

The Influence of Innovation, Cost Leadership Strategy and Customer Orientation on Competitive Advantage and Its Impact on Customer Satisfaction at Container Depot of Pt Masaji Tatanan Container Branch of Belawan

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ABSTRACT

The growth of foreign trade through sea transportation mode by using containers encourages the competition in container depot industry. MTCon as one of the container depot company who has been running business for more than 20 years is required to be able to improve the profitability of the company through customer satisfaction. To win the competition in the industry MTCon must increase its superiority in creating better economic value from its competitors. This research analysed how the influence of innovation, cost leadership strategy and customer orientation to competitive advantage, then how its impact on customer satisfaction. The data was collected by using questionnaires instrument by taking 48 companies of MTCon's customer which transacted at least 5 times in 2016. Inferential statistical analysis of this research used path analysis to know the significance of the mediation impact. The results showed that innovation, cost leadership strategy and customer orientation have positive and significant impact on competitive advantage. Similarly, competitive advantage, innovation and cost leadership strategy have positive and significant impact on customer satisfaction. But customer orientation has no significant effect on customer satisfaction. Furthermore, innovation and cost leadership strategy have positive and significant impact on customer satisfaction through competitive advantage as intervening variable, while customer orientation has no significant effect to customer satisfaction through competitive advantage as intervening variable.

Keywords: *customer satisfaction, competitive advantage, innovation, cost leadership strategy, and customer orientation*

INTRODUCTION

Foreign trade increasingly plays a role in the growth and development of the economy of a country, especially countries that adopt an open economic system such as Indonesia. The growth of foreign trade activities itself brings a multiplier effect to the growth and development of businesses around the port area, one of which is the container depot industry.

Republic of Indonesia Minister of Transportation Regulation No PM 83 of 2016 concerning the Implementation and Operation of Container Depots explains that container depots are a place inside or outside the port area of Work Environment (DLKr) which functions for storage, stacking, cleaning / washing, maintenance, repairing containers, stuffing, stripping, and other activities that support the smooth

handling of container contents (full), and / or empty containers (empty).

The development of the container depot business has created increasingly strong business competition, one example of which is in the Belawan port area where until the end of 2016 there were 15 container depot companies operating in Belawan. Even more than 50% of the container depot industry players started their business above 2000.

The Belawan branch of PT Masaji Tatanan Container or known as Depo MTCon is one of the subsidiaries of PT. Samudera Indonesia, Tbk, which is also one of the actors in the oldest container depot industry in Belawan, must be able to compete to benefit through customer satisfaction.

According to Kotler and Armstrong (2005) customer satisfaction is a level where product performance estimates are able to meet buyer expectations. By achieving a high level of satisfaction, the company will be able to retain its customers. This is the key for the company to exist, because if the customer leaves (defection), the existence of the company is no longer needed (Aryani and Rosinta, 2010).

The existence of intense competition in the container depot service industry will directly or indirectly force every actor in the industry to strive for the best organizational performance. Winning competition must be by increasing competitive advantage. Competitive advantage is the result of strategy implementation in integrating, building, and configuring various internal and external competencies of the company for wealth creation or growth over time (Aji, 2015).

A company is said to have a competitive advantage if it is able to create better economic value than its competitors (Barney, 2007). Economic value is the difference between the benefits felt by customers who buy a product at full cost to obtain the product.

To be able to create a sustainable competitive advantage, a company should

be able to set the right strategy. The choice of this strategy must be adjusted to the form and condition of the competition itself. The factors that influence the choice of the strategy must also be adjusted to market desires, so that the right value is obtained according to the customer's desires. The value of these benefits can be measured by the uniqueness, toughness, not easily imitated, not easily replaced, and in accordance with market tastes (Supranoto, 2009).

The Belawan branch of MTCon has made several innovations, especially on product services provided and innovations on the methods or procedures applied. However, there are still customer complaints about MTCon's depot service both in terms of service in the field, administrative services, financial services, etc., where in 2016 as documented by the Belawan branch MTCon customer service department there were at least 129 frequency of customer complaints submitted formally. This will certainly be a concern so that innovation can be carried out continuously.

