation refers to an organizational culture and strategic approach that prioritizes the systematic collection, dissemination, and application of market intelligence to enhance customer satisfaction and competitive positioning (Kohli & Jaworski, 1990). It is rooted in the premise that organizations that understand and respond to customer needs, analyze competitor strategies,

and integrate cross-functional collaboration are better equipped to sustain a competitive advantage (Narver & Slater, 1990). Market orientation is typically categorized into three key dimensions: (1) Customer Orientation, which focuses on identifying, analyzing, and meeting customer preferences through value-driven offerings; (2) Competitor Orientation, which involves monitoring and anticipating competitor actions to differentiate products and services strategically; and (3) Inter-functional Coordination, which ensures that market knowledge is shared across departments to align business strategies effectively (Liu et al., 2013). These dimensions collectively enhance an organization's ability to adapt to market changes, optimize decision-making, and drive long-term performance (Day, 1994). In dynamic industries like maritime shipping, where competition and regulatory pressures are intense, firms like PT Temas Line Tbk must cultivate a strong market orientation by leveraging real-time customer insights, competitive intelligence, and cross-functional teamwork to remain agile and innovative in the evolving logistics landscape (Ruekert, 1992).

2.7. Competitive Advantage

Competitive advantage is defined as an organization's ability to achieve superior performance and outperform its rivals by leveraging unique resources, capabilities, and strategic positioning (Porter, 1985). It enables firms to create value for customers that is difficult for competitors to replicate, ensuring long-term sustainability and profitability (Barney, 1991). Competitive advantage is commonly categorized into two primary strategies: (1) Cost Leadership, which involves minimizing operational costs and achieving economies of scale to offer lower prices than competitors; and (2) Differentiation, which focuses on creating unique products, services, or brand attributes to enhance perceived customer value (Porter, 1980). More recent studies integrate Innovation Capability as a critical dimension, where firms leverage technological advancements, research and development, and process improvements to maintain a dynamic and adaptive competitive position (Teece et al., 1997). Additionally, market responsiveness, or the ability to quickly adapt to changing customer needs and industry trends, has emerged as a key determinant of competitive advantage in volatile and globalized industries (Farida & Setiawan, 2022). In the shipping industry, where efficiency, reliability, and innovation play pivotal roles, companies like PT Temas Line Tbk must strategically align cost efficiency, differentiation, and market agility to sustain long-term competitiveness in an evolving logistics landscape (Oyombe, 2024).

2.8. Theoretical Framework and Hypotheses Development

2.8.1. The Effect of Internal Resources on Competitive Advantage

The theoretical framework for this study is based on the Resource-Based View (RBV) and Dynamic Capabilities Theory, which emphasize that firms achieve competitive advantage by effectively managing valuable, rare, inimitable, and well-organized (VRIO) resources (Barney, 1991) and continuously adapting to market changes (Teece et al., 1997). Internal resources such as human capital, technological infrastructure, and financial assets enhance a firm's ability to differentiate, innovate, and operate efficiently, strengthening its market position. Empirical research by Rakhman et al. (2016) supports this, showing that supply chain integration, flexibility, and effective supply chain management practices significantly enhance competitive advantage and firm performance by optimizing internal processes and improving adaptability in uncertain environments. This study, therefore, hypothesizes that H1: Internal resources have a significant positive effect on competitive advantage, as firms that effectively utilize human capital, technological infrastructure, and financial resources gain a stronger market position (Barney, 1991).

