

***STRATEGIC MANAGERIAL ANALYSIS OF PT MULTI MEDIKA RAHARJO: A
COMPETITIVE ADVANTAGE APPROACH***

**ANALISIS MANAJERIAL STRATEGIS PT MULTI MEDIKA RAHARJO:
PENDEKATAN KEUNGGULAN KOMPETITIF**

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ABSTRACT

The vast development of medical device industry has led to the establishment of medical device distributor as a key agent in ensuring product availability, quality, and regulatory compliance. PT Multi Medika Raharjo is a medical device distributor company established in 2005, whose distribution focus primarily in Central Java and DIY. The COVID-19 pandemic along with the regulations of the Ministry of Industry and Ministry of Health encouraging the use of domestic production equipment, marked a leap on the medical device distributor company development, and the higher level of competition between companies. This study aims to analyze the competitive advantage strategy of PT Multi Medika Raharjo. Employing qualitative approach, this study examined the competitive advantage strategy of PT Multi Medika Raharjo, based on the data collected in the field. The primary data were obtained from in-depth interview techniques and observations involving the company CEO, technical manager, and marketing staff. The secondary data were obtained through literature review. In analyzing the data, the researcher implemented Porter and Houma's competitive advantage theory. The study concluded that there are several competitive advantage strategies implemented by PT Multi Medika Raharjo. The company established HR development to improve the quality of synergistic product output, acquired CDAKB and ISO 9001:2015 certification and ensures that the sub-distributors acquired the same certification to maintain the quality of a product. Furthermore, PT Multi Medika Raharjo aims to conduct their business mainly in Central Java and DIY area to be able to identify their target segments by conducting in-depth market analysis.

Keywords: MSMEs, SWOT analysis, business development strategy, IFAS–EFAS Matrix, business competitiveness

ABSTRAK

Perkembangan pesat industri alat kesehatan telah menyebabkan terbentuknya distributor alat kesehatan sebagai agen kunci dalam memastikan ketersediaan produk, kualitas, dan kepatuhan terhadap peraturan. PT Multi Medika Raharjo adalah perusahaan distributor alat kesehatan yang didirikan pada tahun 2005, yang fokus distribusinya terutama di Jawa Tengah dan sektor DIY (Do It Yourself). Pandemi COVID-19 beserta peraturan Kementerian Perindustrian dan Kementerian Kesehatan yang mendorong penggunaan peralatan produksi dalam negeri, menandai lompatan dalam perkembangan perusahaan distributor alat kesehatan, dan tingkat persaingan yang lebih tinggi antar perusahaan. Studi ini bertujuan untuk menganalisis strategi keunggulan kompetitif PT Multi Medika Raharjo. Dengan menggunakan pendekatan kualitatif, studi ini meneliti strategi keunggulan kompetitif PT Multi Medika Raharjo, berdasarkan data yang dikumpulkan di lapangan. Data primer diperoleh dari teknik wawancara mendalam dan observasi yang melibatkan CEO perusahaan, manajer teknis, dan staf pemasaran. Data sekunder diperoleh melalui tinjauan pustaka. Dalam menganalisis data, peneliti menerapkan teori keunggulan kompetitif Porter dan Houma. Studi ini menyimpulkan bahwa terdapat beberapa strategi keunggulan kompetitif yang diterapkan oleh PT Multi Medika Raharjo. Perusahaan telah membangun pengembangan SDM untuk meningkatkan kualitas output produk sinergis, memperoleh sertifikasi CDAKB dan ISO 9001:2015, serta memastikan bahwa sub-distributor memperoleh sertifikasi yang sama untuk menjaga kualitas produk. Lebih lanjut, PT Multi Medika Raharjo bertujuan untuk menjalankan bisnisnya terutama di Jawa Tengah dan area DIY (Do It Yourself) agar dapat mengidentifikasi segmen targetnya dengan melakukan analisis pasar yang mendalam.

