

## Competitive Advantage and e-Marketing Effect to Blue Bird Passenger Decision (Case Study: Student of Master of Management Science, Universitas Sumatera Utara)

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**Abstract:** Blue Bird is taxi-type public transport. It is a conventional taxi that is very trusted people in Indonesia, especially in Medan. The Blue Bird Taxi is a taxi with a meter that can be trusted compared to other conventional taxis. Several factors can make passengers decide to use Blue Bird, one of which is to increase competitive advantage and utilize e-marketing. This study aims to determine and analyze the influence of competitive advantage and e-marketing to the decision of passengers. The population of this study used 129 students of Master of Management Science, Universitas Sumatera Utara. By using the Slovin formula, the sample number of 98 people is obtained. Data were collected by distributing questionnaires to respondents. Analytical techniques used are multiple linear analysis, classical assumption test, and hypothesis test. The results showed simultaneously competitive, and e-marketing advantages have a positive and significant impact on passenger decisions using Blue Bird and partially competitive advantage, and e-marketing have a positive and significant impact on the decision of passengers when using the taxi.

**Keywords:** Competitive Advantage, e-Marketing, Purchasing Decisions.

### INTRODUCTION

The high demand for public transport makes public transportation one of the most promising business prospects. People always want comfort in using public transportation, even though they have to pay more for their services.

One of the public transportation is considered more comfortable by some people is a taxi. The service offered by the taxi is a special attraction. It is because there is no need for long queues, with private services and not limited by certain routes strongly support the activities of people who have high mobility. Better service compared to other public transports makes the base rate also different. It is comparable to customer service. However, lately, the competition among taxi service providers is increasingly attractive with the existence of a new competitor that is application-based online transportation. Online transport comes at a cheaper and practical rate because it is based on applications that can be easily accessed on everyone's smartphone. It led to very tight competition between conventional taxis with online taxis.

Competition is very important for the success or failure of a business. Competition determines the activities that the company needs to do to win the competition. Consumer purchasing decisions become the winner of a company's competition. A company can win the competition if the consumer's stimulus in deciding the purchase of a product from a market gets a positive response from the market itself. Consumers

will form a preference for the brands that exist in the private collection, and the consumer will also form the intention to buy the most brand of interest and lead to the purchase decision [3]. Shiffman and Kanuk [7] argue that purchasing decisions are the choice of two alternative purchase decision choices, meaning that one can make decisions must be available several alternative options. The decision to buy can lead to how the process of decision-making is done. Purchasing decisions are a goal for every company. The company will make various efforts so that consumers decide to buy products and services because the high level of purchasing decisions is a target that every company wants. Consumers will decide to buy a product or service if the company has a competitive advantage [4].

Competitive advantage is a benefit that exists when a company has and produces a product or service viewed from its target market better than its nearest competitor [5]. Companies experience competitive advantage when actions in an industry or market create economic value and when some competing firms are involved in similar actions [6]. It becomes crucial as companies enter highly competitive markets, where short-term and even long-term success will be

determined by a firm's ability to build a strong base for sustainable excellence better than those of its competitors in the market it serves. Business competition demands to create consumer purchasing decisions by providing quality products at competitive prices, as well as excellent service is a factor supporting the company's success in increasing competitive advantage. One of the competitive strategies that can be applied by companies in achieving competitive advantage is the cost leadership and differentiation [1, 2]. Cost leadership strategy is chosen if the company is ready to become a low-cost producer in its industry, serving many industry segments, and has a broad scope. The company will be the cost leader if it produces the same product with its competitors at the lowest cost while the differentiation strategy requires the company to choose the attribute that can differentiate itself with

its competitors and the company provides something for the consumer that is not provided by its competitors.

Blue Bird is initially a regular taxi that is very trusted by people in Indonesia, especially in Medan City. The Blue Bird Taxi is a taxi with a trustable meter compared to other conventional taxis. Passenger service and security are also excellent because the company is managed very well. Blue Bird Taxis have trusted and competent drivers who have been well trained. The fleet is also well maintained with regular maintenance, so passengers feel comfortable (source: www.bluebirdgroup.com). However, with the advent of online-based taxi applications, conventional taxis like Blue Bird began to experience turmoil. Blue Bird suffered a drastic drop in profits.