2.8.2. The Effect of Innovation Strategies on Competitive Advantage

The theoretical framework for the influence of innovation strategies on competitive advantage is based on Dynamic Capabilities Theory and the Resource-Based View (RBV). Dynamic Capabilities Theory highlights a firm's ability to adapt, integrate, and reconfigure internal and external resources to address rapidly changing environments (Teece, Pisano, & Shuen, 1997). Innovation strategies, including incremental and radical innovation, enable firms to develop unique products, enhance operational efficiency, and create new business models, all of which are crucial for sustaining competitive advantage. From the RBV perspective, innovation serves as a valuable, rare, and inimitable resource that strengthens differentiation and market positioning (Barney, 1991). In the context of PT Temas Line, prioritizing innovation strategies ensures responsiveness to industry dynamics and enhances long-term success. Therefore, this study hypothesizes that H2: Innovation strategies significantly enhance competitive advantage by fostering product differentiation, operational efficiency, and business model innovation, allowing firms to adapt to market demands (Teece et al., 1997).

2.8.3. The Effect of Market Innovation on Competitive Advantage

The theoretical framework for the influence of market orientation on competitive advantage is grounded in the Resource-Based View (RBV), Dynamic Capabilities Theory, and Porter's Five Forces Model. RBV posits that firms with valuable, rare, inimitable, and well-organized resources—such as customer intelligence and market insights—can achieve sustained competitive advantage (Barney, 1991). Dynamic Capabilities Theory further emphasizes the need for firms to sense, seize, and transform their strategic assets to remain competitive in dynamic environments (Teece et al., 1997). Market-oriented firms continuously analyze customer preferences, competitor strategies, and industry trends, allowing them to anticipate market changes and align their business strategies accordingly (Narver & Slater, 1990). Additionally, Porter's Five Forces Model highlights the role of market intelligence in mitigating threats from competitors, substitutes, and new entrants, reinforcing the importance of market orientation in shaping competitive advantage (Porter, 1980). Given these theoretical foundations, this study hypothesizes that H3: Market orientation is a key determinant of competitive advantage, as firms that proactively analyze customer preferences and competitive trends can align strategic decisions with market needs, thereby outperforming rivals (Narver & Slater, 1990).

3. METHODOLOGY

3.1. Research Design

This study adopts a quantitative research design to examine the relationships between internal resources, innovation strategies, market orientation, and competitive advantage at PT Temas Line Jakarta. A quantitative approach allows for the systematic measurement of variables and statistical analysis to identify patterns, trends, and causal relationships (Creswell & Creswell, 2018). By employing this method, the study aims to generate objective and generalizable insights into how these strategic factors contribute to the company's competitive positioning.

3.2. Data Collection and Sampling Techniques

Primary data were gathered through a structured survey questionnaire, designed using a Likert scale to measure respondents' perceptions of the study variables (Sugiyono, 2019). The questionnaire included multiple items for each variable, ensuring comprehensive coverage of the key constructs. A judgment sampling technique was used to select respondents, targeting employees of PT Temas Line Jakarta who are actively engaged in strategic and operational

decision-making processes. This approach ensures that the data collected is both relevant and representative of individuals who have direct knowledge and experience related to the research focus (Hair et al., 2006).

3.3. Data Analysis

To examine the relationships among internal resources, innovation strategies, market orientation, and competitive advantage, the study employs multiple regression analysis as the primary data analysis technique. This statistical method is used to test the research hypotheses by evaluating the strength and direction of the relationships between the independent and dependent variables (Bryman, 2016). The use of multiple regression provides a robust analytical framework for understanding the extent to which these strategic factors influence PT Temas Line Jakarta's competitive advantage in the shipping industry.

4. RESULTS

4.1. Validity and Reliability Test

Table 1: Validity & Reliability Test

Descriptions	Competitive Advantage	Internal Resources	Innovation Strategies	Market Orientation
Pearson's Correlation Coefficients	Above 0.361	Above 0.361	Above 0.361	Above 0.361
Cronbach's Alpha	0.957	0.925	0.950	0.900

The validity and reliability test results indicate that all variables—Competitive Advantage, Internal Resources, Innovation Strategies, and Market Orientation—meet the required thresholds for statistical validity and internal consistency. The Pearson's Correlation Coefficients for all constructs exceed 0.361, confirming that the measurement items are significantly correlated with their respective constructs, thus establishing construct validity. Additionally, the Cronbach's Alpha values for all variables range from 0.900 to 0.957, well above the acceptable reliability threshold of 0.70 (Hair et al., 2006), demonstrating strong internal consistency. These findings suggest that the survey instrument used in this study is both valid and reliable, ensuring the robustness of data collection and the credibility of subsequent analysis.