Kata kunci: UMKM, analisis SWOT, strategi pengembangan usaha, Matriks IFAS–EFAS, daya saing usaha

INTRODUCTION

Healthcare Equipment Distributors, hereinafter referred to as PAK, are legal entities that are licensed to procure, store, and distribute large quantities of healthcare equipment in accordance with regulations (Permenkes, 2010). One PAK may be able to deliver or operate its business beyond the city limits, so it is not restricted to the area where the PAK is located. Even today, in an effort to improve the efficiency and effectiveness of the decision-making process for selecting medical device suppliers, there are several systems that can be used, such as PROMOTHEE and SMART (Annisa, 2022).

PT Multi Medika Raharjo (MMR) is the largest medical equipment distribution company in Central Java, Indonesia. Within its business chain, MMR focuses on the distribution of medical supplies, particularly laboratory equipment. Founded in 2005, MMR began its operations by selling pregnancy test kits from pharmacy to pharmacy. This company, established in 2005, began its operations by selling pregnancy test products from pharmacy to pharmacy across Central Java and Yogyakarta. In 2014, MMR began implementing significant improvements, including an IT-based distribution system, human resources management reforms, and other initiatives. These improvements continue to be made in response to the company's business competition in the medical device industry, such as obtaining ISO 9001:2015 and CDAKB quality certification. This certification is proof of PT Multi Medika Raharjo amidst increasingly intense competition, to continue to grow and maintain its business capabilities in order to have good competitiveness so that it can provide high-quality medical devices.

Toto and Poerbantoro (2007) stated that differentiation strategy implementation has established a remarkable impact in achieving competitive advantage in service quality in a hospital located in Semarang. In 2021, Nurfajriani et. al. analyzed the strategy of achieving competitive advantage of a hand sanitizer product based on product innovation variable, which result showed that 70,9% price and brand reputation achievement is mainly influenced by product innovation. Fiqih et. al. (2022) conducted research examining business strategy in Kimia Farma located in Depok and Bogor City, focusing on product assortment as the main variable, resulting that it acquires great impact for the company reputation. Samudra et. al., (2015) stated that cost advantage captures customers' interest, it is shown in his research regarding the competitive advantage of Prima Medika Maternity Hospital in Ciputat, South Tangerang.

This research attempts to examine the strategy of PT Multi Medika Raharjo according to Porter's Competitive Advantage Approach, in competing with the other medical device distributor company using the competitive advantage approach. There is still little research conducted analyzing competitive advantage according to Porter for the healthcare industry/pharmaceutical industry, especially for medical device distributors (PAK). The large number of medical equipment distributors (PAK) importing goods from abroad, coupled with the increase in domestic production of medical equipment, has forced PT Multi Medika Raharjo to consider the strategies it needs to adopt in order to gain a competitive advantage. Based on business phenomena, previous research, and the issues presented, the competitive advantage strategy at PT Multi Medika

Raharjo needs to be analyzed with the hope of achieving a competitive edge.

LITERATURE REVIEW

Porter Advantage Competitive Theory (1980)

Porter (1980) describes competitive advantage as: "Competitive advantage essentially develops from the value that a company is able to create for its buyers that exceeds the company's costs in creating it. According to Porter, competitive advantage is also defined as the ability obtained through the characteristics and resources of a company to perform better than other companies in the same industry or market. In his book Porter (1980) stated that there are three strategies that can be used by a company to achieve competitive advantage. These three strategies are differentiation strategy, cost-leadership strategy, and focus strategy. Additionally, Porter also identifies competitive strategies that include five industry forces: the threat of new entrants, the threat of substitute products, the bargaining power of suppliers, the bargaining power of buyers, and industry competition.