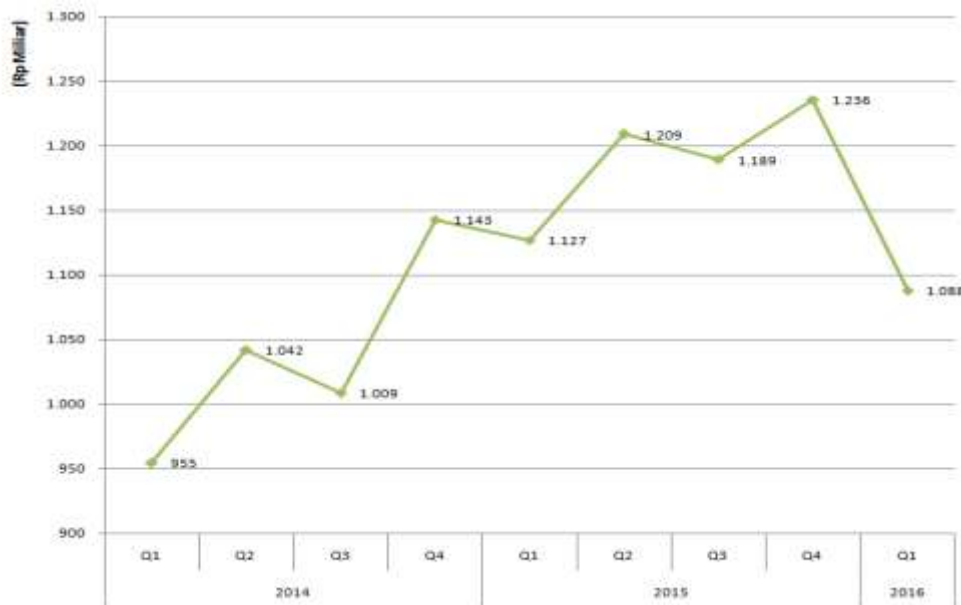


Fig-1: Blue Bird Revenue

Figure 1 shows a decrease in Blue Bird revenue in 2016 along with the phenomenon of the emergence of online taxis. It makes the public have many options in choosing public transport that will be used according to their needs so that passengers can compare which can give satisfaction to the passengers. Initially, Blue Bird is a taxi that prioritizes security and more comfort to every passenger. Quality service is the goal of Blue Bird. It targets middle and upper consumers such as office workers and tourists. Blue Bird passengers will not question the price.

Electronic marketing (e-marketing) is one way of effective marketing in today's technological age. By doing online marketing, the company can save costs because online marketing is cheaper than conventional marketing such as advertising on television, newspapers, and banners. The results are also useful. It is unfortunate if a company does not make the most of

its online marketing or so-called e-marketing. The existence of online marketing allows passengers to know the promotion. It is ease in ordering Blue Bird taxi. It will undoubtedly encourage passengers to decide to choose a Blue Bird. By doing e-marketing, companies can save costs that integrate with competitive advantages that implement cost leadership strategies to improve the decision of passengers. When Blue Bird does not implement cost leadership, it is difficult for passengers to decide on a Blue Bird taxi as their preferred public transportation.

**Theories**

**Blue Bird**

In 1972, Alm. Mother of Pearl Fatimah Djokosoetono together with dr. Purnomo Prawiro and dr. Chandra Suharto, as well as other business partners, officially started the Blue Bird taxi business with 25

taxi fleets. Some innovations that have been done by Blue Bird include tariffs based on the meter system, as well as equipping all of its air-conditioned fleet with radio communications. Also, the use of GPS systems in every Blue Bird fleet also provides a sense of security to Blue Bird taxi customers.

Blue Bird Group has expanded its services range from regular taxi (Blue Bird & Pusaka) to executive taxi (Silver Bird), limousine & car rental (Golden Bird), charter bus (Big Bird), Logistic (Iron Bird Logistic) Industry (Restu Ibu Pusaka-Bus Body Manufacturing & Pusaka Niaga Indonesia), Property (Holiday Resort Lombok & Pusaka Bumi Mutiara), IT & Supporting Services (Hermis Consulting-IT SAP, Pusaka Integrasi Mandiri-EDC, Pusaka GPS, Pusaka Buana Utama-Petrol Station, Pusaka Bersatu-Lubricant, Pusaka Sukucadang Indonesia-Spare Part) and Heavy Equipment (Pusaka Mainstay Perkasa & Pusaka Bumi Transportasi).

Blue Bird's vision is to be a company that can survive and promotes quality to ensure sustainable welfare for its stakeholders. Blue Bird's mission is to achieve customer satisfaction and develop and defend ourselves as the market leader in every category we enter. In-ground transportation, Blue Bird provide reliable, high-quality service with efficient resource usage and we do it as a whole team.

### **Competitive Advantage**

According to Pardede [7], competitive advantage is the advantage possessed by a company compared with its competitors in the market. It is a benefit that exists when a company has and produces a product or service viewed from its target market better than its closest competitor. Companies experience competitive advantage when actions in an industry or market create economic value and when some competing firms are involved in similar actions. Competitive advantage is expected to achieve profit according to plan, increase market share, improve customer satisfaction, and continue the survival of a business [9,10].