4.2. Descriptive Statistics

Table 3: Descriptive Statistics

Variables	Competitive Advantage	Internal Resources	Innovation Strategies	Market Orientation
Mean	4.103	4.131	3.968	4.034
Std. Deviation	0.803	0.844	0.916	0.768

The descriptive statistics in Table 3 reveal that the mean values of the variables are relatively high, indicating a positive perception of each factor within the organization. Competitive Advantage has a mean of 4.103, followed closely by Internal Resources with a mean of 4.131, suggesting a strong recognition of the importance of resources in gaining a competitive edge. Innovation Strategies and Market Orientation have slightly lower means of 3.968 and 4.034, respectively, indicating a somewhat lower but still significant level of agreement. The standard deviations are moderate, with Internal Resources having the highest at 0.844, implying some variability in responses. Overall, these results suggest that PT Temas Line Jakarta places substantial value on these strategic factors, with a relatively consistent perception across respondents.

4.3. Classical Assumption Test

Table 4: Classical Assumption Test

Assumption Testing	Requirment	Testing Output
Normality	P-value ≥ 0.05	Central Limit Theorem
Multicollinearity	VIF < 10	1.717/1.935/1.926
	Tolerane > 0.1	0.582/0.517/0.519
Heteroscedasticity	P-value ≥ 0.05	0.931/0.055/0.942

The classical assumption test results confirm that the data meet the necessary statistical assumptions for regression analysis. Normality is satisfied through the Central Limit Theorem, ensuring that the sample distribution approximates normality despite the p-value being below 0.05. Multicollinearity is not a concern, as the Variance Inflation Factor (VIF) values (1.717, 1.935, and 1.926) remain well below the threshold of 10, while tolerance values (0.582, 0.517, and 0.519) exceed the minimum requirement of 0.1, indicating no significant correlation between independent variables (Hair et al., 2006). Heteroscedasticity is also not an issue, as the p-values (0.931, 0.055, and 0.942) meet the required threshold of ≥ 0.05 , confirming that variance in residuals is consistent across observations (Gujarati & Porter, 2009). These results validate the appropriateness of conducting multiple regression analysis for hypothesis testing in this study.

4.4. Model and Hypothesis Testing

The regression analysis results indicate that the independent variables—internal resources, innovation strategies, and market orientation—collectively explain 60.7% of the variance ($R^2 = 0.607$) in competitive advantage at PT Temas Line Jakarta, demonstrating a strong model fit (Hair et al., 2010). The F-test ($F = 109.095$, $p = 0.000$) confirms the overall significance of the regression model, indicating that at least one independent variable significantly influences competitive advantage (Cohen et al., 2003). These results validate the study's hypothesis that internal resources, innovation strategies, and market orientation contribute meaningfully to competitive advantage in the shipping industry.

Table 5: Regression Outputs

Testing	Requirement	Testing Output	
	-	0.607	
F-test	P-value < 0.05	F = 109.095 & Sig. = 0.000	
	Sig < 0.05	Beta	P-value
Internal Resources	Sig < 0.05	.191	0.001
Innovation Strategies	Sig < 0.05	.253	0.000
Market Orientation	Sig < 0.05	.450	0.000

At the individual variable level, all three predictors exhibit statistically significant effects ($p < 0.05$). Market orientation emerges as the strongest predictor ($\beta = 0.450$, $p = 0.000$), followed by innovation strategies ($\beta = 0.253$, $p = 0.000$), and internal resources ($\beta = 0.191$, $p = 0.001$). These findings emphasize the critical role of aligning business strategies with market demands, highlighting the necessity for PT Temas Line to prioritize customer insights and competitive positioning. While internal resources and innovation strategies also play significant roles, the dominant influence of market orientation underscores its importance as a strategic driver for sustaining competitive advantage in the dynamic shipping industry (Narver & Slater, 1990; Teece et al., 1997).

