

ABSTRACT

This research is based on the number of public refueling station (Spbu) Supply Point companies of Semarang Group whose product quantity level decreased as result of decreasing company performance. Some researchers believe that the cohesiveness and quality of business strategy is the most effective way to improve business performance and competitive advantage in service companies.

Therefore, this study aims to analyze the influence between the cohesiveness of the product area, the quality of business strategy and competitive advantage and the factors that affect business performace. Data were obtained from a questionnaire filled by 120 companies of public fueling stasion operating in semarang. Data were analyzed with Structural Equation Modeling (SEM) using AMOS software.

The result of this study indicate that the cohesiveness of the produk area has a positive effect on competitive advantage, the cohesiveness of the product area has a positive effect on the company performance, the quality of business strategy has a positive effect on the competitive advantage, the quality of business strategy has a positive effect on the company performance and the competitive advantage has a positive effect on the company performance

Keywords: cohesiveness of area products,quality business strategy,competitive advantage, business performance