Apart from having to be able to innovate and adapt to a dynamic environment companies also have to lead in terms of costs, namely to become low-cost producers to produce similar products or the company's efforts to produce certain value activities with lower cumulative costs compared to its competitors (Porter, 1993).

Costs generally affect prices, the more able the company produces at the lowest cost, the more capable the company is to provide the best price, or to provide additional benefits beyond the basic benefits not provided by its competitors. Therefore companies must be as close as possible to the market and apply market orientation.

Lukas & Ferrell (2000) in Prakosa (2006) stated that market orientation is an orientation concept that focuses on creating high values in consumers, where market orientation consists of 3 components of behavior, namely customer orientation, competitor orientation (competitor's

orientation), and interfunctional coordination (coordination between the company's internal functions). Of the three behaviors, customer orientation is the most important factor in creating superior value for customers so as to increase value in winning competition.

The essence of strategy formulation is to overcome competition. It is not the time for executives to only complain about the tight competition because fierce competition is not a coincidence or bad luck. Tight competition is a reality that must be faced to win market share. (Sedarmayanti, 2014). So what needs to be considered is how the right strategy to overcome competition.

This study aims to determine the effect of innovation, cost leadership strategy, and customer orientation on competitive advantage, as well as its impact on the satisfaction of the Belawan branch MTCon container depot customer so that the right competitive strategy can be obtained to win competition in the container depot industry in Belawan.

LITERATURE REVIEW

Customer satisfaction

Company is an organization that processes changes in expertise and economic resources into products (goods or services) to satisfy or meet customer needs in the hope of providing profits to their owners (Umar, 2008).

Satisfaction is a positive feeling towards the performance of products of goods or services consumed (Raie, et al, 2014). In other words the product performance (perceived performance) received is able to meet the expectations of the buyer (Kotler and Armstrong, 2005). The buyer's expectation is a condition desired by the customer if buying or consuming a product or service offered by the provider. This expectation is determined by the buyer before buying the product, and evaluated after buying or consuming the product.

Satisfaction measurement according to Kabir (2016) in his research uses 6

assessment factors, namely: 1) Impact of physical environment, which includes the completeness, capacity and quality of facilities and the overall infrastructure owned by the service provider company. 2) Convenience (comfort level) that is felt by the customer when consuming the service product. 3) Price and value that is the level of compatibility between the price and the value obtained by the customer. 4) Order accuracy (accuracy of order), which is the accuracy of the service according to the order given by the customer. 5) Customer-facing technology, namely the suitability of the technology used, whether the customer is able to deal / use / feel the technology properly. 6) Speed of service (speed of service), namely the time needed from the customer to order until the services provided are complete.

Satisfaction will also be felt by customers if the company is able to create high economic value of its products. Economic value is the difference between the benefits perceived by customers and the full costs incurred to obtain these products. Companies that are able to create better economic value than their competitors are companies that have competitive advantages (Barney, 2007).

Competitive Advantage, Innovation, Cost Leadership Strategy and Customer Orientation

Competitive advantage is the result of strategy implementation in integrating, building, and configuring various internal and external competencies of the company for wealth creation or growth over time (Aji, 2015).

According to Barney (1991) to realize a sustainable competitive advantage, the company must fulfill 4 competency criteria, among others: 1) Valuable, namely the excellence of the company to be able to exploit opportunities and neutralize threats from the external environment in order to increase customer value. 2) Unique (awareness) that is excellence where not many competitors have similarities with the

company. 3) Imitability is an advantage where competitors cannot develop or copy the same thing the company has. 4) It is difficult to replace (substitutability) which is an advantage where there is no strategic ability that is the same as that of its competitors.

Hansen, et al (2008) in Adriansyah and Afiff (2015) state that competitive advantage will be realized by the development of regulatory ways that enable companies to manage their resources. The development of this arrangement requires a creative effort called innovation.

Innovation is a source of competitive success that is an effort to create a commercial product from an invention, bringing the product to be more useful and making the product more commercially successful for the company (Fattah, 2015).