Three types of generic strategies in achieving competitive advantage:

- Low-Cost Strategy (cost leadership) emphasizes the effort to produce mass products (same in all aspects) with the cost per unit be very low. These products (goods or services) are usually addressed to consumers who are relatively easily affected by price fluctuations or use price as a decision-making factor. Regarding customer behavior, this type of strategy closely matches customer needs that fall within the category of low-involvement behavior, when consumers are less concerned about brand differences, it does not require product distinction,

or if there are large numbers of consumers with significant bargaining power. This strategy keeps the company afloat of price competition and even becomes a market leader in determining prices and ensuring high (above average) market returns and stable through aggressive ways of efficiency and cost-effectiveness. To be able to run a low-cost strategy, a company must be able to meet the requirements in two areas, namely: resources and organization. This strategy is only possible if it has several advantages in the company's resource field, namely: strong capital, skilled in process engineering, strict supervision, easy to produce, and low distribution and promotion costs. Whereas from the field of organization, the company must have: the ability to control costs tightly, good control information, targeted incentives (allocation of results-based incentives).

- Product Differentiation Strategy, encouraging the company to be able to find its uniqueness in the target market. The uniqueness of the product (goods or services) that put forward this allows a company to attract the maximum interest from potential consumers. Ease of maintenance, additional features, flexibility, comfort and other things that are hard to imitate are few examples of differentiation. This type of strategy is typically addressed to potential customers who are relatively unlikely to price their decision-making (price insensitive).
- Focus Strategy is used to build competitive advantage in a narrower market segment. This type of strategy is intended to serve the needs of consumers who are relatively small in number and in making their decision to buy is relatively not influenced by the price. In practice, especially in medium and large-scale enterprises, focus strategies are integrated with one of the two strategies of low-cost or product appropriate differentiation strategy.

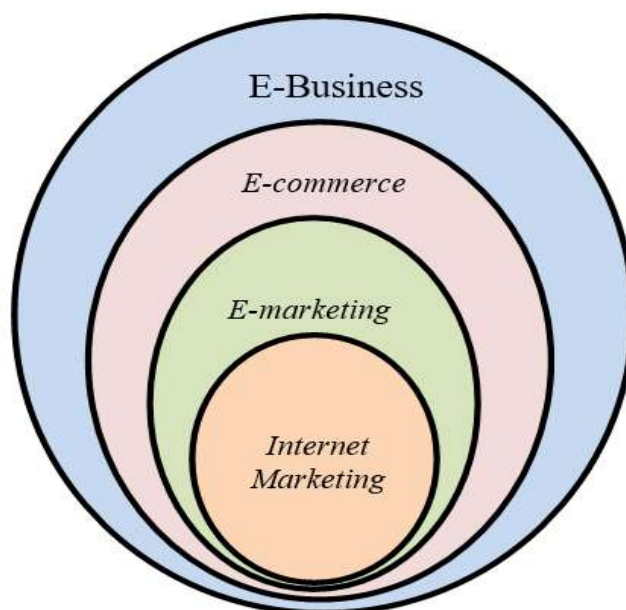
### **E-Marketing**

According to Armstrong and Kotler [3], E-Marketing describes the company's efforts to inform, communicate, promote and market its products and services via the internet. The existence of E-Marketing is one of the promising promotional alternatives to be implemented at this time because it provides various facilities for both parties, both from the Company and from the consumer. A company can facilitate in promoting or marketing products with a cost that is not too expensive and can be reached until the whole world, while the consumer can facilitate in getting information about the product being sold and expand the information about the product. Smith and Chaffey define e-marketing as the achievement of marketing objectives through the application of digital technology. It is the use of data and electronic applications to plan and execute the concept, distribution, and pricing of

ideas, goods, and services to create the satisfactory exchange of goods, individuals, and organizations. Setyaningrum [8] describes the marketing activities undertaken by companies via the Internet and other electronic media.

E-Marketing is different from internet marketing, e-commerce, and e-business. E-marketing has a broader range of internet marketing and includes the use of electronic tools such as mobile phones,

intranets, and extranets, and covers not only Internet usage such as the world wide web (www) and e-mail for marketing activities while e-business and e-commerce have a broader scope than e-marketing. E-marketing strategies include utilities already owned by companies and combine them with communication, as well as data networks to build relationships with their customers through communication that takes place in the internet environment.



**Fig-1: The difference among Internet Marketing, E-Marketing, E-Commerce, and E-Business**

Figure 1 shows that regarding coverage, the concept of internet marketing, e-marketing, e-commerce, and e-business obviously have differences. Internet marketing has the tightest coverage, and e-business has the most extensive coverage. Internet marketing becomes part of e-marketing, e-marketing becomes part of e-commerce, and e-commerce becomes part of e-business.