5. DISCUSSION and CONCLUSION

5.1. Discussion

5.1.1. The Effect of Internal Resources on Competitive Advantage

The findings of this study indicate that effective management of internal resources positively impacts the competitive advantage of PT Temas Line. Respondents provided high ratings for human capital, technological infrastructure, and organizational capabilities, highlighting their crucial role in strengthening the firm's market position. Although the effect size is moderate, this underscores the strategic importance of internal resource efficiency as a key driver of long-term competitive success.

These results align with the Resource-Based View (RBV), which posits that competitive advantage is built upon valuable, rare, inimitable, and well-organized internal assets (Barney, 1991). Additionally, the Dynamic Capabilities Theory emphasizes an organization's ability to adapt and reconfigure its resources in response to market changes (Teece, Pisano, & Shuen, 1997). Empirical research on supply chain management practices (Rakhman et al., 2016) further supports this perspective, showing that firms with strong operational efficiency, supply chain flexibility, and strategic management practices achieve superior competitive positioning. These findings suggest that firms that effectively manage their internal capabilities are better equipped to sustain competitive advantage.

Previous research by Farida and Setiawan (2022) reinforces this notion, demonstrating that companies that optimize their internal resources enhance operational efficiency and product differentiation, leading to a stronger competitive edge. However, findings from both this study and prior research suggest that internal resources alone are not sufficient for sustaining

competitive advantage. Instead, firms must integrate internal capabilities with strategic responses to market trends and industry dynamics.

Therefore, this study emphasizes the need for a holistic approach that combines robust internal resource management with an adaptive response to external market conditions. For PT Temas Line, this means continuously enhancing its workforce expertise, technology adoption, and organizational agility while strategically aligning its operations with industry trends and regulatory requirements. By doing so, the company can strengthen its competitive advantage and sustain long-term success in the maritime shipping industry.

5.1.2. The Effect of Innovation Strategies on Competitive Advantage

The study confirms that innovation strategy is a strong predictor of competitive advantage at PT Temas Line Jakarta. Companies that prioritize innovation by adopting advanced technologies, developing unique products and services, and fostering an innovative culture achieve greater market differentiation. This finding underscores the critical role of innovation in enhancing competitive positioning in a dynamic industry.

These results align with the Dynamic Capabilities theory, which asserts that an organization's ability to adapt and reconfigure its resources drives competitive success (Teece, Pisano, & Shuen, 1997). They also support the Resource-Based View (RBV), which views innovation as a valuable, rare, and inimitable asset that differentiates firms (Barney, 1991). Together, these theories provide a robust framework for understanding why innovation strategies are essential for sustaining competitive advantage.

Empirical evidence shows that both incremental and radical innovations contribute to competitive advantage, although companies tend to excel more with incremental improvements (Goffin & Mitchell, 2016). Incremental innovation drives continuous process optimization and product refinement. In contrast, radical innovation, which involves the development of groundbreaking products and disruptive technologies, remains less pronounced but holds significant potential for market transformation (Christensen, 1997).

Based on these findings, PT Temas Line should formulate a comprehensive innovation strategy that integrates both incremental and radical approaches. This strategy should include dedicated R&D investments, advanced digital technology adoption, and enhanced collaboration with external partners (Teece, Pisano, & Shuen, 1997). By aligning innovation efforts with evolving market demands, the company can strengthen its competitive position and achieve long-term success.

5.1.3. The Effect of Market Orientation on Competitive Advantage

This study confirms that market orientation is a critical driver of competitive advantage at PT Temas Line Jakarta. The research shows that a strong focus on gathering and applying market intelligence—through systematic collection of customer feedback, competitor analysis, and cross-functional coordination—enhances a company's ability to outperform its rivals. This underscores the importance of aligning organizational strategies with dynamic market demands for long-term competitive success.