Competitive advantage can also be realized through several strategies, one of which is the cost leadership strategy. If the company is able to create an effective cost leadership strategy, the company will be able to become a low-cost producer, this is characterized by prices that are in line with the buyer's expectations so that the buyer is satisfied with the price the company provides. With the cost leadership strategy, the company is also able to provide high value benefits to customers despite controlling costs (Pearce & Robinson, 2009).

Hunger and Wheelen (2003) state that cost leadership is aimed at broad markets and requires that "aggressively build efficient scale facilities, reduce prices, control tight costs and costs, avoid marginal customers, and minimize other costs.

Customer orientation is an adequate and targeted understanding of the buyer so that superior values can be given continuously (Slater & Narver, 1990). The understanding in question is not only covering the value expected by the current buyer but also the projections of the expected value in the future, so that it covers the entire value chain of the buyer. A continuous process will create excellence

for the company in the long run. Oriented to customers and competitors is a method that can be used if companies want to excel in competition (Cravens, 2003).

Customer orientation can also be defined as an effort to help customers to make appropriate purchasing decisions to satisfy their needs (Saxe and Weitz, 1982 in Suliantoro, 2012). In other words, the essence of customer orientation is how to look beyond what the customer expects. For that a manager must be able to collect, analyze, act and disseminate information about the needs and desires of customers (Bradi & Cronin, 2001). This information is used as a basis for creating, acquiring and transferring knowledge, and changing employee behavior to satisfy customers.

Conceptually based on the theoretical foundation described above, a conceptual framework can be arranged as follows:

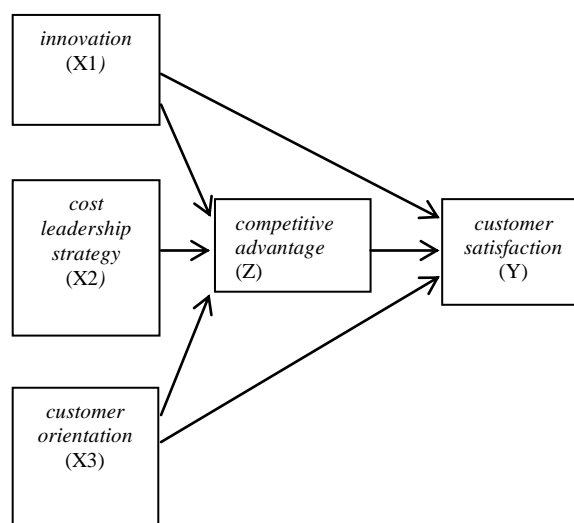


Figure A conceptual framework

Hypothesis

H1: There is a positive and significant effect of innovation on the competitive advantage of MTCon in the Belawan branch

H2: There is a positive and significant effect of the cost leadership strategy on the competitive advantage of the MTCon of the Belawan branch

H3: There is a positive and significant effect of customer orientation on the competitive advantage of MTCon in the Belawan branch

H4: There is a positive and significant effect of competitive advantage on the satisfaction of the Belawan branch MTCon customers

H5: There is a positive and significant effect of innovation on the satisfaction of the Belawan branch MTCon customers

H6: There is a positive and significant effect of the cost leadership strategy on the satisfaction of the Belawan branch MTCon customers

H7: There is a positive and significant effect of customer orientation on the satisfaction of the Belawan branch MTCon customers

H8: There is a positive and significant effect of innovation on customer satisfaction through the competitive advantage of MTCon in the Belawan branch

H9: There is a positive and significant effect of the cost leadership strategy on customer satisfaction through the competitive advantage of MTCon in the Belawan branch

H10: There is a positive and significant effect of customer orientation on customer satisfaction through the competitive advantage of MTCon in the Belawan branch.

MATERIALS AND RESEARCH METHODS

This study is a descriptive research that is a type of research that aims to describe or describe systematically, factually and accurately about the facts and characteristics of an object or a particular population (Sinulingga, 2015). The method or approach used is a quantitative method.

