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# Analysis of Competitive Advantage Factors: Marketing Information System, Digital Marketing and Market Orientation

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**Abstract:** This research was conducted to find out how marketing information systems, digital marketing, and market orientation influence competitive advantage. The method used in this research is quantitative research using literature study or library research methods. The data in this research comes from several national and international journals obtained through trusted platforms such as Science Direct, nelite, scholar, and textbooks or handbooks. The results of this research show that marketing information systems have a positive influence on competitive advantage. Digital marketing, such as online marketing, has a positive and significant influence on competitive advantage. Market orientation has a positive and significant influence on competitive advantage.

**Keywords:** Competitive Advantage, Marketing Information System, Digital Marketing, Market Orientation

#### **INTRODUCTION**

The increasingly stringent industrial era forces companies to continue to innovate so they can compete in their markets. Competitive advantage is very important for companies because having an advantage means the company can beat competitors. To achieve excellence, companies must offer differentiated value from competitors. Like offering something unique or better. Competitive advantage has proven that the company can attract more customers increase market share and bring a good reputation to the company. However, to achieve competitive advantage it is necessary to pay attention to various factors that can influence competitive advantage, one of which is the marketing information system (Hidayatullah et al., 2019).

Marketing information systems (SIP) have an important role in creating and maintaining competitive advantage, through SIP companies can collect, analyze, and present relevant data about markets, customers, and competitors. With this information, companies can make better and timely marketing decisions. In this way, companies can understand customers well, identify opportunities and threats, and innovate. Apart from SIP, another factor that can

influence competitive advantage is digital marketing (Adisty & Nugroho, 2023). Digital marketing allows companies to reach a wider range of consumers with various digital marketing techniques, such as utilizing various commonly used platforms (Web, social media, and online advertising). This also allows companies to determine more accurate consumer targets.

Apart from the factors above, another factor that can influence competitive advantage is market orientation (Handayani & Wati, 2020). A strong market orientation allows companies to better understand customer needs, wants, and preferences. With this deep understanding, companies can adapt their products or services to better suit customer needs and provide an edge over competitors.

Based on the understanding above, researchers are interested in examining how these factors are related to influencing competitive advantage. For this reason, the problems in this research are as follows:

- 1. Is there an influence of marketing information systems on competitive advantage?
- 2. Is there an influence of digital marketing on competitive advantage?
- 3. Is there an influence of market orientation on competitive advantage?

# **METHODS**

The method used in this study is quantitative research by using the method of literature studies or library research by examining theories relevant to the topic of discussion, namely theories related to competitive advantage, Marketing Information Systems, Digital Marketing, and market Orintasi. The Data in this study comes from several national and international journals obtained through trusted platforms such as Science Direct, neliti, scholar, and textbooks or handbooks.

# **RESULT AND DISCUSSION**

#### Result

#### **Competitive advantage**

According to (Nizam et al., 2020) competitive advantage is at the heart of a company's performance in a competitive market. Competitive advantage will build up an affinity for the performance of activities that are more than the opponent's business or more effective than the competitor's. Then according to Syafar Dalam (Pudyastuti & Saputra, 2021), competitive advantage is a position that organizations still take as an effort to beat competitors. The resources-based (RB) approach looks at economic activity in terms of resource utilization and capabilities, not according to the market served. The utilization of these resources and capabilities with the intention of building competitiveness is directed to efforts to capture various opportunities to overcome various threats in competition so that from this condition a strategy is built to inhibit competitors in the form of difficulties to imitate (barriers to imitation).

Another definition is according to according to Philip Kotler and Gary Armstrong (Lestari et al., 2020) that competitive advantage is an advantage over competitors obtained by offering lower value or by providing greater benefits because the price is higher. This section contains data (in concise form), data analysis, and interpretation of results. Results can be presented with tables or graphs to clarify the results verbally because sometimes the appearance of an illustration is more complete and informative than the display in narrative form.

#### **Marketing Information System**

Tourism marketing information and destination image management (Soekapdjo, 2020) describes a marketing information system as a series of information collection processes that

are analyzed and then used to determine a company's marketing strategy. Meanwhile, according to (Sugesti & Prasetya, 2018) Marketing Information System (SIP) is a computerbased system that works together with other functional information systems to support bank management in solving problems related to product marketing. This definition is almost similar to that described by Tjiptono in (Erpurini & Rafikah, 2019) Information System is a computer-based system that works together with other functional information systems to support company management in solving problems related to the marketing of company products.