Hou Ma Competitive Advantage Theory (2000)

This study also applies the supporting theory of competitive advantage competition proposed by Hou Ma (2000). In a literature study conducted by Hou Ma in comparing several theories for achieving competitive advantage, the following points were found: (1) Competitive advantage and performance are two different constructs. (2) If competitive advantage, either position or resource is used casually as a surrogate or superior. (3) Competitive advantage does not directly guarantee superior performance (Hou Ma, 2000). This perspective

suggests that to achieve competitive advantage, one cannot solely rely on a single theoretical foundation such as cost leadership or differentiation strategy. To achieve absolute competitive advantage, synergy, it requires a combination of several individual advantages. Hou Ma (2002) proposed holistic conceptual framework by integrating strategic management theory, the resource-based view, and customer orientation. This approach emphasizes that sustainable competitive advantage is the result of optimal synergy between internal capabilities, sustained innovation, and customer value creation that is responsive to changes in the business environment (Long, 2012).

METHODOLOGY

This study employed qualitative research design, implementing case study approach. The research was conducted at PT. Multi Medika Raharjo, located at Jl. Ronggolawe Sel. No.3, Gisikdrono, Kec. Semarang Barat, Kota Semarang, Central Java, from July to September 2024. The reason for conducting the research is that PT MMR, as the largest medical equipment distributor in Central Java, consistently innovates in its business operations to gain a competitive edge in the medical equipment distribution industry. This reason aligns with the background and title of the research chosen by the researcher. In collecting data, the research applied interview, observation, distributing form, and literature review. The interview was held involving 3 respondents from PT Multi Medika Raharjo, the CEO, one technical manager, and one marketing staff. In dividing respondents into categories, researchers divide them into three groups, namely key respondent, primary respondent, and supporting respondent. Furthermore, the data were validated

using triangulation method, in order to minimize bias during the data collection process.

In interpreting the data in this study, the research applied interpretative approach. This orientation allows researchers to interpret social and human activities as texts. In other words, human behavior can be viewed as a set of symbols that reveal layers of meaning. This approach provides a means to discover practical understanding of meaning and action. Researchers with a more general interpretive orientation (drama, symbolic interactionism, etc.) tend to systematize or reduce data to uncover patterns of human activity, behavior, and meaning. The interpretive approach assumes that our content—interviews, stories, and photos—is created to communicate.

RESULTS AND DISCUSSIONS

The results elaborated are interpreted from the interview, undergoing data triangulation and data interpretation, as follows:

Company Overview

PT Multi Medika Raharjo is a company based in Semarang, Central Java, specializing in the distribution of medical supplies, particularly laboratory equipment. The company was founded in 2005 and began its operations by selling pregnancy test products (HcG Pregnancy Test) from pharmacy to pharmacy across the Central Java and Yogyakarta regions. Seeing the enthusiasm of the public toward the products distributed by PT Multi Medika Raharjo, the company began implementing various improvements in 2014, including an IT-based distribution system, human resources management improvements, expanding the range of products distributed, and other initiatives.

In 2021, PT Multi Medika Raharjo has distributed hundreds of health products (mainly medical laboratory equipment) to almost all corners of Central Java and the Special Region of Yogyakarta. They have nearly 500 healthcare facility partners whose medical laboratory equipment needs are met, including Community Health Centers (Puskesmas), Hospitals of Types D/C/B/A, Maternity and Children's Hospitals, Delivery Hospitals, Primary/Secondary Clinical Laboratories, health clinics, and others. The products distributed by PT Multi Medika Raharjo are quite diverse. For immunology tests, the company offers several brands such as Wondfo and EKF. For biochemistry, the brand Erba is used. For hematology, Mindray, Erba, and Acon are utilized. For electrolyte and blood gas tests, the brands Wondfo, I-Smart, urine analyzer with Verify, Erba, Wondfo, I-Smart, urine analyzers with Verify, Erba, Acon, and for blood coagulation tests with Coalab, Erba, and Wondfo.