The main activities of this research were carried out in the Belawan branch of MTCon working address at Jalan Raya Pelabuhan I Gabion Belawan, North Sumatra from November 2016 to March 2017.

This study uses two types of data, namely primary data and secondary data. The primary data of this study were obtained, among others, by filling out questionnaires by consumers of the Belawan branch of MTCon, as well as several direct observations in the operational area of the MTCon container depot. While secondary

data was obtained through MTCon Belawan branch internal archives, data via the internet, and data from ASDEKI (Association of Indonesian Container Depots). The variables used in this study consist of 3 types:

1. Independent variable (independent variable), in this study there are 3 types:
 - a. Innovation (X1) is the application of creative ideas to develop the value or benefits that MTCon provides to its customers as measured by innovations in technology, processes and products.
 - b. The cost leadership strategy (X2) is the ability of MTCon to control all existing costs so that they are efficient and able to compete in the market and provide high value benefits.
 - c. Customer orientation (X3) is MTCon's understanding of its customers including introduction to customers, understanding customer desires, and understanding what customers feel.
2. Dependent variable in this study is customer satisfaction (Y), which is a comparison between customer expectations and perceived performance after receiving MTCon container depot service consisting of satisfaction with the physical environment (overall depo infrastructure), satisfaction with price and value of benefits and satisfaction with the product as a whole.
3. The intervening variable in this study is competitive advantage (Z), which is a strong capital owned by MTCon to win competition in the depot industry, including criteria: valuable, unique, difficult to imitability, and difficult to replace (substitutability).

Populations in this study were customers who directly used the MTCon Belawan branch container depot service, namely exporter / importer company, freight forwarder company and EMKL (Sea Freight Expedition). From the customer data held by the company throughout 2016, there

were 48 companies that had at least 5 times placed orders for the Belawan branch MTCon container depot transaction service. Because the population in this study is only less than 100 companies, this study will use total sampling where all members of the population will be made respondents.

Inferential statistical analysis of this study uses path analysis (path analysis), which is a technique of analyzing the relationship between variables related to the problem both directly and indirectly (Sinulingga, 2015). The data analysis model shows the relationship between the independent variables on the dependent variable through intervening variables using the help of the SPSS software application.

Path analysis in this study uses 2 sub-models, namely sub-model 1 to determine the direct effect of variables X1, X2 and X3 on Z. While sub-model 2 is to determine the effect of variables X1, X2 and X3 on Y both directly and indirectly through Z as an intervening variable.

Sub Model 1 :

$$Z = a + b_1X_1 + b_2X_2 + b_3X_3 + \epsilon_1$$

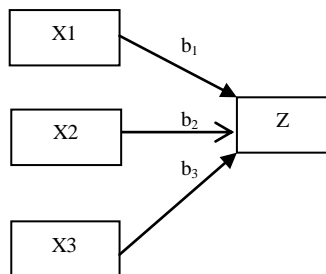


Figure B Sub Model 1 Analysis Model

Sub Model 2 :

$$Y = a + b_4X_1 + b_5X_2 + b_6X_3 + b_7Z + \epsilon_2$$

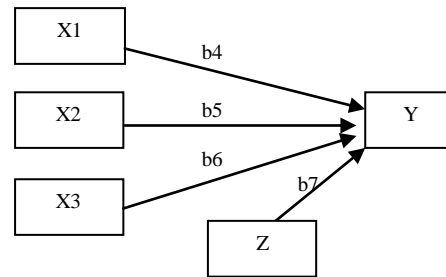


Figure C Sub Model 2 Analysis Model

Where:

- Z = Competitive Advantage Indicator Score
- Y = Customer Satisfaction Indicator Score
- X1 = Innovation Indicator Score
- X2 = Indicator Score Cost leadership strategy
- X3 = Customer Orientation Indicator Score
- a = Constant
- b1,2,3,4,5,6,7 = regression coefficient
- ε = Standard error

Hypothesis test

The hypothesis in this study will be tested using the t-test significance test for direct influence and using the Sobel test to determine the indirect influence. If the significance value obtained is significance or less than 0.05 then the research hypothesis (Ha) can be accepted, conversely if the significance is greater than 0.05 then Ha is rejected.