Kertajaya [12] mentions that New Wave Marketing is a deconstruction of the traditional marketing approach that is "vertical." The vertical approach in question is a marketing approach that uses mass media such as TV, Radio, and Newspapers. Its direction is one-way, so it does not allow the intense interaction between product brands and consumers, and its "one-to-many" focus. In this approach, consumers become a kind of "object sufferers" target market by the marketer. New Wave Marketing or e-marketing is indeed different. Nine elements that have been known may still be applied, but the ninth must be changed to a more horizontal where the nine elements of marketing have changed to 12C, and Marketing Mix (4P) has changed to New Wave Marketing Mix (co-creation, currency, conversation and communal activation).

### Consumer Purchase Decision

Shiffman and Kanuk [11] argue that purchasing decisions are the choice of two alternative purchase decision choices, meaning that one can make decisions must be available several alternative options. The decision to buy can lead to how the process of decision-making is done. Understanding the level of consumer involvement of a product or service means the marketer tries to identify the things that cause a person to feel involved or not in the purchase of a product or service. Consumer behavior is the behavior of purchasing decisions both individuals and households who buy products for personal consumption. Consumer decision making is influenced by various factors, namely cultural factors, social factors, personal factors, and psychological factors.

Some factors influence customers in evaluating and selecting the product, brand, agent, or store, the amount purchased and the time of purchase. According to Kotler and Armstrong [3], the factors that affect customers are:

- Cultural factors provide the most extensive and profound influence on customer behavior. The new

marketer knows the role played by the buyer's culture, sub-culture, and social class. Culture is the most basic cause of one's wants and behavior. Each group or society has a culture of buying behavior. There is a massive difference from one country to another. Failure to adjust for differences can lead to ineffective marketing. Subcultures are a smaller part of a culture or group that has the same value system based on life experiences and situations. The sub-culture consists of nationality, religion, group, race and geographical area. Subcultures form a significant market segment; companies can design products and marketing programs tailored to customer needs. Social class is a relatively permanent and regular division of society with members of similar values, interests, and attitudes. Social class shows the selection of specific products and brands.

- Customer behavior is also influenced by social factors such as small groups, families and the role and social status of customers. The group has direct influence, and a member is a membership group. The reference group serves as a point of comparison for direct or indirect reference in shaping one's attitude or behavior. Companies should be aware of the importance of group influence for the selection of products and brands to customers. Family members can influence customer behavior. The family is the essential customer purchasing organization in the community. Marketers are interested in the role and influence of husbands, wives, and children on purchasing various products and services. One of the family members has an influential role in the decision to purchase a product or service. The role consists of the activities one is expected to do according to the people around them. Each role carries a status that reflects the respect given by the community. People often choose products that show status in society.
- Buying decisions are also influenced by personal characteristics such as age, and life cycle, employment, economic situation, lifestyle and customer's personality and self-concept. People change products and services purchased throughout life. The needs and tastes of a person will change with age. The family life cycle stage forms the purchase. Marketers should pay attention to changes in buying interest that occur, related to the human life cycle. One's work affects the products and services they buy. Thus marketers can identify groups related to positions that have an above average interest in the product. The state of the economy affects the choice of the product by the customer. As the economy declines, customers tend to be sensitive to prices and product changes. People who come from the same sub-culture, social class, and work can have different lifestyles.

Lifestyle is the pattern of one's life embodied in the activities, interests, and income. Each person has a distinctive personality that affects buying behavior. Personality is a unique psychological characteristic of a person that causes a relatively consistent and lasting response to his or her environment.

- The choice of a product a person purchase is further influenced by four important psychological factors: motivation, perception, knowledge, and beliefs and attitudes. Of the existing needs, many are not strong enough to motivate a person to act at any given moment. A need turns into a motive when the need has reached a certain level. A motive is a need that is enough to pressure a person to pursue satisfaction. Someone who is motivated is ready for action how perceptions of the situation influence people act. Two people in the same motivation and purpose of the same situation may act differently because of their different perceptions of the situation. Perception is the process through which people choose, organize, and interpret information to form a meaningful picture of the world.
- If acting, people learn. The learning process explains the changes in one's behavior arising from the experience and outcomes of the learning process. One's learning is produced through encouragement, stimulation, cues, responses, and reinforcement. Marketers can build product demand by connecting it with a strong push by using motivational cues and by giving positive cues. Through action and learning process, people gain confidence and attitude that then affect customer behavior. Belief is a clear thought that someone has about something while attitude is the evaluation, feelings, and tendencies of a person towards a relatively logical object or idea.