From the above definition, it can be concluded that a marketing information system is a Marketing Information System (SIP) is a computer-based system that plays a role in collecting, analyzing, and using information to support company management in the context of Product Marketing. SIP works together with other functional information systems to solve problems related to the company's marketing strategy and product marketing. This definition emphasizes the role of SIP in providing information necessary for effective marketing decision-making and better business strategies. Thus, SIP becomes an important tool in supporting the success and competitiveness of companies in the market.

# **Digital Marketing**

Digital marketing can be interpreted as marketing that utilizes digital technology to engage customers directly (Wicaksana, 2021). Another definition is explained by (Diana et al., 2023) digital marketing encompasses all marketing efforts that use electronic devices or the internet i.e. by utilizing digital channels such as search engines, social media, email, and their websites to connect with current and potential customers. Other definitions are described by Kumar and his colleagues in (Razie et al., 2022) digital marketing is an Activity, institution, and process facilitated by digital technology in communicating, creating, and conveying values to consumers and other interested parties.

From some of the definitions above, it is concluded that digital marketing is a marketing strategy that relies on digital technology and electronic devices, including the Internet, to communicate and interact with customers or consumers. This approach includes the use of various digital channels such as search engines, social media, email, and websites to build relationships with current and potential customers.

# **Market orientation**

According to (Narver & Slater, 1990) market orientation is the most effective organizational culture to make important behavior, for the creation of the highest value for buyers and the highest continuous performance in a business. Then Fernandes (Sudirman et al., 2021) describe market orientation as a valuable, rare, inimitable, and irreplaceable asset capable of generating sustainable competitive advantages for businesses. Market orientation is important for companies in line with increasing global competition and changes in customer needs where companies realize that they must always be close to the market (Harini et al., 2022).

From several definitions above, it can be concluded that market orientation is an organizational culture that is considered the most effective in creating behavior that produces the highest value for buyers. It is considered a valuable, rare, inimitable, and irreplaceable asset, capable of providing a sustainable competitive advantage to the company. In the context of global competition and changing customer needs, market orientation becomes important as companies realize the need to stay close to the market to achieve the highest performance and maintain a competitive advantage.

#### **Table 1 Relevant Previous Research**

NO.	Author	Previous Research Results	Similarities To This Article	Differences With This Article
1.	(Wijaya & Simamora, 2022)	the results showed that information technology capabilities have a significant effect on competitive advantage, and information technology capabilities have a significant effect on competitive advantage through strategy.	Researching related competitive advantages through the use of Information Technology.	Differences in the relationship of research variables and the addition of new variables that can affect competitive advantage.
2.	(Hidayatullah et al., 2019)	marketing information systems do not have a direct influence on competitive advantage, but marketing information systems influence competitive advantage through customer loyalty.	Examine the linkages between marketing information systems and competitive advantage.	Differences in the relationship of research variables
3.	(Adisty & Nugroho, 2023)	Digital marketing implementation activities as a marketing strategy, can increase the intensity of marketing content.	Researching digital marketing and competitive strategies.	Differences in the relationship of research variables
4.	(Oktapriani et al., 2020)	Online Marketing has a positive and significant effect on Competitive Advantage	Researching online marketing as part of digital marketing and competitive advantage	Differences in the relationship of research variables
5.	(Alwi & Handayani, 2018)	Market orientation has a positive effect on competitive advantage	Examining the relationship between market orientation and competitive advantage	Differences in the relationship of research variables
6.	(Handayani & Wati, 2020)	Market orientation has a positive and significant effect on competitive advantage.	Examining the relationship between market orientation and competitive advantage	Differences in the relationship of research variables

# **Conceptual Framework**



# **Figure 1 Conceptual Framework**

Based on the conceptual framework above, Marketing Information Systems, Digital Marketing and Market Orientation influence competitive advantage

# Discussion

# The Influence of Marketing Information Systems on Competitive Advantage

Based on research conducted (Hidayatullah et al., 2019), it was found that marketing information systems have an indirect influence on competitive advantage, however, marketing information systems have an influence on competitive advantage through customer loyalty. Customer loyalty serves as a mediator between SIP and competitive advantage. This means that information obtained through SIP influences customer loyalty, and customer loyalty then contributes to achieving competitive advantage. The indirect influence of SIP on competitive advantage through customer loyalty shows that there is a complex relationship between these variables. This can be interpreted that the benefits or positive impacts of SIP are not directly felt through increasing customer loyalty, which in turn contributes to competitive advantage. It is important to remember that In a competitive business environment, companies can achieve competitive advantage by understanding and responding to customer needs and preferences.