RESEARCH RESULT

Results of Statistical Analysis of Sub Model 1

Table 1. Sub-model 1 coefficient of determination

Model Summary ^b										
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.929 ^a	.862	.853	1.561	.862	91.724	3	44	.000	
a. Predictors: (Constant), X3, X2, X1										
b. Dependent Variable: Z (Keunggulan bersaing)										

Table 1 provides information about the adjusted R-square value (R2) of 0.853, which means the variables X1 (innovation), X2 (cost leadership strategy) and X3 (customer orientation) are able to explain 85.3% of the variance of the dependent variable Z (competitive advantage). While the remaining 14.7% is explained by other factors not examined in this research model.

Table 2 Sub-model 1 regression path coefficient

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.415	2.590		.160	.874
	X1 (Inovasi)	.755	.136	.470	5.534	.000
	X2 (Stra Cost Leadership)	.751	.172	.356	4.354	.000
	X3 (Orientasi pelanggan)	.429	.092	.289	4.657	.000

a. Dependent Variable: Z (Keunggulan bersaing)

Table 2 provides information that the significance of t on variable X1 (innovation) is 0,000 or <0.05, meaning that innovation has a significant effect on competitive advantage with beta coefficient value of 0.470 where the direction of positive influence.

The significance of t on variable X2 (cost leadership strategy) is 0,000 or <0.05, meaning that the cost leadership strategy has a significant effect on competitive advantage with the beta coefficient value of

0.356 where the direction of positive influence.

The significance of t on the X3 variable (customer orientation) is 0,000 or <0.05, which means that customer orientation has a significant effect on competitive advantage with a beta coefficient of 0.289 where the direction of positive influence.

Then the regression equation model for sub-model 1 is obtained, namely:

$$Z = 0,470 X_1 + 0,356 X_2 + 0,289 X_3 + \epsilon_1$$

Results of Statistical Analysis of Sub Model 2

Table 3 Sub-model 2 coefficient of determination

Model Summary ^b										
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.964 ^a	.930	.923	1.218	.930	142.050	4	43	.000	

a. Predictors: (Constant), Z, X3, X2, X1
b. Dependent Variable: Y

Table 3 provides information about the value of R-Square (R²) of 0.930 or it can be interpreted that the variables X1 (innovation), X2 (cost leadership strategy) and X3 (customer orientation) and variable Z (competitive advantage) are able to explain 93% of the variance bound Y (customer satisfaction). While the remaining 7% is explained by other factors not examined in this research model.

Table 4. Test t and sub-model path coefficient 2

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	-1.006	2.022		-.498	.621
	X1	.313	.139	.181	2.259	.029
	X2	.827	.161	.363	5.138	.000
	X3	.047	.088	.029	.534	.596
	Z	.508	.118	.471	4.321	.000

a. Dependent Variable: Y

Table 4 provides information that partially X1 variable (innovation), X2 variable (cost leadership strategy), and Z (competitive advantage) have a significant effect on Y variable (customer satisfaction) where the significance value is t smaller than 0.05. While the X3 variable (customer orientation) does not have a significant effect on the Y variable (customer

satisfaction) where the significance of t is 0.596 > 0.05. All of these variables have a positive direction of influence. Based on the coefficient value, the equation is obtained as follows:

$$Y = 0,181 X_1 + 0,363 X_2 + 0,029 X_3 + 0,471 Z + \epsilon_2$$

Table 5. Testing the research hypothesis

Hypothesis.	Path coefficient	Sig.	Conclusion
H ₁	0,470	0,000	Be accepted
H ₂	0,356	0,000	Be accepted
H ₃	0,289	0,000	Be accepted
H ₄	0,471	0,000	Be accepted
H ₅	0,181	0,029	Be accepted
H ₆	0,363	0,000	Be accepted
H ₇	0,029	0,720	Rejected
H ₈	0,221	0,036*	Be accepted
H ₉	0,168	0,000*	Be accepted
H ₁₀	0,136	0,596*	Rejected