As a form of self-actualization in the business world, PT Multi Medika Raharjo always strives to improve and become even better, therefore the company has set future goals: (1) Expanding distribution areas (2) Increasing distribution capacity (3) Expanding the range of products distributed (4) Enhancing the well-being, professionalism, and work capabilities of the entire PT Multi Medika Raharjo family.

Company Strategy in Achieving Competitive Advantage through HR Development

PT Multi Medika Raharjo is a distributor of medical equipment. As a distributor, product development is the responsibility of the manufacturer. To remain competitive, PT Multi Medika

Raharjo has chosen to develop the capabilities of its human resources. This policy was adopted by the director as one way to address market needs, where currently, interpersonal communication and service from company employees are crucial. As stated in the interview results shared by the key respondent,

“I feel it would be better to prioritize developing my human resources rather than focusing on developing products, hoping that when my human resources provide good service, customers will trust my company more, and manufacturers will also trust PT Multi Medika Raharjo as their distributor.” (Interview, Key Respondent, 2024)

It is clear that the CEO considers the quality of human resources within his company to be very important. He also added that he often asks manufacturers to provide training so that employees have a better understanding of the products being sold (product knowledge) and have the latest information on issues or important matters relevant to the market and related to the products being sold.

The approach used by PT Multi Medika Raharjo to develop human resource capabilities aligns with several journals that also emphasize the importance of a company's services. In a study by Schuh et al., it is explained that companies operating in the capital goods industry are increasingly integrating products and services as part of their growth strategies (Schuh et al., 2014). Mardikaningsih (2021) studied the impact of various aspects of service quality on customer satisfaction, showing that service quality can influence customers' perceptions of the value they receive. This aligns with the view that services, like products, must

meet certain standards to fulfill customer expectations. Furthermore, Utama (2024) emphasizes the importance of service quality in building customer loyalty, indicating that services are not merely activities but also products that contribute to the overall customer experience. This research underscores that good service quality can enhance positive perceptions of the brand and products offered by the company. This indicates that service can be viewed as a product that has a direct impact on customer loyalty.

In addition, the technical manager schedules training sessions that are also attended by manufacturer representatives who accompany the marketing team on visits to customers, with the aim of boosting the marketing team's confidence when visiting customers to discuss issues and providing direct feedback on those issues. According to interviews with marketing staff, the impact of involving the manufacturer's team in visiting customers is not only felt by the marketing team but also by the customers themselves. Customers feel secure using the product because they receive attention not only from the distributor but also directly from the manufacturer's representatives. This is one of the strategies used by the marketing team to provide excellent service to customers, with the aim of gaining their trust and competing effectively against other distributors and products. PT Multi Medika Raharjo recognizes that the products they sell are not merely commercial goods but also services provided by the company's human resources, ensuring maximum service delivery to customers.

The technical manager also mentioned that in addition to product training, they discuss current issues in the field. Quoting from a technical

manager statement, he often invites training material providers to conduct joint visits. A joint visit is an activity where the manufacturer's team visits several customers of PT Multi Medika Raharjo together with the marketing team or those responsible for those customers. The purpose is for the manufacturer to directly hear and understand the issues occurring in the field. The hope is that the manufacturer will respond more quickly if there are any issues related to product performance.

In performing their duties, the technical responsible party and the marketing team must collaborate closely to ensure that the products or services being promoted and sold align with technical specifications and meet customer needs. In performing their duties, the technical manager and the marketing team must collaborate closely to ensure that the products or services being promoted and sold align with technical specifications and meet customer needs. Thus, both are required to establish a mutually beneficial symbiosis, supporting each other to achieve the company's sales objectives.

Company Policy in Enhancing Product Quality

Product development and competitive advantage have a close and mutually influential relationship in the context of modern business. Product innovation is one of the main drivers in creating sustainable competitive advantage. Research indicates that effective product innovation can enhance a company's competitiveness by differentiating products from competitors and meeting the evolving needs of customers (Udriyah et al., 2019). The research findings indicate that PT Multi Medika Raharjo is a medical device distributor that cannot

directly develop the products it sells. As a distributor, PT MMR can only provide feedback received when distributing/selling a product to the manufacturer for development and chooses to develop the competencies or capabilities of its employees.

