## **ABSTRACT**

Competitive Advantage is a manifestation that a company is unique and differentiates from competitors, when the company has achieved a competitive advantage it can have a positive impact on Company performance. This study analyzes the factors that affect the performance of the coal shipping company (East Kalimantan route), namely Market Orientation (X1), Innovation Strategy (X2) and Competitive Advantage as intervening.

The sample of this study amounted to 95 respondents who were then given a questionnaire to be answered by the respondent, but 63 questionnaires returned, so that the processed data were 63 respondents. The sample is determined by using the census method, which is to provide equal opportunities to the research population. In this study, the respondents were the Senior Manager / Dept. Head of coal shipping company (East Kalimantan route). The tool used to analyze the data is Partial Least Square (PLS) 3.0 with the Structural Equation Modeling (SEM) method.

The results of this study indicate that the overall hypothesis can be accepted. The factors that have a significant positive effect are Market Orientation (X1), Innovation Strategy (X2) on Competitive Advantage (Y1) and factors that have a significant direct influence on Company Performance (Y2), namely market orientation and innovation strategy.

Keywords: Market Orientation, Innovation Strategy, Competitive Advantage, and Company Performance.