Then, research conducted by (Wijaya & Simamora, 2022) found that information technology capabilities have a significant effect on competitive advantage, and information technology capabilities have a significant effect on competitive advantage through strategy. These findings confirm that companies that have good information technology capabilities tend to achieve competitive advantage. This can include operational efficiency, product or service innovation, better access to customer data, and adaptability to market changes.

Then, research conducted by (Sugesti & Prasetya, 2018) found that marketing information systems have a positive and significant effect on competitive advantage. SIP includes the technology and processes used by companies to collect, store, manage, and analyze information related to marketing. This can include customer data, market trends, competitor analysis, and other marketing information. Research findings show that SIP has a positive influence on competitive advantage. This means that companies that can utilize and manage marketing information effectively through marketing information systems tend to achieve a competitive advantage.

# The Influence of Digital Marketing on Competitive Advantage

The first research conducted by (Oktapriani et al., 2020) found that online marketing or digital marketing has a positive and significant influence on competitive advantage. Research shows that online marketing has a positive and significant influence on competitive advantage. This can mean that companies that are effective in implementing digital marketing strategies can gain advantages that can improve their position in the market. This refers to the use of digital platforms and channels such as the Internet, social media, email, and various other digital tools to promote products or services and interact with customers. The results of this research also have similarities with research conducted by (Padli, 2022) Digital marketing has a positive and significant effect on competitive advantage in the case of no implications found in other journals which show a negative direction. Thus, in this research it can be concluded that the influence of digital marketing on competitive advantage is identified as significant, meaning that the relationship between the two is not just coincidental, but has a sufficiently strong and reliable impact.

#### The Influence of Market Orientation on Competitive Advantage

The first finding in research conducted by (Nuvriasari & Sumiyarsih, 2023) research results states that market orientation has a positive and significant influence on competitive advantage. The results of this research are also supported by research conducted (Alwi & Handayani, 2018) using quantitative calculations. Research conducted by Alwi and Handayani states that market orientation has a positive effect on competitive advantage. The same research results were also found in research conducted (Handayani & Wati, 2020). Findings from research conducted by (Nuvriasari & Sumiyarsih, 2023), (Alwi & Handayani, 2018), and

(Handayani & Wati, 2020) consistently show that market orientation has a positive and significant influence on competitive advantage. By understanding that market orientation can influence competitive advantage, companies can focus more on building a deep understanding of their markets and customers. This can help them develop more effective strategies to compete in a dynamic market.

# **CONCLUSION**

Marketing Information Systems have a positive influence on competitive advantage. Research shows that SIP not only has a direct impact but also has an indirect impact through customer loyalty. Information obtained through SIP influences customer loyalty, which in turn contributes to competitive advantage. Companies with good information technology capabilities tend to achieve competitive advantage through operational efficiency, product or service innovation, and adaptation to market changes. Companies can optimize the use of marketing information systems by increasing information technology capabilities. This can support more efficient operations, product or service innovation, and adaptation to market changes. Technology updates and advanced system integration can increase a company's competitiveness.

Digital marketing, such as online marketing, has a positive and significant influence on competitive advantage. An effective digital marketing strategy can improve a company's position in the market and gain a competitive advantage. Companies should develop a well-integrated digital marketing strategy. Focus on social media, online advertising campaigns, and search engine optimization to gain an edge in reaching target markets and building a strong online presence.

Market orientation has a positive and significant influence on competitive advantage. Companies that understand and respond to customer needs and preferences are likely to achieve competitive advantage. Market orientation needs to be integrated into company strategy. Monitoring market changes, quick responses to trends, and continuous improvement based on customer feedback can help companies stay relevant and competitive.

Thus, it can be concluded that information management, technology, and market understanding are key elements that are interrelated in achieving competitive advantage in a dynamic and competitive business environment.

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