*) H8, H9, H10 using the sobel test

DISCUSSION

The results of the study provide empirical evidence that innovation has a positive and significant effect on competitive advantage as mentioned by Hansen, et al (2008) in Adriansyah and Afiff (2015) that competitive advantage is realized by the creative development of how to regulate corporate resources. Creative development is what is called innovation. Likewise in a research journal conducted by Dustin, et al (2014) stated that by motivating innovation, the company will be able to increase sustainable competitive advantage. If the better innovation made by the company, the higher the competitive advantage. As Bowonder, et al. (2010) stated that innovation can create differentiating factors that make companies excel in competition.

The results of this study also provide empirical evidence that cost leadership strategies have a positive and significant effect on competitive advantage. This proves Porter (1993) statement that the cost leadership strategy aims to create competitive advantage with lower cumulative costs in carrying out value activities compared to the cumulative costs of its competitors. The cost leadership strategy is how companies are able to produce at the lowest price for the same level of quality or at the same price for the best quality (Aji, 2015). Where the cost leadership strategy aims for companies to be able to become producers with the lowest costs, and still be able to provide high values / benefits despite controlling costs (Pearce & Robinson, 2009). Thus this study is in line with the results of previous studies

conducted by Hudson (2001) where the cost leadership strategy partially has a positive effect on competitive advantage.

The results of this study also provide empirical evidence that customer orientation has a positive and significant influence on competitive advantage. As stated by Cravens (2003) that customer orientation is one method that can be used by companies to be superior in competition. Customer orientation is an effort to help customers to be able to make appropriate purchasing decisions to satisfy their needs (Saxe and Weitz, 1982 in Suliantoro, 2012). This is also in line with previous research conducted by Prakosa (2005) and Supranoto (2009) that customer orientation as one part of market orientation has a positive and significant influence on competitive advantage.

The results of this study also prove empirically that competitive advantage has a positive and significant effect on customer satisfaction as stated by Barney (2007) that competitive advantage is the ability of companies to create economic value that is better than its competitors. Economic value is the level of satisfaction perceived by the customer, namely the difference between the benefits obtained with the cost of obtaining the product. Competitive advantage is a differentiator for the company from its competitors so it excels from its competitors in the eyes of customers (Aji, 2015).

The results of this study also prove empirically that direct innovation has a positive and significant effect on MTCon depot customer satisfaction. This is in line with what is stated by Fontana (2009) that in a nutshell innovation is the introduction of new ways or new combinations of old ways of transforming inputs into output so as to produce large changes in the comparison between use value and price offered in order to obtain satisfaction customer. Customer satisfaction is a level where product performance is able to meet customer expectations (Kotler & Armstrong, 2005). This is in line with the results of previous

research by Weng, et al (2012) where innovation has a positive and significant effect on customer satisfaction.

The results of this study also provide empirical evidence that the cost leadership strategy directly has a positive and significant effect on customer satisfaction. As stated by Pearce & Robinson, 2009 that if a company is able to create an effective cost leadership strategy, the company will be able to become a low-cost producer so that the price given by the company is able to provide high value for customers so that customers feel satisfied. Similarly Kabir (2016) states that price and value or conformity between price and value of benefits is one of the factors that influence customer satisfaction.

The results of this study indicate that customer orientation has a positive effect on customer satisfaction but the effect is not significant, even fairly small. This is contrary to what was stated by Slater & Narver (1990) that customer orientation includes adequate understanding and targeting of buyers so that superior values can be given continuously to satisfy customers. Saxe and Weitz (1982) in Suliantoro (2012) states that customer orientation is an effort to help customers to be able to make the right purchasing decisions to satisfy their needs. The customer orientation of MTCon should be able to make customers feel satisfied, but not from the results of the study. This is also contrary to previous research conducted by Guo (2001) where customer orientation is an aspect of market orientation that has a positive and significant effect on customer satisfaction. The difference in the results of research with previous research and according to the theoretical view can be caused by the situation in MTCon's container depot business itself which is different from other businesses. As in previous studies Wolfe (1999) stated that the application of customer orientation will have different implications for customers.