## METHODOLOGY

### Data Collection

The emergence of taxi-based online applications makes consumer behavior change. Passengers who initially are not priced sensitive feel different when using an online taxi. Passengers get a lower price with excellent service quality that even exceeds Blue Bird. The quality service is a differentiation factor. The competitors also own that. Passengers who initially did not care about the Blue Bird tariff, are now starting to compare with the tariffs rivaled. Moreover, even taxi-based online applications change consumer behavior on mass transportation passengers such as buses or public another transportation to switch using taxi-based online applications because the tariff provided is quite affordable with the facilities and quality of services provided. The difference between Blue Bird taxi fares and taxi based on online applications can be seen in the following table.

**Table-1: Tariff comparison**

	Blue Bird	Go Car	Grab Car	Uber
Basic Rate	Rp. 6.500	Rp. 10.000	Rp. 10.000	Rp. 7.000
Rate Per Km	Rp. 3.500	Rp. 3.500	Rp. 3.500	Rp. 2.850
Minimum Payment	Rp. 30.000	Rp. 10.000	Rp. 10.000	Rp. 7.000
Rate Per Minute	Rp. 350	-	-	Rp. 500
Cancellation Fee	Rp. 10.000	-	-	-

Table 1 shows the difference fare between Blue Bird taxi and online taxis. Blue Bird has a higher minimum rate than other taxis. It also has an uncertain tariff indicated by the rate per minute. If the streets are jammed, or the driver is driving slowly, then the tariff will continue to increase in price which makes passengers feel uncomfortable. The phenomenon described previously shows decreased competitive advantage in Blue Bird. Quality service that was initially a differentiating factor for Blue Bird, now become commonplace that also owned its competitors. Blue Bird which was able to provide high tariffs, now must implement a low-cost strategy (cost leadership) to win the competition. Blue Bird's competitors are online taxis like Grab Car, Go Car and Uber who use the app

to make Blue Bird taxi has a significant weakness than its competitors. Blue Bird which initially can only order conventionally by phone or call directly when seen on the street is now making an online application just like its competitors called My Blue Bird. Blue Bird collaborates with one of its rivals Go-Jek. In the Go-Jek app, there is a feature where Go-Jek app users can also order Blue Bird by using the Go-Jek app by selecting Go-Blue Bird feature.

From the results of initial observations on Blue Bird passengers. Is obtained where from 10 people, there are eight people who complained against the Blue Bird and decided to move to an online taxi.

**Table-2: Passenger complaint**

Complaint	Quantity
Expensive tariff	1
Uncertain tariff	3
Slowly driver	2
Driver extends route	2
Total	8

Table 2 shows the number of passenger complaints regarding tariffs and drivers that make passengers decide to move to an online taxi. Passengers complain that rates are rapidly accelerating due to

congested roads, drivers are deliberately slowing down the pace of their vehicles, and naughty drivers are deliberately turning on the route of travel to increase passenger fares.

**Table-3: Initial Passenger Observation**

Statement	Respondent										Total
	1	2	3	4	5	6	7	8	9	10	
Ever booked a taxi with My Blue Bird app	√										1
Ever booked a taxi with the Go-Blue Bird app					√	√					2
Never book a taxi by phone/call directly	√	√	√	√	√	√	√	√	√	√	10
Having My Blue Bird app	√						√				2
Having Go-Blue Bird (Go-Jek) Application		√	√	√	√	√	√	√	√	√	9

Table 3 shows from 10 people only one person who has booked a taxi using My Blue Bird app, two people who have booked through the Go-Blue Bird app and all respondents ever booked a taxi by phone/call directly. There are only two people who own My Blue Bird app on their smartphone. Based on the data, it

appears that Blue Bird has not maximized the utilization of e-marketing in the company as its competitors did.

**Research Variable**

Operationalization of research variables aims to see how far the variables of a factor related to other

factors. The operational definition of this research is as follows:

- Competitive Advantage (X1) is an advantage owned by a company compared to its competitors in the market.
- E-Marketing (X2) is a company's efforts to inform, communicate, promote and market its products and services via the Internet [3].

- Purchase Decision (Y) is the choice of two alternative purchase decision choices, meaning that one can make decisions must be available some alternative options.