PT Multi Medika Raharjo (PT MMR) always strives to improve its performance in running its business, including meeting the standards set by the government. In 2020, PT MMR obtained CDAKB (Good Medical Device Distribution Practices) certification from the Ministry of Health of the Republic of Indonesia. CDAKB is a certification for companies involved in the distribution of medical devices. The certification is issued by the Ministry of Health of the Republic of Indonesia to ensure that the distribution of medical devices is conducted in accordance with good standards and capable of producing products that can reach customers in good condition. According to an interview with the CEO, one way to select and maintain the quality of products traded by PT Multi Medika Raharjo is by following the procedures and requirements of CDAKB.

In selecting quality products, PT MMR conducts quality screening of the products themselves compared to competitors, while also considering shipping/logistics aspects. As a medical equipment distributor, PT MMR's target market is not only end users (hospitals, community health centers, laboratories, healthcare facilities, etc.) but also other companies with the same business line that act as sub-distributors for PT MMR. Mr. Alex, as the final point of an agreement between two or more companies, stated that he feels more comfortable collaborating with companies that also hold CDAKB certification. Thus, the effort to provide a quality product is not only undertaken

by PT MMR as the distributor but also by both parties along with the sub-distributors. Quoting from an interview with the technical manager, the issue of CDAKB certification began to be raised by the government in 2022 as one of the certifications that companies have good regulations and standards in distributing medical devices. In addition, medical device distributors are often required to have ISO certification, with the ISO code 9001:2015 regarding quality management. PT Multi Medika Raharjo conducts internal audits every semester to ensure the proper implementation of documentation and activities related to ISO 9001:2015 and CDAKB, and will have representatives from the ISO publisher for ISO 9001:2015. It also conducts external audits once a year with auditors from the Ministry of Health of the Republic of Indonesia for CDAKB, and ultimately, the goal of these two certifications is to ensure the quality of the products distributed to customers with good quality.

Product quality control is carried out in the kitchen and storage areas, which means in the manufacturing and warehouse areas. Although this is an obligation that must be observed by various departments, the marketing team is considered to contribute the least. The marketing team's task is to convey the message and meaning of quality itself so that customers are attracted to the products being sold. As a marketer, the marketing manager also emphasized that maintaining product quality is closely tied to their ability to perform daily tasks. During the initial interview, informants were asked about how to develop a product, and all informants stated that PT Multi Medika Raharjo views the product in question not only as the final product ready for sale, but also as a service product. The services provided are

related to the human resources capabilities of PT Multi Medika Raharjo.

Maintaining the quality of services provided by the Marketing Division of PT Multi Medika Raharjo involves actively participating in ensuring customer satisfaction. Customer satisfaction is an indicator that falls under the quality objectives of the ISO 9001:2015 certification. One of the key points included in the marketing quality objectives is responding to customer complaints within 24 hours. Once the marketing division has addressed the complaint, customers will provide feedback using a Likert scale to measure how satisfied they are with the service provided. The results of the Likert scale will be calculated, and the results of this calculation will be used as the division's performance metric. This performance metric will then be compared with the expected quality objectives and presented for evaluation during the management review meeting (MRM). This was stated by the CEO in the research interview.

The CEO revealed that PT Multi Medika Raharjo is a distributor of medical equipment with business coverage in Central Java and the Special Region of Yogyakarta (DIY). In determining its target market, PT MMR often holds internal meetings to discuss the company's position amid competition. The products distributed also play a part in determining the target market of PT Multi Medika Raharjo. Currently, PT MMR has at least one exclusive product and others been owned by PT MMR as complementary products. An exclusive product means that in the market area where PT MMR operates, which is Central Java and DIY, only PT MMR can distribute that product. Another strategy after determining its positioning, PT MMR also avoids direct competition with other

distributors carrying the same products. There are several hospitals, clinics, community health centers, or other healthcare facilities where the products are the same as those of other distributors, but the volume is small.