The results of this study also prove empirically that innovation has a positive

and significant effect on customer satisfaction through competitive advantage as an intervening variable. As stated by Bowonder, et al (2010) that innovation can create differentiating factors that make companies excel in competition. Own competitive advantage according to Swier and Spencer (1992) in Kusumawati (2010) is a unique position developed by a company or organization in an effort to defeat competitors. This is also in line with previous research conducted by Brem, et al (2016) where innovation is a factor that has a positive and significant effect on competitive advantage. With the existence of competitive advantage, the company gets a special assessment in the eyes of customers, this is what encourages customer satisfaction, as stated by Barney (2007) that competitive advantage aims to create economic value that is better than its competitors, namely the level of difference between benefits obtained with sacrifices made by customers.

The results of the study also prove empirically that the cost leadership strategy has a positive and significant influence on customer satisfaction through competitive advantage as intervening. This indirect influence shows that by improving a good cost leadership strategy it will support the increasing competitive advantage of the company, then competitive advantage will have a positive influence on increasing customer satisfaction. This is in line with the opinion of Pearce & Robinson (2009) that the cost leadership strategy aims to create competitive advantage so that companies are able to become producers at low cost but still able to provide high value benefits for their customers so that customers feel satisfied.

The results showed that customer orientation had a positive but not significant effect on customer satisfaction through competitive advantage as an intervening variable. This is contrary to the statement of Cravens (2003) that oriented towards customers and competitors are a method so that companies excel in competition.

Furthermore, excellence in competition will foster economic value that is good in the eyes of customers so as to create customer satisfaction. The difference between the results of the research with theory and previous research can be caused by the MTCon container depot business situation itself which has differences with other service businesses in general, for example, that the customer's desires are relatively the same because the final requirement is that containers can be used on time and precisely guna. Besides that, the nature of the market in the container depot industry which is an oligopoly market also shows that its main products are relatively homogeneous, with a price system that is rather stiff because it is determined by the seller's strength. As stated by Wolfe (1999) that the application of customer orientation will produce different implications for customers at the level of individuals and organizations. This can be interpreted that the theory of the influence of customer orientation on customer satisfaction is not always the same depending on the situation at hand.

CONCLUSION

1. There is a positive and significant effect of innovation on the competitive advantage of MTCon Belawan branch, if innovation increases then competitive advantage will increase significantly.
2. There is a positive and significant effect of the cost leadership strategy on the competitive advantage of the MTCon Belawan branch, if the cost leadership strategy increases then competitive advantage will increase significantly.
3. There is a positive and significant effect of customer orientation on the competitive advantage of MTCon Belawan branch, if customer orientation increases then competitive advantage will increase significantly.
4. There is a positive and significant influence of competitive advantage on the satisfaction of Belawan branch MTCon customers, if competitive

advantage increases then competitive advantage will increase significantly.

5. There is a positive and significant effect of innovation on MTCon Belawan branch customer satisfaction, if innovation increases then customer satisfaction will increase significantly.
6. There is a positive and significant effect of the cost leadership strategy on the satisfaction of the Belawan branch MTCon customers, if the cost leadership strategy increases, customer satisfaction will increase significantly.
7. There is a positive but not significant effect from customer orientation on the satisfaction of Belawan branch MTCon customers, if the orientation increases then customer satisfaction will not increase significantly.
8. There is a positive and significant influence of innovation on customer satisfaction through the competitive advantage of MTCon Belawan branch. If innovation increases then competitive advantage increases and impacts on customer satisfaction which increases significantly.
9. There is a positive and significant effect of the cost leadership strategy on customer satisfaction through the competitive advantage of MTCon in the Belawan branch. If the cost leadership strategy increases, competitive advantage increases and impacts on customer satisfaction which increases significantly.
10. There is a positive but insignificant influence from customer orientation on customer satisfaction through the competitive advantage of the MTCon Belawan branch. If customer orientation increases then competitive advantage increases but does not have a significant impact on customer satisfaction.

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