**Table-4: Operationalization of Research Variables**

Variable	Operational Definition	Dimension	Indicator	Measurement
Competitive Advantage (X <sub>1</sub> )	It is an advantage owned by Blue Bird taxis that are not owned by its competitors.	1. Cost Leadership	- Tariff is cheap and certain	Likert
		1. Differentiation	- Ease of booking - Provide comfort and security	
		2. Focus	- Focus on transportation services	
E-Marketing (X <sub>2</sub> )	As a Blue Bird taxi effort to inform, communicate, promote and market its services over the internet.	1. Co-creation	- Companies engage customers in creating new promotions - Passengers play a role in assessing the services offered	Likert
		2. Currency	- Flexible rates	
		3. Conversation	- Routine do promotion on the internet - The existence of corporate interaction with passengers on the internet	
		4. Communal Activation	- Active on community/fan page in social media - Actively inform the community	
Purchasing Decision (Y)	The process of prospective passengers of Blue Bird in deciding to choose between Blue Bird taxi or its competitors	1. Pengenalan masalah	- Decision to use Blue Bird taxi based on need	Likert
		2. Pencarian Informasi	- The decision to use Blue Bird taxi based on the information received	
		3. Evaluasi Alternatif	- Comparing companies with competitors	
		4. Keputusan Pembelian	- Decision to choose Blue Bird Taxi from other taxi	

Table 4 shows the variables used to determine purchasing decision of users on Blue Bird services.

**Validity Test**

Validity test is used to measure the validity or validity of a questionnaire. A questionnaire is said to be valid if the statement on the questionnaire can reveal

something that will be measured by the questionnaire. In this research, validity measurement is done by product moment correlation technique. Validity test in this research will be conducted on the students of Master of Management Universitas Sumatera Utara because it is considered to have the same conditions with Master of Management Science students, amounting to 30 respondents outside the sample research. Measurement of validity is done per item of the indicator in the instrument of the questionnaire. Validity test is done by comparing the value of r count with r table for the degree of freedom (df) = n-2. If r arithmetic > r table and its value are positive, then the questionnaire question is declared valid. In this case, n is the number of samples, then obtained degree of

freedom (df) = 30 - 2 = 28 with  $\alpha = 0.05$ , then r table is 0.361. Calculation of validity test is done by using SPSS 24.0 program.

**Instrument Validity Test Result of Competitive Advantage (X1)**

Table 5 shows that of the eight instruments of the statement there are six instruments of statements that meet the criteria  $r \text{ arithmetic} > r \text{ table}$  (0.361) and two instrument statements that do not meet the criteria that are the value of r count < r table (0.361). Thus, it can be concluded that only six instrument statements that can be proposed as a research indicator of competitive advantage variables that meet the validity requirements that can be used in research.

**Table-5: Instrument Validity Test Result of Competitive Advantage**

Dimension	Indicator	Question	r count	r table	Result
<i>Cost Leadership</i>	The rates are cheap and certain	Blue Bird taxi fares are cheaper than other taxis	0,65	0,361	Valid
		Blue Bird Taxi gives a definite rate	0,67	0,361	Valid
<i>Differentiation</i>	Ease of booking	Blue Bird Taxis are very easy in booking	0,14	0,361	Not Valid
		I did not have to wait long when ordering a Blue Bird taxi	0,72	0,361	Valid
	Provide comfort and security	I feel comfortable when I take a Blue Bird taxi	0,68	0,361	Valid
		I feel safe when I take a Blue Bird taxi	0,46	0,361	Valid
<i>Focus</i>	Focus on transportation services	Blue Bird focus on transportation	-0,2	0,361	Not Valid
		Blue Bird's taxi focussed on transportation, making Blue Bird excel in its field.	0,38	0,361	Valid

**Instrument Validity Test Result of E-Marketing (X2)**

Table 6 shows that the test results of e-marketing variables have the value of r count > r table

(0.361). Thus, it can be concluded that each instrument statement proposed as an indicator of research variables e-marketing has met the criteria of validity so it can be used in research.



**Table-6: Instrument Validity Test Result of E-Marketing**

Dimension	Indicator	Question	r count	r table	Result
<i>Co-Creation</i>	Companies engage customers in making new promotions	I can advise you on new products Blue Bird will make	0,71	0,361	Valid
		Blue Bird always provides comment fields for new products to be created	0,85	0,361	Valid
	Companies engage customers in making new promotions	I can judge the driver	0,83	0,361	Valid
		I can judge the comfort provided	0,78	0,361	Valid
<i>Currency</i>	Flexible rates	Blue Bird taxi fares are subject to change at any given time	0,88	0,361	Valid
		Blue Bird taxi fares are subject to change according to the number of requests at a particular location	0,77	0,361	Valid
<i>Conversation</i>	Routine do promotion on the internet	Blue Bird Taxi always give interesting promos	0,83	0,361	Valid
		I'm always notified when there's a new promo	0,79	0,361	Valid
	The existence of corporate interaction with passengers on the internet	Blue Bird always provides comment fields for any given promotions	0,73	0,361	Valid
		I can give criticism and suggestions and to the company easily	0,74	0,361	Valid
<i>Communal Activation</i>	Active on community/fan page on social media	Blue bird actively provides information on the community / fan page in social media	0,67	0,361	Valid
		I follow all the information provided on the Blue Bird community / fan page in social media	0,78	0,361	Valid
	Active on community/fan page on social media	Blue bird often do promotion in community / fan page	0,62	0,361	Valid
		I always get promotions done in the community / fan page	0,72	0,361	Valid

**Instrument Validity Test Result of Purchasing Decision (Y)**

Table 7 shows that the result of the testing instrument of purchase decision variable has r count > r

table (0,361). Thus, it can be concluded that each instrument of the proposed statement as an indicator of research variable purchase decision has met the criteria of validity so that it can be used in research.