Company Strategy in Achieving Competitive Advantage through Target Segmentation

The specific target market of PT MMR is part of the marketing division, and the technical manager is responsible for maintaining the stability of the existing target market. The end users of PT MMR are not only healthcare facilities, but also other companies that are also engaged in the distribution of medical devices and act as sub-distributors of PT MMR. The difference in end users also makes the business and distribution methods different, for example, sub-distributors can purchase directly from PT MMR as the exclusive product holder, but various healthcare facilities require a slightly more complex approach with many challenges. The technical manager performs controlling to ensure that a healthcare facility that has become a target market for the business. In analyzing the target market, a deep understanding of product knowledge is required. This understanding of the product will enable the marketing team to analyze competitors and segment the market. Failure to understand the product will render the marketing team's performance ineffective and inefficient because it may target a market that is not suitable for the product being distributed/sold.

In determining the specific target market for the products sold by PT Multi Medika Raharjo, they must first have an understanding of the product. The determination of a specific target market has a significant correlation with a company's competitive advantage. This

strategy enables companies to better understand consumer needs and preferences, so they can offer more suitable and relevant products or services. One important aspect of determining the target market is market segmentation, which allows companies to identify groups of consumers with similar characteristics. By conducting proper segmentation, companies can tailor their marketing strategies and products to meet the specific needs of that segment (Purba et al., 2021).

Product knowledge is also one of the variables used in determining market segmentation. In a study by Ellis and Caruana, it was found that consumer knowledge about wine products can be used to identify different market segments, each of which requires a different marketing approach (Ellis & Caruana, 2018). By understanding the level of product knowledge among consumers, companies can tailor their marketing strategies to meet the specific needs of each segment. Good product knowledge enables companies to design products and services that better align with the preferences of the targeted market segment. Ying notes that a good understanding of market segments enables companies to tailor their product offerings, thereby enhancing their appeal and relevance in the market (Ying, 2024). This demonstrates that product knowledge not only aids in segmentation but also in the development of more targeted products. This shows that product knowledge not only helps in segmentation but also in developing more targeted products.

Product knowledge and service quality are mutually supportive. Both are important aspects of marketing strategy and service management. Good product knowledge among employees, especially in the customer service team, contributes significantly to improving the quality of

service provided to customers. This is because employees with a deep understanding of the product can more effectively meet customer needs and expectations, as well as provide accurate and relevant information (Ponsignon et al., 2011). In-depth product knowledge also enables the marketing team to provide accurate and relevant information to consumers, which in turn can enhance customer satisfaction. A study shows that good service and product quality positively contribute to customer satisfaction, which then influences their loyalty (Sholikhah & Hadita, 2023). This indicates that good product knowledge not only enhances the customer experience but also encourages them to return for purchases and impacts the company's stability and competitiveness in the market.

Hou Ma's Theory Relevance

Hou Ma's theory of competitive advantage emphasizes that sustainable competitive advantage involves external analysis of market conditions and competition, as emphasized by Porter, as well as internal company strengths, particularly in terms of innovation, knowledge management, and organizational adaptation. According to this theory, the creation of unique value stems from the synergy between internal processes—such as knowledge management, organizational transformation, and continuous innovation—and the dynamic and ever-changing market environment. Under this approach, companies must be able to integrate and communicate their internal strengths to create differentiation that is difficult for competitors to replicate, thereby supporting the sustainability of competitive advantage (Setyawati, 2017).