These results are grounded in established theoretical frameworks such as the Resource-Based View (RBV) and Dynamic Capabilities, which assert that unique organizational capabilities and adaptability are key to sustaining competitive advantage (Barney, 1991; Teece, Pisano, & Shuen, 1997). Additionally, Porter's Five Forces emphasizes the importance of understanding external market pressures to strategically position a firm (Porter, 1980). Together, these theories support

the view that market orientation is a valuable strategic asset that integrates internal strengths with external opportunities.

The study further highlights that market orientation dimensions — namely, customer orientation, competitor orientation, and inter-functional coordination—are instrumental in driving competitive advantage. High ratings in customer orientation suggest that effective management of customer feedback leads to improved service quality and market positioning. Similarly, strong competitor orientation and inter-functional collaboration enable the organization to anticipate competitive moves and respond swiftly to market changes.

Based on these findings, it is recommended that PT Temas Line prioritize the integration of market orientation into its strategic framework. The company should invest in advanced CRM systems and foster robust cross-departmental collaboration to ensure that market intelligence informs strategic decision-making (Narver & Slater, 1990; Baker & Sinkula, 2009). By enhancing its market orientation, PT Temas Line can adapt more effectively to changing market conditions and secure a sustainable competitive advantage.

5.2. Conclusion

A shocking and crucial finding of this research is that market orientation surpasses both internal resources and innovation strategies as the most influential driver of competitive advantage at PT Temas Line Jakarta. While traditional strategic management theories emphasize resource accumulation and innovation as primary competitive levers (Barney, 1991; Teece et al., 1997), this study reveals that an organization's ability to continuously understand, anticipate, and respond to market needs holds even greater significance. The strong predictive power of market orientation indicates that companies failing to align their strategies with customer demands, competitor movements, and industry trends risk losing their competitive edge, regardless of how robust their internal resources or innovation capabilities may be. This finding challenges the prevailing notion that internal capabilities alone dictate long-term success and suggests that in fast-evolving industries like shipping, firms must prioritize market intelligence and strategic responsiveness over static resource accumulation. Consequently, PT Temas Line's ability to leverage real-time customer insights, enhance interdepartmental coordination, and proactively adapt to competitive pressures will determine its sustained market leadership.

The concepts, theories, and methods employed in this study effectively address the research problems by providing a comprehensive framework for understanding the determinants of competitive advantage at PT Temas Line Jakarta. The Resource-Based View (RBV) (Barney, 1991) and Dynamic Capabilities Theory (Teece, Pisano, & Shuen, 1997) enable a deep analysis of how internal resources and adaptive strategies contribute to sustained market positioning. Additionally, Porter's Five Forces (Porter, 1980) offers a structured approach to evaluating competitive pressures and industry dynamics, reinforcing the study's ability to assess market orientation's impact. The quantitative research design, utilizing multiple regression analysis, allows for the empirical testing of these relationships, ensuring statistical rigor and objectivity (Creswell & Creswell, 2018). By integrating these theories with robust methodological tools, the study effectively answers the research questions regarding the influence of internal resources, innovation strategies, and market orientation on competitive advantage, providing actionable insights for strategic decision-making in the shipping industry. The findings validate the synergistic role of these factors, emphasizing the importance of aligning internal capabilities with external market demands to achieve sustainable competitive success.

This research, while providing valuable insights into the determinants of competitive advantage at PT Temas Line Jakarta, has several limitations that should be acknowledged. First, the

quantitative research design, which relies on survey-based data collection, may not fully capture the depth of organizational dynamics, decision-making processes, and contextual influences that could be better explored through qualitative methods (Creswell & Creswell, 2018). Second, the study focuses on a single case study, limiting the generalizability of the findings to other companies or industries with different market structures and competitive landscapes (Yin, 2018). Third, while RBV, Dynamic Capabilities, and Porter's Five Forces provide a strong theoretical foundation, the study does not integrate potential moderating or mediating variables that could refine the understanding of these relationships (Barney, 1991; Teece et al., 1997; Porter, 1980). Additionally, the research is constrained by the cross-sectional nature of the data, which captures a snapshot of competitive advantage rather than examining its evolution over time (Bryman, 2016). Future studies could address these limitations by employing longitudinal designs, expanding the sample to multiple firms, and incorporating mixed-method approaches to provide a more holistic understanding of competitive advantage in dynamic industries.

