

ABSTRACT

LPG fuel this present moment is a vital requirement for the people of Indonesia, where the need is increasing along with population growth is also increasing. But market size is not offset by the ability of agents to be able to maintain the LPG business. For that needed competitive advantage for LPG Agencies are not only superior LPG Agencies compete amongst themselves to compete but also excel in developing their business.

Creating competitive advantage is very important when companies enter the competitive market. Steps can be taken in creating a competitive advantage in a company is if the company has a good quality of business strategy. The quality of a good business strategy can be realized in a company if it is supported by strategic orientation, leadership orientation, and environmental adaptability.

Sampling in this study carried out in accordance with its population of 102 respondents. Data is collected using koesioner distributed to all LPG Agencies in Semarang city and its surroundings. Engineering analysis of the data used is Structural Equation Model (SEM).

Based on the results of data analysis can be seen that these three variables namely strategic orientation, leadership orientation, and adaptability of the environment affects the quality of business strategy in enhancing competitive advantage. The most influential variable is the leadership orientation. This is because a leader has a very important role. The leader is the decision maker, where eventually the entire management of the company can try to improve the quality of its business strategies, thus increasing competitive advantage over other companies.

Keyword: LPG Agencies, competitive advantage, quality of business strategy, leadership orientation, environmental adaptability, strategic orientation.