**Table-7: Instrument Validity Test Result of Purchasing Decision**

Dimension	Indicator	Question	r count	r table	Result
Problem Introduction	The decision to use a Blue Bird taxi is based on need	I decided to use a Blue Bird taxi because the services provided suited my needs	0,88	0,361	Valid
		I decided to use a Blue Bird taxi because of the comfort given to me	0,78	0,361	Valid
Search Information	The decision to use Blue Bird taxi based on the information received	I decided to use a Blue Bird taxi based on information I got through my relatives	0,74	0,361	Valid
		I decided to use Blue Bird taxi based on the information I got through social media	0,81	0,361	Valid
Alternative Evaluation	Comparing companies with competitors	I decided to use a Blue Bird taxi because the services provided by Blue Bird are better than their competitors	0,84	0,361	Valid
		I decided to use a Blue Bird taxi because Blue Bird taxi fares are cheaper than its competitors	0,79	0,361	Valid
Buying decision	The decision to choose a Blue Bird taxi from the Other taxi	I decided to use a Blue Bird taxi from the other taxi	0,61	0,361	Valid
		I'm sure Blue Bird taxis are better than other taxis	0,57	0,361	Valid

## RESULTS AND DISCUSSION

### Effect of Competitive Advantage on Passenger Decision

The results prove that partially competitive advantage to positively and significantly influence the decisions of passengers using Blue Bird taxi. From the partial test results (t-test) shows that the value of  $t_{\text{arithmetic}} > t_{\text{table}}$  of competitive advantage (X1) is  $2.285 > 1.66$  and significant value for competitive advantage of  $0.025 < \alpha 0,05$ . The results showed that the hypothesis was accepted. It proves that the better the competitive advantage of a company will increase purchasing decisions, otherwise if the competitive advantage in a bad company will decrease the purchase decision. Based on respondents' answers related to competitive advantage known most of the customers answered in the category less agree. These results indicate that the advantage of competing on the Blue Bird taxi is still not right in the eyes of passengers. Blue Bird taxi passengers disagree that the rates Blue Bird taxis charge are cheaper than other taxis and also the uncertain Blue Bird taxi fares.

Blue Bird Taxis has a high minimum rate of Rp. 30.000, - and the rate per minute that will continue to increase during the taxi runs that make Blue Bird taxi fares are more expensive than its competitors are taxi-based online applications. Taxi-based online applications have a fixed rate that is only determined based on mileage and tariffs that have been determined from the beginning. Although Blue Bird taxi booking using My Blue Bird app (not using the meter), the rates

that appear in the application is also uncertain for example Rp. 17.000 - Rp. 25.000. This makes passengers decide not to use Blue Bird taxis and choose to use another taxi. Passengers did not feel quality service that should be a differentiation factor on Blue Bird taxi. Passengers still have to wait long when ordering Blue Bird taxi. Comfort and safety are still not felt passengers. The passengers still feel the driver's hospitality, so the passengers feel bored during the trip and feel uncomfortable. Competitive advantage is a benefit that exists when a company has and produces a product or service viewed from its target market better than its nearest competitor [5]. Competitive advantage becomes crucial as companies enter highly competitive markets, where short-term and even long-term success will be determined by a firm's ability to build a strong base for sustainable excellence better than those of its competitors in the market it serves. It is in line with research conducted by Lenggogeni and Ferdinand [4] which states that The higher level of competitive advantage of a company, the higher the level of purchasing decisions made by consumers.

### Effect of E-Marketing on Passenger Decision

The results prove that partially e-marketing has a positive and significant impact on the decision of passengers using Blue Bird taxi. From the partial test results (t-test) shows that the value of  $t_{\text{arithmetic}} > t_{\text{table}}$  of competitive advantage (X1) is  $8.730 > 1.66$  and significant value for competitive advantage of  $0.000 < \alpha 0,05$ . The results showed that the hypothesis was accepted. It proves that the better e-marketing

utilization of a company then the purchase decision will increase, otherwise if the utilization of e-marketing in a bad company will decrease the purchase decision. Based on respondents' answers related to e-marketing is known most of the customers answered in the category less agree. It shows that passengers feel the utilization of e-marketing on the Blue Bird taxi less. Passengers feel the lack of promo-promo given Blue Bird taxi to passengers caused by lack of information received passengers. Passengers are also difficult to provide criticism and advice to drivers because of the lack of interaction between the company and its passengers. This shows the lack of utilization of e-marketing on Blue Bird taxi which will impact on the low decision of passengers to use Blue Bird taxi.