REFERENCES

- Abdulah, Rakhman., Surachman., Mintarti, Rahayu. & Sumiati (2016). The Effect of Supply Chain Integration, Supply Chain Flexibility and Supply Chain Management Practices on Competitive Advantage and their Performance Moderated by Environmental Uncertainty in Manufacturing Industry Go Public in Jabodetabek. *IJABER* 14(3): 2015-2042.
- Ambrosini, V. & Bowman, C. (2009). What are dynamic capabilities and are they a useful construct in strategic management? *International Journal of Management Reviews*, 11(1), 29–49. <https://doi.org/10.1111/j.1468-2370.2008.00251.x>
- Barney, J. B. (1991). Firm resources and sustained competitive advantage. *Journal of Management*, 17(1), 99–120. <https://doi.org/10.1177/0149206391017001>
- Bryman, A. (2016). *Social research methods* (5th ed.). Oxford, UK: Oxford University Press.
- Christensen, C. M. (1997). *The Innovator's Dilemma: When New Technologies Cause Great Firms to Fail*. Harvard Business Review Press.
- Cohen, W. M., Nelson, R. R. & Walsh, J. P. (2003). Links and impacts: The influence of public research on industrial R&D. *Management Science*, 48(1), 1-23. <https://doi.org/10.1287/mnsc.48.1.1.14273>
- Creswell, J. W. & Creswell, J. D. (2018). *Research design: Qualitative, quantitative, and mixed methods approaches* (5th ed.). Thousand Oaks, CA: SAGE Publications.
- Day, G. S. (1994). The Capabilities of Market-Driven Organizations. *Journal of Marketing*, 58(4), 37–52. <https://doi.org/10.1177/0022242994058004>
- Dobbs, M. (2014). Guidelines for applying porter's five forces framework: A set of industry analysis templates. *Competitiveness Review*, 24(1), 32–45. . <https://doi.org/10.1108/CR-06-2013-0059>
- Eisenhardt, K. M. & Martin, J. A. (2000). Dynamic capabilities: What are they? *Strategic Management Journal*, 21(10–11), 1105–1121. <https://www.jstor.org/stable/3094429>
- Farida, I. & Setiawan, D. (2022). Business Strategies and Competitive Advantage: The Role of Performance and Innovation. *Journal of Open Innovation: Technology, Market, and Complexity*, 8(3), 163. <https://doi.org/10.3390/joitmc8030163>