PT Multi Medika Raharjo is currently utilizing all available resources

to secure a leading position in the medical device distribution (PAK) competition, starting from developing human resources as a product, maintaining the quality of goods/commodities sold, and formulating market targets from business activities. In the optimization activities conducted by PT MMR, several points align with Hou Ma's competitive advantage study, including:

1. The synergy PT MMR implements to support the existence of a product through continuous human resource development is a strategic step to maximize internal factors owned by the company to achieve sustainable competitive advantage.
2. PT MMR also integrates Porter's theory from three perspectives—product development, maintaining product quality, and market analysis—with the Resource-Based View theory into a holistic framework to ensure that suppliers or distributors are integrated into a strategic partnership.
3. The collaboration between Porter's theory and Resource-Based View enables PT MMR to not only have an optimal competitive advantage, but also to create value that can be felt by customers. This correlates with Hao Ma's concept of performance, whereby the value created from competitive advantage will stimulate superior/progressive performance from a company.

CONCLUSION

Based on research findings, PT Multi Medika Raharjo (PT MMR) is a medical device distributor that does not manufacture finished products, but rather places customer service as an important part of the products they offer. Therefore, the company focuses on developing human resource

competencies to provide optimal service and consistently meet customer expectations. This strategy is seen as one of the efforts to maintain quality and reputation amid the competitive medical device industry. Additionally, PT MMR ensures compliance with various important certifications as proof of operational eligibility, including the CDAKB certificate from the Ministry of Health and ISO 9001:2015 certification from the relevant authorities. The implementation of these standards covers the entire distribution chain, from product selection, warehouse management, transactions, to delivery, with the aim of maintaining product quality and customer satisfaction. Compliance with quality standards also encourages each department to achieve their respective quality targets, ensuring that the quality of commercial products is maintained throughout the distribution process.

On a business scale, PT MMR operates in Central Java and Yogyakarta with a marketing strategy that emphasizes in-depth product knowledge. This knowledge helps the marketing team formulate product positioning and accurately determine the target market, while avoiding direct competition with other distributors offering similar products. Theoretically, this strategy is in line with Michael Porter's concept of competitive advantage, particularly differentiation and focus. PT MMR combines human resource development with specific market understanding to create added value, build corporate image, and maintain competitiveness in the local market. Based on research findings, PT Multi Medika Raharjo (PT MMR) is a medical equipment distributor that does not produce finished products but instead prioritizes customer service as an integral part of the products they offer. Therefore, the company

focuses on developing human resource competencies to provide optimal service and consistently meet customer expectations. This strategy is seen as one of the efforts to maintain quality and reputation amid the competitive medical device industry.

In addition, PT MMR ensures compliance with various important certifications as proof of operational feasibility, including the CDAKB certificate from the Ministry of Health and ISO 9001:2015 from the authorities. The application of these standards covers the entire distribution chain, from product selection, warehouse management, transactions, to delivery, with the aim of maintaining product quality and customer satisfaction. Compliance with quality standards also encourages each department to achieve their respective quality targets, ensuring that the quality of commercial products is maintained throughout the distribution process.

On a business scale, PT MMR operates in Central Java and DIY with a marketing strategy that emphasizes in-depth product knowledge. This knowledge helps the marketing team formulate product positioning and accurately determine target markets, while avoiding direct competition with other distributors offering similar products. Theoretically, this strategy aligns with Michael Porter's concept of competitive advantage, particularly differentiation and focus. PT MMR combines human resource development with specific market understanding to create added value, build corporate image, and maintain competitiveness in the local market.

PT Multi Medika Raharjo, a medical equipment distributor in Central Java and Yogyakarta that collaborates with various sub-distributors, maintains its competitive edge through human

resource development, compliance with CDAKB and ISO 9001:2015 standards, and in-depth analysis of product knowledge, positioning, and competitors. Research findings indicate that integrating business activities with Porter's competitive advantage theory encourages companies to identify product development potential, set pricing structures, maintain quality, and effectively determine target markets. However, this study is limited to the scope of local business operations, evaluations that have not considered external factors such as market conditions and regulations, and data sourced solely from internal company sources. Therefore, further research is needed to expand generalizations and deepen findings.

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