E-marketing describes the company's efforts to inform, communicate, promote and market its products and services via the internet. The existence of e-marketing is one of the promising promotional alternatives to be implemented at this time, because e-marketing provides various facilities for both parties, both from the Company and from the consumer. From the side of the company can facilitate in promoting or marketing products with a cost that is not too expensive and can be reached until the whole world, while the consumer can facilitate in getting information about the product being sold and expand the information about the product. The implementation of e-marketing significant effect on purchasing decisions. The variable benefits in the transaction include the ease of transacting then the ease in obtaining information about the product sought up to the practicality of personal shopping is more influence consumer purchasing decisions through online media.

#### **Effect of Competitive Advantage and E-Marketing on Passenger Decision**

The results showed that simultaneously competitive advantage and e-marketing have a positive and significant effect on the decision of passengers using Blue Bird taxi. The Fcount of 74.346 is more significant than Ftable of 3.09 with a significant level of 0.000 smaller than the alpha 0.05 (5%) indicating that the hypothesis is accepted. It means that if the competitive advantage and e-marketing increasingly improved, then the purchase decision will also increase.

Based on respondents' answers related to purchasing decisions known to most customers answered less agree. It indicates that passengers decided not to use Blue Bird taxis because the services and comforts that Blue Bird taxis provide do not suit the needs of passengers. Blue Bird taxi passengers who were initially insensitive to prices have now changed since an online taxi. Passengers will decide to use taxis with cheap rates and with excellent service quality as well. Passengers also received no information about the Blue Bird taxi that made passengers decide to use a

Blue Bird taxi. The promo provided by Blue Bird taxi is also unusable for most people, only certain people can use it like "30% special discount for certain credit card users".

Purchasing decision is the choice of two alternative purchase decision choices, meaning that one can make decisions must be available several alternative options. The decision to buy can lead to how the decision-making process is done [11]. Purchasing decisions are a process whereby the consumer knows the problem, searches for information about a particular product or brand and evaluates how well each of these alternatives can solve the problem, which then leads to a purchase decision [11].

#### **CONCLUSIONS**

Based on the results of research and discussion through the proving hypothesis on the issues raised about the influence of competitive advantage and e-marketing to the decisions of passengers using Blue Bird taxi, then this study concluded that the three hypotheses proposed in this study accepted. The conclusions of this study are:

- Partial competitive advantage positively and significantly influence the decision of passengers by using Blue Bird taxi. It explains the advantages of competing with indicators consisting of cost leadership, differentiation and focus provide a positive and significant impact on purchasing decisions. It proves that the better the competitive advantage of a company will be able to improve purchasing decisions.
- E-Marketing is partially positive and significant impact on the decision of passengers using Blue Bird taxi. It explains that e-marketing with indicators consisting of co-creation, currency, conversation and communal activation give a positive and significant influence on purchasing decisions. It proves that the better utilization of e-marketing of a company will be able to improve purchasing decisions.
- Competitive advantages and e-marketing simultaneously have a positive and significant impact on passenger decisions using Blue Bird taxi. It proves that the better the benefits and e-marketing of a company will be able to improve purchasing decisions.

#### **Future Scope**

After analyzing and producing some conclusions on the research that has been done on Blue Bird, as for things that can be suggested that the author can be the input and attention for the Blue Bird, such as:

- To increase competitive advantage, Blue Bird is expected to be a low-cost leader to win the competition. To be able to create low cost, Blue

Bird must meet the requirements in two fields namely resources and organization. Blue Bird should have the advantage in the field of resources that has a low promotional costs and partnership system with the driver. While from the field of organization, Blue Bird must have the ability to control costs tightly, good control information, targeted incentives (allocation of results-based incentives).

- Blue Bird needs to improve the differentiation strategy of quality service as previously applied to Blue Bird.
- It is expected that Blue Bird is more utilizing the internet in its marketing activities by more actively doing promotions on websites and social media. By actively doing promotions on websites and social media, Blue Bird, also, to attract passengers to use the Blue Bird can also save promotional costs.
- This research can later be used as a reference for further research related to the concept or theory that supports the knowledge of marketing management, that is about the competitive advantage, e-marketing, and purchasing decisions. Besides, other researchers should examine other variables such as location, service quality and customer satisfaction by combining this research with other studies that have been done, so it is known the relationship of various variables that can measure purchasing decisions.

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