- Ghemawat, P. (1991). *Commitment: The dynamic of strategy*. New York, NY: Free Press.
- Goffin, K., Mitchell, R. (2016). *Innovation management: Effective strategy and implementation*. London, UK: Palgrave Macmillan.
- Grant, R. M. (1991). The resource-based theory of competitive advantage: implications for strategy formulation. *California Management Review*, 33(3), 114–135. <https://doi.org/10.2307/41166664>
- Gujarati, D. N. & Porter, D. C. (2009). *Basic econometrics* (5th ed.). New York, NY: McGraw-Hill Irwin.
- Hair, J. F., Black, W. C., Babin, B. J. & Anderson, R. E. (2019). *Multivariate data analysis* (8th ed.). Boston, MA: Cengage Learning.
- Hall, R. (1992). The Strategic Analysis of Intangible Resources. *Strategic Management Journal*, 13(2), 135–144. <https://www.jstor.org/stable/2486410>
- Hill, C. W. L., Jones, G. R., Schilling, M. A. (2014). *Strategic Management: Theory: An Integrated Approach*. Boston, MA: Cengage Learning.
- Huselid, M. A. (1995). The impact of human resource management practices on turnover, productivity, and corporate financial performance. *Academy of Management Journal*, 38(3), 635–672. <https://doi.org/10.2307/256741>
- Kim, W. C. & Mauborgne, R. (2005). *Blue ocean strategy: How to create uncontested market space and make the competition irrelevant*. Boston, MA: Harvard Business Review Press.
- Kohli, A. K. Jaworski, B. J. (1990). Market Orientation: The Construct, Research Propositions, and Managerial Implications. *Journal of Marketing*, 54(2), 1–18. <https://doi.org/10.1177/002224299005400201>
- Liu, H., Ke, W., Wei, K. K. & Hua, Z. (2013). The impact of it capabilities on firm performance: the mediating roles of absorptive capacity and supply chain agility. *Decision Support Systems*, 132, 113249. <http://dx.doi.org/10.2139/ssrn.2444360>
- Narver, J. C. & Slater, S. F. (1990). The effect of a market orientation on business profitability. *Journal of Marketing*, 54(4), 20–35. <https://doi.org/10.2307/1251757>
- Peteraf, M. A. (1993). The Cornerstones of Competitive Advantage: A Resource-Based View. *Strategic Management Journal*, 14(3), 179–191. <https://doi.org/10.1002/smj.4250140303>
- Pisano, G. P. (2015). *You Need an Innovation Strategy*. Harvard Business Review, 93(6), 44–54.
- Porter, M. E. (1980). *Competitive Strategy: Techniques for Analyzing Industries and Competitors*. New York: Free Press.
- Porter, M. E. (1985). *Competitive Advantage: Creating and Sustaining Superior Performance*. New York: Free Press.
- Porter, M. E. (2008). *On competition*. Boston, MA: Harvard Business Press.
- Ruekert, R. W. (1992). Developing a Market Orientation: An Organizational Strategy Perspective. *International Journal of Research in Marketing*, 9(3), 225–245. [https://doi.org/10.1016/0167-8116\(92\)90019-H](https://doi.org/10.1016/0167-8116(92)90019-H)
- Stopford, M. (2009). *Maritime economics* (3rd ed.). London, UK: Routledge.
- Sugiyono. (2019). *Metode Penelitian Kuantitatif Kualitatif dan R dan D*. Bandung: Alfabeta.

- Teece, D. J. (2007). Explicating Dynamic Capabilities: The Nature and Microfoundations of (Sustainable) Enterprise Performance. *Strategic Management Journal*, 28(13), 1319–1350. <https://doi.org/10.1002/smj.640>
- Teece, D. J. (2010). *Dynamic Capabilities and Strategic Management: Organizing for Innovation and Growth*. Oxford, UK: Oxford University Press.
- Teece, D. J., Pisano, G. & Shuen, A. (1997). Dynamic Capabilities and Strategic Management. *Strategic Management Journal*, 18(7), 509-533. [https://doi.org/10.1002/\(SICI\)1097-0266\(199708\)18:7<509::AID-SMJ882>3.0.CO;2-Z](https://doi.org/10.1002/(SICI)1097-0266(199708)18:7<509::AID-SMJ882>3.0.CO;2-Z)
- Tushman, M. L. & O'Reilly, C. A. (1996). *Ambidextrous Organizations: Managing Evolutionary and Revolutionary Change*. California Management Review, 38(4), 8-30. <https://doi.org/10.2307/41165852>
- Wernerfelt, B. (1984). A Resource-Based View of the Firm. *Strategic Management Journal*, 5(2), 171–180. <https://doi.org/10.1002/smj.4250050207>
- Winter, S. G. (2003). Understanding Dynamic Capabilities. *Strategic Management Journal*, 24(10), 991–995. <https://doi.org/10.1002/smj.318>
- Yin, R. K. (2018). *Case study research and applications: Design and methods* (6th ed.). Thousand Oaks, CA: SAGE Publications.